

**STATE OF NEW MEXICO  
GALLUP-McKINLEY COUNTY PUBLIC SCHOOLS  
FINANCIAL STATEMENTS AND REQUIRED  
SUPPLEMENTAL INFORMATION  
WITH ACCOMPANYING AUDITORS' REPORTS  
FOR THE YEAR ENDED JUNE 30, 2009**

(This page intentionally left blank.)

## **INTRODUCTORY SECTION**

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Table of Contents  
 June 30, 2009

	<u>Exhibit</u>	<u>Page</u>
<b>INTRODUCTORY SECTION</b>		
Table of Contents		4-7
Official Roster		9
<b>FINANCIAL SECTION</b>		
Independent Auditors' Report		12-13
Management's Discussion and Analysis		14-20
<b>BASIC FINANCIAL STATEMENTS</b>		
Government-wide Financial Statements:		
Statement of Net Assets	A-1	22-23
Statement of Activities	A-2	24-25
Fund Financial Statements:		
Balance Sheet – Governmental Funds	B-1	26-27
Reconciliation of the Balance Sheet to the Statement of Net Assets		29
Statements of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	B-2	30-31
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities		33
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual:		
General Fund	C-1	34
Impact Aid Indian Education Special Revenue Fund	C-2	35
Statement of Fiduciary Assets and Liabilities – Agency Funds	D-1	37
<b>NOTES TO THE FINANCIAL STATEMENTS</b>		38-66
<b>SUPPLEMENTARY INFORMATION</b>	<u>Statement/ Schedule</u>	
Nonmajor Fund Descriptions		72-79
Combining and Individual Fund Statements and Schedules		
Combining Balance Sheet – Nonmajor Governmental Funds	A-1	80-99
Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds	A-2	100-119
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual:		
Food Service Special Revenue Fund	B-1	120
Athletics Special Revenue Fund	B-2	121
Non-Budget Activity Special Revenue Fund	B-3	122
Non-Budget Scholarship Special Revenue Fund	B-4	123
Non-Budget Autism Program Special Revenue Fund	B-5	124
Non-Budget Miyamura Scholarship Special Revenue Fund	B-6	125
Non-Budget SQS Special Revenue Fund	B-7	126
Non-Budget Thoreau Night School Special Revenue Fund	B-8	127
Title I IASA Special Revenue Fund	B-9	128
Entitlement IDEA-B Special Revenue Fund	B-10	129
Discretionary IDEA-B Special Revenue Fund	B-11	130

**STATE OF NEW MEXICO**  
**Gallup-McKinley County Public Schools**  
**Table of Contents**  
**June 30, 2009**

	<u>Statement/ Schedule</u>	<u>Page</u>
Combining and Individual Fund Statements and Schedules (Continued)		
Statement of Revenues, Expenditures, and Changes in		
Fund Balance – Budget (Non-GAAP Budgetary Basis)		
and Actual:		
Preschool IDEA-B Special Revenue Fund	B-12	131
Early Intervention Services IDEA-B Special Revenue Fund	B-13	132
Education of Homeless Special Revenue Fund	B-14	133
Title II IASA (Math/Science) Special Revenue Fund	B-15	134
Fresh Fruits & Vegetables Special Revenue Fund	B-16	135
21 <sup>st</sup> Century Community Learning Centers 2008-2014 Special Revenue Fund	B-17	136
Title I Family Literacy IASA Special Revenue Fund	B-18	137
Title IV Drug Free Schools & Comm/Ed Special Revenue Fund	B-19	138
Partnerships in Character Ed Pilot Special Revenue Fund	B-20	139
Enhancing Education Through Technology Special Revenue Fund	B-21	140
English Language Acquisition Special Revenue Fund	B-22	141
Teacher/Principal Training & Recruiting Special Revenue Fund	B-23	142
Title IV-A Safe & Drug Free Schools & Community Special Revenue Fund	B-24	143
21 <sup>st</sup> Century Community Living Center Special Revenue Fund	B-25	144
Rural & Low Income Schools Special Revenue Fund	B-26	145
Title I School Improvement Special Revenue Fund	B-27	146
Immigrant Funding – Title III Special Revenue Fund	B-28	147
School Renovation, IDEA & Technology Special Revenue Fund	B-29	148
Reading First Special Revenue Fund	B-30	149
Carl Perkins Secondary - Current Special Revenue Fund	B-31	150
Title I – IASA – Federal Stimulus Special Revenue Fund	B-32	151
Teaching American History Special Revenue Fund	B-33	152
Bilingual Education Title VII Special Revenue Fund	B-34	153
Navajo Red/Corn Pollen Pathway Special Revenue Fund	B-35	154
JTPA Special Revenue Fund	B-36	155
Johnson O’Malley Special Revenue Fund	B-37	156
General Ed. Projects “Star Schools” Special Revenue Fund	B-38	157
Impact Aid Special Education Special Revenue Fund	B-39	158
GRADS Child Care CYFD Special Revenue Fund	B-40	159
Title XIX – Medicaid 3/21 Years Special Revenue Fund	B-41	160
Child Care Block Grant CYFD Special Revenue Fund	B-42	161
TANF/GRADS HSD Special Revenue Fund	B-43	162
Child & Adult Food Program Special Revenue Fund	B-44	163
Indian Health Services Special Revenue Fund	B-45	164
Indian Education Formula Grant Special Revenue Fund	B-46	165
21 <sup>st</sup> Century Community Learning Centers Special Revenue Fund	B-47	166
Navajo Nations Special Revenue Fund	B-48	167
Technology Challenge Grant USDE Special Revenue Fund	B-49	168
Title V Indian Health Care Improvement Act Special Revenue Fund	B-50	169
Teacher Quality Improvement Special Revenue Fund	B-51	170
Tobacco Use Prevention & Control Program Special Revenue Fund	B-52	171
Goals 2000 Parental Assistance Special Revenue Fund	B-53	172
Substance Abuse & Mental Health Services Special Revenue Fund	B-54	173

**STATE OF NEW MEXICO**  
**Gallup-McKinley County Public Schools**  
**Table of Contents**  
**June 30, 2009**

	<u>Statement/ Schedule</u>	<u>Page</u>
Combining and Individual Fund Statements and Schedules (Continued)		
Statement of Revenues, Expenditures, and Changes in		
Fund Balance – Budget (Non-GAAP Budgetary Basis)		
and Actual:		
Carol M White Physical Fitness Special Revenue Fund	B-55	174
Native American Program Special Revenue Fund	B-56	175
State Equalization Guarantee – Federal Stimulus Special Revenue Fund	B-57	176
Impact Aid Construction Special Revenue Fund	B-58	177
Bill & Melinda Gates Foundation Special Revenue Fund	B-59	178
Save the Children Special Revenue Fund	B-60	179
Center for Ed & Study of Diverse Populations Special Revenue Fund	B-61	180
Parents Reaching Out Special Revenue Fund	B-62	181
Community Based Organization PED Special Revenue Fund	B-63	182
TANF PED Special Revenue Fund	B-64	183
Technology for Education PED Special Revenue Fund	B-65	184
Obesity Program Special Revenue Fund	B-66	185
TANF – Full Day Kindergarten Special Revenue Fund	B-67	186
Incentives for School Improvement Act Special Revenue Fund	B-68	187
Laws of NM 2005 Special Revenue Fund	B-69	188
Pre-K Initiative Special Revenue Fund	B-70	189
Indian Education Act Special Revenue Fund	B-71	190
Reading Improvement Initiatives Special Revenue Fund	B-72	191
Beginning Teacher Mentoring Program Special Revenue Fund	B-73	192
Breakfast for Elementary Students Special Revenue Fund	B-74	193
Teacher Professional Development Fund Special Revenue Fund	B-75	194
K-Plus Initiative Special Revenue Fund	B-76	195
Schools in Need of Improvement Fund Special Revenue Fund	B-77	196
School Improvement Framework Special Revenue Fund	B-78	197
Kindergarten – Three Plus Special Revenue Fund	B-79	198
State – 21 <sup>st</sup> Century Learning Center Special Revenue Fund	B-80	199
Pre-Kindergarten – Special State Special Revenue Fund	B-81	200
Libraries – SB 301 GO Bonds Special Revenue Fund	B-82	201
Library Book Fund Special Revenue Fund	B-83	202
Center for Teaching Excellence Special Revenue Fund	B-84	203
Pathways Project UNM Special Revenue Fund	B-85	204
Parents as Teachers Special Revenue Fund	B-86	205
AP New Mexico Incentive Funding Special Revenue Fund	B-87	206
Office of Child Development Special Revenue Fund	B-88	207
Regional Quality Center Special Revenue Fund	B-89	208
Private Dir. Grants Special Revenue Fund	B-90	209
City/County Grants Special Revenue Fund	B-91	210
School Based Health Center Special Revenue Fund	B-92	211
Bond Building Capital Projects Fund	B-93	212
Special Revenue Bond Capital Projects Fund	B-94	213
Public Schools Capital Outlay Capital Projects Fund	B-95	214
Special Capital Outlay Local Capital Projects Fund	B-96	215
Special Capital Outlay State Capital Projects Fund	B-97	216
Special Capital Outlay Federal Capital Projects Fund	B-98	217
Capital Improvements SB-9 Capital Projects Fund	B-99	218
Energy Efficient Act Capital Projects Fund	B-100	219
Public School Capital Outlay 20% Capital Projects Fund	B-101	220
Debt Service Fund	B-102	221

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Table of Contents  
 June 30, 2009

	<u>Statement/ Schedule</u>	<u>Page</u>
<b>General Fund Individual Fund Statements</b>		
Combining Balance Sheet – General Fund	C-1	224
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – General Fund	C-2	225
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis)		
And Actual:		
Operational Fund	C-3	226
Teacherage Fund	C-4	227
Pupil Transportation Fund	C-5	228
Instructional Materials Fund	C-6	229
<b>Component Unit Individual Fund Statements</b>		
Combining Balance Sheet	D-1	232
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	D-2	233
Budgetary Comparison Schedule Budget (Non-GAAP Budgetary Basis) and Actual:		
General Fund	D-3	234
Instructional Materials Fund	D-4	235
Public School Capital Outlay Capital Projects Fund	D-5	237
<b>SUPPORTING SCHEDULES</b>		
Schedule of Deposit and Investment Accounts	I	240-241
Cash Reconciliation	II	242-247
Schedule of Collateral Pledged by Depository For Public Funds	III	248-249
Schedule of Changes in Assets and Liabilities –Agency Funds	IV	251
<b>COMPLIANCE SECTION</b>		
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>		254-255
<b>FEDERAL FINANCIAL ASSISTANCE</b>		
Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133		258-259
Schedule of Expenditures of Federal Awards	V	260-263
Schedule of Findings and Questioned Costs	VI	264-269
Other Disclosures		271

(This page intentionally left blank.)



**STATE OF NEW MEXICO**  
Gallup-McKinley County Public Schools  
Official Roster  
June 30, 2009

<u><b>Name</b></u>	<u><b>Board of Education</b></u>	<u><b>Title</b></u>
Dr. Bruce Tempest		President
Chee Smith Jr.		Vice President
Joseph C. Menini		Secretary
Annie Descheney		Member
Genevieve Jackson		Member
	<u><b>School Officials</b></u>	
Ray Arsenault		Superintendent
John Samford		Assistant Superintendent of Business Services
Theresa Mariano		Assistant Superintendent of Personnel
Dr. Ed Monaghan		Assistant Superintendent of Learning Services
Leonard Haskie		Assistant Superintendent of Support Services
Kim Brown		Director of Fiscal Services

(This page intentionally left blank.)

**FINANCIAL SECTION**



**Accounting & Consulting Group, LLP**

**Independent Auditors' Report**

To the Board of Education  
Gallup McKinley County Public Schools  
Gallup, New Mexico  
The Office of Management and Budget  
and  
Hector Balderas  
New Mexico State Auditor

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, each major fund, the budgetary comparisons for the general fund and the impact aid indian education fund, and the aggregate remaining fund information of Gallup-McKinley County Public Schools (the "District") as of and for the year ended June 30, 2009, which collectively comprise the District's basic financial statements as listed in the table of contents. We also have audited the financial statements of each of the District's nonmajor governmental funds, the combining financial statements for the general fund, the component unit funds and the respective budgetary comparisons for the special revenue bond capital projects fund, the public school capital outlay fund, the debt service fund, the component unit funds, and the remaining nonmajor governmental funds presented as supplementary information in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2009 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 consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, we express no such opinion. 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, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Gallup-McKinley County Public Schools, as of June 30, 2009, and the respective budgetary comparisons for the general fund and impact aid indian education 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, the combining financial statements for the general fund, and each component unit fund of the District as of June 30, 2009, and the respective changes in financial position, thereof, and the respective budgetary comparisons for the special revenue bond capital projects fund, the public school capital outlay fund, the debt service fund, the nonmajor governmental funds and the component unit funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

*Certified Public Accountants*

2700 San Pedro Northeast [87110-333] – P.O. Box 3130, Albuquerque, New Mexico 87190-3130  
866.307.2727 – 505.883.2727 – Fax 505.884.6719 – [albuquerque.office@acgnm.com](mailto:albuquerque.office@acgnm.com) – [www.acgnm.com](http://www.acgnm.com)

**Alamogordo – Albuquerque – Carlsbad – Clovis – Hobbs – Lubbock**

In accordance with *Government Auditing Standards*, we have also issued our report date November 12, 2009 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 *Management's Discussion and Analysis* on pages 14 through 20 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements, the combining and individual fund financial statements, and the budgetary comparisons. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, *Audits of State, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements. The accompanying financial information listed as Supporting Schedules I through IV in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements of Gallup-McKinley County Public Schools. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and each of the nonmajor governmental fund financial statements, and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements and the nonmajor governmental funds financial statements, taken as a whole. The introductory section has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and, accordingly, we express no opinion on it.

Accounting & Consulting Group, LLP

Accounting & Consulting Group, LLP  
Albuquerque, NM  
November 12, 2009

**STATE OF NEW MEXICO**  
Gallup-McKinley County Public Schools  
Management's Discussion and Analysis  
For the Fiscal Year Ended  
June 30, 2009

The information presented in this section of the District's annual financial report may be new to the reader. This information aligns with requirements of the Governmental Accounting Standards Board (GASB) that establishes accounting and reporting standards for governmental entities. With the issuance of GASB's Statement 34, a written narrative discussion and analysis of the financial performance of the District will be included. This section should provide an objective and easily readable analysis of the District's financial activities based on currently known facts, decisions, or conditions. The financial managers of governments (in this case, the District) are knowledgeable about the transactions, events, and conditions that are reflected in the District's financial report and of the fiscal policies that govern its operations. Management's discussion and analysis provides financial managers with the opportunity to present both a short- and a long-term analysis of the District's activities. Requirements established by GASB 34 are general rather than specific to encourage effective reporting by including only the most relevant information and, where appropriate, refer to the accompanying financial statements. Management will explain the District's financial position and include the reasons the position is improved, deteriorated, or the same when compared to the prior year. The analysis will be based on currently known facts as of the date of the auditors' report.

## Introduction

The financial performance of the Gallup-McKinley County School for the fiscal year ended June 30, 2009 will be the subject of this discussion and analysis. The purpose is to look at the financial performance as a whole; however, readers may also utilize the accompanying financial statements and notes for comprehensive information.

## Financial Highlights

Key events for the fiscal year 2009 are:

- The District maintained a strong **A3** rating from Moody's Investor Services for the sale of General Obligation Bonds. During the fiscal year ending June 30, 2009, the District's debt management program produced a tax rate for debt at \$8.355 per thousand dollars of assessed valuation. This rate increased from \$8.351 in the prior year.
- Total Assets of Governmental Activities was \$372,235,488. (Ex. A-1)
- Total Liabilities of Governmental Activities was \$72,040,772. (Ex. A-1)
- Net Assets of Governmental Activities was \$300,194,716. (Ex. A-1)
- General Fund revenues exceeded expenditures by \$4,624,475 resulting in a year-end fund balance of \$9,734,744 (Ex. B-2)
- Requirements of GASB 34 required changes to the fixed asset accounting of the District. All assets, including real estate and buildings, were recorded and accumulated depreciation on these assets was also recorded in the conversion to this requirement. Capital assets of \$422,061,303 with accumulated depreciation of \$95,016,569 were recorded. (Note 6.)
- The District implemented the State mandates including an average 2.0% salary increase for all employees; an additional average 1.0% increase for specified classified employees; the minimum teacher Level one, two and three-A salaries of thirty, forty and fifty thousand ; an additional instructional day in the school calendar; and the 0.75% increase in the employer's contribution to the Educational Retirement Fund.

## Basic Financial Statements

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

The Statement of Net Assets and Statement of Activities are district-wide (government) information that presents both an aggregate view of the District's finances and a longer-term view of trends. The next level of information is in the fund level financial statements. A fund is an accountability unit used to maintain control over resources for specified activities or objectives. The fund financial statements will look at the District's most significant funds while combining all other non-major funds into a single summary.

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Management's Discussion and Analysis  
 For the Fiscal Year Ended  
 June 30, 2009

**Government Wide Financial Statements**

Statement of Net Assets – This is a District-wide statement including all assets and liabilities using an accrual basis of accounting. This basis of accounting, similar to private sector business, includes all of the current year's revenues and expenses regardless of when actual cash was received or paid. Differences between assets and liabilities are reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the District as a whole is improving or deteriorating.

Summary of Statement of Net Assets

	<u>June 30, 2009</u>	<u>June 30, 2008</u>	<u>June 30, 2007</u>
<u>Assets</u>			
Current assets	\$ 38,200,719	\$ 27,251,857	\$ 29,594,441
Capital asset	422,061,303	401,187,407	327,080,463
Accumulated depreciation	(95,016,569)	(89,865,083)	(83,067,520)
Other noncurrent assets	<u>6,990,035</u>	<u>4,977,939</u>	<u>6,104,371</u>
Total assets	<u>\$372,235,488</u>	<u>\$ 343,552,120</u>	<u>\$ 279,711,755</u>
<u>Liabilities</u>			
Accounts payable	\$ 1,590,541	\$ 3,006,007	\$ 1,647,885
Accrued interest	1,134,926	1,089,709	1,038,079
Other current liabilities	6,385,308	5,492,937	9,766,633
Long-term liabilities	<u>62,929,997</u>	<u>62,909,212</u>	<u>62,473,816</u>
Total liabilities	<u>72,040,772</u>	<u>72,497,865</u>	<u>74,926,413</u>
<u>Net Assets</u>			
Invested in capital assets	258,634,751	243,699,829	177,548,842
Restricted: Debt service	10,613,040	8,514,412	5,259,904
Restricted: Capital projects	6,491,904	2,079,137	11,263,667
Restricted: Other Purpose	14,375,701	6,245,936	1,154,156
Unrestricted	<u>10,079,320</u>	<u>10,514,941</u>	<u>9,558,773</u>
Total net assets	<u>\$ 300,194,716</u>	<u>\$ 271,054,255</u>	<u>\$204,785,342</u>

Statement of Activities – This is a District-wide statement that reports how the District's net assets changed during the fiscal year. This report compliments the Statement of Net Assets by being designed to show the financial reliance on various sources of revenue used for the functions or activities provided by the District.

Both of these statements, Net Assets and Activities, include activity of the District that may be classified in three distinct types:

*Governmental Activities* – All of the District's programs and services are considered governmental and include the instructional program, support services, operation and maintenance of plant, pupil transportation, and activities.

*Business-Type Activities* – Services of this type include services or goods offered with the intent to recover the cost of the services or goods provided. The District have no Business-Type activities.

*Component Unit Activities* – Activities for which financial reporting is required within the primary unit (the District) but for which governance and oversight is assigned to the component unit. The Middle College Charter School is defined as a component unit of the District.

**STATE OF NEW MEXICO**  
**Gallup-McKinley County Public Schools**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended**  
**June 30, 2009**  
**Summary of Statement of Activities**

	<u>June 30, 2009</u>	<u>June 30, 2008</u>	<u>June 30, 2007</u>
<u>Revenues</u>			
Program revenues:			
Charges for services	\$ 2,077,027	\$ 1,892,419	\$ 1,943,526
Operating grants	44,787,590	43,370,978	10,879,035
Capital grants	25,769,240	43,060,379	297,980
General revenues:			
Property taxes	7,569,711	7,220,785	6,378,235
Federal and state aid	95,434,215	91,118,324	109,451,672
Other	<u>(930,718)</u>	<u>(122,818)</u>	<u>167,424</u>
Total revenues	<u>174,707,065</u>	<u>186,540,067</u>	<u>129,117,872</u>
<u>Expenses</u>			
Direct instruction	82,116,858	90,344,270	81,984,085
Instructional support	18,986,155	7,186,356	19,217,973
Administration	8,591,300	9,203,761	7,905,065
Business and support services	4,037,565	4,158,773	3,531,501
Operation/maintenance of plant	15,478,804	16,526,833	14,246,774
Non-instructional support	180,000	353,338	-
Transportation	5,819,633	6,916,709	6,632,437
Food service	5,193,069	4,686,882	165,846
Community services	-	-	8,735
Interest on long term debt	2,537,300	2,470,533	2,509,125
Business-type activities	<u>-</u>	<u>-</u>	<u>5,108,552</u>
Total expenses	<u>142,940,684</u>	<u>141,847,455</u>	<u>141,310,093</u>
Changes in net assets	<u>\$ 31,766,381</u>	<u>\$ 44,692,612</u>	<u>\$ (12,192,221)</u>

**Fund Financial Statements**

The District uses funds to ensure and demonstrate compliance with finance-related laws and regulations. The District uses many funds to account for a multitude of various transactions. Within the basic financial statements, fund financial statements focus only on the District's most significant funds rather than the District as a whole. Major funds are separately reported while all others are combined; individual non-fund data are presented in later sections of this report. The District's major governmental funds, as defined in GASB 34, are the General Fund, Impact Aid Indian Education Special Revenue Fund, Special Revenue Bond Capital Projects Fund, Public School Capital Outlay Capital Projects Fund, and Debt Service Fund.

**Governmental Funds**

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



**STATE OF NEW MEXICO**  
Gallup-McKinley County Public Schools  
Management's Discussion and Analysis  
For the Fiscal Year Ended  
June 30, 2009

## Enterprise Fund

This fund is used to account for activities that are financed and operated in a manner similar to private business enterprises. The intent of the governing body is that the costs of providing goods or services be financed or recovered primarily through user charges. Most public schools will not have this type of fund. In prior years, the District's Food Service/Student Nutrition fund was classified as a Special Revenue fund; however with the implementation of GASB 34, it has been reclassified as an Enterprise Fund. The District's Teacherage fund is also classified as an Enterprise Fund.

## Governmental Activities

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

It becomes apparent that dependence upon revenues from the State of New Mexico for governmental activities is significant. The New Mexico Legislature and the operation of the Equalization Guarantee Formula for operational funding by the New Mexico Department of Education have minimized local tax support for public education. This fund pays for teaching staff, instructional support staff, administrative staff and maintenance staff. This represents 33% of the budgeted total revenue received in fiscal year 2009.

The State of New Mexico through the Public Education Department establishes annually a "Unit Value" that is used, along with student membership and the Equalization Guarantee Formula factors, to determine the amount of State support to be received by individual districts. The Unit Value has increased over the past several years; coupled with the District slowly declining student membership, funding from the State of New Mexico has generally been stable.

## Business-Type Activity

Both the Food Service program and Teacher Housing program were reclassified as part of Governmental Activities and are no longer classified as Business type activities.

## School District Funds

The District's total governmental funds had revenues of \$175,574,743, bond proceeds and bond premium of \$6,012,742 and expenditures and other uses of \$171,057,044. The net change in the governmental fund balance for the fiscal year increased \$13,816,438. These governmental funds are accounted for using the modified accrual basis of accounting as required by the New Mexico Public Education Department.

## General Fund Budgeting Highlights

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

The General Fund had final budgeted revenues of \$101,535,202 and actual revenue of \$102,933,062. Expenditures were budgeted at \$108,146,987 and actual expenditures were \$98,584,121. The difference between budget and actual expenditures was due to budgetary savings/requirements within the budget and the amount of budgeted emergency reserve and allowable cash balance. General Fund balance on a budgetary basis at year end was \$10,391,700.

**STATE OF NEW MEXICO**  
Gallup-McKinley County Public Schools  
Management's Discussion and Analysis  
For the Fiscal Year Ended  
June 30, 2009

**Capital Asset and Debt Administration**

**Capital Assets**

As of June 30, 2009 the District had \$327,044,734 invested in capitalized assets and had accumulated depreciation of \$95,016,569 (Note 6). The beginning capitalized value of assets was adjusted to add the historical cost or appraised value of buildings and land. A systematic process is in place that adds newly acquired capital assets, deletes capital assets that are disposed of and requires local school sites to verify possession of capital assets at individual locations. Adjustments have been made to recognize the result of construction in progress for PSCOC awarded projects; these are recognized in the Capital Assets construction in progress. Construction in progress as of June 30, 2009 is 9,265,859.

The State of New Mexico provides public school capital funding through the Public School Capital Outlay Council (PSCOC). Current legislation that regulates distribution of funds calls for "matching" of capital funds between the district and State using a formula. The District match is 16% that is matched by State resources of 84% for capital awards from the PSCOC. The District intends to actively pursue grant awards for capital outlay from this source; awards are based upon the condition index of each facility, and the District has many facilities in the upper condition of need. During the fiscal year the major capital activity was the building of additional student instruction facilities.

**Long Term Debt**

The District may incur general obligation debt under the terms of Article IX, Section 11 of the New Mexico Constitution. The approval of such general obligation is dependent upon local voter approval and is limited to 6% of the assessed valuation of taxable property within the District. As of June 30, 2009 the District had outstanding General Obligation bonds in the amount of \$39,730,000. The District is bonded to 90% of the legal limit of \$44,102,875 based on assessed property value of \$735,047,914.

In 2002, the New Mexico Legislature enacted the Teacher Housing Revenue Bond Act. This act permits issuance of Revenue Bonds for the purpose of providing residential housing facilities for teachers. The Revenue Bonds do not constitute a general obligation indebtedness of the District; revenue from allowable federal Impact Aid payments to the district along with net income from the housing activities provides the pledged revenue for repayment. The District authorized and has outstanding Revenue Bond principal of \$28,679,983 as of June 30, 2009.

**FUTURE TRENDS**

In September 2003, the voters of the State of New Mexico approved two Constitutional amendments that effect public school education. The provision that increases the percentage of interest distribution from the Public School Permanent Fund is designed to fund public school reforms. Since the State uses an Equalization Guarantee Formula, the additional distributions should increase the support for operational funding within the General Fund. The focus of the increased funding is to be the classroom rather than other functions.

Capital funding from State sources was not defined in a formula such as the operational fund prior to 1999. The District has received over \$130,987,990 in Public School Capital Outlay (PSCOC) funding since 2000/2001 through June 30, 2009. The District participated in successful litigation against the State in order to receive state supported capital outlay funding. A State District Court monitors the State's performance in this funding; a status hearing regarding the State's progress toward uniform and sufficient capital funding may occur at the order of the Court. Capital funding is expected to continue at current levels to assist the District in replacement, renovation and construction of school buildings. Separately, the District's long-range debt plan, anticipates a General Obligation debt above 90% to coordinate with State capital outlay funds and the required match of funds by the District.

The Public Education Department, under Legislative action, directed New Mexico School Districts to implement a Uniform Chart of Accounts (UCOA). The implementation will take place beginning July 1, 2006 and may change the comparison of financial statements for June 30, 2009 to prior periods. The implemented UCOA in New Mexico will allow alignment with reporting received by the National Center for Education Statistics (NCES) which compiles statistics to comply with No Child Left Behind (NCLB).

**STATE OF NEW MEXICO**  
Gallup-McKinley County Public Schools  
Management's Discussion and Analysis  
For the Fiscal Year Ended  
June 30, 2009

The District completed and approved a five-year Facilities Master Plan (FMP) in March 2006. This plan is compliant with the Public School Facilities Authority (PSFA) guidelines and serves as a working document for future facility needs within the District. The Total Cost of Capital Improvement Project recommendations to address existing needs in District are \$320,871,967 in 2006 dollars. The District plan no growth related projects; demographic projections are for a declining school age population in McKinley County to 2015 with increasing school age populations in subsequent years. The District will continue to actively apply for Public School Capital Outlay awards to bring substandard facilities up to current adequacy conditions.

An extensive study was conducted in 2006 by a state-appointed, independent Funding Formula Task Force to determine whether our public schools were being provided sufficient funding. New Mexico's Constitution requires that a "uniform system of free public schools sufficient for the education of and open to all children of school age in the state shall be established and maintained". The outcome of the study was clear – virtually every New Mexico school district, whether small or large, is not operating with sufficient funding, which is the mandate of the New Mexico Constitution. The 2009 New Mexico Legislative session received several education bills that proposed to dramatically change the 35 year old public education funding formula; statewide, an additional \$350,000,000 would be recommended to address sufficiency. The District would be a major beneficiary of the new formula and the accompanying funds. The legislative bills introduced were not passed into law.

The upheaval in the global economy and subsequent market declines have been apparent in New Mexico; the declining and uncertain energy (natural gas and oil) markets have greatly impacted the State's ability to support public education using the funding formula mentioned previously. In January 2009 the Public Education Department (PED) reduced the Unit Value calculation for the 2008/2009 school year ending June 30, 2009. The reduction was based upon the State Legislature's budget projections; the District operational budget was reduced by \$611,545 and is included in the financial statements ending June 30, 2009. During the spring of 2009, State revenue projections continued to fall and the legislative outlook for public education funding was pessimistic; the revenue allocated for public schools was reduced by <7.35%> from the New Mexico General Fund; the effect to the District will be reflected in the financial statements ending June 30, 2010.

Funds allocated to the State of New Mexico from the Federal American Reinvestment and Recovery Act (ARRA) will be used in the "State Fiscal Stabilization Fund" (SFSF) to offset the drop in state General Fund revenue. Separate reporting and accounting processes will be required in order to report ARRA usage during subsequent years. During this period, the District will carefully monitor the student enrollment, staffing levels and projected revenue levels; the need for increased vigilance will become an organizational theme.

The District has implemented a Board of Education Policy (B-1100) to form the "Finance Committee of the Board of Education"; this committee interacts with management in order to provide awareness and greater understanding of internal control processes and financial reporting processes. This committee will assist in compliance with the responsibility for "the Body charged with governance" to become more capable of oversight as required in the American Institute of Certified Public Accountants, (AICPA) Statement of Auditing Standards (SAS) No. 112 and similar statements of responsibility.

**STATE OF NEW MEXICO**  
Gallup-McKinley County Public Schools  
Management's Discussion and Analysis  
For the Fiscal Year Ended  
June 30, 2009

**CONTACTING THE DISTRICT**

This financial report is designed to provide the reader, citizens, taxpayers, investors and other patrons with a general overview of the Gallup-McKinley County School District's financial condition and to provide accountability for the funds the District receives. Questions about this financial report or the operations of the District may be directed to:

Mr. John Samford  
Assistant Superintendent-Business Services  
Gallup-McKinley County Schools  
P.O. Box 1318  
Gallup, NM 87305  
[jsamford@gmcs.k12.nm.us](mailto:jsamford@gmcs.k12.nm.us)  
505-721-1070

Ms. Kim Brown  
Director of Fiscal Services  
Gallup-McKinley County Schools  
P.O. Box 1318  
Gallup, NM 87305  
[kbrown@gmcs.k12.nm.us](mailto:kbrown@gmcs.k12.nm.us)  
505-721-1072

Questions regarding other programs of the District may be directed to:

Mr. Ray Arsenault  
Superintendent  
Gallup-McKinley County Schools  
P.O. Box 1318  
Gallup, NM 87305  
[rarsenau@gmcs.k12.nm.us](mailto:rarsenau@gmcs.k12.nm.us)  
505-721-1051

Mr. Max Perez  
Acting Assistant Superintendent – Learning Services  
Gallup-McKinley County Schools  
P.O. Box 1318  
Gallup, NM 87305  
[mperez@gmcs.k12.nm.us](mailto:mperez@gmcs.k12.nm.us)  
505-721-1012

Other District information may be accessed at:

[www.gmcs.k12.nm.us](http://www.gmcs.k12.nm.us)

**BASIC  
FINANCIAL STATEMENTS**

**STATE OF NEW MEXICO**  
**Gallup-McKinley County Public Schools**  
**Statement of Net Assets**  
**June 30, 2009**

	<u>Primary Government</u>	
	<u>Governmental</u>	<u>Component Unit</u>
	<u>Activities</u>	
<b>Assets</b>		
Current assets		
Cash and cash equivalents	\$ 33,404,710	\$ 529,879
Property taxes receivable	591,555	-
Due from other governments	3,634,649	-
Other receivables	12,795	-
Inventory	557,010	-
Total current assets	38,200,719	529,879
Noncurrent assets		
Restricted cash and cash equivalents	6,904,663	-
Bond issuance costs (net of amortization of \$833)	85,372	-
Capital assets	422,061,303	120,058
Less: accumulated depreciation	(95,016,569)	(95,160)
Total noncurrent assets	334,034,769	24,898
Total assets	\$ 372,235,488	\$ 554,777

The accompanying notes are an integral part of these financial statements

	<u>Primary Government</u> <u>Governmental</u> <u>Activities</u>	<u>Component Unit</u>
<b>Liabilities</b>		
Current liabilities		
Accounts payable	\$ 1,590,541	\$ 1,482
Deposits payable	76,308	-
Accrued payroll	107,934	1,175
Accrued interest	1,134,926	-
Current portion of accrued compensated absences	428,807	2,183
Current portion of judgment payable	280,000	-
Current portion of bonds payable	5,492,259	-
	<u>9,110,775</u>	<u>4,840</u>
Noncurrent liabilities		
Bond underwriter premiums (net of amortization of \$469)	12,273	-
Bonds payable	62,917,724	-
	<u>62,929,997</u>	<u>-</u>
Total liabilities	<u>72,040,772</u>	<u>4,840</u>
<b>Net assets</b>		
Invested in capital assets, net of related debt	258,634,751	24,898
Restricted for:		
Debt service	10,613,040	-
Capital projects	6,491,904	-
Other purposes	14,375,701	-
Unrestricted	10,079,320	525,039
	<u>300,194,716</u>	<u>549,937</u>
Total net assets	<u>300,194,716</u>	<u>549,937</u>
Total liabilities and net assets	<u>\$ 372,235,488</u>	<u>\$ 554,777</u>

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Statement of Activities  
 For the Year Ended June 30, 2009

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>	
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>
<b>Primary government:</b>			
<b>Governmental Activities:</b>			
Instruction	\$ 82,116,858	\$ 1,039,599	\$ 21,751,250
Support services - students	12,611,405	159,660	3,340,530
Support services - instruction	6,374,750	80,704	1,688,554
Support services - general administration	1,460,864	18,495	386,956
Support services - school administration	7,130,436	90,271	1,888,722
Central services	4,037,565	51,116	1,069,477
Operation & maintenance of plant	15,478,804	195,961	4,100,051
Student transportation	5,819,633	-	5,650,768
Other support services	180,000	2,279	47,679
Food services operations	5,193,069	438,942	4,863,603
Interest on long-term debt	2,537,300	-	-
	<hr/>	<hr/>	<hr/>
Total governmental activities	\$ 142,940,684	\$ 2,077,027	\$ 44,787,590
<b>Component Unit Activities:</b>			
Charter school	\$ 525,282	\$ -	\$ 43,057
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

**General Revenues:**

Taxes  
 Property taxes, levied for operating programs  
 Property taxes, levied for debt services  
 Property taxes, levied for capital projects  
 Oil and gas taxes  
 State equalization guarantee  
 Federal and state aid  
 Interest and investment earnings  
 Miscellaneous  
 Loss on disposition of assets

Subtotal, general revenues

Changes in net assets

Net assets - beginning  
 Restatement (Note 15)  
 Net assets - beginning as restated

Net assets - ending

The accompanying notes are an integral part of these financial statements



	<b>Net (Expense) Revenue and Changes in Net Assets</b>	
	<b>Primary Government</b>	<b>Component Unit</b>
	<b>Governmental Activities</b>	<b>Charter School</b>
<b>Capital Grants and Contributions</b>		
\$ 16,354,261	\$ (42,971,748)	\$ -
2,511,667	(6,599,548)	-
1,269,585	(3,335,906)	-
290,943	(764,470)	-
1,420,086	(3,731,357)	-
804,115	(2,112,858)	-
3,082,734	(8,100,057)	-
-	(168,865)	-
35,849	(94,194)	-
-	109,476	-
-	(2,537,300)	-
<b>\$ 25,769,240</b>	<b>(70,306,827)</b>	<b>-</b>
<b>\$ -</b>		<b>(482,225)</b>
	287,130	-
	5,874,041	-
	1,408,540	-
	9,345	-
	58,703,173	697,976
	36,731,042	-
	71,440	-
	197,272	-
	(1,208,775)	-
	<b>102,073,208</b>	<b>215,751</b>
	31,766,381	215,751
	271,054,255	369,567
	(2,625,920)	(35,381)
	<b>268,428,335</b>	<b>334,186</b>
	<b>\$ 300,194,716</b>	<b>\$ 549,937</b>

**STATE OF NEW MEXICO**  
Gallup-McKinley County Public Schools  
Balance Sheet  
Governmental Funds  
June 30, 2009

	General Fund	Impact Aid Indian Education	Special Revenue Bond
<b>ASSETS</b>			
<i>Current assets</i>			
Cash and cash equivalents	\$ 6,866,540	\$ 8,936,242	\$ 9,432,903
Property taxes receivable	20,384	-	-
Due from other governments	-	-	-
Other receivables	11,952	-	-
Inventory	458,505	-	-
Due from other funds	3,601,468	-	2,793,108
<i>Total assets</i>	\$ 10,958,849	\$ 8,936,242	\$ 12,226,011
<b>LIABILITIES AND FUND BALANCES</b>			
<i>Current liabilities</i>			
Accounts payable	\$ 804,668	\$ 100	\$ -
Deposits payable	76,308	-	-
Accrued payroll	49,153	-	-
Judgement payable	280,000	-	-
Deferred revenue	13,976	-	-
Due to other funds	-	-	-
<i>Total liabilities</i>	1,224,105	100	-
<i>Fund balances</i>			
Reserved for			
Inventory	458,505	-	-
Unreserved			
Undesignated, reported in			
General fund	9,276,239	-	-
Special revenue funds	-	8,936,142	-
Debt service funds	-	-	-
Capital projects funds	-	-	12,226,011
<i>Total fund balances</i>	9,734,744	8,936,142	12,226,011
<i>Total liabilities and fund balances</i>	\$ 10,958,849	\$ 8,936,242	\$ 12,226,011

The accompanying notes are an integral part of these financial statements

Public School Capital Outlay	Debt Service Fund	Other Governmental Funds	Total
\$ 1	\$ 6,904,663	\$ 8,169,024	\$ 40,309,373
-	460,028	111,143	591,555
-	-	3,634,649	3,634,649
-	-	843	12,795
-	-	98,505	557,010
-	-	119	6,394,695
<u>\$ 1</u>	<u>\$ 7,364,691</u>	<u>\$ 12,014,283</u>	<u>\$ 51,500,077</u>
\$ -	\$ -	\$ 785,773	\$ 1,590,541
-	-	-	76,308
-	-	58,781	107,934
-	-	-	280,000
-	336,493	236,257	586,726
-	816,964	5,577,731	6,394,695
-	1,153,457	6,658,542	9,036,204
-	-	98,505	557,010
-	-	-	9,276,239
-	-	5,119,334	14,055,476
-	6,211,234	-	6,211,234
1	-	137,902	12,363,914
1	6,211,234	5,355,741	42,463,873
<u>\$ 1</u>	<u>\$ 7,364,691</u>	<u>\$ 12,014,283</u>	<u>\$ 51,500,077</u>

(This page intentionally left blank.)

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Governmental Funds  
 Reconciliation of the Balance Sheet to the Statement of Net Assets  
 June 30, 2009

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

Fund balances - total governmental funds	\$	42,463,873
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds		327,044,734
Revenue not collected within sixty days after year end are not considered "available" revenues and are considered to be deferred revenue in the fund financial statements, but are considered revenue in the Statement of Activities		
Delinquent property taxes		431,629
Grant Revenue		155,097
Bond issuance costs, including original issue discounts and premiums are not financial resources and, therefore, are not reported in the funds		
Bond issuance cost (net of amortization)		85,372
Bond underwriter premiums (net of amortization)		(12,273)
Accrued interest is not due and payable with current financial resources therefore are not reported in the funds		(1,134,926)
Certain liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds		
General obligation bonds		(39,730,000)
Revenue bonds		(28,679,983)
Current portion of accrued compensated absences		(428,807)
		<hr style="border-top: 1px solid black;"/>
Total net assets - governmental activities	\$	<u><u>300,194,716</u></u>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
Gallup-McKinley County Public Schools  
Statements of Revenues, Expenditures and Changes in Fund Balances  
Governmental Funds  
For the Year Ended June 30, 2009

	General Fund	Impact Aid Indian Education	Special Revenue Bond
<i>Revenues</i>			
Property taxes	\$ 282,379	\$ -	\$ -
Oil and gas taxes	435	-	-
Intergovernmental revenue			
Federal flowthrough	212,400	-	-
Federal direct	34,536,005	8,516,661	-
Local sources	1,542	-	-
State flowthrough	59,662,258	-	-
State direct	1,793,556	-	207,611
Combined local/state	-	-	-
Transportation distribution	5,650,768	-	-
Charges for services	710,788	-	-
Interest	14,763	-	-
Miscellaneous	28,730	-	-
<i>Total revenues</i>	<u>102,893,624</u>	<u>8,516,661</u>	<u>207,611</u>
<i>Expenditures</i>			
Current			
Instruction	56,083,057	2,260,467	-
Support services - students	6,763,609	2,358,127	-
Support services - instruction	2,968,949	135,272	-
Support services - general administration	760,781	120,547	-
Support services - school administration	7,069,196	-	-
Central services	3,231,854	56,461	-
Operation & maintenance of plant	13,975,888	4,363	-
Student transportation	5,054,503	-	-
Other support services	280,000	-	-
Food services operations	-	-	-
Capital outlay	2,081,312	-	-
Debt service			
Principal	-	-	-
Interest	-	-	-
Bond issuance costs	-	-	-
<i>Total expenditures</i>	<u>98,269,149</u>	<u>4,935,237</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>4,624,475</u>	<u>3,581,424</u>	<u>207,611</u>
<i>Other financing sources (uses)</i>			
Bond proceeds	-	-	-
Bond premium	-	-	-
Transfers in	-	-	-
Transfers out	(3,100,000)	-	-
<i>Total other financing sources (uses)</i>	<u>(3,100,000)</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	1,524,475	3,581,424	207,611
<i>Fund balances - beginning of year</i>	<u>8,210,269</u>	<u>5,354,718</u>	<u>12,018,400</u>
<i>Fund balances - ending of year</i>	<u>\$ 9,734,744</u>	<u>\$ 8,936,142</u>	<u>\$ 12,226,011</u>

The accompanying notes are an integral part of these financial statements

Public School Capital Outlay	Debt Service Fund	Other Governmental Funds	Total
\$ -	\$ 5,727,477	\$ 1,373,855	\$ 7,383,711
-	7,168	1,742	9,345
-	-	18,503,769	18,716,169
-	-	7,034,712	50,087,378
-	-	471,720	473,262
-	-	8,115,076	67,777,334
20,253,919	-	581,195	22,836,281
-	-	294,756	294,756
-	-	-	5,650,768
-	-	1,366,239	2,077,027
-	46,350	10,327	71,440
-	-	168,542	197,272
<u>20,253,919</u>	<u>5,780,995</u>	<u>37,921,933</u>	<u>175,574,743</u>
-	-	15,934,322	74,277,846
-	-	3,101,048	12,222,784
-	-	3,234,096	6,338,317
-	55,081	344,767	1,281,176
-	-	77,650	7,146,846
-	-	696,979	3,985,294
8,076	-	1,470,268	15,458,595
-	-	-	5,054,503
-	-	-	280,000
-	-	5,168,028	5,168,028
20,245,843	-	6,490,367	28,817,522
-	5,212,512	-	5,212,512
-	2,480,794	-	2,480,794
-	-	46,830	46,830
<u>20,253,919</u>	<u>7,748,387</u>	<u>36,564,355</u>	<u>167,771,047</u>
-	(1,967,392)	1,357,578	7,803,696
-	-	6,000,000	6,000,000
-	12,742	-	12,742
-	3,100,000	185,997	3,285,997
-	-	(185,997)	(3,285,997)
-	<u>3,112,742</u>	<u>6,000,000</u>	<u>6,012,742</u>
-	1,145,350	7,357,578	13,816,438
<u>1</u>	<u>5,065,884</u>	<u>(2,001,837)</u>	<u>28,647,435</u>
<u>\$ 1</u>	<u>\$ 6,211,234</u>	<u>\$ 5,355,741</u>	<u>\$ 42,463,873</u>

(This page intentionally left blank.)



**STATE OF NEW MEXICO**  
**Gallup-McKinley County Public Schools**  
**Reconciliation of the Statement of Revenues, Expenditures and Changes**  
**in Fund Balances of Governmental Funds to the Statement of Activities**  
**For the year Ended June 30, 2009**

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

Net change in fund balances - total governmental funds	\$	13,816,438
--	----	------------

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

Capital expenditures reported as capital outlay expenditures		28,817,522
Depreciation expense		(9,260,417)

In the statement of activities, only the loss on the disposition of capital assets is reported, whereas in the governmental funds, the proceeds from the disposition increase financial resources. Thus, the change in net assets differs from the change in fund balance by the cost of the capital assets disposed.

		(1,208,775)
--	--	-------------

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

Change in deferred revenue related to property taxes receivables		186,000
Change in deferred revenue related to grant receivables		155,097

The issuance of long-term debt (e.g. bonds, notes, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities:

Bond issuance cost		46,830
Bond premium		(12,742)
Amortization of bond issuance cost		(5,056)
Amortization of bond premiums		469
Decrease in judgment payable		100,000
Increase in compensated absences		(29,578)
Increase in accrued interest		(51,919)
Bond proceeds		(6,000,000)
Principal payments on bonds		<u>5,212,512</u>

Change in net assets of governmental activities	\$	<u><u>31,766,381</u></u>
---	----	--------------------------

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**Gallup-McKinley County Public Schools**  
**General Fund**

Exhibit C-1

Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable)
				Final to Actual
<i>Revenues</i>				
Property taxes	\$ 277,695	\$ 277,695	\$ 282,003	\$ 4,308
Oil and gas taxes	65	65	569	504
<i>Intergovernmental</i>				
Federal flowthrough	150,000	150,000	212,400	62,400
Federal direct	28,365,652	28,365,652	34,536,005	6,170,353
Local sources	-	-	1,542	1,542
State flowthrough	63,937,561	64,333,318	59,665,573	(4,667,745)
State direct	1,048,835	1,406,182	1,395,044	(11,138)
Transportation distribution	6,133,250	6,039,201	6,039,217	16
Charges for services	687,000	687,000	711,139	24,139
Interest	258,000	258,000	14,763	(243,237)
Miscellaneous	10,089	18,089	74,807	56,718
<i>Total revenues</i>	100,868,147	101,535,202	102,933,062	1,397,860
<i>Expenditures</i>				
<i>Current</i>				
Instruction	55,334,620	56,101,673	54,192,699	1,908,974
Support services - students	7,264,364	7,582,864	6,789,165	793,699
Support services - instruction	3,404,213	3,267,402	2,970,935	296,467
Support services - general administration	594,295	799,164	755,157	44,007
Support services - school administration	7,181,706	7,218,696	7,074,159	144,537
Central services	3,069,764	3,278,568	3,234,503	44,065
Operation & maintenance of plant	16,771,700	16,589,399	14,015,177	2,574,222
Student transportation	6,133,250	6,039,201	5,105,121	934,080
Other support services	678,308	678,308	80,000	598,308
Capital outlay	6,747,712	6,591,712	4,367,205	2,224,507
<i>Total expenditures</i>	107,179,932	108,146,987	98,584,121	9,562,866
<i>Excess (deficiency) of revenues over expenditures</i>	(6,311,785)	(6,611,785)	4,348,941	10,960,726
<i>Other financing sources (uses)</i>				
Designated cash	6,311,785	6,611,785	-	(6,611,785)
Transfers in (out)	-	-	(3,100,000)	(3,100,000)
<i>Total other financing sources (uses)</i>	6,311,785	6,611,785	(3,100,000)	(9,711,785)
<i>Net change in fund balances</i>	-	-	1,248,941	1,248,941
<i>Fund balances - beginning of year</i>	-	-	9,142,759	9,142,759
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 10,391,700	\$ 10,391,700
<i>Net change in fund balances (Budget Basis)</i>				\$ 1,248,941
Adjustments to revenues for oil and gas taxes, and state flowthrough				(39,438)
Adjustments to expenditures for salaries, general supplies and material, and other contract services				314,972
<i>Net changes in fund balances (GAAP Basis)</i>				\$ 1,524,475

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**Gallup-McKinley County Public Schools**  
**Impact Aid Indian Education Special Revenue Fund**  
**Statement of Revenue, Expenditures, and Changes in Fund Balance**  
**Budget (Non-GAAP Budgetary Basis) and Actual**  
**For the Year Ended June 30, 2009**

Exhibit C-2

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Federal flowthrough	-	-	-	-
Federal direct	95,386	558,388	8,516,661	7,958,273
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	95,386	558,388	8,516,661	7,958,273
<i>Expenditures</i>				
<i>Current</i>				
Instruction	2,233,986	2,260,467	2,260,467	-
Support services - students	2,182,451	2,749,357	2,358,127	391,230
Support services - instruction	476,647	223,397	135,272	88,125
Support services - general administration	126,631	152,076	121,377	30,699
Support services - school administration	-	-	-	-
Central services	53,291	147,657	236,821	(89,164)
Operation & maintenance of plant	-	3,057	4,363	(1,306)
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	5,073,006	5,536,011	5,116,427	419,584
<i>Excess (deficiency) of revenues over expenditures</i>	(4,977,620)	(4,977,623)	3,400,234	8,377,857
<i>Other financing sources (uses)</i>				
Designated cash	4,977,620	4,977,623	-	(4,977,623)
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	4,977,620	4,977,623	-	(4,977,623)
<i>Net change in fund balances</i>	-	-	3,400,234	3,400,234
<i>Fund balances - beginning of year</i>	-	-	5,536,008	5,536,008
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 8,936,242	\$ 8,936,242
<i>Net change in fund balances (Budget Basis)</i>				\$ 3,400,234
No adjustments to revenues				-
Adjustments to expenditures for Other Professional Services				181,190
<i>Net change in fund balances (GAAP Basis)</i>				\$ 3,581,424

The accompanying notes are an integral part of these financial statements

(This page intentionally left blank.)

**STATE OF NEW MEXICO**  
Gallup-McKinley County Public Schools  
Statement of Fiduciary Assets and Liabilities  
Agency Funds  
June 30, 2009

Exhibit D-1

<i>Assets</i>	
Cash	<u>\$ 605,055</u>
<i>Total assets</i>	<u><u>\$ 605,055</u></u>
 <i>Liabilities</i>	
Due to student organizations	<u>\$ 605,055</u>
<i>Total liabilities</i>	<u><u>\$ 605,055</u></u>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
Gallup-McKinley County Public Schools  
Notes to Financial Statements  
June 30, 2009

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

Gallup-McKinley County Public Schools (“District”) is a special purpose government corporation governed by an elected five-member Board of Education. The Board of Education is the basic level of government, which has oversight responsibility and control over all activities related to the public school education of the City of Gallup and McKinley County. The District is responsible for all activities related to public elementary and secondary school education within its jurisdiction. The District receives funding from local, state, and federal government sources and must comply with the requirements of these funding source entities.

The summary of significant accounting policies of the District is presented to assist in the understanding of the District’s financial statements. The financial statements and notes are the representation of the District’s management who is responsible for their integrity and objectivity. The financial statements and notes of the District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The GASB periodically updates its codification of the existing governmental Accounting and Financial Reporting Standards which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for the governmental units. The financial statements have incorporated all applicable GASB pronouncements as well as Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins of the Committee on accounting procedures issued on or before November 30, 1989 unless those pronouncements conflict with or contradict GASB pronouncements. The government-wide financial statements have incorporated all applicable GASB pronouncements as well as Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins of the Committee on Accounting Procedures issued after November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements. Governments also have the option of following subsequent private-sector guidance for their government-wide financial statements, subject to this same limitation. The District has elected not to follow subsequent private-sector guidance. The more significant of the District’s accounting policies are described below.

**A. *Financial Reporting Entity***

In evaluating how to define the District, for financial reporting purposes, management has considered all potential component units. The decision to include any potential component units in the financial reporting entity was made by applying the criteria set for the in GASB Statements No. 14 and No. 39. Blended component units, although legally separate entities, are in substance part of the government’s operations. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government.

The basic-but not the only-criterion for including a potential component unit within the reporting entity is the governing body’s ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters. A second criterion used in evaluating potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the government is able to exercise oversight responsibilities. Finally, the nature and significance of a potential component unit to the primary government could warrant its inclusion in the reporting entity. Based upon the application of these criteria, the District has one component unit and is not a component unit of another government agency.

The District’s Board of Education approved the Middle College Charter School for operations in accordance with the criteria listed above. The charter school is deemed to be fiscally dependent upon the Schools and has been deemed to be a separate legal entity based on state statute and is presented as a discrete component unit. The discretely presented component unit does not have separately issued financial statements.

**STATE OF NEW MEXICO**  
Gallup-McKinley County Public Schools  
Notes to Financial Statements  
June 30, 2009

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

B. *Government-wide and fund financial statements*

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. The District does not have any *business-type activities*.

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

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

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

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

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

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

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Property tax receivables are recognized in the period for which the taxes are levied, net of estimated refunds and uncollectible amounts. Sales and use taxes are classified as derived tax revenues and are recognized as revenue when the underlying exchange takes place and the revenues are measurable and available. All other revenue items are considered to be measurable and available only when cash is received by the government.

**STATE OF NEW MEXICO**  
Gallup-McKinley County Public Schools  
Notes to Financial Statements  
June 30, 2009

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

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

The District reports the following major governmental funds:

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

*Impact Aid Indian Education Special Revenue Fund* is used to account for resources provided to the Schools which are to be used for supplemental special education for students in federally impacted areas. Funding is provided by PL 81-874.

The *Special Revenue Bond Capital Projects Fund* is used to account for bond proceeds and any income thereon. The proceeds are restricted for the purpose of making additions to buildings or building teacherage, approved by the voters of the Schools.

The *Public School Capital Outlay Capital Projects Fund* is used to account for proceeds from taxes for the cost of improvements of land, buildings, and purchase equipment.

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

Additionally, the government reports the following agency fund:

The *Fiduciary Funds* account for assets held by the Schools in a trustee capacity or as an agent for individuals, private organizations, other governments and/or other funds.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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

State statutes authorize the Schools to invest in Certificates of Deposit, obligations of the U.S. Government, and the Local Government Investment Pool. The Local Government Investment Pool operates in accordance with appropriate state laws and regulations. The reported value of the pool is the same as the fair value of pool shares. As of June 30, 2009, the District does not have any investments with Local Governmental Investment Pool.

**Restricted Assets:** Certain proceeds of the District's revenue bonds and general obligation bonds are classified as restricted assets on the balance sheet because their use is limited by the applicable bond covenants.

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



**STATE OF NEW MEXICO**  
Gallup-McKinley County Public Schools  
Notes to Financial Statements  
June 30, 2009

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

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

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

The District receives monthly income from a tax levy from McKinley County. The funds are collected by the County Treasurer and are remitted to the District the following month. Under the modified accrual method of accounting, the amount remitted by the County Treasurer in July and August 2009 is considered 'measurable and available' and, accordingly, is recorded as revenue in the governmental fund statements during the year ended June 30, 2009. Period of availability is deemed to be sixty days subsequent to year end.

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

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

**Inventory:** The District method of accounting for inventory the consumption method. Under the consumption approach, governments report inventories they purchase as an asset and defer recognition of the expenditures until the period in which the inventories actually are consumed. Inventory in the General Fund consists of expendable supplies held for consumption. Inventory in the Food Service Special Revenue Fund consists of U.S.D.A. commodities and other purchased food and non-food supplies. The cost of purchased food is recorded as expenditures at the time individual inventory items are consumed.

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

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Library books are deemed to have useful lives of one year and are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. No interest was included as part of the cost of capital assets under construction. Construction projects paid for by the Public School Capital Outlay Council are included in the District's capital assets.

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Notes to Financial Statements  
 June 30, 2009

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

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

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

<u>Assets</u>	<u>Years</u>
Land Improvements	25-45
Buildings and improvements	20-40
Furniture, fixtures, and equipment	3-7

**Deferred Revenues:** There are two sets of circumstances in which the District accrues deferred revenue.

- *Unearned revenue* - Under both the accrual and the modified accrual basis of accounting exchange, revenue may be recognized only when it is earned. If assets are recognized in connection with a transaction before the earnings process is complete, those assets must be offset by a corresponding liability for *deferred revenue*.
- *Unavailable revenue* – Under the modified accrual basis of accounting, revenue must also be susceptible to accrual (it must be both measureable and available to finance expenditures of the current fiscal period). If assets are recognized in connection with a transaction, but those assets are not yet available to finance expenditures of the current fiscal period, then the assets must be offset by a corresponding liability for deferred revenue.

**Compensated Absences:** Twelve-month employees are entitled to accumulate annual leave up to 20 days per year, depending on length of service, and the employee’s hire date and the employee’s employment status (administrator or classified). Annual leave is supposed to be taken in the year earned or the succeeding fiscal year; however, a maximum of 20 days, depending on the employment status of the employee, may be carried over to the succeeding year or put into the employees annual leave bank. The employee’s annual leave bank may accumulate up to a maximum of 30 working days and then any days over the 30 are lost. Once days are banked they may not be withdrawn. Upon termination, employees are paid for their accrued annual leave, up to a maximum of 30 days.

Qualified employees are entitled to accumulate sick leave. There is no limit to the amount of sick leave which an employee may accumulate; however, the only employees that are eligible to be paid out are those that are retiring and have completed at least five years of service with the District. These employees will be compensated at 30 percent of their daily rate of pay for unused sick leave upon retirement up to a maximum of 150 days.

Vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources is reported as expenditure and a fund liability of the governmental fund that will pay it. In prior years, substantially all of the related expenditures have been liquidated by the general fund. Amounts of vested or accumulated vacation leave that are not expected to be liquidated with expendable available financial resources are reported in the government-wide statement of net assets.

**Long-term Obligations:** In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method or straight line method if the difference is inconsequential.

**STATE OF NEW MEXICO**  
Gallup-McKinley County Public Schools  
Notes to Financial Statements  
June 30, 2009

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

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

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

**Fund Equity:** In the fund financial statements, governmental funds report reservations of fund balance that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

**Net Assets or Fund Equity.** Equity is classified as net assets and displayed in three components:

- a. Net assets invested in capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted Net Assets: Consist of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulation of other governments; or (2) law through constitutional provisions or enabling legislation. Descriptions for the related restrictions for net assets restricted for "special revenue, debt service, and capital projects" are described on pages 72-79. The government-wide statement of net assets reports \$31,480,645 of restricted net assets, of which \$20,867,605 is restricted by enabling legislation.
- c. Unrestricted Net assets: All other net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

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

E. *Revenues*

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

A school district's program costs are determined through the use of various formulas using 'program units' which take into consideration 1) early childhood education; 2) basic education; 3) special education; 4) bilingual-multicultural education; 5) size, etc. Payment is made from the public school fund under the authority of the Director of Public School Finance. The Schools received \$58,703,173 in state equalization guarantee distributions during the year ended June 30, 2009.

**STATE OF NEW MEXICO**  
Gallup-McKinley County Public Schools  
Notes to Financial Statements  
June 30, 2009

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

E. *Revenues (continued)*

**Tax Revenues:** The District receives mill levy and ad-valorem tax revenues primarily for debt service and capital outlay purposes. Property taxes are assessed on January 1st of each year and are payable in two equal installments, on November 10th of the year in which the tax bill is prepared and April 10th of the following year with the levies becoming delinquent 30 days (one month) thereafter. The District recognizes tax revenues in the period for which they are levied in the government-wide financial statements. The District records only the portion of the taxes considered 'measurable' and 'available' in the governmental fund financial statements. The District recognized \$7,383,711 in property tax revenues in the governmental fund financial statements during the year ended June 30, 2009. Descriptions of the individual debt service and capital outlay funds contained in these financial statements include information regarding the authority for the collection and use of these taxes.

**Transportation Distribution:** School districts in the State of New Mexico receive student transportation distributions. The transportation distribution is allocated to each school district in accordance with formulas developed by the State Transportation Director and the Director of Public School Finance. The funds shall be used only for the purpose of making payments to each school district for the to-and-from school transportation costs of students in grades K through twelve attending public school within the school district. The District received \$5,650,768 in transportation distributions during the year ended June 30, 2009.

**Instructional Materials:** The Public Education Department (Department) receives federal mineral leasing funds from which it makes annual allocations to the various school districts for the purchase of educational materials. Of each allocation, seventy percent is restricted to the requisition of materials listed in the State Board of Education "State Adopted Instructional Material" list, while thirty percent of each allocation is available for purchases directly from vendors. The District received \$1,395,044 in instructional materials revenue from the State for the year ended June 30, 2009.

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

The District received \$4,884,612 in SB-9 matching revenue during the year ended June 30, 2009.

**Capital Outlay:** The public school capital outlay fund was created under the provisions of Chapter 22, Article 24, NMSA 1978. The money in the fund may be used for: capital expenditures deemed by the public school capital outlay council to be necessary for an adequate education program per Section 22-24-4(B); core administrative function of the public school facilities authority and for project management expense upon approval of the council per Section 22-24-4(G); and for the purpose of demolishing abandoned school district facilities, upon application by a school district to the council, per Section 22-24-4(L).

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

During the year ended June 30, 2009, the District received \$95,000 in state special capital outlay funds.

**STATE OF NEW MEXICO**  
Gallup-McKinley County Public Schools  
Notes to Financial Statements  
June 30, 2009

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

*E. Revenues (continued)*

**Federal Grants:** The District receives revenues from various Federal departments (both direct and indirect), which are legally restricted to expenditures for specific purposes. These programs are reported as Special Revenue Funds. Each program operates under its own budget, which has been approved by the Federal Department or the flowthrough agency (usually the New Mexico Public Education Department). The various budgets are approved by the Local School Board and the New Mexico Public Education Department.

The District also receives reimbursement under the National School Lunch and Breakfast for its food services operations, and the distribution of commodities through the New Mexico Human Services Department. These items are recorded as non-operating revenues. All charges for services are recorded as operating income.

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

*Budgetary Information*

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

These budgets are prepared on the Non-GAAP cash basis, excluding encumbrances, and secure appropriation of funds for only one year. Carryover funds must be re-appropriated in the budget of the subsequent fiscal year.

Actual expenditures may not exceed the budget at the function (or “series”) level. Budgets may be amended in two ways. If a budget transfer is necessary within a major category called a ‘series’ this may be accomplished with only local Board of Education approval. If a transfer between ‘series’ or a budget increase is required, approval must also be obtained from Public School Finance Division.

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

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

1. In April or May, the superintendent submits to the Board of Education a proposed operating budget of the fiscal year commencing the following July. The operating budget includes proposed expenditures and the means of financing them, and has approval by the Department of Education.
2. In May or June, the budget is approved by the Board of Education.
3. The school board must certify the budget. The school board meeting is open for the general public unless a closed meeting has been called.
4. The superintendent is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the school board and the State of New Mexico Department of Education.
5. Formal budgetary integration is employed as a management control device during the year for the General Fund, Special Revenue Funds, Debt Service Fund, and Capital Projects Funds.
6. Budgets for the General, Special Revenue, Debt Service, and Capital Projects are adopted on a basis not consistent with generally accepted accounting principles (GAAP). Budget basis expenditures exclude encumbrances.

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Notes to Financial Statements  
 June 30, 2009

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

*Budgetary Information (continued)*

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

The appropriated budget for the year ended June 30, 2009, was properly amended by the District's Board of Education throughout the year.

	Excess (deficiency) of revenues over expenditures	
	Original Budget	Final Budget
	Budgeted Funds:	
General Fund	\$ (6,311,785 )	\$ (6,611,785 )
Impact Aid Indian Education	\$ (4,977,620 )	\$ (4,977,623 )
Special Revenue Bond	\$ (10,000,000 )	\$ (10,000,000 )
Public School Capital Outlay	\$ -	\$ -
Debt Service Fund	\$ (3,639,701 )	\$ (3,639,701 )
Nonmajor Funds	\$ (10,552,038 )	\$ (10,781,776 )

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

**NOTE 3. Deposits and Investments**

State statutes authorize the investment of District funds in a wide variety of instruments including certificates of deposit and other similar obligations, state investment pool, money market accounts, and United States Government obligations. All invested funds of the Schools properly followed State investment requirements as of June 30, 2009.

Deposits of funds may be made in interest or non-interest bearing checking accounts in one or more banks or savings and loan associations within the geographical boundaries of the District. The financial institution must provide pledged collateral for 50% of the deposit amount in excess of the deposit insurance.

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

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

According to the Federal Deposit Insurance Corporation, public unit deposits are funds owned by the public unit. Time deposits, savings deposits and interest bearing NOW accounts of a public unit in an institution in the same state will be insured up to \$250,000 in aggregate and separate from the \$250,000 coverage for public unit demand deposits at the same institution. However, on October 14, 2008, the FDIC announced a new Transaction Account Guarantee Program, that provides depositors' with unlimited coverage for noninterest-bearing transaction accounts. With regards to this Transaction Guarantee Program, Noninterest-bearing checking accounts include Demand Deposit Accounts (DDA'S) and any other transaction accounts that has unlimited withdrawals and that cannot earn interest. Also included in this program, are low-interest NOW accounts that cannot earn more than 0.5% interest. This program is schedule to end December 31, 2009.

**STATE OF NEW MEXICO**  
Gallup-McKinley County Public Schools  
Notes to Financial Statements  
June 30, 2009

**NOTE 3. Deposits and Investments (continued)**

*Custodial Credit Risk – Deposits* Custodial credit risk is the risk that in the event of a bank failure, the District’s deposits may not be returned to it. The District does not have a deposit policy for custodial credit risk, other than following state statutes as put forth in the Public Money Act (Section 6-10-1 to 6-10-63, NMSA 1978). At June 30, 2009, \$11,933,929 of the District’s bank balance of \$13,048,403 was exposed to custodial credit risk. \$6,887,399 was uninsured and collateralized by collateral held by the pledging bank’s trust department, not in the District’s name. \$5,046,530 was uninsured and uncollateralized at June 30, 2009.

	Bank of America	Pinnacle Bank	Wells Fargo Bank	Total
Total amount of deposits	\$ 299,100	\$12,134,829	\$ 614,474	\$ 13,048,403
Transaction deposits accounts covered by the "Tranactions Account Guarantee Program"	-	-	(364,474)	(364,474)
FDIC coverage	(250,000)	(250,000)	(250,000)	(750,000)
Total uninsured public funds	49,100	11,884,829	-	11,933,929
Collateralized by securities held by the pledging institution or by its trust department or agent in other than the District's name	49,100	6,838,299	-	6,887,399
Uninsured and uncollateralized	\$ -	\$ 5,046,530	\$ -	\$ 5,046,530
Collateral requirement (50% of uninsured)	\$ 24,550	\$ 5,942,415	\$ -	\$ 5,966,965
Pledged securities	95,434	6,838,299	-	6,933,733
Over (under) collateralization	\$ 70,884	\$ 895,885	\$ -	\$ 966,769

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

*Custodial Credit Risk – Investments* For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The District does not have an investment policy for custodial risk. New Mexico State Statutes require collateral pledged to be delivered for securities underlying an overnight repurchase agreement, or a joint safekeeping receipt be issued to the District for at least one hundred two percent of the fair value of the securities underlying overnight repurchase accounts invested with the institution. At June 30, 2009, the entire District’s investment balance in repurchase agreements of \$33,345,664 was exposed to custodial credit risk because it was uninsured and the collateral was held by the counterparty and not in the District’s name.

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Notes to Financial Statements  
 June 30, 2009

**NOTE 3. Deposits and Investments (continued)**

	Bank of America	Pinnacle Bank	Total
Repurchase agreements	\$ 33,345,664	\$ 543,447	\$ 33,889,111
FDIC coverage	-	-	-
Total uninsured public funds	33,345,664	543,447	33,889,111
Securities underlying an overnight repurchase agreement held by investment's counterparty not in the District's name	33,345,664	543,447	33,889,111
Uninsured and uncollateralized	\$ -	\$ -	\$ -
Collateral requirement for repurchase agreements (102% of value of underlying securities)	\$ 34,012,577	\$ 554,316	\$ 34,566,893
Pledged securities	34,012,577	554,316	34,566,893
Over (under) collateralization	\$ -	\$ -	\$ -

**Investments:**

<u>Investment Type</u>	<u>Maturities</u>	<u>Fair Value</u>	<u>Rating</u>
U.S. Treasury MM Mutual Funds	<360 days	\$ 2,453,913	AAA

The District utilizes pooled accounts for some of their programs and funds. Negative cash balances in individual funds that were part of the pooled accounts were reclassified as due to/from accounts in the combining balance sheets as of June 30, 2009. Funds 24000 through 25000 are federal funds and 26000 through 31700 are nonfederal funds. The following individual funds had negative cash balances as of June 30, 2009:

24101	Title I - IASA Special Revenue Fund	\$ 119
31100	Bond Buidling Capiatl Projects Fund	2,793,108
	Total	<u>\$ 2,793,227</u>

Reconciliation to the Statements of Net Assets

The carrying amount of deposits and investments shown above are included in the District's statements of net assets as follows:

Cash and cash equivalents per Exhibit A-1	\$ 33,404,710
Restricted cash per Exhibit A-1	6,904,663
Agency cash per Exhibit D-1	605,055
Total cash and cash equivalents	<u>40,914,428</u>
Add: Reconciling items	8,476,999
Less: Investments	(2,453,913)
Less: Repurchase agreements	<u>(33,889,111)</u>
Bank balance of deposits	<u>\$ 13,048,403</u>



**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Notes to Financial Statements  
 June 30, 2009

**NOTE 3. Deposits and Investments (continued)**

**Component Unit Activities:**

Middle College High School (MCHS), a charter school, is established on the campus of University of New Mexico, through its branch campus at Gallup (UNMG). UNMG provides MCHS all accounting and financial services including budget development, payroll, bookkeeping and monthly financial statements of revenues and expenditures. All monies belonging to MCHS is included in UNMG's bank accounts. A separate report including deposit and investment disclosure for the University of New Mexico (UNM) accounts is available at [www.unm.edu](http://www.unm.edu).

As of July 1, 2009, UNMG no longer provides MCHS with accounting and financial services. The accounting and financial services including budget development, payroll, bookkeeping and monthly financial statements of revenues and expenditures will be provided by the District. As of June 30, 2009, the District has opened a bank account for Middle College High School with \$77,778. The District's remaining cash balance of \$452,101 is still held in UNMG's bank account.

**NOTE 4. Accounts Receivable**

Accounts receivable as of June 30, 2009, are as follows:

**Governmental Activities:**

	General Fund	Impact Aid Indian Education	Special Revenue Bond	Public School Capital Outlay	Debt Service
Property taxes receivable	\$ 20,384	\$ -	\$ -	\$ -	\$ 460,028
Due from other governments					
Federal sources	-	-	-	-	-
State sources	-	-	-	-	-
Other receivables	11,952	-	-	-	-
	<u>\$ 32,336</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 460,028</u>

	Other Governmental Funds	Total
Property taxes receivable	\$ 111,143	\$ 591,555
Due from other governments		
Federal sources	1,038,801	1,038,801
State sources	2,595,848	2,595,848
Other receivables	843	12,795
	<u>\$ 3,746,635</u>	<u>\$ 4,238,999</u>

The above receivables are deemed 100% collectible.

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Notes to Financial Statements  
 June 30, 2009

**NOTE 5. Interfund Receivables, Payables, and Transfers**

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

The composition of interfund balances during the year ended June 30, 2009 is as follows:

<u>Due from other fund</u>	<u>Due to Other fund</u>	<u>Amount</u>
<b>Primary Government</b>		
General Fund	Title I IASA	\$ 130,124
General Fund	Discretionary IDEA-B	44,003
General Fund	Preschool IDEA-B	28,235
General Fund	Education of Homeless	3,581
General Fund	21st Century Community Learning Centers 2008-2014	119,303
General Fund	Title I Family Literacy IASA	4,110
General Fund	Partnerships in Char Ed Pilot	1,889
General Fund	English Language Acquisition	67,157
General Fund	Teacher/Principal Training & Recruiting	343,293
General Fund	Title IV-A Safe & Drug Free Schools & Community	35,744
General Fund	21st Century Community Living Centers	67,144
General Fund	Rural & Low Income Schools	173,968
General Fund	Title I School Improvement	175,056
General Fund	Immigrant Funding - Title III	12,030
General Fund	Reading First	14,370
General Fund	Carl Perkins Secondary - Current	29,569
General Fund	Johnson O'Malley	206,429
General Fund	Indian Health Services	18,421
General Fund	Indian Education Formula Grant	120,554
General Fund	21st Century Community Learning Centers	2,560
General Fund	Navajo Nations	60,122
General Fund	Teacher Quality Enhancement	17,058
General Fund	Goals 2000 Parental Assistance	17,981
General Fund	Substance Abuse & Mental Health Services	101,018
General Fund	Carol M White Physical Fitness	6,154
General Fund	Native American Program	2,482
General Fund	Save the Children	71,807
General Fund	TANF - Full Day Kindergarten	1,513
General Fund	Laws of NM 2005	46,467
General Fund	Pre-K Initiative	274,620
General Fund	Reading Improvement Initiatives	2,704
General Fund	Beginning Teacher Mentoring Program	1,460
General Fund	K-Plus Initiative	1,577
	Stubtotal	<u>2,202,503</u>

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Notes to Financial Statements  
 June 30, 2009

**NOTE 5. Interfund Receivables, Payables, and Transfers (continued)**

<u>Due from other fund</u>	<u>Due to Other fund</u>	<u>Amount</u>
<b>Primary Government</b>		
Subtotal		2,202,503
General Fund	School Improvement Framework	178,400
General Fund	Kindergarten - Three Plus	302,204
General Fund	State - 21st Century Learning Center	25,156
General Fund	Libraries - SB 301 GO Bonds	149
General Fund	City/County Grants	6,311
General Fund	School Based Health Center	65,764
General Fund	Bond Building	816,964
Fresh Fruits & Vegetables	Native American Program	4,136
Special Revenue Bond	Bond Building	<u>2,793,108</u>
Total		<u>\$ 6,394,695</u>
<b>Component Unit</b>		
General Fund	Public School Capital Outlay	<u>6,977</u>
Total		<u>\$ 6,977</u>

All interfund balances are to be repaid within one year.

The Schools recorded interfund transfers to reflect a temporary transfer of cash due to temporary need within the funds. The composition of interfund transfers during the year ended June 30, 2009 is as follows:

<u>Transfers Out</u>	<u>Transfers In</u>	<u>Amount</u>
<b>Primary Government</b>		
General Fund	Debt Service	\$ 3,100,000
Non-Budgeted Activity	Non-Budgeted Autism Program	7,038
Non-Budgeted Activity	Non-Budgeted Miyamura Scholarship	7,200
Non-Budgeted Activity	Non-Budgeted SQS	170,229
Non-Budgeted Activity	Non-Budgeted Thoreau Night School	<u>1,530</u>
		<u>\$ 3,285,997</u>

**STATE OF NEW MEXICO**  
Gallup-McKinley County Public Schools  
Notes to Financial Statements  
June 30, 2009

**NOTE 6. Capital Assets**

A summary of capital assets and changes occurring during the year ended June 30, 2009, including those changes pursuant to the implementation of GASB Statement No. 34, follows. Land and construction in progress are not subject to depreciation.

**Governmental Activities:**

	Balance June 30, 2008	Adjustment	Additions	Deletions	Balance June 30, 2009
Capital assets not being depreciated:					
Land	\$ 17,787,981	\$ -	\$ 297,629	\$ -	\$ 18,085,610
Construction in progress	43,676,942	-	7,307,167	41,718,280	9,265,829
Total capital assets not being depreciated	<u>61,464,923</u>	<u>-</u>	<u>7,604,796</u>	<u>41,718,280</u>	<u>27,351,439</u>
Capital assets being depreciated:					
Buildings and improvements	308,658,554	(605,238)	62,593,578	2,668,818	367,978,076
Furniture, fixtures, and equipment	31,063,930	(4,041,804)	337,428	627,766	26,731,788
Total capital assets being depreciated	<u>339,722,484</u>	<u>(4,647,042)</u>	<u>62,931,006</u>	<u>3,296,584</u>	<u>394,709,864</u>
Total capital assets	<u>401,187,407</u>	<u>(4,647,042)</u>	<u>70,535,802</u>	<u>45,014,864</u>	<u>422,061,303</u>
Less accumulated depreciation:					
Buildings and improvements	71,052,699	-	7,134,398	1,617,223	76,569,874
Furniture, fixtures and equipment	18,812,384	(2,021,122)	2,126,019	470,586	18,446,695
Total accumulated depreciation	<u>89,865,083</u>	<u>(2,021,122)</u>	<u>9,260,417</u>	<u>2,087,809</u>	<u>95,016,569</u>
Total capital assets net of depreciation	<u>\$ 311,322,324</u>	<u>\$ (2,625,920)</u>	<u>\$ 61,275,385</u>	<u>\$ 42,927,055</u>	<u>\$ 327,044,734</u>

Depreciation expense for the year ended June 30, 2009 was charged to the following functions and funds:

**Governmental Activities**

Instruction	\$ 7,839,285
Support services-students	383,187
Support services-instruction	34,383
Support services-general administration	156,377
Central services	57,055
Operations and maintenance of plant	1,630
Student transportation	761,445
Food services operations	27,055
	<u>\$ 9,260,417</u>

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Notes to Financial Statements  
 June 30, 2009

**NOTE 6. Capital Assets (continued)**

The District has active construction projects as of June 30, 2009. The projects include additions, renovations and improvements to school buildings and grounds. A portion of the outstanding projects is funded by payments made directly to contractors by the Public School Capital Outlay Council (PSCOC). The PSCOC was created under the public school capital outlay council pursuant to Subsection A of Section 22-24-9 NMSA 1978 to assist in identifying and funding all outstanding deficiencies in public schools and grounds that may adversely affect the health or safety of students and school personnel no later than June 30, 2009. Additions of Navajo Middle School, Ramah High School, New Gallup Middle School, Crownpoint Middle School, and Tohatchi Elementary School were completed during the fiscal year with approximately \$15 million awarded by the Public School Capital Outlay Council.

**Component Unit:**

	Balance June 30, 2008	Adjustment	Additions	Deletions	Balance June 30, 2009
Capital assets being depreciated:					
Furniture fixtures and equipment	\$ 190,648	\$ (70,590)	\$ -	\$ -	\$ 120,058
Total capital assets	<u>190,648</u>	<u>(70,590)</u>	<u>-</u>	<u>-</u>	<u>120,058</u>
Less accumulated depreciation:					
Furniture, fixtures and equipment	112,653	(35,209)	17,716	-	95,160
Total accumulated depreciation	<u>112,653</u>	<u>(35,209)</u>	<u>17,716</u>	<u>-</u>	<u>95,160</u>
Total capital assets net of depreciation	<u>\$ 77,995</u>	<u>\$ (35,381)</u>	<u>\$ (17,716)</u>	<u>\$ -</u>	<u>\$ 24,898</u>

Depreciation expense for the year ended June 30, 2009 was charged to the following functions:

**Component Unit**

Instruction	<u>\$ 17,716</u>
-------------	------------------

**NOTE 7. Long-term Debt**

The District issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. The original amount of general obligation bonds issued in prior years was \$60,250,000. During the year, general obligation bonds for the same purpose totaling \$6,000,000 were issued.

General obligation bonds are direct obligations and pledge the full faith and credit of the Schools. These bonds are issued with varying terms and varying amounts of principal maturing each year. All general obligation bonds as of June 30, 2009 are for governmental activities.

The District issues revenue bonds to provide funds for the acquisition and construction of teacher housing facilities. The original amount of revenue bonds issued by the district in prior years is \$32,889,365. Revenue from rent and leases and eligible Federal Impact Aid is used to repay the District's revenue bonds.

**STATE OF NEW MEXICO**  
Gallup-McKinley County Public Schools  
Notes to Financial Statements  
June 30, 2009

**NOTE 7. Long-term Debt** (continued)

Bonds outstanding at June 30, 2009, are comprised of the following:

	Series 7/1/1995	Series 8/1/1997	Series 8/1/1998	Series 6/1/1999
Original Issue:	4,875,000	5,000,000	5,000,000	5,000,000
Principal:	August 1	August 1	August 1	August 1
Interest:	February 1 August 1	February 1 August 1	February 1 August 1	February 1 August 1
Interest Rates:	4.50% - 6.50%	5.30% - 6.00%	4.10% - 5.60%	4.125% - 5.625%
Maturity Date:	8/1/2008	8/1/2009	8/1/2010	8/1/2011
	Series 5/1/2000	Series 9/1/2001	Series 8/12/2003	Revenue Bond 5/1/2005
Original Issue:	3,500,000	10,375,000	3,000,000	2,740,967
Principal:	August 1	August 1	August 1	August 1
Interest:	February 1 August 1	February 1 August 1	February 1 August 1	February 1 August 1
Interest Rates:	5.00% - 6.50%	3.50% - 4.375%	3.00% - 4.00%	3.41% - 5.37%
Maturity Date:	8/1/2012	8/1/2013	8/1/2016	8/1/2026
	Revenue Bond 7/28/2006	Series 2002 GO	Series 2004 GO	Series 2006 GO
Original Issue:	13,580,025	3,500,000	4,500,000	4,500,000
Principal:	August 1	August 1	August 1	August 1
Interest:	February 1 August 1	February 1 August 1	February 1 August 1	February 1 August 1
Interest Rates:	3.62% - 4.49%	1.41% - 3.539%	3.30% - 4.75%	2.88% - 3.86%
Maturity Date:	8/1/2026	8/1/2014	8/1/2017	8/1/2018
	Series 2007 GO	Revenue Bond 2003A	Series 2008 GO	Series 2009 GO
Original Issue:	5,500,000	16,568,373	5,500,000	6,000,000
Principal:	August 1	August 1	August 1	August 1
Interest:	February 1 August 1	February 1 August 1	February 1 August 1	February 1 August 1
Interest Rates:	3.497% - 3.729%	1.23% - 4.35%	3.45% - 4.00%	3.45% - 5.00%
Maturity Date:	8/1/2020	8/1/2023	8/1/2021	8/1/2022

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Notes to Financial Statements  
 June 30, 2009

**NOTE 7. Long-term Debt** (continued)

Bonds outstanding at June 30, 2009 (continued)

**Governmental Activities:**

	Balance June 30, 2008	Additions	Deletions	Balance June 30, 2009	Due Within One Year
General obligation bonds					
Series 7/1/1995	\$ 1,000,000	\$ -	\$ 1,000,000	\$ -	\$ -
General obligation bonds					
Series 8/1/1997	2,225,000	-	825,000	1,400,000	1,400,000
General obligation bonds					
Series 8/1/1998	2,950,000	-	500,000	2,450,000	1,225,000
General obligation bonds					
Series 6/1/1999	3,575,000	-	325,000	3,250,000	325,000
General obligation bonds					
Series 5/1/2000	2,575,000	-	100,000	2,475,000	50,000
General obligation bonds					
Series 9/1/2001	1,650,000	-	100,000	1,550,000	100,000
General obligation bonds					
2002 GO bond	2,465,000	-	200,000	2,265,000	150,000
General obligation bonds					
Series 8/12/2003	2,450,000	-	50,000	2,400,000	50,000
General obligation bonds					
2004 GO bond	3,400,000	-	-	3,400,000	-
General obligation bonds					
2006 GO bond	4,400,000	-	100,000	4,300,000	100,000
General obligation bonds					
2007 GO bond	5,500,000	-	760,000	4,740,000	350,000
General obligation bonds					
2008 GO bond	5,500,000	-	-	5,500,000	450,000
General obligation bonds					
2009 GO bond	-	6,000,000	-	6,000,000	-
Revenue bond					
Series 2003	14,238,637	-	684,235	13,554,402	701,521
Revenue bond					
Series 5/1/2005	2,565,969	-	95,000	2,470,969	100,000
Revenue bond					
Series 7/28/2006	13,127,889	-	473,277	12,654,612	490,738
	<u>67,622,495</u>	<u>6,000,000</u>	<u>5,212,512</u>	<u>68,409,983</u>	<u>5,492,259</u>
Compensated absences	456,276	544,117	571,586	428,807	428,807
	<u><u>\$ 68,078,771</u></u>	<u><u>\$ 6,544,117</u></u>	<u><u>\$ 5,784,098</u></u>	<u><u>\$ 68,838,790</u></u>	<u><u>\$ 5,921,066</u></u>

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Notes to Financial Statements  
 June 30, 2009

**NOTE 7. Long-term Debt** (continued)

The annual requirements to amortize the General Obligation Bonds as of June 30, 2009, including interest payments are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2010	\$ 4,200,000	\$ 1,517,734	\$ 5,717,734
2011	4,370,000	1,316,377	5,686,377
2012	4,125,000	1,135,795	5,260,795
2013	3,475,000	974,432	4,449,432
2014	2,950,000	847,651	3,797,651
2015-2019	13,740,000	2,667,414	16,407,414
2020-2024	6,870,000	518,909	7,388,909
	<u>\$ 39,730,000</u>	<u>\$ 8,978,312</u>	<u>\$ 48,708,312</u>

The annual requirements to amortize the August 1, 1997 Series general obligation bonds outstanding as of June 30, 2009, including interest payments are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2010	\$ 1,400,000	\$ 33,250	\$ 1,433,250
	<u>\$ 1,400,000</u>	<u>\$ 33,250</u>	<u>\$ 1,433,250</u>

The annual requirements to amortize the August 1, 1998 Series general obligation bonds outstanding as of June 30, 2009, including interest payments are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2010	\$ 1,225,000	\$ 81,463	\$ 1,306,463
2011	1,225,000	27,256	1,252,256
	<u>\$ 2,450,000</u>	<u>\$ 108,719</u>	<u>\$ 2,558,719</u>

The annual requirements to amortize June 1, 1999 Series general obligation bonds outstanding as of June 30, 2009, including interest payments are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2010	\$ 325,000	\$ 137,294	\$ 462,294
2011	1,400,000	99,225	1,499,225
2012	1,525,000	34,313	1,559,313
	<u>\$ 3,250,000</u>	<u>\$ 270,832</u>	<u>\$ 3,520,832</u>



**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Notes to Financial Statements  
 June 30, 2009

**NOTE 7. Long-term Debt** (continued)

The annual requirements to amortize the May 1, 2000 Series general obligation bonds outstanding as of June 30, 2009, including interest payments are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2010	\$ 50,000	\$ 126,287	\$ 176,287
2011	400,000	114,825	514,825
2012	900,000	81,563	981,563
2013	1,125,000	29,250	1,154,250
	<u>\$ 2,475,000</u>	<u>\$ 351,925</u>	<u>\$ 2,826,925</u>

The annual requirements to amortize the September 1, 2001 Series general obligation bonds outstanding as of June 30, 2009, including interest payments are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2010	\$ 100,000	\$ 65,063	\$ 165,063
2011	100,000	60,875	160,875
2012	250,000	53,438	303,438
2013	550,000	36,094	586,094
2014	550,000	12,031	562,031
	<u>\$ 1,550,000</u>	<u>\$ 227,501</u>	<u>\$ 1,777,501</u>

The annual requirements to amortize the 2002 Series general obligation bonds outstanding as of June 30, 2009, including interest payments are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2010	\$ 150,000	\$ 73,916	\$ 223,916
2011	200,000	68,695	268,695
2012	200,000	62,480	262,480
2013	200,000	56,077	256,077
2014	500,000	44,376	544,376
2015-2019	1,015,000	17,963	1,032,963
	<u>\$ 2,265,000</u>	<u>\$ 323,507</u>	<u>\$ 2,588,507</u>

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Notes to Financial Statements  
 June 30, 2009

**NOTE 7. Long-term Debt** (continued)

The annual requirements to amortize the August 12, 2003 Series general obligation bonds outstanding as of June 30, 2009, including interest payments are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2010	\$ 50,000	\$ 85,125	\$ 135,125
2011	50,000	82,375	132,375
2012	300,000	77,125	377,125
2013	300,000	67,938	367,938
2014	300,000	58,375	358,375
2015-2019	1,400,000	86,750	1,486,750
	<u>\$ 2,400,000</u>	<u>\$ 457,688</u>	<u>\$ 2,857,688</u>

The annual requirements to amortize the 2004 Series general obligation bonds outstanding as of June 30, 2009, including interest payments are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2010	\$ -	\$ 122,475	\$ 122,475
2011	-	122,475	122,475
2012	150,000	118,913	268,913
2013	250,000	111,038	361,038
2014	300,000	102,066	402,066
2015-2019	2,700,000	231,637	2,931,637
	<u>\$ 3,400,000</u>	<u>\$ 808,604</u>	<u>\$ 4,208,604</u>

The annual requirements to amortize the 2006 Series general obligation bonds outstanding as of June 30, 2009, including interest payments are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2010	\$ 100,000	\$ 156,596	\$ 256,596
2011	100,000	153,436	253,436
2012	100,000	150,162	250,162
2013	250,000	144,203	394,203
2014	500,000	131,095	631,095
2015-2019	3,250,000	331,888	3,581,888
	<u>\$ 4,300,000</u>	<u>\$ 1,067,380</u>	<u>\$ 5,367,380</u>

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Notes to Financial Statements  
 June 30, 2009

**NOTE 7. Long-term Debt** (continued)

The annual requirements to amortize the 2007 Series general obligation bonds outstanding as of June 30, 2009, including interest payments are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2010	\$ 350,000	\$ 166,257	\$ 516,257
2011	145,000	157,602	302,602
2012	100,000	153,312	253,312
2013	200,000	148,032	348,032
2014	200,000	140,970	340,970
2015-2019	2,400,000	506,265	2,906,265
2020-2024	1,345,000	50,927	1,395,927
	<u>\$ 4,740,000</u>	<u>\$ 1,323,365</u>	<u>\$ 6,063,365</u>

The annual requirements to amortize the 2008 Series general obligation bonds outstanding as of June 30, 2009, including interest payments are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2010	\$ 450,000	\$ 200,213	\$ 650,213
2011	300,000	185,212	485,212
2012	300,000	173,213	473,213
2013	300,000	161,212	461,212
2014	300,000	149,213	449,213
2015-2019	1,525,000	590,286	2,115,286
2020-2024	2,325,000	142,057	2,467,057
	<u>\$ 5,500,000</u>	<u>\$ 1,601,406</u>	<u>\$ 7,101,406</u>

The annual requirements to amortize the 2009 Series general obligation bonds outstanding as of June 30, 2009, including interest payments are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2010	\$ -	\$ 269,795	\$ 269,795
2011	450,000	244,401	694,401
2012	300,000	231,276	531,276
2013	300,000	220,588	520,588
2014	300,000	209,525	509,525
2015-2019	1,450,000	902,625	2,352,625
2020-2024	3,200,000	325,925	3,525,925
	<u>\$ 6,000,000</u>	<u>\$ 2,404,135</u>	<u>\$ 8,404,135</u>

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Notes to Financial Statements  
 June 30, 2009

**NOTE 7. Long-term Debt** (continued)

The annual requirements to amortize all the outstanding Revenue Bonds as of June 30, 2009, including interest payments are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2010	\$ 1,292,259	\$ 1,128,736	\$ 2,420,995
2011	1,335,273	1,086,986	2,422,259
2012	1,376,287	1,042,124	2,418,411
2013	1,425,206	994,235	2,419,441
2014	1,476,968	943,146	2,420,114
2015-2019	8,258,668	3,816,317	12,074,985
2020-2024	10,136,520	1,920,638	12,057,158
2025-2029	3,378,802	239,060	3,617,862
	<u>\$ 28,679,983</u>	<u>\$ 11,171,242</u>	<u>\$ 39,851,225</u>

The annual requirements to amortize the Teacher Housing Revenue Bond Series 2003A outstanding as of June 30, 2009, including interest payments are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2010	\$ 701,521	\$ 486,018	\$ 1,187,539
2011	721,283	466,977	1,188,260
2012	743,265	445,840	1,189,105
2013	767,333	422,949	1,190,282
2014	792,949	398,524	1,191,473
2015-2019	4,419,532	1,553,057	5,972,589
2020-2024	5,408,519	593,711	6,002,230
	<u>\$ 13,554,402</u>	<u>\$ 4,367,076</u>	<u>\$ 17,921,478</u>

The annual requirements to amortize the May 1, 2005 Revenue Bond outstanding as of June 30, 2009, including interest payments are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2010	\$ 100,000	\$ 115,443	\$ 215,443
2011	105,000	111,329	216,329
2012	105,000	106,997	211,997
2013	110,000	102,446	212,446
2014	115,000	97,595	212,595
2015-2019	625,000	407,486	1,032,486
2020-2024	760,000	242,657	1,002,657
2025-2029	550,969	45,368	596,337
	<u>\$ 2,470,969</u>	<u>\$ 1,229,321</u>	<u>\$ 3,700,290</u>

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Notes to Financial Statements  
 June 30, 2009

**NOTE 7. Long-term Debt** (continued)

The annual requirements to amortize the July 28, 2006 Revenue Bond outstanding as of June 30, 2009, including interest payments are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2010	\$ 490,738	\$ 527,275	\$ 1,018,013
2011	508,990	508,680	1,017,670
2012	528,022	489,287	1,017,309
2013	547,873	468,840	1,016,713
2014	569,019	447,027	1,016,046
2015-2019	3,214,136	1,855,774	5,069,910
2020-2024	3,968,001	1,084,270	5,052,271
2025-2029	2,827,833	193,692	3,021,525
	\$ 12,654,612	\$ 5,574,845	\$ 18,229,457

Compensated Absences – Administrative employees of the Schools are able to accrue a limited amount of vacation and other compensatory time during the year. During fiscal year June 30, 2009, compensated absences increased \$29,578 from the prior year accrual. In prior years, the general fund was typically used to liquidate long-term liabilities.

**Component Unit:**

	Balance June 30, 2008	Additions	Deletions	Balance June 30, 2009	Due Within One Year
Compensated absences	11,922	11,105	20,844	2,183	2,183
	\$ 11,922	\$ 11,105	\$ 20,844	\$ 2,183	\$ 2,183

**NOTE 8. Risk Management**

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

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

In case the NMPSIA's assets are not sufficient to meet its liability claims, the agreement provides that subscribers, including the District, cannot be assessed additional premiums to cover the shortfall. A lawsuit was settled in 2009 that exceeded insurance coverage in the amount of \$400,000. As of June 30, 2009, there was an outstanding liability of \$280,000 for judgment payable.

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Notes to Financial Statements  
 June 30, 2009

**NOTE 9. Deficit Fund Balances and Budget Noncompliance Issues**

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

A. Deficit fund balance of individual funds. The following funds reflected a deficit fund balance as of June 30, 2009:

**Primary Government:**

Title I IASA	\$ 11,591
Entitlement IDEA-B	6,333
Discretionary IDEA-B	44,003
Preschool IDEA-B	28,235
Education of Homeless	3,581
21st Century Community Learning Centers 2008-2014	44,608
Title I Family Literacy IASA	5,501
Partnerships in Char Ed Pilot	1,889
English Language Acquisition	36,952
Title IV-A Safe & Drug Free Schools & Community	6,078
21st Century Community Living Centers	50,793
Rural & Low Income Schools	141,874
Title I School Improvement	69,229
Immigrant Funding - Title III	11,974
Reading First	14,370
Carl Perkins Secondary - Current	4,997
Title I - IASA - Federal Stimulus	110,000
Johnson O'Malley	112,351
21st Century Community Learning Centers	2,560
Navajo Nations	1,558
Teacher Quality Improvement	17,058
Goals 2000 Parental Assistance	17,981
Substance Abuse & Mental Health Services	41,018
Carol M White Physical Fitness	29,507
State Equalization Gurantee - Federal Stimulus	700
Save the Children	9,842
Community based Organization PED	74,995
TANF - Full Day Kindergarten	1,513
Laws of NM 2005	46,467
Reading Improvement Initiatives	2,704
Beginning Teacher Mentoring Program	3,460
K-Plus Initiative	1,577
School Improvement Framework	178,400
Kindergarten - Three Plus	303,463
State-21st Century Learning Center	15,121
Librarires - SB 301 GO Bonds	149
City/County Grants	6,311
School Based Health Center	65,764
Bond Building	3,048,871

**Component Unit:**

Public School Capital Outlay	\$ 6,977
------------------------------	----------

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Notes to Financial Statements  
 June 30, 2009

**NOTE 9. Deficit Fund Balances and Budget Noncompliance Issues (continued)**

B. Excess of expenditures over appropriations. The following funds exceeded approved budgetary authority for the year ended June 30, 2009:

**Primary Government:**

Bond Building	
Support services	\$ 96,572
Capital outlay	6,598

**Component Unit:**

General Fund	
Food services operations	\$ 3,188
Public School Capital Outlay	
Instruction	\$ 27,908

C. In the budget designated cash appropriations exceeded prior year available balances. The following funds exceeded budgeted designated cash appropriations for the year ended June 30, 2009:

**Primary Government:**

Athletics	\$ 13,398
Non-Budgeted SQS	28,361
Pre-K Initiative	952,326
Capital Improvement SB-9	<u>2,287,491</u>
Total	<u>\$ 3,281,576</u>

**Component Unit:**

None

The District's reason for these deficits is inadequate monitoring of cash available to be rebudgeted. To correct this problem the District plans to implement a process through the Performance Budget Analysis Team to consider an estimate of designated cash when budgets are established.

**NOTE 10. ERA Pension Plan**

**Plan Description.** Substantially all of the Gallup-McKinley County Public Schools' full-time employees participate in a public employee retirement system authorized under the Public Employees Retirement Act (Chapter 10, Article 11, NMSA 1978). The Public Employees Retirement Association (PERA) 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 and beneficiaries. PERA 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 PERA, P.O. Box 2123, Santa Fe, NM 87504-2123. The report is also available on PERA's website at [www.pera.state.nm.us](http://www.pera.state.nm.us).

**Funding Policy.** Plan members are required to contribute 7.9% of their gross salary. The Gallup-McKinley County Public Schools is required to contribute 11.65% of the gross covered salary. The contribution requirements of plan members and the Gallup-McKinley County Public Schools are established in State statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. The Gallup-McKinley County Public Schools' contributions to PERA for the fiscal years ending June 30, 2009, 2008 and 2007 were \$8,810,298, \$8,185,158, and \$7,430,058, respectively, which equal the amount of the required contributions for each fiscal year.

**STATE OF NEW MEXICO**  
Gallup-McKinley County Public Schools  
Notes to Financial Statements  
June 30, 2009

**NOTE 11. Post-Employment Benefits – Retiree Health Care Plan**

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

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

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

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

The Retiree Health Care Act (Section 10-7C-15 NMSA 1978) is the statutory authority that establishes the required contributions of participating employers and their employees. The statute requires each participating employer to contribute 1.3% of each participating employee's annual salary; each participating employee is required to contribute .65% of their salary. 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 Gallup-McKinley County Public Schools' contributions to the RHCA for the years ended June 30, 2009, 2008 and 2007 were \$1,005,837, \$976,421, and \$952,585 respectively which equaled the required contributions each year.

**NOTE 12. Contingent Liabilities**

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

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



**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Notes to Financial Statements  
 June 30, 2009

**NOTE 13. Commitments**

The District's commitments as of June 30, 2009 are as follows:

<u>Construction Projects</u>	<u>Contract Amount</u>	<u>Projected Completion Date</u>
Thoreau Middle School	\$ 1,840,000	January 31, 2011
Crownpoint Elementary School	\$ 205,399	July, 31, 2010
Gallup Middle School	\$ 22,307,615	December 31, 2009
Tohatchi Teacherage	\$ 54,400	January 31, 2010
Miyamura High School	\$ 35,457,971	August 31, 2010

A portion of the following constructions projects in process if funded by payments made directly to contractors by Public School Capital Outlay Council.

**NOTE 14. Joint Powers Agreements**

Cooperative Procurement Agreement

Participants – McKinley County  
 City of Gallup  
 Gallup-McKinley County Public Schools

Responsible party – All participants

Description – To conduct cooperative procurement utilizing services of each entity.

Begin date – May 2, 2002

Ending date – Until notified

Estimated amount of project – Unknown

Amount contributed – None

Audit responsibility – Each participant

Fiscal agent – Not applicable

Aquatics Center Operations

Participants - City of Gallup  
 Gallup-McKinley County Public Schools

Responsible party – City of Gallup

Description – To operate the Aquatics Center Swimming Facility

Beginning date – April 4, 2004

Ending date – Until withdrawn

Estimated amount of project - \$8,250,000

Amount contributed - \$2,250,000

Audit responsibility – City of Gallup

Fiscal agent – City of Gallup

Resolution of the Intergovernmental Relations Committee of the Navajo Nation Counsel

Participants – Navajo Nation of Dine Education  
 Gallup-McKinley County Public Schools

Responsible party – Navajo Nation of Dine Education

Description – To collaborate on and endorse a relevant curriculum that increases the awareness of students, teachers and employee to cultural diversity and provides opportunities for staff development to enhance that relationship.

Beginning date – July 6 2004

Ending date – Until withdrawn

Estimated amount of project - Unknown

Amount contributed - None

Audit responsibility – Navajo Nation of Dine Education

Fiscal agent – Navajo Nation of Dine Education

**STATE OF NEW MEXICO**  
Gallup-McKinley County Public Schools  
Notes to Financial Statements  
June 30, 2009

**NOTE 14. Joint Powers Agreements (continued)**

Continued Implementation of Three Regional Quality Centers

Participants – Strengthening Quality in School  
Gallup-McKinley County Public Schools  
Responsible party – Gallup-McKinley County Public Schools  
Description – To support the continued implementation of three Regional Quality Centers  
Beginning date – October 8, 2008  
Ending date – June 30, 2009  
Estimated amount of project - \$500,000  
Amount contributed - None  
Audit responsibility – Gallup-McKinley County Public Schools  
Fiscal agent – Gallup-McKinley County Public Schools

JPA for Shared Use of Facilities

Participants – City of Gallup  
Gallup-McKinley County Public Schools  
Responsible party – Each participant  
Description – To share both school district and city recreational, training, and educational facilities.  
Beginning date – 1977  
Ending date – Unknown  
Estimated amount of project - None  
Amount contributed - None  
Audit responsibility – Each participant  
Fiscal agent – Not Applicable

Fiscal Duties for Middle College High Charter School

Participants –Gallup-McKinley County Public Schools  
Middle College High Charter School  
Responsible party – Middle College High Charter School  
Description – To perform the fiscal duties of Middle College High Charter School.  
Beginning date – July 1, 2009  
Ending date – June 30, 2010  
Estimated amount of project - None  
Amount contributed - None  
Audit responsibility – Each participant  
Fiscal agent – Gallup-McKinley County Public Schools

**NOTE 15. Net Assets Restatement**

The Districts removed all capital assets under \$5,000 from the capital assets listing that were placed in to service after June 17, 2005. Adjustments were made for governmental capital assets and depreciation balances that was overstate in the net amount of \$2,625,920 in the prior year as a result of the removal of these assets. Beginning net assets was decreased in the amount of \$2,625,920. No funds were affected by this adjustment.

The Charter School removed all capital assets under \$5,000 from the capital assets listing that were placed in to service after June 17, 2005. Adjustments were made for governmental capital assets and depreciation balances that was overstate in the net amount of \$35,381 in the prior year as a result of the removal of these assets. Beginning net assets was decreased in the amount of \$35,381. No funds were affected by this adjustment.

(This page intentionally left blank.)

(This page intentionally left blank.)

**SUPPLEMENTAL INFORMATION**

(This page intentionally left blank.)

**NONMAJOR GOVERNMENTAL FUNDS**

**STATE OF NEW MEXICO**  
Gallup-McKinley County Public Schools  
Non-Major Funds  
June 30, 2009

**ALL FEDERAL FUNDS** - The Special Revenue Fund accounts are used to account for grant funds received from the U.S. Department of Education through the New Mexico Department of Education. These funds are to be used for purposes specified in the grant awards and may not be used for any other purpose.

**Food Service (21000)** – This fund is utilized to account for Federal and Local sources of income relating to the food service programs. The Cafeteria Fund is segregated into two categories, one being the Federal funds and the other being Non-Federal funds. Federal funds consist of National School Lunch Program, which is administered by the State of New Mexico for the purpose of making breakfast and lunch available to all school children and to encourage the domestic consumption of agricultural commodities and other food components. Authority for the creation of this fund is NMSA 22-13-13

**Athletics (22000)** – This fund is used to account for fees generated at athletic activities throughout the School District. The gate receipts are obtained from the general public and are expended in this fund. The authority for creation of this fund is 6.20.2 NMAC.

**Non-Budgeted Activity (23022)** - To account for funds paid to the Schools for student activity travel. Accumulated funds are used to replace activity buses. Funding authority is the State Department of Education.

**Non-Budgeted Scholarship (23023)** – To provide college scholarships to a designated number of high school graduates meeting certain criteria from revenues generated from the annual Paul Hanson Memorial Golf Tournament.

**Non-Budgeted Autism Program (23024)** – To provide funds for parents of autistic students to attend conferences about parenting autistic children. These funds were raised from a golf tournament organized by the parents.

**Non-Budgeted Miyamura Scholarship (23025)** – To provide college scholarships to designated graduates from Miyamura High School from funds donated to the school.

**Non-Budgeted SQS (23026)** – The District is the fiscal agent for the Strengthening Quality in Schools (SQS) program. These funds are awarded to the SQS program from the Governor's Business Executives for Education for the implementation costs of quality improvement initiatives in various statewide school districts.

**Non-Budgeted Thoreau Night School (23027)** – To account for the tuition fees collected from Thoreau Night School students. These fees pay for supplies and materials, and wages for Night School staff.

**Title I IASA (24101)** – The major objectives of the Title I program are to provide supplemental educational opportunity for academically disadvantaged children in the area of residing. Campuses are identified for program participation by the percentage of students on free or reduced price lunches. Any school with a free and reduced price lunch percentage that is equal to or greater than the total district percentage becomes eligible for program participation. Any student whose test scores fall below District established criteria and who is attending a Title I campus is eligible to receive Title I services. Poverty is the criteria that identify a campus; educational need determines the students to be served. Federal revenues accounted for in this fund are allocated to the Schools through the New Mexico Department of Education. Authority for creation of this fund is Part A of Chapter I of Title I of Elementary and Secondary Education Act (ESEA) of 1965, as amended, Public Law 103-383.

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

**Discretionary IDEA-B (24107)** – The purpose of this program is to provide administrators and program directors with information and strategies that will support licensed and waived teachers in the areas of special education with day-to-day functions of the classroom. Authority for creation of this fund is Individuals with Disabilities Education Act (IDEA), Part B, Sections 611-617, and Part D, Section 674 as amended, 20 U.S.C. 1411-1417 and 1420, Public Law 105-17.



**STATE OF NEW MEXICO**  
Gallup-McKinley County Public Schools  
Non-Major Funds  
June 30, 2009

**Preschool IDEA-B (24109)** – The objective of the Assistance to States for the Education of Handicapped Children Program is to assist in providing free, appropriate public education to all handicapped children from ages three to five. Federal revenues accounted for in this fund are allocated to the Schools through the New Mexico Department of Children, Youth and Families. Authority for creation of this fund is Public Law 105-17.

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

**Education of Homeless (24113)** - To provide tutoring and remedial academic services to homeless children and youth within the District. Funding is by the New Mexico Department of Education.

**Title II IASA (Math/Science) (24115)** – The objective of this act is to provide federal funds for the purpose of strengthening the skills of teachers in the areas of mathematics and science. Program resources are utilized for the development of instructional materials and training of teachers in the secondary schools for utilizing these materials. Funds are acquired from federal sources through the New Mexico Department of Education. Authority for creation of this fund is Title II of the Elementary and Secondary Education Act (ESEA) of 1965, Title II, Part A, Public Law 100-208, as amended, Public Law 101-589.

**Fresh Fruit & Vegetable (24118)** – To account for funds administered by the New Mexico State University through New Mexico Human Services Department to promote nutrition education to students and parents.

**21<sup>st</sup> Century Community Living and Learning Center (24119, 24159, and 25199)** - To account for a grant utilized to expand an after school, weekend and summer program. The program is designed to integrate the visual and performing arts with literacy, life skills and physical activity for kindergarten to 12<sup>th</sup> grade focusing on the neighborhood and the community at a classroom PL103-382.

**Title I Family Literacy IASA (24125)** – The objective of this grant is to provide secondary and post-secondary educational institutions the opportunity to develop, implement, and operate programs using different models of curricula that integrate vocational and academic learning. Funds are acquired from federal sources through the New Mexico Department of Education. Authority for creation of this fund is Carl D. Perkins Vocational and Applied Technology Education Act of 1990, as amended, Public Law 105-332.

**Title IV Drug Free Schools & Comm/Ed (24128)** – The objective of this program is to provide federal funds for the implementation of programs and/or curricula designed to prevent drug abuse from kindergarten through grade twelve. Federal revenues accounted for in this fund are allocated to the Schools through the New Mexico Department of Education. Authority for creation of this fund is Public Law 103-382.

**Partnerships in Character Ed Pilot (24129)** – To account for federal resources for designing and implementing character education programs that take into consideration the views of parents, students, students with disabilities, and other members of the community (*Elementary and Secondary Education Act of 1965*, as amended, Title V, Part D, Subpart 3, Sec. 5431; 20 U.S.C. 7247).

**Enhancing Education Through Technology (24133)** – To account for a federal grant designed to strengthen teacher learning in the field of technology. Authority for creation of this fund is the Elementary and Secondary Education Act of 1965, Title II, Part D, Subparts 1 and 2, as amended

**English Language Acquisition (24153)** – To provide funds to improve the educational performance of limited English proficient students by assisting the children to learn English and meet State academic content standards. Authority for creation of this fund is the Elementary and Secondary Education Act (ESEA), as amended, Title III, Part A, and Sections 3101, 3129.

**STATE OF NEW MEXICO**  
Gallup-McKinley County Public Schools  
Non-Major Funds  
June 30, 2009

**Teacher/Principal Training & Recruiting (24154)** – To improve the skills of teachers and the quality of instruction in mathematics and science and also to increase the accessibility of such instruction to all students. Authority for creation of this fund is the Rehabilitation Act of 1973, as amended, Title III, Section 303(b)-(d). 20 U.S.C. 777a and 797a.

**Title IV-A Safe & Drug Free Schools & Community (24157)** – To establish a local program of alcohol and drug abuse education and prevention coordinated with related community efforts and resources. The authority for creation of this fund is the Elementary and Secondary Education Act, Title IV, Part A, Subpart 1, as amended. 20 U.S.C. 7111-7118.

**Rural and Low Income Schools (24160)** – To account for funds used 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.

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

**Immigrant Funding – Title III (24163)** – The purpose of this fund is to give financial support to local school districts with high concentrations of immigrant children. Authority for the creation of this fund is Title III, Part A of the ESEA, as amended by No Child Left Behind Act, P.L. 107-110.

**School Renovation, IDEA & Technology (24166)** – To account for funds used to provide financial assistance to districts to purchase and install an Infrared Audio Enhancement System to help improve the quality of teaching and learning in their schools.

**Reading First (24167)** - To provide the cost of teachers and direct teaching expenses for reading initiative. Funding is by the Elementary and Secondary Education Act of 1965, as amended, Title I, Part B, Subpart 1.

**Carl Perkins Secondary - Current (24174)** – to provide federal funds to expand and improve vocational education programs and to provide equal access in vocational education to special needs populations. Authority for creation of this fund is Carl D. Perkins Vocational and Applied Technology Education Act of 1998, as amended, Public Law 105-332.

**Title I - IASA - Federal Stimulus (24201)** - Under the American Recovery and Reinvestment Act of 2009 (ARRA), these federal funds are intended to create an opportunity for educators to implement strategies that will improve education for at-risk students and close the achievement gaps while also stimulating the economy.

**Teaching American History (25107)** - The program is designed to raise student achievement by improving teachers' knowledge and understanding of and appreciation for traditional U.S. history. By helping teachers to develop a deeper understanding and appreciation of U.S. history as a separate subject matter within the core curriculum, these programs will improve instruction and raise student achievement. Funding authority is *Elementary and Secondary Education Act of 1965*, as amended, Title II, Part C, Subpart 4.

**Bilingual Education Title VII (25109)** – To develop school wide programs for limited English proficient students that reform, restructure, and upgrade all relevant and operations within an individual school that has a concentration of limited English proficient students. Elementary and Secondary Education Act of 1965, as amended, Title VII, Part A, Subpart I.

**Navajo Red/Corn Pollen Pathway (25111)** - This grant uses a combination of scientifically proven methods (Project Venture) and native traditional methods to reduce alcohol abuse among students at the seven Gallup-McKinley County Schools' high schools. Classes are taught in the high schools using Project Venture, and students are trained to become community leaders and work with local elders to establish a community-wide effort and support system in this effort to reduce alcohol abuse among McKinley County teens.

**JTPA (25117)** - To provide funding for summer youth employment and training program. Funding is by the New Mexico Department of Labor.

**STATE OF NEW MEXICO**  
Gallup-McKinley County Public Schools  
Non-Major Funds  
June 30, 2009

**Johnson O'Malley (25131)** - To account for grant funds (through the Navajo Nation) to be used to fulfill the needs of Indian students. The funding authority is The Navajo Nation Department of Education. PL93-638 and PL100-427.

**General Ed. Projects "Star Schools" (25137)** - To pay for curriculum modules that are technology driven, standards based and created by teachers under the E-TIP project. These modules are digitized and distributed over the internet. PL103-382 ESEA of 1965.

**Impact Aid Special Education (25145)** – To account for funding of a Federal program to provide financial assistance to local educational agencies (LEA's) where enrollments or availability of revenue are adversely affected by Federal activities, i.e. where the tax base of a district is reduced through the Federal acquisition of real property (Section 2), or where there are a significant number of children who reside on Federal (including Indian) lands and/or children whose parents are employed on Federal property or in the Uniformed Services (Section 3(a) and 3(b)): where there is a significant decrease (Section 3(c)) or a sudden and substantial increase (Section 4) in school enrollment as the result of Federal activities; to provide disaster assistance for reduced or increased operating costs (Section 7(a)), for replacing or repairing damaged or destroyed supplies, equipment, and books, and for repairing minor damage to facilities. Funding authorized by Public Law 81-874.

**GRADS Child Care CYFD (25149)** - To account for a program funded by the Public Education Department for the purpose to establish and maintain an in-school, family and consumer science instructional and intervention program for pregnant and parenting students, which focuses on knowledge and skills related to positive self, pregnancy, parenting and economic independence. Special Revenue fund established by the local school board.

**Title XIX - Medicaid 3/21 Years (25153)** – To account for a program providing school-based screening, diagnostic services and other related health services and administrative activities in conformance with the approved Medicaid State Plan in order to improve health and developmental outcomes for children. Authority for the creation of this fund is the Social Security Act, Title XIX, as amended; Public Laws 89-97, 90-248, and 91-56; 42 U.S.C. 1396 et seq., as amended; Public Law 92-223; Public Law 92-603; Public Law 93-66; Public Law 93-233; Public Law 96-499; Public Law 97-35; Public Law 97-248; Public Law 98-369; Public Law 99-272; Public Law 99-509; Public Law 100-93; Public Law 100-202; Public Law 100-203; Public Law 100-360; Public Law 100-436; Public Law 100-485; Public Law 100-647; Public Law 101-166; Public Law 101-234; Public Law 101-239; Public Law 101-508; Public Law 101-517; Public Law 102-234; Public Law 102-170; Public Law 102-394; Public Law 103-66; Public Law 103-112; Public Law 103-333; Public Law 104-91; Public Law 104-191; Public Law 104-193; Public Law 104-208, 104-134; Balanced Budget Act of 1997, Public Law 105-33; Public Law 106-113; Public Law 106-554; Public Law 108-27; Public Law 108-173; Public Law 109-91; Public Law 109-171; Public Law 109-432; Public Law 110-28.

**Child Care Block Grant CYFD (25157)** – To account for funds received for the transition assistance program funding through the Children, Youth and Families Department and the State of New Mexico.

**TANF/GRADS HSD (25162)** – To provide grants to States, Territories, or Tribes to assist needy families with children so that children can be cared for in their own homes; to reduce dependency by promoting job preparation, work, and marriage; to reduce and prevent out-of-wedlock pregnancies; and to encourage the formation and maintenance of two-parent families. Social Security Act, Title IV, Part A, as amended; Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Public Law 104-193

**Child & Adult Food Program (25171)** - To implement educational, mental health, social services, law enforcement and juvenile justice services for youth. Funding authority is the Elementary and Secondary Education Act of 1965.

**Indian Health Services (25173)** - Promotion to support and promote the "Corn Plant" model of coordinated school health in schools serving primarily Navajo students.

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

**STATE OF NEW MEXICO**  
Gallup-McKinley County Public Schools  
Non-Major Funds  
June 30, 2009

**Navajo Nations (25201)** - To coordinate and develop technologies for professional development to increase student achievement. To design and implement a network for web-casting and push technology –based curriculum content. PL 103-382

**Technology Challenge Grant USDE (25207)** - To coordinate and develop technologies for professional development to increase student achievement. To design and implement a network for web-casting and push technology –based curriculum content. PL 103-382

**Title V Indian Health Care Improvement Act (25209)** - To promote improved health care among American Indians/Alaska Natives through special diabetes prevention and treatment services projects with objectives and priorities determined at the local level.

**Teacher Quality Improvement (25214)** - To help the greatest number of educational assistants to achieve their Bachelor of Arts degrees to better serve students in diverse, rural areas.

**Tobacco Use Prevention and Control Program (25222)** – To account for a grant from the New Mexico Department of Health to help combat smoking by teenagers. Funding authority is through the New Mexico Department of Health.

**Goals 2000 Parental Assistance (25228)** - To account for a program funded by the New Mexico Department of Education to provide training for teachers and counselors PL103-227.

**Substance Abuse & Mental Health Services (25238)** - This grant is funded by the Department of Health in order to provide a case manager position at Gallup High School. The case manager serves as a liaison between the counseling department at Gallup High School and the School Based Health Center.

**Carol M White Physical Fitness (25241)** – To implement quality physical education programs in targeted schools. Teachers, through professional development, will be equipped with the latest knowledge and tools to deliver health related fitness curriculum and assessment programs that will effectively impact student learning.

**Native American Program (25248)** - To bring school-wide classroom reading instruction and targeted intervention for Limited English Proficient (LEP) students to Navajo and Crownpoint Middle Schools, both serving students in grades 6-8 and where the native language is Navajo.

**State Equalization Guarantee – Federal Stimulus (25250)** - Under the American Recovery and Reinvestment Act of 2009 (ARRA), these federal funds help stabilize the District’s budget in order to minimize and avoid reduction in education services.

**Impact Aid Construction (25252)** – Funds that were awarded under the American Recovery and Reinvestment Act of 2009 for construction activities authorized under section 8007(a) of the Elementary and Secondary Education Act of 1965.

**Bill & Melinda Gates Foundation (26104)** – The objective of this program is to bring together resources from high-tech companies to help K-12 teachers more fully understand how to integrate technology into their classrooms. Funds for this program are provided by the Bill and Melinda Gates Foundation. Authority for creation of this fund is the New Mexico Department of Education School District Policies and Procedures Manual.

**Save the Children (26143)** - The purpose is to provide improved reading intervention through in-school and after school activities, improve the academic performance of students at risk of failure due to poor reading skills. This program is being implemented at Crownpoint Elementary and Crownpoint Middle Schools.

**Center for the Ed & Study of Diverse Populations (26147)** – The objective of this program is to bring together resources from high-tech companies to help K-12 teachers more fully understand how to integrate technology into their classrooms. Funds for this program are provided by the Bill and Melinda Gates Foundation. Authority for creation of this fund is the New Mexico Department of Education School District Policies and Procedures Manual.

**STATE OF NEW MEXICO**  
Gallup-McKinley County Public Schools  
Non-Major Funds  
June 30, 2009

**Parents Reaching Out & Parents as Teachers (26174 and 28167)** - To account for state grant monies, the purpose of which is to fund a high school career counselor, whose purpose is to create career awareness among high school level students.

**Community Based Organization PED (27102)** – To provide funding for the unique needs of a new school’s first year of operation.

**TANF PED (27115)** – To account for monies received from the state to be used to encourage and promote a Health Advisory Committee that guides the Schools’ school health programs.

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

**Obesity Program (27120)** – Funds are used in after school programs to educate students on proper nutrition and to provide physical activities for the children to help them maintain healthy weight and lifestyles.

**TANF - Full Day Kindergarten (27136)** – The purpose of this grant is to assist the Schools to develop and implement a full day kindergarten program.

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

**Laws of New Mexico 2005 (27144)** - a pilot project designed to demonstrate the extent to which increased time in Kindergarten can narrow the achievement gap for economically disadvantaged students.

**Pre-K Initiative (27149)** — To account for funds received from allocated to prepare children for success in school, begin to close the achievement gap between students, and help meet the vision of a seamless education system — Pre-Kindergarten through higher education. Authority for the creation of this fund is the New Mexico Public Education Department.

**Indian Education Act (27150)** — To account for funds received from Annual Legislative Appropriation from Penny Bird-Indian Ed. Laws of 2005.

**Reading Improvement Initiatives (27152)** - To provide the cost of teachers and direct teaching expenses for reading initiative. Funding is by the Elementary and Secondary Education Act of 1965.

**Beginning Teacher Mentoring Program (27154)** – The objective of this program is to provide beginning teachers an effective transition into the teaching profession, retain capable teachers, improve the achievement of students and improve the overall success of the school. Funding is provided by the New Mexico Board of Education. Authority for creation of this fund is NMSA 22-2-8-10.

**Breakfast for Elementary Students (27155)** — To account for Legislative Appropriation to implement Breakfast in the Classroom for elementary schools in need of improvement based on AYP designation. Authority for the creation of this fund is the New Mexico Public Education Department.

**Teacher Professional Development Fund (27157)** – To enable Gallup-McKinley County Schools to act as the fiscal agent in implementing three Regional Quality Centers that will provide a system for building district, school, and classroom capacity to achieve and sustain high levels of student and system performance.

**K-Plus Initiative (27159)** – to account for funds allocated to demonstrate the extent to which increased time in kindergarten can narrow the achievement gap and increase cognitive skills for economically disadvantaged students.

**STATE OF NEW MEXICO**  
Gallup-McKinley County Public Schools  
Non-Major Funds  
June 30, 2009

**Schools in Need of Improvement (27163)** – Implement an extended school day program to focus on student needs and monitor student progress. Results are reported to New Mexico Public Education Department.

**School Improvement Framework (27164)** – Funds will enable the District to act as one of three Regional Quality Centers to provide program development, implementation, training, oversight and funding distribution services to the three Regional Quality Centers. Authority for the creation of this fund is the New Mexico Public Education Department.

**Kindergarten – Three Plus (27166)** – Funds allow for an extended school year for Kindergarten through third grade students. The program focuses on acclimating young students to the structure of a classroom environment and spending additional time to prepare them for the next grade. Authority for the creation of this fund is the New Mexico Public Education Department.

**State – 21<sup>st</sup> Century Learning Center (27167)** – This is a state flow-through grant, thus an additional fund number to 24159 and 25199, which are federal grants. Funds are utilized to expand an after school, weekend and summer program. The program is designed to integrate the visual and performing arts with literacy, life skills and physical activity for Kindergarten through 12<sup>th</sup> grade focusing on the neighborhood and the community at a classroom PL103-382.

**Pre-Kindergarten – Special State (27169)** – To provide a program to address to the special needs of the state’s population of four-year-old children. Participation in quality pre-kindergarten has a positive effect on children’s intellectual, emotional, social and physical development. Also, pre-kindergarten will advance governmental interests and childhood development and readiness.

**Libraries – SB 301 GO Bonds (27170)** – Funds are used for the improvement or acquisition of all public school libraries and expand library collections in order to circulate and provide access of materials to students and teachers.

**Library Book Fund (27549)** – Funds awarded to the District by the Instructional Materials Bureau in accordance with 2008 Senate Bill 471 for purchases of library books.

**Center for Teaching Excellence (28156)** – The objective of this program is to provide state funds provided by the Center for Teaching Excellence to specific teachers in the Schools. The expenditure of the funds is restricted to items in the grant application. Authority for creation for this fund is in the New Mexico Department of Education School District Policies and Procedures Manual.

**Pathways Project UNM (28162)** – To account for state grant monies, the purpose of which is to fund a high school career counselor, whose purpose is to create career awareness among high school level students.

**Parents as Teachers (28167)** - To account for state grant monies, the purpose of which is to fund a high school career counselor, whose purpose is to create career awareness among high school level students.

**AP New Mexico Incentive Funding (28168)** -To provide textbooks and materials for advanced placement at various schools. Funding by the New Mexico Department of Education.

**Office of Child Development (28170)** – This fund is generated through a sub-contract with San Juan College to enable them to comply with their grant through the children, Youth and Family Department (CYFD) to provide advisors so that the Training and Technical Assistance Program can be implemented within McKinley County. The advisor in McKinley County works with county day care centers and home providers to offer professional development and technical support so that they can meet the CYFD child care requirements.

**Regional Quality Center (28180)** – To maintain RQC which will create and sustain infrastructure within the District to support a systems approach to continuous improvement in academic performance.

**Private Dir. Grants (29102)** - To provide additional classroom time at Gallup Central High for seniors to meet graduation requirements.

**STATE OF NEW MEXICO**  
Gallup-McKinley County Public Schools  
Non-Major Funds  
June 30, 2009

**City/County Grant (29107)** – To provide support for a health education program within the school and to provide workbooks, materials for educational demonstrations and funds to support a nutrition-focused event for the school.

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

**Bond Building (31100)** – to account for bond proceeds plus any income earned thereon. The proceeds are restricted for the purpose of making additions to and furnishing of school buildings, or purchasing or improving school grounds or any combination thereof, as approved by the voters of the District.

**Special Capital Outlay Local (31300)** – To account for resources received by revenue generated local sources for the purpose of remodeling and improvements on existing structures. Funding authority is the State Department of Education.

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

**Special Capital Outlay Federal (31500)** – To account for the 20 percent of the operational property tax revenue that have been set aside for capital outlay projects.

**Capital Improvements SB-9 Fund (31700)** – To account for resources received through Senate Bill 9 and local tax levies obtained for the purpose of building, remodeling, and equipping classroom facilities. Funding authority is the State Department of Education.

**Energy Efficiency Act (31800)** – To account for proceeds set aside to pay for energy efficient retrofits. Funding authority is the State Department of Education.

**Public School Capital Outlay 20% (32100)** – To account for the 20 percent of the operational property tax revenues that have been set aside for capital outlay projects.

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Nonmajor Governmental Funds  
 Combining Balance Sheet  
 June 30, 2009

Special Revenue

<b>ASSETS</b>	<u>Food Service</u>	<u>Athletics</u>	<u>Non-Budgeted Activity</u>	<u>Non-Budgeted Scholarship</u>
<i>Current assets</i>				
Cash and cash equivalents	\$ 1,626,269	\$ 174,561	\$ 393,725	\$ 67,335
Property taxes receivable	-	-	-	-
Due from other governments	-	-	-	-
Other receivables	-	-	843	-
Inventory	98,505	-	-	-
Due from other funds	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total assets</i>	<u>\$ 1,724,774</u>	<u>\$ 174,561</u>	<u>\$ 394,568</u>	<u>\$ 67,335</u>
<b>LIABILITIES AND FUND BALANCE</b>				
<i>Current liabilities</i>				
Accounts payable	\$ 59,261	\$ -	\$ -	\$ -
Accrued payroll	44,400	2,400	199	-
Deferred revenue	-	-	-	-
Due to other funds	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total liabilities</i>	<u>103,661</u>	<u>2,400</u>	<u>199</u>	<u>-</u>
<i>Fund balances</i>				
Reserved for				
Inventory	98,505	-	-	-
Unreserved				
Undesignated, reported in				
Special revenue funds	1,522,608	172,161	394,369	67,335
Capital projects funds	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total fund balance</i>	<u>1,621,113</u>	<u>172,161</u>	<u>394,369</u>	<u>67,335</u>
<i>Total liabilities and fund balance</i>	<u>\$ 1,724,774</u>	<u>\$ 174,561</u>	<u>\$ 394,568</u>	<u>\$ 67,335</u>

The accompanying notes are an integral part of these financial statements



Special Revenue

<u>Non-Budgeted Autism Program</u>	<u>Non-Budgeted Miyamura Scholarship</u>	<u>Non-Budgeted SQS</u>	<u>Non-Budgeted Thoreau Night School</u>	<u>Title I IASA</u>	<u>Entitlement IDEA- B</u>
\$ 7,134	\$ 7,200	\$ 130,106	\$ 1,633	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	130,634	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 7,134</u>	<u>\$ 7,200</u>	<u>\$ 130,106</u>	<u>\$ 1,633</u>	<u>\$ 130,634</u>	<u>\$ -</u>
\$ -	\$ -	\$ 5,807	\$ -	\$ 12,101	\$ 37
-	-	-	-	-	2,160
-	-	-	-	-	-
-	-	-	-	130,124	4,136
-	-	5,807	-	142,225	6,333
-	-	-	-	-	-
7,134	7,200	124,299	1,633	(11,591)	(6,333)
-	-	-	-	-	-
<u>7,134</u>	<u>7,200</u>	<u>124,299</u>	<u>1,633</u>	<u>(11,591)</u>	<u>(6,333)</u>
<u>\$ 7,134</u>	<u>\$ 7,200</u>	<u>\$ 130,106</u>	<u>\$ 1,633</u>	<u>\$ 130,634</u>	<u>\$ -</u>

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Nonmajor Governmental Funds  
 Combining Balance Sheet  
 June 30, 2009

Special Revenue

<b>ASSETS</b>	<u>Discretionary IDEA-B</u>	<u>Preschool IDEA- B</u>	<u>Early Intervention Services IDEA-B</u>	<u>Education of Homeless</u>
<i>Current assets</i>				
Cash and cash equivalents	\$ -	\$ -	\$ 1,779	\$ -
Property taxes receivable	-	-	-	-
Due from other governments	-	-	-	-
Other receivables	-	-	-	-
Inventory	-	-	-	-
Due from other funds	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total assets</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,779</u>	<u>\$ -</u>
<b>LIABILITIES AND FUND BALANCE</b>				
<i>Current liabilities</i>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued payroll	-	-	-	-
Deferred revenue	-	-	-	-
Due to other funds	44,003	28,235	-	3,581
	<u>44,003</u>	<u>28,235</u>	<u>-</u>	<u>3,581</u>
<i>Total liabilities</i>	<u>44,003</u>	<u>28,235</u>	<u>-</u>	<u>3,581</u>
<i>Fund balances</i>				
Reserved for				
Inventory	-	-	-	-
Unreserved				
Undesignated, reported in				
Special revenue funds	(44,003)	(28,235)	1,779	(3,581)
Capital projects funds	-	-	-	-
	<u>(44,003)</u>	<u>(28,235)</u>	<u>1,779</u>	<u>(3,581)</u>
<i>Total fund balance</i>	<u>(44,003)</u>	<u>(28,235)</u>	<u>1,779</u>	<u>(3,581)</u>
<i>Total liabilities and fund balance</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,779</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

Special Revenue

<u>Title II IASA (Math/Science)</u>	<u>Fresh Fruits &amp; Vegetables</u>	<u>21st Century Community Learning Centers 2008-2014</u>	<u>Title I Family Literacy IASA</u>	<u>Title IV Drug Free Schools &amp; Comm/Ed</u>	<u>Partnerships in Character Ed Pilot</u>
\$ 4,959	\$ 11,948	\$ -	\$ -	\$ 1,939	\$ -
-	-	-	-	-	-
-	-	119,303	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	119	-	-	-	-
<u>\$ 4,959</u>	<u>\$ 12,067</u>	<u>\$ 119,303</u>	<u>\$ -</u>	<u>\$ 1,939</u>	<u>\$ -</u>
\$ -	\$ -	\$ 44,608	\$ 191	\$ -	\$ -
-	-	-	1,200	-	-
-	-	-	-	-	-
-	-	119,303	4,110	-	1,889
-	-	163,911	5,501	-	1,889
-	-	-	-	-	-
4,959	12,067	(44,608)	(5,501)	1,939	(1,889)
-	-	-	-	-	-
<u>4,959</u>	<u>12,067</u>	<u>(44,608)</u>	<u>(5,501)</u>	<u>1,939</u>	<u>(1,889)</u>
<u>\$ 4,959</u>	<u>\$ 12,067</u>	<u>\$ 119,303</u>	<u>\$ -</u>	<u>\$ 1,939</u>	<u>\$ -</u>

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Nonmajor Governmental Funds  
 Combining Balance Sheet  
 June 30, 2009

	Special Revenue			
	Enhancing Education Through Technology	English Language Acquisition	Teacher/Principal Training & Recruiting	Title IV-A Safe & Drug Free Schools & Community
<b>ASSETS</b>				
<i>Current assets</i>				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -
Property taxes receivable	-	-	-	-
Due from other governments	-	30,516	388,993	29,920
Other receivables	-	-	-	-
Inventory	-	-	-	-
Due from other funds	-	-	-	-
	-	-	-	-
<i>Total assets</i>	\$ -	\$ 30,516	\$ 388,993	\$ 29,920
<b>LIABILITIES AND FUND BALANCE</b>				
<i>Current liabilities</i>				
Accounts payable	\$ -	\$ 311	\$ 844	\$ 254
Accrued payroll	-	-	-	-
Deferred revenue	-	-	-	-
Due to other funds	-	67,157	343,293	35,744
	-	67,157	343,293	35,744
<i>Total liabilities</i>	-	67,157	343,293	35,744
<i>Fund balances</i>				
Reserved for				
Inventory	-	-	-	-
Unreserved				
Undesignated, reported in				
Special revenue funds	-	(36,952)	44,856	(6,078)
Capital projects funds	-	-	-	-
	-	(36,952)	44,856	(6,078)
<i>Total fund balance</i>	-	(36,952)	44,856	(6,078)
<i>Total liabilities and fund balance</i>	\$ -	\$ 30,516	\$ 388,993	\$ 29,920

The accompanying notes are an integral part of these financial statements

Special Revenue

<u>21st Century Community Living Centers</u>	<u>Rural &amp; Low Income Schools</u>	<u>Title I School Improvement</u>	<u>Immigrant Funding - Title III</u>	<u>School Renovation, IDEA &amp; Technology</u>	<u>Reading First</u>
\$ -	\$ -	\$ -	\$ -	\$ 23,198	\$ -
-	-	-	-	-	-
67,144	122,028	105,827	497	-	14,370
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 67,144</u>	<u>\$ 122,028</u>	<u>\$ 105,827</u>	<u>\$ 497</u>	<u>\$ 23,198</u>	<u>\$ 14,370</u>
\$ -	\$ -	\$ -	\$ 441	\$ -	\$ -
-	-	-	-	-	-
50,793	89,934	-	-	-	14,370
67,144	173,968	175,056	12,030	-	14,370
<u>117,937</u>	<u>263,902</u>	<u>175,056</u>	<u>12,471</u>	<u>-</u>	<u>28,740</u>
-	-	-	-	-	-
(50,793)	(141,874)	(69,229)	(11,974)	23,198	(14,370)
-	-	-	-	-	-
<u>(50,793)</u>	<u>(141,874)</u>	<u>(69,229)</u>	<u>(11,974)</u>	<u>23,198</u>	<u>(14,370)</u>
<u>\$ 67,144</u>	<u>\$ 122,028</u>	<u>\$ 105,827</u>	<u>\$ 497</u>	<u>\$ 23,198</u>	<u>\$ 14,370</u>

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Nonmajor Governmental Funds  
 Combining Balance Sheet  
 June 30, 2009

Special Revenue

<b>ASSETS</b>	<u>Carl Perkins Secondary - Current</u>	<u>Title I - IASA - Federal Stimulus</u>	<u>Teaching American History</u>	<u>Bilingual Education Title VII</u>
<i>Current assets</i>				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ 84,141
Property taxes receivable	-	-	-	-
Due from other governments	29,569	-	-	-
Other receivables	-	-	-	-
Inventory	-	-	-	-
Due from other funds	-	-	-	-
<i>Total assets</i>	<u>\$ 29,569</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 84,141</u>
<b>LIABILITIES AND FUND BALANCE</b>				
<i>Current liabilities</i>				
Accounts payable	\$ 4,997	\$ 110,000	\$ -	\$ -
Accrued payroll	-	-	-	-
Deferred revenue	-	-	-	-
Due to other funds	29,569	-	-	-
<i>Total liabilities</i>	<u>34,566</u>	<u>110,000</u>	<u>-</u>	<u>-</u>
<i>Fund balances</i>				
Reserved for				
Inventory	-	-	-	-
Unreserved				
Undesignated, reported in				
Special revenue funds	(4,997)	(110,000)	-	84,141
Capital projects funds	-	-	-	-
<i>Total fund balance</i>	<u>(4,997)</u>	<u>(110,000)</u>	<u>-</u>	<u>84,141</u>
<i>Total liabilities and fund balance</i>	<u>\$ 29,569</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 84,141</u>

The accompanying notes are an integral part of these financial statements

Special Revenue

<u>Navajo Red/Corn Pollen Pathway</u>	<u>JTPA</u>	<u>Johnson O'Malley</u>	<u>General Ed. Projects "Star Schools"</u>	<u>Impact Aid Special Education</u>	<u>GRADS Child Care CYFD</u>
\$ -	\$ 178	\$ -	\$ 45,556	\$ 1,200,008	\$ 19,747
-	-	-	-	-	-
-	-	111,410	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ 178</u>	<u>\$ 111,410</u>	<u>\$ 45,556</u>	<u>\$ 1,200,008</u>	<u>\$ 19,747</u>
\$ -	\$ -	\$ 17,332	\$ -	\$ 451	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	206,429	-	-	-
-	-	223,761	-	451	-
-	-	-	-	-	-
-	178	(112,351)	45,556	1,199,557	19,747
-	-	-	-	-	-
-	178	(112,351)	45,556	1,199,557	19,747
<u>\$ -</u>	<u>\$ 178</u>	<u>\$ 111,410</u>	<u>\$ 45,556</u>	<u>\$ 1,200,008</u>	<u>\$ 19,747</u>

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Nonmajor Governmental Funds  
 Combining Balance Sheet  
 June 30, 2009

Special Revenue

	Title XIX - Medicaid 3/21 Years	Child Care Block Grant CYFD	TANF/GRADS HSD	Child & Adult Food Program
<b>ASSETS</b>				
<i>Current assets</i>				
Cash and cash equivalents	\$ 212,557	\$ 166,569	\$ 14,794	\$ 9,422
Property taxes receivable	-	-	-	-
Due from other governments	13,299	-	-	-
Other receivables	-	-	-	-
Inventory	-	-	-	-
Due from other funds	-	-	-	-
<i>Total assets</i>	<u>\$ 225,856</u>	<u>\$ 166,569</u>	<u>\$ 14,794</u>	<u>\$ 9,422</u>
<b>LIABILITIES AND FUND BALANCE</b>				
<i>Current liabilities</i>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued payroll	-	-	-	-
Deferred revenue	-	-	-	-
Due to other funds	-	-	-	-
<i>Total liabilities</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances</i>				
Reserved for				
Inventory	-	-	-	-
Unreserved				
Undesignated, reported in				
Special revenue funds	225,856	166,569	14,794	9,422
Capital projects funds	-	-	-	-
<i>Total fund balance</i>	<u>225,856</u>	<u>166,569</u>	<u>14,794</u>	<u>9,422</u>
<i>Total liabilities and fund balance</i>	<u>\$ 225,856</u>	<u>\$ 166,569</u>	<u>\$ 14,794</u>	<u>\$ 9,422</u>

The accompanying notes are an integral part of these financial statements



Special Revenue

<u>Indian Health Services</u>	<u>Indian Education Formula Grant</u>	<u>21st Century Community Learning Centers</u>	<u>Navajo Nations</u>	<u>Technology Challenge Grant USDE</u>	<u>Title V Indian Health Care Improvement Act</u>
\$ -	\$ -	\$ -	\$ -	\$ 11,739	\$ 34,060
-	-	-	-	-	-
18,421	120,554	-	58,564	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 18,421</u>	<u>\$ 120,554</u>	<u>\$ -</u>	<u>\$ 58,564</u>	<u>\$ 11,739</u>	<u>\$ 34,060</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 417
-	-	-	-	-	120
-	-	-	-	-	-
18,421	120,554	2,560	60,122	-	-
<u>18,421</u>	<u>120,554</u>	<u>2,560</u>	<u>60,122</u>	<u>-</u>	<u>537</u>
-	-	-	-	-	-
-	-	(2,560)	(1,558)	11,739	33,523
-	-	-	-	-	-
-	-	(2,560)	(1,558)	11,739	33,523
<u>\$ 18,421</u>	<u>\$ 120,554</u>	<u>\$ -</u>	<u>\$ 58,564</u>	<u>\$ 11,739</u>	<u>\$ 34,060</u>

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Nonmajor Governmental Funds  
 Combining Balance Sheet  
 June 30, 2009

Special Revenue

	<u>Teacher Quality Improvement</u>	<u>Tobacco Use Prevention &amp; Control Program</u>	<u>Goals 2000 Parental Assistance</u>	<u>Substance Abuse &amp; Mental Health Services</u>
<b>ASSETS</b>				
<i>Current assets</i>				
Cash and cash equivalents	\$ -	\$ 62	\$ -	\$ -
Property taxes receivable	-	-	-	-
Due from other governments	-	-	-	60,000
Other receivables	-	-	-	-
Inventory	-	-	-	-
Due from other funds	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total assets</i>	<u>\$ -</u>	<u>\$ 62</u>	<u>\$ -</u>	<u>\$ 60,000</u>
<b>LIABILITIES AND FUND BALANCE</b>				
<i>Current liabilities</i>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued payroll	-	-	-	-
Deferred revenue	-	-	-	-
Due to other funds	17,058	-	17,981	101,018
	<u>17,058</u>	<u>-</u>	<u>17,981</u>	<u>101,018</u>
<i>Total liabilities</i>	<u>17,058</u>	<u>-</u>	<u>17,981</u>	<u>101,018</u>
<i>Fund balances</i>				
Reserved for				
Inventory	-	-	-	-
Unreserved				
Undesignated, reported in				
Special revenue funds	(17,058)	62	(17,981)	(41,018)
Capital projects funds	-	-	-	-
	<u>(17,058)</u>	<u>62</u>	<u>(17,981)</u>	<u>(41,018)</u>
<i>Total fund balance</i>	<u>(17,058)</u>	<u>62</u>	<u>(17,981)</u>	<u>(41,018)</u>
<i>Total liabilities and fund balance</i>	<u>\$ -</u>	<u>\$ 62</u>	<u>\$ -</u>	<u>\$ 60,000</u>

The accompanying notes are an integral part of these financial statements

Special Revenue

<u>Carol M White Physical Fitness</u>	<u>Native American Program</u>	<u>State Equalization Guarantee - Federal Stimulus</u>	<u>Impact Aid Construction</u>	<u>Bill &amp; Melinda Gates Foundation</u>	<u>Save the Children</u>
\$ -	\$ -	\$ -	\$ 2,081,549	\$ 2,839	\$ -
-	-	-	-	-	-
6,154	2,482	-	-	-	61,965
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 6,154</u>	<u>\$ 2,482</u>	<u>\$ -</u>	<u>\$ 2,081,549</u>	<u>\$ 2,839</u>	<u>\$ 61,965</u>
\$ 29,507	\$ -	\$ 700	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
6,154	2,482	-	-	-	71,807
<u>35,661</u>	<u>2,482</u>	<u>700</u>	<u>-</u>	<u>-</u>	<u>71,807</u>
-	-	-	-	-	-
(29,507)	-	(700)	2,081,549	2,839	(9,842)
-	-	-	-	-	-
<u>(29,507)</u>	<u>-</u>	<u>(700)</u>	<u>2,081,549</u>	<u>2,839</u>	<u>(9,842)</u>
<u>\$ 6,154</u>	<u>\$ 2,482</u>	<u>\$ -</u>	<u>\$ 2,081,549</u>	<u>\$ 2,839</u>	<u>\$ 61,965</u>

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Nonmajor Governmental Funds  
 Combining Balance Sheet  
 June 30, 2009

Special Revenue

	<u>Center for Ed &amp; Study of Diverse Populations</u>	<u>Parents Reaching Out</u>	<u>Community Based Organization PED</u>	<u>TANF PED</u>
<b>ASSETS</b>				
<i>Current assets</i>				
Cash and cash equivalents	\$ 181	\$ 260	\$ -	\$ 1,147
Property taxes receivable	-	-	-	-
Due from other governments	-	-	-	-
Other receivables	-	-	-	-
Inventory	-	-	-	-
Due from other funds	-	-	-	-
	<u>181</u>	<u>260</u>	<u>-</u>	<u>1,147</u>
<i>Total assets</i>	<u>\$ 181</u>	<u>\$ 260</u>	<u>\$ -</u>	<u>\$ 1,147</u>
<b>LIABILITIES AND FUND BALANCE</b>				
<i>Current liabilities</i>				
Accounts payable	\$ -	\$ -	\$ 74,995	\$ -
Accrued payroll	-	-	-	-
Deferred revenue	-	-	-	-
Due to other funds	-	-	-	-
	<u>-</u>	<u>-</u>	<u>74,995</u>	<u>-</u>
<i>Total liabilities</i>	<u>-</u>	<u>-</u>	<u>74,995</u>	<u>-</u>
<i>Fund balances</i>				
Reserved for				
Inventory	-	-	-	-
Unreserved				
Undesignated, reported in				
Special revenue funds	181	260	(74,995)	1,147
Capital projects funds	-	-	-	-
	<u>181</u>	<u>260</u>	<u>(74,995)</u>	<u>1,147</u>
<i>Total fund balance</i>	<u>181</u>	<u>260</u>	<u>(74,995)</u>	<u>1,147</u>
<i>Total liabilities and fund balance</i>	<u>\$ 181</u>	<u>\$ 260</u>	<u>\$ -</u>	<u>\$ 1,147</u>

The accompanying notes are an integral part of these financial statements

Special Revenue

<u>Technology for Education PED</u>	<u>Obesity Program</u>	<u>TANF - Full Day Kindergarten</u>	<u>Incentives for School Improvement Act</u>	<u>Laws of NM 2005</u>	<u>Pre-K Initiative</u>
\$ -	\$ -	\$ -	\$ 84,199	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	274,620
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 84,199</u>	<u>\$ -</u>	<u>\$ 274,620</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	1,513	-	46,467	274,620
-	-	1,513	-	46,467	274,620
-	-	-	-	-	-
-	-	(1,513)	84,199	(46,467)	-
-	-	-	-	-	-
-	-	(1,513)	84,199	(46,467)	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 84,199</u>	<u>\$ -</u>	<u>\$ 274,620</u>

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Nonmajor Governmental Funds  
 Combining Balance Sheet  
 June 30, 2009

Special Revenue

	Indian Education Act	Reading Improvement Initiatives	Beginning Teacher Mentoring Program	Breakfast for Elementary Students
<b>ASSETS</b>				
<i>Current assets</i>				
Cash and cash equivalents	\$ 990	\$ -	\$ -	\$ 56,572
Property taxes receivable	-	-	-	-
Due from other governments	-	-	-	-
Other receivables	-	-	-	-
Inventory	-	-	-	-
Due from other funds	-	-	-	-
<i>Total assets</i>	<u>\$ 990</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 56,572</u>
<b>LIABILITIES AND FUND BALANCE</b>				
<i>Current liabilities</i>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued payroll	-	-	2,000	-
Deferred revenue	-	-	-	-
Due to other funds	-	2,704	1,460	-
<i>Total liabilities</i>	<u>-</u>	<u>2,704</u>	<u>3,460</u>	<u>-</u>
<i>Fund balances</i>				
Reserved for				
Inventory	-	-	-	-
Unreserved				
Undesignated, reported in				
Special revenue funds	990	(2,704)	(3,460)	56,572
Capital projects funds	-	-	-	-
<i>Total fund balance</i>	<u>990</u>	<u>(2,704)</u>	<u>(3,460)</u>	<u>56,572</u>
<i>Total liabilities and fund balance</i>	<u>\$ 990</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 56,572</u>

The accompanying notes are an integral part of these financial statements

Special Revenue

Teacher Professional Development Fund	K-Plus Initiative	Schools in Need of Improvement	School Improvement Framework	Kindergarten - Three Plus	State - 21st Century Learning Center
\$ 10,573	\$ -	\$ 9,642	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	10,035
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 10,573</u>	<u>\$ -</u>	<u>\$ 9,642</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,035</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	1,259	-
-	-	-	-	-	-
-	1,577	-	178,400	302,204	25,156
-	1,577	-	178,400	303,463	25,156
-	-	-	-	-	-
10,573	(1,577)	9,642	(178,400)	(303,463)	(15,121)
-	-	-	-	-	-
<u>10,573</u>	<u>(1,577)</u>	<u>9,642</u>	<u>(178,400)</u>	<u>(303,463)</u>	<u>(15,121)</u>
<u>\$ 10,573</u>	<u>\$ -</u>	<u>\$ 9,642</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,035</u>

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Nonmajor Governmental Funds  
 Combining Balance Sheet  
 June 30, 2009

Special Revenue

	<u>Pre-Kindergarten - Special State</u>	<u>Libraries - SB 301 GO Bonds</u>	<u>Library Book Fund</u>	<u>Center for Teaching Excellence</u>
<b>ASSETS</b>				
<i>Current assets</i>				
Cash and cash equivalents	\$ -	\$ -	\$ 38,021	\$ -
Property taxes receivable	-	-	-	-
Due from other governments	-	-	-	-
Other receivables	-	-	-	-
Inventory	-	-	-	-
Due from other funds	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total assets</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 38,021</u>	<u>\$ -</u>
<b>LIABILITIES AND FUND BALANCE</b>				
<i>Current liabilities</i>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued payroll	-	-	-	-
Deferred revenue	-	-	-	-
Due to other funds	-	149	-	-
	<u>-</u>	<u>149</u>	<u>-</u>	<u>-</u>
<i>Total liabilities</i>	<u>-</u>	<u>149</u>	<u>-</u>	<u>-</u>
<i>Fund balances</i>				
Reserved for				
Inventory	-	-	-	-
Unreserved				
Undesignated, reported in				
Special revenue funds	-	(149)	38,021	-
Capital projects funds	-	-	-	-
	<u>-</u>	<u>(149)</u>	<u>38,021</u>	<u>-</u>
<i>Total fund balance</i>	<u>-</u>	<u>(149)</u>	<u>38,021</u>	<u>-</u>
<i>Total liabilities and fund balance</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 38,021</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements



Special Revenue

<u>Pathways Project UNM</u>	<u>Parents as Teachers</u>	<u>AP New Mexico Incentive Funding</u>	<u>Office of Child Development</u>	<u>Regional Quality Center</u>	<u>Private Dir. Grants</u>
\$ 219	\$ 28,282	\$ 142	\$ 23,493	\$ 62,780	\$ 51,314
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 219</u>	<u>\$ 28,282</u>	<u>\$ 142</u>	<u>\$ 23,493</u>	<u>\$ 62,780</u>	<u>\$ 51,314</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	5,043
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	5,043
-	-	-	-	-	-
219	28,282	142	23,493	62,780	46,271
-	-	-	-	-	-
<u>219</u>	<u>28,282</u>	<u>142</u>	<u>23,493</u>	<u>62,780</u>	<u>46,271</u>
<u>\$ 219</u>	<u>\$ 28,282</u>	<u>\$ 142</u>	<u>\$ 23,493</u>	<u>\$ 62,780</u>	<u>\$ 51,314</u>

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Nonmajor Governmental Funds  
 Combining Balance Sheet  
 June 30, 2009

	Special Revenue		Capital Projects	
	City/County Grants	School Based Health Center	Bond Building	Special Capital Outlay Local
<b>ASSETS</b>				
<i>Current assets</i>				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -
Property taxes receivable	-	-	-	-
Due from other governments	-	-	94,598	-
Other receivables	-	-	-	-
Inventory	-	-	-	-
Due from other funds	-	-	-	-
	-	-	-	-
<i>Total assets</i>	\$ -	\$ -	\$ 94,598	\$ -
<b>LIABILITIES AND FUND BALANCE</b>				
<i>Current liabilities</i>				
Accounts payable	\$ -	\$ -	\$ 350,361	\$ -
Accrued payroll	-	-	-	-
Deferred revenue	-	-	-	-
Due to other funds	6,311	65,764	2,793,108	-
	6,311	65,764	2,793,108	-
<i>Total liabilities</i>	6,311	65,764	3,143,469	-
<i>Fund balances</i>				
Reserved for				
Inventory	-	-	-	-
Unreserved				
Undesignated, reported in				
Special revenue funds	(6,311)	(65,764)	-	-
Capital projects funds	-	-	(3,048,871)	-
	(6,311)	(65,764)	(3,048,871)	-
<i>Total fund balance</i>	(6,311)	(65,764)	(3,048,871)	-
<i>Total liabilities and fund balance</i>	\$ -	\$ -	\$ 94,598	\$ -

The accompanying notes are an integral part of these financial statements

Capital Projects

Special Capital Outlay State	Special Capital Outlay Federal	Capital Improvements SB- 9	Energy Efficient Act	Public School Capital Outlay 20%	Total Nonmajor Governmental Funds
\$ 70,000	\$ 24,706	\$ 1,220,237	\$ 151,258	\$ 1	\$ 8,169,024
-	-	111,143	-	-	111,143
-	-	1,763,746	-	-	3,634,649
-	-	-	-	-	843
-	-	-	-	-	98,505
-	-	-	-	-	119
<u>\$ 70,000</u>	<u>\$ 24,706</u>	<u>\$ 3,095,126</u>	<u>\$ 151,258</u>	<u>\$ 1</u>	<u>\$ 12,014,283</u>
\$ -	\$ -	\$ 73,158	\$ -	\$ -	\$ 785,773
-	-	-	-	-	58,781
-	-	81,160	-	-	236,257
-	-	-	-	-	5,577,731
-	-	154,318	-	-	6,658,542
-	-	-	-	-	98,505
-	-	-	-	-	5,119,334
<u>70,000</u>	<u>24,706</u>	<u>2,940,808</u>	<u>151,258</u>	<u>1</u>	<u>137,902</u>
<u>70,000</u>	<u>24,706</u>	<u>2,940,808</u>	<u>151,258</u>	<u>1</u>	<u>5,355,741</u>
<u>\$ 70,000</u>	<u>\$ 24,706</u>	<u>\$ 3,095,126</u>	<u>\$ 151,258</u>	<u>\$ 1</u>	<u>\$ 12,014,283</u>

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Nonmajor Governmental Funds  
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
 For the Year Ended June 30, 2009

Special Revenue

	Food Service	Athletics	Non-Budgeted Activity	Non-Budgeted Scholarship
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	4,243,513	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	345,874	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	438,942	360,899	560,295	-
Interest	2,523	2,519	860	22
Miscellaneous	-	-	1,314	14,780
<i>Total revenues</i>	<u>5,030,852</u>	<u>363,418</u>	<u>562,469</u>	<u>14,802</u>
<i>Expenditures</i>				
Current				
Instruction	-	355,062	419,669	11,500
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	5,101,091	-	-	-
Capital outlay	-	-	-	-
Debt Service				
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>5,101,091</u>	<u>355,062</u>	<u>419,669</u>	<u>11,500</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(70,239)</u>	<u>8,356</u>	<u>142,800</u>	<u>3,302</u>
<i>Other financing sources (uses)</i>				
Bond proceeds	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	(185,997)	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>(185,997)</u>	<u>-</u>
<i>Net change in fund balances</i>	(70,239)	8,356	(43,197)	3,302
<i>Fund balances - beginning of year</i>	<u>1,691,352</u>	<u>163,805</u>	<u>437,566</u>	<u>64,033</u>
<i>Fund balances - ending of year</i>	<u>\$ 1,621,113</u>	<u>\$ 172,161</u>	<u>\$ 394,369</u>	<u>\$ 67,335</u>

The accompanying notes are an integral part of these financial statements

Special Revenue

<u>Non-Budgeted Autism Program</u>	<u>Non-Budgeted Miyamura Scholarship</u>	<u>Non-Budgeted SQS</u>	<u>Non-Budgeted Thoreau Night School</u>	<u>Title I IASA</u>	<u>Entitlement IDEA- B</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	7,050,528	2,806,294
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	6,103	-	-
-	-	-	-	-	-
475	-	151,973	-	-	-
<u>475</u>	<u>-</u>	<u>151,973</u>	<u>6,103</u>	<u>7,050,528</u>	<u>2,806,294</u>
379	-	197,903	6,000	5,428,696	934,589
-	-	-	-	7,782	1,693,045
-	-	-	-	1,348,886	-
-	-	-	-	95,438	55,607
-	-	-	-	-	-
-	-	-	-	148,722	106,440
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>379</u>	<u>-</u>	<u>197,903</u>	<u>6,000</u>	<u>7,029,524</u>	<u>2,789,681</u>
96	-	(45,930)	103	21,004	16,613
-	-	-	-	-	-
7,038	7,200	170,229	1,530	-	-
-	-	-	-	-	-
<u>7,038</u>	<u>7,200</u>	<u>170,229</u>	<u>1,530</u>	<u>-</u>	<u>-</u>
7,134	7,200	124,299	1,633	21,004	16,613
-	-	-	-	(32,595)	(22,946)
<u>\$ 7,134</u>	<u>\$ 7,200</u>	<u>\$ 124,299</u>	<u>\$ 1,633</u>	<u>\$ (11,591)</u>	<u>\$ (6,333)</u>

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Nonmajor Governmental Funds  
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
 For the Year Ended June 30, 2009

	Special Revenue			
	Discretionary IDEA-B	Preschool IDEA- B	Early Intervention Services IDEA-B	Education of Homeless
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	84,287	-	8,527
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>84,287</u>	<u>-</u>	<u>8,527</u>
<i>Expenditures</i>				
Current				
Instruction	1,665	64,983	-	-
Support services - students	41,467	37,822	-	10,622
Support services - instruction	-	-	-	-
Support services - general administration	871	2,115	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service				
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>44,003</u>	<u>104,920</u>	<u>-</u>	<u>10,622</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(44,003)</u>	<u>(20,633)</u>	<u>-</u>	<u>(2,095)</u>
<i>Other financing sources (uses)</i>				
Bond proceeds	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	(44,003)	(20,633)	-	(2,095)
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>(7,602)</u>	<u>1,779</u>	<u>(1,486)</u>
<i>Fund balances - ending of year</i>	<u>\$ (44,003)</u>	<u>\$ (28,235)</u>	<u>\$ 1,779</u>	<u>\$ (3,581)</u>

The accompanying notes are an integral part of these financial statements

Special Revenue					
<u>Title II IASA (Math/Science)</u>	<u>Fresh Fruits &amp; Vegetables</u>	<u>21st Century Community Learning Centers 2008-2014</u>	<u>Title I Family Literacy IASA</u>	<u>Title IV Drug Free Schools &amp; Comm/Ed</u>	<u>Partnerships in Character Ed Pilot</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	9,637	656,967	96,710	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	9,637	656,967	96,710	-	-
-	-	630,400	5,371	-	-
-	-	-	73,363	-	-
-	-	41,291	-	-	-
-	150	13,008	-	-	-
-	-	-	-	-	-
-	-	16,876	-	-	-
-	-	-	-	-	-
-	7,389	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	7,539	701,575	78,734	-	-
-	2,098	(44,608)	17,976	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	2,098	(44,608)	17,976	-	-
4,959	9,969	-	(23,477)	1,939	(1,889)
<u>\$ 4,959</u>	<u>\$ 12,067</u>	<u>\$ (44,608)</u>	<u>\$ (5,501)</u>	<u>\$ 1,939</u>	<u>\$ (1,889)</u>

**STATE OF NEW MEXICO**  
Gallup-McKinley County Public Schools  
Nonmajor Governmental Funds  
Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
For the Year Ended June 30, 2009

	Special Revenue			
	Enhancing Education Through Technology	English Language Acquisition	Teacher/Principal Training & Recruiting	Title IV-A Safe & Drug Free Schools & Community
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	15,438	258,414	1,331,347	174,981
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>15,438</u>	<u>258,414</u>	<u>1,331,347</u>	<u>174,981</u>
<i>Expenditures</i>				
Current				
Instruction	-	268,788	1,123,062	4,751
Support services - students	-	-	-	97,541
Support services - instruction	-	4,201	28,635	-
Support services - general administration	-	5,602	26,023	1,950
Support services - school administration	-	-	17,028	-
Central services	-	9,975	112,515	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service				
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>288,566</u>	<u>1,307,263</u>	<u>104,242</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>15,438</u>	<u>(30,152)</u>	<u>24,084</u>	<u>70,739</u>
<i>Other financing sources (uses)</i>				
Bond proceeds	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	15,438	(30,152)	24,084	70,739
<i>Fund balances - beginning of year</i>	<u>(15,438)</u>	<u>(6,800)</u>	<u>20,772</u>	<u>(76,817)</u>
<i>Fund balances - ending of year</i>	<u>\$ -</u>	<u>\$ (36,952)</u>	<u>\$ 44,856</u>	<u>\$ (6,078)</u>

The accompanying notes are an integral part of these financial statements



Special Revenue

<u>21st Century Community Living Center</u>	<u>Rural &amp; Low Income Schools</u>	<u>Title I School Improvement</u>	<u>Immigrant Funding - Title III</u>	<u>School Renovation, IDEA &amp; Technology</u>	<u>Reading First</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
158,810	225,180	1,115,798	497	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>158,810</u>	<u>225,180</u>	<u>1,115,798</u>	<u>497</u>	<u>-</u>	<u>-</u>
143,561	355,534	1,183,172	12,233	-	14,085
10,350	-	-	-	-	-
17,107	-	-	-	-	-
3,180	7,201	-	238	-	285
-	-	-	-	-	-
-	4,319	-	-	-	-
1,360	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>175,558</u>	<u>367,054</u>	<u>1,183,172</u>	<u>12,471</u>	<u>-</u>	<u>14,370</u>
<u>(16,748)</u>	<u>(141,874)</u>	<u>(67,374)</u>	<u>(11,974)</u>	<u>-</u>	<u>(14,370)</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>(16,748)</u>	<u>(141,874)</u>	<u>(67,374)</u>	<u>(11,974)</u>	<u>-</u>	<u>(14,370)</u>
<u>(34,045)</u>	<u>-</u>	<u>(1,855)</u>	<u>-</u>	<u>23,198</u>	<u>-</u>
<u>\$ (50,793)</u>	<u>\$ (141,874)</u>	<u>\$ (69,229)</u>	<u>\$ (11,974)</u>	<u>\$ 23,198</u>	<u>\$ (14,370)</u>

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Nonmajor Governmental Funds  
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
 For the Year Ended June 30, 2009

Special Revenue

	Carl Perkins Secondary - Current	Title I - IASA - Federal Stimulus	Teaching American History	Bilingual Education Title VII
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	266,841	-	-	-
Federal direct	-	-	17,623	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>266,841</u>	<u>-</u>	<u>17,623</u>	<u>-</u>
<i>Expenditures</i>				
Current				
Instruction	215,431	110,000	17,623	-
Support services - students	-	-	-	-
Support services - instruction	2,861	-	-	-
Support services - general administration	732	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service				
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>219,024</u>	<u>110,000</u>	<u>17,623</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>47,817</u>	<u>(110,000)</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Bond proceeds	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	47,817	(110,000)	-	-
<i>Fund balances - beginning of year</i>	<u>(52,814)</u>	<u>-</u>	<u>-</u>	<u>84,141</u>
<i>Fund balances - ending of year</i>	<u>\$ (4,997)</u>	<u>\$ (110,000)</u>	<u>\$ -</u>	<u>\$ 84,141</u>

The accompanying notes are an integral part of these financial statements

Special Revenue

<u>Navajo Red/Corn Pollen Pathway</u>	<u>JTPA</u>	<u>Johnson O'Malley</u>	<u>General Ed. Projects "Star Schools"</u>	<u>Impact Aid Special Education</u>	<u>GRADS Child Care CYFD</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
225	-	918,921	-	1,061,198	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>225</u>	<u>-</u>	<u>918,921</u>	<u>-</u>	<u>1,061,198</u>	<u>-</u>
225	-	408,433	-	5,663	-
-	-	-	-	494,493	-
-	-	184,903	-	419,917	-
-	-	10,956	-	18,481	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>225</u>	<u>-</u>	<u>604,292</u>	<u>-</u>	<u>938,554</u>	<u>-</u>
-	-	314,629	-	122,644	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	314,629	-	122,644	-
-	178	(426,980)	45,556	1,076,913	19,747
<u>\$ -</u>	<u>\$ 178</u>	<u>\$ (112,351)</u>	<u>\$ 45,556</u>	<u>\$ 1,199,557</u>	<u>\$ 19,747</u>

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Nonmajor Governmental Funds  
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
 For the Year Ended June 30, 2009

Special Revenue

	Title XIX - Medicaid 3/21 Years	Child Care Block Grant CYFD	TANF/GRADS HSD	Child & Adult Food Program
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	133,834	63,488	-	5,728
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>133,834</u>	<u>63,488</u>	<u>-</u>	<u>5,728</u>
<i>Expenditures</i>				
Current				
Instruction	61	-	23,546	-
Support services - students	204,362	12,070	-	5,082
Support services - instruction	-	-	-	-
Support services - general administration	4,135	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service				
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>208,558</u>	<u>12,070</u>	<u>23,546</u>	<u>5,082</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(74,724)</u>	<u>51,418</u>	<u>(23,546)</u>	<u>646</u>
<i>Other financing sources (uses)</i>				
Bond proceeds	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	(74,724)	51,418	(23,546)	646
<i>Fund balances - beginning of year</i>	<u>300,580</u>	<u>115,151</u>	<u>38,340</u>	<u>8,776</u>
<i>Fund balances - ending of year</i>	<u>\$ 225,856</u>	<u>\$ 166,569</u>	<u>\$ 14,794</u>	<u>\$ 9,422</u>

The accompanying notes are an integral part of these financial statements

Special Revenue

Indian Health Services	Indian Education Formula Grant	21st Century Community Learning Centers	Navajo Nations	Technology Challenge Grant USDE	Title V Indian Health Care Improvement Act
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
73,971	1,718,581	-	129,739	-	238,640
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
73,971	1,718,581	-	129,739	-	238,640
-	1,541,881	-	-	-	34,796
-	10,233	-	93,864	-	57,010
-	67,055	-	-	-	684
1,465	34,028	-	1,185	-	1,846
46,156	-	-	-	-	1,914
26,350	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
73,971	1,653,197	-	95,049	-	96,250
-	65,384	-	34,690	-	142,390
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	65,384	-	34,690	-	142,390
-	(65,384)	(2,560)	(36,248)	11,739	(108,867)
\$ -	\$ -	\$ (2,560)	\$ (1,558)	\$ 11,739	\$ 33,523

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Nonmajor Governmental Funds  
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
 For the Year Ended June 30, 2009

Special Revenue

	Teacher Quality Improvement	Tobacco Use Prevention & Control Program	Goals 2000 Parental Assistance	Substance Abuse & Mental Health Services
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	60,000
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>60,000</u>
<i>Expenditures</i>				
Current				
Instruction	17,058	-	-	-
Support services - students	-	-	-	54,050
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	1,091
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service				
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>17,058</u>	<u>-</u>	<u>-</u>	<u>55,141</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(17,058)</u>	<u>-</u>	<u>-</u>	<u>4,859</u>
<i>Other financing sources (uses)</i>				
Bond proceeds	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	(17,058)	-	-	4,859
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>62</u>	<u>(17,981)</u>	<u>(45,877)</u>
<i>Fund balances - ending of year</i>	<u>\$ (17,058)</u>	<u>\$ 62</u>	<u>\$ (17,981)</u>	<u>\$ (41,018)</u>

The accompanying notes are an integral part of these financial statements

Special Revenue

<u>Carol M White Physical Fitness</u>	<u>Native American Program</u>	<u>State Equalization Guarantee - Federal Stimulus</u>	<u>Impact Aid Construction</u>	<u>Bill &amp; Melinda Gates Foundation</u>	<u>Save the Children</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
341,000	190,215	-	2,081,549	-	-
-	-	-	-	-	471,720
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>341,000</u>	<u>190,215</u>	<u>-</u>	<u>2,081,549</u>	<u>-</u>	<u>471,720</u>
282,789	186,241	700	-	30,000	444,883
-	-	-	-	-	-
89,072	-	-	-	-	-
6,915	3,766	-	-	-	-
-	208	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>378,776</u>	<u>190,215</u>	<u>700</u>	<u>-</u>	<u>30,000</u>	<u>444,883</u>
<u>(37,776)</u>	<u>-</u>	<u>(700)</u>	<u>2,081,549</u>	<u>(30,000)</u>	<u>26,837</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>(37,776)</u>	<u>-</u>	<u>(700)</u>	<u>2,081,549</u>	<u>(30,000)</u>	<u>26,837</u>
<u>8,269</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>32,839</u>	<u>(36,679)</u>
<u>\$ (29,507)</u>	<u>\$ -</u>	<u>\$ (700)</u>	<u>\$ 2,081,549</u>	<u>\$ 2,839</u>	<u>\$ (9,842)</u>

**STATE OF NEW MEXICO**  
Gallup-McKinley County Public Schools  
Nonmajor Governmental Funds  
Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
For the Year Ended June 30, 2009

Special Revenue

	Center for Ed & Study of Diverse Populations	Parents Reaching Out	Community Based Organization PED	TANF PED
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and Gas Taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	74,995	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service				
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>74,995</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(74,995)</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Bond proceeds	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	(74,995)	-
<i>Fund balances - beginning of year</i>	<u>181</u>	<u>260</u>	<u>-</u>	<u>1,147</u>
<i>Fund balances - ending of year</i>	<u>\$ 181</u>	<u>\$ 260</u>	<u>\$ (74,995)</u>	<u>\$ 1,147</u>

The accompanying notes are an integral part of these financial statements



Special Revenue

<u>Technology for Education PED</u>	<u>Obesity Program</u>	<u>TANF - Full Day Kindergarten</u>	<u>Incentives for School Improvement Act</u>	<u>Laws of NM 2005</u>	<u>Pre-K Initiative</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
218,768	20,211	-	-	-	820,692
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>218,768</u>	<u>20,211</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>820,692</u>
-	-	-	21,979	46,467	473,380
-	-	-	-	-	-
19,141	-	-	-	-	-
3,374	-	-	-	-	9,562
-	-	-	12,344	-	-
271,782	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>294,297</u>	<u>-</u>	<u>-</u>	<u>34,323</u>	<u>46,467</u>	<u>482,942</u>
<u>(75,529)</u>	<u>20,211</u>	<u>-</u>	<u>(34,323)</u>	<u>(46,467)</u>	<u>337,750</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>(75,529)</u>	<u>20,211</u>	<u>-</u>	<u>(34,323)</u>	<u>(46,467)</u>	<u>337,750</u>
<u>75,529</u>	<u>(20,211)</u>	<u>(1,513)</u>	<u>118,522</u>	<u>-</u>	<u>(337,750)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,513)</u>	<u>\$ 84,199</u>	<u>\$ (46,467)</u>	<u>\$ -</u>

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Nonmajor Governmental Funds  
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
 For the Year Ended June 30, 2009

	Special Revenue			
	Indian Education Act	Reading Improvement Initiatives	Beginning Teacher Mentoring Program	Breakfast for Elementary Students
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	23,236	-	109,336	116,119
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>23,236</u>	<u>-</u>	<u>109,336</u>	<u>116,119</u>
<i>Expenditures</i>				
Current				
Instruction	21,481	-	103,042	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	459	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	59,548
Capital outlay	-	-	-	-
Debt Service				
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>21,940</u>	<u>-</u>	<u>103,042</u>	<u>59,548</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>1,296</u>	<u>-</u>	<u>6,294</u>	<u>56,571</u>
<i>Other financing sources (uses)</i>				
Bond proceeds	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	1,296	-	6,294	56,571
<i>Fund balances - beginning of year</i>	<u>(306)</u>	<u>(2,704)</u>	<u>(9,754)</u>	<u>1</u>
<i>Fund balances - ending of year</i>	<u>\$ 990</u>	<u>\$ (2,704)</u>	<u>\$ (3,460)</u>	<u>\$ 56,572</u>

The accompanying notes are an integral part of these financial statements

Special Revenue

Teacher Professional Development Fund	K-Plus Initiative	Schools in Need of Improvement	School Improvement Framework	Kindergarten - Three Plus	State - 21st Century Learning Center
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
435,443	-	219,159	700,916	-	115,854
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>435,443</u>	<u>-</u>	<u>219,159</u>	<u>700,916</u>	<u>-</u>	<u>115,854</u>
-	-	-	-	484,094	101,090
-	-	-	-	-	-
422,048	-	-	466,816	-	-
8,526	-	-	-	10,042	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>430,574</u>	<u>-</u>	<u>-</u>	<u>466,816</u>	<u>494,136</u>	<u>101,090</u>
<u>4,869</u>	<u>-</u>	<u>219,159</u>	<u>234,100</u>	<u>(494,136)</u>	<u>14,764</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>4,869</u>	<u>-</u>	<u>219,159</u>	<u>234,100</u>	<u>(494,136)</u>	<u>14,764</u>
<u>5,704</u>	<u>(1,577)</u>	<u>(209,517)</u>	<u>(412,500)</u>	<u>190,673</u>	<u>(29,885)</u>
<u>\$ 10,573</u>	<u>\$ (1,577)</u>	<u>\$ 9,642</u>	<u>\$ (178,400)</u>	<u>\$ (303,463)</u>	<u>\$ (15,121)</u>

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Nonmajor Governmental Funds  
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
 For the Year Ended June 30, 2009

	Special Revenue			
	Pre-Kindergarten - Special State	Libraries - SB 301 GO Bonds	Library Book Fund	Center for Teaching Excellence
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	11,272	55,563	38,021	-
State direct	-	-	-	297
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>11,272</u>	<u>55,563</u>	<u>38,021</u>	<u>297</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	10,940	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service				
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>10,940</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>11,272</u>	<u>44,623</u>	<u>38,021</u>	<u>297</u>
<i>Other financing sources (uses)</i>				
Bond proceeds	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	11,272	44,623	38,021	297
<i>Fund balances - beginning of year</i>	<u>(11,272)</u>	<u>(44,772)</u>	<u>-</u>	<u>(297)</u>
<i>Fund balances - ending of year</i>	<u>\$ -</u>	<u>\$ (149)</u>	<u>\$ 38,021</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

Special Revenue

<u>Pathways Project UNM</u>	<u>Parents as Teachers</u>	<u>AP New Mexico Incentive Funding</u>	<u>Office of Child Development</u>	<u>Regional Quality Center</u>	<u>Private Dir. Grants</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	60,000	97,800	-
-	-	-	-	-	144,756
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	60,000	97,800	144,756
-	-	-	58,248	39,307	104,501
-	-	-	-	-	24,203
-	-	-	-	35,544	-
-	-	-	1,053	1,535	415
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	59,301	76,386	129,119
-	-	-	699	21,414	15,637
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	699	21,414	15,637
219	28,282	142	22,794	41,366	30,634
\$ 219	\$ 28,282	\$ 142	\$ 23,493	\$ 62,780	\$ 46,271

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Nonmajor Governmental Funds  
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
 For the Year Ended June 30, 2009

	Special Revenue		Capital Projects	
	City/County Grants	School Based Health Center	Bond Building	Special Capital Outlay Local
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	328,098	-
Combined local/state	-	150,000	-	-
Charges for services	-	-	-	-
Interest	-	-	4,403	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	150,000	332,501	-
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	-	173,689	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	1,118,112	-
Food services operations	-	-	-	-
Capital outlay	-	-	3,544,584	519,712
Debt Service				
Bond issuance costs	-	-	46,830	-
<i>Total expenditures</i>	-	173,689	4,709,526	519,712
<i>Excess (deficiency) of revenues over expenditures</i>	-	(23,689)	(4,377,025)	(519,712)
<i>Other financing sources (uses)</i>				
Bond proceeds	-	-	6,000,000	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	6,000,000	-
<i>Net change in fund balances</i>	-	(23,689)	1,622,975	(519,712)
<i>Fund balances - beginning of year</i>	(6,311)	(42,075)	(4,671,846)	519,712
<i>Fund balances - ending of year</i>	\$ (6,311)	\$ (65,764)	\$ (3,048,871)	\$ -

The accompanying notes are an integral part of these financial statements

Capital Projects					
Special Capital Outlay State	Special Capital Outlay Federal	Capital Improvements SB- 9	Energy Efficient Act	Public School Capital Outlay 20%	Total Nonmajor Governmental Funds
\$ -	\$ -	\$ 1,373,855	\$ -	\$ -	\$ 1,373,855
-	-	1,742	-	-	1,742
-	-	-	-	-	18,503,769
-	-	-	-	-	7,034,712
-	-	-	-	-	471,720
-	-	4,884,612	-	-	8,115,076
95,000	-	-	-	-	581,195
-	-	-	-	-	294,756
-	-	-	-	-	1,366,239
-	-	-	-	-	10,327
-	-	-	-	-	168,542
<u>95,000</u>	<u>-</u>	<u>6,260,209</u>	<u>-</u>	<u>-</u>	<u>37,921,933</u>
-	-	-	-	-	15,934,322
-	-	-	-	-	3,101,048
-	-	-	-	-	3,234,096
-	-	13,533	-	-	344,767
-	-	-	-	-	77,650
-	-	-	-	-	696,979
-	-	350,796	-	-	1,470,268
-	-	-	-	-	5,168,028
144,643	623,961	1,657,467	-	-	6,490,367
-	-	-	-	-	46,830
<u>144,643</u>	<u>623,961</u>	<u>2,021,796</u>	<u>-</u>	<u>-</u>	<u>36,564,355</u>
<u>(49,643)</u>	<u>(623,961)</u>	<u>4,238,413</u>	<u>-</u>	<u>-</u>	<u>1,357,578</u>
-	-	-	-	-	6,000,000
-	-	-	-	-	185,997
-	-	-	-	-	(185,997)
-	-	-	-	-	6,000,000
(49,643)	(623,961)	4,238,413	-	-	7,357,578
<u>119,643</u>	<u>648,667</u>	<u>(1,297,605)</u>	<u>151,258</u>	<u>1</u>	<u>(2,001,837)</u>
<u>\$ 70,000</u>	<u>\$ 24,706</u>	<u>\$ 2,940,808</u>	<u>\$ 151,258</u>	<u>\$ 1</u>	<u>\$ 5,355,741</u>

**STATE OF NEW MEXICO**  
**Gallup-McKinley County Public Schools**  
**Food Service Special Revenue Fund**  
**Statement of Revenue, Expenditures, and Changes in Fund Balance**  
**Budget (Non-GAAP Budgetary Basis) and Actual**  
**For the Year Ended June 30, 2009**

Statement B-1

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	4,013,131	4,607,347	4,332,518	(274,829)
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	419,104	419,104	438,942	19,838
Interest	32,714	32,714	2,523	(30,191)
Miscellaneous	-	-	232	232
<i>Total revenues</i>	<u>4,464,949</u>	<u>5,059,165</u>	<u>4,774,215</u>	<u>(284,950)</u>
<i>Expenditures</i>				
<i>Current</i>				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	4,892,487	5,486,703	4,906,901	579,802
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>4,892,487</u>	<u>5,486,703</u>	<u>4,906,901</u>	<u>579,802</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(427,538)</u>	<u>(427,538)</u>	<u>(132,686)</u>	<u>294,852</u>
<i>Other financing sources (uses)</i>				
Designated cash	427,538	427,538	-	(427,538)
<i>Total other financing sources (uses)</i>	<u>427,538</u>	<u>427,538</u>	<u>-</u>	<u>(427,538)</u>
<i>Net change in fund balances</i>	-	-	(132,686)	(132,686)
<i>Fund balances - beginning of year</i>	-	-	1,758,955	1,758,955
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,626,269</u>	<u>\$ 1,626,269</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ (132,686)
Adjustments to revenues for state grants.				256,637
Adjustments to expenditures for salaries, food, and supplies and materials.				<u>(194,190)</u>
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ (70,239)</u>

The accompanying notes are an integral part of these financial statements



**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Athletics Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

Statement B-2

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	325,200	325,200	360,899	35,699
Interest	-	-	2,519	2,519
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>325,200</u>	<u>325,200</u>	<u>363,418</u>	<u>38,218</u>
<i>Expenditures</i>				
Current				
Instruction	504,941	355,200	355,200	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>504,941</u>	<u>355,200</u>	<u>355,200</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(179,741)</u>	<u>(30,000)</u>	<u>8,218</u>	<u>38,218</u>
<i>Other financing sources (uses)</i>				
Designated cash	179,741	30,000	-	(30,000)
<i>Total other financing sources (uses)</i>	<u>179,741</u>	<u>30,000</u>	<u>-</u>	<u>(30,000)</u>
<i>Net change in fund balances</i>	-	-	8,218	8,218
<i>Fund balances - beginning of year</i>	-	-	166,343	166,343
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 174,561</u>	<u>\$ 174,561</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ 8,218
No adjustments to revenue.				-
Adjustments to expenditures for salaries.				<u>138</u>
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ 8,356</u>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**Gallup-McKinley County Public Schools**  
**Non-Budgeted Activity Special Revenue Fund**  
**Statement of Revenue, Expenditures, and Changes in Fund Balance**  
**Budget (Non-GAAP Budgetary Basis) and Actual**  
**For the Year Ended June 30, 2009**

Statement B-3

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	260,000	260,000	559,651	299,651
Interest	8,000	8,000	860	(7,140)
Miscellaneous	1,500	1,500	64,034	62,534
<i>Total revenues</i>	269,500	269,500	624,545	355,045
<i>Expenditures</i>				
<i>Current</i>				
Instruction	481,771	481,771	420,377	61,394
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	481,771	481,771	420,377	61,394
<i>Excess (deficiency) of revenues over expenditures</i>	(212,271)	(212,271)	204,168	416,439
<i>Other financing sources (uses)</i>				
Designated cash	212,271	212,271	-	(212,271)
Transfers in (out)	-	-	(185,997)	(185,997)
<i>Total other financing sources (uses)</i>	212,271	212,271	(185,997)	(398,268)
<i>Net change in fund balances</i>	-	-	18,171	18,171
<i>Fund balances - beginning of year</i>	-	-	375,554	375,554
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 393,725	\$ 393,725
<i>Net change in fund balances (Budget Basis)</i>				\$ 18,171
Adjustments to revenues for contributions and donations.				(62,076)
Adjustments to expenditures for salaries.				708
<i>Net change in fund balances (GAAP Basis)</i>				\$ (43,197)

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Non-Budgeted Scholarship Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

Statement B-4

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	1,500	1,500	22	(1,478)
Miscellaneous	7,000	10,000	14,780	4,780
<i>Total revenues</i>	8,500	11,500	14,802	3,302
<i>Expenditures</i>				
Current				
Instruction	8,500	11,500	11,500	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	8,500	11,500	11,500	-
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	3,302	3,302
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	3,302	3,302
<i>Fund balances - beginning of year</i>	-	-	64,033	64,033
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 67,335	\$ 67,335
<i>Net change in fund balances (Budget Basis)</i>				\$ 3,302
No adjustments to revenues.				-
No adjustments to expenditures.				-
<i>Net change in fund balances (GAAP Basis)</i>				\$ 3,302

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**Gallup-McKinley County Public Schools**  
**Non-Budgeted Autism Program Special Revenue Fund**  
**Statement of Revenue, Expenditures, and Changes in Fund Balance**  
**Budget (Non-GAAP Budgetary Basis) and Actual**  
**For the Year Ended June 30, 2009**

Statement B-5

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	475	475
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>475</u>	<u>475</u>
<i>Expenditures</i>				
<i>Current</i>				
Instruction	7,038	7,038	379	6,659
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>7,038</u>	<u>7,038</u>	<u>379</u>	<u>6,659</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(7,038)</u>	<u>(7,038)</u>	<u>96</u>	<u>7,134</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Transfers in (out)	7,038	7,038	7,038	-
<i>Total other financing sources (uses)</i>	<u>7,038</u>	<u>7,038</u>	<u>7,038</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	7,134	7,134
<i>Fund balances - beginning of year</i>	-	-	-	-
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,134</u>	<u>\$ 7,134</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ 7,134
No adjustments to revenues.				-
No adjustments to expenditures.				-
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ 7,134</u>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Non-Budgeted Miyamura Scholarship Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

Statement B-6

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	-	-	-
<i>Expenditures</i>				
Current				
Instruction	7,200	7,200	-	7,200
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	7,200	7,200	-	7,200
<i>Excess (deficiency) of revenues over expenditures</i>	(7,200)	(7,200)	-	7,200
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Transfers in (out)	7,200	7,200	7,200	-
<i>Total other financing sources (uses)</i>	7,200	7,200	7,200	-
<i>Net change in fund balances</i>	-	-	7,200	7,200
<i>Fund balances - beginning of year</i>	-	-	-	-
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 7,200	\$ 7,200
<i>Net change in fund balances (Budget Basis)</i>				\$ 7,200
No adjustments to revenues.				-
No adjustments to expenditures.				-
<i>Net change in fund balances (GAAP Basis)</i>				\$ 7,200

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Non-Budgeted SQS Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

Statement B-7

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	235,000	262,159	151,973	(110,186)
<i>Total revenues</i>	<u>235,000</u>	<u>262,159</u>	<u>151,973</u>	<u>(110,186)</u>
<i>Expenditures</i>				
Current				
Instruction	186,702	460,749	192,096	268,653
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>186,702</u>	<u>460,749</u>	<u>192,096</u>	<u>268,653</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>48,298</u>	<u>(198,590)</u>	<u>(40,123)</u>	<u>158,467</u>
<i>Other financing sources (uses)</i>				
Designated cash	(218,527)	28,361	-	(28,361)
Transfers in (out)	170,229	170,229	170,229	-
<i>Total other financing sources (uses)</i>	<u>(48,298)</u>	<u>198,590</u>	<u>170,229</u>	<u>(28,361)</u>
<i>Net change in fund balances</i>	-	-	130,106	130,106
<i>Fund balances - beginning of year</i>	-	-	-	-
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 130,106</u>	<u>\$ 130,106</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ 130,106
No adjustments to revenues.				-
Adjustments to expenditures for other contract services.				<u>(5,807)</u>
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ 124,299</u>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Non-Budgeted Thoreau Night School Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

Statement B-8

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	4,470	4,470	6,103	1,633
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	4,470	4,470	6,103	1,633
<i>Expenditures</i>				
Current				
Instruction	6,000	6,000	6,000	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	6,000	6,000	6,000	-
<i>Excess (deficiency) of revenues over expenditures</i>	(1,530)	(1,530)	103	1,633
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Transfers in (out)	1,530	1,530	1,530	-
<i>Total other financing sources (uses)</i>	1,530	1,530	1,530	-
<i>Net change in fund balances</i>	-	-	1,633	1,633
<i>Fund balances - beginning of year</i>	-	-	-	-
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 1,633	\$ 1,633
<i>Net change in fund balances (Budget Basis)</i>				\$ 1,633
No adjustments to revenues.				-
No adjustments to expenditures.				-
<i>Net change in fund balances (GAAP Basis)</i>				\$ 1,633

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**Gallup-McKinley County Public Schools**  
**Title I IASA Special Revenue Fund**  
**Statement of Revenue, Expenditures, and Changes in Fund Balance**  
**Budget (Non-GAAP Budgetary Basis) and Actual**  
**For the Year Ended June 30, 2009**

Statement B-9

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	8,197,997	8,197,997	9,815,508	1,617,511
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>8,197,997</u>	<u>8,197,997</u>	<u>9,815,508</u>	<u>1,617,511</u>
<i>Expenditures</i>				
<i>Current</i>				
Instruction	6,096,313	6,113,186	5,437,363	675,823
Support services - students	-	8,307	7,782	525
Support services - instruction	1,828,087	1,795,089	1,360,149	434,940
Support services - general administration	95,438	95,438	95,438	-
Support services - school administration	-	-	-	-
Central services	178,159	185,977	149,745	36,232
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>8,197,997</u>	<u>8,197,997</u>	<u>7,050,477</u>	<u>1,147,520</u>
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	2,765,031	2,765,031
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	2,765,031	2,765,031
<i>Fund balances - beginning of year</i>	-	-	(2,895,155)	(2,895,155)
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (130,124)</u>	<u>\$ (130,124)</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ 2,765,031
Adjustments to revenues for federal flowthrough grants.				(2,764,980)
Adjustments to expenditures for salaries, professional development, and other contract services.				<u>20,953</u>
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ 21,004</u>

The accompanying notes are an integral part of these financial statements



**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Entitlement IDEA-B Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

Statement B-10

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	3,126,441	4,058,927	3,945,738	(113,189)
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	813	813
<i>Total revenues</i>	<u>3,126,441</u>	<u>4,058,927</u>	<u>3,946,551</u>	<u>(112,376)</u>
<i>Expenditures</i>				
<i>Current</i>				
Instruction	1,031,159	962,346	940,111	22,235
Support services - students	2,026,784	2,902,604	1,708,635	1,193,969
Support services - instruction	-	-	-	-
Support services - general administration	68,498	87,060	55,607	31,453
Support services - school administration	-	-	-	-
Central services	-	106,917	106,922	(5)
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>3,126,441</u>	<u>4,058,927</u>	<u>2,811,275</u>	<u>1,247,652</u>
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	1,135,276	1,135,276
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	1,135,276	1,135,276
<i>Fund balances - beginning of year</i>	-	-	(1,139,412)	(1,139,412)
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (4,136)</u>	<u>\$ (4,136)</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ 1,135,276
Adjustments to revenues for federal flowthrough grants.				(1,140,257)
Adjustments to expenditures for salaries and general supplies and materials.				<u>21,594</u>
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ 16,613</u>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Discretionary IDEA-B Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

Statement B-11

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	70,029	77,529	-	(77,529)
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	70,029	77,529	-	(77,529)
<i>Expenditures</i>				
<i>Current</i>				
Instruction	11,936	11,936	1,665	10,271
Support services - students	56,525	63,857	41,467	22,390
Support services - instruction	-	-	-	-
Support services - general administration	1,568	1,736	871	865
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	70,029	77,529	44,003	33,526
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	(44,003)	(44,003)
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	(44,003)	(44,003)
<i>Fund balances - beginning of year</i>	-	-	-	-
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (44,003)	\$ (44,003)
<i>Net change in fund balances (Budget Basis)</i>				\$ (44,003)
No adjustments to revenues.				-
No adjustments to expenditures.				-
<i>Net change in fund balances (GAAP Basis)</i>				\$ (44,003)

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Preschool IDEA-B Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

Statement B-12

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	127,408	212,556	144,123	(68,433)
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>127,408</u>	<u>212,556</u>	<u>144,123</u>	<u>(68,433)</u>
<i>Expenditures</i>				
<i>Current</i>				
Instruction	89,548	167,736	70,691	97,045
Support services - students	35,006	40,059	39,716	343
Support services - instruction	-	-	-	-
Support services - general administration	2,854	4,761	2,115	2,646
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>127,408</u>	<u>212,556</u>	<u>112,522</u>	<u>100,034</u>
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	31,601	31,601
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	31,601	31,601
<i>Fund balances - beginning of year</i>	-	-	(59,836)	(59,836)
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (28,235)</u>	<u>\$ (28,235)</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ 31,601
Adjustments to revenues for federal flowthrough grants.				(59,836)
Adjustments to expenditures for general supplies and materials.				<u>7,602</u>
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ (20,633)</u>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Early Intervention Services IDEA-B Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

Statement B-13

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	-	-	-
<i>Expenditures</i>				
<i>Current</i>				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	-	-	-	-
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	-	-
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	1,779	1,779
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 1,779	\$ 1,779
<i>Net change in fund balances (Budget Basis)</i>				\$ -
No adjustments to revenues.				-
No adjustments to expenditures.				-
<i>Net change in fund balances (GAAP Basis)</i>				\$ -

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Education of Homeless Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

Statement B-14

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	12,000	12,000	9,500	(2,500)
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	12,000	12,000	9,500	(2,500)
<i>Expenditures</i>				
<i>Current</i>				
Instruction	-	-	-	-
Support services - students	12,000	12,000	10,622	1,378
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	12,000	12,000	10,622	1,378
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	(1,122)	(1,122)
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	(1,122)	(1,122)
<i>Fund balances - beginning of year</i>	-	-	(2,459)	(2,459)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (3,581)	\$ (3,581)
<i>Net change in fund balances (Budget Basis)</i>				\$ (1,122)
Adjustments to revenues for federal flowthrough grants.				(973)
No adjustments to expenditures.				-
<i>Net change in fund balances (GAAP Basis)</i>				\$ (2,095)

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Title II IASA (Math/Science) Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

Statement B-15

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	-	-	-
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	-	-	-	-
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	-	-
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	4,959	4,959
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 4,959	\$ 4,959
<i>Net change in fund balances (Budget Basis)</i>				\$ -
No adjustments to revenue.				-
No adjustments to expenditures.				-
<i>Net change in fund balances (GAAP Basis)</i>				\$ -

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Fresh Fruits & Vegetables Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

Statement B-16

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	17,017	17,017	9,637	(7,380)
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>17,017</u>	<u>17,017</u>	<u>9,637</u>	<u>(7,380)</u>
<i>Expenditures</i>				
<i>Current</i>				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	373	373	150	223
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	16,644	16,644	7,389	9,255
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>17,017</u>	<u>17,017</u>	<u>7,539</u>	<u>9,478</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>2,098</u>	<u>2,098</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	2,098	2,098
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>9,969</u>	<u>9,969</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,067</u>	<u>\$ 12,067</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ 2,098
No adjustments to revenues.				-
No adjustments to expenditures.				-
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ 2,098</u>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 21st Century Community Learning Centers 2008-2014 Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

Statement B-17

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	1,309,000	1,309,000	537,664	(771,336)
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>1,309,000</u>	<u>1,309,000</u>	<u>537,664</u>	<u>(771,336)</u>
<i>Expenditures</i>				
<i>Current</i>				
Instruction	1,183,727	1,183,727	585,792	597,935
Support services - students	-	-	-	-
Support services - instruction	79,519	79,519	41,291	38,228
Support services - general administration	25,839	25,839	13,008	12,831
Support services - school administration	-	-	-	-
Central services	19,915	19,915	16,876	3,039
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>1,309,000</u>	<u>1,309,000</u>	<u>656,967</u>	<u>652,033</u>
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	(119,303)	(119,303)
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	(119,303)	(119,303)
<i>Fund balances - beginning of year</i>	-	-	-	-
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (119,303)</u>	<u>\$ (119,303)</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ (119,303)
Adjustments to revenues for federal flowthrough grants.				119,303
Adjustments to expenditures for other professional services and general supplies and materials.				<u>(44,608)</u>
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ (44,608)</u>

The accompanying notes are an integral part of these financial statements



**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Title I Family Literacy IASA Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

Statement B-18

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	135,000	263,838	128,838
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	135,000	263,838	128,838
<i>Expenditures</i>				
<i>Current</i>				
Instruction	-	5,371	5,371	-
Support services - students	-	129,629	71,972	57,657
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	-	135,000	77,343	57,657
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	186,495	186,495
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	186,495	186,495
<i>Fund balances - beginning of year</i>	-	-	(190,605)	(190,605)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (4,110)	\$ (4,110)
<i>Net change in fund balances (Budget Basis)</i>				\$ 186,495
Adjustments to revenues for federal flowthrough grants.				(167,128)
Adjustments to expenditures for salaries.				(1,391)
<i>Net change in fund balances (GAAP Basis)</i>				\$ 17,976

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Title IV Drug Free Schools & Comm/Ed Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

Statement B-19

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	-	-	-
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	-	-	-	-
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	-	-
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	1,939	1,939
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 1,939	\$ 1,939
<i>Net change in fund balances (Budget Basis)</i>				\$ -
No adjustments to revenue.				-
No adjustments to expenditures.				-
<i>Net change in fund balances (GAAP Basis)</i>				\$ -

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Partnerships in Character Ed Pilot Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

Statement B-20

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	8,598	8,598
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	-	8,598	8,598
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	-	-	-	-
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	8,598	8,598
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	8,598	8,598
<i>Fund balances - beginning of year</i>	-	-	(10,487)	(10,487)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (1,889)	\$ (1,889)
<i>Net change in fund balances (Budget Basis)</i>				\$ 8,598
Adjustments to revenues for federal flowthrough grants.				(8,598)
No adjustments to expenditures.				-
<i>Net change in fund balances (GAAP Basis)</i>				\$ -

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Enhancing Education Through Technology Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

Statement B-21

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	93	93
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	-	93	93
<i>Expenditures</i>				
<i>Current</i>				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	-	-	-	-
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	93	93
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	93	93
<i>Fund balances - beginning of year</i>	-	-	(93)	(93)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ -	\$ -
<i>Net change in fund balances (Budget Basis)</i>			\$	93
Adjustments to revenues for federal flowthrough grants.				15,345
No adjustments to expenditures.				-
<i>Net change in fund balances (GAAP Basis)</i>			\$	15,438

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 English Language Acquisition Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

Statement B-22

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	370,429	447,018	327,557	(119,461)
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	370,429	447,018	327,557	(119,461)
<i>Expenditures</i>				
<i>Current</i>				
Instruction	298,418	420,910	268,477	152,433
Support services - students	-	-	-	-
Support services - instruction	52,581	5,000	4,514	486
Support services - general administration	5,430	7,108	5,602	1,506
Support services - school administration	-	-	-	-
Central services	14,000	14,000	9,975	4,025
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	370,429	447,018	288,568	158,450
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	38,989	38,989
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	38,989	38,989
<i>Fund balances - beginning of year</i>	-	-	(106,146)	(106,146)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (67,157)	\$ (67,157)
<i>Net change in fund balances (Budget Basis)</i>				\$ 38,989
Adjustments to revenues for federal flowthrough grants.				(69,143)
Adjustments to expenditures for salaries.				2
<i>Net change in fund balances (GAAP Basis)</i>				\$ (30,152)

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Teacher/Principal Training & Recruiting Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

Statement B-23

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	1,359,159	1,359,159	1,716,873	357,714
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	1,359,159	1,359,159	1,716,873	357,714
<i>Expenditures</i>				
<i>Current</i>				
Instruction	1,129,616	1,129,618	1,129,618	-
Support services - students	-	-	-	-
Support services - instruction	72,711	72,711	28,635	44,076
Support services - general administration	30,701	30,699	26,023	4,676
Support services - school administration	16,899	16,899	17,028	(129)
Central services	109,232	109,232	112,997	(3,765)
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	1,359,159	1,359,159	1,314,301	44,858
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	402,572	402,572
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	402,572	402,572
<i>Fund balances - beginning of year</i>	-	-	(745,865)	(745,865)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (343,293)	\$ (343,293)
<i>Net change in fund balances (Budget Basis)</i>				\$ 402,572
Adjustments to revenues for federal flowthrough grants.				(385,526)
Adjustments to expenditures for salaries, other contract services, and general supplies and materials.				7,038
<i>Net change in fund balances (GAAP Basis)</i>				\$ 24,084

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Title IV-A Safe & Drug Free Schools & Community Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

Statement B-24

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	104,996	104,996	145,061	40,065
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	104,996	104,996	145,061	40,065
<i>Expenditures</i>				
<i>Current</i>				
Instruction	1,000	4,655	4,497	158
Support services - students	101,644	97,989	97,780	209
Support services - instruction	-	-	-	-
Support services - general administration	2,352	2,352	1,950	402
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	104,996	104,996	104,227	769
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	40,834	40,834
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	40,834	40,834
<i>Fund balances - beginning of year</i>	-	-	(76,578)	(76,578)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (35,744)	\$ (35,744)
<i>Net change in fund balances (Budget Basis)</i>				\$ 40,834
Adjustments to revenues for federal flowthrough grants.				29,920
Adjustments to expenditures for salaries.				(15)
<i>Net change in fund balances (GAAP Basis)</i>				\$ 70,739

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 21st Century Community Living Center Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

Statement B-25

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	190,388	190,388	194,635	4,247
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>190,388</u>	<u>190,388</u>	<u>194,635</u>	<u>4,247</u>
<i>Expenditures</i>				
<i>Current</i>				
Instruction	147,404	147,404	143,561	3,843
Support services - students	20,000	20,000	10,350	9,650
Support services - instruction	16,812	16,812	17,107	(295)
Support services - general administration	4,172	4,172	3,180	992
Support services - school administration	-	-	-	-
Central services	1,000	-	-	-
Operation & maintenance of plant	1,000	2,000	1,360	640
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>190,388</u>	<u>190,388</u>	<u>175,558</u>	<u>14,830</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>19,077</u>	<u>19,077</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>19,077</u>	<u>19,077</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(86,221)</u>	<u>(86,221)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (67,144)</u>	<u>\$ (67,144)</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ 19,077
Adjustments to revenues for federal flowthrough grants.				(35,825)
No adjustments to expenditures.				<u>-</u>
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ (16,748)</u>

The accompanying notes are an integral part of these financial statements



**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Rural & Low Income Schools Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

Statement B-26

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	510,525	510,525	366,412	(144,113)
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	510,525	510,525	366,412	(144,113)
<i>Expenditures</i>				
<i>Current</i>				
Instruction	456,038	456,038	355,534	100,504
Support services - students	-	-	-	-
Support services - instruction	26,557	26,557	-	26,557
Support services - general administration	11,185	11,185	7,201	3,984
Support services - school administration	-	-	-	-
Central services	16,745	16,745	4,319	12,426
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	510,525	510,525	367,054	143,471
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	(642)	(642)
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	(642)	(642)
<i>Fund balances - beginning of year</i>	-	-	(173,326)	(173,326)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (173,968)	\$ (173,968)
<i>Net change in fund balances (Budget Basis)</i>				\$ (642)
Adjustments to revenues for federal flowthrough grants.				(141,232)
No adjustments to expenditures.				-
<i>Net change in fund balances (GAAP Basis)</i>				\$ (141,874)

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Title I School Improvement Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

Statement B-27

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	1,500,000	1,500,000	1,077,345	(422,655)
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>1,500,000</u>	<u>1,500,000</u>	<u>1,077,345</u>	<u>(422,655)</u>
<i>Expenditures</i>				
<i>Current</i>				
Instruction	1,500,000	1,500,000	1,183,172	316,828
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>1,500,000</u>	<u>1,500,000</u>	<u>1,183,172</u>	<u>316,828</u>
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	(105,827)	(105,827)
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	(105,827)	(105,827)
<i>Fund balances - beginning of year</i>	-	-	(69,229)	(69,229)
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (175,056)</u>	<u>\$ (175,056)</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ (105,827)
Adjustments to revenues for federal flowthrough grants.				38,453
No adjustments to expenditures.				-
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ (67,374)</u>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Immigrant Funding - Title III Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

Statement B-28

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	18,500	18,500	-	(18,500)
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	18,500	18,500	-	(18,500)
<i>Expenditures</i>				
<i>Current</i>				
Instruction	18,095	18,095	11,792	6,303
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	405	405	238	167
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	18,500	18,500	12,030	6,470
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	(12,030)	(12,030)
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	(12,030)	(12,030)
<i>Fund balances - beginning of year</i>	-	-	-	-
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (12,030)	\$ (12,030)
<i>Net change in fund balances (Budget Basis)</i>				\$ (12,030)
Adjustments to revenues for federal flowthrough grants.				497
Adjustments to expenditures for general supplies & materials.				(441)
<i>Net change in fund balances (GAAP Basis)</i>				\$ (11,974)

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 School Renovation, IDEA & Technology Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

Statement B-29

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	-	-	-
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	-	-	-	-
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	-	-
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	23,198	23,198
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 23,198	\$ 23,198
<i>Net change in fund balances (Budget Basis)</i>				\$ -
No adjustments to revenues.				-
No adjustments to expenditures.				-
<i>Net change in fund balances (GAAP Basis)</i>				\$ -

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Reading First Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

Statement B-30

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	26,182	50,857	24,675
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	26,182	50,857	24,675
<i>Expenditures</i>				
<i>Current</i>				
Instruction	-	25,580	14,085	11,495
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	602	285	317
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	-	26,182	14,370	11,812
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	36,487	36,487
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	36,487	36,487
<i>Fund balances - beginning of year</i>	-	-	(50,857)	(50,857)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (14,370)	\$ (14,370)
<i>Net change in fund balances (Budget Basis)</i>				\$ 36,487
Adjustments to revenues for federal flowthrough grants.				(50,857)
No adjustments to expenditures.				-
<i>Net change in fund balances (GAAP Basis)</i>				\$ (14,370)

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Carl Perkins Secondary - Current Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

Statement B-31

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	255,686	255,686	237,272	(18,414)
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	255,686	255,686	237,272	(18,414)
<i>Expenditures</i>				
<i>Current</i>				
Instruction	246,032	246,032	210,434	35,598
Support services - students	-	-	-	-
Support services - instruction	7,491	7,491	2,861	4,630
Support services - general administration	2,163	2,163	732	1,431
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	255,686	255,686	214,027	41,659
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	23,245	23,245
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	23,245	23,245
<i>Fund balances - beginning of year</i>	-	-	(52,814)	(52,814)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (29,569)	\$ (29,569)
<i>Net change in fund balances (Budget Basis)</i>				\$ 23,245
Adjustments to revenues for federal flowthrough grants.				29,569
Adjustments to expenditures for general supplies and materials.				(4,997)
<i>Net change in fund balances (GAAP Basis)</i>				\$ 47,817

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Title I - IASA - Federal Stimulus Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

Statement B-32

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	1,901,226	1,901,226	-	(1,901,226)
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	1,901,226	1,901,226	-	(1,901,226)
<i>Expenditures</i>				
<i>Current</i>				
Instruction	1,850,086	1,818,871	-	1,818,871
Support services - students	-	-	-	-
Support services - instruction	13,496	44,711	-	44,711
Support services - general administration	37,644	37,644	-	37,644
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	1,901,226	1,901,226	-	1,901,226
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	-	-
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	-	-
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ -	\$ -
<i>Net change in fund balances (Budget Basis)</i>				\$ -
No adjustments to revenues.				-
Adjustments to expenditures for professional development.				(110,000)
<i>Net change in fund balances (GAAP Basis)</i>				\$ (110,000)

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Teaching American History Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

Statement B-33

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	17,623	17,623	17,841	218
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	17,623	17,623	17,841	218
<i>Expenditures</i>				
Current				
Instruction	17,623	17,623	17,623	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	17,623	17,623	17,623	-
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	218	218
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	218	218
<i>Fund balances - beginning of year</i>	-	-	(218)	(218)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ -	\$ -
<i>Net change in fund balances (Budget Basis)</i>				\$ 218
Adjustments to revenues for federal direct grants.				(218)
No adjustments to expenditures.				-
<i>Net change in fund balances (GAAP Basis)</i>				\$ -

The accompanying notes are an integral part of these financial statements



**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Bilingual Education Title VII Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

Statement B-34

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	-	-	-
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	-	-	-	-
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	-	-
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	84,141	84,141
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 84,141	\$ 84,141
<i>Net change in fund balances (Budget Basis)</i>				\$ -
No adjustments to revenues .				-
No adjustments to expenditures.				-
<i>Net change in fund balances (GAAP Basis)</i>				\$ -

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Navajo Red/Corn Pollen Pathway Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

Statement B-35

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	325	325	2,213	1,888
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	325	325	2,213	1,888
<i>Expenditures</i>				
<i>Current</i>				
Instruction	325	325	225	100
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	325	325	225	100
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	1,988	1,988
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	1,988	1,988
<i>Fund balances - beginning of year</i>	-	-	(1,988)	(1,988)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ -	\$ -
<i>Net change in fund balances (Budget Basis)</i>				\$ 1,988
Adjustments to revenues for federal direct grants.				(1,988)
No adjustments to expenditures.				-
<i>Net change in fund balances (GAAP Basis)</i>				\$ -

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 JTPA Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

Statement B-36

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	-	-	-
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	-	-	-	-
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	-	-
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	178	178
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 178	\$ 178
<i>Net change in fund balances (Budget Basis)</i>			\$	-
No adjustments to revenues.				-
No adjustments to expenditures.				-
<i>Net change in fund balances (GAAP Basis)</i>			\$	-

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Johnson O'Malley Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

Statement B-37

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final		Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	643,973	1,085,841	807,511	(278,330)
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	643,973	1,085,841	807,511	(278,330)
<i>Expenditures</i>				
Current				
Instruction	366,987	763,766	487,419	276,347
Support services - students	-	-	-	-
Support services - instruction	263,015	298,206	183,396	114,810
Support services - general administration	13,971	23,869	10,956	12,913
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	643,973	1,085,841	681,771	404,070
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	125,740	125,740
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	125,740	125,740
<i>Fund balances - beginning of year</i>	-	-	(332,169)	(332,169)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (206,429)	\$ (206,429)
<i>Net change in fund balances (Budget Basis)</i>				\$ 125,740
Adjustments to revenues for federal direct grants.				111,410
Adjustments to expenditures for general supplies and materials.				77,479
<i>Net change in fund balances (GAAP Basis)</i>				\$ 314,629

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 General Ed. Projects "Star Schools" Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

Statement B-38

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	-	-	-
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	-	-	-	-
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	-	-
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	45,556	45,556
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 45,556	\$ 45,556
<i>Net change in fund balances (Budget Basis)</i>				\$ -
No adjustments to revenues.				-
No adjustments to expenditures.				-
<i>Net change in fund balances (GAAP Basis)</i>				\$ -

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Impact Aid Special Education Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

Statement B-39

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	1,061,198	1,061,198
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>1,061,198</u>	<u>1,061,198</u>
<i>Expenditures</i>				
<i>Current</i>				
Instruction	-	5,663	5,663	-
Support services - students	511,208	528,255	496,888	31,367
Support services - instruction	450,378	427,668	419,917	7,751
Support services - general administration	21,540	21,540	18,481	3,059
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>983,126</u>	<u>983,126</u>	<u>940,949</u>	<u>42,177</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(983,126)</u>	<u>(983,126)</u>	<u>120,249</u>	<u>1,103,375</u>
<i>Other financing sources (uses)</i>				
Designated cash	983,126	983,126	-	(983,126)
<i>Total other financing sources (uses)</i>	<u>983,126</u>	<u>983,126</u>	<u>-</u>	<u>(983,126)</u>
<i>Net change in fund balances</i>	-	-	120,249	120,249
<i>Fund balances - beginning of year</i>	-	-	1,079,759	1,079,759
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,200,008</u>	<u>\$ 1,200,008</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ 120,249
No adjustments to revenues.				-
Adjustments to expenditures for salaries.				<u>2,395</u>
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ 122,644</u>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 GRADS Child Care CYFD Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

Statement B-40

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	-	-	-
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	-	-	-	-
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	-	-
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	19,747	19,747
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 19,747	\$ 19,747
<i>Net change in fund balances (Budget Basis)</i>				\$ -
No adjustments to revenues.				-
No adjustments to expenditures.				-
<i>Net change in fund balances (GAAP Basis)</i>				\$ -

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Title XIX - Medicaid 3/21 Years Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

Statement B-41

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final		Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	122,298	122,298
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	-	122,298	122,298
<i>Expenditures</i>				
<i>Current</i>				
Instruction	-	2,432	61	2,371
Support services - students	261,571	259,139	204,649	54,490
Support services - instruction	-	-	-	-
Support services - general administration	5,860	5,860	4,135	1,725
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	267,431	267,431	208,845	58,586
<i>Excess (deficiency) of revenues over expenditures</i>	(267,431)	(267,431)	(86,547)	180,884
<i>Other financing sources (uses)</i>				
Designated cash	267,431	267,431	-	(267,431)
<i>Total other financing sources (uses)</i>	267,431	267,431	-	(267,431)
<i>Net change in fund balances</i>	-	-	(86,547)	(86,547)
<i>Fund balances - beginning of year</i>	-	-	299,104	299,104
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 212,557	\$ 212,557
<i>Net change in fund balances (Budget Basis)</i>				\$ (86,547)
Adjustments to revenues for federal direct grants.				11,536
Adjustments to expenditures for general supplies and materials.				287
<i>Net change in fund balances (GAAP Basis)</i>				\$ (74,724)

The accompanying notes are an integral part of these financial statements



**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Child Care Block Grant CYFD Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

Statement B-42

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	63,488	63,488
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	-	63,488	63,488
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	110,148	110,148	18,009	92,139
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	110,148	110,148	18,009	92,139
<i>Excess (deficiency) of revenues over expenditures</i>	(110,148)	(110,148)	45,479	155,627
<i>Other financing sources (uses)</i>				
Designated cash	110,148	110,148	-	(110,148)
<i>Total other financing sources (uses)</i>	110,148	110,148	-	(110,148)
<i>Net change in fund balances</i>	-	-	45,479	45,479
<i>Fund balances - beginning of year</i>	-	-	121,090	121,090
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 166,569	\$ 166,569
<i>Net change in fund balances (Budget Basis)</i>				\$ 45,479
No adjustments to revenue.				-
Adjustments to expenditures for general supplies and materials.				5,939
<i>Net change in fund balances (GAAP Basis)</i>				\$ 51,418

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 TANF/GRADS HSD Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

Statement B-43

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	40,396	40,396	-	(40,396)
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>40,396</u>	<u>40,396</u>	<u>-</u>	<u>(40,396)</u>
<i>Expenditures</i>				
<i>Current</i>				
Instruction	40,396	40,396	25,604	14,792
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>40,396</u>	<u>40,396</u>	<u>25,604</u>	<u>14,792</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(25,604)</u>	<u>(25,604)</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	(25,604)	(25,604)
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>40,398</u>	<u>40,398</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 14,794</u>	<u>\$ 14,794</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ (25,604)
No adjustments to revenues.				-
Adjustments to expenditures for general supplies and materials.				<u>2,058</u>
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ (23,546)</u>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Child & Adult Food Program Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

Statement B-44

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final		Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	5,728	5,728
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	-	5,728	5,728
<i>Expenditures</i>				
<i>Current</i>				
Instruction	-	-	-	-
Support services - students	8,387	8,387	5,082	3,305
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	8,387	8,387	5,082	3,305
<i>Excess (deficiency) of revenues over expenditures</i>	(8,387)	(8,387)	646	9,033
<i>Other financing sources (uses)</i>				
Designated cash	8,387	8,387	-	(8,387)
<i>Total other financing sources (uses)</i>	8,387	8,387	-	(8,387)
<i>Net change in fund balances</i>	-	-	646	646
<i>Fund balances - beginning of year</i>	-	-	8,776	8,776
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 9,422	\$ 9,422
<i>Net change in fund balances (Budget Basis)</i>				\$ 646
No adjustments to revenues.				-
No adjustments to expenditures.				-
<i>Net change in fund balances (GAAP Basis)</i>				\$ 646

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**Gallup-McKinley County Public Schools**  
**Indian Health Services Special Revenue Fund**  
**Statement of Revenue, Expenditures, and Changes in Fund Balance**  
**Budget (Non-GAAP Budgetary Basis) and Actual**  
**For the Year Ended June 30, 2009**

Statement B-45

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	290,637	290,637	55,550	(235,087)
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	290,637	290,637	55,550	(235,087)
<i>Expenditures</i>				
Current				
Instruction	16,297	16,297	-	16,297
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	6,368	6,368	1,465	4,903
Support services - school administration	213,218	183,218	46,156	137,062
Central services	54,754	84,754	26,350	58,404
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	290,637	290,637	73,971	216,666
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	(18,421)	(18,421)
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	(18,421)	(18,421)
<i>Fund balances - beginning of year</i>	-	-	-	-
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (18,421)	\$ (18,421)
<i>Net change in fund balances (Budget Basis)</i>				\$ (18,421)
Adjustments to revenues for federal direct grants.				18,421
No adjustments to expenditures.				-
<i>Net change in fund balances (GAAP Basis)</i>				\$ -

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Indian Education Formula Grant Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

Statement B-46

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	2,003,036	2,071,095	1,605,261	(465,834)
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>2,003,036</u>	<u>2,071,095</u>	<u>1,605,261</u>	<u>(465,834)</u>
<i>Expenditures</i>				
Current				
Instruction	1,877,395	1,945,412	1,607,265	338,147
Support services - students	-	-	10,233	(10,233)
Support services - instruction	81,756	81,798	67,055	14,743
Support services - general administration	43,885	43,885	34,028	9,857
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>2,003,036</u>	<u>2,071,095</u>	<u>1,718,581</u>	<u>352,514</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(113,320)</u>	<u>(113,320)</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	(113,320)	(113,320)
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(7,234)</u>	<u>(7,234)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (120,554)</u>	<u>\$ (120,554)</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ (113,320)
Adjustments to revenues for federal direct grants.				113,320
Adjustments to expenditures for general supplies and materials.				65,384
<i>Net change in fund balances (GAAP Basis)</i>				\$ 65,384

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 21st Century Community Learning Centers Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

Statement B-47

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	-	-	-
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	-	-	-	-
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	-	-
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	(2,560)	(2,560)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (2,560)	\$ (2,560)
<i>Net change in fund balances (Budget Basis)</i>			\$	-
No adjustments to revenues.				-
No adjustments to expenditures.				-
<i>Net change in fund balances (GAAP Basis)</i>			\$	-

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Navajo Nations Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

Statement B-48

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	103,072	103,072	71,175	(31,897)
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	103,072	103,072	71,175	(31,897)
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	101,887	101,887	93,864	8,023
Support services - instruction	-	-	-	-
Support services - general administration	1,185	1,185	1,185	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	103,072	103,072	95,049	8,023
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	(23,874)	(23,874)
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	(23,874)	(23,874)
<i>Fund balances - beginning of year</i>	-	-	(36,248)	(36,248)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (60,122)	\$ (60,122)
<i>Net change in fund balances (Budget Basis)</i>				\$ (23,874)
Adjustments to revenues for federal direct grants.				58,564
No adjustments to expenditures.				-
<i>Net change in fund balances (GAAP Basis)</i>				\$ 34,690

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Technology Challenge Grant USDE Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

Statement B-49

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	-	-	-
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	-	-	-	-
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	-	-
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	11,739	11,739
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 11,739	\$ 11,739
<i>Net change in fund balances (Budget Basis)</i>				\$ -
No adjustments to revenues.				-
No adjustments to expenditures.				-
<i>Net change in fund balances (GAAP Basis)</i>				\$ -

The accompanying notes are an integral part of these financial statements



**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Title V Indian Health Care Improvement Act Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

Statement B-50

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	123,399	333,399	238,640	(94,759)
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	30	30
<i>Total revenues</i>	123,399	333,399	238,670	(94,729)
<i>Expenditures</i>				
<i>Current</i>				
Instruction	38,443	127,219	35,139	92,080
Support services - students	74,752	191,576	57,015	134,561
Support services - instruction	2,840	2,840	684	2,156
Support services - general administration	2,364	6,764	1,846	4,918
Support services - school administration	5,000	5,000	1,914	3,086
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	123,399	333,399	96,598	236,801
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	142,072	142,072
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	142,072	142,072
<i>Fund balances - beginning of year</i>	-	-	(108,012)	(108,012)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 34,060	\$ 34,060
<i>Net change in fund balances (Budget Basis)</i>				\$ 142,072
Adjustments to revenues for federal direct grants.				(30)
Adjustments to expenditures for general supplies and materials.				348
<i>Net change in fund balances (GAAP Basis)</i>				\$ 142,390

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Teacher Quality Improvement Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

Statement B-51

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	-	-	-
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	-	-	-	-
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	-	-
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	(17,058)	(17,058)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (17,058)	\$ (17,058)
<i>Net change in fund balances (Budget Basis)</i>			\$	-
No adjustments to revenues.				-
Adjustments to expenditures for salaries.				(17,058)
<i>Net change in fund balances (GAAP Basis)</i>			\$	(17,058)

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Tobacco Use Prevention & Control Program Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

Statement B-52

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	-	-	-
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	-	-	-	-
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	-	-
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	62	62
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 62	\$ 62
<i>Net change in fund balances (Budget Basis)</i>			\$	-
No adjustments to revenues.				-
No adjustments to expenditures.				-
<i>Net change in fund balances (GAAP Basis)</i>			\$	-

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Goals 2000 Parental Assistance Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

Statement B-53

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	-	-	-
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	-	-	-	-
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	-	-
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	(17,981)	(17,981)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (17,981)	\$ (17,981)
<i>Net change in fund balances (Budget Basis)</i>			\$	-
No adjustments to revenues.				-
No adjustments to expenditures.				-
<i>Net change in fund balances (GAAP Basis)</i>			\$	-

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Substance Abuse & Mental Health Services Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

Statement B-54

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final		Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	55,000	60,000	60,000	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	55,000	60,000	60,000	-
<i>Expenditures</i>				
<i>Current</i>				
Instruction	48,677	-	-	-
Support services - students	-	58,710	54,050	4,660
Support services - instruction	-	-	-	-
Support services - general administration	1,232	1,290	1,091	199
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	49,909	60,000	55,141	4,859
<i>Excess (deficiency) of revenues over expenditures</i>	5,091	-	4,859	4,859
<i>Other financing sources (uses)</i>				
Designated cash	(5,091)	-	-	-
<i>Total other financing sources (uses)</i>	(5,091)	-	-	-
<i>Net change in fund balances</i>	-	-	4,859	4,859
<i>Fund balances - beginning of year</i>	-	-	(105,877)	(105,877)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (101,018)	\$ (101,018)
<i>Net change in fund balances (Budget Basis)</i>			\$	4,859
No adjustments to revenues.				-
No adjustments to expenditures.				-
<i>Net change in fund balances (GAAP Basis)</i>			\$	4,859

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Carol M White Physical Fitness Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

Statement B-55

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	306,770	490,264	334,846	(155,418)
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>306,770</u>	<u>490,264</u>	<u>334,846</u>	<u>(155,418)</u>
<i>Expenditures</i>				
Current				
Instruction	203,483	374,957	282,086	92,871
Support services - students	-	-	-	-
Support services - instruction	96,565	104,565	60,572	43,993
Support services - general administration	6,722	10,742	6,915	3,827
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>306,770</u>	<u>490,264</u>	<u>349,573</u>	<u>140,691</u>
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	(14,727)	(14,727)
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	(14,727)	(14,727)
<i>Fund balances - beginning of year</i>	-	-	8,573	8,573
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (6,154)</u>	<u>\$ (6,154)</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ (14,727)
Adjustments to revenues for federal direct grants.				6,154
Adjustments to expenditures for professional development and general supplies and materials.				<u>(29,203)</u>
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ (37,776)</u>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Native American Program Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

Statement B-56

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	225,587	225,587	189,754	(35,833)
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	225,587	225,587	189,754	(35,833)
<i>Expenditures</i>				
Current				
Instruction	216,645	207,177	186,241	20,936
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	4,942	4,942	3,766	1,176
Support services - school administration	4,000	13,468	208	13,260
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	225,587	225,587	190,215	35,372
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	(461)	(461)
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	(461)	(461)
<i>Fund balances - beginning of year</i>	-	-	(2,021)	(2,021)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (2,482)	\$ (2,482)
<i>Net change in fund balances (Budget Basis)</i>				\$ (461)
Adjustments to revenues for federal direct grants.				461
No adjustments to expenditures.				-
<i>Net change in fund balances (GAAP Basis)</i>				\$ -

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 State Equalization Guarantee - Federal Stimulus Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

Statement B-57

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	-	-	-
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	-	-	-	-
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	-	-
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	-	-
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ -	\$ -
<i>Net change in fund balances (Budget Basis)</i>				\$ -
No adjustments to revenues.				-
Adjustments to expenditures for professional development.				(700)
<i>Net change in fund balances (GAAP Basis)</i>				\$ (700)

The accompanying notes are an integral part of these financial statements



**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Impact Aid Construction Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

Statement B-58

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	2,081,549	2,081,549	2,081,549	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	2,081,549	2,081,549	2,081,549	-
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	2,081,549	2,081,549	-	2,081,549
<i>Total expenditures</i>	2,081,549	2,081,549	-	2,081,549
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	2,081,549	2,081,549
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	2,081,549	2,081,549
<i>Fund balances - beginning of year</i>	-	-	-	-
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 2,081,549	\$ 2,081,549
<i>Net change in fund balances (Budget Basis)</i>				\$ 2,081,549
No adjustments to revenues.				-
No adjustments to expenditures.				-
<i>Net change in fund balances (GAAP Basis)</i>				\$ 2,081,549

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Bill & Melinda Gates Foundation Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

Statement B-59

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	-	-	-
<i>Expenditures</i>				
Current				
Instruction	30,000	30,000	30,000	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	30,000	30,000	30,000	-
<i>Excess (deficiency) of revenues over expenditures</i>	(30,000)	(30,000)	(30,000)	-
<i>Other financing sources (uses)</i>				
Designated cash	30,000	30,000	-	(30,000)
<i>Total other financing sources (uses)</i>	30,000	30,000	-	(30,000)
<i>Net change in fund balances</i>	-	-	(30,000)	(30,000)
<i>Fund balances - beginning of year</i>	-	-	32,839	32,839
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 2,839	\$ 2,839
<i>Net change in fund balances (Budget Basis)</i>				\$ (30,000)
No adjustments to revenues.				-
No adjustments to expenditures.				-
<i>Net change in fund balances (GAAP Basis)</i>				\$ (30,000)

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Save the Children Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

Statement B-60

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	25,000	489,140	422,351	(66,789)
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>25,000</u>	<u>489,140</u>	<u>422,351</u>	<u>(66,789)</u>
<i>Expenditures</i>				
<i>Current</i>				
Instruction	25,000	489,140	457,357	31,783
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>25,000</u>	<u>489,140</u>	<u>457,357</u>	<u>31,783</u>
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	(35,006)	(35,006)
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	(35,006)	(35,006)
<i>Fund balances - beginning of year</i>	-	-	(36,801)	(36,801)
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (71,807)</u>	<u>\$ (71,807)</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ (35,006)
Adjustments to revenues for instructional-Categorical revenue.				49,369
Adjustments to expenditures for salaries.				<u>12,474</u>
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ 26,837</u>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Center for Ed & Study of Diverse Populations Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

Statement B-61

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	-	-	-
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	-	-	-	-
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	-	-
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	181	181
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 181	\$ 181
<i>Net change in fund balances (Budget Basis)</i>			\$	-
No adjustments to revenues.				-
No adjustments to expenditures.				-
<i>Net change in fund balances (GAAP Basis)</i>			\$	-

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Parents Reaching Out Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

Statement B-62

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	-	-	-
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	-	-	-	-
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	-	-
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	260	260
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 260	\$ 260
<i>Net change in fund balances (Budget Basis)</i>			\$	-
No adjustments to revenues.				-
No adjustments to expenditures.				-
<i>Net change in fund balances (GAAP Basis)</i>			\$	-

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Community Based Organization PED Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

Statement B-63

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	309,989	309,989	-	(309,989)
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>309,989</u>	<u>309,989</u>	<u>-</u>	<u>(309,989)</u>
<i>Expenditures</i>				
<i>Current</i>				
Instruction	204,525	204,525	-	204,525
Support services - students	-	-	-	-
Support services - instruction	105,464	105,464	-	105,464
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>309,989</u>	<u>309,989</u>	<u>-</u>	<u>309,989</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ -
No adjustments to revenues.				-
Adjustments to expenditures for library audio-visual.				<u>(74,995)</u>
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ (74,995)</u>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 TANF PED Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

Statement B-64

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	-	-	-
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	-	-	-	-
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	-	-
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	1,147	1,147
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 1,147	\$ 1,147
<i>Net change in fund balances (Budget Basis)</i>				\$ -
No adjustments to revenues.				-
No adjustments to expenditures.				-
<i>Net change in fund balances (GAAP Basis)</i>				\$ -

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Technology for Education PED Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

Statement B-65

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	40,849	302,623	218,768	(83,855)
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	40,849	302,623	218,768	(83,855)
<i>Expenditures</i>				
<i>Current</i>				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	8,842	19,141	(10,299)
Support services - general administration	895	5,446	3,374	2,072
Support services - school administration	-	-	-	-
Central services	39,954	288,335	280,108	8,227
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	40,849	302,623	302,623	-
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	(83,855)	(83,855)
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	(83,855)	(83,855)
<i>Fund balances - beginning of year</i>	-	-	83,855	83,855
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ -	\$ -
<i>Net change in fund balances (Budget Basis)</i>				\$ (83,855)
No adjustments to revenues.				-
Adjustments to expenditures for Other Professional Services				8,326
<i>Net change in fund balances (GAAP Basis)</i>				\$ (75,529)

The accompanying notes are an integral part of these financial statements



**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Obesity Program Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

Statement B-66

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	20,211	20,211
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	-	20,211	20,211
<i>Expenditures</i>				
<i>Current</i>				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	-	-	-	-
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	20,211	20,211
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	20,211	20,211
<i>Fund balances - beginning of year</i>	-	-	(20,211)	(20,211)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ -	\$ -
<i>Net change in fund balances (Budget Basis)</i>				\$ 20,211
No adjustments to revenues.				-
No adjustments to expenditures.				-
<i>Net change in fund balances (GAAP Basis)</i>				\$ 20,211

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 TANF - Full Day Kindergarten Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

Statement B-67

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	-	-	-
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	-	-	-	-
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	-	-
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	(1,513)	(1,513)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (1,513)	\$ (1,513)
<i>Net change in fund balances (Budget Basis)</i>			\$	-
No adjustments to revenues.				-
No adjustments to expenditures.				-
<i>Net change in fund balances (GAAP Basis)</i>			\$	-

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Incentives for School Improvement Act Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

Statement B-68

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	48,383	-	(48,383)
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	48,383	-	(48,383)
<i>Expenditures</i>				
<i>Current</i>				
Instruction	-	32,500	21,979	10,521
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	15,883	12,344	3,539
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	-	48,383	34,323	14,060
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	(34,323)	(34,323)
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	(34,323)	(34,323)
<i>Fund balances - beginning of year</i>	-	-	118,522	118,522
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 84,199	\$ 84,199
<i>Net change in fund balances (Budget Basis)</i>				\$ (34,323)
No adjustments to revenues.				-
No adjustments to expenditures.				-
<i>Net change in fund balances (GAAP Basis)</i>				\$ (34,323)

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Laws of NM 2005 Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

Statement B-69

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	-	-	-
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	-	-	-	-
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	-	-
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	(46,467)	(46,467)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (46,467)	\$ (46,467)
<i>Net change in fund balances (Budget Basis)</i>			\$	-
No adjustments to revenues.				-
Adjustments to expenditures for general supplies & materials.				(46,467)
<i>Net change in fund balances (GAAP Basis)</i>			\$	(46,467)

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**Gallup-McKinley County Public Schools**  
**Pre-K Initiative Special Revenue Fund**  
**Statement of Revenue, Expenditures, and Changes in Fund Balance**  
**Budget (Non-GAAP Budgetary Basis) and Actual**  
**For the Year Ended June 30, 2009**

Statement B-70

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final		Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	546,072	546,072
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	-	546,072	546,072
<i>Expenditures</i>				
<i>Current</i>				
Instruction	600,810	600,810	473,380	127,430
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	13,766	13,766	9,562	4,204
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	614,576	614,576	482,942	131,634
<i>Excess (deficiency) of revenues over expenditures</i>	(614,576)	(614,576)	63,130	677,706
<i>Other financing sources (uses)</i>				
Designated cash	614,576	614,576	-	(614,576)
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	614,576	614,576	-	(614,576)
<i>Net change in fund balances</i>	-	-	63,130	63,130
<i>Fund balances - beginning of year</i>	-	-	(337,750)	(337,750)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (274,620)	\$ (274,620)
<i>Net change in fund balances (Budget Basis)</i>				\$ 63,130
Adjustments to revenues for PED state flowthrough grants.				274,620
No adjustments to expenditures.				-
<i>Net change in fund balances (GAAP Basis)</i>				\$ 337,750

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Indian Education Act Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

Statement B-71

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	26,000	113,086	23,464	(89,622)
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>26,000</u>	<u>113,086</u>	<u>23,464</u>	<u>(89,622)</u>
<i>Expenditures</i>				
<i>Current</i>				
Instruction	25,430	37,772	22,727	15,045
Support services - students	-	-	-	-
Support services - instruction	-	72,504	-	72,504
Support services - general administration	570	2,810	459	2,351
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>26,000</u>	<u>113,086</u>	<u>23,186</u>	<u>89,900</u>
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	278	278
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	278	278
<i>Fund balances - beginning of year</i>	-	-	712	712
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 990</u>	<u>\$ 990</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ 278
Adjustments to revenues for PED state flowthrough grants.				(228)
Adjustments to expenditures for Salaries.				<u>1,246</u>
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ 1,296</u>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Reading Improvement Initiatives Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

Statement B-72

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	-	-	-
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	-	-	-	-
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	-	-
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	(2,704)	(2,704)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (2,704)	\$ (2,704)
<i>Net change in fund balances (Budget Basis)</i>				\$ -
No adjustments to revenues.				-
No adjustments to expenditures.				-
<i>Net change in fund balances (GAAP Basis)</i>				\$ -

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**Gallup-McKinley County Public Schools**  
**Beginning Teacher Mentoring Program Special Revenue Fund**  
**Statement of Revenue, Expenditures, and Changes in Fund Balance**  
**Budget (Non-GAAP Budgetary Basis) and Actual**  
**For the Year Ended June 30, 2009**

Statement B-73

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	109,336	109,336	109,336	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	109,336	109,336	109,336	-
<i>Expenditures</i>				
Current				
Instruction	109,336	109,336	101,222	8,114
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	109,336	109,336	101,222	8,114
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	8,114	8,114
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	8,114	8,114
<i>Fund balances - beginning of year</i>	-	-	(9,574)	(9,574)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (1,460)	\$ (1,460)
<i>Net change in fund balances (Budget Basis)</i>				\$ 8,114
No adjustments to revenues.				-
Adjustments to expenditures for salaries.				(1,820)
<i>Net change in fund balances (GAAP Basis)</i>				\$ 6,294

The accompanying notes are an integral part of these financial statements



**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Breakfast for Elementary Students Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

Statement B-74

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	116,119	116,119	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	116,119	116,119	-
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	116,119	59,548	56,571
Capital outlay	-	-	-	-
<i>Total expenditures</i>	-	116,119	59,548	56,571
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	56,571	56,571
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	56,571	56,571
<i>Fund balances - beginning of year</i>	-	-	1	1
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 56,572	\$ 56,572
<i>Net change in fund balances (Budget Basis)</i>				\$ 56,571
No adjustments to revenues.				-
No adjustments to expenditures.				-
<i>Net change in fund balances (GAAP Basis)</i>				\$ 56,571

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Teacher Professional Development Fund Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

Statement B-75

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final		Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	500,000	500,000	518,531	18,531
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	500,000	500,000	518,531	18,531
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	488,750	488,750	422,048	66,702
Support services - general administration	11,250	11,250	8,526	2,724
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	500,000	500,000	430,574	69,426
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	87,957	87,957
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	87,957	87,957
<i>Fund balances - beginning of year</i>	-	-	(77,384)	(77,384)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 10,573	\$ 10,573
<i>Net change in fund balances (Budget Basis)</i>				\$ 87,957
Adjustments to revenues for PED state flowthrough grants.				(83,088)
No adjustments to expenditures.				-
<i>Net change in fund balances (GAAP Basis)</i>				\$ 4,869

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 K-Plus Initiative Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

Statement B-76

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	-	-	-
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	-	-	-	-
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	-	-
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	(1,577)	(1,577)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (1,577)	\$ (1,577)
<i>Net change in fund balances (Budget Basis)</i>			\$	-
No adjustments to revenues.				-
No adjustments to expenditures.				-
<i>Net change in fund balances (GAAP Basis)</i>			\$	-

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**Gallup-McKinley County Public Schools**  
**Schools in Need of Improvement Special Revenue Fund**  
**Statement of Revenue, Expenditures, and Changes in Fund Balance**  
**Budget (Non-GAAP Budgetary Basis) and Actual**  
**For the Year Ended June 30, 2009**

Statement B-77

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	219,159	219,159
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	-	219,159	219,159
<i>Expenditures</i>				
<i>Current</i>				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	-	-	-	-
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	219,159	219,159
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	219,159	219,159
<i>Fund balances - beginning of year</i>	-	-	(209,517)	(209,517)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 9,642	\$ 9,642
<i>Net change in fund balances (Budget Basis)</i>				\$ 219,159
No adjustments to revenues.				-
No adjustments to expenditures.				-
<i>Net change in fund balances (GAAP Basis)</i>				\$ 219,159

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 School Improvement Framework Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

Statement B-78

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	427,500	473,416	700,916	227,500
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	427,500	473,416	700,916	227,500
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	300,000	473,416	466,816	6,600
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	300,000	473,416	466,816	6,600
<i>Excess (deficiency) of revenues over expenditures</i>	127,500	-	234,100	234,100
<i>Other financing sources (uses)</i>				
Designated cash	(127,500)	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	(127,500)	-	-	-
<i>Net change in fund balances</i>	-	-	234,100	234,100
<i>Fund balances - beginning of year</i>	-	-	(412,500)	(412,500)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (178,400)	\$ (178,400)
<i>Net change in fund balances (Budget Basis)</i>				\$ 234,100
No adjustments to revenues.				-
No adjustments to expenditures.				-
<i>Net change in fund balances (GAAP Basis)</i>				\$ 234,100

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Kindergarten - Three Plus Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

Statement B-79

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	446,056	530,247	-	(530,247)
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>446,056</u>	<u>530,247</u>	<u>-</u>	<u>(530,247)</u>
<i>Expenditures</i>				
Current				
Instruction	436,065	517,840	497,106	20,734
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	9,991	12,407	10,042	2,365
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>446,056</u>	<u>530,247</u>	<u>507,148</u>	<u>23,099</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(507,148)</u>	<u>(507,148)</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	(507,148)	(507,148)
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>204,944</u>	<u>204,944</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (302,204)</u>	<u>\$ (302,204)</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ (507,148)
No adjustments to revenues.				-
Adjustments to expenditures for salaries and general supplies & materials.				<u>13,012</u>
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ (494,136)</u>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**Gallup-McKinley County Public Schools**  
**State - 21st Century Learning Center Special Revenue Fund**  
**Statement of Revenue, Expenditures, and Changes in Fund Balance**  
**Budget (Non-GAAP Budgetary Basis) and Actual**  
**For the Year Ended June 30, 2009**

Statement B-80

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	101,777	101,777	105,819	4,042
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	101,777	101,777	105,819	4,042
<i>Expenditures</i>				
<i>Current</i>				
Instruction	101,777	101,777	101,090	687
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	101,777	101,777	101,090	687
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	4,729	4,729
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	4,729	4,729
<i>Fund balances - beginning of year</i>	-	-	(29,885)	(29,885)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (25,156)	\$ (25,156)
<i>Net change in fund balances (Budget Basis)</i>				\$ 4,729
Adjustments to revenues for PED state flowthrough grants.				10,035
No adjustments to expenditures.				-
<i>Net change in fund balances (GAAP Basis)</i>				\$ 14,764

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Pre-Kindergarten - Special State Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

Statement B-81

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	11,092	11,092
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	-	11,092	11,092
<i>Expenditures</i>				
<i>Current</i>				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	-	-	-	-
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	11,092	11,092
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	11,092	11,092
<i>Fund balances - beginning of year</i>	-	-	(11,092)	(11,092)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ -	\$ -
<i>Net change in fund balances (Budget Basis)</i>				\$ 11,092
Adjustments to revenues for PED state flowthrough grants.				180
No adjustments to expenditures.				-
<i>Net change in fund balances (GAAP Basis)</i>				\$ 11,272

The accompanying notes are an integral part of these financial statements



**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Libraries - SB 301 GO Bonds Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

Statement B-82

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	12,736	55,563	42,827
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	12,736	55,563	42,827
<i>Expenditures</i>				
<i>Current</i>				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	12,736	11,496	1,240
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	-	12,736	11,496	1,240
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	44,067	44,067
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	44,067	44,067
<i>Fund balances - beginning of year</i>	-	-	(44,216)	(44,216)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (149)	\$ (149)
<i>Net change in fund balances (Budget Basis)</i>				\$ 44,067
No adjustments to revenues.				-
Adjustments to expenditures for library audio-visual.				556
<i>Net change in fund balances (GAAP Basis)</i>				\$ 44,623

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Library Book Fund Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

Statement B-83

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	38,021	38,021	38,021	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	38,021	38,021	38,021	-
<i>Expenditures</i>				
<i>Current</i>				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	38,021	38,021	-	38,021
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	38,021	38,021	-	38,021
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	38,021	38,021
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	38,021	38,021
<i>Fund balances - beginning of year</i>	-	-	-	-
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 38,021	\$ 38,021
<i>Net change in fund balances (Budget Basis)</i>				\$ 38,021
No adjustments to revenues.				-
No adjustments to expenditures.				-
<i>Net change in fund balances (GAAP Basis)</i>				\$ 38,021

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Center for Teaching Excellence Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

Statement B-84

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	581	581
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	-	581	581
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	-	-	-	-
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	581	581
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	581	581
<i>Fund balances - beginning of year</i>	-	-	(581)	(581)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ -	\$ -
<i>Net change in fund balances (Budget Basis)</i>				\$ 581
Adjustments to revenues for food service state grant.				(284)
No adjustments to expenditures.				-
<i>Net change in fund balances (GAAP Basis)</i>				\$ 297

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Pathways Project UNM Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

Statement B-85

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	-	-	-
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	-	-	-	-
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	-	-
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	219	219
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 219	\$ 219
<i>Net change in fund balances (Budget Basis)</i>			\$	-
No adjustments to revenues.				-
No adjustments to expenditures.				-
<i>Net change in fund balances (GAAP Basis)</i>			\$	-

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Parents as Teachers Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

Statement B-86

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	-	-	-
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	-	-	-	-
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	-	-
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	28,282	28,282
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 28,282	\$ 28,282
<i>Net change in fund balances (Budget Basis)</i>				\$ -
No adjustments to revenues.				-
No adjustments to expenditures.				-
<i>Net change in fund balances (GAAP Basis)</i>				\$ -

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 AP New Mexico Incentive Funding Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

Statement B-87

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	-	-	-
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	-	-	-	-
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	-	-
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	142	142
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 142	\$ 142
<i>Net change in fund balances (Budget Basis)</i>			\$	-
No adjustments to revenues.				-
No adjustments to expenditures.				-
<i>Net change in fund balances (GAAP Basis)</i>			\$	-

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Office of Child Development Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

Statement B-88

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	60,000	60,000	60,000	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	60,000	60,000	60,000	-
<i>Expenditures</i>				
<i>Current</i>				
Instruction	58,947	58,947	58,248	699
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	1,053	1,053	1,053	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	60,000	60,000	59,301	699
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	699	699
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	699	699
<i>Fund balances - beginning of year</i>	-	-	22,794	22,794
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 23,493	\$ 23,493
<i>Net change in fund balances (Budget Basis)</i>			\$	699
No adjustments to revenues.				-
No adjustments to expenditures.				-
<i>Net change in fund balances (GAAP Basis)</i>			\$	699

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Regional Quality Center Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

Statement B-89

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	100,000	100,000	97,800	(2,200)
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	2,618	2,618
<i>Total revenues</i>	100,000	100,000	100,418	418
<i>Expenditures</i>				
<i>Current</i>				
Instruction	51,121	51,121	40,468	10,653
Support services - students	-	-	-	-
Support services - instruction	46,629	46,629	35,544	11,085
Support services - general administration	2,250	2,250	1,535	715
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	100,000	100,000	77,547	22,453
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	22,871	22,871
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	22,871	22,871
<i>Fund balances - beginning of year</i>	-	-	39,909	39,909
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 62,780	\$ 62,780
<i>Net change in fund balances (Budget Basis)</i>				\$ 22,871
Adjustments to revenues for food service state grant.				(2,618)
Adjustments to expenditures for general supplies & materials.				1,161
<i>Net change in fund balances (GAAP Basis)</i>				\$ 21,414

The accompanying notes are an integral part of these financial statements



**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Private Dir. Grants Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

Statement B-90

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final		Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	66,604	131,604	144,756	13,152
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	66,604	131,604	144,756	13,152
<i>Expenditures</i>				
<i>Current</i>				
Instruction	41,829	106,829	106,829	-
Support services - students	24,220	24,220	24,203	17
Support services - instruction	-	-	-	-
Support services - general administration	555	555	415	140
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	66,604	131,604	131,447	157
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	13,309	13,309
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	13,309	13,309
<i>Fund balances - beginning of year</i>	-	-	38,005	38,005
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 51,314	\$ 51,314
<i>Net change in fund balances (Budget Basis)</i>				\$ 13,309
No adjustments to revenues				-
Adjustments to expenditures for salaries.				2,328
<i>Net change in fund balances (GAAP Basis)</i>				\$ 15,637

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-91

Gallup-McKinley County Public Schools  
 City/County Grants Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(6,311)</u>	<u>(6,311)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (6,311)</u>	<u>\$ (6,311)</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ -
No adjustments to revenues.				-
No adjustments to expenditures.				-
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 School Based Health Center Special Revenue Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

Statement B-92

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	23,689	173,689	150,000	(23,689)
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	23,689	173,689	150,000	(23,689)
<i>Expenditures</i>				
<i>Current</i>				
Instruction	-	-	-	-
Support services - students	23,689	173,689	173,689	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	23,689	173,689	173,689	-
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	(23,689)	(23,689)
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	(23,689)	(23,689)
<i>Fund balances - beginning of year</i>	-	-	(42,075)	(42,075)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (65,764)	\$ (65,764)
<i>Net change in fund balances (Budget Basis)</i>				\$ (23,689)
No adjustments to revenues.				-
No adjustments to expenditures.				-
<i>Net change in fund balances (GAAP Basis)</i>				\$ (23,689)

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Bond Building Capital Projects Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

Statement B-93

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final		Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	536,894	536,894
Charges for services	-	-	-	-
Interest	-	-	4,403	4,403
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	-	541,297	541,297
<i>Expenditures</i>				
<i>Current</i>				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	485,000	485,000	581,572	(96,572)
Food services operations	-	-	-	-
Capital outlay	4,874,339	4,874,339	4,880,937	(6,598)
Debt service				
Bond issuance costs	150,000	150,000	46,830	103,170
<i>Total expenditures</i>	5,509,339	5,509,339	5,509,339	-
<i>Excess (deficiency) of revenues over expenditures</i>	(5,509,339)	(5,509,339)	(4,968,042)	541,297
<i>Other financing sources (uses)</i>				
Designated cash	(490,661)	(490,661)	-	490,661
Bond proceeds	6,000,000	6,000,000	6,000,000	-
<i>Total other financing sources (uses)</i>	5,509,339	5,509,339	6,000,000	490,661
<i>Net change in fund balances</i>	-	-	1,031,958	1,031,958
<i>Fund balances - beginning of year</i>	-	-	(3,825,066)	(3,825,066)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (2,793,108)	\$ (2,793,108)
<i>Net change in fund balances (Budget Basis)</i>				\$ 1,031,958
Adjustments to revenues refund prior years expenditures.				(208,796)
Adjustments to expenditures for construction services.				799,813
<i>Net change in fund balances (GAAP Basis)</i>				\$ 1,622,975

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Special Revenue Bond Capital Projects Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

Statement B-94

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	207,611	207,611
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	-	207,611	207,611
<i>Expenditures</i>				
<i>Current</i>				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	10,000,000	10,000,000	-	10,000,000
<i>Total expenditures</i>	10,000,000	10,000,000	-	10,000,000
<i>Excess (deficiency) of revenues over expenditures</i>	(10,000,000)	(10,000,000)	207,611	10,207,611
<i>Other financing sources (uses)</i>				
Designated cash	10,000,000	10,000,000	-	(10,000,000)
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	10,000,000	10,000,000	-	(10,000,000)
<i>Net change in fund balances</i>	-	-	207,611	207,611
<i>Fund balances - beginning of year</i>	-	-	12,018,400	12,018,400
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 12,226,011	\$ 12,226,011
<i>Net change in fund balances (Budget Basis)</i>				\$ 207,611
No adjustments to revenues				-
No adjustments to expenditures.				-
<i>Net change in fund balances (GAAP Basis)</i>				\$ 207,611

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Public School Capital Outlay Capital Projects Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

Statement B-95

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	8,076	8,076	8,076	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	8,076	8,076	8,076	-
<i>Expenditures</i>				
<i>Current</i>				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	8,076	8,076	8,076	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	8,076	8,076	8,076	-
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	-	-
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	1	1
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 1	\$ 1
<i>Net change in fund balances (Budget Basis)</i>			\$	-
Adjustments to revenues for PSCOC awards.				20,245,843
Adjustments to expenditures for construction services.				(20,245,843)
<i>Net change in fund balances (GAAP Basis)</i>			\$	-

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Special Capital Outlay Local Capital Projects Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

Statement B-96

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	519,712	519,712	519,712	-
<i>Total expenditures</i>	<u>519,712</u>	<u>519,712</u>	<u>519,712</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(519,712)</u>	<u>(519,712)</u>	<u>(519,712)</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash	519,712	519,712	-	(519,712)
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>519,712</u>	<u>519,712</u>	<u>-</u>	<u>(519,712)</u>
<i>Net change in fund balances</i>	-	-	(519,712)	(519,712)
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>519,712</u>	<u>519,712</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ (519,712)
No adjustments to revenues.				-
No adjustments to expenditures.				<u>-</u>
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ (519,712)</u>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Special Capital Outlay State Capital Projects Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

Statement B-97

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	25,000	50,000	95,000	45,000
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	25,000	50,000	95,000	45,000
<i>Expenditures</i>				
<i>Current</i>				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	144,642	169,642	144,643	24,999
<i>Total expenditures</i>	144,642	169,642	144,643	24,999
<i>Excess (deficiency) of revenues over expenditures</i>	(119,642)	(119,642)	(49,643)	69,999
<i>Other financing sources (uses)</i>				
Designated cash	119,642	119,642	-	(119,642)
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	119,642	119,642	-	(119,642)
<i>Net change in fund balances</i>	-	-	(49,643)	(49,643)
<i>Fund balances - beginning of year</i>	-	-	119,643	119,643
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 70,000	\$ 70,000
<i>Net change in fund balances (Budget Basis)</i>				\$ (49,643)
No adjustments to revenues.				-
No adjustments to expenditures.				-
<i>Net change in fund balances (GAAP Basis)</i>				\$ (49,643)

The accompanying notes are an integral part of these financial statements



**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Special Capital Outlay Federal Capital Projects Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

Statement B-98

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	-	-	-
<i>Expenditures</i>				
<i>Current</i>				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	623,961	623,961	623,961	-
<i>Total expenditures</i>	623,961	623,961	623,961	-
<i>Excess (deficiency) of revenues over expenditures</i>	(623,961)	(623,961)	(623,961)	-
<i>Other financing sources (uses)</i>				
Designated cash	623,961	623,961	-	(623,961)
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	623,961	623,961	-	(623,961)
<i>Net change in fund balances</i>	-	-	(623,961)	(623,961)
<i>Fund balances - beginning of year</i>	-	-	648,667	648,667
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 24,706	\$ 24,706
<i>Net change in fund balances (Budget Basis)</i>				\$ (623,961)
No adjustments to revenues.				-
No adjustments to expenditures.				-
<i>Net change in fund balances (GAAP Basis)</i>				\$ (623,961)

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Capital Improvements SB-9 Capital Projects Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

Statement B-99

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ 353,349	\$ 353,349	\$ 1,377,256	\$ 1,023,907
Oil and gas taxes	261	261	2,277	2,016
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	1,382,851	3,120,871	1,738,020
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>353,610</u>	<u>1,736,461</u>	<u>4,500,404</u>	<u>2,763,943</u>
<i>Expenditures</i>				
<i>Current</i>				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	13,533	13,533	13,533	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	350,000	1,082,351	376,225	706,126
Food services operations	-	-	-	-
Capital outlay	990,077	1,640,577	1,602,918	37,659
<i>Total expenditures</i>	<u>1,353,610</u>	<u>2,736,461</u>	<u>1,992,676</u>	<u>743,785</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(1,000,000)</u>	<u>(1,000,000)</u>	<u>2,507,728</u>	<u>3,507,728</u>
<i>Other financing sources (uses)</i>				
Designated cash	1,000,000	1,000,000	-	(1,000,000)
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>1,000,000</u>	<u>1,000,000</u>	<u>-</u>	<u>(1,000,000)</u>
<i>Net change in fund balances</i>	-	-	2,507,728	2,507,728
<i>Fund balances - beginning of year</i>	-	-	(1,287,491)	(1,287,491)
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,220,237</u>	<u>\$ 1,220,237</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ 2,507,728
Adjustments to revenues for PED state flowthrough grant.				1,759,805
Adjustments to expenditures for construction services.				<u>(29,120)</u>
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ 4,238,413</u>

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-100

Gallup-McKinley County Public Schools  
 Energy Efficient Act Capital Projects Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	111,287	111,287	-	111,287
<i>Total expenditures</i>	<u>111,287</u>	<u>111,287</u>	<u>-</u>	<u>111,287</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(111,287)</u>	<u>(111,287)</u>	<u>-</u>	<u>111,287</u>
<i>Other financing sources (uses)</i>				
Designated cash	111,287	111,287	-	(111,287)
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>111,287</u>	<u>111,287</u>	<u>-</u>	<u>(111,287)</u>
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>151,258</u>	<u>151,258</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 151,258</u>	<u>\$ 151,258</u>
<i>Net change in fund balances (Budget Basis)</i>			\$	-
No adjustments to revenues.				-
No adjustments to expenditures.				<u>-</u>
<i>Net change in fund balances (GAAP Basis)</i>			\$	<u>-</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-101

Gallup-McKinley County Public Schools  
 Public School Capital Outlay 20% Capital Projects Fund  
 Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

	Budgeted Amounts		Actual	Variations
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>1</u>	<u>1</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ 1</u>
<i>Net change in fund balances (Budget Basis)</i>			\$	-
No adjustments to revenues.				-
No adjustments to expenditures.				<u>-</u>
<i>Net change in fund balances (GAAP Basis)</i>			\$	<u>-</u>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**Gallup-McKinley County Public Schools**  
**Debt Service Fund**

Statement B-102

Statement of Revenue, Expenditures, and Changes in Fund Balance  
 Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2009

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ 5,508,099	\$ 5,508,099	\$ 5,740,016	\$ 231,917
Oil and gas taxes	1,058	1,058	9,339	8,281
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Interest	240,000	240,000	46,350	(193,650)
Miscellaneous	-	-	-	-
<i>Total revenues</i>	5,749,157	5,749,157	5,795,705	46,548
<i>Expenditures</i>				
<i>Current</i>				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	55,081	55,081	55,081	-
Support services - school administration	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Capital outlay	-	-	-	-
<i>Debt service</i>				
Principal	6,851,194	6,851,194	5,212,512	1,638,682
Interest	2,482,583	2,482,583	2,480,794	1,789
<i>Total expenditures</i>	9,388,858	9,388,858	7,748,387	1,640,471
<i>Excess (deficiency) of revenues over expenditures</i>	(3,639,701)	(3,639,701)	(1,952,682)	1,687,019
<i>Other financing sources (uses)</i>				
Designated cash	3,639,701	3,639,701	-	(3,639,701)
Bond proceeds	-	-	12,742	12,742
Transfers in (out)	-	-	3,100,000	3,100,000
<i>Total other financing sources (uses)</i>	3,639,701	3,639,701	3,112,742	(526,959)
<i>Net change in fund balances</i>	-	-	1,160,060	1,160,060
<i>Fund balances - beginning of year</i>	-	-	4,927,639	4,927,639
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 6,087,699	\$ 6,087,699
<i>Net change in fund balances (Budget Basis)</i>				\$ 1,160,060
No adjustments to revenues for oil and gas taxes.				(14,710)
No adjustments to expenditures.				-
<i>Net change in fund balances (GAAP Basis)</i>				\$ 1,145,350

The accompanying notes are an integral part of these financial statements

(This page intentionally left blank.)

**GENERAL FUND**

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Combining Balance Sheet  
 General Fund  
 June 30, 2009

Statement C-1

<b>ASSETS</b>	<u>Operational</u>	<u>Teacherage</u>	<u>Pupil Transportation</u>	<u>Instructional Materials</u>	<u>Total</u>
<i>Current assets</i>					
Cash and cash equivalents	\$ 2,416,143	\$ 460,162	\$ 3,378,079	\$ 612,156	\$ 6,866,540
Property taxes receivable	20,384	-	-	-	20,384
Other receivables	11,653	-	299	-	11,952
Inventory	221,880	-	236,625	-	458,505
Due from other funds	3,601,468	-	-	-	3,601,468
<i>Total assets</i>	<u>\$ 6,271,528</u>	<u>\$ 460,162</u>	<u>\$ 3,615,003</u>	<u>\$ 612,156</u>	<u>\$ 10,958,849</u>
 <b>LIABILITIES AND FUND BALANCES</b>					
<i>Current liabilities</i>					
Accounts payable	\$ 749,387	\$ 11,475	\$ 30,967	\$ 12,839	\$ 804,668
Deposits payable	-	76,308	-	-	76,308
Accrued payroll	47,481	352	1,320	-	49,153
Judgment payable	280,000	-	-	-	280,000
Deferred revenue	13,976	-	-	-	13,976
<i>Total liabilities</i>	<u>1,090,844</u>	<u>88,135</u>	<u>32,287</u>	<u>12,839</u>	<u>1,224,105</u>
 <i>Fund balances</i>					
Fund Balances					
Reserved for					
Inventory	221,880	-	236,625	-	458,505
Unreserved, reported in:					
General Fund	4,958,804	372,027	3,346,091	599,317	9,276,239
<i>Total fund balances</i>	<u>5,180,684</u>	<u>372,027</u>	<u>3,582,716</u>	<u>599,317</u>	<u>9,734,744</u>
<i>Total liabilities and fund balances</i>	<u>\$ 6,271,528</u>	<u>\$ 460,162</u>	<u>\$ 3,615,003</u>	<u>\$ 612,156</u>	<u>\$ 10,958,849</u>

The accompanying notes are an integral part of these financial statements



**STATE OF NEW MEXICO**  
**Gallup-McKinley County Public Schools**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**General Fund**  
**For the Year Ended June 30, 2009**

Statement C-2

	Operational	Teacherage	Pupil Transportation	Instructional Materials	Total
<i>Revenues:</i>					
Property taxes	\$ 282,379	\$ -	\$ -	\$ -	\$ 282,379
Oil and gas taxes	435	-	-	-	435
Intergovernmental revenue					
Federal flowthrough	212,400	-	-	-	212,400
Federal direct	34,536,005	-	-	-	34,536,005
Local sources	1,542	-	-	-	1,542
State flowthrough	59,589,500	-	-	72,758	59,662,258
State direct	-	-	398,512	1,395,044	1,793,556
Transportation distribution	-	-	5,650,768	-	5,650,768
Charges for services	50,153	660,635	-	-	710,788
Interest on investments	14,294	469	-	-	14,763
Miscellaneous	28,431	-	299	-	28,730
<i>Total revenues</i>	<u>94,715,139</u>	<u>661,104</u>	<u>6,049,579</u>	<u>1,467,802</u>	<u>102,893,624</u>
<i>Expenditures:</i>					
Current:					
Instruction	54,918,663	-	-	1,164,394	56,083,057
Support services - students	6,763,609	-	-	-	6,763,609
Support services - instruction	2,888,161	-	-	80,788	2,968,949
Support services - general administration	760,781	-	-	-	760,781
Support services - school administration	7,069,196	-	-	-	7,069,196
Central services	3,231,854	-	-	-	3,231,854
Operation & maintenance plant	13,646,136	329,752	-	-	13,975,888
Student transportation	734	796	5,052,973	-	5,054,503
Other support services	280,000	-	-	-	280,000
Capital outlay	2,081,312	-	-	-	2,081,312
<i>Total expenditures</i>	<u>91,640,446</u>	<u>330,548</u>	<u>5,052,973</u>	<u>1,245,182</u>	<u>98,269,149</u>
<i>Excess (deficiency) of revenues over expenditures</i>	3,074,693	330,556	996,606	222,620	4,624,475
<i>Other financing sources (uses):</i>					
Transfers out	(2,800,000)	(300,000)	-	-	(3,100,000)
<i>Total other financing sources (uses)</i>	<u>(2,800,000)</u>	<u>(300,000)</u>	<u>-</u>	<u>-</u>	<u>(3,100,000)</u>
<i>Net change in fund balances</i>	274,693	30,556	996,606	222,620	1,524,475
<i>Fund balances - beginning of year</i>	<u>4,905,991</u>	<u>341,471</u>	<u>2,586,110</u>	<u>376,697</u>	<u>8,210,269</u>
<i>Fund balances - end of year</i>	<u>\$ 5,180,684</u>	<u>\$ 372,027</u>	<u>\$ 3,582,716</u>	<u>\$ 599,317</u>	<u>\$ 9,734,744</u>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**Gallup-McKinley County Public Schools**  
**Operational Fund**

Statement C-3

Statement of Revenues, Expenditures and Changes in  
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
For the Year Ended June 30, 2009

	Budgeted Amounts			Variance with Favorable (Unfavorable)
	Original	Final	Actual	Final to Actual
<i>Revenues:</i>				
Property taxes	\$ 277,695	\$ 277,695	\$ 282,003	\$ 4,308
Oil and gas taxes	65	65	569	504
Intergovernmental revenue				
Federal flowthrough	150,000	150,000	212,400	62,400
Federal direct	28,365,652	28,365,652	34,536,005	6,170,353
Local sources	-	-	1,542	1,542
State flowthrough	63,871,088	64,234,119	59,592,815	(4,641,304)
State direct	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	7,000	7,000	50,504	43,504
Interest on investments	240,000	240,000	14,294	(225,706)
Miscellaneous	10,089	18,089	16,958	(1,131)
<i>Total revenues</i>	92,921,589	93,292,620	94,707,090	1,414,470
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	54,285,785	54,695,491	53,039,142	1,656,349
Support services - students	7,264,364	7,582,864	6,789,165	793,699
Support services - instruction	3,337,740	3,168,203	2,888,216	279,987
Support services - general admin.	594,295	799,164	755,157	44,007
Support services - school admin.	7,181,706	7,218,696	7,074,159	144,537
Central services	3,069,764	3,278,568	3,234,503	44,065
Operation/maintenance plant	15,935,408	15,753,107	13,691,558	2,061,549
Student transportation	-	-	1,722	(1,722)
Other support services	678,308	678,308	80,000	598,308
Capital outlay	6,509,747	6,353,747	4,362,423	1,991,324
<i>Total expenditures</i>	98,857,117	99,528,148	91,916,045	7,612,103
<i>Excess (deficiency) of revenues over expenditures</i>	(5,935,528)	(6,235,528)	2,791,045	9,026,573
<i>Other financing sources (uses):</i>				
Designated cash balance	5,935,528	6,235,528	-	(6,235,528)
Transfers in	-	-	-	-
Transfers out	-	-	(2,800,000)	(2,800,000)
<i>Total other financing sources (uses)</i>	5,935,528	6,235,528	(2,800,000)	(9,035,528)
<i>Net change in fund balances</i>	-	-	(8,955)	(8,955)
<i>Fund balances - beginning of year</i>	-	-	6,026,566	6,026,566
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 6,017,611	\$ 6,017,611
<i>Net change in fund balances (Budget Basis)</i>				\$ (8,955)
Adjustments to revenues for gas taxes, property taxes, state flowthrough, and charges for services				8,049
Adjustments to expenditures for salaries, general supplies and material, and other contract services				275,599
<i>Net change in fund balances (GAAP Basis)</i>				\$ 274,693

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

**STATE OF NEW MEXICO**  
**Gallup-McKinley County Public Schools**  
**Teacherage Fund**

Statement C-4

Statement of Revenues, Expenditures and Changes in  
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
For the Year Ended June 30, 2009

	Budgeted Amounts			Variance with Favorable (Unfavorable)
	Original	Final	Actual	Final to Actual
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	680,000	680,000	660,635	(19,365)
Interest on investments	18,000	18,000	469	(17,531)
Miscellaneous	-	-	-	-
<i>Total revenues</i>	698,000	698,000	661,104	(36,896)
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general admin.	-	-	-	-
Support services - school admin.	-	-	-	-
Central services	-	-	-	-
Operation/maintenance plant	836,292	836,292	323,619	512,673
Student transportation	-	-	-	-
Other support services	-	-	-	-
Capital outlay	237,965	237,965	4,782	233,183
<i>Total expenditures</i>	1,074,257	1,074,257	328,401	745,856
<i>Excess (deficiency) of revenues over expenditures</i>	(376,257)	(376,257)	332,703	708,960
<i>Other financing sources (uses):</i>				
Designated cash balance	376,257	376,257	-	(376,257)
Transfers in	-	-	-	-
Transfers out	-	-	(300,000)	(300,000)
<i>Total other financing sources (uses)</i>	376,257	376,257	(300,000)	(676,257)
<i>Net change in fund balances</i>	-	-	32,703	32,703
<i>Fund balances - beginning of year</i>	-	-	351,151	351,151
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 383,854	\$ 383,854
<i>Net change in fund balances (Budget Basis)</i>				\$ 32,703
No adjustments to revenue.				-
Adjustments to expenditures for salaries and general supplies and material.				(2,147)
<i>Net change in fund balances (GAAP Basis)</i>				\$ 30,556

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

**STATE OF NEW MEXICO**  
**Gallup-McKinley County Public Schools**  
**Pupil Transportation Fund**

Statement C-5

Statement of Revenues, Expenditures and Changes in  
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
For the Year Ended June 30, 2009

	Budgeted Amounts			Variance with Favorable (Unfavorable)
	Original	Final	Actual	Final to Actual
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	398,512	398,512	-
Transportation distribution	6,133,250	5,640,689	5,698,554	57,865
Charges for services	-	-	-	-
Interest on investments	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	6,133,250	6,039,201	6,097,066	57,865
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general admin.	-	-	-	-
Support services - school admin.	-	-	-	-
Central services	-	-	-	-
Operation/maintenance plant	-	-	-	-
Student transportation	6,133,250	6,039,201	5,103,399	935,802
Other support services	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	6,133,250	6,039,201	5,103,399	935,802
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	993,667	993,667
<i>Other financing sources (uses):</i>				
Designated cash balance	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	993,667	993,667
<i>Fund balances - beginning of year</i>	-	-	2,384,412	2,384,412
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 3,378,079	\$ 3,378,079
<i>Net change in fund balances (Budget Basis)</i>				\$ 993,667
Adjustments to revenues for Refund Prior Yrs Expenditures				(47,487)
Adjustments to expenditures for salaries and general supplies and material				50,426
<i>Net change in fund balances (GAAP Basis)</i>				\$ 996,606

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

**STATE OF NEW MEXICO**  
**Gallup-McKinley County Public Schools**  
**Instructional Materials Fund**

Statement C-6

Statement of Revenues, Expenditures and Changes in  
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
For the Year Ended June 30, 2009

	Budgeted Amounts			Variance with Favorable (Unfavorable)
	Original	Final	Actual	Final to Actual
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	66,473	99,199	72,758	(26,441)
State direct	1,048,835	1,406,182	1,395,044	(11,138)
Transportation distribution	-	-	-	-
Charges for services	-	-	-	-
Interest on investments	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	1,115,308	1,505,381	1,467,802	(37,579)
<i>Expenditures:</i>				
Current:				
Instruction	1,048,835	1,406,182	1,153,557	252,625
Support services - students	-	-	-	-
Support services - instruction	66,473	99,199	82,719	16,480
Support services - general admin.	-	-	-	-
Support services - school admin.	-	-	-	-
Central services	-	-	-	-
Operation/maintenance plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	1,115,308	1,505,381	1,236,276	269,105
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	231,526	231,526
<i>Other financing sources (uses):</i>				
Designated cash balance	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	231,526	231,526
<i>Fund balances - beginning of year</i>	-	-	380,630	380,630
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 612,156	\$ 612,156
<i>Net change in fund balances (Budget Basis)</i>				\$ 231,526
No adjustments to revenues.				-
Adjustments to expenditures for general supplies and materials.				(8,906)
<i>Net change in fund balances (GAAP Basis)</i>				\$ 222,620

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

(This page intentionally left blank.)

**MIDDLE COLLEGE CHARTER SCHOOL**

**STATE OF NEW MEXICO**  
Middle College Charter School  
Combining Balance Sheet  
Governmental Funds  
June 30, 2009

Statement D-1

<b>ASSETS</b>	<u>General Fund</u>	<u>Instructional Materials</u>	<u>Public School Capital Outlay</u>	<u>Total</u>
<i>Current assets</i>				
Cash and cash equivalents	\$ 497,240	\$ 32,639	\$ -	\$ 529,879
Due from other funds	6,977	-	-	6,977
Other receivables	-	-	-	-
<i>Total assets</i>	<u>\$ 504,217</u>	<u>\$ 32,639</u>	<u>\$ -</u>	<u>\$ 536,856</u>
 <b>LIABILITIES AND FUND BALANCES</b>				
<i>Current liabilities</i>				
Accounts payable	\$ 1,482	\$ -	\$ -	\$ 1,482
Accrued payroll	1,175	-	-	1,175
Due to other funds	-	-	6,977	6,977
Deferred revenue	-	-	-	-
<i>Total liabilities</i>	<u>2,657</u>	<u>-</u>	<u>6,977</u>	<u>9,634</u>
 <i>Fund balances</i>				
Undesignated, reported in				
General fund	501,560	-	-	501,560
Special revenue fund	-	32,639	-	32,639
Capital projects	-	-	(6,977)	(6,977)
<i>Total fund balances</i>	<u>501,560</u>	<u>32,639</u>	<u>(6,977)</u>	<u>527,222</u>
<i>Total liabilities and fund balances</i>	<u>\$ 504,217</u>	<u>\$ 32,639</u>	<u>\$ -</u>	<u>\$ 536,856</u>

**Reconciliation of Balance Sheet to Statement of Net Assets**

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

Fund balance - total governmental funds	\$ 527,222
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds	24,898
Certain liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds	
Current portion of accrued compensated absences	(2,183)
Net assets - component units	<u>\$ 549,937</u>

The accompanying notes are an integral part of these financial statements



**STATE OF NEW MEXICO**  
Middle College Charter School  
Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Governmental Funds  
For the Year Ended June 30, 2009

Statement D-2

	General Fund	Instructional Materials	Public School Capital Outlay	Total
<i>Revenues:</i>				
State flowthrough	\$ 697,976	\$ 22,126	\$ 20,931	\$ 741,033
<i>Total revenues</i>	697,976	22,126	20,931	741,033
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	291,643	-	-	291,643
Support service - general administration	211	-	-	211
Support service - school administration	145,213	-	-	145,213
Central services	36,855	-	-	36,855
Operation and maintenance of plant	12,287	-	27,908	40,195
Food Services Operations	3,188	-	-	3,188
<i>Total expenditures</i>	489,397	-	27,908	517,305
<i>Net change in fund balances</i>	208,579	22,126	(6,977)	223,728
<i>Fund balances - beginning of year</i>	292,981	10,513	-	303,494
<i>Fund balances - ending of year</i>	\$ 501,560	\$ 32,639	\$ (6,977)	\$ 527,222

**Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities:**

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

Net change in fund balances - total governmental funds	\$ 223,728
Depreciation expense	(17,716)

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

Decrease in compensated absences	9,739
Changes in net assets of component unit activities	\$ 215,751

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**

Statement D-3

Middle College Charter School

General Fund

Statement of Revenues, Expenditures and Changes in  
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		
<i>Revenues:</i>				
Intergovernmental revenue				
Federal flowthrough	\$ -	\$ -	\$ -	\$ -
Federal direct	-	-	-	-
State Flowthrough	<u>504,466</u>	<u>504,466</u>	<u>659,531</u>	<u>155,065</u>
<i>Total revenues</i>	<u>504,466</u>	<u>504,466</u>	<u>659,531</u>	<u>155,065</u>
<i>Expenditures:</i>				
Current:				
Instruction	363,883	363,883	290,810	73,073
Support service - students	-	-	-	-
Support service - instruction	-	-	-	-
Support service - general administration	4,500	4,500	211	4,289
Support service - school administration	172,828	172,828	144,038	28,790
Central services	66,420	66,420	36,855	29,565
Operation and maintenance of plant	34,829	34,829	12,287	22,542
Food services operations	-	-	3,188	(3,188)
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>642,460</u>	<u>642,460</u>	<u>487,389</u>	<u>155,071</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(137,994)</u>	<u>(137,994)</u>	<u>172,142</u>	<u>310,136</u>
<i>Other financing sources (uses):</i>				
Designated cash balance	137,994	137,994	-	(137,994)
Transfer in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>137,994</u>	<u>137,994</u>	<u>-</u>	<u>(137,994)</u>
<i>Net change in fund balances</i>	-	-	172,142	172,142
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>332,075</u>	<u>332,075</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 504,217</u>	<u>\$ 504,217</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ 172,142
Adjustments to revenue for state equalization revenue.				38,445
Adjustments to expenditures for salaries.				<u>(2,008)</u>
<i>Net changes in fund balances (GAAP Basis)</i>				<u>\$ 208,579</u>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
Middle College Charter School  
Instructional Materials Fund  
Statement of Revenues, Expenditures and Changes in  
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Intergovernmental revenue				
Federal flowthrough	\$ -	\$ -	\$ -	\$ -
Federal direct	-	-	-	-
State flowthrough	-	-	10,661	10,661
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>10,661</u>	<u>10,661</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support service - students	-	-	-	-
Support service - instruction	-	-	-	-
Support service - general administration	-	-	-	-
Support service - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>10,661</u>	<u>10,661</u>
<i>Other financing sources (uses):</i>				
Designated cash balance	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	10,661	10,661
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>21,978</u>	<u>21,978</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 32,639</u>	<u>\$ 32,639</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ 10,661
Adjustments to revenues for instructional material revenue.				11,465
No adjustments to expenditures.				<u>-</u>
<i>Net changes in fund balances (GAAP Basis)</i>				<u>\$ 22,126</u>

The accompanying notes are an integral part of these financial statements

(This page intentionally left blank.)

**STATE OF NEW MEXICO**  
Middle College Charter School  
Public School Capital Outlay Capital Projects Fund  
Statement of Revenues, Expenditures and Changes in  
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
For the Year Ended June 30, 2009

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Intergovernmental revenue				
Federal flowthrough	\$ -	\$ -	\$ -	\$ -
Federal direct	-	-	-	-
State flowthrough	-	-	48,760	48,760
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>48,760</u>	<u>48,760</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support service - students	-	-	-	-
Support service - instruction	-	-	-	-
Support service - general administration	-	-	-	-
Support service - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	27,908	(27,908)
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>27,908</u>	<u>(27,908)</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>20,852</u>	<u>20,852</u>
<i>Other financing sources (uses):</i>				
Designated cash balance	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	20,852	20,852
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(27,829)</u>	<u>(27,829)</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (6,977)</u>	<u>\$ (6,977)</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ 20,852
Adjustments to revenues for PSCOC award revenue.				(27,829)
No adjustments to expenditures.				<u>-</u>
<i>Net changes in fund balances (GAAP Basis)</i>				<u>\$ (6,977)</u>

The accompanying notes are an integral part of these financial statements

(This page intentionally left blank.)

**SUPPORTING SCHEDULES**

**STATE OF NEW MEXICO**  
**Gallup-McKinley County Public Schools**  
**Schedule of Deposit and Investment Accounts**  
**For the Year Ended June 30, 2009**

Deposit or Investment Account Type	Bank of America	Pinnacle Bank	Wells Fargo Bank	Bank of Albuquerque	Totals
Operating - checking	\$ 3,754	\$ -	\$ -	\$ -	\$ 3,754
Non-budgeted - checking	1,633	-	-	-	1,633
Food services - checking	6,143	-	-	-	6,143
Repurchase	33,345,664	-	-	-	33,345,664
David Skeet elementary -checking	5,854	-	-	-	5,854
Gallup central high - checking	-	-	-	-	-
Gallup high - checking	196,285	-	-	-	196,285
Juan De Onate - checking	9,341	-	-	-	9,341
Lincoln elementary -checking	7,473	-	-	-	7,473
Navajo elementary - checking	3,826	-	-	-	3,826
Navajo Pine high - checking	19,472	-	-	-	19,472
Navajo middle school -checking	3,853	-	-	-	3,853
Roosevelt - checking	27,933	-	-	-	27,933
Twin Lakes elementary - checking	4,895	-	-	-	4,895
Washington elementary - checking	8,638	-	-	-	8,638
Federal projects - checking	-	11,785,428	-	-	11,785,428
Athletics - checking	-	154,694	-	-	154,694
Repurchase	-	543,447	-	-	543,447
Chief manuelito middle school- checking	-	6,241	-	-	6,241
Gallup Central high - checking	-	27,026	-	-	27,026
Church Rock - checking	-	1,520	-	-	1,520
Crownpoint middle school - checking	-	5,789	-	-	5,789
Jefferson elementary - checking	-	8,975	-	-	8,975
JFK middle school -checking	-	11,964	-	-	11,964
Miyamura High	-	47,942	-	-	47,942
Ramah elementary -checking	-	1,115	-	-	1,115
Ramah high - checking	-	49,627	-	-	49,627
Red Rock elementary - checking	-	18,674	-	-	18,674
Rocky View elementary - checking	-	4,366	-	-	4,366
Stagecoach elementary - checking	-	3,700	-	-	3,700
Tohatchi elementary - checking	-	3,933	-	-	3,933
Turpen elementary - checking	-	3,835	-	-	3,835
Payroll - checking	-	-	477,914	-	477,914
Chee Dodge -checking	-	-	1,634	-	1,634
Crownpoint elementary - checking	-	-	5,544	-	5,544
Crownpoint high - checking	-	-	34,501	-	34,501
Gallup middle school - checking	-	-	11,310	-	11,310
Indian Hills - checking	-	-	13,766	-	13,766
Thoreau elementary - checking	-	-	4,707	-	4,707
Thoreau high - checking	-	-	24,155	-	24,155
Thoreau middle - checking	-	-	12,821	-	12,821
Tohatchi high - checking	-	-	12,537	-	12,537
Tohatchi middle elementary - checking	-	-	8,792	-	8,792
Tse Yi Gai High - checking	-	-	6,793	-	6,793
Nmfa 49th Supp(2003A)Gallup/Mckly Rs	-	-	-	1,232,261	1,232,261
Nmfa Pprf Sub Lien 06C GIp/Mck Resv	-	-	-	1,005,568	1,005,568
Nmfa Pn Dtd 5/1/05 Gallup-McKly Resv	-	-	-	216,084	216,084
<b>Total on deposit and investments</b>	<b>33,644,764</b>	<b>12,678,276</b>	<b>614,474</b>	<b>2,453,913</b>	<b>49,391,427</b>

See accompanying independent auditors' report



Deposit or Investment Account Type	Bank of America	Pinnacle Bank	Wells Fargo Bank	Bank of Albuquerque	Totals
Reconciling items	(8,539,334)	540,765	(478,430)	-	(8,476,999)
Reconciled balance June 30, 2009	<u>\$25,105,430</u>	<u>\$13,219,041</u>	<u>\$ 136,044</u>	<u>\$ 2,453,913</u>	<u>\$40,914,428</u>
Reconciliation to financial statements:					
Cash and cash equivalents:					
Government-wide statement net assets - Exhibit A-1					\$33,404,710
Restricted Cash and cash equivalents:					
Government-wide statement net assets - Exhibit A-1					6,904,663
Fiduciary statement fiduciary assets and liabilities - Exhibit D-1					605,055
					<u>\$40,914,428</u>

**Component Units**

Deposit Account Type	UNMG Bank Account	Wells Fargo Bank	Totals
Operational-Checking	\$ 452,101	\$ 77,778	\$ 529,879
Total on deposit	452,101	77,778	529,879
Reconciling items	-	-	-
Reconciled balance June 30, 2009	<u>\$ 452,101</u>	<u>\$ 77,778</u>	<u>\$ 529,879</u>
Reconciliation to financial statements:			
Component units cash and cash equivalents - Exhibit A-1			<u>\$ 529,879</u>

**STATE OF NEW MEXICO**  
**Gallup-McKinley County Public Schools**  
**Cash Reconciliation**  
**For the Year Ended June 30, 2009**

**Primary Government**

	<u>Operational</u>	<u>Teacherage</u>	<u>Transportation</u>	<u>Instructional Materials</u>
Audited Cash and Investments June 30, 2008	\$ 6,026,566	\$ 418,795	\$ 2,384,412	\$ 380,630
Add:				
Current year receipts	<u>94,707,089</u>	<u>661,103</u>	<u>6,097,067</u>	<u>1,467,801</u>
Total cash available	<u>100,733,655</u>	<u>1,079,898</u>	<u>8,481,479</u>	<u>1,848,431</u>
Less:				
Current year expenditures	91,916,048	328,400	5,103,400	1,236,275
Permanent cash transfers	(2,800,000)	(300,000)	-	-
Current year outstanding loans	<u>(3,601,464)</u>	<u>8,664</u>	<u>-</u>	<u>-</u>
Total cash balance, June 30, 2009	<u><u>\$ 2,416,143</u></u>	<u><u>\$ 460,162</u></u>	<u><u>\$ 3,378,079</u></u>	<u><u>\$ 612,156</u></u>

**Component Unit**

	<u>Operational</u>	<u>Teacherage</u>	<u>Transportation</u>	<u>Instructional Materials</u>
Audited Cash and Investments June 30, 2008	\$ 332,074	\$ -	\$ -	\$ 21,978
Add:				
Current year receipts	<u>581,753</u>	<u>-</u>	<u>-</u>	<u>10,661</u>
Total cash available	<u>913,827</u>	<u>-</u>	<u>-</u>	<u>32,639</u>
Less:				
Current year expenditures	411,091	-	-	-
Receivable/Payables	1,481	-	-	-
Current year outstanding loans	<u>(6,977)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total cash balance, June 30, 2009	<u><u>\$ 497,240</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 32,639</u></u>

See accompanying independent auditor's report

<u>Food Services</u>	<u>Athletics</u>	<u>Non-Instructional</u>	<u>Federal Flowthrough</u>	<u>Federal Direct</u>	<u>Local Grants</u>
\$ 1,758,955	\$ 166,343	\$ 439,587	\$ (5,617,239)	\$ 6,623,316	\$ (3,521)
<u>4,774,214</u>	<u>363,418</u>	<u>797,897</u>	<u>18,851,524</u>	<u>15,234,192</u>	<u>422,351</u>
<u>6,533,169</u>	<u>529,761</u>	<u>1,237,484</u>	<u>13,234,285</u>	<u>21,857,508</u>	<u>418,830</u>
4,906,900	355,200	630,350	14,444,053	9,593,661	487,357
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>1,253,591</u>	<u>552,777</u>	<u>71,807</u>
<u>\$ 1,626,269</u>	<u>\$ 174,561</u>	<u>\$ 607,134</u>	<u>\$ 43,823</u>	<u>\$ 12,816,624</u>	<u>\$ 3,280</u>

<u>Food Services</u>	<u>Athletics</u>	<u>Non-Instructional</u>	<u>Federal Flowthrough</u>	<u>Federal Direct</u>	<u>Local Grants</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**STATE OF NEW MEXICO**  
**Gallup-McKinley County Public Schools**  
**Cash Reconciliation**  
**For the Year Ended June 30, 2009**

**Primary Government**

	<u>State Flowthrough</u>	<u>State Direct</u>	<u>Local/State</u>	<u>Bond Building</u>
Audited Cash and Investments June 30, 2008	\$ (795,209)	\$ 90,765	\$ (10,381)	\$ 8,193,334
Add:				
Current year receipts	<u>2,683,070</u>	<u>160,999</u>	<u>294,756</u>	<u>6,748,908</u>
Total cash available	<u>1,887,861</u>	<u>251,764</u>	<u>284,375</u>	<u>14,942,242</u>
Less:				
Current year expenditures	2,520,967	136,848	305,136	5,509,339
Permanent cash transfers	-	-	-	-
Current year outstanding loans	<u>834,250</u>	<u>-</u>	<u>72,075</u>	<u>-</u>
Total cash balance, June 30, 2009	<u>\$ 201,144</u>	<u>\$ 114,916</u>	<u>\$ 51,314</u>	<u>\$ 9,432,903</u>

**Component Unit**

	<u>State Flowthrough</u>	<u>State Direct</u>	<u>Local/State</u>	<u>Bond Building</u>
Audited Cash and Investments June 30, 2008	\$ -	\$ -	\$ -	\$ -
Add:				
Current year receipts	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total cash available	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Less:				
Current year expenditures	-	-	-	-
Receivable/Payables	-	-	-	-
Current year outstanding loans	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total cash balance, June 30, 2009	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying independent auditor's report

<u>Public School Capital Outlay</u>	<u>Special Capital Outlay-Local</u>	<u>Special Capital Outlay-State</u>	<u>Special Capital Outlay-Federal</u>	<u>Capital Improvements SB9</u>	<u>Energy Efficiency</u>
\$ 1	\$ 519,712	\$ 119,643	\$ 648,667	\$ (1,287,491)	\$ 151,258
<u>8,076</u>	<u>-</u>	<u>95,000</u>	<u>-</u>	<u>4,500,406</u>	<u>-</u>
<u>8,077</u>	<u>519,712</u>	<u>214,643</u>	<u>648,667</u>	<u>3,212,915</u>	<u>151,258</u>
8,076	519,712	144,643	623,961	1,992,678	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 1</u>	<u>\$ -</u>	<u>\$ 70,000</u>	<u>\$ 24,706</u>	<u>\$ 1,220,237</u>	<u>\$ 151,258</u>

<u>Public School Capital Outlay</u>	<u>Special Capital Outlay-Local</u>	<u>Special Capital Outlay-State</u>	<u>Special Capital Outlay-Federal</u>	<u>Capital Improvements SB9</u>	<u>Energy Efficiency</u>
\$ (27,829)	\$ -	\$ -	\$ -	\$ -	\$ -
<u>48,760</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>20,931</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
27,908	-	-	-	-	-
-	-	-	-	-	-
<u>6,977</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(This page intentionally left blank.)

**STATE OF NEW MEXICO**  
**Gallup-McKinley County Public Schools**  
**Cash Reconciliation**  
**For the Year Ended June 30, 2009**

**Primary Government**

	PSOC 20%	Debt Service	Total
Audited Cash and Investments June 30, 2008	\$ 1	\$ 4,934,341	\$ 25,142,485
Add:			
Current year receipts	-	5,795,705	163,663,576
Total cash available	1	10,730,046	188,806,061
Less:			
Current year expenditures	-	7,733,684	148,496,688
Permanent cash transfers	-	3,100,000	-
Current year outstanding loans	-	808,300	-
Total cash balance, June 30, 2009	\$ 1	\$ 6,904,662	\$ 40,309,373

**Component Unit**

	PSOC 20%	Debt Service	Total
Audited Cash and Investments June 30, 2008	\$ -	\$ -	\$ 326,223
Add:			
Current year receipts	-	-	641,174
Total cash available	-	-	967,397
Less:			
Current year expenditures	-	-	438,999
Receivable/Payables	-	-	1,481
Current year outstanding loans	-	-	-
Total cash balance, June 30, 2009	\$ -	\$ -	\$ 529,879

See accompanying independent auditor's report

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Schedule Of Collateral Pledged By Depository  
 For Public Funds  
 June 30, 2009

Name of Depository	Description of Pledged Collateral	Maturity	CUSIP Number	Fair Market Value June 30, 2009	Location of Safekeeper
<b>Bank of America</b>					
	FNMA Note	5/1/2033	31385XAZ0	\$ 95,434	Charlotte, NC
	FNMA Note	10/1/2036	31403DWH8	1,521,754	Bank of New York
	FHLM Note	5/1/2036	3128LDE34	1,507,663	Bank of New York
	FHLM Note	9/1/2037	3128JRY75	1,504,821	Bank of New York
	FNMA Note	6/1/2033	31405FHQ8	1,481,827	Bank of New York
	FNMA Note	8/1/2038	31410KRV8	1,462,072	Bank of New York
	FNMA Note	3/1/2038	31410G6U2	1,407,683	Bank of New York
	FNMA Note	11/1/2017	31371KVB4	1,374,208	Bank of New York
	FNMA Note	12/1/2017	31385WW21	1,366,368	Bank of New York
	FNMA Note	12/1/2034	31402CVY5	1,325,437	Bank of New York
	FHLM Note	11/1/2035	3128JPT34	1,315,711	Bank of New York
	FNMA Note	8/1/2038	31410KQ23	1,307,790	Bank of New York
	FHLM Note	10/1/2037	3128LDF33	1,281,658	Bank of New York
	FHLM Note	7/1/2034	3128JPT26	1,263,316	Bank of New York
	FNMA Note	9/1/2037	31410GZ48	1,259,524	Bank of New York
	FNMA Note	2/1/2038	31410GZ55	1,259,341	Bank of New York
	FNMA Note	12/1/2038	31416BSP4	1,251,064	Bank of New York
	FHLM Note	8/1/2035	3128GR31	709,289	Bank of New York
	FHLM Note	8/1/2037	3128L3J72	30,803	Bank of New York
	FHLM Note	6/1/2033	31385XEC7	256,738	Bank of New York
	FHLM Note	6/1/2037	3128L3KA3	253,921	Bank of New York
	FHLM Note	1/1/2034	31349UU97	100,030	Bank of New York
	FHLM Note	1/1/2034	31349UU97	153,350	Bank of New York
	FHLM Note	11/1/2022	3128PLEX6	251,697	Bank of New York
	FHLM Note	12/1/2022	3128PLGQ9	222,515	Bank of New York
	FHLM Note	1/1/2036	3128S4C21	478,474	Bank of New York
	FHLM Note	10/1/2037	3128LUWL6	657,540	Bank of New York
	FHLM Note	11/1/2036	3128QJNG7	656,334	Bank of New York
	GNMA Note	7/20/2037	36202ENY1	655,055	Bank of New York
	FHLM Note	11/1/2035	312926KN7	653,774	Bank of New York
	FHLM Note	12/1/2033	3128JPT59	651,506	Bank of New York
	FNMA Note	2/1/2037	31411NP50	645,515	Bank of New York
	FHLM Note	5/1/2033	3128LDJG0	639,996	Bank of New York
	FHLM Note	5/1/2034	3128LDJD7	636,822	Bank of New York
	FNMA Note	1/1/2037	31412DZV3	635,817	Bank of New York
	FHLM Note	5/1/2018	3128PLGG1	627,722	Bank of New York
	FHLM Note	5/1/2034	3128LDHS6	624,237	Bank of New York
	FNMA Note	8/1/2033	31385XJX6	618,565	Bank of New York
	FHLM Note	5/1/2035	3128LDJB1	139,558	Bank of New York
	FNMA Note	11/1/2036	31416JLJ8	184,872	Bank of New York
	FNMA Note	1/1/2036	31412MGD4	316,326	Bank of New York
	FHLM Note	11/1/2037	3128LDFW9	316,015	Bank of New York
	FHLM Note	3/1/2037	3128LDD27	313,344	Bank of New York
	FHLM Note	5/1/2034	3128LDJE5	312,023	Bank of New York
	FNMA Note	8/1/2023	31415P3N6	310,214	Bank of New York
	FHLM Note	10/1/2037	3128LDGK4	70,288	Bank of New York
	<b>Total Bank of America</b>			<u>34,108,011</u>	

See accompanying independent auditor's report



**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Schedule Of Collateral Pledged By Depository  
 For Public Funds  
 June 30, 2009

**Pinnacle Bank**

FNMA Note	4/1/2013	3136F9DM2	4,246,240.00	Kansas City, KA
FHLMC Note	3/2/2012	3128X8MS8	3,071,375.00	Kansas City, KA
Corona, NM SD Note	10/1/2009	219762AM3	<u>75,000</u> *	Minneapolis, MN
Total Pinnacle Bank			<u>7,392,615</u>	
Total Pledged Collateral			<u>\$ 41,500,626</u>	

\* As per NMSA 2.2.2.10 (N)(4), the value of collateral consisting of obligations of the State of New Mexico, its agencies, institutions, counties, municipalities or other subdivisions shall be par value.

See accompanying independent auditor's report

(This page intentionally left blank.)

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Schedule of Changes in Fiduciary Assets and Liabilities-Agency Funds  
 For the Year Ended June 30, 2009

	<u>July 1, 2008</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2009</u>
Chee Dodge Elementary	\$ 17,488	\$ 34,182	\$ 49,396	\$ 2,274
Chief Manuelito Middle	-	24,150	18,156	5,994
Church Rock Elementary	274	4,959	4,580	653
Crownpoint Elementary	3,784	9,983	8,264	5,503
Crownpoint Mid School	10,474	13,859	19,310	5,023
Crownpoint High	33,871	62,602	62,504	33,969
David Skeet Elementary	4,511	15,558	14,216	5,853
Gallup Central High	21,140	131,230	125,344	27,026
Gallup High School	217,756	516,950	540,257	194,449
Gallup Mid-school	17,288	17,715	24,356	10,647
Indian Hills Elementary	10,324	24,635	21,194	13,765
Jefferson Elementary	6,864	25,282	23,172	8,974
J F K Mid-School	14,133	22,611	27,639	9,105
Juan De Onate Elementary	11,467	22,290	24,440	9,317
Lincoln Elementary	6,916	22,682	22,125	7,473
Miyamura High	89,516	213,446	258,192	44,770
Navajo Elementary	3,252	10,714	10,089	3,877
Navajo Mid School	4,531	16,097	16,775	3,853
Navajo Pine High	26,586	34,882	42,660	18,808
Ramah Elementary	6,263	8,378	13,527	1,114
Ramah High	46,866	69,885	69,163	47,588
Red Rock Elementary	11,574	59,284	52,367	18,491
Rocky View Elementary	1,170	37,914	34,718	4,366
Roosevelt Elementary	29,296	22,579	23,941	27,934
Stagecoach Elementary	5,378	27,210	29,034	3,554
Thoreau Elementary	4,428	22,751	22,472	4,707
Thoreau Mid-School	15,077	24,361	26,704	12,734
Thoreau High	24,249	125,118	126,049	23,318
Tohatchi Elementary	4,377	14,400	14,844	3,933
Tohatchi Mid-School	6,163	18,723	16,445	8,441
Tohatchi High School	17,958	59,040	64,192	12,806
Tse' Yi' Gai High School	4,811	39,963	36,893	7,881
Turpen Elementary	3,848	34,096	34,622	3,322
Twin Lakes Elementary	2,261	15,503	12,869	4,895
Washington Elementary	6,272	18,909	16,543	8,638
Totals	<u>\$ 690,166</u>	<u>\$ 1,821,941</u>	<u>\$ 1,907,052</u>	<u>\$ 605,055</u>

See accompanying independent auditor's report

(This page intentionally left blank.)

**COMPLIANCE SECTION**



**Accounting & Consulting Group, LLP**  
**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 STANDARD**

Hector Balderas  
New Mexico State Auditor  
The Office of Management and Budget  
To the Board of Education  
Gallup McKinley County Public Schools  
Gallup, New Mexico

We have audited the financial statements of the governmental activities the discretely presented component unit, each major fund, the budgetary comparison for the general fund and the impact aid indian education fund and the aggregate remaining fund information of Gallup-McKinley County Public Schools (the “District”), as of and for the year ended June 30, 2009, which collectively comprise the School’s basic financial statements as listed in the table of contents and have issued our report thereon dated November 12, 2009. We also have audited the financial statements of each of the District’s nonmajor governmental funds, the combining financial statements for the general fund, the component unit funds and the budgetary comparisons for the special revenue bond capital projects fund, the public school capital outlay fund, the debt service fund, the component unit funds, and the nonmajor governmental funds presented as supplementary information in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2009 as listed in the table of contents and have issued our report thereon dated November 12, 2009. 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 our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District’s internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the District’s internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

A *control deficiency* 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 misstatements on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity’s ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity’s financial statements that is more than inconsequential will not be prevented or detected by the District’s internal control. We consider the deficiencies described in the accompanying schedule of findings and questioned costs to be significant deficiencies in internal control over financial reporting as items FS 07-05, FS 08-01, FS 08-04, and FS 09-02.

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by District’s internal control.

*Certified Public Accountants*

2700 San Pedro Northeast [87110-333] – P.O. Box 3130, Albuquerque, New Mexico 87190-3130  
866.307.2727 – 505.883.2727 – Fax 505.884.6719 – [albuquerque.office@acgnm.com](mailto:albuquerque.office@acgnm.com) – [www.acgnm.com](http://www.acgnm.com)

**Alamogordo – Albuquerque – Carlsbad – Clovis – Hobbs – Lubbock**

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, of the significant deficiencies described in the accompanying schedule of findings and questioned costs, we consider item FS 08-01 to be a material weakness.

#### 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 one instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards*, which is described in the accompanying schedule of findings and questioned costs as findings FS 08-02.

We noted certain matters that are required to be reported under Government Auditing Standards January 2007 Revision paragraphs 5.14 and 5.16, and section 12-6-5, NMSA 1978, which are described in the accompanying schedule of findings and questioned costs as finding FS 07-07 and FS 09-01.

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

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

Accounting & Consulting Group, LLP

Accounting & Consulting Group, LLP  
Albuquerque, NM  
November 12, 2009

(This page intentionally left blank.)



**FEDERAL FINANCIAL ASSISTANCE**



## **Accounting & Consulting Group, LLP**

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

Hector Balderas  
New Mexico State Auditor  
The Office of Management and Budget and  
To the Board of Education  
Gallup McKinley County Public Schools  
Gallup, New Mexico

#### Compliance

We have audited the compliance of Gallup-McKinley County Public Schools, with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 *Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2009. Gallup-McKinley County Public School's major federal programs are identified in the summary of auditors' 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 Gallup-McKinley County Public School's management. Our responsibility is to express an opinion on Gallup-McKinley County Public School's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Gallup-McKinley County Public School's compliance with those requirements and performing such other procedures, as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of Gallup-McKinley County Public School's compliance with those requirements.

In our opinion, Gallup-McKinley County Public Schools complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2009.

#### Internal Control Over Compliance

The management of Gallup-McKinley County Public Schools is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered Gallup-McKinley County Public School's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, 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 Schools' internal control over compliance.

#### *Certified Public Accountants*

2700 San Pedro Northeast [87110-333] – P.O. Box 3130, Albuquerque, New Mexico 87190-3130  
866.307.2727 – 505.883.2727 – Fax 505.884.6719 – [albuquerque.office@acgnm.com](mailto:albuquerque.office@acgnm.com) – [www.acgnm.com](http://www.acgnm.com)

**Alamogordo – Albuquerque – Carlsbad – Clovis – Hobbs – Lubbock**

A *control deficiency* in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

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

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

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

Accounting & Consulting Group, LLP

Accounting & Consulting Group, LLP  
Albuquerque, NM  
November 12, 2009

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Schedule of Expenditures of Federal Awards  
 For the Year Ended June 30, 2009

Federal Grantee/Pass Through Grantor/Program Title	Pass Thru Number	Federal C.F.D.A. Number		Expenditures
<b>U.S. Department Education</b>				
<i>Passthrough - State of NM Public Education Department</i>				
Title I IASA	24101	84.010	(1)	\$ 7,029,524 M
IDEA-B Entitlement	24106	84.027	(2)	2,789,681 M
IDEA-B Discretionary	24107	84.027	(2)	44,003 M
IDEA-B Preschool	24109	84.027	(2)	104,920 M
Education of Homeless Child	24113	84.196		10,622
21st Century Community Learning Centers	24119	84.287C	(3)	701,575 M
Title I Family Literacy	24125	84.213		78,734
English Language Acquisition	24153	84.365A		288,566
Teacher/Principal Training	24154	84.367A		1,307,263
Safe and Drug Free Schools	24157	84.186A		104,242
21st Century Community Living Center	24159	84.287C	(3)	175,558 M
Rural and Low Income Schools	24160	84.358B		367,054
Title I School Improvement	24162	84.010	(1)	1,183,172 M
Title III - Immigrant funding	24163	84.365A		12,471
Reading First	24167	84.357A		14,370
Carl Perkins Secondary - Current	24174	84.048		219,024
ARRA - Title I - IASA Federal Stimulus	24201	84.010	(1)	110,000 M
Total USDE Passthrough				14,540,779
<b>Federal Direct Grants</b>				
Impact Aid - General Fund	11000	84.041	(4)	34,132,006
Teaching American History	25107	84.215X		17,623
Corn Pollen Pathway Project	25111	84.184A		225
Impact Aid Special Education	25145	84.041	(4)	938,554 M
Impact Aid Indian Education	25147	84.041	(4)	4,935,237 M
School Leadership Program	25173	84.363A		73,971
Indian Education Formula Grant	25184	84.060A		1,653,197
Teacher Quality Improvement	25214	84.336a		17,058
Carol M. White Physical Fitness	25241	84.215F		378,776 M
Native American Program	25248	84.365C		190,215
ARRA - State Equalization Guarantee - Federal	25250	Federal Stimulus		700
Total USDE Direct				42,337,562

M=Denotes major Federal financial assistance program (1) Denotes cluster

The accompanying notes are an integral part of these financial statements

Federal Grantee/Pass Through Grantor/Program Title	Pass Thru Number	Federal C.F.D.A. Number	Expenditures
<b><i>U.S. Department of Health and Human Services</i></b>			
<b><i>Federal Direct Grants</i></b>			
Child Block Grant CYFD	25157	93.037	12,070
TANF/GRADS HSD	25162	93.558	23,546
Navajo Nations	25201	93.257	95,049
Title V Indian Health Care Impr Aid	25209	93.237	96,250
Substance Abuse and Mental Health Services	25238	93.243	55,141
Total USDHHS Direct			282,056
 <b><i>Bureau of Indian Affairs</i></b>			
Johnson O'Malley	25131	15.130	604,292
Total Bureau of Indian Affairs			
 <b><i>U.S. Department of Agriculture</i></b>			
<b><i>Passthrough - State of NM Public Education Department</i></b>			
Fresh Fruits and Vegetables	24118	10.582	7,539
Total USDA Passthrough			7,539
<b><i>Federal Direct Grants</i></b>			
Forest Reserve	11000	10.665	219,310
National Schools Lunch Program			
Food Distribution	21000	10.550 (1)	256,869
National School Breakfast	21000	10.553 (1)	1,403,601
National School Lunch Act	21000	10.555 (1)	2,583,043
Child and Food Program	25171	10.558	5,082
Total USDA Direct			4,467,905
Total USDA			4,475,444
Total Federal Awards			\$ 62,240,133

M=Denotes major Federal financial assistance program  
( ) = Denotes cluster

(This page intentionally left blank.)

**STATE OF NEW MEXICO**  
Gallup-McKinley County Public Schools  
Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2009

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

Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the federal grant activity of Gallup-McKinley County Public Schools, New Mexico (District) and is presented on the modified accrual basis of accounting, which is the same basis as was used to prepare the modified accrual basis financial statements.

Subrecipients

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

Non-Cash Federal Assistance

The District receives USDA Commodities for use in sponsoring the National School Lunch and Breakfast programs. The value of commodities received for the year ended June 30, 2009 was \$256,869 and is reported in the schedule of Expenditures of Federal Awards under the Department of Agriculture Program, CFDA number 10.550

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

Total federal awards expended per Schedule of Expenditures of Federal Awards	\$ 62,240,133
Total expenditures funded by other sources	<u>105,530,914</u>
Total expenditures	<u><u>\$ 167,771,047</u></u>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Schedule of Findings and Questioned Costs  
 For the Year Ended June 30, 2009

Schedule VI

**A. SUMMARY OF AUDIT RESULTS**

*Financial Statements:*

- |  |             |
|--|-------------|
| 1. Type of auditors' report issued   | Unqualified |
| 2. Internal control over financial reporting:                                    |             |
| a. Material weakness identified?   | Yes         |
| b. Significant deficiencies identified not considered to be material weaknesses? | Yes         |
| c. Noncompliance material to the financial statements noted?                     | Yes         |

*Federal Awards:*

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

CFDA Number	Federal Program
84.010	Title I IASA
84.027	IDEA-B
84.287C	21 <sup>st</sup> Century Community Learning Centers
84.041	Impact Aid
84.215F	Carol M. White Physical Fitness

- |   |           |
|---|-----------|
| 5. Dollar threshold used to distinguish between type A and type B programs: | \$842,921 |
| 6. Auditee qualified as low-risk auditee?                                   | Yes       |



**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Schedule of Findings and Questioned Costs  
 For the Year Ended June 30, 2009

Schedule VI

**B. FINDINGS-FINANCIAL STATEMENT AUDIT**

**Primary Government:**

**FS 08-01 — Lack of Segregation of Duties in the Food Service**

*Condition:* The Student Nutrition Director of the Food Services Department performs all the receipting and disbursement duties and functions without review by another party. This includes creating and approving of purchase orders with no involvement of another party.

*Criteria:* Segregation of duties over receipts and disbursements is required to maintain proper and sufficient internal controls per Section 6.20.2.11 of NMAC.

*Effect:* Lack of adequate segregation of duties or a formal review process prevents the District from detecting errors or fraudulent activity on a timely basis.

*Cause:* The Food Service Department receipting and disbursement processes are decentralized. Management did not address lack of segregation of duties over the receipting and disbursement processes in the Food Services Department.

*Auditors' Recommendations:* All receipts and disbursements for the Food Services Department should be processed through the District's centralized procurement process.

*Management's Response:* This is a repeated and modified finding that will be addressed by Management in a more aggressive pattern designed to correct the cause noted by Auditors. The District's centralized procurement, fiscal and data processing functions within Business Services will conduct intensive training of the Food Services Department and require adherence to the established internal controls of the District. Frequent, detailed reporting of progress in eliminating the cause of this condition will take place.

**FS 08-02 - Cash Appropriations in Excess of Available Cash Balances**

*Condition:* The District's designated cash appropriations in excess of available balances in the following funds:

Athletics Special Revenue Fund	\$ 13,398
Non-Budgeted SQS	28,361
Pre-K Initiative Special Revenue Fund	952,326
Capital Improvement SB-9 Capital Projects Fund	<u>2,287,491</u>
Total Governmental Funds	<u>\$ 3,281,576</u>

*Criteria:* All District funds, with the exception of agency funds, are to be budgeted by the local governing body and submitted to the Public Education Department for approval. Once adopted, any claims or warrants in excess of budget are a violation of Section 6.20.2.9.

*Effect:* The District may incur debt to pay for current year budgeted expenditures, which would result in noncompliance with the Bateman Act. Also, budget deficits and decreasing cash balance could lead to financial difficulties.

*Cause:* The District did not adequately monitor cash available to be rebudgeted.

*Auditors' Recommendations:* Control procedures should be designed and implemented to ensure that budgeted designated cash does not exceed available cash.

*Management's Response:* This is a repeated finding that was addressed during this year. Management will readdress and improve the processes implemented to prevent budgeting in excess of available cash.

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Schedule of Findings and Questioned Costs  
 For the Year Ended June 30, 2009

Schedule VI

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

**FS 09-01 Exceeded Budget Authority**

*Condition:* The District has the following expenditure functions where actual expenditures exceeded budgetary authority.

	<u>Amount</u>
Bond Building	
Support services	\$ 96,572
Capital outlay	6,598

*Criteria:* Sound financial management and 6.20.2.9 (A) NMAC and 22-8-5 to 22-8-12.2 NMSA 1978 require that budgets not be exceeded at the legal level of control. For the District, the expenditure function is the legal level of control.

*Effect:* Over expenditure of the annual budget may result in operating funds to absorb these over runs and could lead to financial difficulties in the future.

*Cause:* The District policies and procedures do not prevent over expenditure of funds nor require budget adjustments when necessary.

*Auditors' Recommendations:* The District should establish a policy of budgetary review at year-end, and make the necessary budget adjustments.

*Management's Response:* Management will review the cause of this condition and will improve its monthly and quarterly budget review processes to prevent the over expenditure of function level budgets. Management will also petition the NM Public Education Department to lift restrictions on some funds to allow the use of certain functions and accounts in those funds.

**FS 09-02 — Activity Funds – Internal Control**

*Condition:* There are deficiencies in the District's activity fund internal controls over disbursement and receipting processes. This includes segregation of duties issues involving approving of purchase orders and posting receipts with no involvement of another party.

*Criteria:* State Statute 6-10-2 NMSA, 1978 and state regulation 6.20.2.23 (C), NMAC, state that the business office is responsible for maintaining adequate collateral pledged for monies in Activity funds, Assisting club sponsors and treasurers in order to assure: timely deposits within 24 hours or one banking day, appropriate approvals are obtained for disbursements, an internal control structure is in place to safeguard the assets and promote reliability of the activity financial reports, accurate bank or cash reconciliation are prepared timely and records are retained for review by business office and auditor.

*Effect:* Risk of misappropriation and fraud is greater because duties are not appropriately segregated.

*Cause:* The individual schools within District are not following the procedures outlined by the State Statute 6-10-2 NMSA, 1978.

*Auditors' Recommendation:* As a result of activity funds being decentralized, these funds are highly susceptible to misappropriation; therefore, Management should educate the employee's responsible for activity funds regarding the State Statutes and continue to monitor each site for continuous improvement. The district should consider centralizing all activity funds under the district management.

*Management's Response:* Management will develop and implement internal control policies and procedures that will reduce the risk of fraudulent activity and misappropriation of Student Activity Funds.

**STATE OF NEW MEXICO**  
 Gallup-McKinley County Public Schools  
 Schedule of Findings and Questioned Costs  
 For the Year Ended June 30, 2009

Schedule VI

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

**Component Unit**

**FS 07-07 Component Unit Exceeded Budget Authority**

*Condition:* The Charter School has the following expenditure functions where actual expenditures exceeded budgetary authority.

	<u>Amount</u>
General Fund	
Non –instructional services	\$ 3,188
Public School Capital Outlay	
Instruction	\$ 27,908

*Criteria:* Sound financial management and 6.20.2.9 (A) NMAC and 22-8-5 to 22-8-12.2 NMSA 1978 require that budgets not be exceeded at the legal level of control. For the District, the expenditure function is the legal level of control.

*Effect:* Over expenditure of the annual budget may result in operating funds to absorb these over runs and could lead to financial difficulties in the future.

*Cause:* The District policies and procedures do not prevent over expenditure of funds nor require budget adjustments when necessary.

*Auditors' Recommendation:* The District should establish a policy of budgetary review at year-end, and make the necessary budget adjustments.

*Management's Response:* The budget will be reviewed quarterly and adjustments to the budget will be done at that time.

**FS 08-04 — Understanding of Financial Reports**

*Criteria:* The AICPA Codification of Statements on Auditing Standards (SAS AU) paragraph 110.03 states that “the financial statements are management’s responsibility. Management is responsible for adopting sound accounting policies and for establishing and maintaining internal control that will, among other things, initiate, authorize, record, process and report transactions (as well as events and conditions) consistent with management’s assertions embodied in the financial statements.”

*Condition:* During our test work, the Charter School was unable to provide detailed information regarding their accounts receivable, accounts payable, and deferred revenue accounts without contacting UNM.

*Effect:* The Charter School could not provide detail or an explanation for the three accounts noted above. Also because of the School not understanding the reports, they would never be able to know if the reports were incorrect and be able to fix them.

*Cause:* The Charter School receives monthly reports from UNM detailing their accounts receivable and accounts payable balances. Because the School is on a cash basis, they do not keep their own records of those accounts.

*Auditors' Recommendation:* We recommend that the Charter School obtain at the minimum a quarterly report from UNM detailing the balances for all accounts managed by UNM. It is important for the Charter School to understand how UNM is booking their transactions rather than just relying on UNM’s numbers.

*Management's Response:* UNM has been the fiscal agent for the Charter School from inception until June 30, 2009. On July 1, 2009, the District began providing fiscal services to the Charter School. As a result of this change, the fiscal responsibilities will be subject to the same internal controls, accounting procedures and reporting procedures as the District. The Charter School will have ready access to detailed information regarding their financial activity. The District will periodically review the financial reports and supporting documentation with Charter School staff so that their staff will understand their reports.

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

**Primary Government and Component Unit**

**FS 07-05: Preparation of Financial Statements**

*Condition:* The Body charged with governance does not exercise effective oversight, as defined by Statement on Auditing Standards No. 112, of the internal control and financial reporting processing. The financial statements and related disclosures are not being prepared by District management.

*Criteria:* According to the American Institute of Certified Public Accountants' Statement on Auditing Standards No. 112, a system of internal control over financial reporting does not stop at the general ledger. Well designed systems include controls over financial statement preparation, including footnote disclosures. The body charged with governance must provide effective oversight of the controls over the financial reporting process.

*Effect:* When sufficient controls over the preparation of financial statements and related disclosures are not designed, implemented and operating effectively, an entity's ability to prevent or detect a misstatement in its financial statements is limited.

*Cause:* The Body charged with governance was unaware of the requirements of Statement on Auditing Standards No. 112 to provide effective oversight of control over the financial reporting processing. District personnel do not have the time and have not been adequately trained in understanding the elements of external financial reporting including the preparation of financial statements and related footnote disclosures.

*Auditors' Recommendation:* We recommend that District management and personnel receive training on understanding the requirements of external financial reporting.

The training should include, but not be limited to:

- Selection of appropriate accounting policies:
  - Governmental Accounting Standards Board (GASB)
  - Generally Accepted Accounting Principles (specifically as applied to governmental units)
  - Financial Accounting Standards Board (FASB)
- Understanding the financial reporting entity
- Government-wide financial statements
- Fund financial statements
- Notes to the financial statements
- Required supplementary information
  - Management's discussion and analysis
- Supplementary information required by the Office of the State Auditor

In addition, we recommend that the District management should periodically present a reporting package to the body charged with governance for review. The governing board's review of the reporting package should be documented in the minutes. The reporting package could include items such as budget variances and analyses, a review of internal control processes over a significant transaction class like payroll or cash receipts, and other reports or processes that management uses for the internal control and financial reporting processes. The Body charged with governance should gain an understanding of internal control processes and the financial reporting process.

*Management's Response:* This is a repeated finding that will be addressed by Management in a more structured approach in order to eliminate this condition. Management has established a "Finance Committee" of the Board of Education; this committee will assist management in developing an appropriate reporting package to assist in effective oversight as determined by SAS 112. These reports will be documented in the minutes of applicable Board meetings. Management staff will continue to receive training and acquire understanding of these requirements; this training will be passed along to the Body charged with governance. Training opportunities will be offered to the governance Body as well.

**STATE OF NEW MEXICO**  
Gallup-McKinley County Public Schools  
Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2009

Schedule VI

**C. FEDERAL FINDINGS - NONE**

**D. PRIOR YEAR AUDIT FINDINGS**

**Primary Government**

**FS 07-04: Pooled Cash Requirement –Resolved**

**FS 08-01: Lack of Segregation of Duties in the Food Service- Repeated and Modified**

**FS 08-02: Cash Appropriations in Excess of Available Cash Balances– Repeated and Modified**

**FS 08-03: IT Control Deficiencies – Resolved**

**Component Unit**

**FS 07-07 Component Unit Exceeded Budget Authority – Repeated and Modified**

**FS 08-04 – Understanding of Financial Reports – Repeated and Modified**

**Primary Government and Component Unit**

**FS 07-05: Preparation of Financial Statements - Repeated**

(This page intentionally left blank.)

**STATE OF NEW MEXICO**  
Gallup-McKinley County Public Schools  
Other Disclosures  
For the Year Ended June 30, 2009

**A. AUDITOR PREPARED FINANCIAL STATEMENTS**

Although it would be preferred and desirable for the Schools to prepare its own GAAP-basis financial statements, it is felt that the Schools' personnel do not have the time to prepare them. Therefore, the outside auditor prepared the GAAP-basis financial statements and footnotes for inclusion in the annual audit report.

**B. EXIT CONFERENCE**

The contents of this report were discussed on November 12, 2009. The following individuals were in attendance.

Gallup-McKinley Schools Personnel

Ray Arsenault - Superintendent  
Joe Delao – Board of Education Member  
Paul Kraft – Board of Education Member – Charter School  
Tony Major – Director of Business Operation –Charter School  
Walter Feldman – Principal of Charter School  
Kim Brown - Director of Fiscal Services

Accounting & Consulting Group, LLP

Ray Roberts, CPA, Managing Partner  
Andrew Kouba, CPA Senior Accountant