

**STATE OF NEW MEXICO
GALLUP-McKINLEY COUNTY PUBLIC SCHOOLS
FINANCIAL STATEMENTS AND REQUIRED
SUPPLEMENTARY INFORMATION
WITH ACCOMPANYING AUDITORS' REPORTS
FOR THE YEAR ENDED JUNE 30, 2010**

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STATE OF NEW MEXICO
 Gallup-McKinley County Public Schools
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STATE OF NEW MEXICO
 Gallup-McKinley County Public Schools
 Official Roster
 June 30, 2010

Primary Government

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

Component Unit

<u>Name</u>	<u>Board Members</u>	<u>Title</u>
LaVerne Chischilly		Chairman
Jennie Martinez		Vice Chairperson
Charles Chia		Secretary/Treasurer
Dr. Helen Zongolowicz		Member
Bill Bright		Member
Lisa Bracken		Member
Dr. Paul Kraft		Member
<u>School Officials</u>		
Walter Feldman		Principal

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FINANCIAL SECTION



Accounting & Consulting Group, LLP
Certified Public Accountants

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, the title I IASA – federal stimulus fund, the impact aid Indian education fund, the state equalization guarantee – federal stimulus fund, and the aggregate remaining fund information of Gallup-McKinley County Public Schools (the “District”) as of and for the year ended June 30, 2010, which collectively comprise the District’s basic financial statements as listed in the table of contents. We have also 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 capital projects 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, 2010 as listed in the table of contents. These financial statements are the responsibility of the District’s management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes 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 also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, 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, 2010, the respective changes in financial position thereof, and the respective budgetary comparisons for the general fund, the title I – IASA – federal stimulus fund, the impact aid Indian education fund, and the state equalization guarantee – federal stimulus fund for the year then ended in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each nonmajor governmental fund, the combining financial statements for the general fund, and each component unit fund of the District as of June 30, 2010, 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 capital projects 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.

In accordance with *Government Auditing Standards*, we have also issued our report date November 12, 2010 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The *Management's Discussion and Analysis* on pages 14 through 19 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, 2010

STATE OF NEW MEXICO
Gallup-McKinley County Public Schools
Management's Discussion and Analysis
For the Fiscal Year Ended
June 30, 2010

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 Statement No. 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, 2010 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 2010 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, 2010, 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 \$383,405,332. (Ex. A-1)
- Total Liabilities of Governmental Activities was \$71,325,028. (Ex. A-1)
- Net Assets of Governmental Activities was \$312,080,294. (Ex. A-1)
- General Fund revenues exceeded expenditures by \$765,284 resulting in a year-end fund balance of \$10,500,028 (Ex B-2)
- All assets, including real estate and buildings, were recorded and accumulated depreciation on these assets was also recorded. Capital assets of \$433,618,226 with accumulated depreciation of \$97,819,321 were recorded. (Note 6.)
- The District implemented the State mandates including the minimum teacher Level one, two and three- salaries of thirty, forty and fifty thousand, respectively, the minimum principal and assistant principal salaries-ranging from sixty to eighty 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, 2010

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, 2010</u>	<u>June 30, 2009</u>
<u>Assets</u>		
Current assets	\$ 43,110,999	\$ 38,200,719
Capital assets	433,618,226	422,061,303
Accumulated depreciation	(97,819,321)	(95,016,569)
Other noncurrent assets	<u>4,495,418</u>	<u>6,990,035</u>
Total assets	<u>\$ 383,405,322</u>	<u>\$ 372,235,488</u>
<u>Liabilities</u>		
Accounts payable	\$ 1,949,820	\$ 1,590,541
Accrued interest	1,044,236	1,134,926
Other current liabilities	8,559,869	6,385,308
Long-term liabilities	<u>59,771,103</u>	<u>62,929,997</u>
Total liabilities	<u>71,325,028</u>	<u>72,040,772</u>
<u>Net Assets</u>		
Invested in capital assets	268,131,181	258,634,751
Restricted: Debt service	14,107,368	10,613,040
Restricted: Capital projects	4,303,607	6,491,904
Restricted: Other Purpose	15,639,982	14,375,701
Unrestricted	<u>9,898,156</u>	<u>10,079,320</u>
Total net assets	<u>\$ 312,080,294</u>	<u>\$ 300,194,716</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 has 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, 2010

Summary of Statement of Activities

	<u>June 30, 2010</u>	<u>June 30, 2009</u>
<u>Revenues</u>		
Program revenues:		
Charges for services	\$ 1,890,438	\$ 2,077,027
Operating grants	82,049,290	81,518,632
Capital grants	24,214,021	25,769,240
General revenues:		
Property taxes	8,042,215	7,569,711
Federal and state aid	58,835,121	58,703,173
Loss on disposition of assets	(12,350,625)	(1,208,775)
Other	<u>168,815</u>	<u>278,057</u>
Total revenues	<u>162,849,275</u>	<u>174,707,065</u>
<u>Expenses</u>		
Direct instruction	83,224,883	82,116,858
Instructional support	21,704,796	18,986,155
Administration	8,959,286	8,591,300
Business and support services	4,313,703	4,037,565
Operation/maintenance of plant	18,433,843	15,478,804
Non-instructional support	-	180,000
Transportation	6,040,703	5,819,633
Food service	5,697,141	5,193,069
Interest on long term debt	<u>2,589,342</u>	<u>2,537,300</u>
Total expenses	<u>150,963,697</u>	<u>142,940,684</u>
Changes in net assets	<u>\$ 11,885,578</u>	<u>\$ 31,766,381</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, the Title I - IASA - Federal Stimulus Special Revenue Fund, the Impact Aid Indian Education Special Revenue Fund, the State Equalization Guarantee - Federal Stimulus Special Revenue Fund, the Special Revenue Bond Capital Projects Fund, and the Public School Capital Outlay Capital Projects 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, 2010

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.

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's slowly declining student membership, funding from the State of New Mexico has generally been stable.

School District Funds

The District's total governmental funds had revenues of \$174,545,680, bond proceeds and bond premium of \$7,260,441 and expenditures and other uses of \$180,173,149. The net change in the governmental fund balance for the fiscal year increased \$1,632,972. 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 therein. 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 of the District.

The General Fund had final budgeted revenues of \$87,679,569 and actual revenue of \$89,791,873. Expenditures were budgeted at \$95,365,142 and actual expenditures were \$87,741,084. 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 \$9,524,629.

Capital Asset and Debt Administration

Capital Assets

As of June 30, 2010 the District had \$433,618,226 invested in capital assets and had accumulated depreciation of \$97,819,321 (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, 2010 is \$29,601,561.

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.

STATE OF NEW MEXICO
Gallup-McKinley County Public Schools
Management's Discussion and Analysis
For the Fiscal Year Ended
June 30, 2010

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, 2010 the District had outstanding General Obligation bonds in the amount of \$40,280,000. The District is bonded to 94% of the legal limit of \$43,057,034 based on assessed property value of \$717,617,236.

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 \$27,387,724 as of June 30, 2010.

FUTURE TRENDS

In September 2003, the voters of the State of New Mexico approved two Constitutional amendments that affect 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 \$155,171,430 in Public School Capital Outlay (PSCOC) funding since 2000/2001 through June 30, 2010. 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 took place beginning July 1, 2006 and may change the comparison of financial statements for June 30, 2010 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).

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 plans for 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.

STATE OF NEW MEXICO
Gallup-McKinley County Public Schools
Management's Discussion and Analysis
For the Fiscal Year Ended
June 30, 2010

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 2010 the Public Education Department (PED) reduced the Unit Value calculation for the 2009/2010 school year ending June 30, 2010. The reduction was based upon the State Legislature's budget projections; the District's operational budget was reduced by \$3,234,456 and is included 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) are being used in the "State Fiscal Stabilization Fund" (SFSF) to offset the drop in state General Fund revenue. In 2009/2010, the District received \$7,295,511 in ARRA funds to offset the decrease in Operational funds from 2008/2009 to 2009/2010. The District has implemented separate reporting and accounting processes in order to report ARRA usage. . Since the District has received ARRA funds it has carefully monitored the student enrollment, staffing levels and projected revenue levels; the need for increased vigilance has 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.

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:

Ms. Kim Brown
Assistant Superintendent-Business Services
Gallup-McKinley County Schools
P.O. Box 1318
Gallup, NM 87305
kbrown@gmcs.k12.nm.us
505-721-1070

Mr. Paul Merrill
Director of Fiscal Services
Gallup-McKinley County Schools
P.O. Box 1318
Gallup, NM 87305
pmerrill@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
505-721-1051

Mr. Max Perez
Acting Assistant Superintendent – Learning Services
Gallup-McKinley County Schools
P.O. Box 1318
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505-721-1012

Other District information may be accessed at: www.gmcs.k12.nm.us

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**BASIC
FINANCIAL STATEMENTS**

STATE OF NEW MEXICO
Gallup-McKinley County Public Schools
Statement of Net Assets
June 30, 2010

	<u>Primary Government</u>	
	<u>Governmental</u>	<u>Component Unit</u>
	<u>Activities</u>	
Assets		
Current assets		
Cash and cash equivalents	\$ 34,517,564	\$ 355,895
Property taxes receivable	1,013,224	-
Due from other governments	5,827,221	19,948
Other receivables	1,271,007	-
Inventory	481,983	-
	43,110,999	375,843
Total current assets		
Noncurrent assets		
Restricted cash and cash equivalents	4,336,371	-
Bond issuance costs (net of accumulated amortization of \$22,214)	159,047	-
Capital assets	433,618,226	211,185
Less: accumulated depreciation	(97,819,321)	(17,789)
	340,294,323	193,396
Total noncurrent assets		
	340,294,323	193,396
Total assets	\$ 383,405,322	\$ 569,239

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>
Liabilities		
Current liabilities		
Accounts payable	\$ 1,949,820	\$ 3,314
Deposits payable	82,369	-
Accrued payroll	77,390	-
Accrued interest	1,044,236	-
Current portion of accrued compensated absences	424,837	2,524
Current portion of bonds payable	7,975,273	-
	<u>11,553,925</u>	<u>5,838</u>
Noncurrent liabilities		
Bond underwriter premiums (net of accumulated amortization of \$19,531)	78,652	-
Accrued compensated absences	-	5,960
Bonds payable	59,692,451	-
	<u>59,771,103</u>	<u>5,960</u>
Total liabilities	<u>71,325,028</u>	<u>11,798</u>
Net assets		
Invested in capital assets, net of related debt	268,131,181	193,396
Restricted for:		
Debt service	14,107,368	-
Capital projects	4,303,607	-
Other purposes	15,639,982	26,978
Unrestricted	9,898,156	337,067
	<u>312,080,294</u>	<u>557,441</u>
Total net assets	<u>312,080,294</u>	<u>557,441</u>
Total liabilities and net assets	<u>\$ 383,405,322</u>	<u>\$ 569,239</u>

STATE OF NEW MEXICO
 Gallup-McKinley County Public Schools
 Statement of Activities
 For the Year Ended June 30, 2010

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Primary government:				
Governmental Activities:				
Instruction	\$ 83,224,883	\$ 880,244	\$ 44,332,978	\$ 14,748,686
Support services - students	14,688,823	155,359	7,824,574	2,603,078
Support services - instruction	7,015,973	74,206	3,737,332	1,243,335
Support services - general administration	1,802,897	19,069	960,383	319,500
Support services - school administration	7,156,389	75,691	3,812,130	1,268,219
Central services	4,313,703	45,625	2,297,862	764,452
Operation and maintenance of plant	18,433,843	194,969	9,819,505	3,266,751
Student transportation	6,040,703	-	3,868,642	-
Food services operations	5,697,141	445,276	5,395,884	-
Interest on long-term debt	2,589,342	-	-	-
	<u>\$ 150,963,697</u>	<u>\$ 1,890,438</u>	<u>\$ 82,049,290</u>	<u>\$ 24,214,021</u>
Component Unit Activities:				
Charter school	<u>\$ 592,047</u>	<u>\$ -</u>	<u>\$ 3,786</u>	<u>\$ -</u>

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

Interest and investment earnings

Miscellaneous

Loss on disposition of assets - infrequent and extraordinary item (Note 15)

Subtotal, general revenues

Changes in net assets

Net assets - beginning

Net assets - ending

The accompanying notes are an integral part of these financial statements

Net (Expense) Revenue and Changes in Net Assets		
Primary Government	Component Unit	
Governmental Activities	Charter School	
\$ (23,262,974)	\$ -	
(4,105,812)	-	
(1,961,101)	-	
(503,945)	-	
(2,000,350)	-	
(1,205,764)	-	
(5,152,618)	-	
(2,172,061)	-	
144,019	-	
(2,589,342)	-	
(42,809,948)	-	
	(588,261)	
311,574	-	
6,237,065	-	
1,493,576	-	
13,504	-	
58,835,121	607,503	
20,730	-	
134,581	-	
(12,350,625)	(11,738)	
54,695,526	7,504	
11,885,578	7,504	
300,194,716	549,937	
<u>\$ 312,080,294</u>	<u>\$ 557,441</u>	

STATE OF NEW MEXICO
Gallup-McKinley County Public Schools
Balance Sheet
Governmental Funds
June 30, 2010

	General Fund	Title I - IASA - Federal Stimulus	Impact Aid Indian Education
ASSETS			
<i>Current assets</i>			
Cash and cash equivalents	\$ 1,277,227	\$ -	\$ 9,182,370
Property taxes receivable	38,758	-	-
Due from other governments	-	1,279,987	-
Other receivables	1,248,705	-	6,402
Inventory	427,402	-	-
Due from other funds	8,247,402	-	-
<i>Total assets</i>	<u>\$ 11,239,494</u>	<u>\$ 1,279,987</u>	<u>\$ 9,188,772</u>
LIABILITIES AND FUND BALANCES			
<i>Current liabilities</i>			
Accounts payable	\$ 609,560	\$ 230,547	\$ 39,673
Deposits payable	82,369	-	-
Accrued payroll	14,244	-	-
Deferred revenue	33,293	-	-
Due to other funds	-	826,065	-
<i>Total liabilities</i>	<u>739,466</u>	<u>1,056,612</u>	<u>39,673</u>
<i>Fund balances</i>			
Reserved for			
Inventory	427,402	-	-
Unreserved			
Undesignated, reported in			
General fund	10,072,626	-	-
Special revenue funds	-	223,375	9,149,099
Debt service funds	-	-	-
Capital projects funds	-	-	-
<i>Total fund balances</i>	<u>10,500,028</u>	<u>223,375</u>	<u>9,149,099</u>
<i>Total liabilities and fund balances</i>	<u>\$ 11,239,494</u>	<u>\$ 1,279,987</u>	<u>\$ 9,188,772</u>

The accompanying notes are an integral part of these financial statements

<u>State Equalization Guarantee - Federal Stimulus</u>	<u>Special Revenue Bond</u>	<u>Public School Capital Outlay</u>	<u>Other Governmental Funds</u>	<u>Total</u>
\$ 6,553	\$ 12,071,238	\$ -	\$ 16,316,547	\$ 38,853,935
-	-	-	974,466	1,013,224
1,141,675	-	296,088	3,109,471	5,827,221
-	-	-	15,900	1,271,007
-	-	-	54,581	481,983
-	-	-	-	8,247,402
<u>\$ 1,148,228</u>	<u>\$ 12,071,238</u>	<u>\$ 296,088</u>	<u>\$ 20,470,965</u>	<u>\$ 55,694,772</u>
\$ -	\$ 341,874	\$ -	\$ 728,166	\$ 1,949,820
-	-	-	-	82,369
-	-	-	63,146	77,390
-	-	-	1,207,653	1,240,946
1,148,228	-	296,088	5,977,021	8,247,402
<u>1,148,228</u>	<u>341,874</u>	<u>296,088</u>	<u>7,975,986</u>	<u>11,597,927</u>
-	-	-	54,581	481,983
-	-	-	-	10,072,626
-	-	-	5,877,522	15,249,996
-	-	-	6,890,134	6,890,134
-	11,729,364	-	(327,258)	11,402,106
-	11,729,364	-	12,494,979	44,096,845
<u>\$ 1,148,228</u>	<u>\$ 12,071,238</u>	<u>\$ 296,088</u>	<u>\$ 20,470,965</u>	<u>\$ 55,694,772</u>

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STATE OF NEW MEXICO
 Gallup-McKinley County Public Schools
 Governmental Funds
 Reconciliation of the Balance Sheet to the Statement of Net Assets
 June 30, 2010

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

Fund balances - total governmental funds	\$	44,096,845
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds		335,798,905
Revenues 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		848,037
Grant revenue		392,909
Bond issuance costs, including original issue discounts and premiums are not current financial resources or obligations and, therefore, are not reported in the funds		
Bond issuance cost (net of amortization)		159,047
Bond underwriter premiums (net of amortization)		(78,652)
Accrued interest is not due and payable with current financial resources and, therefore, is not reported in the funds		(1,044,236)
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		(40,280,000)
Revenue bonds		(27,387,724)
Current portion of accrued compensated absences		(424,837)
Total net assets - governmental activities	\$	<u><u>312,080,294</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, 2010

	General Fund	Title I - IASA - Federal Stimulus	Impact Aid Indian Education
<i>Revenues</i>			
Property taxes	\$ 292,257	\$ -	\$ -
Oil and gas taxes	622	-	-
Intergovernmental revenue			
Federal flowthrough	429,710	2,794,076	-
Federal direct	31,736,458	-	7,801,773
Local sources	14,223	-	-
State flowthrough	53,493,962	-	-
State direct	474,695	-	-
Combined local/state	-	-	-
Transportation distribution	3,868,642	-	-
Charges for services	702,639	-	-
Interest	876	-	-
Miscellaneous	13,599	-	6,402
<i>Total revenues</i>	<u>91,027,683</u>	<u>2,794,076</u>	<u>7,808,175</u>
<i>Expenditures</i>			
Current			
Instruction	51,474,242	1,885,713	2,129,412
Support services - students	3,417,288	-	4,622,542
Support services - instruction	628,524	533,788	133,132
Support services - general administration	805,094	41,200	200,042
Support services - school administration	6,879,288	-	-
Central services	3,405,159	-	501,739
Operation and maintenance of plant	14,255,222	-	8,351
Student transportation	5,336,625	-	-
Food services operations	-	-	-
Capital outlay	1,143,097	-	-
Debt service			
Principal	-	-	-
Interest	-	-	-
Bond issuance costs	-	-	-
<i>Total expenditures</i>	<u>87,344,539</u>	<u>2,460,701</u>	<u>7,595,218</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>3,683,144</u>	<u>333,375</u>	<u>212,957</u>
<i>Other financing sources (uses)</i>			
Bond proceeds	-	-	-
Bond premium	-	-	-
Transfers in	-	-	-
Transfers out	(2,917,860)	-	-
<i>Total other financing sources (uses)</i>	<u>(2,917,860)</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	765,284	333,375	212,957
<i>Fund balances - beginning of year</i>	<u>9,734,744</u>	<u>(110,000)</u>	<u>8,936,142</u>
<i>Fund balances - ending of year</i>	<u>\$ 10,500,028</u>	<u>\$ 223,375</u>	<u>\$ 9,149,099</u>

The accompanying notes are an integral part of these financial statements

State Equalization Guarantee - Federal Stimulus	Special Revenue Bond	Public School Capital Outlay	Other Governmental Funds	Total
\$ -	\$ -	\$ -	\$ 7,333,550	\$ 7,625,807
-	-	-	12,882	13,504
-	-	-	24,085,137	27,308,923
7,261,445	-	-	4,356,359	51,156,035
-	-	-	1,160,935	1,175,158
-	-	-	2,857,262	56,351,224
-	-	24,201,718	60,000	24,736,413
-	-	-	264,225	264,225
-	-	-	-	3,868,642
-	-	-	1,187,799	1,890,438
-	-	-	19,854	20,730
-	-	-	114,580	134,581
<u>7,261,445</u>	<u>-</u>	<u>24,201,718</u>	<u>41,452,583</u>	<u>174,545,680</u>
3,824,904	-	-	17,235,181	76,549,452
918,243	-	-	5,436,869	14,394,942
2,513,318	-	-	3,178,081	6,986,843
-	-	-	602,050	1,648,386
-	-	-	270,978	7,150,266
4,280	-	-	339,294	4,250,472
-	-	18,279	2,335,048	16,616,900
-	-	-	-	5,336,625
-	-	-	5,670,415	5,670,415
-	496,647	24,183,440	5,167,335	30,990,519
-	-	-	7,917,259	7,917,259
-	-	-	2,571,070	2,571,070
-	-	-	90,000	90,000
<u>7,260,745</u>	<u>496,647</u>	<u>24,201,719</u>	<u>50,813,580</u>	<u>180,173,149</u>
<u>700</u>	<u>(496,647)</u>	<u>(1)</u>	<u>(9,360,997)</u>	<u>(5,627,469)</u>
-	-	-	7,175,000	7,175,000
-	-	-	85,441	85,441
-	-	-	5,473,301	5,473,301
-	-	-	(2,555,441)	(5,473,301)
-	-	-	10,178,301	7,260,441
<u>700</u>	<u>(496,647)</u>	<u>(1)</u>	<u>817,304</u>	<u>1,632,972</u>
<u>(700)</u>	<u>12,226,011</u>	<u>1</u>	<u>11,677,675</u>	<u>42,463,873</u>
<u>\$ -</u>	<u>\$ 11,729,364</u>	<u>\$ -</u>	<u>\$ 12,494,979</u>	<u>\$ 44,096,845</u>

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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, 2010

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

Net change in fund balances - total governmental funds	\$	1,632,972
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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		30,990,519
Depreciation expense		(9,885,723)

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 book value cost of the capital assets disposed.

		(12,350,625)
--	--	--------------

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		416,408
Change in deferred revenue related to grant receivables		237,812

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		90,000
Bond premium		(85,441)
Amortization of bond issuance cost		(16,325)
Amortization of bond premiums		19,062
Decrease in compensated absences		3,970
Decrease in accrued interest		90,690
Bond proceeds		(7,175,000)
Principal payments on bonds		7,917,259

Change in net assets of governmental activities	\$	<u><u>11,885,578</u></u>
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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 Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2010

	Budgeted Amounts			Variances Favorable (Unfavorable)
	Original	Final	Actual	Final to Actual
<i>Revenues</i>				
Property taxes	\$ 278,439	\$ 278,439	\$ 293,200	\$ 14,761
Oil and gas taxes	400	400	622	222
<i>Intergovernmental</i>				
Federal flowthrough	210,202	210,202	429,710	219,508
Federal direct	29,227,399	29,227,399	31,736,458	2,509,059
Local sources	5,000	5,000	84,223	79,223
State flowthrough	54,561,220	51,326,765	52,276,248	949,483
State direct	472,646	472,646	474,695	2,049
Transportation distribution	5,303,626	5,470,208	3,780,479	(1,689,729)
Charges for services	726,500	673,500	698,366	24,866
Interest	3,100	2,500	876	(1,624)
Miscellaneous	12,508	12,508	16,996	4,488
<i>Total revenues</i>	90,801,040	87,679,567	89,791,873	2,112,306
<i>Expenditures</i>				
<i>Current</i>				
Instruction	51,606,045	51,299,898	49,575,466	1,724,432
Support services - students	7,341,810	4,665,008	3,417,288	1,247,720
Support services - instruction	1,577,168	752,136	630,338	121,798
Support services - general administration	878,808	892,258	824,758	67,500
Support services - school administration	7,934,417	7,440,897	6,878,903	561,994
Central services	3,299,303	3,538,243	3,325,069	213,174
Operation and maintenance of plant	14,890,566	15,017,377	14,096,588	920,789
Student transportation	5,303,626	7,159,247	5,306,768	1,852,479
Other support services	303,448	303,448	227,018	76,430
Capital outlay	3,366,048	4,296,630	3,458,888	837,742
<i>Total expenditures</i>	96,501,239	95,365,142	87,741,084	7,624,058
<i>Excess (deficiency) of revenues over expenditures</i>	(5,700,199)	(7,685,575)	2,050,789	9,736,364
<i>Other financing sources (uses)</i>				
Designated cash balance (budgeted increase in cash)	5,700,199	7,685,575	-	(7,685,575)
Transfers in (out)	-	-	(2,917,860)	(2,917,860)
<i>Total other financing sources (uses)</i>	5,700,199	7,685,575	(2,917,860)	(10,603,435)
<i>Net change in fund balances</i>	-	-	(867,071)	(867,071)
<i>Fund balances - beginning of year</i>	-	-	10,391,700	10,391,700
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 9,524,629	\$ 9,524,629
<i>Net change in fund balances (Budget Basis)</i>				\$ (867,071)
Adjustments to revenues for property taxes, oil and gas taxes, and state flowthrough.				1,235,810
Adjustments to expenditures for salaries, general supplies and material, and other contract services.				396,545
<i>Net changes in fund balances (GAAP Basis)</i>				\$ 765,284

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 Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2010

Exhibit C-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	1,901,226	3,782,647	1,514,089	(2,268,558)
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>1,901,226</u>	<u>3,782,647</u>	<u>1,514,089</u>	<u>(2,268,558)</u>
<i>Expenditures</i>				
Current				
Instruction	1,846,076	2,306,414	1,995,713	310,701
Support services - students	-	-	-	-
Support services - instruction	13,496	1,404,102	303,241	1,100,861
Support services - general administration	41,654	72,131	41,200	30,931
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>1,901,226</u>	<u>3,782,647</u>	<u>2,340,154</u>	<u>1,442,493</u>
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	(826,065)	(826,065)
<i>Other financing sources (uses)</i>				
Designated cash balance (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	(826,065)	(826,065)
<i>Fund balances - beginning of year</i>	-	-	-	-
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (826,065)</u>	<u>\$ (826,065)</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ (826,065)
Adjustments to revenues for federal flowthrough grants.				1,279,987
Adjustments to expenditures for other professional services.				<u>(120,547)</u>
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ 333,375</u>

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 Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2010

Exhibit C-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	-	-	7,801,773	7,801,773
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>7,801,773</u>	<u>7,801,773</u>
<i>Expenditures</i>				
<i>Current</i>				
Instruction	2,528,313	2,148,542	2,129,412	19,130
Support services - students	2,661,160	4,684,585	4,622,350	62,235
Support services - instruction	43,849	133,203	127,507	5,696
Support services - general administration	152,530	216,317	199,183	17,134
Support services - school administration	-	-	-	-
Central services	368,548	486,308	468,867	17,441
Operation and maintenance of plant	-	25,000	8,326	16,674
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>5,754,400</u>	<u>7,693,955</u>	<u>7,555,645</u>	<u>138,310</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(5,754,400)</u>	<u>(7,693,955)</u>	<u>246,128</u>	<u>7,940,083</u>
<i>Other financing sources (uses)</i>				
Designated cash balance (budgeted increase in cash)	5,754,400	7,693,955	-	(7,693,955)
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>5,754,400</u>	<u>7,693,955</u>	<u>-</u>	<u>(7,693,955)</u>
<i>Net change in fund balances</i>	-	-	246,128	246,128
<i>Fund balances - beginning of year</i>	-	-	8,936,242	8,936,242
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,182,370</u>	<u>\$ 9,182,370</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ 246,128
Adjustments to revenues for abatements.				6,402
Adjustments to expenditures for other contract services.				<u>(39,573)</u>
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ 212,957</u>

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 Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2010

	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	5,680,337	7,295,511	6,119,770	(1,175,741)
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	5,680,337	7,295,511	6,119,770	(1,175,741)
<i>Expenditures</i>				
Current				
Instruction	3,802,030	3,825,607	3,825,604	3
Support services - students	-	957,302	918,243	39,059
Support services - instruction	1,870,054	2,503,349	2,513,318	(9,969)
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	8,253	9,253	4,280	4,973
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	5,680,337	7,295,511	7,261,445	34,066
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	(1,141,675)	(1,141,675)
<i>Other financing sources (uses)</i>				
Designated cash balance (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	(1,141,675)	(1,141,675)
<i>Fund balances - beginning of year</i>	-	-	-	-
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (1,141,675)	\$ (1,141,675)
<i>Net change in fund balances (Budget Basis)</i>				\$ (1,141,675)
Adjustments to revenues for federal direct grants.				1,141,675
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

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STATE OF NEW MEXICO
Gallup-McKinley County Public Schools
Statement of Fiduciary Assets and Liabilities
Agency Funds
June 30, 2010

Exhibit D-1

<i>Assets</i>	
Cash	<u>\$ 597,771</u>
<i>Total assets</i>	<u><u>\$ 597,771</u></u>
 <i>Liabilities</i>	
Due to student organizations	<u>\$ 597,771</u>
<i>Total liabilities</i>	<u><u>\$ 597,771</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, 2010

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. 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 forth 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 District 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, 2010

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 such as the sale of lunch tickets and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function such as 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 and interest associated with the current fiscal period are 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. Oil and gas 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, 2010

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.

The *Title I – IASA - Federal Stimulus Special Revenue Fund* is used to account for resources provided 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.

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

The *State Equalization Guarantee - Federal Stimulus Special Revenue Fund* is used to account for resources provided 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.

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.

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 student activity 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, 2010, 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.

STATE OF NEW MEXICO
Gallup-McKinley County Public Schools
Notes to Financial Statements
June 30, 2010

NOTE 1. Summary of Significant Accounting Policies (continued)

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

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

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

The District receives monthly income from a tax levy 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 2010 is considered 'measurable and available' and, accordingly, is recorded as revenue in the governmental fund statements during the year ended June 30, 2010. 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.

Inventory: The District's method of accounting for inventory is 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.

U.S.D.A. commodities consumed during the year are reported as revenues and expenditures; unused commodities are reported as inventories. No deferred revenue was recorded for unused commodity inventory as of June 30, 2010.

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 the life of the asset 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, 2010

NOTE 1. Summary of Significant Accounting Policies (continued)

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

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

<u>Assets</u>	<u>Years</u>
Buildings and improvements	20-40
Furniture, fixtures, and equipment	3-12

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 employee’s annual leave bank. The employee’s annual leave bank may accumulate up to a maximum of 30 working days. Any additional 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 an 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.

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.

STATE OF NEW MEXICO
Gallup-McKinley County Public Schools
Notes to Financial Statements
June 30, 2010

NOTE 1. Summary of Significant Accounting Policies (continued)

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

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.

Equity Classifications

Government-wide Statements

Equity is classified as net assets and displayed in three components:

- a. Invested in capital assets, net of related debt:
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” and “capital projects” are described on pages 74-81. The government-wide statement of net assets reports \$34,050,957 of restricted net assets, of which \$19,943,589 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 District received \$58,835,121 in state equalization guarantee distributions during the year ended June 30, 2010.

STATE OF NEW MEXICO
Gallup-McKinley County Public Schools
Notes to Financial Statements
June 30, 2010

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 \$7,625,807 in property tax revenues in the governmental fund financial statements during the year ended June 30, 2010. 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 \$3,868,642 in transportation distributions during the year ended June 30, 2010.

Instructional Materials: The Public Education 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 \$474,695 in instructional materials revenue from the State for the year ended June 30, 2010.

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.

Public School 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.

STATE OF NEW MEXICO
Gallup-McKinley County Public Schools
Notes to Financial Statements
June 30, 2010

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 Public Education Department. 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 Public Education Department.
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 Public Education Department.
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 Funds 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, 2010

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, 2010, 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	\$ (5,700,199)	\$ (7,685,575)
Title I – IASA – Federal Stimulus	\$ -	\$ -
Impact Aid Indian Education	\$ (5,754,400)	\$ (7,693,955)
State Equalization Guarantee – Federal Stimulus	\$ -	\$ -
Special Revenue Bond	\$ (10,000,000)	\$ (10,000,000)
Public School Capital Outlay	\$ -	\$ -
Nonmajor Funds	\$ (10,821,804)	\$ (19,289,384)

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, the state investment pool, money market accounts, and United States Government obligations. All invested funds of the District properly followed State investment requirements as of June 30, 2010.

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 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.

STATE OF NEW MEXICO
 Gallup-McKinley County Public Schools
 Notes to Financial Statements
 June 30, 2010

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, 2010, \$14,560,703 of the District’s bank balance of \$15,310,703 was subject to custodial credit risk. \$8,029,179 was uninsured and collateralized by collateral held by the pledging bank’s trust department, not in the District’s name. \$6,542,409 of the District’s deposits were uninsured and uncollateralized at June 30, 2010.

	Bank of America	Pinnacle Bank	Wells Fargo Bank	Total
Total amount of deposits	\$ 330,639	\$14,327,142	\$ 652,922	\$ 15,310,703
FDIC coverage	(250,000)	(250,000)	(250,000)	(750,000)
Total uninsured public funds	80,639	14,077,142	402,922	14,560,703
Collateralized by securities held by the pledging institution or by its trust department or agent in other than the District's name	80,369	7,535,003	402,922	8,018,294
Uninsured and uncollateralized	\$ -	\$ 6,542,139	\$ -	\$ 6,542,409
Collateral requirement (50% of uninsured)	\$ 40,320	\$ 7,038,571	\$ 201,461	\$ 7,280,352
Pledged securities	1,391,570	7,535,003	3,159,270	12,085,843
Over (under) collateralization	\$ 1,351,250	\$ 496,432	\$ 2,957,809	\$ 4,805,491

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, school district 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, 2010, the entire District’s investment balance in repurchase agreements of \$31,691,892 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, 2010

NOTE 3. Deposits and Investments (continued)

	Bank of America	Pinnacle Bank	Total
Repurchase agreements	\$ 31,147,633	\$ 544,259	\$ 31,691,892
FDIC coverage	-	-	-
Total uninsured public funds	31,147,633	544,259	31,691,892
Securities underlying an overnight repurchase agreement held by investment's counterparty not in the District's name	31,147,633	544,259	31,691,892
Uninsured and uncollateralized	\$ -	\$ -	\$ -
Collateral requirement for repurchase agreements (102% of value of underlying securities)	\$ 31,770,586	\$ 555,144	\$ 32,325,730
Pledged securities	31,770,586	555,144	32,325,730
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	\$ 2,456,906	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, 2010. 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, 2010:

24101	Title I IASA	\$ 277,899
24107	Discretionary IDEA-B	44,003
24015	Private Schools Share IDEA-B	22,385
24119	21st Century Community Learning Centers 2008-2014	484,933
24120	"Risk Pool" IDEA-B	2,671
24125	Title I Family Literacy IASA	27,390
24129	Partnerships in Character Ed Pilot	1,889
24153	English Language Acquisition	306,099
24157	Title IV-A Safe and Drug Free Schools and Community	18,984
24160	Rural and Low Income Schools	238,420
24162	Title I School Improvement	268,744
24163	Immigrant Funding - Title III	441
24167	Reading First	14,370
24174	Carl Perkins Secondary - Current	16,847
24201	Title I - IASA - Federal Stimulus	826,065
24206	Entitlement IDEA-B - Federal Stimulus	95,078
24212	Early Intervention Services IDEA-B - Federal Stimulus	6,340
24213	Education of Homeless - Federal Stimulus	11
24249	Enhancing Education Through Technology - Federal Stimulus	740
25131	Johnson O'Malley	137,716
Subtotal		2,791,025

STATE OF NEW MEXICO
Gallup-McKinley County Public Schools
Notes to Financial Statements
June 30, 2010

NOTE 3. Deposits and Investments (continued)

Subtotal	2,791,025
25173 Indian Health Services	9,380
25184 Indian Education Formula Grant	96,176
24119 21st Century Community Learning Centers	2,560
25201 Navajo Nations	15,095
25214 Teacher Quality Improvement	17,058
25228 Goals 2000 Parental Assistance	17,981
25238 Substance Abuse and Mental Health Services	41,018
25250 State Equalization Guarantee - Federal Stimulus	1,148,228
26143 Save the Children	77,778
26201 Pump up the Volume in Preschools	2,179
27102 Community Based Organization PED	168,154
27105 2008 GO Bond Student Library Fund	68,756
27136 TANF - Full Day Kindergarten	1,513
27144 Laws of NM 2005	46,467
27149 Pre-K Initiative	106,178
27150 Indian Education Act	116,723
27152 Reading Improvement Initiatives	2,704
27157 Teacher Professional Development Fund	288,925
27159 K-Plus Initiative	1,577
27164 School Improvement Framework	112,500
27166 Kindergarten - Three Plus	68,861
28170 Office of Child Development	6,170
29107 City/County Grants	6,311
29130 School Based Health Center	65,764
31200 Public School Capital Outlay	296,088
31100 Bond Building	<u>2,672,233</u>
 Total	 <u><u>\$ 8,247,402</u></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	\$ 34,517,564
Restricted cash and cash equivalents per Exhibit A-1	4,336,371
Agency cash and cash equivalents per Exhibit D-1	<u>597,771</u>
 Total cash and cash equivalents	 <u>39,451,706</u>
 Add: Outstanding checks, and other reconciling items	 10,007,795
Less: Investments	(2,456,906)
Less: Repurchase agreements	<u>(31,691,892)</u>
 Bank balance of deposits	 <u><u>\$ 15,310,703</u></u>

STATE OF NEW MEXICO
 Gallup-McKinley County Public Schools
 Notes to Financial Statements
 June 30, 2010

NOTE 3. Deposits and Investments (continued)

Component Unit:

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of a bank failure, the Component Unit's deposits may not be returned to it. The Component Unit 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, 2010, \$92,229 of the Component Unit's bank balance of \$342,229 was subject to custodial credit risk.

	Wells Fargo Bank
Total amount of deposits	\$ 342,229
FDIC coverage	(250,000)
Total uninsured public funds	92,229
Collateralized by securities held by the pledging institution or by its trust department or agent in other than the Component Unit's name	92,229
Uninsured and uncollateralized	\$ -
Collateral requirement (50% of uninsured)	\$ 46,115
Pledged securities	184,580
Over (under) collateralization	\$ 138,465

The Component Unit 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, 2010. 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, 2010:

25250	State Equalization Guarantee - Federal Stimulus Special Revenue Fund	\$ 19,948
31200	Public School Capital Outlay Capital Projects Fund	6,977
	Total	\$ 26,925

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	\$ 355,895
Total cash and cash equivalents	355,895
Less: deposit in transit and other reconciling items	(13,666)
Bank balance of deposits	\$ 342,229

STATE OF NEW MEXICO
 Gallup-McKinley County Public Schools
 Notes to Financial Statements
 June 30, 2010

NOTE 4. Accounts Receivable

Primary Government:

Accounts receivable as of June 30, 2010, are as follows:

	<u>General Fund</u>	<u>Title I - IASA - Federal Stimulus</u>	<u>Impact Aid Indian Education</u>	<u>State Equalization Guarantee - Federal Stimulus</u>	<u>Special Revenue Bond</u>
Property taxes receivable	\$ 38,758	\$ -	\$ -	\$ -	\$ -
Due from other governments					
Federal sources	-	1,279,987	-	1,141,675	-
State sources	-	-	-	-	-
Other receivables	<u>1,248,705</u>	<u>-</u>	<u>6,402</u>	<u>-</u>	<u>-</u>
	<u>\$ 1,287,463</u>	<u>\$ 1,279,987</u>	<u>\$ 6,402</u>	<u>\$ 1,141,675</u>	<u>\$ -</u>

	<u>Public School Capital Outlay</u>	<u>Other Governmental Funds</u>	<u>Total</u>
Property taxes receivable	\$ -	\$ 974,466	\$1,013,224
Due from other governments			
Federal sources	-	2,055,910	4,477,572
State sources	296,088	1,053,561	1,349,649
Other receivables	<u>-</u>	<u>15,900</u>	<u>1,271,007</u>
	<u>\$ 296,088</u>	<u>\$ 4,099,837</u>	<u>\$8,111,452</u>

The above receivables are deemed 100% collectible.

Component Unit:

Accounts receivable as of June 30, 2010, are as follows:

	<u>Component Unit</u>
Due from other governments	
Federal sources	<u>\$ 19,948</u>

The above receivables are deemed 100% collectible.

STATE OF NEW MEXICO
Gallup-McKinley County Public Schools
Notes to Financial Statements
June 30, 2010

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, 2010 is as follows:

<u>Due from other fund</u>	<u>Due to other fund</u>	<u>Amount</u>
Primary Government		
General Fund	Title I - IASA - Federal Stimulus*	\$ 826,065
General Fund	State Equalization Guarantee - Federal Stimulus*	1,148,228
General Fund	Public School Capital Outlay*	296,088
General Fund	Title I IASA	277,899
General Fund	Discretionary IDEA-B	44,003
General Fund	Private Schools Share IDEA-B	22,385
General Fund	21st Century Community Learning Centers 2008-2014	484,933
General Fund	"Risk Pool" IDEA-B	2,671
General Fund	Title I Family Literacy IASA	27,390
General Fund	Partnerships in Character Ed Pilot	1,889
General Fund	English Language Acquisition	306,099
General Fund	Title IV-A Safe and Drug Free Schools and Community	18,984
General Fund	Rural and Low Income Schools	238,420
General Fund	Title I School Improvement	268,744
General Fund	Immigrant Funding - Title III	441
General Fund	Reading First	14,370
General Fund	Carl Perkins Secondary - Current	16,847
General Fund	Entitlement IDEA-B - Federal Stimulus	95,078
General Fund	Early Intervention Services IDEA-B - Federal Stimulus	6,340
General Fund	Education of Homeless - Federal Stimulus	11
General Fund	Enhancing Education Through Technology - Federal Stimulus	740
General Fund	Johnson O'Malley	137,716
General Fund	Indian Health Services	9,380
General Fund	Indian Education Formula Grant	96,176
General Fund	21st Century Community Learning Centers	2,560
General Fund	Navajo Nations	15,095
General Fund	Teacher Quality Improvement	17,058
General Fund	Goals 2000 Parental Assistance	17,981
General Fund	Substance Abuse and Mental Health Services	41,018
General Fund	Save the Children	77,778
General Fund	Pump up the Volume in Preschools	2,179
General Fund	Community Based Organization PED	168,154
General Fund	2008 GO Bond Student Library Fund	68,756
General Fund	TANF - Full Day Kindergarten	1,513
General Fund	Laws of NM 2005	46,467
General Fund	Pre-K Initiative	106,178
Subtotal		<u>\$ 4,905,634</u>

STATE OF NEW MEXICO
 Gallup-McKinley County Public Schools
 Notes to Financial Statements
 June 30, 2010

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

<u>Due from other fund</u>	<u>Due to other fund</u>	<u>Amount</u>
Primary Government		
Subtotal		\$ 4,905,634
General Fund	Indian Education Act	116,723
General Fund	Reading Improvement Initiatives	2,704
General Fund	Teacher Professional Development Fund	288,925
General Fund	K-Plus Initiative	1,577
General Fund	School Improvement Framework	112,500
General Fund	Kindergarten - Three Plus	68,861
General Fund	Office of Child Development	6,170
General Fund	City/County Grants	6,311
General Fund	School Based Health Center	65,764
General Fund	Bond Building	<u>2,672,233</u>
Total		<u>\$ 8,247,402</u>

All interfund balances are to be repaid within one year. (*) Indicates a major fund.

The District 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, 2010 is as follows:

<u>Transfers Out</u>	<u>Transfers In</u>	<u>Amount</u>
Primary Government		
General Fund	Debt Service	\$ 2,917,860
Bond Building	Debt Service	2,470,000
Debt Service	Bond Building Capital Projects Fund	<u>85,441</u>
		<u>\$ 5,473,301</u>

STATE OF NEW MEXICO
 Gallup-McKinley County Public Schools
 Notes to Financial Statements
 June 30, 2010

NOTE 6. Capital Assets

A summary of capital assets and changes occurring during the year ended June 30, 2010, including those changes pursuant to the implementation of GASB Statement No. 34, follows. Land and construction in progress are not subject to depreciation.

Primary Government:

	Balance June 30, 2009	Additions	Deletions	Balance June 30, 2010
Capital assets not being depreciated:				
Land	\$ 18,085,610	\$ -	\$ -	\$ 18,085,610
Construction in progress	9,265,829	24,494,401	4,158,669	29,601,561
Total capital assets not being depreciated	<u>27,351,439</u>	<u>24,494,401</u>	<u>4,158,669</u>	<u>47,687,171</u>
Capital assets being depreciated:				
Buildings and improvements	367,978,076	10,486,488	18,747,721	359,716,843
Furniture, fixtures, and equipment	26,731,788	168,299	685,875	26,214,212
Total capital assets being depreciated	<u>394,709,864</u>	<u>10,654,787</u>	<u>19,433,596</u>	<u>385,931,055</u>
Total capital assets	<u>422,061,303</u>	<u>35,149,188</u>	<u>23,592,265</u>	<u>433,618,226</u>
Less accumulated depreciation:				
Buildings and improvements	76,569,874	8,162,109	6,878,501	77,853,482
Furniture, fixtures and equipment	18,446,695	1,723,614	204,470	19,965,839
Total accumulated depreciation	<u>95,016,569</u>	<u>9,885,723</u>	<u>7,082,971</u>	<u>97,819,321</u>
Total capital assets net of depreciation	<u>\$ 327,044,734</u>	<u>\$ 25,263,465</u>	<u>\$ 16,509,294</u>	<u>\$ 335,798,905</u>

Depreciation expense for the year ended June 30, 2010 was charged to the following functions:

Instruction	\$ 8,554,161
Support services-students	295,971
Support services-instruction	34,383
Support services-general administration	165,505
Support services-general administration	688
Central services	68,082
Operations and maintenance of plant	1,630
Student transportation	738,611
Food services operations	26,692
	<u>\$ 9,885,723</u>

STATE OF NEW MEXICO
 Gallup-McKinley County Public Schools
 Notes to Financial Statements
 June 30, 2010

NOTE 6. Capital Assets (continued)

The District has active construction projects as of June 30, 2010. 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, 2010. Additions of Gallup Middle School Renovation Phase II, Miyamura High School Renovation, and Thoreau Middle School were completed during the fiscal year with approximately \$24 million awarded by the Public School Capital Outlay Council.

Component Unit:

	Balance June 30, 2009	Additions	Deletions	Balance June 30, 2010
Capital assets being depreciated:				
Buildings and improvements	\$ -	\$ 182,646	\$ -	\$ 182,646
Furniture fixtures and equipment	120,058	-	91,519	28,539
Total capital assets	<u>120,058</u>	<u>182,646</u>	<u>91,519</u>	<u>211,185</u>
Less accumulated depreciation:				
Buildings and improvements	-	380	-	380
Furniture, fixtures and equipment	95,160	2,030	79,781	17,409
Total accumulated depreciation	<u>95,160</u>	<u>2,410</u>	<u>79,781</u>	<u>17,789</u>
Total capital assets net of depreciation	<u>\$ 24,898</u>	<u>\$ 180,236</u>	<u>\$ 11,738</u>	<u>\$ 193,396</u>

Depreciation expense for the year ended June 30, 2010 was charged to the following functions:

Instruction	\$ 2,030
Central services	380
	<u>\$ 2,410</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 \$68,550,000. During the year, general obligation bonds for the same purpose totaling \$7,175,000 were issued for erecting, remodeling, making additions to and furnishing schools buildings and purchasing and improving school grounds. In addition, these were used for refunding the District's outstanding General Obligation Bonds, Series 2000. General obligation bonds are direct obligations and pledge the full faith and credit of the District. These bonds are issued with varying terms and varying amounts of principal maturing each year. All general obligation bonds as of June 30, 2010 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, 2010

NOTE 7. Long-term Debt (continued)

Bonds outstanding during the year ended June 30, 2010, are comprised of the following:

	Series 8/1/1997	Series 8/1/1998	Series 6/1/1999	Series 5/1/2000
Original Issue:	5,000,000	5,000,000	5,000,000	3,500,000
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:	5.30% - 6.00%	4.10% - 5.60%	4.125% - 5.625%	5.00% - 6.50%
Maturity Date:	8/1/2009	8/1/2010	8/1/2011	8/1/2012

	Series 9/1/2001	Series 11/22/2002	Series 8/12/2003	Revenue Bond 1/6/2003
Original Issue:	10,375,000	3,500,000	3,000,000	16,568,373
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:	3.50% - 4.375%	1.41% - 5.339%	3.00% - 4.00%	1.23% - 4.35%
Maturity Date:	8/1/2013	8/1/2014	8/1/2016	8/1/2023

	Series 10/26/2004	Revenue Bond 5/1/2005	Revenue Bond 7/28/2006	Series 1/13/2006
Original Issue:	4,500,000	2,740,967	13,580,025	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:	3.30% - 4.75%	3.41% - 5.37%	3.62% - 4.49%	2.88% - 3.86%
Maturity Date:	8/1/2017	8/1/2026	8/1/2026	8/1/2018

	Series 5/16/2007	Series 3/3/2008	Series 1/6/2009	Series 11/24/2009
Original Issue:	5,500,000	5,500,000	6,000,000	2,425,000
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%	3.45% - 4.00%	3.45% - 5.00%	4.00% - 5.00%
Maturity Date:	8/1/2020	8/1/2021	8/1/2022	8/1/2012

	Series 5/3/2010
Original Issue:	4,750,000
Principal:	August 1
Interest:	February 1 August 1
Interest Rates:	1.33% - 4.35%
Maturity Date:	8/1/2023

STATE OF NEW MEXICO
Gallup-McKinley County Public Schools
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June 30, 2010

NOTE 7. Long-term Debt (continued)

The following is a summary of the long-term debt and the activity for the year June 30, 2010 (continued)

Primary Government:

	Balance June 30, 2009	Additions	Deletions	Balance June 30, 2010	Due Within One Year
General obligation bonds					
Series 8/1/1997	\$ 1,400,000	\$ -	\$ 1,400,000	\$ -	\$ -
General obligation bonds					
Series 8/1/1998	2,450,000	-	1,225,000	1,225,000	1,225,000
General obligation bonds					
Series 6/1/1999	3,250,000	-	325,000	2,925,000	1,400,000
General obligation bonds					
Series 5/1/2000	2,475,000	-	2,475,000	-	-
General obligation bonds					
Series 9/1/2001	1,550,000	-	100,000	1,450,000	100,000
General obligation bonds					
Series 11/22/2002	2,265,000	-	150,000	2,115,000	200,000
General obligation bonds					
Series 8/12/2003	2,400,000	-	50,000	2,350,000	50,000
General obligation bonds					
Series 10/26/2004	3,400,000	-	-	3,400,000	-
General obligation bonds					
Series 1/13/2006	4,300,000	-	100,000	4,200,000	100,000
General obligation bonds					
Series 5/16/2007	4,740,000	-	350,000	4,390,000	145,000
General obligation bonds					
Series 3/3/2008	5,500,000	-	450,000	5,050,000	300,000
General obligation bonds					
Series 1/6/2009	6,000,000	-	-	6,000,000	450,000
General obligation bonds					
Series 11/24/2009	-	2,425,000	-	2,425,000	1,500,000
General obligation bonds					
Series 5/3/2010	-	4,750,000	-	4,750,000	1,170,000
Revenue bond					
Series 1/6/2003	13,554,402	-	701,521	12,852,881	721,283
Revenue bond					
Series 5/1/2005	2,470,969	-	100,000	2,370,969	105,000
Revenue bond					
Series 7/28/2006	12,654,612	-	490,738	12,163,874	508,990
	<u>68,409,983</u>	<u>7,175,000</u>	<u>7,917,259</u>	<u>67,667,724</u>	<u>7,975,273</u>
Compensated absences	428,807	558,572	562,542	424,837	424,837
	<u>\$ 68,838,790</u>	<u>\$ 7,733,572</u>	<u>\$ 8,479,801</u>	<u>\$ 68,092,561</u>	<u>\$ 8,400,110</u>

STATE OF NEW MEXICO
 Gallup-McKinley County Public Schools
 Notes to Financial Statements
 June 30, 2010

NOTE 7. Long-term Debt (continued)

The annual requirements to amortize the General Obligation Bonds as of June 30, 2010, including interest payments are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2011	\$ 6,640,000	\$ 1,445,877	\$ 8,085,877
2012	4,430,000	1,193,778	5,623,778
2013	2,910,000	1,056,822	3,966,822
2014	3,215,000	948,089	4,163,089
2015	3,165,000	834,946	3,999,946
2016-2020	13,775,000	2,544,552	16,319,552
2021-2025	6,145,000	386,865	6,531,865
	<u>\$ 40,280,000</u>	<u>\$ 8,410,929</u>	<u>\$ 48,690,929</u>

The annual requirements to amortize the August 1, 1998 Series general obligation bonds outstanding as of June 30, 2010, including interest payments are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2011	<u>\$ 1,225,000</u>	<u>\$ 27,256</u>	<u>\$ 1,252,256</u>

The annual requirements to amortize June 1, 1999 Series general obligation bonds outstanding as of June 30, 2010, including interest payments are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2011	\$ 1,400,000	\$ 99,225	\$ 1,499,225
2012	1,525,000	34,313	1,559,313
	<u>\$ 2,925,000</u>	<u>\$ 133,538</u>	<u>\$ 3,058,538</u>

The annual requirements to amortize the September 1, 2001 Series general obligation bonds outstanding as of June 30, 2010, including interest payments are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
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>\$ 1,450,000</u>	<u>\$ 162,438</u>	<u>\$ 1,612,438</u>

STATE OF NEW MEXICO
 Gallup-McKinley County Public Schools
 Notes to Financial Statements
 June 30, 2010

NOTE 7. Long-term Debt (continued)

The annual requirements to amortize the November 22, 2002 Series general obligation bonds outstanding as of June 30, 2010, including interest payments are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
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	1,015,000	17,962	1,032,962
	<u>\$ 2,115,000</u>	<u>\$ 249,590</u>	<u>\$ 2,364,590</u>

The annual requirements to amortize the August 12, 2003 Series general obligation bonds outstanding as of June 30, 2010, including interest payments are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
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	400,000	46,750	446,750
2016-2020	1,000,000	40,000	1,040,000
	<u>\$ 2,350,000</u>	<u>\$ 372,563</u>	<u>\$ 2,722,563</u>

The annual requirements to amortize the October 26, 2004 Series general obligation bonds outstanding as of June 30, 2010, including interest payments are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
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	350,000	90,875	440,875
2016-2020	2,350,000	140,762	2,490,762
	<u>\$ 3,400,000</u>	<u>\$ 686,129</u>	<u>\$ 4,086,129</u>

STATE OF NEW MEXICO
 Gallup-McKinley County Public Schools
 Notes to Financial Statements
 June 30, 2010

NOTE 7. Long-term Debt (continued)

The annual requirements to amortize the January 13, 2006 Series general obligation bonds outstanding as of June 30, 2010, including interest payments are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
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	500,000	113,218	613,218
2016-2020	2,750,000	218,670	2,968,670
	<u>\$ 4,200,000</u>	<u>\$ 910,784</u>	<u>\$ 5,110,784</u>

The annual requirements to amortize the May 16, 2007 Series general obligation bonds outstanding as of June 30, 2010, including interest payments are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
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	200,000	133,869	333,869
2016-2020	2,850,000	410,367	3,260,367
2021-2025	695,000	12,957	707,957
	<u>\$ 4,390,000</u>	<u>\$ 1,157,109</u>	<u>\$ 5,547,109</u>

The annual requirements to amortize the March 3, 2008 Series general obligation bonds outstanding as of June 30, 2010, including interest payments are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
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	300,000	138,037	438,037
2016-2020	1,925,000	527,585	2,452,585
2021-2025	1,625,000	66,718	1,691,718
	<u>\$ 5,050,000</u>	<u>\$ 1,401,190</u>	<u>\$ 6,451,190</u>

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 Gallup-McKinley County Public Schools
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NOTE 7. Long-term Debt (continued)

The annual requirements to amortize the January 6, 2009 Series general obligation bonds outstanding as of June 30, 2010, including interest payments are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
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	200,000	200,025	400,025
2016-2020	1,850,000	830,150	2,680,150
2021-2025	2,600,000	198,375	2,798,375
	<u>\$ 6,000,000</u>	<u>\$ 2,134,340</u>	<u>\$ 8,134,340</u>

The annual requirements to amortize the November 24, 2009 Series general obligation bonds outstanding as of June 30, 2010, including interest payments are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2011	\$ 1,500,000	\$ 95,344	\$ 1,595,344
2012	635,000	24,300	659,300
2013	290,000	5,800	295,800
	<u>\$ 2,425,000</u>	<u>\$ 125,444</u>	<u>\$ 2,550,444</u>

The annual requirements to amortize the May 3, 2010 Series general obligation bonds outstanding as of June 30, 2010, including interest payments are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2011	\$ 1,170,000	\$ 148,981	\$ 1,318,981
2012	570,000	115,246	685,246
2013	270,000	105,840	375,840
2014	265,000	100,438	365,438
2015	200,000	94,210	294,210
2016-2020	1,050,000	377,018	1,427,018
2021-2025	1,225,000	108,815	1,333,815
	<u>\$ 4,750,000</u>	<u>\$ 1,050,548</u>	<u>\$ 5,800,548</u>

STATE OF NEW MEXICO
 Gallup-McKinley County Public Schools
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NOTE 7. Long-term Debt (continued)

The annual requirements to amortize all the outstanding Revenue Bonds as of June 30, 2010, including interest payments are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
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	1,526,824	888,595	2,415,419
2016-2020	8,590,899	3,481,660	12,072,559
2021-2025	9,349,188	1,497,732	10,846,920
2026-2030	2,307,079	108,025	2,415,104
	<u>\$ 27,387,724</u>	<u>\$ 10,042,503</u>	<u>\$ 37,430,227</u>

The annual requirements to amortize the January 6, 2003 Teacher Housing Revenue Bond outstanding as of June 30, 2010, including interest payments are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
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	820,215	372,300	1,192,515
2016-2020	4,591,276	1,386,715	5,977,991
2021-2025	4,416,560	387,751	4,804,311
	<u>\$ 12,852,881</u>	<u>\$ 3,881,056</u>	<u>\$ 16,733,937</u>

The annual requirements to amortize the May 1, 2005 Revenue Bond outstanding as of June 30, 2010, including interest payments are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
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	115,000	92,574	207,574
2016-2020	650,000	378,058	1,028,058
2021-2025	790,000	204,188	994,188
2026-2030	380,969	20,690	401,659
	<u>\$ 2,370,969</u>	<u>\$ 1,113,877</u>	<u>\$ 3,484,846</u>

STATE OF NEW MEXICO
 Gallup-McKinley County Public Schools
 Notes to Financial Statements
 June 30, 2010

NOTE 7. Long-term Debt (continued)

The annual requirements to amortize the July 28, 2006 Revenue Bond outstanding as of June 30, 2010, including interest payments are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
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	591,609	423,721	1,015,330
2016-2020	3,349,623	1,716,887	5,066,510
2021-2025	4,142,628	905,793	5,048,421
2026-2030	1,926,110	87,335	2,013,445
	\$ 12,163,874	\$ 5,047,570	\$ 17,211,444

Compensated Absences – Administrative employees of the District are able to accrue a limited amount of vacation and other compensatory time during the year. During fiscal year June 30, 2010, compensated absences decreased \$3,970 from the prior year accrual. In prior years, the general fund was typically used to liquidate long-term liabilities.

Component Unit:

	Balance June 30, 2009	Additions	Deletions	Balance June 30, 2010	Due Within One Year
Compensated absences	2,183	8,825	2,524	8,484	2,524
	\$ 2,183	\$ 8,825	\$ 2,524	\$ 8,484	\$ 2,524

Compensated Absences – Administrative employees of the Component Unit are able to accrue a limited amount of vacation and other compensatory time during the year. During fiscal year June 30, 2010, compensated absences increased \$6,301 from the prior year accrual. In prior years, the general fund was typically used to liquidate long-term liabilities.

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.

STATE OF NEW MEXICO
 Gallup-McKinley County Public Schools
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 June 30, 2010

NOTE 8. Risk Management (continued)

The NMPSIA provides coverage for up to a maximum of \$500,000,000 for each property damage claim with a \$15,000 deductible per occurrence with a maximum annual deductible of \$60,000. 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. No settlements exceeded insurance coverage for 2010.

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, 2010:

Primary Government:

Discretionary IDEA-B	\$ 44,003
Partnerships in Character Ed Pilot	1,889
Rural and Low Income Schools	74,852
Immigrant Funding - Title III	441
Reading First	14,370
21st Century Community Learning Centers	2,560
Teacher Quality Improvement	17,058
Goals 2000 Parental Assistance	17,981
Substance Abuse and Mental Health Services	41,018
TANF - Full Day Kindergarten	1,513
Laws of NM 2005	46,467
Reading Improvement Initiatives	2,704
K-Plus Initiative	1,577
City/County Grants	6,311
School Based Health Center	65,764
Bond Building	<u>247,233</u>
 Total	 <u><u>\$ 585,741</u></u>

Component Unit:

Public School Capital Outlay	<u><u>\$ 6,977</u></u>
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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, 2010:

Primary Government:

None

Component Unit:

None

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, 2010:

Primary Government:

Non-Budgeted SQS	\$ 24,894
Private Dir. Special Revenue Fund	7,686
Special Capital Outlay State Capital Projects Fund	<u>64,642</u>
Total	<u><u>\$ 97,222</u></u>

The cause 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.

Component Unit:

None

NOTE 10. ERB Pension Plan

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

Funding Policy. Effective July 1, 2009, plan members were required by statute to contribute 7.9% of their gross salary if they earned \$20,000 or less annually, and plan members earning more than \$20,000 annually were required to contribute 9.4% of their gross salary. The District was required to contribute 12.4% of the gross covered salary for employees earning \$20,000 or less, and 10.9% of the gross salary of employees earning more than \$20,000 annually. The employer contribution is increasing by .75% each year until effective July 1, 2011, the employer contribution will be 13.9% of the gross covered salary. The contribution requirements of plan members and the District are established in State statute under Chapter 22, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. The District's contributions to ERB for the fiscal years ending June 30, 2010, 2009, and 2008 were \$8,758,909, \$8,810,298, and \$8,185,158, respectively, which equal the amount of the required contributions for each fiscal year.

STATE OF NEW MEXICO
 Gallup-McKinley County Public Schools
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NOTE 11. Post-Employment Benefits – Retiree Health Care Plan

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

Eligible retirees are: 1) retirees who make contributions to the fund for at least five years prior to retirement and whose eligible employer during that period of time made contributions as a participant in the RHCA plan on the person’s behalf unless that person retires before the employer’s RHCA effective date, in which 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.

The Retiree Health Care Act (Section 10-7C-15 NMSA 1978) is the statutory authority that establishes the required contributions of participating employers and their employees. During the fiscal year ended June 30, 2010, the statute required each participating employer to contribute 1.3% of each participating employee’s annual salary; each participating employee was required to contribute .65% of their salary. In the fiscal years ending June 30, 2011 through June 30, 2013 the contribution rates for employees and employers will rise as follows:

<u>Fiscal Year</u>	<u>Employer Contribution Rate</u>	<u>Employee Contribution Rate</u>
FY11	1.666%	.833%
FY12	1.834%	.917%
FY13	2.000%	1.000%

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

The RHCA plan is financed on a pay-as-you-go basis. The employer, employee and retiree contributions are required to be remitted to the RHCA on a monthly basis. The statutory requirements for the contributions can be changed by the New Mexico State Legislature. The District’s contribution to the RHCA for the years ended June 30, 2010, 2009, and 2008 were \$1,005,272, \$1,005,837, and \$976,421, respectively, which equal the required contribution for each year.

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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.

NOTE 13. Commitments

The District's commitments as of June 30, 2010 are as follows:

<u>Construction Projects</u>	<u>Contract Amount</u>	<u>Projected Completion Date</u>
Thoreau Middle School	\$ 1,840,000	Fiscal year 10/11
Crownpoint Elementary School	\$ 205,399	Fiscal year 11/12
Roof Repairs/Replacement	\$ 246,315	Fiscal year 10/11
Tohatchi Teacherage	\$ 54,400	Fiscal year 10/11
Miyamura High School	\$ 35,457,971	Fiscal year 10/11

Portion of the following construction projects in process are paid directly 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

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NOTE 14. Joint Powers Agreements (continued)

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

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. Infrequent and Extraordinary Item

During the year ended June 30, 2010, the District experienced an infrequent and extraordinary item resulting in a loss on disposal of buildings of \$12,350,625. This was the result of the demolition of Miyamura High School and Thoreau Middle School. The original buildings were built in the 1960's, and the foundations were not built appropriately for the soil that they were constructed on. This resulted in structural damage to the buildings over time. In the late 1990's and early 2000's, both of these schools underwent substantial renovations, however the foundation problems were not properly addressed. During recent years, the District and the Public Schools Facilities Authority (PSFA) determined that the buildings were not safe due to structural deficiencies. PSFA agreed to subsidize the cost of demolishing both of the old buildings. They also agreed to pay a matching portion to correct and improve the foundations and rebuild the school buildings.

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NOTE 16. Subsequent Events

The date to which events occurring after June 30, 2010, the date of the most recent balance sheet, have been evaluated for possible adjustment to the financial statements or disclosures is November 12, 2010 which is the date on which the financial statements were available to be issued.

The District authorized and issued general obligation bonds on October 4, 2010. The purpose of the Series 2010\B General Obligation bonds are to erect, remodel, make additions to and furnish school buildings and purchase or improve school grounds and purchasing computer software and hardware or any combination.

SUPPLEMENTARY INFORMATION

NONMAJOR GOVERNMENTAL FUNDS

STATE OF NEW MEXICO
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SPECIAL REVENUE FUNDS

Food Service (21000) – This fund is utilized to account for Federal and Local sources of income relating to the food service programs. The Food Service 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 New Mexico Public Education Department.

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 residing in the area. 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 Public Education Department. 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.

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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 Public Education Department.

Private Schools Share IDEA B (24115) - Under 34 CFR §§ 300.132-300.133, an local educational agencies (LEA) must spend a proportionate amount of their IDEA-B Basic Entitlement and, if applicable, Preschool sub-grant funds for special education and related services (“equitable participation services”) to students with disabilities who are parentally placed in private elementary and secondary schools (“equitable participation services”) located in the school district served by the LEA. The private schools must be nonprofit institutions. Children aged three through five are considered to be parentally-placed private school children with disabilities only if they are enrolled in a private school that meets the definition of elementary school in 34 CFR §300.13. New Mexico State law defines an elementary school as “a public school providing instruction for grades kindergarten through eight, unless there is a junior high school program approved by the state board [department], in which case it means a public school providing instruction for grades kindergarten through six” 22-1-3(A) NMSA 1978.

Fresh Fruits and Vegetables (24118) – To account for funds administered by the New Mexico State University though New Mexico Human Services Department to promote nutrition education to students and parents.

21st 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 12th grade focusing on the neighborhood and the community as a classroom PL103-382.

“Risk Pool” IDEA-B (24120) - Entitlement funds that are set aside each year for the Puente para los Ninos high cost child program.

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 Public Education Department. 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 and 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 Public Education Department. 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).

Title V-A Innovative Education Program (24150) – 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 Elementary and Secondary Education Act of 1965, Title V, Part A, as amended, 20 U.S.C. 7301-7373.

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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.

Teacher/Principal Training and 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 and Drug Free Schools and 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 and 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 (24174, 24175, and 25176) – 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.

Entitlement IDEA-B - Federal Stimulus (24206) - Under the American Recovery and Reinvestment Act of 2009 (ARRA), this grant is subject to the provisions of the Entitlement IDEA-B grant.

Preschool IDEA-B - Federal Stimulus (24209) - Under the American Recovery and Reinvestment Act of 2009 (ARRA), this grant is subject to the provisions of the Preschool IDEA-B grant.

Early Intervention Services IDEA-B - Federal Stimulus (24212) - Under the American Recovery and Reinvestment Act of 2009 (ARRA), these federal funds are for students in kindergarten through grade 12 (with a particular emphasis on students in kindergarten through grade 3) who have not been identified as needing special education or related services but who need additional academic and behavioral support to succeed in the general education environment.

Education of Homeless - Federal Stimulus (24213) - Under the American Recovery and Reinvestment Act of 2009 (ARRA), this grant is subject to the provisions of Education of Homeless grant.

Private School Share IDEA-B Share - Federal Stimulus (24115) - Under the American Recovery and Reinvestment Act of 2009 (ARRA), this grant is subject to the provisions of the IDEA-B Private School Share grant.

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June 30, 2010

Enhancing Education Through Technology - Federal Stimulus (24249) – To supplement the Enhancing Ed programs within the District and provide salaries to highly qualified individuals. American Recovery and Reinvestment Act of 2009 (ARRA).

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.

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

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.

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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 and 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

Navajo Nations (25201) - To coordinate and develop technologies for professional development to increase student achievement, and 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 Public Education Department to provide training for teachers and counselors PL103-227.

Substance Abuse and 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.

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.

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Bill and 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 Public Education Department 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 and 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 Public Education Department School District Policies and Procedures Manual.

Parents Reaching Out and 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.

Pump up the Volume in Preschools (26201) – To account for a project funded by a grant from the US Department of Education Office of School Accountability to develop Preschool Centers of Excellence, focusing on early reading skills, for up to 280 children in each of three years, in preschool classrooms at nine (9) District elementary schools.

SES After School Tutoring (26202) – Gallup-McKinley County Schools has been approved by the NM Public Education Department as a supplemental educational services (SES) provider. The services provided include supplemental academic enrichment services that are in addition to instruction provided during the school day, and are designed to increase the academic achievement of eligible students on academic assessment and attain proficiency in meeting state academic achievement standards.

Community Based Organization PED (27102) – To provide funding for the unique needs of a new school's first year of operation. Authority for the creation of this fund is the New Mexico Public Education Department.

2008 GO Bond Student Library Fund (27105) - Must be used to fund each library facility for improvement or acquisition and to acquire library books and library resources to support the library program. Authority for the creation of this fund is the New Mexico Public Education Department.

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. Authority for the creation of this fund is the New Mexico Public Education Department.

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.

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 NM 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.

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Pre-K Initiative (27149) — To account for funds received 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.

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 – 21st 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 12th grade focusing on the neighborhood and the community as a classroom. PL103-382

Libraries – SB 301 GO Bonds (27170) – Funds are used for the improvement or acquisition of all public school libraries and to 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.

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, which helps organizations and professionals work with parents during the critical early years of their children's lives, from conception to kindergarten.

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

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.

City/County Grants (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 Center (29130) – To account for funds administered by the Department of Health and McKinley County in support of providing Primary Care and Mental Health Service on school campus.

CAPITAL PROJECTS FUNDS

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 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 (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 New Mexico Public Education Department.

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

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.

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 Combining Balance Sheet
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Special Revenue

ASSETS	<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	\$ 1,939,762	\$ 177,248	\$ 432,169	\$ 70,747
Property taxes receivable	-	-	-	-
Due from other governments	-	-	-	-
Other receivables	-	15,656	-	150
Inventory	54,581	-	-	-
<i>Total assets</i>	<u>\$ 1,994,343</u>	<u>\$ 192,904</u>	<u>\$ 432,169</u>	<u>\$ 70,897</u>
LIABILITIES AND FUND BALANCE				
<i>Current liabilities</i>				
Accounts payable	\$ 209,408	\$ -	\$ -	\$ -
Accrued payroll	52,363	-	-	-
Deferred revenue	-	-	-	-
Due to other funds	-	-	-	-
<i>Total liabilities</i>	<u>261,771</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances</i>				
Reserved for				
Inventory	54,581	-	-	-
Unreserved				
Undesignated, reported in				
Special revenue funds	1,677,991	192,904	432,169	70,897
Debt service fund	-	-	-	-
Capital projects funds	-	-	-	-
<i>Total fund balance</i>	<u>1,732,572</u>	<u>192,904</u>	<u>432,169</u>	<u>70,897</u>
<i>Total liabilities and fund balance</i>	<u>\$ 1,994,343</u>	<u>\$ 192,904</u>	<u>\$ 432,169</u>	<u>\$ 70,897</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>
\$ 6,939	\$ 7,200	\$ 113,960	\$ 1,916	\$ -	\$ 152,568
-	-	-	-	-	-
-	-	-	-	359,664	-
-	-	-	-	94	-
-	-	-	-	-	-
<u>\$ 6,939</u>	<u>\$ 7,200</u>	<u>\$ 113,960</u>	<u>\$ 1,916</u>	<u>\$ 359,758</u>	<u>\$ 152,568</u>
\$ -	\$ -	\$ 596	\$ -	\$ 81,859	\$ 7,343
-	-	-	-	-	120
-	-	-	-	-	145,105
-	-	-	-	277,899	-
-	-	596	-	359,758	152,568
-	-	-	-	-	-
6,939	7,200	113,364	1,916	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>6,939</u>	<u>7,200</u>	<u>113,364</u>	<u>1,916</u>	<u>-</u>	<u>-</u>
<u>\$ 6,939</u>	<u>\$ 7,200</u>	<u>\$ 113,960</u>	<u>\$ 1,916</u>	<u>\$ 359,758</u>	<u>\$ 152,568</u>

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Special Revenue

	Discretionary IDEA-B	Preschool IDEA- B	Early Intervention Services IDEA-B	Education of Homeless
ASSETS				
<i>Current assets</i>				
Cash and cash equivalents	\$ -	\$ 12,236	\$ 950	\$ -
Property taxes receivable	-	-	-	-
Due from other governments	-	-	830	-
Other receivables	-	-	-	-
Inventory	-	-	-	-
<i>Total assets</i>	<u>\$ -</u>	<u>\$ 12,236</u>	<u>\$ 1,780</u>	<u>\$ -</u>
LIABILITIES AND FUND BALANCE				
<i>Current liabilities</i>				
Accounts payable	\$ -	\$ 229	\$ -	\$ -
Accrued payroll	-	-	-	-
Deferred revenue	-	12,007	1,780	-
Due to other funds	44,003	-	-	-
<i>Total liabilities</i>	<u>44,003</u>	<u>12,236</u>	<u>1,780</u>	<u>-</u>
<i>Fund balances</i>				
Reserved for				
Inventory	-	-	-	-
Unreserved				
Undesignated, reported in				
Special revenue funds	(44,003)	-	-	-
Debt service fund	-	-	-	-
Capital projects funds	-	-	-	-
<i>Total fund balance</i>	<u>(44,003)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total liabilities and fund balance</i>	<u>\$ -</u>	<u>\$ 12,236</u>	<u>\$ 1,780</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

Special Revenue

Private Schools Share IDEA-B	Fresh Fruits and Vegetables	21st Century Community Learning Centers 2008-2014	"Risk Pool" IDEA- B	Title I Family Literacy IASA	Title IV Drug Free Schools and Comm/Ed
\$ -	\$ 12,409	\$ -	\$ -	\$ 83	\$ 1,939
-	-	-	-	-	-
27,344	-	486,948	3,128	27,423	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 27,344</u>	<u>\$ 12,409</u>	<u>\$ 486,948</u>	<u>\$ 3,128</u>	<u>\$ 27,506</u>	<u>\$ 1,939</u>
\$ 135	\$ -	\$ 2,015	\$ -	\$ 116	\$ -
-	-	-	457	-	-
4,824	-	-	-	-	-
22,385	-	484,933	2,671	27,390	-
<u>27,344</u>	<u>-</u>	<u>486,948</u>	<u>3,128</u>	<u>27,506</u>	<u>-</u>
-	-	-	-	-	-
-	12,409	-	-	-	1,939
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>12,409</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,939</u>
<u>\$ 27,344</u>	<u>\$ 12,409</u>	<u>\$ 486,948</u>	<u>\$ 3,128</u>	<u>\$ 27,506</u>	<u>\$ 1,939</u>

STATE OF NEW MEXICO
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Special Revenue

ASSETS	<u>Partnerships in Character Ed Pilot</u>	<u>Title V-A Innovative Education Program</u>	<u>English Language Acquisition</u>	<u>Teacher/Principal Training and Recruiting</u>
<i>Current assets</i>				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ 89,849
Property taxes receivable	-	-	-	-
Due from other governments	-	-	315,603	-
Other receivables	-	-	-	-
Inventory	-	-	-	-
<i>Total assets</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 315,603</u>	<u>\$ 89,849</u>
LIABILITIES AND FUND BALANCE				
<i>Current liabilities</i>				
Accounts payable	\$ -	\$ -	\$ 8,454	\$ 5,463
Accrued payroll	-	-	1,050	-
Deferred revenue	-	-	-	84,386
Due to other funds	1,889	-	306,099	-
<i>Total liabilities</i>	<u>1,889</u>	<u>-</u>	<u>315,603</u>	<u>89,849</u>
<i>Fund balances</i>				
Reserved for				
Inventory	-	-	-	-
Unreserved				
Undesignated, reported in				
Special revenue funds	(1,889)	-	-	-
Debt service fund	-	-	-	-
Capital projects funds	-	-	-	-
<i>Total fund balance</i>	<u>(1,889)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total liabilities and fund balance</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 315,603</u>	<u>\$ 89,849</u>

The accompanying notes are an integral part of these financial statements

Special Revenue

Title IV-A Safe and Drug Free Schools and Community	21st Century Community Living Center	Rural and Low Income Schools	Title I School Improvement	Immigrant Funding - Title III	School Renovation, IDEA and Technology
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 23,198
-	-	-	-	-	-
37,968	-	164,108	268,744	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 37,968</u>	<u>\$ -</u>	<u>\$ 164,108</u>	<u>\$ 268,744</u>	<u>\$ -</u>	<u>\$ 23,198</u>
\$ -	\$ -	\$ 540	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
18,984	-	238,420	268,744	441	-
<u>18,984</u>	<u>-</u>	<u>238,960</u>	<u>268,744</u>	<u>441</u>	<u>-</u>
18,984	-	(74,852)	-	(441)	23,198
-	-	-	-	-	-
-	-	-	-	-	-
<u>18,984</u>	<u>-</u>	<u>(74,852)</u>	<u>-</u>	<u>(441)</u>	<u>23,198</u>
<u>\$ 37,968</u>	<u>\$ -</u>	<u>\$ 164,108</u>	<u>\$ 268,744</u>	<u>\$ -</u>	<u>\$ 23,198</u>

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Special Revenue

	<u>Reading First</u>	<u>Carl D Perkins Secondary - Current</u>	<u>Carl D Perkins Secondary - PY Unliq. Obligations</u>	<u>Carl D Perkins Secondary - Redistribution</u>
ASSETS				
<i>Current assets</i>				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -
Property taxes receivable	-	-	-	-
Due from other governments	-	17,873	8,342	-
Other receivables	-	-	-	-
Inventory	-	-	-	-
<i>Total assets</i>	<u>\$ -</u>	<u>\$ 17,873</u>	<u>\$ 8,342</u>	<u>\$ -</u>
LIABILITIES AND FUND BALANCE				
<i>Current liabilities</i>				
Accounts payable	\$ -	\$ -	\$ 8,342	\$ -
Accrued payroll	-	-	-	-
Deferred revenue	-	1,026	-	-
Due to other funds	14,370	16,847	-	-
<i>Total liabilities</i>	<u>14,370</u>	<u>17,873</u>	<u>8,342</u>	<u>-</u>
<i>Fund balances</i>				
Reserved for				
Inventory	-	-	-	-
Unreserved				
Undesignated, reported in				
Special revenue funds	(14,370)	-	-	-
Debt service fund	-	-	-	-
Capital projects funds	-	-	-	-
<i>Total fund balance</i>	<u>(14,370)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total liabilities and fund balance</i>	<u>\$ -</u>	<u>\$ 17,873</u>	<u>\$ 8,342</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

Special Revenue

Entitlement IDEA-B - Federal Stimulus	Preschool IDEA- B Federal Stimulus	Early Intervention Services IDEA-B - Federal Stimulus	Education of Homeless - Federal Stimulus	Private School Share IDEA-B - Federal Stimulus	Enhancing Education Through Technology - Federal Stimulus
\$ 640	\$ -	\$ -	\$ -	\$ 4,896	\$ -
-	-	-	-	-	-
94,592	425	6,340	11	-	4,616
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 95,232</u>	<u>\$ 425</u>	<u>\$ 6,340</u>	<u>\$ 11</u>	<u>\$ 4,896</u>	<u>\$ 4,616</u>
\$ 154	\$ 425	\$ -	\$ -	\$ -	\$ 3,876
-	-	-	-	-	-
-	-	-	-	4,896	-
95,078	-	6,340	11	-	740
-	-	-	-	-	-
<u>95,232</u>	<u>425</u>	<u>6,340</u>	<u>11</u>	<u>4,896</u>	<u>4,616</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 95,232</u>	<u>\$ 425</u>	<u>\$ 6,340</u>	<u>\$ 11</u>	<u>\$ 4,896</u>	<u>\$ 4,616</u>

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Special Revenue

	Bilingual Education Title VII	JTPA	Johnson O'Malley	General Ed. Projects "Star Schools"
ASSETS				
<i>Current assets</i>				
Cash and cash equivalents	\$ 84,141	\$ 178	\$ -	\$ 45,556
Property taxes receivable	-	-	-	-
Due from other governments	-	-	160,470	-
Other receivables	-	-	-	-
Inventory	-	-	-	-
<i>Total assets</i>	<u>\$ 84,141</u>	<u>\$ 178</u>	<u>\$ 160,470</u>	<u>\$ 45,556</u>
LIABILITIES AND FUND BALANCE				
<i>Current liabilities</i>				
Accounts payable	\$ -	\$ -	\$ 18,793	\$ -
Accrued payroll	-	-	3,961	-
Deferred revenue	-	-	-	-
Due to other funds	-	-	137,716	-
<i>Total liabilities</i>	<u>-</u>	<u>-</u>	<u>160,470</u>	<u>-</u>
<i>Fund balances</i>				
Reserved for				
Inventory	-	-	-	-
Unreserved				
Undesignated, reported in				
Special revenue funds	84,141	178	-	45,556
Debt service fund	-	-	-	-
Capital projects funds	-	-	-	-
<i>Total fund balance</i>	<u>84,141</u>	<u>178</u>	<u>-</u>	<u>45,556</u>
<i>Total liabilities and fund balance</i>	<u>\$ 84,141</u>	<u>\$ 178</u>	<u>\$ 160,470</u>	<u>\$ 45,556</u>

The accompanying notes are an integral part of these financial statements

Special Revenue

<u>Impact Aid Special Education</u>	<u>GRADS Child Care CYFD</u>	<u>Title XIX - Medicaid 3/21 Years</u>	<u>Child Care Block Grant CYFD</u>	<u>TANF/GRADS HSD</u>	<u>Child and Adult Food Program</u>
\$ 1,179,748	\$ 15,431	\$ 285,431	\$ 214,117	\$ 12,729	\$ 10,592
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 1,179,748</u>	<u>\$ 15,431</u>	<u>\$ 285,431</u>	<u>\$ 214,117</u>	<u>\$ 12,729</u>	<u>\$ 10,592</u>
\$ 563	\$ 235	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>563</u>	<u>235</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
1,179,185	15,196	285,431	214,117	12,729	10,592
-	-	-	-	-	-
-	-	-	-	-	-
<u>1,179,185</u>	<u>15,196</u>	<u>285,431</u>	<u>214,117</u>	<u>12,729</u>	<u>10,592</u>
<u>\$ 1,179,748</u>	<u>\$ 15,431</u>	<u>\$ 285,431</u>	<u>\$ 214,117</u>	<u>\$ 12,729</u>	<u>\$ 10,592</u>

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Special Revenue

	<u>Indian Health Services</u>	<u>Indian Education Formula Grant</u>	<u>21st Century Community Learning Centers</u>	<u>Navajo Nations</u>
ASSETS				
<i>Current assets</i>				
Cash and cash equivalents	\$ -	\$ 60,000	\$ -	\$ -
Property taxes receivable	-	-	-	-
Due from other governments	10,049	45,987	-	15,095
Other receivables	-	-	-	-
Inventory	-	-	-	-
<i>Total assets</i>	<u>\$ 10,049</u>	<u>\$ 105,987</u>	<u>\$ -</u>	<u>\$ 15,095</u>
LIABILITIES AND FUND BALANCE				
<i>Current liabilities</i>				
Accounts payable	\$ 669	\$ 9,811	\$ -	\$ -
Accrued payroll	-	-	-	-
Deferred revenue	-	-	-	-
Due to other funds	9,380	96,176	2,560	15,095
<i>Total liabilities</i>	<u>10,049</u>	<u>105,987</u>	<u>2,560</u>	<u>15,095</u>
<i>Fund balances</i>				
Reserved for				
Inventory	-	-	-	-
Unreserved				
Undesignated, reported in				
Special revenue funds	-	-	(2,560)	-
Debt service fund	-	-	-	-
Capital projects funds	-	-	-	-
<i>Total fund balance</i>	<u>-</u>	<u>-</u>	<u>(2,560)</u>	<u>-</u>
<i>Total liabilities and fund balance</i>	<u>\$ 10,049</u>	<u>\$ 105,987</u>	<u>\$ -</u>	<u>\$ 15,095</u>

The accompanying notes are an integral part of these financial statements

Special Revenue

Technology Challenge Grant USDE	Title V Indian Health Care Improvement Act	Teacher Quality Improvement	Tobacco Use Prevention and Control Program	Goals 2000 Parental Assistance	Substance Abuse and Mental Health Services
\$ 11,739	\$ 139,229	\$ -	\$ 62	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 11,739</u>	<u>\$ 139,229</u>	<u>\$ -</u>	<u>\$ 62</u>	<u>\$ -</u>	<u>\$ -</u>
\$ -	\$ 526	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	138,703	-	-	-	-
-	-	17,058	-	17,981	41,018
<u>-</u>	<u>139,229</u>	<u>17,058</u>	<u>-</u>	<u>17,981</u>	<u>41,018</u>
-	-	-	-	-	-
11,739	-	(17,058)	62	(17,981)	(41,018)
-	-	-	-	-	-
-	-	-	-	-	-
<u>11,739</u>	<u>-</u>	<u>(17,058)</u>	<u>62</u>	<u>(17,981)</u>	<u>(41,018)</u>
<u>\$ 11,739</u>	<u>\$ 139,229</u>	<u>\$ -</u>	<u>\$ 62</u>	<u>\$ -</u>	<u>\$ -</u>

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Special Revenue

	<u>Carol M White Physical Fitness</u>	<u>Native American Program</u>	<u>Impact Aid Construction</u>	<u>Bill and Melinda Gates Foundation</u>
ASSETS				
<i>Current assets</i>				
Cash and cash equivalents	\$ -	\$ 182	\$ 1,506,214	\$ 2,839
Property taxes receivable	-	-	-	-
Due from other governments	-	-	350	-
Other receivables	-	-	-	-
Inventory	-	-	-	-
<i>Total assets</i>	<u>\$ -</u>	<u>\$ 182</u>	<u>\$ 1,506,564</u>	<u>\$ 2,839</u>
LIABILITIES AND FUND BALANCE				
<i>Current liabilities</i>				
Accounts payable	\$ -	\$ -	\$ 233,515	\$ -
Accrued payroll	-	-	-	-
Deferred revenue	-	182	-	-
Due to other funds	-	-	-	-
<i>Total liabilities</i>	<u>-</u>	<u>182</u>	<u>233,515</u>	<u>-</u>
<i>Fund balances</i>				
Reserved for				
Inventory	-	-	-	-
Unreserved				
Undesignated, reported in				
Special revenue funds	-	-	1,273,049	2,839
Debt service fund	-	-	-	-
Capital projects funds	-	-	-	-
<i>Total fund balance</i>	<u>-</u>	<u>-</u>	<u>1,273,049</u>	<u>2,839</u>
<i>Total liabilities and fund balance</i>	<u>\$ -</u>	<u>\$ 182</u>	<u>\$ 1,506,564</u>	<u>\$ 2,839</u>

The accompanying notes are an integral part of these financial statements

Special Revenue

<u>Save the Children</u>	<u>Center for Ed and Study of Diverse Populations</u>	<u>Parents Reaching Out</u>	<u>Pump up the Volume in Preschools</u>	<u>SES After School Tutoring</u>	<u>Community Based Organization PED</u>
\$ -	\$ 181	\$ 260	\$ -	\$ 179,522	\$ -
-	-	-	-	-	-
77,778	-	-	2,179	-	168,154
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 77,778</u>	<u>\$ 181</u>	<u>\$ 260</u>	<u>\$ 2,179</u>	<u>\$ 179,522</u>	<u>\$ 168,154</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
77,778	-	-	2,179	-	168,154
<u>77,778</u>	<u>-</u>	<u>-</u>	<u>2,179</u>	<u>-</u>	<u>168,154</u>
-	-	-	-	-	-
-	181	260	-	179,522	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>181</u>	<u>260</u>	<u>-</u>	<u>179,522</u>	<u>-</u>
<u>\$ 77,778</u>	<u>\$ 181</u>	<u>\$ 260</u>	<u>\$ 2,179</u>	<u>\$ 179,522</u>	<u>\$ 168,154</u>

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 Combining Balance Sheet
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Special Revenue

ASSETS	2008 GO Bond Student Library Fund	TANF PED	Technology for Education PED	TANF - Full Day Kindergarten
<i>Current assets</i>				
Cash and cash equivalents	\$ -	\$ 1,147	\$ 6,403	\$ -
Property taxes receivable	-	-	-	-
Due from other governments	70,340	-	797	-
Other receivables	-	-	-	-
Inventory	-	-	-	-
<i>Total assets</i>	<u>\$ 70,340</u>	<u>\$ 1,147</u>	<u>\$ 7,200</u>	<u>\$ -</u>
LIABILITIES AND FUND BALANCE				
<i>Current liabilities</i>				
Accounts payable	\$ 1,584	\$ -	\$ 7,200	\$ -
Accrued payroll	-	-	-	-
Deferred revenue	-	-	-	-
Due to other funds	68,756	-	-	1,513
<i>Total liabilities</i>	<u>70,340</u>	<u>-</u>	<u>7,200</u>	<u>1,513</u>
<i>Fund balances</i>				
Reserved for				
Inventory	-	-	-	-
Unreserved				
Undesignated, reported in				
Special revenue funds	-	1,147	-	(1,513)
Debt service fund	-	-	-	-
Capital projects funds	-	-	-	-
<i>Total fund balance</i>	<u>-</u>	<u>1,147</u>	<u>-</u>	<u>(1,513)</u>
<i>Total liabilities and fund balance</i>	<u>\$ 70,340</u>	<u>\$ 1,147</u>	<u>\$ 7,200</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

Special Revenue

Incentives for School Improvement Act	Laws of NM 2005	Pre-K Initiative	Indian Education Act	Reading Improvement Initiatives	Beginning Teacher Mentoring Program
\$ 84,199	\$ -	\$ -	\$ -	\$ -	\$ 12,253
-	-	-	-	-	-
-	-	106,178	116,723	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 84,199</u>	<u>\$ -</u>	<u>\$ 106,178</u>	<u>\$ 116,723</u>	<u>\$ -</u>	<u>\$ 12,253</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	1,000
-	-	-	-	-	-
-	46,467	106,178	116,723	2,704	-
-	46,467	106,178	116,723	2,704	1,000
-	-	-	-	-	-
84,199	(46,467)	-	-	(2,704)	11,253
-	-	-	-	-	-
-	-	-	-	-	-
<u>84,199</u>	<u>(46,467)</u>	<u>-</u>	<u>-</u>	<u>(2,704)</u>	<u>11,253</u>
<u>\$ 84,199</u>	<u>\$ -</u>	<u>\$ 106,178</u>	<u>\$ 116,723</u>	<u>\$ -</u>	<u>\$ 12,253</u>

STATE OF NEW MEXICO
Gallup-McKinley County Public Schools
Nonmajor Governmental Funds
Combining Balance Sheet
June 30, 2010

Special Revenue

	Breakfast for Elementary Students	Teacher Professional Development Fund	K-Plus Initiative	Schools in Need of Improvement
ASSETS				
<i>Current assets</i>				
Cash and cash equivalents	\$ 56,572	\$ 10	\$ -	\$ 9,642
Property taxes receivable	-	-	-	-
Due from other governments	-	288,915	-	-
Other receivables	-	-	-	-
Inventory	-	-	-	-
<i>Total assets</i>	<u>\$ 56,572</u>	<u>\$ 288,925</u>	<u>\$ -</u>	<u>\$ 9,642</u>
LIABILITIES AND FUND BALANCE				
<i>Current liabilities</i>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued payroll	-	-	-	-
Deferred revenue	-	-	-	-
Due to other funds	-	288,925	1,577	-
<i>Total liabilities</i>	<u>-</u>	<u>288,925</u>	<u>1,577</u>	<u>-</u>
<i>Fund balances</i>				
Reserved for				
Inventory	-	-	-	-
Unreserved				
Undesignated, reported in				
Special revenue funds	56,572	-	(1,577)	9,642
Debt service fund	-	-	-	-
Capital projects funds	-	-	-	-
<i>Total fund balance</i>	<u>56,572</u>	<u>-</u>	<u>(1,577)</u>	<u>9,642</u>
<i>Total liabilities and fund balance</i>	<u>\$ 56,572</u>	<u>\$ 288,925</u>	<u>\$ -</u>	<u>\$ 9,642</u>

The accompanying notes are an integral part of these financial statements

Special Revenue

School Improvement Framework	Kindergarten - Three Plus	State - 21st Century Learning Center	Libraries - SB 301 GO Bonds	Library Book Fund	Pathways Project UNM
\$ -	\$ 497	\$ -	\$ -	\$ 6,917	\$ 219
-	-	-	-	-	-
112,500	68,391	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 112,500</u>	<u>\$ 68,888</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,917</u>	<u>\$ 219</u>
\$ -	\$ 27	\$ -	\$ -	\$ 479	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
112,500	68,861	-	-	-	-
<u>112,500</u>	<u>68,888</u>	<u>-</u>	<u>-</u>	<u>479</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	6,438	219
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,438</u>	<u>219</u>
<u>\$ 112,500</u>	<u>\$ 68,888</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,917</u>	<u>\$ 219</u>

STATE OF NEW MEXICO
 Gallup-McKinley County Public Schools
 Nonmajor Governmental Funds
 Combining Balance Sheet
 June 30, 2010

Special Revenue

	Parents as Teachers	AP New Mexico Incentive Funding	Office of Child Development	Regional Quality Center
ASSETS				
<i>Current assets</i>				
Cash and cash equivalents	\$ 28,282	\$ 142	\$ -	\$ 62,491
Property taxes receivable	-	-	-	-
Due from other governments	-	-	30,000	-
Other receivables	-	-	-	-
Inventory	-	-	-	-
<i>Total assets</i>	<u>\$ 28,282</u>	<u>\$ 142</u>	<u>\$ 30,000</u>	<u>\$ 62,491</u>
LIABILITIES AND FUND BALANCE				
<i>Current liabilities</i>				
Accounts payable	\$ -	\$ -	\$ -	\$ 1,200
Accrued payroll	-	-	-	-
Deferred revenue	-	-	-	-
Due to other funds	-	-	6,170	-
<i>Total liabilities</i>	<u>-</u>	<u>-</u>	<u>6,170</u>	<u>1,200</u>
<i>Fund balances</i>				
Reserved for				
Inventory	-	-	-	-
Unreserved				
Undesignated, reported in				
Special revenue funds	28,282	142	23,830	61,291
Debt service fund	-	-	-	-
Capital projects funds	-	-	-	-
<i>Total fund balance</i>	<u>28,282</u>	<u>142</u>	<u>23,830</u>	<u>61,291</u>
<i>Total liabilities and fund balance</i>	<u>\$ 28,282</u>	<u>\$ 142</u>	<u>\$ 30,000</u>	<u>\$ 62,491</u>

The accompanying notes are an integral part of these financial statements

Special Revenue			Capital Projects		
Private Dir. Grants	City/County Grants	School Based Health Center	Bond Building	Special Capital Outlay State	Special Capital Outlay Federal
\$ 62,523	\$ -	\$ -	\$ -	\$ 45,000	\$ 24,706
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 62,523</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 45,000</u>	<u>\$ 24,706</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4,195	-	-	-	-	-
-	-	-	-	-	-
-	6,311	65,764	2,672,233	-	-
<u>4,195</u>	<u>6,311</u>	<u>65,764</u>	<u>2,672,233</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
58,328	(6,311)	(65,764)	-	-	-
-	-	-	-	-	-
-	-	-	(2,672,233)	45,000	24,706
<u>58,328</u>	<u>(6,311)</u>	<u>(65,764)</u>	<u>(2,672,233)</u>	<u>45,000</u>	<u>24,706</u>
<u>\$ 62,523</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 45,000</u>	<u>\$ 24,706</u>

STATE OF NEW MEXICO
 Gallup-McKinley County Public Schools
 Nonmajor Governmental Funds
 Combining Balance Sheet
 June 30, 2010

Capital Projects

	Capital Improvements SB- 9	Energy Efficiency Act	Public School Capital Outlay 20%
ASSETS			
<i>Current assets</i>			
Cash and cash equivalents	\$ 2,206,054	\$ 151,258	\$ 1
Property taxes receivable	188,620	-	-
Due from other governments	11,606	-	-
Other receivables	-	-	-
Inventory	-	-	-
<i>Total assets</i>	<u>\$ 2,406,280</u>	<u>\$ 151,258</u>	<u>\$ 1</u>
LIABILITIES AND FUND BALANCE			
<i>Current liabilities</i>			
Accounts payable	\$ 124,609	\$ -	\$ -
Accrued payroll	-	-	-
Deferred revenue	157,661	-	-
Due to other funds	-	-	-
<i>Total liabilities</i>	<u>282,270</u>	<u>-</u>	<u>-</u>
<i>Fund balances</i>			
Reserved for			
Inventory	-	-	-
Unreserved			
Undesignated, reported in			
Special revenue funds	-	-	-
Debt service fund	-	-	-
Capital projects funds	<u>2,124,010</u>	<u>151,258</u>	<u>1</u>
<i>Total fund balance</i>	<u>2,124,010</u>	<u>151,258</u>	<u>1</u>
<i>Total liabilities and fund balance</i>	<u>\$ 2,406,280</u>	<u>\$ 151,258</u>	<u>\$ 1</u>

The accompanying notes are an integral part of these financial statements

<u>Debt Service</u>	
<u>Debt Service Fund</u>	<u>Total Nonmajor Governmental Funds</u>
\$ 6,761,371	\$ 16,316,547
785,846	974,466
-	3,109,471
-	15,900
-	54,581
<u>\$ 7,547,217</u>	<u>\$ 20,470,965</u>
\$ -	\$ 728,166
-	63,146
657,083	1,207,653
-	5,977,021
<u>657,083</u>	<u>7,975,986</u>
-	54,581
-	5,877,522
6,890,134	6,890,134
-	(327,258)
<u>6,890,134</u>	<u>12,494,979</u>
<u>\$ 7,547,217</u>	<u>\$ 20,470,965</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, 2010

Special Revenue

	Food Service	Athletics	Non-Budgeted Activity	Non-Budgeted Scholarship
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	5,185,182	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	445,276	305,480	430,905	-
Interest	654	234	275	44
Miscellaneous	60	15,656	146	13,200
<i>Total revenues</i>	<u>5,631,172</u>	<u>321,370</u>	<u>431,326</u>	<u>13,244</u>
<i>Expenditures</i>				
Current				
Instruction	-	300,627	393,526	9,682
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Food services operations	5,519,713	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>5,519,713</u>	<u>300,627</u>	<u>393,526</u>	<u>9,682</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>111,459</u>	<u>20,743</u>	<u>37,800</u>	<u>3,562</u>
<i>Other financing sources (uses)</i>				
Bond proceeds	-	-	-	-
Bond premium	-	-	-	-
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>	111,459	20,743	37,800	3,562
<i>Fund balances - beginning of year</i>	<u>1,621,113</u>	<u>172,161</u>	<u>394,369</u>	<u>67,335</u>
<i>Fund balances - ending of year</i>	<u>\$ 1,732,572</u>	<u>\$ 192,904</u>	<u>\$ 432,169</u>	<u>\$ 70,897</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>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	8,702,928	3,521,997
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	6,138	-	-
-	-	-	-	-	-
-	-	85,424	-	94	-
-	-	<u>85,424</u>	<u>6,138</u>	<u>8,703,022</u>	<u>3,521,997</u>
195	-	96,359	5,855	6,867,879	1,114,824
-	-	-	-	4,169	2,209,901
-	-	-	-	1,526,210	-
-	-	-	-	192,256	81,716
-	-	-	-	-	107,130
-	-	-	-	100,917	2,093
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>195</u>	<u>-</u>	<u>96,359</u>	<u>5,855</u>	<u>8,691,431</u>	<u>3,515,664</u>
<u>(195)</u>	<u>-</u>	<u>(10,935)</u>	<u>283</u>	<u>11,591</u>	<u>6,333</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>(195)</u>	<u>-</u>	<u>(10,935)</u>	<u>283</u>	<u>11,591</u>	<u>6,333</u>
<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>\$ 6,939</u>	<u>\$ 7,200</u>	<u>\$ 113,364</u>	<u>\$ 1,916</u>	<u>\$ -</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, 2010

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	-	149,298	437,678	12,593
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>149,298</u>	<u>437,678</u>	<u>12,593</u>
<i>Expenditures</i>				
Current				
Instruction	-	81,108	-	-
Support services - students	-	37,207	429,200	8,802
Support services - instruction	-	-	-	-
Support services - general administration	-	2,748	10,257	210
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>121,063</u>	<u>439,457</u>	<u>9,012</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>28,235</u>	<u>(1,779)</u>	<u>3,581</u>
<i>Other financing sources (uses)</i>				
Bond proceeds	-	-	-	-
Bond premium	-	-	-	-
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>	-	28,235	(1,779)	3,581
<i>Fund balances - beginning of year</i>	<u>(44,003)</u>	<u>(28,235)</u>	<u>1,779</u>	<u>(3,581)</u>
<i>Fund balances - ending of year</i>	<u>\$ (44,003)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

Special Revenue					
Private Schools Share IDEA-B	Fresh Fruits and Vegetables	21st Century Community Learning Centers 2008-2014	"Risk Pool" IDEA-B	Title I Family Literacy IASA	Title IV Drug Free Schools and Comm/Ed
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
26,789	342	1,094,684	6,787	156,988	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
26,789	342	1,094,684	6,787	156,988	-
24,118	-	947,411	6,639	-	-
6,892	-	-	-	151,487	-
-	-	63,562	-	-	-
738	-	25,505	148	-	-
-	-	-	-	-	-
-	-	13,598	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
31,748	-	1,050,076	6,787	151,487	-
(4,959)	342	44,608	-	5,501	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
(4,959)	342	44,608	-	5,501	-
4,959	12,067	(44,608)	-	(5,501)	1,939
\$ -	\$ 12,409	\$ -	\$ -	\$ -	\$ 1,939

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, 2010

	Special Revenue			
	Partnerships in Character Ed Pilot	Title V-A Innovative Education Program	English Language Acquisition	Teacher/Principal Training and Recruiting
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	1,461	691,862	668,060
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>1,461</u>	<u>691,862</u>	<u>668,060</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	632,429	495,472
Support services - students	-	-	-	114
Support services - instruction	-	-	5,561	141,021
Support services - general administration	-	-	15,072	16,399
Support services - school administration	-	-	-	-
Central services	-	1,461	1,848	59,910
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>1,461</u>	<u>654,910</u>	<u>712,916</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>36,952</u>	<u>(44,856)</u>
<i>Other financing sources (uses)</i>				
Bond proceeds	-	-	-	-
Bond premium	-	-	-	-
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>	-	-	36,952	(44,856)
<i>Fund balances - beginning of year</i>	<u>(1,889)</u>	<u>-</u>	<u>(36,952)</u>	<u>44,856</u>
<i>Fund balances - ending of year</i>	<u>\$ (1,889)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

Special Revenue

<u>Title IV-A Safe and Drug Free Schools and Community</u>	<u>21st Century Community Living Center</u>	<u>Rural and Low Income Schools</u>	<u>Title I School Improvement</u>	<u>Immigrant Funding - Title III</u>	<u>School Renovation, IDEA and Technology</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
123,793	54,649	241,660	959,357	11,533	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>123,793</u>	<u>54,649</u>	<u>241,660</u>	<u>959,357</u>	<u>11,533</u>	<u>-</u>
3,794	3,137	169,008	890,128	-	-
92,626	-	-	-	-	-
-	-	2,413	-	-	-
2,311	90	3,217	-	-	-
-	-	-	-	-	-
-	629	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>98,731</u>	<u>3,856</u>	<u>174,638</u>	<u>890,128</u>	<u>-</u>	<u>-</u>
<u>25,062</u>	<u>50,793</u>	<u>67,022</u>	<u>69,229</u>	<u>11,533</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>25,062</u>	<u>50,793</u>	<u>67,022</u>	<u>69,229</u>	<u>11,533</u>	<u>-</u>
<u>(6,078)</u>	<u>(50,793)</u>	<u>(141,874)</u>	<u>(69,229)</u>	<u>(11,974)</u>	<u>23,198</u>
<u>\$ 18,984</u>	<u>\$ -</u>	<u>\$ (74,852)</u>	<u>\$ -</u>	<u>\$ (441)</u>	<u>\$ 23,198</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, 2010

Special Revenue

	<u>Reading First</u>	<u>Carl D Perkins Secondary - Current</u>	<u>Carl D Perkins Secondary - PY Unliq. Obligations</u>	<u>Carl D Perkins Secondary - Redistribution</u>
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	140,415	13,514	14,888
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>140,415</u>	<u>13,514</u>	<u>14,888</u>
<i>Expenditures</i>				
Current				
Instruction	-	130,579	13,514	14,888
Support services - students	-	-	-	-
Support services - instruction	-	3,971	-	-
Support services - general administration	-	868	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>135,418</u>	<u>13,514</u>	<u>14,888</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>4,997</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Bond proceeds	-	-	-	-
Bond premium	-	-	-	-
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>	-	4,997	-	-
<i>Fund balances - beginning of year</i>	<u>(14,370)</u>	<u>(4,997)</u>	<u>-</u>	<u>-</u>
<i>Fund balances - ending of year</i>	<u>\$ (14,370)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

Special Revenue

<u>Entitlement IDEA-B Federal Stimulus</u>	<u>Preschool IDEA-B Federal Stimulus</u>	<u>Early Intervention Services IDEA-B - Federal Stimulus</u>	<u>Education of Homeless - Federal Stimulus</u>	<u>Private School Share IDEA-B - Federal Stimulus</u>	<u>Enhancing Education Through Technology - Federal Stimulus</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
1,457,653	425	271,629	2,508	8,614	127,850
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>1,457,653</u>	<u>425</u>	<u>271,629</u>	<u>2,508</u>	<u>8,614</u>	<u>127,850</u>
80,137	-	-	-	8,413	127,110
1,347,882	425	265,289	2,449	-	-
-	-	-	-	-	-
29,634	-	6,340	59	201	740
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>1,457,653</u>	<u>425</u>	<u>271,629</u>	<u>2,508</u>	<u>8,614</u>	<u>127,850</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</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, 2010

Special Revenue

	Bilingual Education Title VII	JTPA	Johnson O'Malley	General Ed. Projects "Star Schools"
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	766,969	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>766,969</u>	<u>-</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	364,684	-
Support services - students	-	-	-	-
Support services - instruction	-	-	276,331	-
Support services - general administration	-	-	13,603	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>654,618</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>112,351</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Bond proceeds	-	-	-	-
Bond premium	-	-	-	-
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>	-	-	112,351	-
<i>Fund balances - beginning of year</i>	<u>84,141</u>	<u>178</u>	<u>(112,351)</u>	<u>45,556</u>
<i>Fund balances - ending of year</i>	<u>\$ 84,141</u>	<u>\$ 178</u>	<u>\$ -</u>	<u>\$ 45,556</u>

The accompanying notes are an integral part of these financial statements

Special Revenue

<u>Impact Aid Special Education</u>	<u>GRADS Child Care CYFD</u>	<u>Title XIX - Medicaid 3/21 Years</u>	<u>Child Care Block Grant CYFD</u>	<u>TANF/GRADS HSD</u>	<u>Child and Adult Food Program</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
916,200	-	145,355	61,697	17,301	6,255
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>916,200</u>	<u>-</u>	<u>145,355</u>	<u>61,697</u>	<u>17,301</u>	<u>6,255</u>
4,385	4,551	-	-	18,991	-
441,126	-	83,778	14,149	-	5,085
469,348	-	-	-	375	-
21,713	-	2,002	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>936,572</u>	<u>4,551</u>	<u>85,780</u>	<u>14,149</u>	<u>19,366</u>	<u>5,085</u>
<u>(20,372)</u>	<u>(4,551)</u>	<u>59,575</u>	<u>47,548</u>	<u>(2,065)</u>	<u>1,170</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>(20,372)</u>	<u>(4,551)</u>	<u>59,575</u>	<u>47,548</u>	<u>(2,065)</u>	<u>1,170</u>
<u>1,199,557</u>	<u>19,747</u>	<u>225,856</u>	<u>166,569</u>	<u>14,794</u>	<u>9,422</u>
<u>\$ 1,179,185</u>	<u>\$ 15,196</u>	<u>\$ 285,431</u>	<u>\$ 214,117</u>	<u>\$ 12,729</u>	<u>\$ 10,592</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, 2010

	Special Revenue			
	Indian Health Services	Indian Education Formula Grant	21st Century Community Learning Centers	Navajo Nations
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	244,554	1,884,897	-	70,959
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>244,554</u>	<u>1,884,897</u>	<u>-</u>	<u>70,959</u>
<i>Expenditures</i>				
Current				
Instruction	5,444	1,749,769	-	-
Support services - students	-	-	-	67,781
Support services - instruction	-	91,360	-	-
Support services - general administration	5,693	43,768	-	1,620
Support services - school administration	163,848	-	-	-
Central services	69,569	-	-	-
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>244,554</u>	<u>1,884,897</u>	<u>-</u>	<u>69,401</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,558</u>
<i>Other financing sources (uses)</i>				
Bond proceeds	-	-	-	-
Bond premium	-	-	-	-
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>	-	-	-	1,558
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(2,560)</u>	<u>(1,558)</u>
<i>Fund balances - ending of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (2,560)</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

Special Revenue

Technology Challenge Grant USDE	Title V Indian Health Care Improvement Act	Teacher Quality Improvement	Tobacco Use Prevention and Control Program	Goals 2000 Parental Assistance	Substance Abuse and Mental Health Services
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	71,524	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	71,524	-	-	-	-
-	-	-	-	-	-
-	41,876	-	-	-	-
-	60,237	-	-	-	-
-	-	-	-	-	-
-	2,330	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	604	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	105,047	-	-	-	-
-	-	-	-	-	-
-	(33,523)	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	(33,523)	-	-	-	-
11,739	33,523	(17,058)	62	(17,981)	(41,018)
\$ 11,739	\$ -	\$ (17,058)	\$ 62	\$ (17,981)	\$ (41,018)

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, 2010

Special Revenue

	Carol M White Physical Fitness	Native American Program	Impact Aid Construction	Bill and Melinda Gates Foundation
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and Gas Taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	41,405	128,893	350	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>41,405</u>	<u>128,893</u>	<u>350</u>	<u>-</u>
<i>Expenditures</i>				
Current				
Instruction	11,898	125,884	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	3,009	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	808,850	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>11,898</u>	<u>128,893</u>	<u>808,850</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>29,507</u>	<u>-</u>	<u>(808,500)</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Bond proceeds	-	-	-	-
Bond premium	-	-	-	-
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>	29,507	-	(808,500)	-
<i>Fund balances - beginning of year</i>	<u>(29,507)</u>	<u>-</u>	<u>2,081,549</u>	<u>2,839</u>
<i>Fund balances - ending of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,273,049</u>	<u>\$ 2,839</u>

The accompanying notes are an integral part of these financial statements

Special Revenue

<u>Save the Children</u>	<u>Center for Ed and Study of Diverse Populations</u>	<u>Parents Reaching Out</u>	<u>Pump up the Volume in Preschools</u>	<u>SES After School Tutoring</u>	<u>Community Based Organization PED</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
424,558	-	-	15,227	721,150	-
-	-	-	-	-	309,473
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>424,558</u>	<u>-</u>	<u>-</u>	<u>15,227</u>	<u>721,150</u>	<u>309,473</u>
414,716	-	-	43	522,416	204,525
-	-	-	-	-	-
-	-	-	-	671	29,953
-	-	-	355	12,475	-
-	-	-	-	-	-
-	-	-	14,829	1,132	-
-	-	-	-	4,934	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>414,716</u>	<u>-</u>	<u>-</u>	<u>15,227</u>	<u>541,628</u>	<u>234,478</u>
<u>9,842</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>179,522</u>	<u>74,995</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>9,842</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>179,522</u>	<u>74,995</u>
<u>(9,842)</u>	<u>181</u>	<u>260</u>	<u>-</u>	<u>-</u>	<u>(74,995)</u>
<u>\$ -</u>	<u>\$ 181</u>	<u>\$ 260</u>	<u>\$ -</u>	<u>\$ 179,522</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, 2010

	Special Revenue			
	2008 GO Bond Student Library Fund	TANF PED	Technology for Education PED	TANF - Full Day Kindergarten
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	119,523	-	83,765	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>119,523</u>	<u>-</u>	<u>83,765</u>	<u>-</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	5,647	-
Support services - students	-	-	-	-
Support services - instruction	119,523	-	4,810	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	73,308	-
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>119,523</u>	<u>-</u>	<u>83,765</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>				
Bond proceeds	-	-	-	-
Bond premium	-	-	-	-
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>	-	-	-	-
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>1,147</u>	<u>-</u>	<u>(1,513)</u>
<i>Fund balances - ending of year</i>	<u>\$ -</u>	<u>\$ 1,147</u>	<u>\$ -</u>	<u>\$ (1,513)</u>

The accompanying notes are an integral part of these financial statements

Special Revenue

Incentives for School Improvement Act	Laws of NM 2005	Pre-K Initiative	Indian Education Act	Reading Improvement Initiatives	Beginning Teacher Mentoring Program
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	446,960	184,700	-	115,324
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	446,960	184,700	-	115,324
-	-	436,527	63,686	-	100,611
-	-	-	-	-	-
-	-	-	117,670	-	-
-	-	10,433	4,334	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	446,960	185,690	-	100,611
-	-	-	(990)	-	14,713
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	(990)	-	14,713
84,199	(46,467)	-	990	(2,704)	(3,460)
\$ 84,199	\$ (46,467)	\$ -	\$ -	\$ (2,704)	\$ 11,253

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, 2010

	Special Revenue			
	Breakfast for Elementary Students	Teacher Professional Development Fund	K-Plus Initiative	Schools in Need of Improvement
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	150,702	288,915	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>150,702</u>	<u>288,915</u>	<u>-</u>	<u>-</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	292,497	-	-
Support services - general administration	-	6,991	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Food services operations	150,702	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>150,702</u>	<u>299,488</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>(10,573)</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Bond proceeds	-	-	-	-
Bond premium	-	-	-	-
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>	-	(10,573)	-	-
<i>Fund balances - beginning of year</i>	<u>56,572</u>	<u>10,573</u>	<u>(1,577)</u>	<u>9,642</u>
<i>Fund balances - ending of year</i>	<u>\$ 56,572</u>	<u>\$ -</u>	<u>\$ (1,577)</u>	<u>\$ 9,642</u>

The accompanying notes are an integral part of these financial statements

Special Revenue

School Improvement Framework	Kindergarten - Three Plus	State - 21st Century Learning Center	Libraries - SB 301 GO Bonds	Library Book Fund	Pathways Project UNM
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
305,900	823,205	15,121	1,371	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>305,900</u>	<u>823,205</u>	<u>15,121</u>	<u>1,371</u>	<u>-</u>	<u>-</u>
127,500	507,581	-	-	-	-
-	-	-	-	-	-
-	-	-	1,222	31,583	-
-	12,161	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>127,500</u>	<u>519,742</u>	<u>-</u>	<u>1,222</u>	<u>31,583</u>	<u>-</u>
178,400	303,463	15,121	149	(31,583)	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>178,400</u>	<u>303,463</u>	<u>15,121</u>	<u>149</u>	<u>(31,583)</u>	<u>-</u>
(178,400)	(303,463)	(15,121)	(149)	38,021	219
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,438</u>	<u>\$ 219</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, 2010

Special Revenue

	Parents as Teachers	AP New Mexico Incentive Funding	Office of Child Development	Regional Quality Center
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	60,000	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>60,000</u>	<u>-</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	1,489
Support services - students	-	-	58,270	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	1,393	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>59,663</u>	<u>1,489</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>337</u>	<u>(1,489)</u>
<i>Other financing sources (uses)</i>				
Bond proceeds	-	-	-	-
Bond premium	-	-	-	-
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>	-	-	337	(1,489)
<i>Fund balances - beginning of year</i>	<u>28,282</u>	<u>142</u>	<u>23,493</u>	<u>62,780</u>
<i>Fund balances - ending of year</i>	<u>\$ 28,282</u>	<u>\$ 142</u>	<u>\$ 23,830</u>	<u>\$ 61,291</u>

The accompanying notes are an integral part of these financial statements

Special Revenue			Capital Projects		
Private Dir. Grants	City/County Grants	School Based Health Center	Bond Building	Special Capital Outlay State	Special Capital Outlay Federal
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
114,225	-	150,000	-	-	-
-	-	-	-	-	-
-	-	-	18,647	-	-
-	-	-	-	-	-
<u>114,225</u>	<u>-</u>	<u>150,000</u>	<u>18,647</u>	<u>-</u>	<u>-</u>
102,168	-	-	-	-	-
-	-	150,000	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	131,552	-	-
-	-	-	-	-	-
-	-	-	4,300,898	25,000	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>102,168</u>	<u>-</u>	<u>150,000</u>	<u>4,432,450</u>	<u>25,000</u>	<u>-</u>
12,057	-	-	(4,413,803)	(25,000)	-
-	-	-	7,175,000	-	-
-	-	-	-	-	-
-	-	-	85,441	-	-
-	-	-	(2,470,000)	-	-
-	-	-	<u>4,790,441</u>	<u>-</u>	<u>-</u>
12,057	-	-	376,638	(25,000)	-
<u>46,271</u>	<u>(6,311)</u>	<u>(65,764)</u>	<u>(3,048,871)</u>	<u>70,000</u>	<u>24,706</u>
<u>\$ 58,328</u>	<u>\$ (6,311)</u>	<u>\$ (65,764)</u>	<u>\$ (2,672,233)</u>	<u>\$ 45,000</u>	<u>\$ 24,706</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, 2010

	Capital Projects		
	Capital	Energy Efficiency	Public School
	Improvements SB		Capital Outlay
	9	Act	20%
<i>Revenues</i>			
Property taxes	\$ 1,417,075	\$ -	\$ -
Oil and gas taxes	2,488	-	-
Intergovernmental revenue			
Federal flowthrough	-	-	-
Federal direct	-	-	-
Local sources	-	-	-
State flowthrough	12,303	-	-
State direct	-	-	-
Combined local/state	-	-	-
Charges for services	-	-	-
Interest	-	-	-
Miscellaneous	-	-	-
<i>Total revenues</i>	<u>1,431,866</u>	<u>-</u>	<u>-</u>
<i>Expenditures</i>			
Current			
Instruction	3,958	-	-
Support services - students	-	-	-
Support services - instruction	-	-	-
Support services -			
general administration	14,161	-	-
Support services -			
school administration	-	-	-
Central services	-	-	-
Operation and maintenance of plant	2,197,958	-	-
Food services operations	-	-	-
Capital outlay	32,587	-	-
Debt service			
Principal	-	-	-
Interest	-	-	-
Bond issuance costs	-	-	-
<i>Total expenditures</i>	<u>2,248,664</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(816,798)</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>			
Bond proceeds	-	-	-
Bond premium	-	-	-
Transfers in	-	-	-
Transfers out	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	(816,798)	-	-
<i>Fund balances - beginning of year</i>	<u>2,940,808</u>	<u>151,258</u>	<u>1</u>
<i>Fund balances - ending of year</i>	<u>\$ 2,124,010</u>	<u>\$ 151,258</u>	<u>\$ 1</u>

The accompanying notes are an integral part of these financial statements

<u>Debt Service</u>			
<u>Debt Service Fund</u>		<u>Total Nonmajor Governmental Funds</u>	
\$ 5,916,475		\$ 7,333,550	
10,394		12,882	
-		24,085,137	
-		4,356,359	
-		1,160,935	
-		2,857,262	
-		60,000	
-		264,225	
-		1,187,799	
-		19,854	
-		114,580	
<u>5,926,869</u>		<u>41,452,583</u>	
-		17,235,181	
-		5,436,869	
-		3,178,081	
57,500		602,050	
-		270,978	
-		339,294	
-		2,335,048	
-		5,670,415	
-		5,167,335	
7,917,259		7,917,259	
2,571,070		2,571,070	
90,000		90,000	
<u>10,635,829</u>		<u>50,813,580</u>	
<u>(4,708,960)</u>		<u>(9,360,997)</u>	
-		7,175,000	
85,441		85,441	
5,387,860		5,473,301	
(85,441)		(2,555,441)	
<u>5,387,860</u>		<u>10,178,301</u>	
678,900		817,304	
<u>6,211,234</u>		<u>11,677,675</u>	
<u>\$ 6,890,134</u>		<u>\$ 12,494,979</u>	

STATE OF NEW MEXICO
Gallup-McKinley County Public Schools
Food Service Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2010

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	4,260,611	4,177,188	4,880,839	703,651
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	121,640	-	(121,640)
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	420,417	420,417	445,276	24,859
Interest	404	404	654	250
Miscellaneous	-	-	60	60
<i>Total revenues</i>	<u>4,681,432</u>	<u>4,719,649</u>	<u>5,326,829</u>	<u>607,180</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Food services operations	6,358,310	6,345,917	5,013,336	1,332,581
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>6,358,310</u>	<u>6,345,917</u>	<u>5,013,336</u>	<u>1,332,581</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(1,676,878)</u>	<u>(1,626,268)</u>	<u>313,493</u>	<u>1,939,761</u>
<i>Other financing sources (uses)</i>				
Designated cash balance (budgeted increase in cash)	1,676,878	1,626,268	-	(1,626,268)
<i>Total other financing sources (uses)</i>	<u>1,676,878</u>	<u>1,626,268</u>	<u>-</u>	<u>(1,626,268)</u>
<i>Net change in fund balances</i>	-	-	313,493	313,493
<i>Fund balances - beginning of year</i>	-	-	1,626,269	1,626,269
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,939,762</u>	<u>\$ 1,939,762</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ 313,493
Adjustments to revenues for federal grants.				304,343
Adjustments to expenditures for salaries, food, and supplies and materials.				<u>(506,377)</u>
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ 111,459</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 Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2010

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	132,923	194,857	305,480	110,623
Interest	-	-	234	234
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>132,923</u>	<u>194,857</u>	<u>305,714</u>	<u>110,857</u>
<i>Expenditures</i>				
<i>Current</i>				
Instruction	304,812	366,746	303,027	63,719
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>304,812</u>	<u>366,746</u>	<u>303,027</u>	<u>63,719</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(171,889)</u>	<u>(171,889)</u>	<u>2,687</u>	<u>174,576</u>
<i>Other financing sources (uses)</i>				
Designated cash balance (budgeted increase in cash)	171,889	171,889	-	(171,889)
<i>Total other financing sources (uses)</i>	<u>171,889</u>	<u>171,889</u>	<u>-</u>	<u>(171,889)</u>
<i>Net change in fund balances</i>	-	-	2,687	2,687
<i>Fund balances - beginning of year</i>	-	-	174,561	174,561
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 177,248</u>	<u>\$ 177,248</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ 2,687
Adjustments to revenue for abatements.				15,656
Adjustments to expenditures for salaries.				<u>2,400</u>
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ 20,743</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 Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2010

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	-	-	431,748	431,748
Interest	-	-	275	275
Miscellaneous	-	-	146	146
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>432,169</u>	<u>432,169</u>
<i>Expenditures</i>				
<i>Current</i>				
Instruction	305,540	393,725	393,725	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>305,540</u>	<u>393,725</u>	<u>393,725</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(305,540)</u>	<u>(393,725)</u>	<u>38,444</u>	<u>432,169</u>
<i>Other financing sources (uses)</i>				
Designated cash balance (budgeted increase in cash)	305,540	393,725	-	(393,725)
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>305,540</u>	<u>393,725</u>	<u>-</u>	<u>(393,725)</u>
<i>Net change in fund balances</i>	-	-	38,444	38,444
<i>Fund balances - beginning of year</i>	-	-	393,725	393,725
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 432,169</u>	<u>\$ 432,169</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ 38,444
Adjustments to revenues for contributions and donations.				(843)
Adjustments to expenditures for salaries.				<u>199</u>
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ 37,800</u>

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 Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2010

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	-	-	44	44
Miscellaneous	-	-	13,050	13,050
<i>Total revenues</i>	-	-	13,094	13,094
<i>Expenditures</i>				
Current				
Instruction	15,000	15,000	9,682	5,318
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	15,000	15,000	9,682	5,318
<i>Excess (deficiency) of revenues over expenditures</i>	(15,000)	(15,000)	3,412	18,412
<i>Other financing sources (uses)</i>				
Designated cash balance (budgeted increase in cash)	15,000	15,000	-	(15,000)
<i>Total other financing sources (uses)</i>	15,000	15,000	-	(15,000)
<i>Net change in fund balances</i>	-	-	3,412	3,412
<i>Fund balances - beginning of year</i>	-	-	67,335	67,335
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 70,747	\$ 70,747
<i>Net change in fund balances (Budget Basis)</i>				\$ 3,412
Adjustments to revenues for contributions.				150
No adjustments to expenditures.				-
<i>Net change in fund balances (GAAP Basis)</i>				\$ 3,562

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 Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2010

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	-	-	-	-
<i>Total revenues</i>	-	-	-	-
<i>Expenditures</i>				
<i>Current</i>				
Instruction	7,134	7,134	195	6,939
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	7,134	7,134	195	6,939
<i>Excess (deficiency) of revenues over expenditures</i>	(7,134)	(7,134)	(195)	6,939
<i>Other financing sources (uses)</i>				
Designated cash balance (budgeted increase in cash)	7,134	7,134	-	(7,134)
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	7,134	7,134	-	(7,134)
<i>Net change in fund balances</i>	-	-	(195)	(195)
<i>Fund balances - beginning of year</i>	-	-	7,134	7,134
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 6,939	\$ 6,939
<i>Net change in fund balances (Budget Basis)</i>				\$ (195)
No adjustments to revenues.				-
No adjustments to expenditures.				-
<i>Net change in fund balances (GAAP Basis)</i>				\$ (195)

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 Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2010

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>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<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 and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>7,200</u>	<u>7,200</u>	<u>-</u>	<u>7,200</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(7,200)</u>	<u>(7,200)</u>	<u>-</u>	<u>7,200</u>
<i>Other financing sources (uses)</i>				
Designated cash balance (budgeted increase in cash)	7,200	7,200	-	(7,200)
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>7,200</u>	<u>7,200</u>	<u>-</u>	<u>(7,200)</u>
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>7,200</u>	<u>7,200</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,200</u>	<u>\$ 7,200</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
 Non-Budgeted SQS Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2010

Statement B-7

	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	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	85,424	85,424
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>85,424</u>	<u>85,424</u>
<i>Expenditures</i>				
Current				
Instruction	155,000	155,000	101,570	53,430
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>155,000</u>	<u>155,000</u>	<u>101,570</u>	<u>53,430</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(155,000)</u>	<u>(155,000)</u>	<u>(16,146)</u>	<u>138,854</u>
<i>Other financing sources (uses)</i>				
Designated cash balance (budgeted increase in cash)	155,000	155,000	-	(155,000)
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>155,000</u>	<u>155,000</u>	<u>-</u>	<u>(155,000)</u>
<i>Net change in fund balances</i>	-	-	(16,146)	(16,146)
<i>Fund balances - beginning of year</i>	-	-	130,106	130,106
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 113,960</u>	<u>\$ 113,960</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ (16,146)
No adjustments to revenues.				-
Adjustments to expenditures for other contract services.				<u>5,211</u>
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ (10,935)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-8

Gallup-McKinley County Public Schools
 Non-Budgeted Thoreau Night School Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2010

	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	5,000	5,000	6,138	1,138
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>5,000</u>	<u>5,000</u>	<u>6,138</u>	<u>1,138</u>
<i>Expenditures</i>				
Current				
Instruction	5,000	6,633	5,855	778
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>5,000</u>	<u>6,633</u>	<u>5,855</u>	<u>778</u>
<i>Excess (deficiency) of revenues over expenditures</i>	-	(1,633)	283	1,916
<i>Other financing sources (uses)</i>				
Designated cash balance (budgeted increase in cash)	-	1,633	-	(1,633)
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>1,633</u>	<u>-</u>	<u>(1,633)</u>
<i>Net change in fund balances</i>	-	-	283	283
<i>Fund balances - beginning of year</i>	-	-	1,633	1,633
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,916</u>	<u>\$ 1,916</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ 283
No adjustments to revenues.				-
No adjustments to expenditures.				-
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ 283</u>

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 Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2010

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	8,162,670	11,016,481	8,473,898	(2,542,583)
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>8,162,670</u>	<u>11,016,481</u>	<u>8,473,898</u>	<u>(2,542,583)</u>
<i>Expenditures</i>				
<i>Current</i>				
Instruction	6,829,835	8,026,093	6,806,616	1,219,477
Support services - students	3,100	3,475	4,169	(694)
Support services - instruction	1,043,332	2,631,462	1,517,715	1,113,747
Support services - general administration	190,534	257,787	192,256	65,531
Support services - school administration	-	-	-	-
Central services	95,869	97,664	100,917	(3,253)
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>8,162,670</u>	<u>11,016,481</u>	<u>8,621,673</u>	<u>2,394,808</u>
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	(147,775)	(147,775)
<i>Other financing sources (uses)</i>				
Designated cash balance (budgeted increase in cash)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	(147,775)	(147,775)
<i>Fund balances - beginning of year</i>	-	-	(130,124)	(130,124)
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (277,899)</u>	<u>\$ (277,899)</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ (147,775)
Adjustments to revenues for federal flowthrough grants.				229,124
Adjustments to expenditures for salaries, professional development, and general supplies and materials.				<u>(69,758)</u>
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ 11,591</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 Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2010

Statement B-10

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final		Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	2,754,974	3,978,827	3,667,102	(311,725)
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	2,754,974	3,978,827	3,667,102	(311,725)
<i>Expenditures</i>				
Current				
Instruction	1,066,488	1,224,328	1,116,984	107,344
Support services - students	1,498,576	2,534,788	2,202,475	332,313
Support services - instruction	-	-	-	-
Support services - general administration	65,844	94,029	81,716	12,313
Support services - school administration	109,922	111,538	107,130	4,408
Central services	14,144	14,144	2,093	12,051
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	2,754,974	3,978,827	3,510,398	468,429
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	156,704	156,704
<i>Other financing sources (uses)</i>				
Designated cash balance (budgeted increase in cash)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	156,704	156,704
<i>Fund balances - beginning of year</i>	-	-	(4,136)	(4,136)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 152,568	\$ 152,568
<i>Net change in fund balances (Budget Basis)</i>				\$ 156,704
Adjustments to revenues for federal flowthrough grants.				(145,105)
Adjustments to expenditures for salaries and general supplies and materials.				(5,266)
<i>Net change in fund balances (GAAP Basis)</i>				\$ 6,333

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 Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2010

Statement B-11

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final		Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	810	810	-	(810)
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>810</u>	<u>810</u>	<u>-</u>	<u>(810)</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	810	810	-	810
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>810</u>	<u>810</u>	<u>-</u>	<u>810</u>
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	-	-
<i>Other financing sources (uses)</i>				
Designated cash balance (budgeted increase in cash)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	(44,003)	(44,003)
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (44,003)</u>	<u>\$ (44,003)</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
 Preschool IDEA-B Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2010

Statement B-12

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final		Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	126,141	223,730	161,305	(62,425)
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>126,141</u>	<u>223,730</u>	<u>161,305</u>	<u>(62,425)</u>
<i>Expenditures</i>				
Current				
Instruction	88,401	180,905	80,879	100,026
Support services - students	34,726	37,479	37,207	272
Support services - instruction	-	-	-	-
Support services - general administration	3,014	5,346	2,748	2,598
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>126,141</u>	<u>223,730</u>	<u>120,834</u>	<u>102,896</u>
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	40,471	40,471
<i>Other financing sources (uses)</i>				
Designated cash balance (budgeted increase in cash)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	40,471	40,471
<i>Fund balances - beginning of year</i>	-	-	(28,235)	(28,235)
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,236</u>	<u>\$ 12,236</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ 40,471
Adjustments to revenues for federal flowthrough grants.				(12,007)
Adjustments to expenditures for general supplies and materials.				(229)
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ 28,235</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 Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2010

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	462,928	462,928	438,628	(24,300)
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>462,928</u>	<u>462,928</u>	<u>438,628</u>	<u>(24,300)</u>
<i>Expenditures</i>				
<i>Current</i>				
Instruction	-	-	-	-
Support services - students	451,864	451,864	429,200	22,664
Support services - instruction	-	-	-	-
Support services - general administration	11,064	11,064	10,257	807
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>462,928</u>	<u>462,928</u>	<u>439,457</u>	<u>23,471</u>
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	(829)	(829)
<i>Other financing sources (uses)</i>				
Designated cash balance (budgeted increase in cash)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	(829)	(829)
<i>Fund balances - beginning of year</i>	-	-	1,779	1,779
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 950</u>	<u>\$ 950</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ (829)
Adjustments to revenues for federal flowthrough grants.				(950)
No adjustments to expenditures.				-
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ (1,779)</u>

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 Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2010

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	302	9,302	12,593	3,291
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>302</u>	<u>9,302</u>	<u>12,593</u>	<u>3,291</u>
<i>Expenditures</i>				
<i>Current</i>				
Instruction	-	-	-	-
Support services - students	302	9,087	8,802	285
Support services - instruction	-	-	-	-
Support services - general administration	-	215	210	5
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>302</u>	<u>9,302</u>	<u>9,012</u>	<u>290</u>
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	3,581	3,581
<i>Other financing sources (uses)</i>				
Designated cash balance (budgeted increase in cash)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	3,581	3,581
<i>Fund balances - beginning of year</i>	-	-	(3,581)	(3,581)
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ 3,581
No adjustments to revenues.				-
No adjustments to expenditures.				-
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ 3,581</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 Gallup-McKinley County Public Schools
 Private Schools Share IDEA-B Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2010

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	27,336	51,994	4,269	(47,725)
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>27,336</u>	<u>51,994</u>	<u>4,269</u>	<u>(47,725)</u>
<i>Expenditures</i>				
<i>Current</i>				
Instruction	-	24,118	24,118	-
Support services - students	26,698	26,698	6,757	19,941
Support services - instruction	-	-	-	-
Support services - general administration	638	1,178	738	440
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>27,336</u>	<u>51,994</u>	<u>31,613</u>	<u>20,381</u>
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	(27,344)	(27,344)
<i>Other financing sources (uses)</i>				
Designated cash balance (budgeted increase in cash)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	(27,344)	(27,344)
<i>Fund balances - beginning of year</i>	-	-	4,959	4,959
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (22,385)</u>	<u>\$ (22,385)</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ (27,344)
Adjustments to revenues for federal flowthrough grants.				22,520
Adjustments to expenditures for other contract services.				<u>(135)</u>
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ (4,959)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 Gallup-McKinley County Public Schools
 Fresh Fruits and Vegetables Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2010

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	-	-	342	342
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>342</u>	<u>342</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and 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>342</u>	<u>342</u>
<i>Other financing sources (uses)</i>				
Designated cash balance (budgeted increase in cash)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	342	342
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>12,067</u>	<u>12,067</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,409</u>	<u>\$ 12,409</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ 342
No adjustments to revenues.				-
No adjustments to expenditures.				<u>-</u>
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ 342</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 Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2010

Statement B-17

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	1,941,701	1,961,033	727,039	(1,233,994)
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	1,941,701	1,961,033	727,039	(1,233,994)
<i>Expenditures</i>				
<i>Current</i>				
Instruction	1,796,997	1,806,175	990,004	816,171
Support services - students	-	-	-	-
Support services - instruction	80,071	87,324	63,562	23,762
Support services - general administration	45,323	45,776	25,505	20,271
Support services - school administration	-	-	-	-
Central services	19,310	21,758	13,598	8,160
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	1,941,701	1,961,033	1,092,669	868,364
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	(365,630)	(365,630)
<i>Other financing sources (uses)</i>				
Designated cash balance (budgeted increase in cash)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	(365,630)	(365,630)
<i>Fund balances - beginning of year</i>	-	-	(119,303)	(119,303)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (484,933)	\$ (484,933)
<i>Net change in fund balances (Budget Basis)</i>				\$ (365,630)
Adjustments to revenues for federal flowthrough grants.				367,645
Adjustments to expenditures for other professional services and general supplies and materials.				42,593
<i>Net change in fund balances (GAAP Basis)</i>				\$ 44,608

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 Gallup-McKinley County Public Schools
 "Risk Pool" IDEA-B Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2010

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	-	38,522	3,659	(34,863)
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>38,522</u>	<u>3,659</u>	<u>(34,863)</u>
<i>Expenditures</i>				
Current				
Instruction	-	37,602	6,182	31,420
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	920	148	772
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>38,522</u>	<u>6,330</u>	<u>32,192</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(2,671)</u>	<u>(2,671)</u>
<i>Other financing sources (uses)</i>				
Designated cash balance (budgeted increase in cash)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	(2,671)	(2,671)
<i>Fund balances - beginning of year</i>	-	-	-	-
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (2,671)</u>	<u>\$ (2,671)</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ (2,671)
Adjustments to revenues for federal flowthrough grants.				3,128
Adjustments to expenditures for salaries.				<u>(457)</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
 Title I Family Literacy IASA Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2010

Statement B-19

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final		Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	152,762	152,762	129,565	(23,197)
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>152,762</u>	<u>152,762</u>	<u>129,565</u>	<u>(23,197)</u>
<i>Expenditures</i>				
<i>Current</i>				
Instruction	-	-	-	-
Support services - students	152,762	152,762	152,762	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>152,762</u>	<u>152,762</u>	<u>152,762</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	(23,197)	(23,197)
<i>Other financing sources (uses)</i>				
Designated cash balance (budgeted increase in cash)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	(23,197)	(23,197)
<i>Fund balances - beginning of year</i>	-	-	(4,110)	(4,110)
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (27,307)</u>	<u>\$ (27,307)</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ (23,197)
Adjustments to revenues for federal flowthrough grants.				27,423
Adjustments to expenditures for salaries.				<u>1,275</u>
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ 5,501</u>

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 and Comm/Ed Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2010

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	-	-	-	-
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 and 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 balance (budgeted increase in 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 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
 Partnerships in Character Ed Pilot Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2010

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	-	-	-	-
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 and 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 balance (budgeted increase in cash)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	(1,889)	(1,889)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (1,889)	\$ (1,889)
<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-A Innovative Education Program Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2010

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	1,462	1,462	1,461	(1)
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>1,462</u>	<u>1,462</u>	<u>1,461</u>	<u>(1)</u>
<i>Expenditures</i>				
<i>Current</i>				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	34	21	-	21
Support services - school administration	-	-	-	-
Central services	1,428	1,441	1,461	(20)
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>1,462</u>	<u>1,462</u>	<u>1,461</u>	<u>1</u>
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	-	-
<i>Other financing sources (uses)</i>				
Designated cash balance (budgeted increase in 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>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</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
English Language Acquisition Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2010

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	341,920	741,390	406,775	(334,615)
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>341,920</u>	<u>741,390</u>	<u>406,775</u>	<u>(334,615)</u>
<i>Expenditures</i>				
<i>Current</i>				
Instruction	321,946	710,731	623,486	87,245
Support services - students	-	-	-	-
Support services - instruction	12,315	9,000	5,311	3,689
Support services - general administration	7,659	16,659	15,072	1,587
Support services - school administration	-	-	-	-
Central services	-	5,000	1,848	3,152
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>341,920</u>	<u>741,390</u>	<u>645,717</u>	<u>95,673</u>
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	(238,942)	(238,942)
<i>Other financing sources (uses)</i>				
Designated cash balance (budgeted increase in cash)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	(238,942)	(238,942)
<i>Fund balances - beginning of year</i>	-	-	(67,157)	(67,157)
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (306,099)</u>	<u>\$ (306,099)</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ (238,942)
Adjustments to revenues for federal flowthrough grants.				285,087
Adjustments to expenditures for salaries, professional development, and general supplies and materials.				(9,193)
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ 36,952</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Gallup-McKinley County Public Schools
Teacher/Principal Training and Recruiting Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2010

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	1,268,544	1,265,311	1,141,439	(123,872)
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	1,268,544	1,265,311	1,141,439	(123,872)
<i>Expenditures</i>				
<i>Current</i>				
Instruction	1,026,559	1,013,640	490,853	522,787
Support services - students	2,722	2,722	114	2,608
Support services - instruction	149,261	149,374	141,021	8,353
Support services - general administration	30,318	30,316	16,399	13,917
Support services - school administration	-	-	-	-
Central services	55,488	65,063	59,910	5,153
Operation and maintenance of plant	4,196	4,196	-	4,196
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	1,268,544	1,265,311	708,297	557,014
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	433,142	433,142
<i>Other financing sources (uses)</i>				
Designated cash balance (budgeted increase in cash)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	433,142	433,142
<i>Fund balances - beginning of year</i>	-	-	(343,293)	(343,293)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 89,849	\$ 89,849
<i>Net change in fund balances (Budget Basis)</i>				\$ 433,142
Adjustments to revenues for federal flowthrough grants.				(473,379)
Adjustments to expenditures for other contract services and general supplies and materials.				(4,619)
<i>Net change in fund balances (GAAP Basis)</i>				\$ (44,856)

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-25

Gallup-McKinley County Public Schools

Title IV-A Safe and Drug Free Schools and Community Special Revenue Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variations Favorable (Unfavorable) Final to Actual
	Original	Final		
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	101,500	102,269	115,745	13,476
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>101,500</u>	<u>102,269</u>	<u>115,745</u>	<u>13,476</u>
<i>Expenditures</i>				
Current				
Instruction	2,300	4,800	4,048	752
Support services - students	96,774	95,024	92,626	2,398
Support services - instruction	-	-	-	-
Support services - general administration	2,426	2,445	2,311	134
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>101,500</u>	<u>102,269</u>	<u>98,985</u>	<u>3,284</u>
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	16,760	16,760
<i>Other financing sources (uses)</i>				
Designated cash balance (budgeted increase in cash)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	16,760	16,760
<i>Fund balances - beginning of year</i>	-	-	(35,744)	(35,744)
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (18,984)</u>	<u>\$ (18,984)</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ 16,760
Adjustments to revenues for federal flowthrough grants.				8,048
Adjustments to expenditures for general supplies and materials.				254
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ 25,062</u>

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 Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2010

Statement B-26

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final		Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	24,056	71,000	46,944
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>24,056</u>	<u>71,000</u>	<u>46,944</u>
<i>Expenditures</i>				
<i>Current</i>				
Instruction	-	8,212	3,137	5,075
Support services - students	-	14,650	-	14,650
Support services - instruction	-	-	-	-
Support services - general administration	-	563	90	473
Support services - school administration	-	-	-	-
Central services	-	631	629	2
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>24,056</u>	<u>3,856</u>	<u>20,200</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>67,144</u>	<u>67,144</u>
<i>Other financing sources (uses)</i>				
Designated cash balance (budgeted increase in cash)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	67,144	67,144
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(67,144)</u>	<u>(67,144)</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>				\$ 67,144
Adjustments to revenues for federal flowthrough grants.				(16,351)
No adjustments to expenditures.				<u>-</u>
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ 50,793</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 Gallup-McKinley County Public Schools
 Rural and Low Income Schools Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2010

Statement B-27

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	314,708	109,646	(205,062)
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	314,708	109,646	(205,062)
<i>Expenditures</i>				
<i>Current</i>				
Instruction	-	303,186	168,468	134,718
Support services - students	-	-	-	-
Support services - instruction	-	4,000	2,413	1,587
Support services - general administration	-	7,522	3,217	4,305
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	-	314,708	174,098	140,610
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	(64,452)	(64,452)
<i>Other financing sources (uses)</i>				
Designated cash balance (budgeted increase in cash)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	(64,452)	(64,452)
<i>Fund balances - beginning of year</i>	-	-	(173,968)	(173,968)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (238,420)	\$ (238,420)
<i>Net change in fund balances (Budget Basis)</i>				\$ (64,452)
Adjustments to revenues for federal flowthrough grants.				132,014
Adjustments to expenditures for general supplies and materials.				(540)
<i>Net change in fund balances (GAAP Basis)</i>				\$ 67,022

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 Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2010

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	-	1,516,828	796,440	(720,388)
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>1,516,828</u>	<u>796,440</u>	<u>(720,388)</u>
<i>Expenditures</i>				
<i>Current</i>				
Instruction	-	1,516,828	890,128	626,700
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>1,516,828</u>	<u>890,128</u>	<u>626,700</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(93,688)</u>	<u>(93,688)</u>
<i>Other financing sources (uses)</i>				
Designated cash balance (budgeted increase in cash)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	(93,688)	(93,688)
<i>Fund balances - beginning of year</i>	-	-	(175,056)	(175,056)
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (268,744)</u>	<u>\$ (268,744)</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ (93,688)
Adjustments to revenues for federal flowthrough grants.				162,917
No adjustments to expenditures.				<u>-</u>
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ 69,229</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 Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2010

Statement B-29

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	442	12,030	11,588
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	442	12,030	11,588
<i>Expenditures</i>				
Current				
Instruction	-	442	441	1
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	-	442	441	1
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	11,589	11,589
<i>Other financing sources (uses)</i>				
Designated cash balance (budgeted increase in cash)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	11,589	11,589
<i>Fund balances - beginning of year</i>	-	-	(12,030)	(12,030)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (441)	\$ (441)
<i>Net change in fund balances (Budget Basis)</i>				\$ 11,589
Adjustments to revenues for federal flowthrough grants.				(497)
Adjustments to expenditures for general supplies and materials.				441
<i>Net change in fund balances (GAAP Basis)</i>				\$ 11,533

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 Gallup-McKinley County Public Schools
 School Renovation, IDEA and Technology Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2010

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	-	-	-	-
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 and 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 balance (budgeted increase in 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 Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2010

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	-	-	-	-
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>				
<i>Current</i>				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and 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 balance (budgeted increase in cash)	-	-	-	-
<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>(14,370)</u>	<u>(14,370)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (14,370)</u>	<u>\$ (14,370)</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
 Carl D Perkins Secondary - Current Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2010

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	255,686	198,972	153,137	(45,835)
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>255,686</u>	<u>198,972</u>	<u>153,137</u>	<u>(45,835)</u>
<i>Expenditures</i>				
Current				
Instruction	243,109	187,426	135,576	51,850
Support services - students	-	-	-	-
Support services - instruction	6,791	6,791	3,971	2,820
Support services - general administration	5,786	4,755	868	3,887
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>255,686</u>	<u>198,972</u>	<u>140,415</u>	<u>58,557</u>
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	12,722	12,722
<i>Other financing sources (uses)</i>				
Designated cash balance (budgeted increase in cash)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	12,722	12,722
<i>Fund balances - beginning of year</i>	-	-	(29,569)	(29,569)
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (16,847)</u>	<u>\$ (16,847)</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ 12,722
Adjustments to revenues for federal flowthrough grants.				(12,722)
Adjustments to expenditures for general supplies and materials.				4,997
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ 4,997</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-33

Gallup-McKinley County Public Schools
 Carl D Perkins Secondary - PY Unliq. Obligations Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variations Favorable (Unfavorable)
	Original	Final		Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	11,752	5,172	(6,580)
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>11,752</u>	<u>5,172</u>	<u>(6,580)</u>
<i>Expenditures</i>				
Current				
Instruction	-	11,752	5,172	6,580
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>11,752</u>	<u>5,172</u>	<u>6,580</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 balance (budgeted increase in cash)	-	-	-	-
<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>				\$ -
Adjustments to revenues for federal flowthrough grants.				8,342
Adjustments to expenditures for general supplies and materials.				<u>(8,342)</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-34

Gallup-McKinley County Public Schools
 Carl D Perkins Secondary - Redistribution Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variations Favorable (Unfavorable)
	Original	Final		Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	32,510	14,888	(17,622)
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>32,510</u>	<u>14,888</u>	<u>(17,622)</u>
<i>Expenditures</i>				
Current				
Instruction	-	16,968	14,888	2,080
Support services - students	-	14,765	-	14,765
Support services - instruction	-	-	-	-
Support services - general administration	-	777	-	777
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>32,510</u>	<u>14,888</u>	<u>17,622</u>
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	-	-
<i>Other financing sources (uses)</i>				
Designated cash balance (budgeted increase in cash)	-	-	-	-
<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>	-	-	-	-
<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.				-
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
 Entitlement IDEA-B - Federal Stimulus Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2010

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	-	3,325,210	1,363,061	(1,962,149)
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>3,325,210</u>	<u>1,363,061</u>	<u>(1,962,149)</u>
<i>Expenditures</i>				
<i>Current</i>				
Instruction	-	119,850	80,137	39,713
Support services - students	-	2,983,464	1,347,728	1,635,736
Support services - instruction	-	-	-	-
Support services - general administration	-	81,633	29,634	51,999
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	140,263	-	140,263
<i>Total expenditures</i>	<u>-</u>	<u>3,325,210</u>	<u>1,457,499</u>	<u>1,867,711</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(94,438)</u>	<u>(94,438)</u>
<i>Other financing sources (uses)</i>				
Designated cash balance (budgeted increase in 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>(94,438)</u>	<u>(94,438)</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (94,438)</u>	<u>\$ (94,438)</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ (94,438)
Adjustments to revenues for federal flowthrough grants.				94,592
Adjustments to expenditures for general supplies and materials.				<u>(154)</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
 Preschool IDEA-B Federal Stimulus Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2010

Statement B-36

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final		Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	53,949	-	(53,949)
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>53,949</u>	<u>-</u>	<u>(53,949)</u>
<i>Expenditures</i>				
<i>Current</i>				
Instruction	-	-	-	-
Support services - students	-	52,690	-	52,690
Support services - instruction	-	-	-	-
Support services - general administration	-	1,259	-	1,259
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>53,949</u>	<u>-</u>	<u>53,949</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 balance (budgeted increase in cash)	-	-	-	-
<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>				\$ -
Adjustments to revenues for federal flowthrough grants.				425
Adjustments to expenditures for general supplies and materials.				<u>(425)</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-37

Gallup-McKinley County Public Schools
 Early Intervention Services IDEA-B - Federal Stimulus Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variations Favorable (Unfavorable) Final to Actual
	Original	Final		
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	298,422	265,289	(33,133)
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>298,422</u>	<u>265,289</u>	<u>(33,133)</u>
<i>Expenditures</i>				
Current				
Instruction	-	26,000	-	26,000
Support services - students	-	265,289	265,289	-
Support services - instruction	-	-	-	-
Support services - general administration	-	7,133	6,340	793
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>298,422</u>	<u>271,629</u>	<u>26,793</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(6,340)</u>	<u>(6,340)</u>
<i>Other financing sources (uses)</i>				
Designated cash balance (budgeted increase in cash)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	(6,340)	(6,340)
<i>Fund balances - beginning of year</i>	-	-	-	-
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (6,340)</u>	<u>\$ (6,340)</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ (6,340)
Adjustments to revenues for federal flowthrough grants.				6,340
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

Statement B-38

Gallup-McKinley County Public Schools
 Education of Homeless - Federal Stimulus Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final		Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	21,000	2,497	(18,503)
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	21,000	2,497	(18,503)
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	-	20,498	2,449	18,049
Support services - instruction	-	-	-	-
Support services - general administration	-	502	59	443
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	-	21,000	2,508	18,492
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	(11)	(11)
<i>Other financing sources (uses)</i>				
Designated cash balance (budgeted increase in cash)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	(11)	(11)
<i>Fund balances - beginning of year</i>	-	-	-	-
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (11)	\$ (11)
<i>Net change in fund balances (Budget Basis)</i>			\$	(11)
Adjustments to revenues for federal flowthrough grants.				11
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
Private School Share IDEA-B - Federal Stimulus Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2010

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	-	73,058	13,510	(59,548)
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>73,058</u>	<u>13,510</u>	<u>(59,548)</u>
<i>Expenditures</i>				
<i>Current</i>				
Instruction	-	71,312	8,413	62,899
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	1,746	201	1,545
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>73,058</u>	<u>8,614</u>	<u>64,444</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>4,896</u>	<u>4,896</u>
<i>Other financing sources (uses)</i>				
Designated cash balance (budgeted increase in cash)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	4,896	4,896
<i>Fund balances - beginning of year</i>	-	-	-	-
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,896</u>	<u>\$ 4,896</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ 4,896
Adjustments to revenues for federal flowthrough grants.				(4,896)
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

Statement B-40

Gallup-McKinley County Public Schools
 Enhancing Education Through Technology - Federal Stimulus Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	274,972	274,972	123,234	(151,738)
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	274,972	274,972	123,234	(151,738)
<i>Expenditures</i>				
Current				
Instruction	268,553	268,553	123,234	145,319
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	6,419	6,419	740	5,679
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	274,972	274,972	123,974	150,998
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	(740)	(740)
<i>Other financing sources (uses)</i>				
Designated cash balance (budgeted increase in cash)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	(740)	(740)
<i>Fund balances - beginning of year</i>	-	-	-	-
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (740)	\$ (740)
<i>Net change in fund balances (Budget Basis)</i>				\$ (740)
Adjustments to revenues for federal flowthrough grants.				4,616
Adjustments to expenditures for general supplies and materials.				(3,876)
<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 Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2010

Statement B-41

	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 and 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 balance (budgeted increase in 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
 JTPA Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2010

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	-	-	-	-
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 and 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 balance (budgeted increase in 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 Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2010

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	615,101	1,019,171	717,909	(301,262)
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	615,101	1,019,171	717,909	(301,262)
<i>Expenditures</i>				
Current				
Instruction	382,526	688,471	368,996	319,475
Support services - students	-	-	-	-
Support services - instruction	218,797	307,490	266,597	40,893
Support services - general administration	13,778	23,210	13,603	9,607
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	615,101	1,019,171	649,196	369,975
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	68,713	68,713
<i>Other financing sources (uses)</i>				
Designated cash balance (budgeted increase in cash)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	68,713	68,713
<i>Fund balances - beginning of year</i>	-	-	(206,429)	(206,429)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (137,716)	\$ (137,716)
<i>Net change in fund balances (Budget Basis)</i>				\$ 68,713
Adjustments to revenues for federal direct grants.				49,060
Adjustments to expenditures for general supplies and materials.				(5,422)
<i>Net change in fund balances (GAAP Basis)</i>				\$ 112,351

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 Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2010

Statement B-44

	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 and 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 balance (budgeted increase in cash)	-	-	-	-
<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>45,556</u>	<u>45,556</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 45,556</u>	<u>\$ 45,556</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
Impact Aid Special Education Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2010

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	-	-	916,200	916,200
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	-	916,200	916,200
<i>Expenditures</i>				
Current				
Instruction	-	7,000	4,385	2,615
Support services - students	618,757	613,757	441,577	172,180
Support services - instruction	511,401	509,401	468,785	40,616
Support services - general administration	27,673	27,673	21,713	5,960
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	1,157,831	1,157,831	936,460	221,371
<i>Excess (deficiency) of revenues over expenditures</i>	(1,157,831)	(1,157,831)	(20,260)	1,137,571
<i>Other financing sources (uses)</i>				
Designated cash balance (budgeted increase in cash)	1,157,831	1,157,831	-	(1,157,831)
<i>Total other financing sources (uses)</i>	1,157,831	1,157,831	-	(1,157,831)
<i>Net change in fund balances</i>	-	-	(20,260)	(20,260)
<i>Fund balances - beginning of year</i>	-	-	1,200,008	1,200,008
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 1,179,748	\$ 1,179,748
<i>Net change in fund balances (Budget Basis)</i>				\$ (20,260)
No adjustments to revenues.				-
Adjustments to expenditures for general materials and supplies.				(112)
<i>Net change in fund balances (GAAP Basis)</i>				\$ (20,372)

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 Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2010

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	-	7,000	-	(7,000)
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	7,000	-	(7,000)
<i>Expenditures</i>				
<i>Current</i>				
Instruction	-	25,342	4,316	21,026
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	-	25,342	4,316	21,026
<i>Excess (deficiency) of revenues over expenditures</i>	-	(18,342)	(4,316)	14,026
<i>Other financing sources (uses)</i>				
Designated cash balance (budgeted increase in cash)	-	18,342	-	(18,342)
<i>Total other financing sources (uses)</i>	-	18,342	-	(18,342)
<i>Net change in fund balances</i>	-	-	(4,316)	(4,316)
<i>Fund balances - beginning of year</i>	-	-	19,747	19,747
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 15,431	\$ 15,431
<i>Net change in fund balances (Budget Basis)</i>				\$ (4,316)
No adjustments to revenues.				-
Adjustments to expenditures for general materials and supplies.				(235)
<i>Net change in fund balances (GAAP Basis)</i>				\$ (4,551)

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 Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2010

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	-	-	158,654	158,654
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	-	158,654	158,654
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	102,239	102,239	83,778	18,461
Support services - instruction	-	-	-	-
Support services - general administration	2,444	2,444	2,002	442
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	104,683	104,683	85,780	18,903
<i>Excess (deficiency) of revenues over expenditures</i>	(104,683)	(104,683)	72,874	177,557
<i>Other financing sources (uses)</i>				
Designated cash balance (budgeted increase in cash)	104,683	104,683	-	(104,683)
<i>Total other financing sources (uses)</i>	104,683	104,683	-	(104,683)
<i>Net change in fund balances</i>	-	-	72,874	72,874
<i>Fund balances - beginning of year</i>	-	-	212,557	212,557
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 285,431	\$ 285,431
<i>Net change in fund balances (Budget Basis)</i>				\$ 72,874
Adjustments to revenues for federal contracts.				(13,299)
No adjustments to expenditures.				-
<i>Net change in fund balances (GAAP Basis)</i>				\$ 59,575

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 Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2010

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	-	166,568	61,697	(104,871)
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	166,568	61,697	(104,871)
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	-	166,568	14,149	152,419
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	-	166,568	14,149	152,419
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	47,548	47,548
<i>Other financing sources (uses)</i>				
Designated cash balance (budgeted increase in cash)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	47,548	47,548
<i>Fund balances - beginning of year</i>	-	-	166,569	166,569
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 214,117	\$ 214,117
<i>Net change in fund balances (Budget Basis)</i>				\$ 47,548
No adjustments to revenues.				-
No adjustments to expenditures.				-
<i>Net change in fund balances (GAAP Basis)</i>				\$ 47,548

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 Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2010

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	-	30,000	17,301	(12,699)
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	30,000	17,301	(12,699)
<i>Expenditures</i>				
Current				
Instruction	-	44,315	18,991	25,324
Support services - students	-	-	-	-
Support services - instruction	-	478	375	103
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	-	44,793	19,366	25,427
<i>Excess (deficiency) of revenues over expenditures</i>	-	(14,793)	(2,065)	12,728
<i>Other financing sources (uses)</i>				
Designated cash balance (budgeted increase in cash)	-	14,793	-	(14,793)
<i>Total other financing sources (uses)</i>	-	14,793	-	(14,793)
<i>Net change in fund balances</i>	-	-	(2,065)	(2,065)
<i>Fund balances - beginning of year</i>	-	-	14,794	14,794
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 12,729	\$ 12,729
<i>Net change in fund balances (Budget Basis)</i>				\$ (2,065)
No adjustments to revenues.				-
No adjustments to expenditures.				-
<i>Net change in fund balances (GAAP Basis)</i>				\$ (2,065)

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Gallup-McKinley County Public Schools
Child and Adult Food Program Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2010

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	-	9,422	6,255	(3,167)
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>9,422</u>	<u>6,255</u>	<u>(3,167)</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	-	9,422	5,085	4,337
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>9,422</u>	<u>5,085</u>	<u>4,337</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>1,170</u>	<u>1,170</u>
<i>Other financing sources (uses)</i>				
Designated cash balance (budgeted increase in cash)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	1,170	1,170
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>9,422</u>	<u>9,422</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,592</u>	<u>\$ 10,592</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ 1,170
No adjustments to revenues.				-
No adjustments to expenditures.				<u>-</u>
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ 1,170</u>

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 Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2010

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	358,364	358,364	252,926	(105,438)
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	358,364	358,364	252,926	(105,438)
<i>Expenditures</i>				
Current				
Instruction	28,977	28,878	5,444	23,434
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	8,365	8,365	5,693	2,672
Support services - school administration	264,564	252,729	163,179	89,550
Central services	56,458	68,392	69,569	(1,177)
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	358,364	358,364	243,885	114,479
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	9,041	9,041
<i>Other financing sources (uses)</i>				
Designated cash balance (budgeted increase in cash)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	9,041	9,041
<i>Fund balances - beginning of year</i>	-	-	(18,421)	(18,421)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (9,380)	\$ (9,380)
<i>Net change in fund balances (Budget Basis)</i>				\$ 9,041
Adjustments to revenues for federal direct grants.				(8,372)
Adjustments to expenditures for professional development.				(669)
<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 Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2010

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	1,941,628	1,941,628	1,959,464	17,836
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	1,941,628	1,941,628	1,959,464	17,836
<i>Expenditures</i>				
Current				
Instruction	1,796,831	1,796,831	1,739,958	56,873
Support services - students	-	-	-	-
Support services - instruction	98,392	98,392	91,360	7,032
Support services - general administration	46,405	46,405	43,768	2,637
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	1,941,628	1,941,628	1,875,086	66,542
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	84,378	84,378
<i>Other financing sources (uses)</i>				
Designated cash balance (budgeted increase in cash)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	84,378	84,378
<i>Fund balances - beginning of year</i>	-	-	(120,554)	(120,554)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (36,176)	\$ (36,176)
<i>Net change in fund balances (Budget Basis)</i>				\$ 84,378
Adjustments to revenues for federal direct grants.				(74,567)
Adjustments to expenditures for general supplies and materials.				(9,811)
<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
 21st Century Community Learning Centers Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2010

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 and 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 balance (budgeted increase in 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 Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2010

Statement B-54

	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	-	114,357	114,428	71
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>114,357</u>	<u>114,428</u>	<u>71</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	-	111,624	67,781	43,843
Support services - instruction	-	-	-	-
Support services - general administration	-	2,733	1,620	1,113
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>114,357</u>	<u>69,401</u>	<u>44,956</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>45,027</u>	<u>45,027</u>
<i>Other financing sources (uses)</i>				
Designated cash balance (budgeted increase in cash)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	45,027	45,027
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(60,122)</u>	<u>(60,122)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (15,095)</u>	<u>\$ (15,095)</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ 45,027
Adjustments to revenues for federal direct grants.				(43,469)
No adjustments to expenditures.				<u>-</u>
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ 1,558</u>

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 Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2010

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	-	-	-	-
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 and 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 balance (budgeted increase in 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 Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2010

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	-	236,795	210,227	(26,568)
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>236,795</u>	<u>210,227</u>	<u>(26,568)</u>
<i>Expenditures</i>				
<i>Current</i>				
Instruction	-	94,924	41,996	52,928
Support services - students	-	136,345	60,128	76,217
Support services - instruction	-	-	-	-
Support services - general administration	-	4,922	2,330	2,592
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	604	604	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>236,795</u>	<u>105,058</u>	<u>131,737</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>105,169</u>	<u>105,169</u>
<i>Other financing sources (uses)</i>				
Designated cash balance (budgeted increase in cash)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	105,169	105,169
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>34,060</u>	<u>34,060</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 139,229</u>	<u>\$ 139,229</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ 105,169
Adjustments to revenues for federal direct grants.				(138,703)
Adjustments to expenditures for salaries and general supplies and materials.				<u>11</u>
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ (33,523)</u>

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 Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2010

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 and 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 balance (budgeted increase in 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.				-
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
Tobacco Use Prevention and Control Program Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2010

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	-	-	-	-
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 and 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 balance (budgeted increase in 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 Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2010

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	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and 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 balance (budgeted increase in 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 and Mental Health Services Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2010

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	-	-	60,000	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>60,000</u>	<u>60,000</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and 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>60,000</u>	<u>60,000</u>
<i>Other financing sources (uses)</i>				
Designated cash balance (budgeted increase in cash)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	60,000	60,000
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(101,018)</u>	<u>(101,018)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (41,018)</u>	<u>\$ (41,018)</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ 60,000
Adjustments to revenues for federal direct grants.				(60,000)
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
 Carol M White Physical Fitness Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2010

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	-	88,931	47,559	(41,372)
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	88,931	47,559	(41,372)
<i>Expenditures</i>				
Current				
Instruction	-	58,431	12,905	45,526
Support services - students	-	-	-	-
Support services - instruction	-	30,500	28,500	2,000
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	-	88,931	41,405	47,526
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	6,154	6,154
<i>Other financing sources (uses)</i>				
Designated cash balance (budgeted increase in cash)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	6,154	6,154
<i>Fund balances - beginning of year</i>	-	-	(6,154)	(6,154)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ -	\$ -
<i>Net change in fund balances (Budget Basis)</i>				\$ 6,154
Adjustments to revenues for federal direct grants.				(6,154)
Adjustments to expenditures for professional development and general supplies and materials.				29,507
<i>Net change in fund balances (GAAP Basis)</i>				\$ 29,507

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 Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2010

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	175,000	175,000	131,557	(43,443)
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	175,000	175,000	131,557	(43,443)
<i>Expenditures</i>				
Current				
Instruction	166,505	166,505	125,884	40,621
Support services - students	-	-	-	-
Support services - instruction	4,000	4,000	-	4,000
Support services - general administration	4,495	4,495	3,009	1,486
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	175,000	175,000	128,893	46,107
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	2,664	2,664
<i>Other financing sources (uses)</i>				
Designated cash balance (budgeted increase in cash)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	2,664	2,664
<i>Fund balances - beginning of year</i>	-	-	(2,482)	(2,482)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 182	\$ 182
<i>Net change in fund balances (Budget Basis)</i>				\$ 2,664
Adjustments to revenues for federal direct grants.				(2,664)
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 Construction Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2010

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	-	-	-	-
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 and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	2,081,549	2,081,549	575,335	1,506,214
<i>Total expenditures</i>	2,081,549	2,081,549	575,335	1,506,214
<i>Excess (deficiency) of revenues over expenditures</i>	(2,081,549)	(2,081,549)	(575,335)	1,506,214
<i>Other financing sources (uses)</i>				
Designated cash balance (budgeted increase in cash)	2,081,549	2,081,549	-	(2,081,549)
<i>Total other financing sources (uses)</i>	2,081,549	2,081,549	-	(2,081,549)
<i>Net change in fund balances</i>	-	-	(575,335)	(575,335)
<i>Fund balances - beginning of year</i>	-	-	2,081,549	2,081,549
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 1,506,214	\$ 1,506,214
<i>Net change in fund balances (Budget Basis)</i>				\$ (575,335)
Adjustments to revenues for federal direct grants.				350
Adjustments to expenditures for construction services.				(233,515)
<i>Net change in fund balances (GAAP Basis)</i>				\$ (808,500)

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 Gallup-McKinley County Public Schools
 Bill and Melinda Gates Foundation Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2010

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>	<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 and 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 balance (budgeted increase in cash)	-	-	-	-
<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>2,839</u>	<u>2,839</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,839</u>	<u>\$ 2,839</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
 Save the Children Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2010

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	-	419,894	408,745	(11,149)
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	419,894	408,745	(11,149)
<i>Expenditures</i>				
Current				
Instruction	-	419,894	414,716	5,178
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	-	419,894	414,716	5,178
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	(5,971)	(5,971)
<i>Other financing sources (uses)</i>				
Designated cash balance (budgeted increase in cash)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	(5,971)	(5,971)
<i>Fund balances - beginning of year</i>	-	-	(71,807)	(71,807)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (77,778)	\$ (77,778)
<i>Net change in fund balances (Budget Basis)</i>				\$ (5,971)
Adjustments to revenues for instructional-categorical revenue.				15,813
No adjustments to expenditures.				-
<i>Net change in fund balances (GAAP Basis)</i>				\$ 9,842

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 Gallup-McKinley County Public Schools
 Center for Ed and Study of Diverse Populations Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2010

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	-	-	-	-
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 and 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 balance (budgeted increase in 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 Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2010

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 and 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 balance (budgeted increase in 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
Pump up the Volume in Preschools Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2010

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	-	152,699	13,048	(139,651)
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	152,699	13,048	(139,651)
<i>Expenditures</i>				
Current				
Instruction	-	123,420	43	123,377
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	3,521	355	3,166
Support services - school administration	-	-	-	-
Central services	-	25,758	14,829	10,929
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	-	152,699	15,227	137,472
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	(2,179)	(2,179)
<i>Other financing sources (uses)</i>				
Designated cash balance (budgeted increase in cash)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	(2,179)	(2,179)
<i>Fund balances - beginning of year</i>	-	-	-	-
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (2,179)	\$ (2,179)
<i>Net change in fund balances (Budget Basis)</i>				\$ (2,179)
Adjustments to revenues for instructional-categorical revenue.				2,179
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
SES After School Tutoring Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2010

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	-	721,150	721,150	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>721,150</u>	<u>721,150</u>	<u>-</u>
<i>Expenditures</i>				
<i>Current</i>				
Instruction	-	684,132	522,416	161,716
Support services - students	-	-	-	-
Support services - instruction	-	6,168	671	5,497
Support services - general administration	-	19,919	12,475	7,444
Support services - school administration	-	-	-	-
Central services	-	3,881	1,132	2,749
Operation and maintenance of plant	-	7,050	4,934	2,116
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>721,150</u>	<u>541,628</u>	<u>179,522</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>179,522</u>	<u>179,522</u>
<i>Other financing sources (uses)</i>				
Designated cash balance (budgeted increase in cash)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	179,522	179,522
<i>Fund balances - beginning of year</i>	-	-	-	-
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 179,522</u>	<u>\$ 179,522</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ 179,522
No adjustments to revenues.				-
No adjustments to expenditures.				-
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ 179,522</u>

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 Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2010

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	309,989	309,989	141,319	(168,670)
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	309,989	309,989	141,319	(168,670)
<i>Expenditures</i>				
<i>Current</i>				
Instruction	204,525	204,525	204,525	-
Support services - students	-	-	-	-
Support services - instruction	105,464	105,464	104,948	516
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	309,989	309,989	309,473	516
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	(168,154)	(168,154)
<i>Other financing sources (uses)</i>				
Designated cash balance (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	(168,154)	(168,154)
<i>Fund balances - beginning of year</i>	-	-	-	-
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (168,154)	\$ (168,154)
<i>Net change in fund balances (Budget Basis)</i>				\$ (168,154)
Adjustments to revenues for PED state flowthrough grants.				168,154
Adjustments to expenditures for supplies and materials.				74,995
<i>Net change in fund balances (GAAP Basis)</i>				\$ 74,995

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 Gallup-McKinley County Public Schools
 2008 GO Bond Student Library Fund Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2010

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	-	123,506	49,183	(74,323)
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>123,506</u>	<u>49,183</u>	<u>(74,323)</u>
<i>Expenditures</i>				
<i>Current</i>				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	123,506	117,939	5,567
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>123,506</u>	<u>117,939</u>	<u>5,567</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(68,756)</u>	<u>(68,756)</u>
<i>Other financing sources (uses)</i>				
Designated cash balance (budgeted increase in 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>	<u>-</u>	<u>-</u>	<u>(68,756)</u>	<u>(68,756)</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (68,756)</u>	<u>\$ (68,756)</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ (68,756)
Adjustments to revenues for PED state flowthrough grants.				70,340
Adjustments to expenditures for supplies and materials.				<u>(1,584)</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
TANF PED Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2010

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 and 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 balance (budgeted increase in 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 Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2010

Statement B-73

	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	-	80,308	82,968	2,660
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	80,308	82,968	2,660
<i>Expenditures</i>				
<i>Current</i>				
Instruction	-	5,755	5,647	108
Support services - students	-	-	-	-
Support services - instruction	-	4,810	4,810	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	69,743	66,108	3,635
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	-	80,308	76,565	3,743
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	6,403	6,403
<i>Other financing sources (uses)</i>				
Designated cash balance (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	6,403	6,403
<i>Fund balances - beginning of year</i>	-	-	-	-
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 6,403	\$ 6,403
<i>Net change in fund balances (Budget Basis)</i>			\$	6,403
Adjustments to revenues for PED state flowthrough grants.				797
Adjustments to expenditures for maintenance and repair.				(7,200)
<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
 TANF - Full Day Kindergarten Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2010

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	-	-	-	-
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 and 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 balance (budgeted increase in 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 Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2010

Statement B-75

	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 and 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 balance (budgeted increase in 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>	-	-	84,199	84,199
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 84,199	\$ 84,199
<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
 Laws of NM 2005 Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2010

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>				
<i>Current</i>				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and 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 balance (budgeted increase in 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.				-
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
Pre-K Initiative Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2010

Statement B-77

	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	614,576	614,576	615,402	826
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	614,576	614,576	615,402	826
<i>Expenditures</i>				
<i>Current</i>				
Instruction	601,512	601,512	436,527	164,985
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	13,064	13,064	10,433	2,631
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	614,576	614,576	446,960	167,616
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	168,442	168,442
<i>Other financing sources (uses)</i>				
Designated cash balance (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	168,442	168,442
<i>Fund balances - beginning of year</i>	-	-	(274,620)	(274,620)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (106,178)	\$ (106,178)
<i>Net change in fund balances (Budget Basis)</i>				\$ 168,442
Adjustments to revenues for PED state flowthrough grants.				(168,442)
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 Act Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2010

Statement B-78

	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	-	200,000	67,977	(132,023)
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	200,000	67,977	(132,023)
<i>Expenditures</i>				
<i>Current</i>				
Instruction	-	71,205	63,686	7,519
Support services - students	-	-	-	-
Support services - instruction	-	124,015	117,670	6,345
Support services - general administration	-	4,780	4,334	446
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	-	200,000	185,690	14,310
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	(117,713)	(117,713)
<i>Other financing sources (uses)</i>				
Designated cash balance (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	(117,713)	(117,713)
<i>Fund balances - beginning of year</i>	-	-	990	990
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (116,723)	\$ (116,723)
<i>Net change in fund balances (Budget Basis)</i>				\$ (117,713)
Adjustments to revenues for PED state flowthrough grants.				116,723
No adjustments to expenditures.				-
<i>Net change in fund balances (GAAP Basis)</i>				\$ (990)

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 Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2010

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	-	-	-	-
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 and 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 balance (budgeted increase in 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 Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2010

Statement B-80

	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	-	123,437	115,324	(8,113)
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	123,437	115,324	(8,113)
<i>Expenditures</i>				
<i>Current</i>				
Instruction	-	123,437	101,611	21,826
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	-	123,437	101,611	21,826
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	13,713	13,713
<i>Other financing sources (uses)</i>				
Designated cash balance (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	13,713	13,713
<i>Fund balances - beginning of year</i>	-	-	(1,460)	(1,460)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 12,253	\$ 12,253
<i>Net change in fund balances (Budget Basis)</i>				\$ 13,713
No adjustments to revenues.				-
Adjustments to expenditures for salaries.				1,000
<i>Net change in fund balances (GAAP Basis)</i>				\$ 14,713

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 Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2010

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	-	150,702	150,702	-
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>150,702</u>	<u>150,702</u>	<u>-</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 and maintenance of plant	-	-	-	-
Food services operations	-	150,702	150,702	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>150,702</u>	<u>150,702</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 balance (budgeted increase in 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>56,572</u>	<u>56,572</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 56,572</u>	<u>\$ 56,572</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
Teacher Professional Development Fund Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2010

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	-	300,000	-	(300,000)
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>300,000</u>	<u>-</u>	<u>(300,000)</u>
<i>Expenditures</i>				
<i>Current</i>				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	292,999	292,497	502
Support services - general administration	-	7,001	6,991	10
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>300,000</u>	<u>299,488</u>	<u>512</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(299,488)</u>	<u>(299,488)</u>
<i>Other financing sources (uses)</i>				
Designated cash balance (budgeted increase in 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>	-	-	(299,488)	(299,488)
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>10,573</u>	<u>10,573</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (288,915)</u>	<u>\$ (288,915)</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ (299,488)
Adjustments to revenues for PED state flowthrough grants.				288,915
No adjustments to expenditures.				<u>-</u>
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ (10,573)</u>

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 Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2010

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	-	-	-	-
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 and 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 balance (budgeted increase in 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 Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2010

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	-	-	-	-
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 and 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 balance (budgeted increase in 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>	-	-	9,642	9,642
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 9,642	\$ 9,642
<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
School Improvement Framework Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2010

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	-	131,500	193,400	61,900
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>131,500</u>	<u>193,400</u>	<u>61,900</u>
<i>Expenditures</i>				
<i>Current</i>				
Instruction	-	131,500	127,500	4,000
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>131,500</u>	<u>127,500</u>	<u>4,000</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>65,900</u>	<u>65,900</u>
<i>Other financing sources (uses)</i>				
Designated cash balance (budgeted increase in 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>	-	-	65,900	65,900
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(178,400)</u>	<u>(178,400)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (112,500)</u>	<u>\$ (112,500)</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ 65,900
Adjustments to revenues for PED state flowthrough grants.				112,500
No adjustments to expenditures.				<u>-</u>
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ 178,400</u>

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 Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2010

Statement B-86

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Oil and gas taxes	-	-	-	-
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	556,329	527,399	754,814	227,415
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	556,329	527,399	754,814	227,415
<i>Expenditures</i>				
<i>Current</i>				
Instruction	542,367	514,741	508,813	5,928
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	13,962	12,658	12,161	497
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	556,329	527,399	520,974	6,425
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	233,840	233,840
<i>Other financing sources (uses)</i>				
Designated cash balance (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	233,840	233,840
<i>Fund balances - beginning of year</i>	-	-	(302,204)	(302,204)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (68,364)	\$ (68,364)
<i>Net change in fund balances (Budget Basis)</i>				\$ 233,840
Adjustments to revenues for PED state flowthrough grants.				68,391
Adjustments to expenditures for salaries and general supplies and materials.				1,232
<i>Net change in fund balances (GAAP Basis)</i>				\$ 303,463

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 Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2010

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	-	-	25,156	25,156
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>25,156</u>	<u>25,156</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 and 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>25,156</u>	<u>25,156</u>
<i>Other financing sources (uses)</i>				
Designated cash balance (budgeted increase in 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>	-	-	25,156	25,156
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(25,156)</u>	<u>(25,156)</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>				\$ 25,156
Adjustments to revenues for PED state flowthrough grants.				(10,035)
No adjustments to expenditures.				<u>-</u>
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ 15,121</u>

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 Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2010

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	-	1,240	1,371	131
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>1,240</u>	<u>1,371</u>	<u>131</u>
<i>Expenditures</i>				
<i>Current</i>				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	1,240	1,222	18
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>1,240</u>	<u>1,222</u>	<u>18</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>149</u>	<u>149</u>
<i>Other financing sources (uses)</i>				
Designated cash balance (budgeted increase in 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>	-	-	149	149
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(149)</u>	<u>(149)</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>				\$ 149
No adjustments to revenues.				-
No adjustments to expenditures.				-
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ 149</u>

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 Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2010

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	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	31,104	6,917
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	38,021	38,021	31,104	6,917
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	(31,104)	(31,104)
<i>Other financing sources (uses)</i>				
Designated cash balance (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	(31,104)	(31,104)
<i>Fund balances - beginning of year</i>	-	-	38,021	38,021
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 6,917	\$ 6,917
<i>Net change in fund balances (Budget Basis)</i>				\$ (31,104)
No adjustments to revenues.				-
Adjustments to expenditures for library audio - visual.				(479)
<i>Net change in fund balances (GAAP Basis)</i>				\$ (31,583)

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 Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2010

Statement B-90

	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 and 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 balance (budgeted increase in 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 Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2010

Statement B-91

	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 and 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 balance (budgeted increase in 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 Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2010

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	-	-	-	-
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 and 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 balance (budgeted increase in 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>142</u>	<u>142</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 142</u>	<u>\$ 142</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
 Office of Child Development Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2010

Statement B-93

	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	-	60,000	30,000	(30,000)
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	60,000	30,000	(30,000)
<i>Expenditures</i>				
<i>Current</i>				
Instruction	-	-	-	-
Support services - students	-	58,622	58,270	352
Support services - instruction	-	-	-	-
Support services - general administration	-	1,378	1,393	(15)
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	-	60,000	59,663	337
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	(29,663)	(29,663)
<i>Other financing sources (uses)</i>				
Designated cash balance (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	(29,663)	(29,663)
<i>Fund balances - beginning of year</i>	-	-	23,493	23,493
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (6,170)	\$ (6,170)
<i>Net change in fund balances (Budget Basis)</i>				\$ (29,663)
Adjustments to revenues for state direct revenue.				30,000
No adjustments to expenditures.				-
<i>Net change in fund balances (GAAP Basis)</i>				\$ 337

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 Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2010

Statement B-94

	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	-	30,000	-	(30,000)
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	30,000	-	(30,000)
<i>Expenditures</i>				
Current				
Instruction	-	30,000	289	29,711
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	-	30,000	289	29,711
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	(289)	(289)
<i>Other financing sources (uses)</i>				
Designated cash balance (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	(289)	(289)
<i>Fund balances - beginning of year</i>	-	-	62,780	62,780
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 62,491	\$ 62,491
<i>Net change in fund balances (Budget Basis)</i>				\$ (289)
No adjustments to revenues.				-
Adjustments to expenditures for professional development.				(1,200)
<i>Net change in fund balances (GAAP Basis)</i>				\$ (1,489)

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 Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2010

Statement B-95

	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	-	91,000	114,225	23,225
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	91,000	114,225	23,225
<i>Expenditures</i>				
<i>Current</i>				
Instruction	59,000	150,000	103,016	46,984
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	59,000	150,000	103,016	46,984
<i>Excess (deficiency) of revenues over expenditures</i>	(59,000)	(59,000)	11,209	70,209
<i>Other financing sources (uses)</i>				
Designated cash balance (budgeted increase in cash)	59,000	59,000	-	(59,000)
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	59,000	59,000	-	(59,000)
<i>Net change in fund balances</i>	-	-	11,209	11,209
<i>Fund balances - beginning of year</i>	-	-	51,314	51,314
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 62,523	\$ 62,523
<i>Net change in fund balances (Budget Basis)</i>				\$ 11,209
No adjustments to revenues.				-
Adjustments to expenditures for salaries.				848
<i>Net change in fund balances (GAAP Basis)</i>				\$ 12,057

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 Gallup-McKinley County Public Schools
 City/County Grants Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2010

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>	-	-	-	-
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and 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 balance (budgeted increase in 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>	-	-	(6,311)	(6,311)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (6,311)	\$ (6,311)
<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
 School Based Health Center Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2010

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	-	-	-	-
Combined local/state	-	150,000	150,000	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	150,000	150,000	-
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	-	150,000	150,000	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	-	150,000	150,000	-
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	-	-
<i>Other financing sources (uses)</i>				
Designated cash balance (budgeted increase in 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>	-	-	(65,764)	(65,764)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (65,764)	\$ (65,764)
<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
 Bond Building Capital Projects Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2010

Statement B-98

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	94,598	94,598
Charges for services	-	-	-	-
Interest	-	-	18,647	18,647
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	-	113,245	113,245
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	405,000	405,000	131,552	273,448
Food services operations	-	-	-	-
Capital outlay	1,895,000	6,645,000	4,651,259	1,993,741
<i>Total expenditures</i>	2,300,000	7,050,000	4,782,811	2,267,189
<i>Excess (deficiency) of revenues over expenditures</i>	(2,300,000)	(7,050,000)	(4,669,566)	2,380,434
<i>Other financing sources (uses)</i>				
Designated cash balance (budgeted increase in cash)	-	-	-	-
Transfers in (out)	-	-	(2,384,559)	(2,384,559)
Bond proceeds	2,300,000	7,050,000	7,175,000	125,000
<i>Total other financing sources (uses)</i>	2,300,000	7,050,000	4,790,441	(2,259,559)
<i>Net change in fund balances</i>	-	-	120,875	120,875
<i>Fund balances - beginning of year</i>	-	-	(2,793,108)	(2,793,108)
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (2,672,233)	\$ (2,672,233)
<i>Net change in fund balances (Budget Basis)</i>				\$ 120,875
Adjustments to revenues for refund prior year's expenditures.				(94,598)
Adjustments to expenditures for construction services.				350,361
<i>Net change in fund balances (GAAP Basis)</i>				\$ 376,638

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 Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2010

Statement B-99

	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	25,000	25,000	-	(25,000)
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	25,000	25,000	-	(25,000)
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	159,642	159,642	25,000	134,642
<i>Total expenditures</i>	159,642	159,642	25,000	134,642
<i>Excess (deficiency) of revenues over expenditures</i>	(134,642)	(134,642)	(25,000)	109,642
<i>Other financing sources (uses)</i>				
Designated cash balance (budgeted increase in cash)	134,642	134,642	-	(134,642)
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	134,642	134,642	-	(134,642)
<i>Net change in fund balances</i>	-	-	(25,000)	(25,000)
<i>Fund balances - beginning of year</i>	-	-	70,000	70,000
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 45,000	\$ 45,000
<i>Net change in fund balances (Budget Basis)</i>				\$ (25,000)
No adjustments to revenues.				-
No adjustments to expenditures.				-
<i>Net change in fund balances (GAAP Basis)</i>				\$ (25,000)

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 Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2010

Statement B-100

	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 and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	24,706	24,706	-	24,706
<i>Total expenditures</i>	<u>24,706</u>	<u>24,706</u>	<u>-</u>	<u>24,706</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(24,706)</u>	<u>(24,706)</u>	<u>-</u>	<u>24,706</u>
<i>Other financing sources (uses)</i>				
Designated cash balance (budgeted increase in cash)	24,706	24,706	-	(24,706)
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>24,706</u>	<u>24,706</u>	<u>-</u>	<u>(24,706)</u>
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	24,706	24,706
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 24,706</u>	<u>\$ 24,706</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
 Capital Improvements SB-9 Capital Projects Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2010

Statement B-101

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Property taxes	\$ -	\$ -	\$ 1,416,099	\$ 1,416,099
Oil and gas taxes	-	-	2,488	2,488
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
Local sources	-	-	-	-
State flowthrough	1,362,057	3,061,411	1,764,443	(1,296,968)
State direct	-	-	-	-
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	1,362,057	3,061,411	3,183,030	121,619
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	13,621	17,621	14,161	3,460
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	1,009,936	2,903,987	2,178,600	725,387
Food services operations	-	-	-	-
Capital outlay	338,500	1,360,040	4,452	1,355,588
<i>Total expenditures</i>	1,362,057	4,281,648	2,197,213	2,084,435
<i>Excess (deficiency) of revenues over expenditures</i>	-	(1,220,237)	985,817	2,206,054
<i>Other financing sources (uses)</i>				
Designated cash balance (budgeted increase in cash)	-	1,220,237	-	(1,220,237)
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	1,220,237	-	(1,220,237)
<i>Net change in fund balances</i>	-	-	985,817	985,817
<i>Fund balances - beginning of year</i>	-	-	1,220,237	1,220,237
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 2,206,054	\$ 2,206,054
<i>Net change in fund balances (Budget Basis)</i>				\$ 985,817
Adjustments to revenues for property taxes and PED state flowthrough grant.				(1,751,164)
Adjustments to expenditures for construction services.				(51,451)
<i>Net change in fund balances (GAAP Basis)</i>				\$ (816,798)

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 Gallup-McKinley County Public Schools
 Energy Efficiency Act 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, 2010

Statement B-102

	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 and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	151,257	151,257	-	151,257
<i>Total expenditures</i>	151,257	151,257	-	151,257
<i>Excess (deficiency) of revenues over expenditures</i>	(151,257)	(151,257)	-	151,257
<i>Other financing sources (uses)</i>				
Designated cash balance (budgeted increase in cash)	151,257	151,257	-	(151,257)
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	151,257	151,257	-	(151,257)
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	151,258	151,258
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 151,258	\$ 151,258
<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

Statement B-103

Gallup-McKinley County Public Schools
 Public School Capital Outlay 20% 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, 2010

	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 and 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 balance (budgeted increase in 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.				-
<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
 Special Revenue Bond 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, 2010

Statement B-104

	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 and maintenance of plant	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	10,000,000	10,000,000	154,773	9,845,227
<i>Total expenditures</i>	<u>10,000,000</u>	<u>10,000,000</u>	<u>154,773</u>	<u>9,845,227</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(10,000,000)</u>	<u>(10,000,000)</u>	<u>(154,773)</u>	<u>9,845,227</u>
<i>Other financing sources (uses)</i>				
Designated cash balance (budgeted increase in cash)	10,000,000	10,000,000	-	(10,000,000)
Transfers in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>10,000,000</u>	<u>10,000,000</u>	<u>-</u>	<u>(10,000,000)</u>
<i>Net change in fund balances</i>	-	-	(154,773)	(154,773)
<i>Fund balances - beginning of year</i>	-	-	12,226,011	12,226,011
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,071,238</u>	<u>\$ 12,071,238</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ (154,773)
No adjustments to revenues.				-
Adjustments to expenditures for construction services.				<u>(341,874)</u>
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ (496,647)</u>

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 Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2010

Statement B-105

	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	277,810	296,089	-	(296,089)
Combined local/state	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>277,810</u>	<u>296,089</u>	<u>-</u>	<u>(296,089)</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	18,279	18,279	-
Food services operations	-	-	-	-
Capital outlay	277,810	277,810	277,810	-
<i>Total expenditures</i>	<u>277,810</u>	<u>296,089</u>	<u>296,089</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(296,089)</u>	<u>(296,089)</u>
<i>Other financing sources (uses)</i>				
Designated cash balance (budgeted increase in 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>	-	-	(296,089)	(296,089)
<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>\$ (296,088)</u>	<u>\$ (296,088)</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ (296,089)
Adjustments to revenues for PSCOC awards.				24,201,718
Adjustments to expenditures for construction services.				(23,905,630)
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ (1)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-106

Gallup-McKinley County Public Schools

Debt Service Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variations Favorable (Unfavorable) Final to Actual
	Original	Final		
<i>Revenues</i>				
Property taxes	\$ 5,748,075	\$ 5,748,075	\$ 5,911,247	\$ 163,172
Oil and gas taxes	9,000	9,000	10,394	1,394
Intergovernmental revenue				
Federal flowthrough	-	-	-	-
Federal direct	-	-	-	-
State flowthrough	-	-	-	-
State direct	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>5,757,075</u>	<u>5,757,075</u>	<u>5,921,641</u>	<u>164,566</u>
<i>Expenditures</i>				
Current				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	57,500	57,500	57,500	-
Support services - school administration	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	5,492,259	7,917,259	7,917,259	-
Interest	2,586,811	2,586,811	2,571,070	15,741
Bond issuance cost	90,000	90,000	90,000	-
<i>Total expenditures</i>	<u>8,226,570</u>	<u>10,651,570</u>	<u>10,635,829</u>	<u>15,741</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(2,469,495)</u>	<u>(4,894,495)</u>	<u>(4,714,188)</u>	<u>180,307</u>
<i>Other financing sources (uses)</i>				
Designated cash balance (budgeted increase in cash)	2,469,495	4,894,495	-	(4,894,495)
Bond premium	-	-	85,441	85,441
Transfers in (out)	-	-	5,302,419	5,302,419
<i>Total other financing sources (uses)</i>	<u>2,469,495</u>	<u>4,894,495</u>	<u>5,387,860</u>	<u>493,365</u>
<i>Net change in fund balances</i>	-	-	673,672	673,672
<i>Fund balances - beginning of year</i>	-	-	6,087,699	6,087,699
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,761,371</u>	<u>\$ 6,761,371</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ 673,672
Adjustments to revenues for property taxes.				5,228
No adjustments to expenditures.				-
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ 678,900</u>

The accompanying notes are an integral part of these financial statements

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GENERAL FUND

STATE OF NEW MEXICO
Gallup-McKinley County Public Schools
General Fund
Combining Balance Sheet
June 30, 2010

Statement C-1

	Operational	Teacherage	Pupil Transportation	Instructional Materials	Total
ASSETS					
<i>Current assets</i>					
Cash and cash equivalents	\$ -	\$ 194,698	\$ 758,784	\$ 323,745	\$ 1,277,227
Property taxes receivable	38,758	-	-	-	38,758
Other receivables	1,159,853	-	88,462	390	1,248,705
Inventory	199,276	-	228,126	-	427,402
Due from other funds	7,154,396	-	1,093,006	-	8,247,402
<i>Total assets</i>	\$ 8,552,283	\$ 194,698	\$ 2,168,378	\$ 324,135	\$ 11,239,494
 LIABILITIES AND FUND BALANCES					
<i>Current liabilities</i>					
Accounts payable	\$ 458,861	\$ 7,035	\$ 52,721	\$ 90,943	\$ 609,560
Deposits payable	-	82,369	-	-	82,369
Accrued payroll	12,780	540	924	-	14,244
Deferred revenue	33,293	-	-	-	33,293
<i>Total liabilities</i>	504,934	89,944	53,645	90,943	739,466
 <i>Fund balances</i>					
Reserved for					
Inventory	199,276	-	228,126	-	427,402
Unreserved, reported in:					
General Fund	7,848,073	104,754	1,886,607	233,192	10,072,626
<i>Total fund balances</i>	8,047,349	104,754	2,114,733	233,192	10,500,028
<i>Total liabilities and fund balances</i>	\$ 8,552,283	\$ 194,698	\$ 2,168,378	\$ 324,135	\$ 11,239,494

The accompanying notes are an integral part of these financial statements

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

Statement C-2

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended June 30, 2010

	Operational	Teacherage	Pupil Transportation	Instructional Materials	Total
<i>Revenues:</i>					
Property taxes	\$ 292,257	\$ -	\$ -	\$ -	\$ 292,257
Oil and gas taxes	622	-	-	-	622
Intergovernmental revenue					
Federal flowthrough	429,710	-	-	-	429,710
Federal direct	31,736,458	-	-	-	31,736,458
Local sources	14,223	-	-	-	14,223
State flowthrough	53,493,962	-	-	-	53,493,962
State direct	-	-	-	474,695	474,695
Transportation distribution	-	-	3,868,642	-	3,868,642
Charges for services	65,392	637,247	-	-	702,639
Interest on investments	876	-	-	-	876
Miscellaneous	13,209	-	-	390	13,599
<i>Total revenues</i>	<u>86,046,709</u>	<u>637,247</u>	<u>3,868,642</u>	<u>475,085</u>	<u>91,027,683</u>
<i>Expenditures:</i>					
<i>Current:</i>					
Instruction	50,644,370	-	-	829,872	51,474,242
Support services - students	3,417,288	-	-	-	3,417,288
Support services - instruction	617,186	-	-	11,338	628,524
Support services - general administration	805,094	-	-	-	805,094
Support services - school administration	6,879,288	-	-	-	6,879,288
Central services	3,405,159	-	-	-	3,405,159
Operation and maintenance plant	13,850,702	404,520	-	-	14,255,222
Student transportation	-	-	5,336,625	-	5,336,625
Capital outlay	1,143,097	-	-	-	1,143,097
<i>Total expenditures</i>	<u>80,762,184</u>	<u>404,520</u>	<u>5,336,625</u>	<u>841,210</u>	<u>87,344,539</u>
<i>Excess (deficiency) of revenues over expenditures</i>	5,284,525	232,727	(1,467,983)	(366,125)	3,683,144
<i>Other financing sources (uses):</i>					
Transfers out	(2,417,860)	(500,000)	-	-	(2,917,860)
<i>Total other financing sources (uses)</i>	<u>(2,417,860)</u>	<u>(500,000)</u>	<u>-</u>	<u>-</u>	<u>(2,917,860)</u>
<i>Net change in fund balances</i>	2,866,665	(267,273)	(1,467,983)	(366,125)	765,284
<i>Fund balances - beginning 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>
<i>Fund balances - end of year</i>	<u>\$ 8,047,349</u>	<u>\$ 104,754</u>	<u>\$ 2,114,733</u>	<u>\$ 233,192</u>	<u>\$ 10,500,028</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, 2010

	Budgeted Amounts			Variance with Favorable (Unfavorable)
	Original	Final	Actual	Final to Actual
<i>Revenues:</i>				
Property taxes	\$ 278,439	\$ 278,439	\$ 293,200	\$ 14,761
Oil and gas taxes	400	400	622	222
Intergovernmental revenue				
Federal flowthrough	210,202	210,202	429,710	219,508
Federal direct	29,227,399	29,227,399	31,736,458	2,509,059
Local sources	5,000	5,000	14,223	9,223
State flowthrough	54,561,220	51,326,765	52,346,248	1,019,483
State direct	-	-	-	-
Transportation distribution	-	-	-	-
Charges for services	46,500	46,500	61,119	14,619
Interest on investments	2,500	2,500	876	(1,624)
Miscellaneous	12,508	12,508	16,996	4,488
<i>Total revenues</i>	84,344,168	81,109,713	84,899,452	3,789,739
<i>Expenditures:</i>				
Current:				
Instruction	51,383,177	50,478,197	49,050,716	1,427,481
Support services - students	7,341,810	4,665,008	3,417,288	1,247,720
Support services - instruction	1,577,168	738,814	619,000	119,814
Support services - general administration	878,808	892,258	824,758	67,500
Support services - school administration	7,934,417	7,440,897	6,878,903	561,994
Central services	3,299,303	3,538,243	3,325,069	213,174
Operation and maintenance of plant	14,234,041	14,360,852	13,774,804	586,048
Student transportation	-	-	-	-
Other support services	53,670	53,670	-	53,670
Capital outlay	2,642,301	3,942,301	3,454,269	488,032
<i>Total expenditures</i>	89,344,695	86,110,240	81,344,807	4,765,433
<i>Excess (deficiency) of revenues over expenditures</i>	(5,000,527)	(5,000,527)	3,554,645	8,555,172
<i>Other financing sources (uses):</i>				
Designated cash balance (budgeted increase in cash)	5,000,527	5,000,527	-	(5,000,527)
Transfers in	-	-	-	-
Transfers out	-	-	(2,417,860)	(2,417,860)
<i>Total other financing sources (uses)</i>	5,000,527	5,000,527	(2,417,860)	(7,418,387)
<i>Net change in fund balances</i>	-	-	1,136,785	1,136,785
<i>Fund balances - beginning of year</i>	-	-	6,017,611	6,017,611
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 7,154,396	\$ 7,154,396
<i>Net change in fund balances (Budget Basis)</i>				\$ 1,136,785
Adjustments to revenues for gas taxes, property taxes, state flowthrough, and charges for services.				1,147,257
Adjustments to expenditures for salaries, general supplies and materials, and other contract services.				582,623
<i>Net change in fund balances (GAAP Basis)</i>				\$ 2,866,665

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, 2010

	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	627,000	637,247	10,247
Interest on investments	600	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>680,600</u>	<u>627,000</u>	<u>637,247</u>	<u>10,247</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	1,380,272	1,010,854	326,403	684,451
Student transportation	-	-	-	-
Other support services	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>1,380,272</u>	<u>1,010,854</u>	<u>326,403</u>	<u>684,451</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(699,672)</u>	<u>(383,854)</u>	<u>310,844</u>	<u>694,698</u>
<i>Other financing sources (uses):</i>				
Designated cash balance (budgeted increase in cash)	699,672	383,854	-	(383,854)
Transfers in	-	-	-	-
Transfers out	-	-	(500,000)	(500,000)
<i>Total other financing sources (uses)</i>	<u>699,672</u>	<u>383,854</u>	<u>(500,000)</u>	<u>(883,854)</u>
<i>Net change in fund balances</i>	-	-	(189,156)	(189,156)
<i>Fund balances - beginning of year</i>	-	-	383,854	383,854
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 194,698</u>	<u>\$ 194,698</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ (189,156)
No adjustments to revenues.				-
Adjustments to expenditures for salaries and general supplies and materials.				<u>(78,117)</u>
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ (267,273)</u>

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, 2010

	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	5,303,626	5,470,208	3,780,479	(1,689,729)
Charges for services	-	-	-	-
Interest on investments	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>5,303,626</u>	<u>5,470,208</u>	<u>3,780,479</u>	<u>(1,689,729)</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support services - students	-	-	-	-
Support services - instruction	-	-	-	-
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	5,303,626	7,159,247	5,306,768	1,852,479
Other support services	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>5,303,626</u>	<u>7,159,247</u>	<u>5,306,768</u>	<u>1,852,479</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>(1,689,039)</u>	<u>(1,526,289)</u>	<u>162,750</u>
<i>Other financing sources (uses):</i>				
Designated cash balance (budgeted increase in cash)	-	1,689,039	-	(1,689,039)
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>1,689,039</u>	<u>-</u>	<u>(1,689,039)</u>
<i>Net change in fund balances</i>	-	-	(1,526,289)	(1,526,289)
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>3,378,079</u>	<u>3,378,079</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,851,790</u>	<u>\$ 1,851,790</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ (1,526,289)
Adjustments to revenues for transportation distribution.				88,163
Adjustments to expenditures for salaries and general supplies and materials.				(29,857)
<i>Net change in fund balances (GAAP Basis)</i>				<u>\$ (1,467,983)</u>

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, 2010

	Budgeted Amounts		Actual	Variance with 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	472,646	472,646	474,695	2,049
Transportation distribution	-	-	-	-
Charges for services	-	-	-	-
Interest on investments	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	472,646	472,646	474,695	2,049
<i>Expenditures:</i>				
Current:				
Instruction	472,646	1,071,479	751,768	319,711
Support services - students	-	-	-	-
Support services - instruction	-	13,322	11,338	1,984
Support services - general administration	-	-	-	-
Support services - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	472,646	1,084,801	763,106	321,695
<i>Excess (deficiency) of revenues over expenditures</i>	-	(612,155)	(288,411)	323,744
<i>Other financing sources (uses):</i>				
Designated cash balance (budgeted increase in cash)	-	612,155	-	(612,155)
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	-	612,155	-	(612,155)
<i>Net change in fund balances</i>	-	-	(288,411)	(288,411)
<i>Fund balances - beginning of year</i>	-	-	612,156	612,156
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 323,745	\$ 323,745
<i>Net change in fund balances (Budget Basis)</i>				\$ (288,411)
Adjustments to revenues for state grants.				390
Adjustments to expenditures for general supplies and materials.				(78,104)
<i>Net change in fund balances (GAAP Basis)</i>				\$ (366,125)

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

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MIDDLE COLLEGE CHARTER SCHOOL

STATE OF NEW MEXICO
Middle College Charter School
Combining Balance Sheet
Governmental Funds
June 30, 2010

	<u>General</u>		<u>Special Revenue</u>	<u>Capital Projects</u>
	<u>Operational</u>	<u>Instructional Materials</u>	State Equalization Guarantee - Federal Stimulus	Public School Capital Outlay
ASSETS				
<i>Current assets</i>				
Cash and cash equivalents	\$ 328,917	\$ 26,978	\$ -	\$ -
Due from other governments	-	-	19,948	-
Due from other funds	26,925	-	-	-
<i>Total assets</i>	<u>\$ 355,842</u>	<u>\$ 26,978</u>	<u>\$ 19,948</u>	<u>\$ -</u>
LIABILITIES AND FUND BALANCES				
<i>Current liabilities</i>				
Accounts payable	\$ 3,314	\$ -	\$ -	\$ -
Due to other funds	-	-	19,948	6,977
<i>Total liabilities</i>	<u>3,314</u>	<u>-</u>	<u>19,948</u>	<u>6,977</u>
<i>Fund balances</i>				
Undesignated, reported in				
General fund	352,528	-	-	-
Special revenue fund	-	26,978	-	-
Capital projects fund	-	-	-	(6,977)
<i>Total fund balances</i>	<u>352,528</u>	<u>26,978</u>	<u>-</u>	<u>(6,977)</u>
<i>Total liabilities and fund balances</i>	<u>\$ 355,842</u>	<u>\$ 26,978</u>	<u>\$ 19,948</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

Total

\$ 355,895
19,948
26,925
\$ 402,768

\$ 3,314
26,925
30,239

352,528
26,978
(6,977)
372,529
\$ 402,768

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STATE OF NEW MEXICO

Middle College Charter School

Governmental Funds

Reconciliation of the Balance Sheet to the Statement of Net Assets

June 30, 2010

Statement D-1

Page 2 of 2

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

Fund balances - total governmental funds	\$ 372,529
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds	193,396
Certain liabilities are not due and payable in the current period and, therefore, are not reported in the funds	
Accrued compensated absences	<u>(8,484)</u>
Net assets - component unit	<u>\$ 557,441</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, 2010

	<u>General</u>		<u>Special Revenue</u>	<u>Capital Projects</u>
	<u>Operational</u>	<u>Instructional Materials</u>	<u>State Equalization Guarantee - Federal Stimulus</u>	<u>Public School Capital Outlay</u>
<i>Revenues:</i>				
Federal direct	\$ -	\$ -	\$ 48,159	\$ -
State flowthrough	559,344	3,786	-	-
<i>Total revenues</i>	<u>559,344</u>	<u>3,786</u>	<u>48,159</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	253,693	9,447	38,384	-
Support service - students	4	-	-	-
Support service - general administration	2,195	-	-	-
Support service - school administration	176,622	-	-	-
Central services	82,519	-	-	-
Operation and maintenance of plant	20,472	-	-	-
Capital outlay	172,871	-	9,775	-
<i>Total expenditures</i>	<u>708,376</u>	<u>9,447</u>	<u>48,159</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>(149,032)</u>	<u>(5,661)</u>	<u>-</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	<u>501,560</u>	<u>32,639</u>	<u>-</u>	<u>(6,977)</u>
<i>Fund balances - ending of year</i>	<u>\$ 352,528</u>	<u>\$ 26,978</u>	<u>\$ -</u>	<u>\$ (6,977)</u>

The accompanying notes are an integral part of these financial statements

<u>Total</u>	
\$	48,159
	<u>563,130</u>
	<u>611,289</u>
	301,524
	4
	2,195
	176,622
	82,519
	20,472
	<u>182,646</u>
	<u>765,982</u>
	<u>(154,693)</u>
	<u>527,222</u>
\$	<u><u>372,529</u></u>

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STATE OF NEW MEXICO
Middle College Charter School
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, 2010

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	\$ (154,693)
Capital expenditures reported as capital outlay expenditures	182,646
Depreciation expense	(2,410)
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 book value cost of the capital assets disposed.	(11,738)
Increase in compensated absences	(6,301)
Change in net assets of component unit activities	\$ 7,504

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement D-3

Middle College Charter School

Operational Fund

Statement of Revenues, Expenditures and Changes in
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Intergovernmental revenue				
Federal flowthrough	\$ -	\$ -	\$ -	\$ -
Federal direct	-	-	-	-
State Flowthrough	553,134	540,693	559,344	18,651
<i>Total revenues</i>	<u>553,134</u>	<u>540,693</u>	<u>559,344</u>	<u>18,651</u>
<i>Expenditures:</i>				
Current:				
Instruction	453,330	322,760	255,175	67,585
Support service - students	2,500	2,500	4	2,496
Support service - instruction	-	-	-	-
Support service - general administration	14,500	7,124	2,195	4,929
Support service - school administration	239,633	219,633	174,483	45,150
Central services	118,596	109,307	77,966	31,341
Operation and maintenance of plant	48,000	55,500	20,472	35,028
Food services operations	27,000	17,000	-	17,000
Capital outlay	-	182,376	177,424	4,952
<i>Total expenditures</i>	<u>903,559</u>	<u>916,200</u>	<u>707,719</u>	<u>208,481</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(350,425)</u>	<u>(375,507)</u>	<u>(148,375)</u>	<u>227,132</u>
<i>Other financing sources (uses):</i>				
Designated cash balance (budgeted increase in cash)	350,425	375,507	-	(375,507)
Transfer in (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>350,425</u>	<u>375,507</u>	<u>-</u>	<u>(375,507)</u>
<i>Net change in fund balances</i>	-	-	(148,375)	(148,375)
<i>Fund balance - beginning of year</i>	-	-	504,217	504,217
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 355,842</u>	<u>\$ 355,842</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ (148,375)
No adjustments to revenues.				-
Adjustments to expenditures for salaries.				(657)
<i>Net changes in fund balances (GAAP Basis)</i>				<u>\$ (149,032)</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, 2010

Statement D-4

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Intergovernmental revenue				
Federal flowthrough	\$ -	\$ -	\$ -	\$ -
Federal direct	-	-	-	-
State flowthrough	2,230	2,230	3,786	1,556
<i>Total revenues</i>	<u>2,230</u>	<u>2,230</u>	<u>3,786</u>	<u>1,556</u>
<i>Expenditures:</i>				
Current:				
Instruction	28,822	28,822	9,447	19,375
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>28,822</u>	<u>28,822</u>	<u>9,447</u>	<u>19,375</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(26,592)</u>	<u>(26,592)</u>	<u>(5,661)</u>	<u>20,931</u>
<i>Other financing sources (uses):</i>				
Designated cash balance (budgeted increase in cash)	26,592	26,592	-	(26,592)
<i>Total other financing sources (uses)</i>	<u>26,592</u>	<u>26,592</u>	<u>-</u>	<u>(26,592)</u>
<i>Net change in fund balances</i>	-	-	(5,661)	(5,661)
<i>Fund balance - beginning of year</i>	-	-	32,639	32,639
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 26,978</u>	<u>\$ 26,978</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ (5,661)
No adjustments to revenues.				-
No adjustments to expenditures.				-
<i>Net changes in fund balances (GAAP Basis)</i>				<u>\$ (5,661)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Middle College Charter School
State Equalization Guarantee - Federal Stimulus Special Revenue Fund
Statement of Revenues, Expenditures and Changes in
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2010

Statement D-5

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Intergovernmental revenue				
Federal flowthrough	\$ -	\$ -	\$ -	\$ -
Federal direct	48,524	60,506	28,211	(32,295)
State flowthrough	-	-	-	-
<i>Total revenues</i>	<u>48,524</u>	<u>60,506</u>	<u>28,211</u>	<u>(32,295)</u>
<i>Expenditures:</i>				
Current:				
Instruction	48,524	49,510	38,384	11,126
Support service - students	-	-	-	-
Support service - instruction	-	-	-	-
Support service - general administration	-	-	-	-
Support service - school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Capital outlay	-	10,000	9,775	225
<i>Total expenditures</i>	<u>48,524</u>	<u>59,510</u>	<u>48,159</u>	<u>11,351</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>996</u>	<u>(19,948)</u>	<u>(20,944)</u>
<i>Other financing sources (uses):</i>				
Designated cash balance (budgeted increase in cash)	-	(996)	-	996
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>(996)</u>	<u>-</u>	<u>996</u>
<i>Net change in fund balances</i>	-	-	(19,948)	(19,948)
<i>Fund balance - beginning of year</i>	-	-	-	-
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (19,948)</u>	<u>\$ (19,948)</u>
<i>Net change in fund balances (Budget Basis)</i>				\$ (19,948)
Adjustments to revenues for federal direct revenue.				19,948
No adjustments to expenditures.				-
<i>Net changes in fund balances (GAAP Basis)</i>				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

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, 2010

Statement D-6

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Intergovernmental revenue				
Federal flowthrough	\$ -	\$ -	\$ -	\$ -
Federal direct	-	-	-	-
State flowthrough	-	-	-	-
<i>Total revenues</i>	-	-	-	-
<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>	-	-	-	-
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	-	-
<i>Other financing sources (uses):</i>				
Designated cash balance (budgeted increase in cash)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balance - beginning of year</i>	-	-	(6,977)	(6,977)
<i>Fund balance - end of year</i>	\$ -	\$ -	\$ (6,977)	\$ (6,977)
<i>Net change in fund balances (Budget Basis)</i>				\$ -
No adjustments to revenues.				-
No adjustments to expenditures.				-
<i>Net changes in fund balances (GAAP Basis)</i>				\$ -

The accompanying notes are an integral part of these financial statements

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SUPPORTING SCHEDULES

STATE OF NEW MEXICO
Gallup-McKinley County Public Schools
Schedule of Deposit and Investment Accounts
June 30, 2010

Deposit or Investment Account Type	Bank of America	Pinnacle Bank	Wells Fargo Bank	Bank of Albuquerque	Totals
Operating - checking	\$ 35,639	\$ -	\$ -	\$ -	\$ 35,639
Non-budgeted - checking	311	-	-	-	311
Food services - checking	10,126	-	-	-	10,126
Repurchase agreement	31,147,633	-	-	-	31,147,633
Debt Service- checking	1,126	-	-	-	1,126
David Skeet Elementary -checking	7,937.00	-	-	-	7,937
Gallup High - checking	198,505.00	-	-	-	198,505
Juan De Onate - checking	10,364.00	-	-	-	10,364
Lincoln Elementary -checking	2,683.00	-	-	-	2,683
Navajo Elementary - checking	4,126.00	-	-	-	4,126
Navajo Pine High - checking	14,545.00	-	-	-	14,545
Navajo Middle school -checking	4,794.00	-	-	-	4,794
Roosevelt - checking	25,461.00	-	-	-	25,461
Twin Lakes Elementary - checking	6,693.00	-	-	-	6,693
Washington Elementary - checking	8,329.00	-	-	-	8,329
Federal projects - checking	-	13,958,972	-	-	13,958,972
Athletics - checking	-	177,248	-	-	177,248
Repurchase agreement	-	544,259	-	-	544,259
Chief Manuelito Middle school- checking	-	5,536	-	-	5,536
Gallup Central High - checking	-	18,230	-	-	18,230
Church Rock - checking	-	1,831	-	-	1,831
Crownpoint Middle school - checking	-	4,748	-	-	4,748
Jefferson Elementary - checking	-	19,850	-	-	19,850
JFK Middle school -checking	-	12,708	-	-	12,708
Miyamura High - checking	-	45,547	-	-	45,547
Ramah Elementary -checking	-	701	-	-	701
Ramah High - checking	-	50,522	-	-	50,522
Red Rock Elementary - checking	-	16,874	-	-	16,874
Rocky View Elementary - checking	-	1,005	-	-	1,005
Stagecoach Elementary - checking	-	6,622	-	-	6,622
Tohatchi Elementary - checking	-	3,238	-	-	3,238
Turpen Elementary - checking	-	3,510	-	-	3,510
Payroll - checking	-	-	510,535	-	510,535
Chee Dodge -checking	-	-	3,829	-	3,829
Crownpoint Elementary - checking	-	-	1,934	-	1,934
Crownpoint High - checking	-	-	33,056	-	33,056
Gallup Middle school - checking	-	-	16,492	-	16,492
Indian Hills - checking	-	-	11,167	-	11,167
Thoreau Elementary - checking	-	-	3,099	-	3,099
Thoreau High - checking	-	-	31,976	-	31,976
Thoreau Middle - checking	-	-	10,791	-	10,791
Tohatchi High - checking	-	-	12,016	-	12,016
Tohatchi Middle Elementary - checking	-	-	8,508	-	8,508
Tse Yi Gai High - checking	-	-	9,519	-	9,519
Nmfa 49th Supp(2003A) Investment	-	-	-	1,233,755	1,233,755
Nmfa Pprf Sub Lien 06C Investment	-	-	-	1,006,805	1,006,805
Nmfa Pn Dtd 5/1/05 Gallup Investment	-	-	-	216,346	216,346
Total on deposit and investments	<u>\$31,478,272</u>	<u>\$14,871,401</u>	<u>\$ 652,922</u>	<u>\$ 2,456,906</u>	<u>\$49,459,501</u>

See accompanying independent auditors' report

	<u>Bank of America</u>	<u>Pinnacle Bank</u>	<u>Wells Fargo Bank</u>	<u>Bank of Albuquerque</u>	<u>Totals</u>
Total on deposit and investments	\$31,478,272	\$14,871,401	\$ 652,922	\$ 2,456,906	\$49,459,501
Reconciling items	<u>(8,031,516)</u>	<u>(1,457,246)</u>	<u>(519,033)</u>	<u>-</u>	<u>(10,007,795)</u>
Reconciled balance at June 30, 2010	<u>\$23,446,756</u>	<u>\$13,414,155</u>	<u>\$ 133,889</u>	<u>\$ 2,456,906</u>	<u>\$39,451,706</u>
Reconciliation to financial statements:					
Cash and cash equivalents:					
Government-wide statement net assets - Exhibit A-1					\$34,517,564
Restricted cash and cash equivalents:					
Government-wide statement net assets - Exhibit A-1					4,336,371
Statement of fiduciary assets and liabilities - Exhibit D-1					597,771
					<u>\$39,451,706</u>

Component Unit

<u>Deposit Account Type</u>	<u>Wells Fargo Bank</u>
Operational-Checking	<u>\$ 342,229</u>
Total on deposit	\$ 342,229
Reconciling items	<u>13,666</u>
Reconciled balance at June 30, 2010	<u>\$ 355,895</u>
Reconciliation to financial statements:	
Component Unit cash and cash equivalents - Exhibit A-1	<u>\$ 355,895</u>

STATE OF NEW MEXICO
Gallup-McKinley County Public Schools
Cash Reconciliation
For the Year Ended June 30, 2010

Primary Government

	<u>Operational</u>	<u>Teacherage</u>	<u>Transportation</u>	<u>Instructional Materials</u>
Audited Cash and Investments June 30, 2009	\$ 2,416,143	\$ 460,162	\$ 3,378,079	\$ 612,156
Add:				
Current year receipts	<u>84,897,829</u>	<u>637,246</u>	<u>3,780,479</u>	<u>474,695</u>
Total cash available	<u>87,313,972</u>	<u>1,097,408</u>	<u>7,158,558</u>	<u>1,086,851</u>
Less:				
Current year expenditures	81,343,180	402,710	5,306,768	763,106
Permanent cash transfers	(2,417,860)	(500,000)	-	-
Current year outstanding loans	<u>(3,552,932)</u>	<u>-</u>	<u>(1,093,006)</u>	<u>-</u>
Total cash balance, June 30, 2010	<u>\$ -</u>	<u>\$ 194,698</u>	<u>\$ 758,784</u>	<u>\$ 323,745</u>

Component Unit

	<u>Operational</u>	<u>Teacherage</u>	<u>Transportation</u>	<u>Instructional Materials</u>
Audited Cash and Investments June 30, 2009	\$ 497,240	\$ -	\$ -	\$ 32,639
Add:				
Current year receipts	<u>559,344</u>	<u>-</u>	<u>-</u>	<u>3,786</u>
Total cash available	<u>1,056,584</u>	<u>-</u>	<u>-</u>	<u>36,425</u>
Less:				
Current year expenditures	700,742	-	-	9,447
Current year outstanding loans	<u>(26,925)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total cash balance, June 30, 2010	<u>\$ 328,917</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 26,978</u>

See accompanying independent auditors' report

<u>Food Service</u>	<u>Athletics</u>	<u>Non-Instructional</u>	<u>Federal Flowthrough</u>	<u>Federal Direct</u>	<u>Local Grants</u>
\$ 1,626,269	\$ 174,561	\$ 607,134	\$ 43,823	\$ 12,816,624	\$ 3,280
<u>5,326,832</u>	<u>305,715</u>	<u>536,825</u>	<u>19,727,816</u>	<u>18,575,724</u>	<u>1,142,943</u>
<u>6,953,101</u>	<u>480,276</u>	<u>1,143,959</u>	<u>19,771,639</u>	<u>31,392,348</u>	<u>1,146,223</u>
5,013,339	303,028	511,028	20,872,589	19,570,510	971,571
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>1,399,718</u>	<u>932,434</u>	<u>8,150</u>
<u>\$ 1,939,762</u>	<u>\$ 177,248</u>	<u>\$ 632,931</u>	<u>\$ 298,768</u>	<u>\$ 12,754,272</u>	<u>\$ 182,802</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>28,211</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>28,211</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>48,159</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>19,948</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, 2010

Primary Government

	<u>State Flowthrough</u>	<u>State Direct</u>	<u>Local/State</u>	<u>Bond Building</u>
Audited Cash and Investments June 30, 2009	\$ 201,144	\$ 114,916	\$ 51,314	\$ 9,432,903
Add:				
Current year receipts	<u>2,197,618</u>	<u>30,000</u>	<u>264,225</u>	<u>4,913,645</u>
Total cash available	<u>2,398,762</u>	<u>144,916</u>	<u>315,539</u>	<u>14,346,548</u>
Less:				
Current year expenditures	2,369,230	59,952	253,016	4,982,585
Permanent cash transfers	-	-	-	35,042
Current year outstanding loans	<u>148,108</u>	<u>6,170</u>	<u>-</u>	<u>2,672,233</u>
Total cash balance, June 30, 2010	<u><u>\$ 177,640</u></u>	<u><u>\$ 91,134</u></u>	<u><u>\$ 62,523</u></u>	<u><u>\$ 12,071,238</u></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, 2009	\$ -	\$ -	\$ -	\$ -
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	-	-	-	-
Current year outstanding loans	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total cash balance, June 30, 2010	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

See accompanying independent auditors' report

<u>Public School Capital Outlay</u>	<u>Special Capital Outlay State</u>	<u>Special Capital Outlay Federal</u>	<u>Capital Improvements SB-9</u>	<u>Energy Efficiency Act</u>	<u>Public School Capital Outlay 20%</u>
\$ 1	\$ 70,000	\$ 24,706	\$ 1,220,237	\$ 151,258	\$ 1
-	-	-	3,183,031	-	-
<u>1</u>	<u>70,000</u>	<u>24,706</u>	<u>4,403,268</u>	<u>151,258</u>	<u>1</u>
296,089	25,000	-	2,197,214	-	-
-	-	-	-	-	-
<u>296,088</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ -</u>	<u>\$ 45,000</u>	<u>\$ 24,706</u>	<u>\$ 2,206,054</u>	<u>\$ 151,258</u>	<u>\$ 1</u>

<u>Public School Capital Outlay</u>	<u>Special Capital Outlay-State</u>	<u>Special Capital Outlay-Federal</u>	<u>Capital Improvements SB9</u>	<u>Energy Efficiency</u>	<u>PSOC 20%</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
6,977	-	-	-	-	-
<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>

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STATE OF NEW MEXICO
 Gallup-McKinley County Public Schools
 Cash Reconciliation
 For the Year Ended June 30, 2010

Primary Government

	<u>Debt Service</u>	<u>Total</u>
Audited Cash and Investments June 30, 2009	\$ 6,904,662	\$ 40,309,373
Add:		
Current year receipts	<u>5,923,272</u>	<u>151,917,895</u>
Total cash available	<u>12,827,934</u>	<u>192,227,268</u>
Less:		
Current year expenditures	8,132,418	153,373,333
Permanent cash transfers	2,882,818	-
Current year outstanding loans	<u>(816,963)</u>	<u>-</u>
Total cash balance, June 30, 2010	<u><u>\$ 6,761,371</u></u>	<u><u>\$ 38,853,935</u></u>

Component Unit

	<u>Debt Service</u>	<u>Total</u>
Audited Cash and Investments June 30, 2009	\$ -	\$ 529,879
Add:		
Current year receipts	<u>-</u>	<u>591,341</u>
Total cash available	<u>-</u>	<u>1,121,220</u>
Less:		
Current year expenditures	-	765,325
Current year outstanding loans	<u>-</u>	<u>-</u>
Total cash balance, June 30, 2010	<u><u>\$ -</u></u>	<u><u>\$ 355,895</u></u>

See accompanying independent auditors' report

STATE OF NEW MEXICO
 Gallup-McKinley County Public Schools
 Schedule of Collateral Pledged by Depository
 for Public Funds
 June 30, 2010

Schedule III

Name of Depository	Description of Pledged Collateral	Maturity	CUSIP Number	Fair Market Value June 30, 2010	Location of Safekeeper
Primary Government					
Bank of America					
	FHLM Note	11/1/2035	31300LBC8	\$ 620,821	Boston, MA
	FHLM Note	11/1/2035	31300LBC8	566,054	Boston, MA
	FNMA Note	1/1/2033	31417QA79	805,501	Boston, MA
	FHLM Note	11/1/2027	3128E4ZD7	1,370,743	Boston, MA
	FHLM Note	2/1/2035	312935WH8	1,928,910	Boston, MA
	FNMA Note	1/1/2037	31417VCC5	6,852,851	Boston, MA
	FNMA Note	1/1/2038	31412MGB8	6,847,653	Boston, MA
	FHLM Note	12/1/2022	3128PLER9	1,656,133	Boston, MA
	FHLM Note	12/1/2022	3128PLER9	5,181,657	Boston, MA
	FHLM Note	5/1/2034	3128LDJC9	5,940,263	Boston, MA
	FNCL POOL- 995023	8/1/2037	31416BLC0	1,391,570	Boston, MA
	Total Bank of America			<u>33,162,156</u>	
Pinnacle Bank					
	FMNT GB10-12s8	3/2/2012	3128X8MS8	3,056,601	El Paso, TX
	FNNT K 08-13	4/1/2013	3136FDM2	4,188,758	El Paso, TX
	FGRM 2812OD	12/15/2029	31395AV28	844,788	El Paso, TX
	Total Pinnacle Bank			<u>8,090,147</u>	
Wells Fargo					
	FED NATL MTG ASSN PO 5/1/2036		31371MSW8	755,173	San Francisco, CA
	FED NATL MTG ASSN PO 4/1/2037		31411VT25	2,404,097	San Francisco, CA
	Total Wells Fargo			<u>3,159,270</u>	
	Total Primary Government Pledged Collateral			<u>\$ 44,411,573</u>	
Component Unit					
Wells Fargo					
	FED NATL MTG ASSN PO 4/1/2037		31411VT25	\$ 184,580	San Francisco, CA
	Total Component Unit Pledged Collateral			<u>\$ 184,580</u>	

See accompanying independent auditors' report

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, 2010

Schedule IV

	Balance July 1, 2009	Additions	Deletions	Balance June 30, 2010
Chee Dodge Elementary	\$ 2,274	\$ 23,627	\$ 23,158	\$ 2,743
Chief Manuelito Middle	5,994	26,819	27,277	5,536
Church Rock Elementary	653	9,041	8,070	1,624
Crownpoint Elementary	5,503	6,047	9,616	1,934
Crownpoint Mid School	5,023	20,923	21,198	4,748
Crownpoint High	33,969	84,253	85,562	32,660
David Skeet Elementary	5,853	15,599	13,637	7,815
Gallup Central High	27,026	117,091	126,017	18,100
Gallup High School	194,449	490,471	489,349	195,571
Gallup Mid-school	10,647	25,155	19,455	16,347
Indian Hills Elementary	13,765	29,942	32,540	11,167
Jefferson Elementary	8,974	46,848	36,064	19,758
J F K Mid-School	9,105	34,666	31,389	12,382
Juan De Onate Elementary	9,317	17,286	16,303	10,300
Lincoln Elementary	7,473	10,330	15,120	2,683
Miyamura High	44,770	265,587	268,122	42,235
Navajo Elementary	3,877	15,264	15,015	4,126
Navajo Mid School	3,853	4,820	3,879	4,794
Navajo Pine High	18,808	30,111	34,679	14,240
Ramah Elementary	1,114	10,167	10,620	661
Ramah High	47,588	59,711	59,609	47,690
Red Rock Elementary	18,491	41,933	43,550	16,874
Rocky View Elementary	4,366	26,324	29,723	967
Roosevelt Elementary	27,934	19,086	21,559	25,461
Stagecoach Elementary	3,554	40,111	37,117	6,548
Thoreau Elementary	4,707	29,406	31,014	3,099
Thoreau Mid-School	12,734	18,564	20,507	10,791
Thoreau High	23,318	132,034	126,538	28,814
Tohatchi Elementary	3,933	12,885	13,580	3,238
Tohatchi Mid-School	8,441	19,378	20,061	7,758
Tohatchi High School	12,806	49,985	53,715	9,076
Tse' Yi' Gai High School	7,881	38,626	37,008	9,499
Turpen Elementary	3,322	29,649	29,461	3,510
Twin Lakes Elementary	4,895	21,483	19,685	6,693
Washington Elementary	8,638	18,860	19,169	8,329
Totals	<u>\$ 605,055</u>	<u>\$ 1,842,082</u>	<u>\$ 1,849,366</u>	<u>\$ 597,771</u>

See accompanying independent auditors' report

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COMPLIANCE SECTION



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

Hector Balderas
New Mexico State Auditor
The Office of Management and Budget
To the Board of Education
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 comparisons for the general fund, the title I – IASA – federal stimulus fund, the impact aid Indian education fund, the state equalization guarantee – federal stimulus fund, and the aggregate remaining fund information of Gallup-McKinley County Public Schools (the “District”), as of and for the year ended June 30, 2010, which collectively comprise the District’s basic financial statements as listed in the table of contents and have issued our report thereon dated November 12, 2010. We have also 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 capital projects 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, 2010 as listed in the table of contents and have issued our report thereon dated November 12, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weakness have been identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control over financial reporting that we consider to be material weaknesses and others that we consider to be significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as items FS 07-05, FS 08-01, FS 10-01 and FS 10-02, to be material weaknesses.

A *significant deficiency* is a deficiency or a combination of deficiencies in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiency described in the accompanying schedule of findings and questioned costs as item FS 09-02 to be a significant deficiency.

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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* as item FS 08-02.

We also noted certain matters that are required to be reported under Government Auditing Standards January 2007 Revision paragraphs 5.14 and 5.16, and pursuant to section 12-6-5, NMSA 1978, which are described in the accompanying schedule of findings and questioned costs as findings FS 08-02 and FA 10-01.

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, 2010

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FEDERAL FINANCIAL ASSISTANCE



Accounting & Consulting Group, LLP
Certified Public Accountants

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

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

Compliance

We have audited Gallup-McKinley County Public Schools compliance of, with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular *A-133 Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2010. 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 compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2010. However, the results of our auditing procedures disclosed instance of noncompliance with those requirements that is required to be reported in accordance with OMB Circular A-133 and which is described in the accompanying schedule of findings and questioned costs as item FA 10-01.

Internal Control Over Compliance

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

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies as described in the accompanying schedule of findings and questioned costs as item FA 10-01. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiency, in internal control over compliance with a type of compliance requirement that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

The District's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the 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, 2010

STATE OF NEW MEXICO
 Gallup-McKinley County Public Schools
 Schedule of Expenditures of Federal Awards
 For the Year Ended June 30, 2010

Federal Grantor/Pass Through Grantor/Program Title	Pass Thru Number	Federal C.F.D.A. Number		Expenditures
U.S. Department of Education				
<i>Passthrough - State of NM Public Education Department</i>				
Title I IASA	24101	84.010	(1)	\$ 8,691,431
Entitlement IDEA-B	24106	84.027	(2)	3,515,664 M
Preschool IDEA-B	24109	84.027	(2)	121,063 M
Early Intervention Services IDEA-B	24112	84.027	(2)	439,457 M
Education of Homeless	24113	84.196	(6)	9,012
Private School Share IDEA-B	24115	84.027	(2)	31,748 M
21st Century Community Learning Centers 2008-2014	24119	84.287C	(3)	1,050,076
"Risk Pool" IDEA-B	24120	84.027	(2)	6,787 M
Title I Family Literacy IASA	24125	84.213		151,487
Title V-A Innovative Education Program	24150	84.298		1,461
English Language Acquisition	24153	84.365A	(7)	654,910 M
Teacher/Principal Training And Recruiting	24154	84.367A		712,916
Title IV-A Safe and Drug Free Schools and Community	24157	84.186A		98,731
21st Century Community Living Center	24159	84.287C	(3)	3,856
Rural and Low Income Schools	24160	84.358B		174,638
Title I School Improvement	24162	84.010	(1)	890,128
Carl Perkins Secondary - Current	24174	84.048	(4)	135,418
Carl D Perkins Secondary - PY Unliq. Obligations	24175	84.048	(4)	13,514
Carl D Perkins Secondary - Redistribution	24176	84.048	(4)	14,888
Title I - IASA - Federal Stimulus - ARRA	24201	84.389	(1)	2,460,701
Entitlement IDEA-B - Federal Stimulus - ARRA	24206	84.391	(2)	1,457,653 M
Preschool IDEA-B Federal Stimulus - ARRA	24209	84.392	(2)	425 M
Early Intervention Services IDEA-B - Federal Stimulus - ARRA	24212	84.391	(2)	271,629 M
Education of Homeless - Federal Stimulus - ARRA	24213	84.196O	(6)	2,508
Private School Share IDEA-B - Federal Stimulus - ARRA	24215	84.391	(2)	8,614 M
Enhancing Education Through Technology - Federal Stimulus - ARRA	24249	84.386A		127,850
Total USDE Passthrough				21,046,565
 Federal Direct Grants				
Impact Aid - General Fund	11000	84.041	(5)	31,967,357 M
Impact Aid Special Education	25145	84.041	(5)	936,572 M
Impact Aid Indian Education	25147	84.041	(5)	7,595,218 M
GRADS Child Care CYFD	25149	93.590		4,551
Indian Health Services	25173	84.363A		244,554
Indian Education Formula Grant	25184	84.060A		1,884,897
Carol M. White Physical Fitness	25241	84.215F		11,898
Native American Program	25248	84.365C	(7)	128,893 M
State Equalization Guarantee - Federal Stimulus - ARRA	25250	84.394		7,260,745 M
Impact Aid Construction	25252	84.041	(5)	808,850 M
Total USDE Direct				50,843,535

See accompanying independent auditors' report

Federal Grantor/Pass Through Grantor/Program Title	Pass Thru Number	Federal C.F.D.A. Number	Expenditures
<i>U.S. Department of Health and Human Services</i>			
<i>Federal Direct Grants</i>			
Child Care Block Grant CYFD	25157	93.037	\$ 14,149
TANF/GRADS HSD	25162	93.558	19,366
Navajo Nations	25201	93.257	69,401
Title V Indian Health Care Improvement Act	25209	93.237	<u>105,047</u>
Total USDHHS Direct			<u>207,963</u>
 <i>Bureau of Indian Affairs</i>			
Johnson O'Malley	25131	15.130	<u>654,618</u>
Total Bureau of Indian Affairs			
 <i>U.S. Department of Agriculture</i>			
<i>Federal Direct Grants</i>			
Forest Reserve	11000	10.665	198,811
National Schools Lunch Program			
Food Distribution	21000	10.550 (7)	304,343 M
National School Breakfast	21000	10.553 (7)	3,254,055 M
National School Lunch Act	21000	10.555 (7)	1,626,784 M
Child and Food Program	25171	10.558	<u>5,085</u>
Total USDA			<u>5,389,078</u>
Total Federal Awards			<u>\$ 78,141,759</u>

M=Denotes major Federal financial assistance program
() = Denotes cluster

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STATE OF NEW MEXICO
Gallup-McKinley County Public Schools
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

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 fund 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, 2010 was \$304,343 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	\$ 78,141,759
Total expenditures funded by other sources	<u>102,031,390</u>
Total expenditures	<u><u>\$ 180,173,149</u></u>

See accompanying independent auditors' report

STATE OF NEW MEXICO
 Gallup-McKinley County Public Schools
 Schedule of Findings and Questioned Costs
 For the Year Ended June 30, 2010

Schedule VI

A. SUMMARY OF AUDIT RESULTS

Financial Statements:

- | | |
|--|-------------|
| 1. Type of auditors' report issued | Unqualified |
| 2. Internal control over financial reporting: | |
| a. Material weaknesses 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? | Yes |
| 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? | Yes |

4. Identification of major programs:

CFDA Number	Federal Program
84.027	IDEA-B Cluster
84.391 & 84.392	IDEA-B Cluster – ARRA
84.365A & 84.365C	English Language Acquisition
84.394	SEG – Federal Stimulus -ARRA
84.041	Impact Aid Cluster
10.550, 10.553, & 10.555	National Schools Lunch Program

- | | |
|---|-------------|
| 5. Dollar threshold used to distinguish between type A and type B programs: | \$2,350,954 |
| 6. Auditee qualified as low-risk auditee? | No |

STATE OF NEW MEXICO
 Gallup-McKinley County Public Schools
 Schedule of Findings and Questioned Costs
 For the Year Ended June 30, 2010

Schedule VI

B. FINDINGS-FINANCIAL STATEMENT AUDIT

Primary Government:

FS 08-01 Lack of Segregation of Duties in the Food Services

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 repeated and modified finding will be addressed by Management even more aggressively than in the prior year. Processes will be modified to provide adequate segregation of duties over receipts and disbursements resulting in improved internal controls over the Food Services funds.

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:

Non-Budgeted SQS	\$	24,894
Private Dir. Grants Special Revenue Fund		7,686
Special Capital Outlay State Capital Projects Fund		<u>64,642</u>
Total Governmental Funds		<u>\$ 97,222</u>

Criteria: Section 2.2.2.10. (P) (1), NMAC, requires all School District funds, with the exception of agency funds, to be budgeted by the local governing body and submitted to the Public Education Department for approval. Cash balances rebudgeted to make up for deficit budgeted revenues that do not cover the budgeted expenditures, cannot exceed the actual cash balance available at the end of the prior year.

Effect: The effect of a budget with inadequate designated cash available to cover the excess of budgeted expenditures over budgeted revenue could result in the District incurring debt to pay for current year budgeted expenditures, which would result in noncompliance with the Bateman Act.

Cause: Inadequate monitoring of cash available to be budgeted in subsequent year caused this noncompliance.

Auditors' Recommendation: Greater attention should be given throughout the year to the cash balances actually available to cover budgeted expenditures in excess of budgeted revenues.

Management's Response: This is a repeated finding that was addressed more aggressively this year, which is reflected in fewer funds being affected. Management will thoroughly examine current processes to eliminate the possibility of budgeting in excess of available cash.

B. FINDINGS-FINANCIAL STATEMENT AUDIT (continued)

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 reconciliations 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 the 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 has begun and will continue developing and implementing policies and procedures that will reduce the risk of fraudulent activity and misappropriation of Student Activity Funds.

FS 10-01 Internal Controls Over Non-Standard Journal Entries

Condition: The District does not have adequate internal controls over non-standard journal entries entered into its accounting system by not properly reviewing non standard journal entries that are posted to the accounting system.

Criteria: State Board of Education Title 6, section 6.20.2.11 states that Policies and Procedures document administrative and accounting controls. Sound business practice recommends review and approval of all non-standard journal entries.

Effect: The lack of a proper review process on journal entries may result in errors or irregularities going undetected and cause financial statements to be misstated. The District may be at risk for fraudulent activity without a proper review process over journal entries.

Cause: The District has limited knowledgeable staff that are able to review journal entries. As a result, proper controls over journal entries have not been maintained. Journal entries are processed without an adequate approval process.

Auditors' Recommendations: The District should update their policies and procedures manual regarding the review and approval of journal entries and implement a procedure to insure non-standard journal entries are reviewed, approved and supported.

Management's Response: Upon notification of this weakness, management changed the procedures regarding the review and approval of all journal entries, effective immediately. The new procedure will ensure that all journal entries are reviewed, approved and supported with appropriate documentation.

B. FINDINGS-FINANCIAL STATEMENT AUDIT (continued)

FS 10-02 Internal Controls Over Cash Disbursements

Condition: During our internal control evaluation over cash, we noted the following:

- Blank checks of the District are not adequately safeguarded and are accessible to unauthorized personnel. The checks are kept in a single office and are locked at night, however throughout the day, the office is left open.
- There are insufficient internal controls over voided checks, where the same person will void checks in the system, and manually create a new check in its place without proper authorization and review by management.
- There are insufficient internal controls over vendor master file, where the same employee has the ability to edit and set up new vendors in the vendor master file without prior approval. There is no log of changes made or review process in place.

Criteria: NMAC 6.20.2.14 states that a School District shall establish and maintain a cash management program to safeguard cash and provide prompt and accurate reporting that adheres to cash management requirements of the Office of Management and Budget (OMB) Circular 102, and applicable state and federal laws and regulations.

Effect: This can increase the risk of errors or fraud going undetected and/or corrected timely during the cash disbursement process.

Cause: Management has not performed a risk assessment in the area of cash and has not implemented cash controls to safeguard blank checks held by the District. The District has not implemented proper internal controls to segregate duties in the voided check procedures and to incorporate proper authorization and review of voided check processing. Also, the District has not implemented proper internal controls to incorporate proper authorization or review of changes to the master vendor file.

Auditors' Recommendations: We recommend that the District review cash management procedures with the responsible individuals annually to ensure that all areas of cash have sufficient internal controls, including reviewing changes to master vendor file, safeguarding blank checks by restricting physical access and incorporating proper internal controls in the area of voided checks.

Management's Response: Management will perform a risk assessment of cash management controls and procedures. Appropriate procedures will be implemented to adequately safeguard the District's blank checks, to segregate duties and incorporate proper authorization and review procedures in the check voiding process, and incorporate authorization and review of changes in the master vendor file.

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 continue to be addressed by Management so that this condition will be improved, and eventually eliminated. Management has taken measures to improve this condition, such as establishing a "Finance Committee" to assist Management in developing a reporting package to assist the District's governing body in their oversight responsibility, in accordance with SAS 112. Effective in 2010/2011, a financial reporting package is being provided on a consistent basis to the governing body and recorded in the Board meeting minutes. Also, information will be provided to the governing board to assist in their understanding of the District's internal control processes and the financial reporting process, which will also be documented in Board meeting minutes. Management will also address the requirement of training on external financial reporting for management and appropriate personnel.

C. FEDERAL FINDINGS

FA 10-01 Participation of Private School Children

Federal program information:

Funding agency: U.S. Department of Education
Title: English Language Acquisition Program
CFDA number: 84.365A & 84.365C

Condition: During our review of special tests and provisions related to the English Language Acquisition Program, it was noted the District did not notify any private schools in the surrounding area of potential funds available for the English Language Acquisition Program.

Criteria: The OMB A-133 Compliance Supplement Part 3-Compliance Requirements N- Special Tests and Provision, stipulates after timely and meaningful consultation with private school officials, the district must provide equitable services to eligible private school children, their teachers, and their families.

Effect: The lack of notification of possible additional educational assistance available to children of private schools could potentially hurt the growth of childhood development.

Questioned Costs: None

Cause: Due to prior notification sent and rejections from private schools in previous years, the District assumed the private schools could not fund the required testing to receive the monies for the federal grant.

Auditors' Recommendation: We recommend all private schools of the surrounding area to be notified by the District of federal grants that could be available to them.

Management's Response: Management will address the current processes of the English Language Acquisition Program. The processes will be modified to adhere to the OMB A-133 Compliance Supplement Part 3-Compliance Requirements N-Special Tests and Provision.

STATE OF NEW MEXICO
Gallup-McKinley County Public Schools
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2010

Schedule VI

D. PRIOR YEAR AUDIT FINDINGS

Primary Government

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 09-01 Exceeded Budget Authority – Resolved

FS 09-02 — Activity Funds – Internal Control - Repeated and Modified

Component Unit

FS 07-07 Component Unit Exceeded Budget Authority – Resolved

FS 08-04 – Understanding of Financial Reports – Resolved

Primary Government and Component Unit

FS 07-05: Preparation of Financial Statements – Repeated and Modified

STATE OF NEW MEXICO
Gallup-McKinley County Public Schools
Other Disclosures
For the Year Ended June 30, 2010

A. AUDITOR PREPARED FINANCIAL STATEMENTS

Although it would be preferred and desirable for the District to prepare its own GAAP-basis financial statements, it is felt that the District's 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, 2010. The following individuals were in attendance.

Gallup-McKinley Schools Personnel

Accounting & Consulting Group, LLP

Bruce Tempest – Board of Education President

Ray Roberts, CPA, Managing Partner

Joe Menini – Board of Education Member

Kim Brown – Assistant Superintendent of Business Services

Tony Major – Director of Business Operation –Charter School

Walter Feldman – Principal of Charter School

Paul Merrill - Director of Fiscal Services

Jvanna Hanks - Controller