

STATE OF NEW MEXICO



ANNUAL FINANCIAL REPORT

JUNE 30, 2010

(With Auditors' Report Thereon)

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INTRODUCTORY SECTION

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STATE OF NEW MEXICO
HATCH VALLEY PUBLIC SCHOOLS
FOR THE YEAR ENDED JUNE 30, 2010
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STATE OF NEW MEXICO
HATCH VALLEY PUBLIC SCHOOLS
OFFICIAL ROSTER
JUNE 30, 2010

<u>Name</u>		<u>Title</u>
	<u>Board of Education</u>	
David Franzoy		President
Steve Bouvet Jr.		Vice President
Greg Mitchell		Secretary
Lupe Castillo		Member
Scott Adams		Member
	<u>Administrative</u> <u>Officials</u>	
Linda Hale		Interim Superintendent

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FINANCIAL SECTION

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Griego Professional Services, LLC

Certified Public Accountants

INDEPENDENT AUDITORS' REPORT

Hector Balderas
New Mexico State Auditor
The Office of Management and Budget
To the Board of Education
Hatch Valley Public Schools
Hatch, New Mexico

We have audited the accompanying financial statements of the governmental activities, each major fund, the aggregate remaining fund information, and the budgetary comparisons for the general funds and major special revenue funds of Hatch Valley Public Schools (the District), New Mexico, as of and for the year ended June 30, 2010, which collectively comprise the District's basic financial statements as listed in the table of contents. We also have audited the financial statements of each of the District's nonmajor governmental funds, and the budgetary comparisons for the capital project funds, debt service funds and all nonmajor funds presented as supplementary information in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2010, as listed in the table of contents. These financial statements are the responsibility of Hatch Valley Public Schools' 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 expression an opinion on the effectiveness of the agency's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated March 19, 2012 on our consideration of Hatch Valley Public Schools, New Mexico's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

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Phone (505) 856-2741 - Fax (505) 856-7510

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For the year ended June 30, 2010, the District has not presented the Management's Discussion and Analysis that the Governmental Accounting Standards Board has determined is necessary to supplement, although not required to be part of the basic financial statements.

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

GRIEGO PROFESSIONAL SERVICES

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

Albuquerque, New Mexico
March 19, 2012

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**BASIC
FINANCIAL STATEMENTS**

STATE OF NEW MEXICO
HATCH VALLEY PUBLIC SCHOOLS
STATEMENT OF NET ASSETS
JUNE 30, 2010

Exhibit A-1
(Page 1 of 2)

	<u>Governmental Activities</u>
ASSETS	
Current assets	
Cash and cash equivalents	\$ 453,219
Receivables (net of allowance for uncollectibles)	915,539
Inventory	17,216
Total current assets	<u>1,385,974</u>
Noncurrent assets	
Restricted cash and cash equivalents	1,043,705
Bond issuance costs (net of amortization of \$4,449)	33,565
Capital assets (net of accumulated depreciation):	
Land	648,243
Buildings and building improvements	45,134,493
Furniture, fixtures and equipment	3,839,653
Less: accumulated depreciation	<u>(8,821,242)</u>
Total noncurrent assets	<u>41,878,417</u>
Total assets	<u><u>\$ 43,264,391</u></u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
HATCH VALLEY PUBLIC SCHOOLS
STATEMENT OF NET ASSETS
JUNE 30, 2010

Exhibit A-1
(Page 2 of 2)

		<u>Governmental Activities</u>
LIABILITIES AND NET ASSETS		
Accounts payable	\$	224,009
Accrued payroll liabilities		238,646
Accrued compensated absences		41,689
Accrued interest		46,926
Deferred revenue		51,300
Current portion of long-term debt		560,000
Total current liabilities		<u>1,162,570</u>
Noncurrent liabilities:		
Bond underwriter premiums (net of amortization of \$1,570)		11,843
Accrued compensated absences		97,274
Bonds due in more than one year		3,250,000
Total noncurrent liabilities		<u>3,359,117</u>
Total liabilities		4,521,687
Invested in capital assets, net of related debt		37,012,869
Restricted for:		
Debt service		770,588
Capital projects		401,942
Special revenue funds		277,479
Unrestricted		<u>279,826</u>
Total net assets		<u>38,742,704</u>
Total liabilities and net assets	\$	<u><u>43,264,391</u></u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
HATCH VALLEY PUBLIC SCHOOLS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2010

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Charges for Service</u>
Primary Government		
Governmental activities:		
Instruction	\$ 7,644,067	\$ 33,312
Support services:		
Students	1,394,805	-
Instruction	1,427,037	-
General Administration	579,159	-
School Administration	696,112	-
Central Services	347,774	-
Operation & Maintenance of Plant	3,083,409	4,676
Student Transportation	830,749	-
Food Services Operation	852,227	15,215
Interest on long-term debt	113,778	-
	<hr/>	<hr/>
Total Primary Government	\$ 16,969,117	\$ 53,203
	<hr/> <hr/>	<hr/> <hr/>

The accompanying notes are an integral part of these financial statements

<u>Program Revenues</u>		<u>Net Revenues (Expenses) and Changes in Net Assets</u>	
<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>	
\$ 4,603,531	\$ -	\$	(3,007,224)
-	-		(1,394,805)
54,412	-		(1,372,625)
-	-		(579,159)
-	-		(696,112)
-	-		(347,774)
-	376,952		(2,701,781)
719,904	-		(110,845)
936,869	-		99,857
-	-		(113,778)
<u>\$ 6,314,716</u>	<u>\$ 376,952</u>		<u>(10,224,246)</u>

General Revenues:

Property taxes:		
Levied for general purposes	\$	20,946
Levied for debt service		617,234
Levied for capital projects		89,581
State Equalization Guarantee		8,973,113
Unrestricted investment earnings		2,054
Miscellaneous		295,327
		<u>9,998,255</u>
Total general revenues		<u>9,998,255</u>
Change in net assets		(225,991)
Net assets - beginning		38,968,695
Net assets - ending	\$	<u><u>38,742,704</u></u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
HATCH VALLEY PUBLIC SCHOOLS
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2010

	Operational Fund			
	General 11000	Teachergage 12000	Transportation 13000	Instructional Materials 14000
ASSETS				
<i>Current Assets</i>				
Cash and cash equivalents	\$ -	\$ 6,258	\$ 22,858	\$ 24,356
Accounts receivable				
Taxes	2,832	-	-	-
Due from other governments	-	-	-	-
Interfund receivables	739,127	-	-	-
Inventory	-	-	-	-
<i>Total assets</i>	<u>741,959</u>	<u>6,258</u>	<u>22,858</u>	<u>24,356</u>
LIABILITIES AND FUND BALANCES				
<i>Current Liabilities:</i>				
Accounts payable	45,574	-	17,301	-
Accrued payroll liabilities	238,646	-	-	-
Interfund payables	-	-	-	-
Deferred revenue - property taxes	1,886	-	-	-
Deferred revenue - other	-	-	-	-
<i>Total liabilities</i>	<u>286,106</u>	<u>-</u>	<u>17,301</u>	<u>-</u>
<i>Fund balances</i>				
Fund Balance:				
Nonspendable	-	-	-	-
Restricted	-	6,258	5,557	24,356
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	455,853	-	-	-
<i>Total fund balance</i>	<u>455,853</u>	<u>6,258</u>	<u>5,557</u>	<u>24,356</u>
<i>Total liabilities and fund balance</i>	<u>\$ 741,959</u>	<u>\$ 6,258</u>	<u>\$ 22,858</u>	<u>\$ 24,356</u>

The accompanying notes are an integral part of these financial statements

Food Services 21000	Enhancing Ed Thru Tech (E2T2-C) 24149	Debt Service 41000	Other Governmental Funds	Total Governmental Funds
\$ 271,912	\$ -	\$ 688,935	\$ 482,605	\$ 1,496,924
-	-	81,653	14,034	98,519
-	371,503	-	445,517	817,020
-	-	-	42,368	781,495
17,216	-	-	-	17,216
<u>289,128</u>	<u>371,503</u>	<u>770,588</u>	<u>984,524</u>	<u>3,211,174</u>
407	33,013	-	127,714	224,009
-	-	-	-	238,646
-	338,490	-	443,005	781,495
-	-	55,231	9,557	66,674
-	-	-	51,300	51,300
<u>407</u>	<u>371,503</u>	<u>55,231</u>	<u>631,576</u>	<u>1,362,124</u>
17,216	-	-	-	17,216
271,505	-	715,357	420,053	1,443,086
-	-	-	-	-
-	-	-	-	-
-	-	-	(67,105)	388,748
<u>288,721</u>	<u>-</u>	<u>715,357</u>	<u>352,948</u>	<u>1,849,050</u>
<u>\$ 289,128</u>	<u>\$ 371,503</u>	<u>\$ 770,588</u>	<u>\$ 984,524</u>	<u>\$ 3,211,174</u>

The accompanying notes are an integral part of these financial statements

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STATE OF NEW MEXICO
HATCH VALLEY PUBLIC SCHOOLS
GOVERNMENTAL FUNDS

Exhibit B-1
 (Page 2 of 2)

RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET ASSETS
 JUNE 30, 2010

	Governmental Funds
Amounts reported for governmental activities in the statement of net assets are different because:	
Fund balances - total governmental funds	\$ 1,849,050
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	40,801,147
Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds:	
Delinquent property taxes not collected within sixty days after year end are not considered "available" revenues and are considered to be deferred revenue in the fund financial statements, but are considered revenue in the Statement of Activities	66,674
Bond issuance costs, including original issue discounts and premiums are not financial resources and therefore are not reported in the funds	
Bond issuance costs net of related accumulated amortization	33,565
Bond underwriter premiums net of accumulated amortization	(11,843)
Accrued interest	(46,926)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds:	
Accrued compensated absences	(138,963)
General obligation bonds	(3,810,000)
Net Assets-total Governmental Activities	\$ 38,742,704

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
HATCH VALLEY PUBLIC SCHOOLS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2010

	Operational Fund			
	General 11000	Teacherege 12000	Transportation 13000	Instructional Materials 14000
<i>Revenues:</i>				
Property taxes	\$ 23,089	\$ -	\$ -	\$ -
State grants	8,973,113	-	719,904	54,412
Federal grants	185,270	-	-	-
Charges for services	631	4,045	-	-
Investment income	1,220	-	-	-
Miscellaneous income	261,560	-	13	-
<i>Total revenues</i>	<u>9,444,883</u>	<u>4,045</u>	<u>719,917</u>	<u>54,412</u>
<i>Expenditures:</i>				
Current:				
Instruction	5,473,599	-	-	46,962
Support Services				
Students	1,013,542	-	-	-
Instruction	564,970	-	-	11,233
General Administration	378,730	-	-	-
School Administration	557,728	-	-	-
Central Services	310,899	-	-	-
Operation & Maintenance of Plant	943,235	-	-	-
Student Transportation	19,647	-	714,360	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Service	-	-	-	-
Capital outlay	-	1,352	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>9,262,350</u>	<u>1,352</u>	<u>714,360</u>	<u>58,195</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>182,533</u>	<u>2,693</u>	<u>5,557</u>	<u>(3,783)</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
Bond underwriter premium	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>182,533</u>	<u>2,693</u>	<u>5,557</u>	<u>(3,783)</u>
<i>Fund balances - beginning of year</i>	<u>273,320</u>	<u>3,565</u>	<u>-</u>	<u>28,139</u>
<i>Fund balances - end of year</i>	<u>\$ 455,853</u>	<u>\$ 6,258</u>	<u>\$ 5,557</u>	<u>\$ 24,356</u>

The accompanying notes are an integral part of these financial statements

Food Services 21000	Enhancing Ed Thru Tech (E2T2-C) 24149	Debt Service 41000	Other Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ 667,920	\$ 102,367	\$ 793,376
30,301	-	-	434,569	10,212,299
831,752	598,386	-	3,837,074	5,452,482
15,215	-	-	33,312	53,203
228	-	-	606	2,054
3,754	-	-	30,000	295,327
<u>881,250</u>	<u>598,386</u>	<u>667,920</u>	<u>4,437,928</u>	<u>16,808,741</u>
-	-	-	2,385,964	7,906,525
-	-	-	304,151	1,317,693
-	598,386	-	233,170	1,407,759
-	-	5,718	107,960	492,408
-	-	-	80,550	638,278
-	-	-	36,875	347,774
-	-	-	744,604	1,687,839
-	-	-	54,847	788,854
-	-	-	-	-
772,952	-	-	83,377	856,329
-	-	-	-	-
-	-	-	1,256,393	1,257,745
-	-	505,000	-	505,000
-	-	106,552	-	106,552
-	-	-	-	-
<u>772,952</u>	<u>598,386</u>	<u>617,270</u>	<u>5,287,891</u>	<u>17,312,756</u>
<u>108,298</u>	<u>-</u>	<u>50,650</u>	<u>(849,963)</u>	<u>(504,015)</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>108,298</u>	<u>-</u>	<u>50,650</u>	<u>(849,963)</u>	<u>(504,015)</u>
<u>180,423</u>	<u>-</u>	<u>664,707</u>	<u>1,202,911</u>	<u>2,353,065</u>
<u>\$ 288,721</u>	<u>\$ -</u>	<u>\$ 715,357</u>	<u>\$ 352,948</u>	<u>\$ 1,849,050</u>

The accompanying notes are an integral part of these financial statements

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STATE OF NEW MEXICO
HATCH VALLEY 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

Exhibit B-2
(Page 2 of 2)

	Governmental Funds
Amounts reported for governmental activities in the statement of activities are different because:	
Net change in fund balances - total governmental funds	\$ (504,015)
<p>Capital Outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the statement of net assets and allocated over their estimated useful lives as annual depreciation expenses in the statement of activities. This is the amount by which depreciation exceeds capital outlays for the period.</p>	
Depreciation expense	
Capital Outlays	(963,901)
	850,153
<p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds</p>	
Change in deferred revenue related to the property taxes receivable	(65,615)
<p>The issuance of long-term debt (e.g., bonds, notes, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities:</p>	
Amortization of bond issuance costs	(4,449)
Amortization of original issue premium	1,570
Increase in accrued interest payable	(7,226)
Increase in accrued compensated absences	(37,508)
Principal payments on bonds	505,000
Change in Net Assets-total Governmental Activities	<hr style="border: 1px solid black;"/> \$ (225,991)

The accompanying notes are an integral part of these financial statements

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STATE OF NEW MEXICO
HATCH VALLEY PUBLIC SCHOOLS
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2010

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ 26,242	\$ 26,242	\$ 26,745	\$ 503
State grants	9,353,377	8,967,841	8,969,084	1,243
Federal grants	79,375	79,375	185,270	105,895
Miscellaneous	29,761	29,761	262,191	232,430
Interest	3,000	3,000	1,220	(1,780)
<i>Total revenues</i>	<u>9,491,755</u>	<u>9,106,219</u>	<u>9,444,510</u>	<u>338,291</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	5,595,211	5,460,896	5,353,678	107,218
Support Services				
Students	1,118,425	1,064,281	971,042	93,239
Instruction	666,890	613,396	604,043	9,353
General Administration	311,665	299,665	303,626	(3,961)
School Administration	623,910	621,910	557,728	64,182
Central Services	333,911	333,911	311,638	22,273
Operation & Maintenance of Plant	1,142,371	1,044,728	999,371	45,357
Student Transportation	55,035	23,095	20,750	2,345
Other Support Services	2,340	2,340	-	2,340
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>9,849,758</u>	<u>9,464,222</u>	<u>9,121,876</u>	<u>342,346</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(358,003)</u>	<u>(358,003)</u>	<u>322,634</u>	<u>680,637</u>
<i>Other financing sources (uses):</i>				
Designated cash	358,003	358,003	-	(358,003)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>358,003</u>	<u>358,003</u>	<u>-</u>	<u>(358,003)</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>322,634</u>	<u>322,634</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>416,493</u>	<u>416,493</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 739,127</u>	<u>\$ 739,127</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			373	
Expenditure accruals			(140,474)	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 182,533</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
HATCH VALLEY PUBLIC SCHOOLS
TEACHERAGE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2010

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	6,765	4,045	(2,720)
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>6,765</u>	<u>4,045</u>	<u>(2,720)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	4,000	-	4,000
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	2,765	1,352	1,413
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>6,765</u>	<u>1,352</u>	<u>5,413</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>2,693</u>	<u>2,693</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>2,693</u>	<u>2,693</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>3,565</u>	<u>3,565</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,258</u>	<u>\$ 6,258</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 2,693</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
HATCH VALLEY PUBLIC SCHOOLS
TRANSPORTATION FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2010

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	680,057	719,904	719,904	-
Federal grants	-	-	-	-
Miscellaneous	-	-	13	13
Interest	-	-	-	-
<i>Total revenues</i>	<u>680,057</u>	<u>719,904</u>	<u>719,917</u>	<u>13</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	680,057	719,904	697,059	22,845
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>680,057</u>	<u>719,904</u>	<u>697,059</u>	<u>22,845</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>22,858</u>	<u>22,858</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>22,858</u>	<u>22,858</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>\$ 22,858</u>	<u>\$ 22,858</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			(17,301)	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 5,557</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
HATCH VALLEY PUBLIC SCHOOLS
INSTRUCTIONAL MATERIALS FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2010

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	52,530	52,530	54,412	1,882
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>52,530</u>	<u>52,530</u>	<u>54,412</u>	<u>1,882</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	69,703	69,703	46,962	22,741
Support Services				
Students	-	-	-	-
Instruction	11,233	11,233	11,233	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>80,936</u>	<u>80,936</u>	<u>58,195</u>	<u>22,741</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(28,406)</u>	<u>(28,406)</u>	<u>(3,783)</u>	<u>24,623</u>
<i>Other financing sources (uses):</i>				
Designated cash	28,406	28,406	-	(28,406)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>28,406</u>	<u>28,406</u>	<u>-</u>	<u>(28,406)</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(3,783)</u>	<u>(3,783)</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>28,139</u>	<u>28,139</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 24,356</u>	<u>\$ 24,356</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ (3,783)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
HATCH VALLEY PUBLIC SCHOOLS
FOOD SERVICES SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2010

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	30,000	30,000	30,301	301
Federal grants	754,610	754,610	771,535	16,925
Miscellaneous	17,336	17,336	18,969	1,633
Interest	350	350	228	(122)
<i>Total revenues</i>	<u>802,296</u>	<u>802,296</u>	<u>821,033</u>	<u>18,737</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	1,005,206	977,808	736,484	241,324
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>1,005,206</u>	<u>977,808</u>	<u>736,484</u>	<u>241,324</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(202,910)</u>	<u>(175,512)</u>	<u>84,549</u>	<u>260,061</u>
<i>Other financing sources (uses):</i>				
Designated cash	202,910	175,512	-	(175,512)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>202,910</u>	<u>175,512</u>	<u>-</u>	<u>(175,512)</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>84,549</u>	<u>84,549</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>187,363</u>	<u>187,363</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 271,912</u>	<u>\$ 271,912</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			60,217	
Expenditure accruals			(36,468)	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 108,298</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
HATCH VALLEY PUBLIC SCHOOLS
ENHANCING ED THRU TECH (E2T2-C) SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2010

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	322,700	226,883	(95,817)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>322,700</u>	<u>226,883</u>	<u>(95,817)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	16,500	16,500	1,983	14,517
Instruction	129,877	496,179	450,335	45,844
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>146,377</u>	<u>512,679</u>	<u>452,318</u>	<u>60,361</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(146,377)</u>	<u>(189,979)</u>	<u>(225,435)</u>	<u>(35,456)</u>
<i>Other financing sources (uses):</i>				
Designated cash	146,377	189,979	-	(189,979)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>146,377</u>	<u>189,979</u>	<u>-</u>	<u>(189,979)</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(225,435)</u>	<u>(225,435)</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(113,055)</u>	<u>(113,055)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (338,490)</u>	<u>\$ (338,490)</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			371,503	
Expenditure accruals			(146,068)	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
HATCH VALLEY PUBLIC SCHOOLS
AGENCY FUNDS
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
JUNE 30, 2010

Exhibit D-1

	<u>Agency Funds</u>
ASSETS	
<i>Current Assets</i>	
Cash	<u>\$ 96,528</u>
<i>Total assets</i>	<u><u>96,528</u></u>
LIABILITIES	
<i>Current Liabilities</i>	
Deposits held in trust for others	<u>96,528</u>
<i>Total liabilities</i>	<u><u>\$ 96,528</u></u>

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

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STATE OF NEW MEXICO
HATCH VALLEY PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 1. Summary of Significant Accounting Policies

Hatch Valley Public Schools (the 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 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.

This 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 Hatch Valley Public School's management that is responsible for the financial statements. The financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting financial reporting principles. The financial statements have incorporated all applicable GASB pronouncements as well as Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins of the Committee on accounting procedures issued on or before November 30, 1989 unless those pronouncements conflict with or contradict GASB pronouncements. Governments also have the option of following subsequent private-sector guidance for their government-wide financial statements, subject to this same limitation. The government has elected not to follow subsequent private-sector guidance.

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 criteria used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the government and/or its citizens. A third criterion used to evaluate 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 within the reporting entity.

Based upon the criteria listed above, Hatch Valley Public Schools has no component units.

B. Government-wide and fund financial statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities and changes in net assets) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

STATE OF NEW MEXICO
HATCH VALLEY PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010

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

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

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

Separate financial statements are provided for governmental funds 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 period for which the taxes are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Sales and use taxes are classified as derived tax revenues and are recognized as revenue when the underlying exchange takes place and the revenues are measurable and available. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

Ad valorem taxes (property taxes), and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met and the susceptible to accrual criteria have been met. All other revenue items are considered to be measurable and available only when cash is received by the government.

The *agency funds* are custodial in nature (assets equal liabilities) and do not present results of operations or have a measurement focus. Agency funds are accounted for using the accrual basis of accounting. These funds are used to account for assets that the District holds for others in an agency capacity.

STATE OF NEW MEXICO
HATCH VALLEY PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010

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

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

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

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

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

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

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

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

The *Teacherage Fund* (12000) accounts for revenues and expenditures associated with district owned multi-bedroom housing units rented to District employed teachers or other employees. Funding authorized by NMAC 6.20.2 of the New Mexico Department of Education. This fund is considered by PED to be a sub-fund of the General Fund.

The *Transportation Fund* (13000) accounts for State Equalization – Transportation funds authorized by Section 22-8-26, NMSA, 1978 designated for the costs of transporting school-age children who are students within the District. This fund is considered by PED to be a sub-fund of the General Fund.

The *Instructional Materials Fund* (14000) accounts for Funding designated for instructional materials purchases as authorized by Sections 22-15-1 through 22-15-14, NMSA, 1978 for the purposes of purchasing instructional materials (books, manuals, periodicals, etc.) used in the education of students. This is considered by PED to be a sub-fund of the General Fund.

The *Food Services Fund* (21000) 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.

The *Enhancing Education thru Technology Competitive Fund* (24149) is used to account for federal resources used to strengthen the skills of teachers in the field of technology. The authority for the use of these resources is outlined in P.L. 103-382.

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

STATE OF NEW MEXICO
HATCH VALLEY PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010

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

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

Additionally, the government reports the following fund types:

The fiduciary funds account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governments and/or other funds. The fiduciary funds are for student activities.

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.

D. Assets, Liabilities and Net Assets or Equity

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

State statutes authorize the District to invest in Certificates of Deposit, obligations of the U.S. Government, and the State Treasurer's Investment Pool.

Restricted Assets: The Debt Service Fund is used to report resources set aside as restricted to make up potential future deficiencies in the revenue bond current debt service account.

Receivables and Payables: Interfund activity is reported as either loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as 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 in Doña Ana County. The funds are collected by the County Treasurer and are remitted to the School District the following month. Under the modified accrual method of accounting, the amount remitted by the Doña Ana County Treasurer in July and August 2010 is considered 'measurable and available' and, accordingly, is recorded as revenue during the year ended June 30, 2010.

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.

Prepaid Items: Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements.

Inventory: The District accounts for its inventories under the consumption method, reporting inventories purchased as an asset. The recognition of the expenditures is deferred until the period in which the inventories are actually consumed. Inventory in the Cafeteria Fund consists of U.S.D.A. commodities and other purchased food and non-food supplies. The cost of purchased food is recorded as an expenditure at the time individual inventory items are consumed.

STATE OF NEW MEXICO
HATCH VALLEY PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010

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

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

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 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. 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 and equipment in accordance with NMAC 2.20.1.9 C (5). Capital expenditures made by the NM Public Schools Facilities Authority are appropriately included in the District's capital assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. The District expenses the cost of library books when purchased because their estimated useful life is less than one year.

Major outlays for capital assets and improvements are capitalized as projects are constructed. No interest was included as part of the cost of capital assets under construction during the year ended June 30, 2010.

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

Buildings/building improvements	20-40 years
Furniture and equipment	3-7 years

Deferred Revenues: There are two types of deferred revenue. Under both the accrual and modified accrual basis of accounting, 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 (commonly referred to as unearned revenue). The other type of deferred revenue is "unavailable revenue." Under the modified accrual basis of accounting, it is not enough that revenue has been earned if it is to be recognized as revenue of the current period. It must also be susceptible to accrual (measurable 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 off-set by a corresponding liability for deferred revenue.

Compensated Absences: Twelve month employees are entitled to up to 12 days of paid annual leave earned on the basis of 1 day per month. Annual leave may be accumulated and carried forward. Upon termination, a twelve month employee can be paid or unused and earned annual leave not to exceed 80 hours.

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

Long-term Obligations: In the government-wide fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net assets. For bonds issued after the fiscal year ended June 30, 2004, bond premiums and discounts, as well as issuance costs, will be deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs will be reported as deferred charges and amortized over the term of the related debt.

STATE OF NEW MEXICO
HATCH VALLEY PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010

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

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

In the fund financial statements, governmental fund types recognized 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.

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

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

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

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

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

Reclassifications: Certain amounts included in the financial statements have been reclassified to conform to the current year presentation.

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

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

E. Revenues

Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates. Significant estimates affecting the District's financials include management's estimate of the useful lives of capital assets.

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

STATE OF NEW MEXICO
HATCH VALLEY PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010

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

D. Revenues (continued)

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 \$8,973,113 in state equalization guarantee distributions during the year ended June 30, 2010.

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 1 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. In the government-wide financial statements, the District recognizes property tax revenues in the period for which they are levied, net of estimated refunds and uncollectible amounts. The District records only the portion of the taxes considered to be 'measurable' and 'available' in the government fund financial statements. 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.

In the financial statements, the mill levy and ad-valorem taxes are broken out into two types: property taxes – residential and commercial and property taxes – oil and gas. Amounts collected from residential and commercial property taxes at June 30, 2010 were \$727,761.

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 \$719,904 in transportation distributions during the year ended June 30, 2010.

Instructional Materials: The New Mexico Public Education Department (PED) receives federal material leasing funds from which it makes annual allocations to the various school districts for the purchase of educational materials. Of each allocation, fifty percent is restricted to the requisition of materials listed in the State Board of Education "State Adopted Instructional Material" list, while fifty percent of each allocation is available for purchases directly from vendors. Allocations received from the State for the year ended June 30, 2010 totaled \$54,412.

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 District under the Public School Capital Improvements Act. The distribution shall be made by December 1, of each year that the tax is imposed in accordance with Section 22-25-3 NMSA 1978. Provided, however, in the event that sufficient funds are not available in the public school capital improvement funds to make the state distribution provided for in this section, the dollar per program unit figure shall be reduced as necessary.

The District received \$360,113 in state SB-9 matching during the year ended June 30, 2010.

STATE OF NEW MEXICO
HATCH VALLEY PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010

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

E. Revenues (Continued)

Public School Capital Outlay: Under the provisions of Chapter 22, Article 24, NMSA 1978. The money in the fund may be used only for capital expenditures deemed by the public school capital outlay council necessary for an adequate educational program per Section 22-24-4.

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

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

The council shall consider all applications for assistance from the fund and after public hearing shall either approve or deny the application. Applications for grant assistance shall only be accepted by the council after a district has complied with the provisions of this section. The council shall list all applications in order of priority and all allocations shall be made on a priority basis.(B); core administrative functions of the public school facilities authority and for project management expenses upon approval of the council per Section 22-24-4(G); and for the purpose of demolishing abandoned school district facilities, upon application by a school district to the council, per Section 22-24-4(L).

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

During the year ended June 30, 2010, the District received \$1,159 in special capital outlay funds.

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

The District also receives reimbursement under the National School Lunch and Breakfast Programs for its food services operations, and the distributions of commodities through the New Mexico Human Services Department.

STATE OF NEW MEXICO
HATCH VALLEY PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 2. Stewardship, Compliance and Accountability

Budgetary Information

Budgets for the General, Special Revenue, Capital Projects, and Debt Service Funds are prepared by management and are approved by the local Board of Education and the School Budget and Planning Unit of the Public Education Department. Auxiliary student activity accounts are not budgeted. Public School Capital Outlay Council expenditures in the Public School Capital Outlay fund are not budgeted at the District level, so there is no budgetary comparison presented.

These budgets are prepared on the Non-GAAP cash basis, excluding encumbrances, and secure appropriation of funds for only one year. Carryover funds must be re-appropriated in the budget of the subsequent fiscal year. The budget process in the State of New Mexico requires that the ending cash balance be appropriated in the budget of the subsequent fiscal year.

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

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

1. In April or May, the local school board submits to the District Budget Planning Unit (DBPU) of the New Mexico Public Education Department (100%) a proposed operating budget for the ensuing fiscal year commencing July 1. The operating budget includes proposed expenditures and the means of financing them. All budgets submitted to the State of New Mexico Public Education Department.
2. In May or June of each year, the proposed "operating" budget will be reviewed and approved by the DBPU and certified and approved by the local school board at a public hearing of which notice has been published by the local school board which fixes the estimated budget for the school district for the ensuing fiscal year.
3. The school board meeting, while not intended for the general public, is open for the general public unless a closed meeting has been called.
4. The "operating" budget will be used by the District until they have been notified that the budget has been approved by the DBPU and the local school board. The budget shall be integrated formally into the accounting system. Encumbrances shall be used as an element of control and shall be integrated into the budget system.
5. The District shall make corrections, revisions and amendments to the estimated budgets fixed by the local school board to recognize actual cash balances and carryover funds, if any. These adjustments shall be reviewed and approved by the DBPU.
6. The superintendent is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the school board and the State of New Mexico Public Education Department.
7. Budget change requests are processed in accordance with Supplement 1 (Budget Preparation and Maintenance) of the Manual of Procedures Public School Accounting and Budgeting. Such changes are initiated by the school district and approved by the DBPU.
8. Legal budget control for expenditures is by function.

STATE OF NEW MEXICO
HATCH VALLEY PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 2. Stewardship, Compliance and Accountability (Continued)

Budgetary Information (Continued)

9. Appropriations lapse at fiscal year end. Funds unused during the fiscal year may be carried over into the next fiscal year by budgeting those in the subsequent fiscal year's budget. The budget schedules included in the accompanying financial statements reflect the approved budget and amendments thereto.
10. Formal budgetary integration is employed as a management control device during the year for the General Fund, Special Revenue Funds, Debt Service Fund and Capital Projects Funds.

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

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

Since accounting principles applied for purposes of developing data on a budgetary basis differ significantly from those used to present financial statements in conformity with generally accepted accounting principles, a reconciliation of resultant basis, perspective, equity, and timing differences in the excess (deficiency) of revenues and other sources of financial resources for the year ended June 30, 2010, is presented on each funds' Statement of Revenue, Expenditures and Changes in Fund Balance – Budget (non-GAAP Budgetary Basis) and Actual.

NOTE 3. Cash and Cash Equivalents

State statutes authorize the investment of District funds in a wide variety of instruments including certificates of deposit and other similar obligations, state investment pool, money market accounts, and United States Government obligations. All invested funds of the 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. Deposits may be made to the extent that they are insured by an agency of the United States or by collateralized as required by the statute.

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

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

The types of collateral allowed are limited to direct obligations of the United States Government and all bonds issued by any agency, district or political subdivision of the State of New Mexico.

According to the Federal Deposit Insurance Corporation, public unit deposits are funds owned by the public unit. Time deposits, savings deposits and interest bearing NOW accounts of a public unit in an institution in the same state will be insured up to \$250,000 in aggregate and separate from the \$250,000 coverage for public unit demand deposits at the same institution. Additionally, until December 31, 2012, all deposits in non-interest bearing transaction accounts (such as non-interest bearing checking accounts) including non-interest bearing sweep accounts per 12 C.F.R. § 330.16(b) at participating institutions are fully guaranteed, regardless of dollar amount.

STATE OF NEW MEXICO
HATCH VALLEY PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 3. Cash and Cash Investments (continued)

NM State Statutes require collateral pledged for deposits in excess of the federal deposit insurance to be delivered, or a joint safekeeping receipt be issued, to the District for a least one half of the amount on deposit with the institution in excess of federal deposit insurance. The schedule listed below will meet the State of New Mexico, Office of the State Auditor's requirements in reporting the insured portion of the deposits.

	Bank of the West	Wells Fargo Bank	Total
Total amounts of deposits	\$ 1,505,756	\$ 695,810	\$ 2,201,566
FDIC coverage	<u>(1,505,756)</u>	<u>(695,810)</u>	<u>(2,201,566)</u>
Total uninsured public funds	<u>—</u>	<u>—</u>	<u>—</u>
Collateral requirement (50% of uninsured public funds)	\$ —	\$ —	\$ —
Pledged security	<u>—</u>	<u>—</u>	<u>—</u>
Total under (over) collateralized	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>

The types of collateral allowed are limited by the section 6-10-16, NMSA 1978.

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The government does not have a deposit policy for custodial credit risk, 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, none of the District's bank balance of \$2,201,566 was exposed to custodial credit risk as the entirety of the District's balance was held in non-interest bearing accounts and as such was covered by the FDIC. At June 30, 2010, the carrying amount of these deposits was \$1,593,452.

Reconciliation to the Financial Statements

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

Reconciliation to Statement of Net Assets

Governmental Funds – Balance Sheet	
Cash and cash equivalents per Exhibit A-1	\$ 1,496,924
Statement of Fiduciary Net Assets – cash per Exhibit D-1	<u>96,528</u>
Total per financial statements	1,593,452
 Add outstanding checks and other reconciling items	 <u>608,114</u>
 Bank balance of deposits	 <u>\$ 2,201,556</u>

NOTE 4. Receivables

Receivables as of June 30, 2010 are as follows:

	Operational	Enhancing Ed Thru Tech (E2T2-C)	Debt Service	Other Governmental Funds	Total
Property taxes	\$ 2,832	\$ —	\$ 81,653	\$ 14,034	\$ 98,519
Intergovernmental	<u>—</u>	<u>371,503</u>	<u>—</u>	<u>445,517</u>	<u>817,020</u>
Totals by fund	<u>\$ 2,832</u>	<u>\$ 371,503</u>	<u>\$ 81,653</u>	<u>\$ 459,551</u>	<u>\$ 915,539</u>

The above receivables are deemed 100% collectible. In accordance with GASB No. 33, property tax receivables are presented net of deferred revenues in the governmental balance sheet. Deferred revenue – property taxes totaled \$66,674.

STATE OF NEW MEXICO
HATCH VALLEY PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 5. Interfund Receivables, Payables, and Transfers

“Interfund balances” have primarily been recorded when funds overdraw their share of pooled cash when the District is waiting for grant reimbursements. The composition of interfund balances at June 30, 2010 is as follows:

Governmental Activities:	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
Major Funds:		
Operational	\$ 739,127	\$ —
Enhancing Ed Thru Tech (E2T2-C)	—	338,490
Nonmajor Funds:		
Athletics	—	377
Migrant Children Education	—	71,821
IDEA-B Entitlement	—	38,745
IDEA-B Discretionary	—	2,160
IDEA-B Preschool	—	2,042
Education of Homeless	—	1,760
Fresh Fruits and Vegetables	—	32
Enhancing Ed Thru Tech (E2T2-F)	—	256
English Language Acquisition	—	11,542
Teacher & Principal Training & Recruiting	—	1,614
Safe & Drug Free Schools & Community	—	996
Rural & Low Income Schools	—	54,745
Title I - School Improvement	—	1,083
Immigrant Funding Title III	—	1,587
Title I IASA Federal Stimulus	—	34,312
IDEA-B Entitlement Federal Stimulus	—	38,210
IDEA-B Preschool Federal Stimulus	—	5,690
Headstart	—	59,255
Title XIX Medicaid 3/21 Years	—	26,358
State Equalization Guarantee Federal Stimulus	—	27,445
Headstart Federal Stimulus	—	22,605
Libraries GO Bonds Laws of 2009-2010	—	16,368
Libraries GO Bonds-Laws of 2004	—	1,126
Libraries 301 GO Bonds Laws of 2006	—	6,018
GEAR UP	—	16,858
Bond Building	<u>42,368</u>	<u>—</u>
Total Governmental Activities	<u>\$ 781,495</u>	<u>\$ 781,495</u>

All interfund balances are expected to be repaid within one year.

STATE OF NEW MEXICO
HATCH VALLEY PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 6. Capital Assets

A summary of capital assets and changes occurring during the year ended June 30, 2010 follows. Land is not subject to depreciation.

	Balance <u>June 30, 2009</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>June 30, 2010</u>
Capital Assets used in Governmental Activities:				
Capital assets not being depreciated:				
Land	\$ 648,243	\$ —	\$ —	\$ 648,243
Total assets not being depreciated	<u>\$ 648,243</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 648,243</u>
Capital assets being depreciated				
Buildings and improvements	\$ 45,026,637	\$ 107,856	\$ —	45,134,493
Furniture, fixtures & equipment	<u>3,097,356</u>	<u>742,297</u>	<u>—</u>	<u>3,839,653</u>
Total assets being depreciated	<u>\$ 48,123,993</u>	<u>850,153</u>	<u>—</u>	<u>48,974,146</u>
Total assets	<u>\$ 48,772,236</u>	<u>\$ 850,153</u>	<u>\$ —</u>	<u>\$ 49,622,389</u>
Less Accumulated Depreciation:				
Buildings / building improvements	\$ (6,559,762)	\$ (646,962)	\$ —	\$ (7,206,724)
Furniture, fixtures & equipment	<u>(1,297,579)</u>	<u>(316,939)</u>	<u>—</u>	<u>(1,614,518)</u>
Total accumulated depreciation	<u>\$ (7,857,341)</u>	<u>\$ (963,901)</u>	<u>\$ —</u>	<u>\$ (8,821,242)</u>
Net Capital Assets	<u>\$ 40,914,895</u>	<u>\$ (113,748)</u>	<u>\$ —</u>	<u>\$ 40,801,147</u>

Depreciation expense for the year ended June 30, 2010 was charged to governmental activities as follows:

Instruction	\$ 491,589
Support Services: Student	77,112
Support Services: Instruction	19,278
Support Services: General Administration	86,751
Support Services: School Administration	57,834
Operations & Maintenance of Plant	134,946
Transportation	48,195
Food Services	<u>48,196</u>
Total	<u>\$ 963,901</u>

STATE OF NEW MEXICO
HATCH VALLEY PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 7. Long-term Debt

During the year ended June 30, 2010 the following changes occurred in the liabilities reported in the government-wide statement of net assets:

	<u>Balance</u> <u>June 30, 2009</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2010</u>	<u>Due Within</u> <u>One Year</u>
General Obligation Bonds \$	4,315,000	\$ —	\$ 505,000	\$ 3,810,000	\$ 560,000
Compensated Absences	<u>101,455</u>	<u>72,272</u>	<u>37,764</u>	<u>138,963</u>	<u>41,689</u>
Total	<u>\$ 4,416,455</u>	<u>\$ 72,272</u>	<u>\$ 542,764</u>	<u>\$ 3,948,963</u>	<u>\$ 596,689</u>

General Obligations Bonds

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

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt</u> <u>Service</u>
2011	\$ 560,000	\$ 105,538	\$ 665,538
2012	555,000	91,980	646,980
2013	575,000	78,214	653,214
2014	535,000	63,558	598,558
2015	530,000	48,656	578,656
2016-2020	<u>1,055,000</u>	<u>75,730</u>	<u>1,130,730</u>
Totals	<u>\$ 3,810,000</u>	<u>\$ 463,676</u>	<u>\$ 4,273,676</u>

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

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 increased \$37,508 over the prior year accrual. See Note 1 for more details.

Operating Leases – The District leases office equipment, including copy machines and postage meter machines, under short-term cancelable operating leases.

NOTE 8. Deferred Revenue

In accordance with the terms of the various grant agreements within the Special Revenue Funds, revenues received in excess of expenditures carry over to the subsequent years, unless such excess revenues are requested to be returned to the grantor.

NOTE 9. Risk Management

The District is a member of the New Mexico Public Schools Insurance Authority (NMPSIA). The Authority was created to provide comprehensive core insurance programs by expanding the pool of subscribers to maximize cost containment opportunities for required insurance coverage. The District pays an annual premium to the NMPSIA based on claim experience and the status of the pool. The Risk Management Program includes Workers Compensation, General and Automobile Liability, Automobile Physical Damage, and Property and Crime coverage. Also included under the risk management program are Boiler, Machinery and Student Accident Insurance.

STATE OF NEW MEXICO
HATCH VALLEY PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 9. Risk Management (continued)

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

In case the NMPSIA's assets are not sufficient to meet its liability claims, the agreement provides that subscribers, including the District, cannot be assessed additional premiums to cover the shortfall. As of June 30, 2010, there have been no claims that have exceeded insurance coverage.

NOTE 10. Other Required Individual Fund Disclosures

Generally accepted accounting principles require disclosures as part of the Combined Statements of certain information concerning individual funds including:

A. Deficit fund balance of individual funds. The following funds reported a deficit fund balance at June 30, 2010:

Major Funds:

None

Nonmajor Funds:

Athletics	\$ 377
Title XIX Medicaid 3/21 Years	26,358
Libraries – GO Bonds – Laws of 2009-2010	16,368
Libraries – GO Bonds – Laws of 2004	1,126
Libraries – 301 GO Bonds – Laws of 2006	6,018
GEAR-UP CHE	<u>16,858</u>
Total Nonmajor Funds	<u>\$ 67,105</u>

B. Excess of expenditures over appropriations. The following funds exceeded approved budgetary authority for the year ended June 30, 2010:

Major Funds:

None

Nonmajor Funds:

IDEA-B Preschool	\$ 2,513
Education of Homeless	112
Immigrant Funding Title III	1,587
Title I-IASA Federal Stimulus –Central Services	1,738
Headstart-Support Services	9,128
Headstart-Operations & Maintenance of Plant	53
TANF GRADS HSD-Instruction	22,056
State Equalization Guarantee Federal Stimulus-Ops & Maint	<u>13,415</u>
Total Nonmajor Funds	<u>\$ 50,602</u>

STATE OF NEW MEXICO
HATCH VALLEY PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 11. Pension Plan – Educational Retirement Board

Plan Description. Substantially all of Hatch Valley Public Schools'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 through June 30, 2011, 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. Hatch Valley Public Schools was required to contribute 12.4% of the gross covered salary for employees earning \$20,000 or less, and 10.9% of the gross covered salary of employees earning more than \$20,000 annually. Effective July 1, 2011 plan members are required by statute to contribute 7.9% of their gross salary if they earned \$20,000 or less annually, and plan members earning more than \$20,000 annually are required to contribute 11.15% of their gross salary. Hatch Valley Public Schools is required to contribute 12.4% of the gross covered salary for employees earning \$20,000 or less, and 9.15% of the gross covered salary for employees earning more than \$20,000 annually. The contribution requirements of plan members and Hatch Valley Public Schools are established in State statute under Chapter 22, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. Hatch Valley Public Schools' contributions to ERB for the fiscal years ending June 30, 2010, 2009 and 2008 were \$1,644,877, \$1,538,148 and \$1,456,329, respectively, which equal the amount of the required contributions for each fiscal year.

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

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

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

STATE OF NEW MEXICO
HATCH VALLEY PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 12. Post-Employment Benefits – State Retiree Health Care Plan (continued)

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, June 30, 2012, and June 30, 2013 the contribution rates for employees and employers will rise as follows:

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

<u>Fiscal Year</u>	<u>Employer Contribution 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 contributions to the RHCA for the years ended June 30, 2010, 2009 and 2008 were \$105,413, \$106,240 and \$104,471, respectively, which equal the required contributions for each year.

NOTE 13. Contingent Liabilities

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

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

NOTE 14. Subsequent Accounting Standard Pronouncements

In December 2009, the GASB issued Statement No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plan*, which is effective for financial statement periods beginning after June 15, 2010. The objective of this Statement is to address issues related to the use of the alternative measurement method and the frequency and timing of measurements by employers that participate in agent multiple-employer other postemployment benefit (OPEB) plans (that is, agent employers).

In November 2009, the GASB issued Statement No. 61, *The Financial Reporting Entity: Omnibus—an amendment of GASB Statements No. 14 and No. 34*, which is effective for financial statement periods beginning after June 15, 2012. The objective of this Statement is to improve financial reporting for a governmental financial reporting entity. The requirements of Statement No. 14, *The Financial Reporting Entity*, and the related financial reporting requirements of Statement No. 34, *Basic Financial Statements—and Management’s Discussion and Analysis—for State and Local Governments*, were amended to better meet user needs and to address reporting entity issues that have arisen since the issuance of those Statements. This Statement modifies certain requirements for inclusion of component units in the financial reporting entity and amends the criteria for reporting component units as if they were part of the primary government in certain circumstances.

STATE OF NEW MEXICO
HATCH VALLEY PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 14. Subsequent Accounting Standard Pronouncements (continued)

In December of 2009, the GASB issued Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, which is effective for financial statements for periods beginning after December 15, 2010. The objective of this Statement is to incorporate into the GASB's authoritative literature certain accounting and financial reporting guidance that is included in the following pronouncements issued on or before November 30, 1989, which does not conflict with or contradict GASB pronouncements:

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

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

NOTE 16. Governmental Fund Balance

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

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

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

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

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

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

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

Detail relating to the fund balance classifications is displayed below:

STATE OF NEW MEXICO
HATCH VALLEY PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 16. Fund Balance (continued)

Hatch Valley Public Schools

	General Fund			
	Operational 11000	Teacherage 12000	Transportation 13000	Instructional Materials 14000
<i>Fund balance:</i>				
Nonspendable	-	-	-	-
Restricted	-	6,258	5,557	24,356
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	455,853	-	-	-
<i>Total fund balance</i>	455,853	6,258	5,557	24,356
	Food Services 21000	Enhancing Ed Thru Tech (E2T2-C) 24149	Debt Service 41000	Other Governmental Funds
<i>Fund balance:</i>				
Nonspendable				
Inventory	17,217	-	-	-
Restricted				
Food Service	271,504	-	-	1,041
Debt Service	-	-	715,357	-
Capital Projects	-	-	-	354,943
Instructional Support	-	-	-	64,069
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	(67,105)
<i>Total fund balance</i>	288,721	-	715,357	352,948

The accompanying notes are an integral part of these financial statements

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SUPPLEMENTARY INFORMATION

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NONMAJOR GOVERNMENTAL FUNDS

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STATE OF NEW MEXICO
HATCH VALLEY PUBLIC SCHOOLS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2010

Statement A-1

	SPECIAL REVENUE	CAPITAL PROJECTS	TOTAL
ASSETS			
<i>Current Assets</i>			
Cash and temporary investments	\$ 127,835	\$ 354,770	\$ 482,605
Accounts receivable			
Taxes	-	14,034	14,034
Due from other governments	445,517	-	445,517
Interfund receivables	-	42,368	42,368
Inventory	-	-	-
	<u>573,352</u>	<u>411,172</u>	<u>984,524</u>
<i>Total assets</i>	<u>573,352</u>	<u>411,172</u>	<u>984,524</u>
LIABILITIES AND FUND BALANCES			
<i>Current Liabilities:</i>			
Accounts payable	81,042	46,672	127,714
Accrued payroll liabilities	-	-	-
Accrued compensated absences	-	-	-
Interfund payables	443,005	-	443,005
Deferred revenue - property taxes	-	9,557	9,557
Deferred revenue - other	51,300	-	51,300
	<u>575,347</u>	<u>56,229</u>	<u>631,576</u>
<i>Total liabilities</i>	<u>575,347</u>	<u>56,229</u>	<u>631,576</u>
<i>Fund balances</i>			
Fund Balance:			
Nonspendable	-	-	-
Restricted	65,110	354,943	420,053
Committed	-	-	-
Assigned	-	-	-
Unassigned	(67,105)	-	(67,105)
	<u>(1,995)</u>	<u>354,943</u>	<u>352,948</u>
<i>Total fund balance</i>	<u>(1,995)</u>	<u>354,943</u>	<u>352,948</u>
<i>Total liabilities and fund balance</i>	<u>\$ 573,352</u>	<u>\$ 411,172</u>	<u>\$ 984,524</u>

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

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STATE OF NEW MEXICO
HATCH VALLEY PUBLIC SCHOOLS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDING JUNE 30, 2010

Statement A-2

	SPECIAL REVENUE	CAPITAL PROJECTS	TOTAL
<i>Revenues:</i>			
Property taxes	\$ -	\$ 102,367	\$ 102,367
State grants	57,617	376,952	434,569
Federal grants	3,837,074	-	3,837,074
Miscellaneous	33,312	30,000	63,312
Interest	-	606	606
<i>Total revenues</i>	<u>3,928,003</u>	<u>509,925</u>	<u>4,437,928</u>
<i>Expenditures:</i>			
Current:			
Instruction	2,385,964	-	2,385,964
Support Services			
Students	304,151	-	304,151
Instruction	233,170	-	233,170
General Administration	106,895	1,065	107,960
School Administration	80,550	-	80,550
Central Services	36,875	-	36,875
Operation & Maintenance of Plant	744,604	-	744,604
Student Transportation	54,847	-	54,847
Other Support Services	-	-	-
Food Services Operations	83,377	-	83,377
Community Service	-	-	-
Capital outlay	-	1,256,393	1,256,393
Debt service			
Principal	-	-	-
Interest	-	-	-
<i>Total expenditures</i>	<u>4,030,433</u>	<u>1,257,458</u>	<u>5,287,891</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(102,430)</u>	<u>(747,533)</u>	<u>(849,963)</u>
<i>Other financing sources (uses):</i>			
Operating transfers	-	-	-
Proceeds from bond issues	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>(102,430)</u>	<u>(747,533)</u>	<u>(849,963)</u>
<i>Fund balances - beginning of year</i>	<u>100,435</u>	<u>1,102,476</u>	<u>1,202,911</u>
<i>Fund balances - end of year</i>	<u>\$ (1,995)</u>	<u>\$ 354,943</u>	<u>\$ 352,948</u>

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

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SPECIAL REVENUE FUNDS

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SPECIAL REVENUE FUNDS

The Special Revenue Funds are used to account for Federal, State and Local funded grants. These grants are awarded to the District with the purpose of accomplishing specific educational tasks. Special Revenue Funds include:

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.

Title I IASA (24101) Title I IASA Federal Stimulus (24201) – The major objectives of the Title I program are to provide supplemental educational opportunity for academically disadvantaged children in the area of residing. Campuses are identified for program participation by the percentage of students on free or reduced price lunches. Any school with a free and reduced price lunch percentage that is equal to or greater than the total district percentage becomes eligible for program participation. Any student whose test scores fall below District established criteria and who is attending a Title I campus is eligible to receive Title I services. Poverty is the criteria that identify a campus; educational need determines the students to be served. Federal revenues accounted for in this fund are allocated to the District through the New Mexico Department of Education. Authority for creation of this fund is Part A of Chapter I of Title I of Elementary and Secondary Education Act (ESEA) of 1965, as amended, Public Law 103-383.

Migrant Children Education IASA (24103) – To account for federal resources administered by the State Public Education Department to provide for special educational needs of children of migratory agricultural workers. (P.L. 100-297)

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

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

IDEA-B Preschool (24109) Federal Stimulus IDEA-B Preschool (24209) – The objective of the Assistance to States for the Education of Handicapped Children Program is to assist in providing free, appropriate public education to all handicapped children from ages three to five. Federal revenues accounted for in this fund are allocated to the District through the New Mexico Department of Children, Youth and Families. Authority for creation of this fund is Public Law 105-17.

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

Fruits and Vegetables (24118) –To assist States, through cash grants, in providing free fresh fruits and vegetables to school children in designated participating schools beginning in school year 2004/2005. Authorized by National School Lunch Act, as amended, 42 U.S.C. 1769.

Title I 1003g Grant (24124) – To account for funds administered through the State Public Education Office to assist schools identified for improvement, corrective actions, and restructuring.

Enhancing Ed Thru Tech-Formula (24133) – To account for a federal grant designed to strengthen teacher learning in the field of technology. (P.L. 103-382)

Comprehensive Classroom Reform (24135) - To account for the provision of financial incentives for schools in need of substantially improving student achievement to implement comprehensive school reform programs based on reliable research and effective practices. (P.L. 103-382)

Title V – Part A Innovative Ed Pro Strategies (24150) – To establish a local program of alcohol and drug abuse education and prevention coordinated with related community efforts and resources.

SPECIAL REVENUE FUNDS

English Language and Academic Achievement (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.

Teacher / Principal Training / Recruiting (24154) – To improve the skills of teachers and the quality of instruction in mathematics and science, and also to increase the accessibility of such instruction to all students.

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

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

Title I School Improvement (24162) – To account for federal resources administered by the State Department of Education for equipment for students in Reading and Math programs, skill specific software and professional development. (P.L. 100-297)

Immigrant Funding Title III (24163) – Implement district-wide bilingual education programs or special alternative instruction programs to improve, reform, and upgrade relevant programs and operations, within an entire local educational agency, that serve a significant number of children and youth limited English proficiency in local educational agencies with significant concentrations of such children and youth. The program is authorized by Title III, P.L. 107-116.

Child Nutrition Federal Stimulus (24213) – NSLP FY10 Equipment Grants are available for certain equipment purchases at eligible school food authorities. Funding authorized by American Recovery Act and Reinvestment Act of 2009, Public Law 111-5. The 2010 Agriculture Appropriations Act (Public Law 111-80).

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

Headstart (25127) and Headstart Federal Stimulus (25253) – To account for federal resources administered by the U.S. Department of Health and Human Services to provide comprehensive early childhood development for disadvantaged preschool children and their families. (Community Opportunities, Accountability and Training Act of 1998) Hatch Valley Public Schools' Headstart funding flows through the Las Cruces Public School District.

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.

Title XIX Medicaid (25153) – To provide 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. (P.L. 105-33)

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.

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

SPECIAL REVENUE FUNDS

Microsoft Settlement (26170) – On November 6, 2001, the United States and Microsoft tentatively agreed to the entry of a revised proposed Final Judgment to resolve the United States' civil antitrust case against Microsoft. The settlement included the purchase of qualifying hardware, and non-custom software used with the hardware acquired through the use of General Purpose Vouchers or “Professional Development Services” or “IT Support Services” used in connection with the hardware or software acquired through the use of the General Purpose Vouchers and/or Software Vouchers.

2008 G.O. Bonds Student Library (27105) – Funds used to purchase library books and library supplies for all school sites.
Technology for Education PED (27117) - The purpose of this grant is to assist the District to develop and implement a strategic, long-term plan for utilizing educational technology in the school system. Funds accounted for in this fund are received from the State of New Mexico. The authority for creation of this fund is NMSA 22-15A-1 to 22-15A-10.

TANF Full Day Kindergarten (27136) – The purpose of this grant is to assist the District 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.

Libraries GO Bonds Laws of 2004 (27145) - In the November 2004 election, New Mexico voters approved GO Bond C for \$6,156,000 to fund public school and juvenile detention libraries statewide. Statute specifies that the funds are available to acquire library books, equipment and library resources for public school and juvenile detention libraries. Per student unit value is \$19.01.

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

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

Technology Equity (27162) – to account for a grant designed to strengthen learning in the field of technology.

School Improvement Framework (27164) – To provide appropriate training for teachers.

Libraries SB301 GO Bonds (27170) – In the November 2004 election, New Mexico voters approved GO bond C for \$6,156,000 to fund public school and juvenile detention libraries statewide. Statute specifies that the funds are available to acquire library books, equipment and library resources for public schools and juvenile detention libraries.

2008 Library Book Fund (27549) – The purpose of this fund is to allow each library to acquire library books and library resources to support the library program.

Coordinated Approach to Child Health (28140) – To account for funds awarded by the Department of Health to various schools to support Coordinated Approach to Health Initiatives.

GEAR UP CHE (28178) – (Gaining Early Awareness and Readiness for Undergraduate Programs.) The purpose of this grant is to increase the number of low-income students who, upon graduation from high school, have the skills and knowledge to succeed in college.

Mentoring Diverse Abilities Program (28186) – To account for a one time grant from the Department of Vocational Rehabilitation to help special needs students as part of their transition plan into the workforce upon graduation by working with local area businesses.

STATE OF NEW MEXICO
HATCH VALLEY PUBLIC SCHOOLS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2010

	Athletics 22000	Title I IASA 24101	Migrant Children Education 24103
ASSETS			
<i>Current Assets</i>			
Cash and cash equivalents	\$ -	\$ 16,610	\$ -
Investments	-	-	-
Accounts receivable			
Taxes	-	-	-
Due from other governments	-	-	71,821
Interfund receivables	-	-	-
Other	-	-	-
Inventory	-	-	-
<i>Total assets</i>	<u>-</u>	<u>16,610</u>	<u>71,821</u>
LIABILITIES AND FUND BALANCES			
<i>Current Liabilities:</i>			
Accounts payable	-	268	-
Accrued payroll liabilities	-	-	-
Accrued compensated absences	-	-	-
Interfund payables	377	-	71,821
Deferred revenue - property taxes	-	-	-
Deferred revenue - other	-	16,342	-
<i>Total Liabilities</i>	<u>377</u>	<u>16,610</u>	<u>71,821</u>
<i>Fund balances</i>			
Nonspendable	-	-	-
Restricted	-	-	-
Committed	-	-	-
Assigned	-	-	-
Unassigned	(377)	-	-
<i>Total fund balance</i>	<u>(377)</u>	<u>-</u>	<u>-</u>
<i>Total liabilities and fund balance</i>	<u>\$ -</u>	<u>\$ 16,610</u>	<u>\$ 71,821</u>

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

Entitlement IDEA-B 24106	Discretionary IDEA-B 24107	Preschool IDEA-B 24109	Education of Homeless 24113	Fresh Fruits & Vegetables 24118	Title I 1003g Grant 24124
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1
-	-	-	-	-	-
-	-	-	-	-	-
38,745	2,160	2,042	1,760	32	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>38,745</u>	<u>2,160</u>	<u>2,042</u>	<u>1,760</u>	<u>32</u>	<u>1</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
38,745	2,160	2,042	1,760	32	-
-	-	-	-	-	-
-	-	-	-	-	1
<u>38,745</u>	<u>2,160</u>	<u>2,042</u>	<u>1,760</u>	<u>32</u>	<u>1</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 38,745</u>	<u>\$ 2,160</u>	<u>\$ 2,042</u>	<u>\$ 1,760</u>	<u>\$ 32</u>	<u>\$ 1</u>

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

STATE OF NEW MEXICO
HATCH VALLEY PUBLIC SCHOOLS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2010

	Enhancing Ed Thru Tech (E2T2-F) 24133	Comprehensive School Reform 24135	Title V-Part A Innovative Ed Pro Strategies 24150
ASSETS			
<i>Current Assets</i>			
Cash and temporary investments	\$ -	\$ 23,487	\$ 1,928
Investments	-	-	-
Accounts receivable			
Taxes	-	-	-
Due from other governments	256	-	-
Interfund receivables	-	-	-
Other	-	-	-
Inventory	-	-	-
	256	23,487	1,928
<i>Total assets</i>	256	23,487	1,928
LIABILITIES AND FUND BALANCES			
<i>Current Liabilities:</i>			
Accounts payable	-	-	-
Accrued payroll liabilities	-	-	-
Accrued compensated absences	-	-	-
Interfund payables	256	-	-
Deferred revenue - property taxes	-	-	-
Deferred revenue - other	-	23,487	1,928
	256	23,487	1,928
<i>Total Liabilities</i>	256	23,487	1,928
<i>Fund balances</i>			
Nonspendable	-	-	-
Restricted	-	-	-
Committed	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
	-	-	-
<i>Total fund balance</i>	-	-	-
<i>Total liabilities and fund balance</i>	\$ 256	\$ 23,487	\$ 1,928

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

English Language Acquisition 24153	Teacher/Principal Training & Recruiting 24154	Safe & Drug Free Schools & Community 24157	Rural & Low-Income Schools 24160	Title I School Improvement 24162	Immigrant Funding Title III 24163
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
59,873	1,614	3,421	54,955	1,083	1,587
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>59,873</u>	<u>1,614</u>	<u>3,421</u>	<u>54,955</u>	<u>1,083</u>	<u>1,587</u>
48,331	-	2,425	210	-	-
-	-	-	-	-	-
-	-	-	-	-	-
11,542	1,614	996	54,745	1,083	1,587
-	-	-	-	-	-
-	-	-	-	-	-
<u>59,873</u>	<u>1,614</u>	<u>3,421</u>	<u>54,955</u>	<u>1,083</u>	<u>1,587</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 59,873</u>	<u>\$ 1,614</u>	<u>\$ 3,421</u>	<u>\$ 54,955</u>	<u>\$ 1,083</u>	<u>\$ 1,587</u>

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

STATE OF NEW MEXICO
HATCH VALLEY PUBLIC SCHOOLS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2010

	Title I Federal Stimulus 24201	IDEA-B Entitlement Federal Stimulus 24206	IDEA-B Preschool Federal Stimulus 24209
ASSETS			
<i>Current Assets</i>			
Cash and temporary investments	\$ -	\$ -	\$ -
Investments	-	-	-
Accounts receivable			
Taxes	-	-	-
Due from other governments	34,312	38,210	5,690
Interfund receivables	-	-	-
Other	-	-	-
Inventory	-	-	-
<i>Total assets</i>	<u>34,312</u>	<u>38,210</u>	<u>5,690</u>
LIABILITIES AND FUND BALANCES			
<i>Current Liabilities:</i>			
Accounts payable	-	-	-
Accrued payroll liabilities	-	-	-
Accrued compensated absences	-	-	-
Interfund payables	34,312	38,210	5,690
Deferred revenue - property taxes	-	-	-
Deferred revenue - other	-	-	-
<i>Total Liabilities</i>	<u>34,312</u>	<u>38,210</u>	<u>5,690</u>
<i>Fund balances</i>			
Nonspendable	-	-	-
Restricted	-	-	-
Committed	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
<i>Total fund balance</i>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total liabilities and fund balance</i>	<u>\$ 34,312</u>	<u>\$ 38,210</u>	<u>\$ 5,690</u>

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

Child Nutrition Federal Stimulus 24218	Billed/Comp School Grants USDE 25109	Headstart 25127	GRADS Child Care CYFD 25149	Title XIX MEDICAID 3/21 Years 25153	TANF/GRADS HSD 25162
\$ -	\$ -	\$ 687	\$ 1,255	\$ -	\$ 8,287
-	-	-	-	-	-
-	-	-	-	-	-
-	-	65,691	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	66,378	1,255	-	8,287
-	-	7,123	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	59,255	-	26,358	-
-	-	-	-	-	-
-	-	-	1,255	-	8,287
-	-	66,378	1,255	26,358	8,287
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	(26,358)	-
-	-	-	-	(26,358)	-
\$ -	\$ -	\$ 66,378	\$ 1,255	\$ -	\$ 8,287

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

STATE OF NEW MEXICO
HATCH VALLEY PUBLIC SCHOOLS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2010

	State Equalization Guarantee 25250	Headstart Federal Stimulus 25253	Microsoft Settlement Funds 26170
	<u> </u>	<u> </u>	<u> </u>
ASSETS			
<i>Current Assets</i>			
Cash and temporary investments	\$ -	\$ -	\$ 10,574
Investments	-	-	-
Accounts receivable			
Taxes	-	-	-
Due from other governments	39,660	22,605	-
Interfund receivables	-	-	-
Other	-	-	-
Inventory	-	-	-
	<u> </u>	<u> </u>	<u> </u>
<i>Total assets</i>	<u>39,660</u>	<u>22,605</u>	<u>10,574</u>
LIABILITIES AND FUND BALANCES			
<i>Current Liabilities:</i>			
Accounts payable	12,215	-	10,470
Accrued payroll liabilities	-	-	-
Accrued compensated absences	-	-	-
Interfund payables	27,445	22,605	-
Deferred revenue - property taxes	-	-	-
Deferred revenue - other	-	-	-
	<u> </u>	<u> </u>	<u> </u>
<i>Total Liabilities</i>	<u>39,660</u>	<u>22,605</u>	<u>10,470</u>
<i>Fund balances</i>			
Nonspendable	-	-	-
Restricted	-	-	104
Committed	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
	<u> </u>	<u> </u>	<u> </u>
<i>Total fund balance</i>	<u>-</u>	<u>-</u>	<u>104</u>
<i>Total liabilities and fund balance</i>	<u>\$ 39,660</u>	<u>\$ 22,605</u>	<u>\$ 10,574</u>

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

Library GO Bonds 2009-2010 27105	Technology for Education PED 27117	TANF Full Day Kindergarten 27136	Incentives for School Improvement Act PED 27138	Libraries GO Bonds Laws of 2004 27145	Beginning Teacher Mentoring Program 27154
\$ -	\$ 7,422	\$ 17,337	\$ 11,010	\$ -	\$ 12,338
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>7,422</u>	<u>17,337</u>	<u>11,010</u>	<u>-</u>	<u>12,338</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
16,368	-	-	-	1,126	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>16,368</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,126</u>	<u>-</u>
-	-	-	-	-	-
-	7,422	17,337	11,010	-	12,338
-	-	-	-	-	-
-	-	-	-	-	-
(16,368)	-	-	-	(1,126)	-
<u>(16,368)</u>	<u>7,422</u>	<u>17,337</u>	<u>11,010</u>	<u>(1,126)</u>	<u>12,338</u>
<u>\$ -</u>	<u>\$ 7,422</u>	<u>\$ 17,337</u>	<u>\$ 11,010</u>	<u>\$ -</u>	<u>\$ 12,338</u>

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

STATE OF NEW MEXICO
HATCH VALLEY PUBLIC SCHOOLS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
June 30, 2010

	Breakfast for Elementary Students 27155	Technology Equity 27162	School Improvement Framework 27164
ASSETS			
<i>Current Assets</i>			
Cash and temporary investments	\$ 1,041	\$ 21	\$ 8,798
Investments	-	-	-
Accounts receivable			
Taxes	-	-	-
Due from other governments	-	-	-
Interfund receivables	-	-	-
Other	-	-	-
Inventory	-	-	-
	1,041	21	8,798
<i>Total assets</i>	1,041	21	8,798
LIABILITIES AND FUND BALANCES			
<i>Current Liabilities:</i>			
Accounts payable	-	-	-
Accrued payroll liabilities	-	-	-
Accrued compensated absences	-	-	-
Interfund payables	-	-	-
Deferred revenue - property taxes	-	-	-
Deferred revenue - other	-	-	-
	-	-	-
<i>Total Liabilities</i>	-	-	-
<i>Fund balances</i>			
Nonspendable	-	-	-
Restricted	1,041	21	8,798
Committed	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
	1,041	21	8,798
<i>Total fund balance</i>	1,041	21	8,798
<i>Total liabilities and fund balance</i>	\$ 1,041	\$ 21	\$ 8,798

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

Libraries 301 GO Bonds Laws of 2006 27170	2008 Library Book Fund 27549	Coordinated Approach to Child Health 28140	GEAR-UP CHE 28178	Mentoring Diverse Abilities Program 28186	Total Nonmajor Special Revenue Funds
\$ -	\$ 4,226	\$ 1	\$ -	\$ 2,812	\$ 127,835
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	445,517
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	4,226	1	-	2,812	573,352
-	-	-	-	-	81,042
-	-	-	-	-	-
-	-	-	-	-	-
6,018	-	-	16,858	-	443,005
-	-	-	-	-	-
-	-	-	-	-	51,300
6,018	-	-	16,858	-	575,347
-	-	-	-	-	-
-	4,226	1	-	2,812	65,110
-	-	-	-	-	-
-	-	-	-	-	-
(6,018)	-	-	(16,858)	-	(67,105)
(6,018)	4,226	1	(16,858)	2,812	(1,995)
\$ -	\$ 4,226	\$ 1	\$ -	\$ 2,812	\$ 573,352

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

STATE OF NEW MEXICO
HATCH VALLEY PUBLIC SCHOOLS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDING JUNE 30, 2010

	Athletics 22000	Title I IASA 24101	Migrant Children Education 24103
<i>Revenues:</i>			
Property taxes	\$ -	\$ -	\$ -
State grants	-	-	-
Federal grants	-	1,082,382	74,879
Charges for services	33,312	-	-
Interest	-	-	-
Miscellaneous	-	-	-
<i>Total Revenues</i>	<u>33,312</u>	<u>1,082,382</u>	<u>74,879</u>
<i>Expenditures:</i>			
Current:			
Instruction	34,791	915,940	74,879
Support Services			
Students	-	49,075	-
Instruction	-	56,887	-
General Administration	-	56,686	-
School Administration	-	3,794	-
Central Services	-	-	-
Operation & Maintenance of Plant	-	-	-
Student Transportation	-	-	-
Other Support Services	-	-	-
Food Services Operations	-	-	-
Community Service	-	-	-
Capital Outlay	-	-	-
Debt Service			
Principal	-	-	-
Interest	-	-	-
<i>Total Expenditures</i>	<u>34,791</u>	<u>1,082,382</u>	<u>74,879</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(1,479)</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>			
Operating transfers	-	-	-
Proceeds from bond issues	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balance</i>	<u>(1,479)</u>	<u>-</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	<u>1,102</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ (377)</u>	<u>\$ -</u>	<u>\$ -</u>

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

Entitlement IDEA-B 24106	Discretionary IDEA-B 24107	Preschool IDEA-B 24109	Education of Homeless 24113	Fresh Fruits & Vegetables 24118	Title I 1003g Grant 24124
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
276,580	2,160	15,299	1,760	13,915	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>276,580</u>	<u>2,160</u>	<u>15,299</u>	<u>1,760</u>	<u>13,915</u>	<u>-</u>
188,565	2,160	15,299	1,760	-	-
38,070	-	-	-	-	-
20,169	-	-	-	-	-
29,776	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	13,915	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>276,580</u>	<u>2,160</u>	<u>15,299</u>	<u>1,760</u>	<u>13,915</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

STATE OF NEW MEXICO
HATCH VALLEY PUBLIC SCHOOLS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDING JUNE 30, 2010

	Enhancing Ed Thru Tech (E2T2-F) 24133	Comprehensive School Reform 24135	Title V-Part A Innovative Ed Pro Strategies 24150
<i>Revenues:</i>			
Property taxes	\$ -	\$ -	\$ -
State grants	-	-	-
Federal grants	256	-	-
Charges for services	-	-	-
Interest	-	-	-
Miscellaneous	-	-	-
<i>Total Revenues</i>	<u>256</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>			
Current:			
Instruction	256	-	-
Support Services			
Students	-	-	-
Instruction	-	-	-
General Administration	-	-	-
School Administration	-	-	-
Central Services	-	-	-
Operation & Maintenance of Plant	-	-	-
Student Transportation	-	-	-
Other Support Services	-	-	-
Food Services Operations	-	-	-
Community Service	-	-	-
Capital Outlay	-	-	-
Debt Service			
Principal	-	-	-
Interest	-	-	-
<i>Total Expenditures</i>	<u>256</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>			
Operating transfers	-	-	-
Proceeds from bond issues	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balance</i>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

English Language Acquisition 24153	Teacher/Principal Training & Recruiting 24154	Safe & Drug Free Schools & Community 24157	Rural & Low-Income Schools 24160	Title I School Improvement 24162	Immigrant Funding Title III 24163
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
92,615	137,558	20,735	54,955	40,882	1,587
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>92,615</u>	<u>137,558</u>	<u>20,735</u>	<u>54,955</u>	<u>40,882</u>	<u>1,587</u>
90,910	133,327	20,735	52,804	40,882	1,587
-	-	-	-	-	-
1,399	2,856	-	2,151	-	-
-	-	-	-	-	-
306	1,375	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

STATE OF NEW MEXICO
HATCH VALLEY PUBLIC SCHOOLS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDING JUNE 30, 2010

	Title I Federal Stimulus 24201	IDEA-B Entitlement Federal Stimulus 24206	IDEA-B Preschool Federal Stimulus 24209
<i>Revenues:</i>			
Property taxes	\$ -	\$ -	\$ -
State grants	-	-	-
Federal grants	440,513	171,711	5,690
Charges for services	-	-	-
Interest	-	-	-
Miscellaneous	-	-	-
<i>Total Revenues</i>	<u>440,513</u>	<u>171,711</u>	<u>5,690</u>
<i>Expenditures:</i>			
Current:			
Instruction	394,304	84,263	5,690
Support Services			
Students	-	87,448	-
Instruction	-	-	-
General Administration	9,334	-	-
School Administration	-	-	-
Central Services	36,875	-	-
Operation & Maintenance of Plant	-	-	-
Student Transportation	-	-	-
Other Support Services	-	-	-
Food Services Operations	-	-	-
Community Service	-	-	-
Capital Outlay	-	-	-
Debt Service			
Principal	-	-	-
Interest	-	-	-
<i>Total Expenditures</i>	<u>440,513</u>	<u>171,711</u>	<u>5,690</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>			
Operating transfers	-	-	-
Proceeds from bond issues	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balance</i>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

Child Nutrition Federal Stimulus 24218	Billed/Comp School Grants USDE 25109	Headstart 25127	GRADS Child Care CYFD 25149	Title XIX MEDICAID 3/21 Years 25153	TANF/GRADS HSD 25162
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
52,298	-	385,633	-	19,188	42,056
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>52,298</u>	<u>-</u>	<u>385,633</u>	<u>-</u>	<u>19,188</u>	<u>42,056</u>
-	-	216,649	-	2,487	42,056
-	-	72,087	-	43,059	-
-	-	45,275	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	8,185	-	-	-
-	-	41,773	-	-	-
-	-	-	-	-	-
52,298	-	1,664	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>52,298</u>	<u>-</u>	<u>385,633</u>	<u>-</u>	<u>45,546</u>	<u>42,056</u>
-	-	-	-	(26,358)	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	(26,358)	-
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (26,358)</u>	<u>\$ -</u>

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

STATE OF NEW MEXICO
HATCH VALLEY PUBLIC SCHOOLS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDING JUNE 30, 2010

	State Equalization Guarantee 25250	Headstart Federal Stimulus 25253	Microsoft Settlement Funds 26170
<i>Revenues:</i>			
Property taxes	\$ -	\$ -	\$ -
State grants	-	-	-
Federal grants	881,817	22,605	-
Charges for services	-	-	-
Interest	-	-	-
Miscellaneous	-	-	-
<i>Total Revenues</i>	<u>881,817</u>	<u>22,605</u>	<u>-</u>
<i>Expenditures:</i>			
Current:			
Instruction	-	22,605	-
Support Services			
Students	14,206	-	-
Instruction	31,944	-	36,235
General Administration	11,099	-	-
School Administration	75,075	-	-
Central Services	-	-	-
Operation & Maintenance of Plant	736,419	-	-
Student Transportation	13,074	-	-
Other Support Services	-	-	-
Food Services Operations	-	-	-
Community Service	-	-	-
Capital Outlay	-	-	-
Debt Service			
Principal	-	-	-
Interest	-	-	-
<i>Total Expenditures</i>	<u>881,817</u>	<u>22,605</u>	<u>36,235</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(36,235)</u>
<i>Other financing sources (uses):</i>			
Operating transfers	-	-	-
Proceeds from bond issues	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balance</i>	<u>-</u>	<u>-</u>	<u>(36,235)</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>36,339</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 104</u>

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

Library GO bonds 2009-2010 27105	Technology for Education PED 27117	TANF Full Day Kindergarten 27136	Incentives for School Improvement Act PED 27138	Libraries GO Bonds Laws of 2004 27145	Beginning Teacher Mentoring Program 27154
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	9,330	-	-	-	13,882
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	9,330	-	-	-	13,882
-	-	-	-	1,126	9,611
-	206	-	-	-	-
16,368	6,787	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
16,368	6,993	-	-	1,126	9,611
(16,368)	2,337	-	-	(1,126)	4,271
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
(16,368)	2,337	-	-	(1,126)	4,271
-	5,085	17,337	11,010	-	8,067
\$ (16,368)	\$ 7,422	\$ 17,337	\$ 11,010	\$ (1,126)	\$ 12,338

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

STATE OF NEW MEXICO
HATCH VALLEY PUBLIC SCHOOLS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDING JUNE 30, 2010

	Breakfast for Elementary Students 27155	Technology Equity 27162	School Improvement Framework 27164
<i>Revenues:</i>			
Property taxes	\$ -	\$ -	\$ -
State grants	8,603	13,120	-
Federal grants	-	-	-
Charges for services	-	-	-
Interest	-	-	-
Miscellaneous	-	-	-
<i>Total Revenues</i>	<u>8,603</u>	<u>13,120</u>	<u>-</u>
<i>Expenditures:</i>			
Current:			
Instruction	-	-	-
Support Services			
Students	-	-	-
Instruction	-	13,099	-
General Administration	-	-	-
School Administration	-	-	-
Central Services	-	-	-
Operation & Maintenance of Plant	-	-	-
Student Transportation	-	-	-
Other Support Services	-	-	-
Food Services Operations	15,500	-	-
Community Service	-	-	-
Capital Outlay	-	-	-
Debt Service			
Principal	-	-	-
Interest	-	-	-
<i>Total Expenditures</i>	<u>15,500</u>	<u>13,099</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(6,897)</u>	<u>21</u>	<u>-</u>
<i>Other financing sources (uses):</i>			
Operating transfers	-	-	-
Proceeds from bond issues	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balance</i>	<u>(6,897)</u>	<u>21</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	<u>7,938</u>	<u>-</u>	<u>8,798</u>
<i>Fund balances - end of year</i>	<u>\$ 1,041</u>	<u>\$ 21</u>	<u>\$ 8,798</u>

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

Libraries 301 GO Bonds Laws of 2006 27170	2008 Library Book Fund 27549	Coordinated Approach to Child Health 28140	GEAR-UP CHE 28178	Mentoring Diverse Abilities Program 28186	Total Nonmajor Special Revenue Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	9,870	2,812	57,617
-	-	-	-	-	3,837,074
-	-	-	-	-	33,312
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	9,870	2,812	3,928,003
6,018	-	-	27,260	-	2,385,964
-	-	-	-	-	304,151
-	-	-	-	-	233,170
-	-	-	-	-	106,895
-	-	-	-	-	80,550
-	-	-	-	-	36,875
-	-	-	-	-	744,604
-	-	-	-	-	54,847
-	-	-	-	-	-
-	-	-	-	-	83,377
-	-	-	-	-	-
-	-	-	-	-	-
6,018	-	-	27,260	-	4,030,433
(6,018)	-	-	(17,390)	2,812	(102,430)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
(6,018)	-	-	(17,390)	2,812	(102,430)
-	4,226	1	532	-	100,435
\$ (6,018)	\$ 4,226	\$ 1	\$ (16,858)	\$ 2,812	\$ (1,995)

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

STATE OF NEW MEXICO
HATCH VALLEY PUBLIC SCHOOLS
ATHLETICS SPECIAL REVENUE FUND (22000)
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2010

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	35,411	35,411	33,312	(2,099)
Interest	-	-	-	-
<i>Total revenues</i>	<u>35,411</u>	<u>35,411</u>	<u>33,312</u>	<u>(2,099)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	36,463	36,463	34,791	1,672
Support Services				
Students		-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>36,463</u>	<u>36,463</u>	<u>34,791</u>	<u>1,672</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(1,052)</u>	<u>(1,052)</u>	<u>(1,479)</u>	<u>(427)</u>
<i>Other financing sources (uses):</i>				
Designated cash	1,052	1,052	-	(1,052)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>1,052</u>	<u>1,052</u>	<u>-</u>	<u>(1,052)</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(1,479)</u>	<u>(1,479)</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>1,102</u>	<u>1,102</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (377)</u>	<u>\$ (377)</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ (1,479)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
HATCH VALLEY PUBLIC SCHOOLS
TITLE I - IASA SPECIAL REVENUE FUND (24101)
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2010

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	1,064,889	1,064,889	1,057,556	(7,333)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>1,064,889</u>	<u>1,064,889</u>	<u>1,057,556</u>	<u>(7,333)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	930,066	941,938	916,148	25,790
Support Services				
Students	49,646	49,646	49,075	571
Instruction	108,333	108,333	56,887	51,446
General Administration	25,344	25,344	56,686	(31,342)
School Administration	6,500	6,500	3,794	2,706
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>1,119,889</u>	<u>1,131,761</u>	<u>1,082,590</u>	<u>49,171</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(55,000)</u>	<u>(66,872)</u>	<u>(25,034)</u>	<u>41,838</u>
<i>Other financing sources (uses):</i>				
Designated cash	55,000	66,872	-	(66,872)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>55,000</u>	<u>66,872</u>	<u>-</u>	<u>(66,872)</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(25,034)</u>	<u>(25,034)</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>41,644</u>	<u>41,644</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 16,610</u>	<u>\$ 16,610</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			24,826	
Expenditure accruals			208	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-5

HATCH VALLEY PUBLIC SCHOOLS

MIGRANT CHILDREN EDUCATION SPECIAL REVENUE FUND (24103)
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDING JUNE 30, 2010

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	79,879	-	(79,879)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>79,879</u>	<u>-</u>	<u>(79,879)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	79,879	74,879	5,000
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>79,879</u>	<u>74,879</u>	<u>5,000</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(74,879)</u>	<u>(74,879)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(74,879)</u>	<u>(74,879)</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>3,058</u>	<u>3,058</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (71,821)</u>	<u>\$ (71,821)</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			74,879	
Expenditure accruals			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
HATCH VALLEY PUBLIC SCHOOLS
ENTITLEMENT IDEA-B SPECIAL REVENUE FUND (24106)
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2010

Statement B-6

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	328,128	364,458	237,835	(126,623)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>328,128</u>	<u>364,458</u>	<u>237,835</u>	<u>(126,623)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	225,619	261,949	184,763	77,186
Support Services				
Students	50,874	50,874	38,070	12,804
Instruction	51,635	51,635	20,169	31,466
General Administration	-	-	29,776	(29,776)
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>328,128</u>	<u>364,458</u>	<u>272,778</u>	<u>91,680</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(34,943)</u>	<u>(34,943)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(34,943)</u>	<u>(34,943)</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(3,802)</u>	<u>(3,802)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (38,745)</u>	<u>\$ (38,745)</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			38,745	
Expenditure accruals			(3,802)	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-7

HATCH VALLEY PUBLIC SCHOOLS

DISCRETIONARY IDEA-B SPECIAL REVENUE FUND (24107)

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2010

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	7,781	-	(7,781)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>7,781</u>	<u>-</u>	<u>(7,781)</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	7,781	-	7,781
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>7,781</u>	<u>-</u>	<u>7,781</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(2,160)</u>	<u>(2,160)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (2,160)</u>	<u>\$ (2,160)</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			2,160	
Expenditure accruals			(2,160)	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-8

HATCH VALLEY PUBLIC SCHOOLS

PRESCHOOL IDEA-B SPECIAL REVENUE FUND (24109)

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2010

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	15,677	11,607	13,257	1,650
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>15,677</u>	<u>11,607</u>	<u>13,257</u>	<u>1,650</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	15,677	11,607	14,120	(2,513)
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>15,677</u>	<u>11,607</u>	<u>14,120</u>	<u>(2,513)</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(863)</u>	<u>(863)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(863)</u>	<u>(863)</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(1,179)</u>	<u>(1,179)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (2,042)</u>	<u>\$ (2,042)</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			2,042	
Expenditure accruals			(1,179)	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
HATCH VALLEY PUBLIC SCHOOLS
EDUCATION OF HOMELESS SPECIAL REVENUE FUND (24113)
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2010

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	112	(112)
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>112</u>	<u>(112)</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(112)</u>	<u>(112)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(112)</u>	<u>(112)</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(1,648)</u>	<u>(1,648)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,760)</u>	<u>\$ (1,760)</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			1,760	
Expenditure accruals			<u>(1,648)</u>	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-10

HATCH VALLEY PUBLIC SCHOOLS

FRESH FRUITS AND VEGETABLES SPECIAL REVENUE FUND (24118)
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDING JUNE 30, 2010

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	14,150	13,883	(267)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>14,150</u>	<u>13,883</u>	<u>(267)</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	14,150	13,915	235
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>14,150</u>	<u>13,915</u>	<u>235</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(32)</u>	<u>(32)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(32)</u>	<u>(32)</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>\$ (32)</u>	<u>\$ (32)</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			32	
Expenditure accruals			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-11

HATCH VALLEY PUBLIC SCHOOLS

TITLE I 1003g GRANT SPECIAL REVENUE FUND (24124)

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2010

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	198	198
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>198</u>	<u>198</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>198</u>	<u>198</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>198</u>	<u>198</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(197)</u>	<u>(197)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ 1</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			(198)	
Expenditure accruals			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-12

HATCH VALLEY PUBLIC SCHOOLS
 ENHANCING ED THRU TECH (E2T2-F) SPECIAL REVENUE FUND (24133)
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDING JUNE 30, 2010

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

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-13

HATCH VALLEY PUBLIC SCHOOLS
 COMPREHENSIVE SCHOOL REFORM SPECIAL REVENUE FUND (24135)
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDING JUNE 30, 2010

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>23,487</u>	<u>23,487</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 23,487</u>	<u>\$ 23,487</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-14

HATCH VALLEY PUBLIC SCHOOLS

TITLE V-PART A INNOVATIVE ED PRO STRATEGIES SPECIAL REVENUE FUND (24150)

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2010

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>1,928</u>	<u>1,928</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,928</u>	<u>\$ 1,928</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-15

HATCH VALLEY PUBLIC SCHOOLS
 ENGLISH LANGUAGE ACQUISITION SPECIAL REVENUE FUND (24153)
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDING JUNE 30, 2010

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	47,280	55,795	32,742	(23,053)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>47,280</u>	<u>55,795</u>	<u>32,742</u>	<u>(23,053)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	33,959	86,402	29,370	57,032
Support Services				
Students	-	-	-	-
Instruction	7,375	7,375	1,399	5,976
General Administration	946	946	-	946
School Administration	5,000	5,000	306	4,694
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>47,280</u>	<u>99,723</u>	<u>31,075</u>	<u>68,648</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>(43,928)</u>	<u>1,667</u>	<u>45,595</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	43,928	-	(43,928)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>43,928</u>	<u>-</u>	<u>(43,928)</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>1,667</u>	<u>1,667</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(13,209)</u>	<u>(13,209)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (11,542)</u>	<u>\$ (11,542)</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			59,873	
Expenditure accruals			<u>(61,540)</u>	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-16

HATCH VALLEY PUBLIC SCHOOLS

TEACHER & PRINCIPAL TRAINING.RECRUITING SPECIAL REVENUE FUND (24154)

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2010

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	143,369	143,369	135,944	(7,425)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>143,369</u>	<u>143,369</u>	<u>135,944</u>	<u>(7,425)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	133,869	153,292	109,339	43,953
Support Services				
Students	-	-	-	-
Instruction	3,500	3,500	2,856	644
General Administration	-	-	-	-
School Administration	6,000	6,000	1,375	4,625
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>143,369</u>	<u>162,792</u>	<u>113,570</u>	<u>49,222</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>(19,423)</u>	<u>22,374</u>	<u>41,797</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	19,423	-	(19,423)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>19,423</u>	<u>-</u>	<u>(19,423)</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>22,374</u>	<u>22,374</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(23,988)</u>	<u>(23,988)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,614)</u>	<u>\$ (1,614)</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			1,614	
Expenditure accruals			(23,988)	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-17

HATCH VALLEY PUBLIC SCHOOLS

SAFE & DRUG FREE SCHOOLS & COMMUNITY SPECIAL REVENUE FUND (24157)

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN

FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2010

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	12,650	15,075	17,314	2,239
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>12,650</u>	<u>15,075</u>	<u>17,314</u>	<u>2,239</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	12,650	19,671	17,246	2,425
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>12,650</u>	<u>19,671</u>	<u>17,246</u>	<u>2,425</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>(4,596)</u>	<u>68</u>	<u>4,664</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	4,596	-	(4,596)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>4,596</u>	<u>-</u>	<u>(4,596)</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>68</u>	<u>68</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(1,064)</u>	<u>(1,064)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (996)</u>	<u>\$ (996)</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			3,421	
Expenditure accruals			(3,489)	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-18

HATCH VALLEY PUBLIC SCHOOLS
RURAL & LOW-INCOME SCHOOLS SPECIAL REVENUE FUND (24160)
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2010

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	64,262	13,956	(50,306)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>64,262</u>	<u>13,956</u>	<u>(50,306)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	57,500	44,994	12,506
Support Services				
Students	-	-	-	-
Instruction	-	4,262	2,151	2,111
General Administration	-	-	-	-
School Administration	-	2,500	-	2,500
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>64,262</u>	<u>47,145</u>	<u>17,117</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(33,189)</u>	<u>(33,189)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(33,189)</u>	<u>(33,189)</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(21,556)</u>	<u>(21,556)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (54,745)</u>	<u>\$ (54,745)</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			40,999	
Expenditure accruals			<u>(7,810)</u>	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-19

HATCH VALLEY PUBLIC SCHOOLS

TITLE I SCHOOL IMPROVEMENT SPECIAL REVENUE FUND (24162)
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDING JUNE 30, 2010

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	40,000	39,799	(201)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>40,000</u>	<u>39,799</u>	<u>(201)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	40,000	40,000	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>40,000</u>	<u>40,000</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(201)</u>	<u>(201)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(201)</u>	<u>(201)</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(882)</u>	<u>(882)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,083)</u>	<u>\$ (1,083)</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			1,083	
Expenditure accruals			(882)	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-20

HATCH VALLEY PUBLIC SCHOOLS

IMMIGRANT FUNDING TITLE III SPECIAL REVENUE FUND (24163)
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDING JUNE 30, 2010

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	1,587	(1,587)
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>1,587</u>	<u>(1,587)</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(1,587)</u>	<u>(1,587)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(1,587)</u>	<u>(1,587)</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,587)</u>	<u>\$ (1,587)</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			1,587	
Expenditure accruals			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-21

HATCH VALLEY PUBLIC SCHOOLS

TITLE I - IASA FEDERAL STIMULUS SPECIAL REVENUE FUND (24201)
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDING JUNE 30, 2010

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	358,755	693,774	406,201	(287,573)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>358,755</u>	<u>693,774</u>	<u>406,201</u>	<u>(287,573)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	350,218	639,303	374,304	264,999
Support Services				
Students	-	-	-	-
Instruction	-	10,000	-	10,000
General Administration	8,537	9,334	9,334	-
School Administration	-	-	-	-
Central Services	-	35,137	36,875	(1,738)
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>358,755</u>	<u>693,774</u>	<u>420,513</u>	<u>273,261</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(14,312)</u>	<u>(14,312)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(14,312)</u>	<u>(14,312)</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(20,000)</u>	<u>(20,000)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (34,312)</u>	<u>\$ (34,312)</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			34,312	
Expenditure accruals			<u>(20,000)</u>	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-22

HATCH VALLEY PUBLIC SCHOOLS

IDEA-B ENTITLEMENT FEDERAL STIMULUS SPECIAL REVENUE FUND (24206)
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDING JUNE 30, 2010

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	215,523	215,523	133,501	(82,022)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>215,523</u>	<u>215,523</u>	<u>133,501</u>	<u>(82,022)</u>
<i>Expenditures:</i>				
Current:				
Instruction	107,427	107,427	84,263	23,164
Support Services				
Students	12,678	12,678	87,448	(74,770)
Instruction	95,418	95,418	-	95,418
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>215,523</u>	<u>215,523</u>	<u>171,711</u>	<u>43,812</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(38,210)</u>	<u>(38,210)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(38,210)</u>	<u>(38,210)</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>\$ (38,210)</u>	<u>\$ (38,210)</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			38,210	
Expenditure accruals			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-23

HATCH VALLEY PUBLIC SCHOOLS

IDEA-B PRESCHOOL FEDERAL STIMULUS SPECIAL REVENUE FUND (24209)
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDING JUNE 30, 2010

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	8,067	8,067	-	(8,067)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>8,067</u>	<u>8,067</u>	<u>-</u>	<u>(8,067)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	7,500	7,500	5,690	1,810
Support Services				
Students	-	-	-	-
Instruction	567	567	-	567
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>8,067</u>	<u>8,067</u>	<u>5,690</u>	<u>2,377</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(5,690)</u>	<u>(5,690)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(5,690)</u>	<u>(5,690)</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (5,690)</u>	<u>\$ (5,690)</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			5,690	
Expenditure accruals			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-24

HATCH VALLEY PUBLIC SCHOOLS

CHILD NUTRITION FEDERAL STIMULUS SPECIAL REVENUE FUND (24218)
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDING JUNE 30, 2010

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	52,298	52,298	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>52,298</u>	<u>52,298</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	52,298	52,298	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>52,298</u>	<u>52,298</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-25

HATCH VALLEY PUBLIC SCHOOLS

BILLED COMP SCHOOL GRANTS USDE SPECIAL REVENUE FUND (25109)
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDING JUNE 30, 2010

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

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
HATCH VALLEY PUBLIC SCHOOLS
HEADSTART SPECIAL REVENUE FUND (25127)
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2010

Statement B-26

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	349,778	360,686	319,942	(40,744)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>349,778</u>	<u>360,686</u>	<u>319,942</u>	<u>(40,744)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	185,472	196,380	172,068	24,312
Support Services				
Students	64,598	64,598	72,087	(7,489)
Instruction	43,636	43,636	45,275	(1,639)
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	8,132	8,132	8,185	(53)
Student Transportation	45,116	45,116	41,773	3,343
Other Support Services	-	-	-	-
Food Services Operations	2,824	2,824	1,664	1,160
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>349,778</u>	<u>360,686</u>	<u>341,052</u>	<u>19,634</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(21,110)</u>	<u>(21,110)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(21,110)</u>	<u>(21,110)</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(37,458)</u>	<u>(37,458)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (58,568)</u>	<u>\$ (58,568)</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			65,691	
Expenditure accruals			<u>(44,581)</u>	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-27

HATCH VALLEY PUBLIC SCHOOLS

GRADS CHILD CARE CYFD SPECIAL REVENUE FUND (25149)
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDING JUNE 30, 2010

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	3,000	-	(3,000)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>3,000</u>	<u>-</u>	<u>(3,000)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	3,000	-	3,000
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>3,000</u>	<u>-</u>	<u>3,000</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>1,255</u>	<u>1,255</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,255</u>	<u>\$ 1,255</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-28

HATCH VALLEY PUBLIC SCHOOLS

TITLE XIX MEDICAID 3/21 YEARS SPECIAL REVENUE FUND (25153)
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDING JUNE 30, 2010

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	64,408	64,408	19,188	(45,220)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>64,408</u>	<u>64,408</u>	<u>19,188</u>	<u>(45,220)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	9,306	-	9,306
Support Services				
Students	64,408	64,408	43,059	21,349
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>64,408</u>	<u>73,714</u>	<u>43,059</u>	<u>30,655</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>(9,306)</u>	<u>(23,871)</u>	<u>(14,565)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	9,306	-	(9,306)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>9,306</u>	<u>-</u>	<u>(9,306)</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(23,871)</u>	<u>(23,871)</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(2,487)</u>	<u>(2,487)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (26,358)</u>	<u>\$ (26,358)</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			(2,487)	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ (26,358)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-29

HATCH VALLEY PUBLIC SCHOOLS

TANF GRADS HSD SPECIAL REVENUE FUND (25162)

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2010

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	20,000	37,921	17,921
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>20,000</u>	<u>37,921</u>	<u>17,921</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	20,000	42,056	(22,056)
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>20,000</u>	<u>42,056</u>	<u>(22,056)</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(4,135)</u>	<u>(4,135)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(4,135)</u>	<u>(4,135)</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>12,422</u>	<u>12,422</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,287</u>	<u>\$ 8,287</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			4,135	
Expenditure accruals			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-30

HATCH VALLEY PUBLIC SCHOOLS

STATE EQUALIZATION GUARANTEE FEDERAL STIMULUS SPECIAL REVENUE FUND (25250)

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2010

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	693,165	869,602	842,157	(27,445)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>693,165</u>	<u>869,602</u>	<u>842,157</u>	<u>(27,445)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	-	14,339	14,206	133
Instruction	-	32,151	31,944	207
General Administration	-	22,344	11,099	11,245
School Administration	-	75,803	75,075	728
Central Services	-	-	-	-
Operation & Maintenance of Plant	693,165	710,789	724,204	(13,415)
Student Transportation	-	14,176	13,074	1,102
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>693,165</u>	<u>869,602</u>	<u>869,602</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(27,445)</u>	<u>(27,445)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(27,445)</u>	<u>(27,445)</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>\$ (27,445)</u>	<u>\$ (27,445)</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			39,660	
Expenditure accruals			(12,215)	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-31

HATCH VALLEY PUBLIC SCHOOLS

HEADSTART FEDERAL STIMULUS SPECIAL REVENUE FUND (25253)
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDING JUNE 30, 2010

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	30,951	-	(30,951)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>30,951</u>	<u>-</u>	<u>(30,951)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	30,951	22,605	8,346
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>30,951</u>	<u>22,605</u>	<u>8,346</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(22,605)</u>	<u>(22,605)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(22,605)</u>	<u>(22,605)</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>\$ (22,605)</u>	<u>\$ (22,605)</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			22,605	
Expenditure accruals			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-32

HATCH VALLEY PUBLIC SCHOOLS

MICROSOFT SETTLEMENT FUNDS SPECIAL REVENUE FUND (26170)
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDING JUNE 30, 2010

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	37,113	36,339	25,765	10,574
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>37,113</u>	<u>36,339</u>	<u>25,765</u>	<u>10,574</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(37,113)</u>	<u>(36,339)</u>	<u>(25,765)</u>	<u>10,574</u>
<i>Other financing sources (uses):</i>				
Designated cash	37,113	36,339	-	(36,339)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>37,113</u>	<u>36,339</u>	<u>-</u>	<u>(36,339)</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(25,765)</u>	<u>(25,765)</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>36,339</u>	<u>36,339</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,574</u>	<u>\$ 10,574</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			(10,470)	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ (36,235)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-33

HATCH VALLEY PUBLIC SCHOOLS

LIBRARY GO BONDS 2009-2010 SPECIAL REVENUE FUND (27105)
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDING JUNE 30, 2010

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	17,101	-	(17,101)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>17,101</u>	<u>-</u>	<u>(17,101)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	17,101	16,368	733
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>17,101</u>	<u>16,368</u>	<u>733</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(16,368)</u>	<u>(16,368)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(16,368)</u>	<u>(16,368)</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>\$ (16,368)</u>	<u>\$ (16,368)</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ (16,368)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-34

HATCH VALLEY PUBLIC SCHOOLS

TECHNOLOGY FOR EDUCATION - PED SPECIAL REVENUE FUND (27117)

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2010

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	9,162	9,330	168
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>9,162</u>	<u>9,330</u>	<u>168</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support Services				
Students	-	3,162	232	2,930
Instruction	-	6,000	6,787	(787)
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>9,162</u>	<u>7,019</u>	<u>2,143</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>2,311</u>	<u>2,311</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>2,311</u>	<u>2,311</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>5,111</u>	<u>5,111</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,422</u>	<u>\$ 7,422</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			26	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 2,337</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-35

HATCH VALLEY PUBLIC SCHOOLS

TANF FULL DAY KINDERGARTEN SPECIAL REVENUE FUND (27136)
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDING JUNE 30, 2010

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>17,337</u>	<u>17,337</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,337</u>	<u>\$ 17,337</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-36

HATCH VALLEY PUBLIC SCHOOLS

INCENTIVES FOR SCHOOL IMPROVEMENT ACT PED SPECIAL REVENUE FUND (27138)

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2010

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>11,010</u>	<u>11,010</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,010</u>	<u>\$ 11,010</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-37

HATCH VALLEY PUBLIC SCHOOLS

LIBRARIES GO BONDS LAWS OF 2004 SPECIAL REVENUE FUND (27145)
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDING JUNE 30, 2010

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

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-38

HATCH VALLEY PUBLIC SCHOOLS

BEGINNING TEACHER MENTORING PROGRAM SPECIAL REVENUE FUND (27154)
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDING JUNE 30, 2010

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	13,881	13,882	1
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>13,881</u>	<u>13,882</u>	<u>1</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	13,881	9,611	4,270
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>13,881</u>	<u>9,611</u>	<u>4,270</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>4,271</u>	<u>4,271</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>4,271</u>	<u>4,271</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>8,067</u>	<u>8,067</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,338</u>	<u>\$ 12,338</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 4,271</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-39

HATCH VALLEY PUBLIC SCHOOLS

BREAKFAST FOR ELEMENTARY STUDENTS SPECIAL REVENUE FUND (27155)
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDING JUNE 30, 2010

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	8,603	8,603	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>8,603</u>	<u>8,603</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	8,603	8,599	4
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>8,603</u>	<u>8,599</u>	<u>4</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>4</u>	<u>4</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>4</u>	<u>4</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>1,037</u>	<u>1,037</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,041</u>	<u>\$ 1,041</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			(6,901)	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ (6,897)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-40

HATCH VALLEY PUBLIC SCHOOLS

BILLED/COMP SCHOOL GRANTS SPECIAL REVENUE FUND (27162)
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDING JUNE 30, 2010

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	13,120	13,120
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>13,120</u>	<u>13,120</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>13,120</u>	<u>13,120</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>13,120</u>	<u>13,120</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(13,099)</u>	<u>(13,099)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 21</u>	<u>\$ 21</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			(13,099)	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 21</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-41

HATCH VALLEY PUBLIC SCHOOLS

SCHOOL IMPROVEMENT FRAMEWORK SPECIAL REVENUE FUND (27164)
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDING JUNE 30, 2010

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>8,798</u>	<u>8,798</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,798</u>	<u>\$ 8,798</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-42

HATCH VALLEY PUBLIC SCHOOLS

LIBRARIES 301 GO BONDS LAWS OF 2006 SPECIAL REVENUE FUND (27170)
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDING JUNE 30, 2010

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(6,018)</u>	<u>(6,018)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (6,018)</u>	<u>\$ (6,018)</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			<u>(6,018)</u>	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ (6,018)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-43

HATCH VALLEY PUBLIC SCHOOLS

2008 LIBRARY BOOKS SPECIAL REVENUE FUND (27549)

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2010

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>4,226</u>	<u>4,226</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,226</u>	<u>\$ 4,226</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-44

HATCH VALLEY PUBLIC SCHOOLS

COORDINATED APPROACH TO CHILD HEALTH SPECIAL REVENUE FUND (28140)
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDING JUNE 30, 2010

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

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-45

HATCH VALLEY PUBLIC SCHOOLS

GEAR UP CHE SPECIAL EVENUE FUND (28178)

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2010

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	37,933	9,870	(28,063)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>37,933</u>	<u>9,870</u>	<u>(28,063)</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	37,933	28,461	9,472
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>37,933</u>	<u>28,461</u>	<u>9,472</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(18,591)</u>	<u>(18,591)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(18,591)</u>	<u>(18,591)</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>1,733</u>	<u>1,733</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (16,858)</u>	<u>\$ (16,858)</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			1,201	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ (17,390)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-46

HATCH VALLEY PUBLIC SCHOOLS

MENTORING DIVERSE ABILITIES PROGRAM SPECIAL REVENUE FUND (28186)
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDING JUNE 30, 2010

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

The accompanying notes are an integral part of these financial statements

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CAPITAL PROJECTS FUNDS

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CAPITAL PROJECTS FUNDS

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

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

Public Schools Capital Outlay (31200) – To account for Critical Capital Outlay funds and other special capital outlay funds received from the State of New Mexico. The funds are restricted for the purposes outlined in the applicable legislation under which the funds were approved. This generally includes construction of new schools or improvements to existing schools.

Special Capital Outlay – Local (31300) – To account revenues that are derived from local sources such as the sale of a building.

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

Capital Improvements SB-9 (31700) - To account for erecting, remodeling, making additions to and furnishing of school buildings, or purchasing or improving school grounds or any combination thereof as identified by the local school board. Financing is provided by the State of New Mexico's State Equalization Matching and a special tax levy as authorized by the Public School District Capital Improvements Act (22-25-1 to 22-25-10 NMSA 1978).

STATE OF NEW MEXICO
HATCH VALLEY PUBLIC SCHOOLS
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECT FUNDS
JUNE 30, 2010

	Bond Building 31100	Public School Capital Outlay 31200
ASSETS		
<i>Current Assets</i>		
Cash	\$ 38,098	\$ 1,316
Investments	-	-
Accounts receivable		
Taxes	-	-
Due from other governments	-	-
Interfund receivables	42,368	-
Other	-	-
Inventory	-	-
	80,466	1,316
<i>Total assets</i>	80,466	1,316
LIABILITIES AND FUND BALANCES		
<i>Current Liabilities:</i>		
Accounts payable	-	-
Accrued payroll liabilities	-	-
Accrued compensated absences	-	-
Interfund payables	-	-
Deferred revenue - property taxes	-	-
Deferred revenue - other	-	-
<i>Total liabilities</i>	-	-
<i>Fund balances</i>		
Fund Balance:		
Nonspendable	-	-
Restricted	-	-
Committed	-	-
Assigned	-	-
Unassigned	80,466	1,316
	80,466	1,316
<i>Total fund balance</i>	80,466	1,316
<i>Total liabilities and fund balance</i>	\$ 80,466	\$ 1,316

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

Special Capital Outlay - Local 31300	Special Capital Outlay - State 31400	Capital Improvements SB-9 31700	Total
\$ 195,943	\$ -	\$ 119,413	\$ 354,770
-	-	-	-
-	-	14,034	14,034
-	-	-	-
-	-	-	42,368
-	-	-	-
-	-	-	-
<u>195,943</u>	<u>-</u>	<u>133,447</u>	<u>411,172</u>
-	-	46,672	46,672
-	-	-	-
-	-	-	-
-	-	-	-
-	-	9,557	9,557
-	-	-	-
<u>-</u>	<u>-</u>	<u>56,229</u>	<u>56,229</u>
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
<u>195,943</u>	<u>-</u>	<u>77,218</u>	<u>354,943</u>
<u>195,943</u>	<u>-</u>	<u>77,218</u>	<u>354,943</u>
<u>\$ 195,943</u>	<u>\$ -</u>	<u>\$ 133,447</u>	<u>\$ 411,172</u>

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

STATE OF NEW MEXICO
HATCH VALLEY PUBLIC SCHOOLS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECT FUNDS
FOR THE YEAR ENDING JUNE 30, 2010

	Bond Building 31100	Public School Capital Outlay 31200
	<u>31100</u>	<u>31200</u>
<i>Revenues:</i>		
Property taxes	\$ -	\$ -
State grants	-	1,159
Federal grants	-	-
Charges for services	-	-
Interest	402	-
Miscellaneous	-	-
<i>Total revenues</i>	<u>402</u>	<u>1,159</u>
 <i>Expenditures:</i>		
Current:		
Instruction	-	-
Support Services		
Students	-	-
Instruction	-	-
General Administration	-	-
School Administration	-	-
Central Services	-	-
Operation & Maintenance of Plant	-	-
Student Transportation	-	-
Other Support Services	-	-
Food Services Operations	-	-
Community Service	-	-
Capital outlay	838,322	-
Debt service		
Principal	-	-
Interest	-	-
<i>Total expenditures</i>	<u>838,322</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(837,920)</u>	<u>1,159</u>
 <i>Other financing sources (uses):</i>		
Operating transfers	-	-
Proceeds from bond issues	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>
 <i>Net changes in fund balances</i>	<u>(837,920)</u>	<u>1,159</u>
<i>Fund balances - beginning of year</i>	<u>918,386</u>	<u>157</u>
<i>Fund balances - end of year</i>	<u>\$ 80,466</u>	<u>\$ 1,316</u>

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

Special Capital Outlay - Local 31300	Special Capital Outlay - State 31400	Capital Improvements SB-9 31700	Total
\$ -	\$ -	\$ 102,367	\$ 102,367
-	15,680	360,113	376,952
-	-	-	-
-	-	-	-
188	-	16	606
30,000	-	-	30,000
<u>30,188</u>	<u>15,680</u>	<u>462,496</u>	<u>509,925</u>
-	-	-	-
-	-	-	-
-	-	-	-
-	-	1,065	1,065
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
30	15,680	402,361	1,256,393
-	-	-	-
-	-	-	-
<u>30</u>	<u>15,680</u>	<u>403,426</u>	<u>1,257,458</u>
<u>30,158</u>	<u>-</u>	<u>59,070</u>	<u>(747,533)</u>
-	-	-	-
-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
30,158	-	59,070	(747,533)
165,785	-	18,148	1,102,476
<u>\$ 195,943</u>	<u>\$ -</u>	<u>\$ 77,218</u>	<u>\$ 354,943</u>

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

STATE OF NEW MEXICO
HATCH VALLEY PUBLIC SCHOOLS
BOND BUILDING CAPITAL PROJECT FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2010

Statement C-3

	<u>Budgeted Amounts</u>			
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	300	300	402	102
<i>Total revenues</i>	<u>300</u>	<u>300</u>	<u>402</u>	<u>102</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	954,382	957,160	877,180	79,980
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>954,382</u>	<u>957,160</u>	<u>877,180</u>	<u>79,980</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(954,082)</u>	<u>(956,860)</u>	<u>(876,778)</u>	<u>80,082</u>
<i>Other financing sources (uses):</i>				
Designated cash	954,082	956,860	-	(956,860)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
Bond underwriter premium	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>954,082</u>	<u>956,860</u>	<u>-</u>	<u>(956,860)</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>(876,778)</u>	<u>(876,778)</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>957,244</u>	<u>957,244</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 80,466</u>	<u>\$ 80,466</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			38,858	
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)</i>			<u>\$ (837,920)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement C-4

HATCH VALLEY PUBLIC SCHOOLS
 PUBLIC SCHOOL CAPITAL OUTLAY - STATE CAPITAL PROJECT FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDING JUNE 30, 2010

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	1,159	1,159
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>1,159</u>	<u>1,159</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>1,159</u>	<u>1,159</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>1,159</u>	<u>1,159</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>157</u>	<u>157</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,316</u>	<u>\$ 1,316</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 1,159</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
HATCH VALLEY PUBLIC SCHOOLS
SPECIAL CAPITAL OUTLAY - LOCAL CAPITAL PROJECT FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2010

Statement C-5

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	30,000	30,000	-
Interest	-	-	188	188
<i>Total revenues</i>	<u>-</u>	<u>30,000</u>	<u>30,188</u>	<u>188</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	195,785	30	195,755
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>195,785</u>	<u>30</u>	<u>195,755</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>(165,785)</u>	<u>30,158</u>	<u>195,943</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	165,785	-	(165,785)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>165,785</u>	<u>-</u>	<u>(165,785)</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>30,158</u>	<u>30,158</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>165,785</u>	<u>165,785</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 195,943</u>	<u>\$ 195,943</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 30,158</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement C-6

HATCH VALLEY PUBLIC SCHOOLS
 SPECIAL CAPITAL OUTLAY - STATE CAPITAL PROJECT FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDING JUNE 30, 2010

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	15,680	15,680	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>15,680</u>	<u>15,680</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	15,680	15,680	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>15,680</u>	<u>15,680</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
HATCH VALLEY PUBLIC SCHOOLS
CAPITAL IMPROVEMENTS SB-9 CAPITAL PROJECT FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2010

Statement C-7

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
<i>Revenues:</i>				
Property taxes	\$ 136,152	\$ 136,152	\$ 122,877	\$ (13,275)
State grants	-	243,864	337,770	93,906
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	16	16
<i>Total revenues</i>	<u>136,152</u>	<u>380,016</u>	<u>460,663</u>	<u>80,647</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	1,500	1,500	1,065	435
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	319,800	563,664	355,689	207,975
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>321,300</u>	<u>565,164</u>	<u>356,754</u>	<u>208,410</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(185,148)</u>	<u>(185,148)</u>	<u>103,909</u>	<u>289,057</u>
<i>Other financing sources (uses):</i>				
Designated cash	185,148	185,148	-	(185,148)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>185,148</u>	<u>185,148</u>	<u>-</u>	<u>(185,148)</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>103,909</u>	<u>103,909</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>15,504</u>	<u>15,504</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 119,413</u>	<u>\$ 119,413</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			1,833	
Expenditure accruals			(46,672)	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 59,070</u>	

The accompanying notes are an integral part of these financial statements

DEBT SERVICE FUND

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STATE OF NEW MEXICO
HATCH VALLEY PUBLIC SCHOOLS
DEBT SERVICE FUND

Statement D-1

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDING JUNE 30, 2010

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ 611,552	\$ 611,552	\$ 658,733	\$ 47,181
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	300	300	-	(300)
<i>Total revenues</i>	<u>611,852</u>	<u>611,852</u>	<u>658,733</u>	<u>46,881</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	6,116	6,116	5,718	398
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Reserve	606,001	641,656	-	641,656
Principal	505,000	505,000	505,000	-
Interest	106,552	106,552	106,552	-
<i>Total expenditures</i>	<u>1,223,669</u>	<u>1,259,324</u>	<u>617,270</u>	<u>642,054</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(611,817)</u>	<u>(647,472)</u>	<u>41,463</u>	<u>688,935</u>
<i>Other financing sources (uses):</i>				
Designated cash	611,817	647,472	-	(647,472)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>611,817</u>	<u>647,472</u>	<u>-</u>	<u>(647,472)</u>
<i>Net changes in fund balances</i>	<u>-</u>	<u>-</u>	<u>41,463</u>	<u>41,463</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>647,472</u>	<u>647,472</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 688,935</u>	<u>\$ 688,935</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			9,187	
Expenditure accruals			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 50,650</u>	

The accompanying notes are an integral part of these financial statements

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SUPPORTING SCHEDULES

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STATE OF NEW MEXICO
HATCH VALLEY PUBLIC SCHOOLS
AGENCY FUNDS
SCHEDULE OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2010

Schedule I

Activity	Balance 6/30/2009	Additions	Deletions	Balance 6/30/2010
Hatch Elementary School	\$ 8,017	\$ 19,357	\$ (15,357)	\$ 12,017
Garfield Elementary School	1,382	21,827	(19,090)	4,119
Rio Grande	8,373	20,575	(19,665)	9,283
Hatch Middle School	5,487	3,141	-	8,628
Hatch High School	42,709	65,039	(45,267)	62,481
Total, All Schools	\$ 65,968	\$ 129,939	\$ (99,379)	\$ 96,528

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

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STATE OF NEW MEXICO
HATCH VALLEY PUBLIC SCHOOLS
SCHEDULE OF CASH AND TEMPORARY INVESTMENT ACCOUNTS
JUNE 30, 2010

Schedule II

Bank Account Type	Bank Balance	Outstanding Items	Reconciled Balance
Bank of the West			
Operational Account	\$ 90,242	\$ 20,094	\$ 110,336
Cafeteria Account	268,119	(4,889)	263,230
Payroll Account	602,517	(363,871)	238,646
Capital Projects Account	268,873	1,326	270,199
Athletics Account	1,460	(1,010)	450
Budgetary Clearing Account	77,574	(77,574)	-
Insurance Account	5,697	(5,697)	-
Federal Funds Account	94,837	(176,554)	(81,717)
General School Account	96,437	61	96,498
Total, Bank of the West	<u>1,505,756</u>	<u>(608,114)</u>	<u>897,642</u>
Wells Fargo Bank, N.A.			
Debt Service Account	688,935	-	688,935
Energy Efficient Account	5,943	-	5,943
Office Account	803	-	803
Transportation Account	129	-	129
Total, Wells Fargo Bank, N.A.	<u>695,810</u>	<u>-</u>	<u>695,810</u>
Total, All Banks	<u>2,201,566</u>	<u>(608,114)</u>	<u>1,593,452</u>
Cash per financial statements			
Governmental Activities Exhibit A-1			1,496,924
Fiduciary Funds - Exhibit D-1			<u>96,528</u>
Cash per Government-wide Financial Statement:			<u>\$ 1,593,452</u>

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

STATE OF NEW MEXICO
HATCH VALLEY PUBLIC SCHOOLS
CASH RECONCILIATION
JUNE 30, 2010

	Operational Account 11000	Teachergage Account 12000	Transportation Account 13000	Instructional Materials 14000
Cash, June 30, 2009	\$ 416,493	\$ 3,565	\$ -	\$ 28,139
Add:				
2009-10 revenues	9,444,510	4,045	719,917	54,412
Loans from other funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total cash available	9,861,003	7,610	719,917	82,551
Less:				
2009-10 expenditures	(9,121,876)	(1,352)	(697,059)	(58,195)
Loans to other funds	<u>(739,127)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash, June 30, 2010	<u><u>\$ -</u></u>	<u><u>\$ 6,258</u></u>	<u><u>\$ 22,858</u></u>	<u><u>\$ 24,356</u></u>

The accompanying notes are an integral part of these financial statements

Food Services Account 21000	Athletics Account 22000	Federal Flowthrough 24000	Federal Direct 25000	Local Grants 26000
\$ 187,363	\$ 1,102	\$ (132,879)	\$ (26,268)	\$ 36,339
821,033	33,312	2,381,369	1,219,208	-
-	377	605,083	135,663	-
1,008,396	34,791	2,853,573	1,328,603	36,339
(736,484)	(34,791)	(2,811,547)	(1,318,374)	(25,765)
-	-	-	-	-
<u>\$ 271,912</u>	<u>\$ -</u>	<u>\$ 42,026</u>	<u>\$ 10,229</u>	<u>\$ 10,574</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
HATCH VALLEY PUBLIC SCHOOLS
CASH RECONCILIATION
JUNE 30, 2010

	State Flowthrough 27000	State Direct 28000	Bond Building Account 31100	Public School Capital Outlay 31200
Cash, June 30, 2009	\$ 35,343	\$ 1,734	\$ 957,244	\$ 157
Add:				
2009-10 revenues	44,935	12,683	399	1,159
Loans from other funds	23,512	16,857	-	-
Total cash available	103,790	31,274	957,643	1,316
Less:				
2009-10 expenditures	(41,597)	(28,461)	(877,180)	-
Loans to other funds	-	-	(42,365)	-
Cash, June 30, 2010	<u>\$ 62,193</u>	<u>\$ 2,813</u>	<u>\$ 38,098</u>	<u>\$ 1,316</u>

The accompanying notes are an integral part of these financial statements

Spec. Capital Outlay-Local 31300	Spec. Capital Outlay-State 31400	Cap. Improv. SB 9 31700	Debt Service Fund 41000	Total
\$ 165,785	\$ -	\$ 15,504	\$ 647,472	\$ 2,337,093
30,188	15,680	460,663	658,733	15,902,246
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>781,492</u>
195,973	15,680	476,167	1,306,205	19,020,831
(30)	(15,680)	(356,754)	(617,270)	(16,742,415)
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(781,492)</u>
<u>\$ 195,943</u>	<u>\$ -</u>	<u>\$ 119,413</u>	<u>\$ 688,935</u>	<u>\$ 1,496,924</u>

The accompanying notes are an integral part of these financial statements

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COMPLIANCE SECTION

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Griego Professional Services, LLC

Certified Public Accountants

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

Hector Balderas
New Mexico State Auditor
The Office of Management and Budget
To the Board of Education
Hatch Valley Public Schools
Hatch, New Mexico

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information, the budgetary comparisons for the general fund and major special revenue funds, and the combining and individual funds presented as supplementary information of Hatch Valley Public Schools, New Mexico, 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 March 19, 2012. We also have audited the financial statements the debt service fund, non-major governmental and fiduciary funds and budgetary comparisons 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 March 19, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the District's internal control. A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the District's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, we identified certain deficiencies in internal control over financial reporting, described in the accompanying schedule of findings and questioned costs that we consider to be significant deficiencies in internal control over financial reporting identified as FS 2010-01, FS 2010-02, FS 2010-03, and FS 2010-04. A significant deficiency is a deficiency, or 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.

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Compliance and Other Matters

As part of obtaining reasonable assurance about whether Hatch Valley Public Schools, New Mexico's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as items 08-5, 09-3, FS 2010-01, FS 2010-02, FS 2010-03, FS 2010-05, FS 2010-06, and FS 2010-07.

We also noted certain other matters that are required to be reported pursuant to *Government Auditing Standards* 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 08-5, 09-3, FS 2010-05, FS 2010-06, and FS 2010-07.

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

This report is intended solely for the information and use of management, the Board of Education, others within the organization, New Mexico Public Education Department, the audit committee, the Office of the State Auditor, New Mexico State Legislature, 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.

GRIEGO PROFESSIONAL SERVICES



Albuquerque, New Mexico
March 19, 2012

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FEDERAL FINANCIAL ASSISTANCE

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Griego Professional Services, LLC

Certified Public Accountants

REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT 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
To the Board of Education
Hatch Valley Public Schools
Hatch, New Mexico

Compliance

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

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

In our opinion, the District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2010. However, the results of our auditing procedures disclosed an instance of noncompliance with those requirements, which 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 2011-01.

Internal Control Over Compliance

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 to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

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

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

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

This report is intended solely for the information and use of management, the Board of Education, others within the District, the New Mexico State Legislature and its committees, and the New Mexico Department of Finance and Administration, the State Auditor, federal awarding agencies, and passthrough entities and is not intended to be and should not be used by anyone other than these specified parties.

Grigo Professional Services, LLC

Albuquerque, New Mexico
March 19, 2012

STATE OF NEW MEXICO
HATCH VALLEY PUBLIC SCHOOLS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2010

Schedule IV
(Page 1 of 2)

Federal Grantor or Pass-Through Grantor / Program Title	Passthrough Number	Federal CFDA Number	Federal Expenditures
U.S. Department of Education			
<i>Passthrough State of New Mexico Department of Education</i>			
Title I - IASA (1)	24101	84.010	\$ 1,082,382
Migrant Children Education	24103	84.011	74,879
Entitlement IDEA-B (1)	24106	84.027	276,580
Discretionary IDEA-B (1)	24107	84.027	2,160
Preschool IDEA-B (1)	24109	84.173	15,299
Education of Homeless	24113	84.196	1,760
Enhancing Education Through Technology (E2T2-F) (1)	24133	84.318X	256
Enhancing Education Through Technology - Formula (E2T2-C) (1)	24149	84.318X	598,386
English Language Acquisition	24153	84.365A	92,615
Teacher/Principal Training & Recruiting	24154	84.367A	137,558
Title IV-A Safe and Drug Free Schools & Communities	24157	84.186A	20,735
Rural & Low Income Schools	24160	84.358B	54,955
Title I - School Improvement	24162	84.377	40,882
Immigrant Funding Title III	24163	84.365A	1,587
Title I - Federal Stimulus (1)	24201	84.389	440,513
Entitlement IDEA-B - Federal Stimulus (1)	24206	84.391	171,711
Preschool IDEA-B - Federal Stimulus (1)	24209	84.392	5,690
<i>Subtotal - Passthrough State of New Mexico Department of Education</i>			<u>3,017,948</u>
<i>Direct U.S. Department of Education</i>			
State Equalization Guarantee (1)	25250	84.394	881,817
<i>Subtotal - Direct U.S. Department of Education</i>			<u>881,817</u>
Total U.S. Department of Education			<u>3,899,765</u>
U.S. Department of Agriculture			
<i>Passthrough State of New Mexico Department of Education</i>			
School Lunch Program & School Breakfast Program	21000	10.555	780,498
Fresh Fruits & Vegetables	24118	10.582	13,915
Child Nutrition Federal Stimulus (1)	24218	10.579	52,298
<i>Subtotal - Passthrough State of New Mexico Department of Education</i>			<u>846,711</u>
<i>Passthrough State of New Mexico Department of Human Services</i>			
Food Distribution (Commodities)	21000	10.550	51,254
<i>Subtotal - Passthrough State of New Mexico Department of Human Services</i>			<u>51,254</u>
Total U.S. Department of Agriculture			<u>897,965</u>

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

STATE OF NEW MEXICO
HATCH VALLEY PUBLIC SCHOOLS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2010

Schedule IV
(Page 2 of 2)

Federal Grantor or Pass-Through Grantor / Program Title	Passthrough Number	Federal CFDA Number	Federal Expenditures
U.S. Department of Health & Human Services			
<i>Passthrough - Las Cruces Public Schools</i>			
Headstart (1)	25127	93.600	385,633
Headstart Federal Stimulus (1)	25253	93.708	<u>22,605</u>
<i>Subtotal - Passthrough Las Cruces Public Schools</i>			408,238
 <i>Passthrough - Socorro Consolidated Schools</i>			
TANF/GRADS HSD	25162	93.778	42,056
<i>Subtotal - Passthrough Socorro Consolidated Schools</i>			<u>42,056</u>
 Total - U.S. Department of Health and Human Services			<u>450,294</u>
 Total Federal Financial Assistance			<u><u>\$ 5,248,024</u></u>

(1) Denotes Major Federal Financial Assistance Program

Notes to Schedule of Expenditures of Federal Awards

1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the federal grant activity of the Hatch Public Schools (District) and is presented on the modified accrual basis of accounting, which is the same basis as was used to prepare the fund financial statements. The information in this Schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the financial statements.

2. Subrecipients

The District provided \$244,996 in Enhancing Ed Thru Tech federal awards to subrecipients during the year.

3. Non Cash Federal Assistance

The District receives USDA Commodities for use in sponsoring the National School Lunch and Breakfast programs. The value of commodities received for the year ended June 30, 2010 was \$51,254 and is reported in the Schedule of Expenditures of Federal Awards under the Department of Agriculture Commodities 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	\$ 5,248,024
Total expenditures funded by other sources	<u>12,064,732</u>
Total expenditures	<u><u>\$ 17,312,756</u></u>

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

STATE OF NEW MEXICO
HATCH VALLEY PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2010

Section I – Summary of Audit Results

Financial Statements:

- | | |
|--|-------------|
| 1. Type of auditors’ report issued | Unqualified |
| 2. Internal control over financial reporting: | |
| a. Material weakness identified? | No |
| b. Significant deficiency identified not considered to be a material weaknesses? | Yes |
| c. Control deficiency identified not considered to be a significant deficiency? | Yes |
| d. Noncompliance material to financial statements noted? | No |

Federal Awards:

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

CFDA Number	Federal Program
84.010/84.389	Title I Cluster
84.027/84.173/84.391/84.392	Special Education Cluster (IDEA)
84.318	Enhancing Ed Thru Tech
84.394	State Equalization Guarantee Federal Stimulus
93.600/93.708	Head Start Cluster
10.579	Child Nutrition Federal Stimulus

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

STATE OF NEW MEXICO
HATCH VALLEY PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2010

Section II – Financial Statement Findings

08-5 Budgetary Controls (Other Matter)

Condition: The District incurred expenditures in excess of budgetary authority in the following funds and functions:

Fund & Function	Amount
IDEA-B Preschool	\$ 2,513
Education of Homeless	112
Immigrant Funding Title III	1,587
Title I-IASA Federal Stimulus –Central Services	1,738
Headstart-Support Services	9,128
Headstart-Operations & Maintenance of Plant	53
TANF GRADS HSD-Instruction	22,056
State Equalization Guarantee Federal Stimulus-Ops & Maint	<u>13,415</u>
Total	<u>\$ 50,602</u>

Criteria: Sections 6-3-1 through 6-3-25 NMSA 1978 require, in part, that expenditures not exceed budgetary authority.

Effect: The internal controls established by adherence to budgets has been compromised, and excess spending could result. In addition, New Mexico statutes have been violated.

Cause: The District did not request the budget adjustments at year end to alleviate these budget overruns.

Auditor’s Recommendation: We recommend that the District adhere to their policy of reviewing year end expenditures and requesting budget adjustments where necessary.

Agency Response: The policy is currently being followed, and these were unusual circumstances which were unforeseen and occurred close to year-end. We will continue to review expenditures at year end for the necessary budget adjustments.

09-3 Use of Restricted Revenues (Other Matter)

Condition: During the review of the trial balance, it was noted that the District did not maintain sufficient cash in the Operational Fund after proper adjusting entries were made to create interfund loans for negative cash balances in other funds funded out of the Operational Fund.

Criteria: Per NMAC 6.20.2 Cash Control Standards- School districts 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 A-102, and applicable state and federal laws and regulations. The school district shall verify that there is sufficient cash and budget prior to the disbursement of cash.

Effect: Not having sufficient funds in the Operating Fund to prevent the negative cash balance is a violation of Cash Control Standards. This also requires that the Bond Building Fund cover the negative cash flow, which is not an allowable activity for this fund.

Cause: The District did not maintain necessary funds in the Operating Fund in order to keep this fund from having a negative cash balance in the Operational Fund.

Auditor’s Recommendation: The District must maintain proper cash controls to prevent further deficiencies.

Management’s Response: The District will request reimbursements from Federal Account Expenditures in a timely manner. Responsible Business office staff members are monitoring cash balances to prevent further deficiencies.

STATE OF NEW MEXICO
HATCH VALLEY PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2010

Section II – Financial Statement Findings (continued)

FS 2010-01 — Late Audit Report (Significant Deficiency)

Condition: The district’s audit report for the year ended June 30, 2010 was not submitted to the State auditor by the required due date of November 15, 2010.

Criteria: Audit reports are due on or before the due date, November 15, according to the State Auditor regulation Section 2.2.2.9A.

Effect: The result was the late submission of the District’s audit report for the year ended June 30, 2010. Timely financial statements were not available for management’s use or to perform audit procedures.

Cause: Accounting records were not available in time to ensure the submission of a timely audit report.

Auditor’s Recommendation: We recommend that the district post and prepare its accounting records in a timely manner so that the 2012 audit can be completed by the deadline.

Management’s Response: The district plans to have accounting records prepared in a timely manner so the 2012 audit can be completed by the November 15th deadline.

FS 2010-02 — Cash Appropriations in Excess of Available Cash Balances (Significant Deficiency)

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

	Designated <u>Cash</u>	Available <u>Cash</u>	Cash Appropriation <u>In Excess of Cash</u>
Instructional Materials	\$ 28,406	28,139	(267)
Enhancing Ed Thru Tech (E2T2-C)	189,979	(113,055)	(303,034)
Title I-IASA	66,872	41,644	(25,228)
English Language Acquisition	43,928	(13,209)	(57,137)
Teacher & Principal Train & Recruit	19,423	(23,988)	(43,411)
Safe & Drug Free School & Community	4,596	(1,064)	(5,660)
Title XIX Medicaid 3/21 Years	9,306	(2,487)	(11,793)
Capital Improvements SB-9	<u>185,148</u>	<u>15,504</u>	<u>(169,644)</u>
Total	\$ 547,658	\$ (68,516)	\$ (616,174)

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

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

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

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

Management’s Response: More experienced staff are in place to monitor the year end cash balances. Staff will review the budget and all budget authority approvals before expenditures are allowed.

STATE OF NEW MEXICO
HATCH VALLEY PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2010

Schedule V

Section II – Financial Statement Findings (continued)

FS 2010-03 Bank Reconciliations (Significant Deficiency)

Condition: The District is not appropriately reconciling cash; the final reconciliations were not reconciled to the general ledger in a timely manner.

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

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

Cause: District staff has been unable to accurately reconcile the accounts from prior years.

Auditor's Recommendation: We recommend that the District perform accurate bank reconciliations that are reviewed by the Superintendent.

Management's Response: Business office staff will perform bank reconciliations. In the meantime the district has hired an independent consultant to get the district caught up with these documents. The Superintendent will review all reporting on a quarterly basis or more often if recommended by the NM PED.

FS 2010-04 Controls Over Financial Reporting (Significant Deficiency)

Condition: The District does not have the expertise required to prepare the financial statements and related disclosures.

Criteria: According to the American Institute of Certified Public Accountants' Statement on Auditing Standards No. 115, 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.

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, detect, and correct a misstatement in its financial statements is limited.

Cause: The District's 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.

Auditor's Recommendation: We recommend District management and personnel continue to 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

Management's Response: All business office personnel will continue to receive training on understanding the requirements of external financial reporting. Due to the small number of staff in the office, cross-training will also occur. This District has hired an experienced business manager who will participate in and oversee this training.

STATE OF NEW MEXICO
HATCH VALLEY PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2010

Schedule V

Section II – Financial Statement Findings (continued)

FS 2010-05 – Capital Asset Inventory Count (Other Matter)

Condition: The District did not perform an annual inventory of its fixed assets and was not able to provide an accurate listing to their auditors.

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

Effect: The School is noncompliant with NMAC 2.20.1.16 and does not have internal controls implemented for safeguarding them and establishing accountability for their custody and use. The capital asset inventory listing was not complete and account balances may potentially be misstated as of June 30, 2010.

Cause: During the audit year the District did not have a person charged with management of the District's capital assets. Asset additions and deletions were not properly reconciled to ensure accuracy or existence.

Auditor's Recommendations: The School must implement and formalize a policy relating to capital assets. The policy must be in compliance State Statute, which required tagging of capital assets and requires an annual inventory be performed as well as ensuring capital asset listing, including additions agree to the general ledger.

Management's Response: The District utilizes a financial management system that automatically categorizes capital assets upon purchase. The accuracy of this program was compromised when staffing was reduced and items should have been removed from the original inventory and weren't. The District will review the inventory for accuracy at the end of the fiscal year to insure we are in compliance with State Statute.

FS 2010-06— Payroll Documentation (Other Matter)

Condition: During our test work of personnel files, GPS noted the following:

- One out of twenty-five employees did not have an I-9 on file.
- Two out of twenty-five employees did not have a W-4 on file.
- One out of twenty-five employees had insurance deductions at an incorrect rate.

Criteria: NMAC 6.20.2.18 states the local board shall establish written payroll policies and procedures which comply with state and federal regulations on payroll as well as maintaining strict internal controls, close supervision and financial accounting in accordance with GAAP. School districts shall maintain and have available for inspection the following employee record documentation: employment contracts (including increments), personnel/payroll action forms, certification records, employment eligibility verification (federal form I-9 for citizenship certification), federal and state withholding allowance certificates, pay deduction authorizations, pay or position change notices, Educational Retirement Act plan application, and direct deposit authorizations. The Immigration Reform & Control Act of 1986 requires all employees hired after November 6, 1986 to complete a form I-9 within 3 days of hire. This form is to be retained for either three years after the date of hire or one year after the date of termination, whichever is later.

Effect: The school is not in compliance with NMAC 6.20.2.18 and with IRCA of 1986. By not properly filling out the documents it is possible that the school could allow an individual not legal to employ in the United States take a job, which could put the District at risk for possible litigation and/or subject to penalties and fines from the Internal Revenue Service.

Cause: The District was unaware that the employees had incomplete personnel files. Files which are missing I-9 forms are for student employees. The district was not aware that student work study employees required an I-9 as well.

STATE OF NEW MEXICO
HATCH VALLEY PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2010

Schedule V

Section II – Financial Statement Findings (continued)

Auditors' Recommendations: We recommend the District obtain all required information and retain the necessary documents in the employees' personnel files as well as review all supporting documentation for payroll processed.

Management's Response: The District will double-check all employee personnel files at the beginning of each fiscal year to insure all files contain proper supporting documentation for payroll processing. All new employee files will be double checked by more than one staff member before their first paycheck is given.

FS 2010-07 Cash Receipts (Other Matter)

Condition: During our audit, we noted 2 of the 25 receipts tested totaling \$534.16 was not deposited within 24 hours of receipt as required by State Statute 6-10-2 NMSA, 1978.

Criteria: NMAS 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.

Cause: Lack of Internal Controls made it difficult for the District to consistently have timely deposits.

Effect: Without timely deposits, the District's funds are subject to misappropriation and the District is not compliant with State requirements.

Auditor's Recommendations: We recommend the District cross-train employees so more than one individual is able to make deposits, to ensure daily deposits are possible.

Management Response: The District will cross-train employees so more than one individual is able to make deposits, to ensure daily deposits are possible. The District will review this policy with all building office staff.

Section III – Federal Awards Findings

FA 2010-01: Audit Report Submission of Data Collection Form and Reporting Package (Significant Deficiency)

Federal program information:

Funding agency:	All
Title:	All
CFDA number:	All

Criteria: OMB Circular A-133 requires that the audit shall be completed and the data collection form and reporting package shall be submitted to the Federal Audit Clearinghouse within the earlier of 30 days after receipt of the auditor's report(s), or nine months after the end of the audit period, unless a longer period is agreed to in advance by the cognizant or oversight agency for audit.

Condition: The June 30, 2010 data collection form and reporting package were not submitted to the Federal Audit Clearinghouse by the required date of March 31, 2011.

Questioned Costs: None.

Cause: Accounting records were not available in time to ensure the submission of a timely audit report to the state, thereby delaying the submission of the Federal Reporting Package.

Effect: The result was the late submission of the District's audit report for the year ended June 30, 2010, and the District is not in compliance with Federal and State requirements.

STATE OF NEW MEXICO
HATCH VALLEY PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2010

Schedule V

Section III – Federal Awards Findings (continued)

Auditor's Recommendation: We recommend that the district post and prepare its accounting records in a timely manner so that the future audits can be completed by the deadline as well as future Federal Reporting Packages.

Management's Response: The district plans to have accounting records prepared in a timely manner so the 2012 audit can be completed by the November 15th deadline along with the Federal Reporting Package..

Section IV – Prior Year Audit Findings

- 08-2 Cash Balances, Resolved
- 08-5 Budgetary Controls, Revised and Repeated
- 09-1 Agency Receipts, Resolved
- 09-2 Purchasing Procedures, Resolved
- 09-3 Use of Restricted Revenues, Revised and Repeated

Section V – Other Disclosures

Auditor Prepared Financials

Griego Professional Services, LLC assisted in the preparation of the financial statements presented in this report. The District's management has reviewed and approved the financial statements and related notes and they believe that their records adequately support the financial statements.

Exit Conference

The contents of this report were discussed on March 21, 2012. The following individuals were in attendance.

Hatch Valley Public Schools

Linda Hale, Interim Superintendent
Paul Dulin, Board Member
Kathleen McConnell, Audit Committee Member

Griego Professional Services, LLC

JJ Griego, CPA, Managing Partner
Benjamin Martinez, CPA