

**STATE OF NEW MEXICO
JAL PUBLIC SCHOOLS**

Audit Report

For the Year Ended June 30, 2008

RONNY FOUTS
CERTIFIED PUBLIC ACCOUNTANT
Melrose, New Mexico

STATE OF NEW MEXICO
Jal Public Schools

Official Roster
For the year ended June 30, 2008

BOARD OF EDUCATION

Kelly DeckPresident
Johnny Mack Owen Vice-President
Jackie Ford Secretary
Larry Crites Member
Bobby Kimball..... Member

SCHOOL OFFICIALS

Rick Ferguson Superintendent
Vicki Kelton..... Business Manager

STATE OF NEW MEXICO
Jal Public Schools

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FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

Hector Balderas, State Auditor
And the Board of Education
Jal Public Schools
Jal, New Mexico

We have audited the accompanying financial statements of the governmental activities, each major fund, the general fund budget comparison, and the aggregate remaining fund information of the Jal Public Schools (the District), as of and for the year ended June 30, 2008, which collectively comprise the Jal Public School's basic financial statements as listed in the table of contents. We have also audited the financial statements of each of the nonmajor governmental funds presented as supplementary information in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2008, as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2008, and the respective changes in financial position and the budgetary comparisons for the general fund for the year then ended in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each nonmajor governmental fund of the District as of June 30, 2008 and the respective changes in financial position, and the respective budgetary comparisons for the nonmajor funds and the major capital projects 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 October 31, 2008, on our consideration of Jal Public School's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards, and should be considered in assessing the results of our audit.

For the year ended June 30, 2008, Jal Public School 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 additional schedules listed as "other supplemental information" in the table of contents are presented for purposes of additional analysis and is 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 presented in all material respects, in relation to the basic financial statements taken as a whole.

A handwritten signature in black ink that reads "Ronny Fouts, CPA". The signature is written in a cursive style.

Ronny Fouts, CPA
Melrose, New Mexico
October 31, 2008

Basic Financial Statements

STATE OF NEW MEXICO
 JAL PUBLIC SCHOOLS
 STATEMENT OF NET ASSETS

June 30, 2008

ASSETS	<u>Governmental Activities</u>
Cash and Cash Equivalents	\$ 1,880,333
Taxes Receivable	50,588
Due from other Governments	281,895
Inventories	4,738
Non-current Capital Assets - Net	<u>5,453,167</u>
TOTAL ASSETS	<u>\$ 7,670,721</u>
 LIABILITIES	
Current:	
Accounts Payable	\$ 281,895
Deferred Revenue	<u>34,296</u>
Total Liabilities	<u>316,191</u>
 NET ASSETS	
Invested in capital assets	5,453,167
Restricted for:	
Capital Projects	1,065,355
Unrestricted	<u>836,008</u>
TOTAL NET ASSETS	<u>\$ 7,354,530</u>

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

STATE OF NEW MEXICO
 JAL PUBLIC SCHOOLS
 STATEMENT OF ACTIVITIES

Year ended June 30, 2008

Functions/Programs	Program Revenues				Net (Expenses) Revenue & Changes in Net Assets
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Primary Government: Governmental activities:					
Instruction	\$ 2,939,263	\$ -	\$ 454,508	\$ -	\$ (2,484,755)
Support Services					
Students	159,603	15,031	1,770	-	(142,802)
Instruction	9,317	-	2,309	-	(7,008)
General Administration	183,682	-	8,640	-	(175,042)
School Administration	285,547	-	38,168	-	(247,379)
Central Services	106,249	-	12,091	-	(94,158)
Operation & Maintenance of Plant	1,486,695	-	134,809	-	(1,351,886)
Student Transportation	187,546	-	-	-	(187,546)
Food service	187,973	22,184	108,428	-	(57,361)
Community Services	6,933	-	100,000	-	93,067
Total Governmental Activities	\$ 5,552,808	\$ 37,215	\$ 860,723	\$ -	(4,654,870)

General Revenues	
Property taxes:	
Levied for general purposes	131,056
Levied for capital projects	525,190
State aid not restricted	3,968,704
Unrestricted investment earnings	80,189
Refunds/reimbursements	5,530
Other Local Revenues	178,429
Total general revenues	<u>4,889,098</u>
Change in net assets	234,228
Net assets beginning	<u>7,120,302</u>
Net Assets- ending	<u>\$ 7,354,530</u>

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

Fund Financial Statements

STATE OF NEW MEXICO
 JAL PUBLIC SCHOOLS

BALANCE SHEET - GOVERNMENTAL FUNDS

June 30, 2008

	GENERAL FUND	SB-9 CAPITAL IMPROVEMENTS	OTHER GOVERNMENTAL FUNDS
ASSETS			
Cash on Deposit	\$ 763,408	\$ 1,024,879	\$ 92,046
Taxes Receivable	10,112	40,476	-
Due from other Governments	-	-	281,895
Inventories	-	-	4,738
TOTAL ASSETS	\$ 773,520	\$ 1,065,355	\$ 378,679
LIABILITIES AND FUND BALANCE			
Accounts Payable	\$ -	\$ -	\$ 281,895
Deferred Revenue	-	-	34,296
TOTAL LIABILITIES	-	-	316,191
FUND BALANCE			
Fund Balance			
Reserved:			
Reserved for inventory	-	-	4,738
Reserved for capital projects	-	1,065,355	-
Unreserved:			
Undesignated, Reported in			
General Fund	773,520	-	-
Special Revenue Funds	-	-	57,750
Capital Projects Funds	-	-	-
TOTAL FUND BALANCE	773,520	1,065,355	62,488
TOTAL LIABILITIES AND FUND BALANCE	\$ 773,520	\$ 1,065,355	\$ 378,679

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

TOTAL
GOVERNMENTAL
FUNDS

\$ 1,880,333
50,588
281,895
4,738

\$ 2,217,554

\$ 281,895
34,296

316,191

4,738
1,065,355

773,520
57,750
-

1,901,363

\$ 2,217,554

STATE OF NEW MEXICO
JAL PUBLIC SCHOOLS
RECONCILIATION OF THE BALANCE SHEET
ALL GOVERNMENTAL FUNDS TO THE
STATEMENT OF NET ASSETS

June 30, 2008

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

Fund Balance - total governmental funds	\$ 1,901,363
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds	<u>5,453,167</u>
Net assets of governmental activities	<u>\$ 7,354,530</u>

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

STATE OF NEW MEXICO
JAL PUBLIC SCHOOLS

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

Year ended June 30, 2008

	GENERAL FUND	SB-9 CAPITAL IMPROVEMENTS	OTHER GOVERNMENTAL FUNDS
REVENUE			
Federal Aid	\$ -	\$ -	\$ 453,251
State Aid	3,904,036	10,982	498,373
Property taxes	131,056	525,190	-
interest	26,551	50,001	3,637
Refunds/reimbursements	5,530	-	-
Other local sources	14,220	14,854	149,355
TOTAL REVENUES	4,081,393	601,027	1,104,616
EXPENDITURES			
Current			
Instruction	2,362,508	-	454,508
Support Services			
Students	157,833	-	1,770
Instruction	7,008	-	2,309
General Administration	174,375	667	8,640
School Administration	247,379	-	38,168
Central Services	94,158	-	12,091
Operation & Maintenance of Plant	695,622	-	134,809
Transportation of students	187,546	-	-
Food Service	55,703	-	132,270
Community Services	6,933	-	-
Non-current			
Facilities and construction	37,890	778,893	351,973
TOTAL EXPENDITURES	4,026,955	779,560	1,136,538
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	54,438	(178,533)	(31,922)
OTHER FINANCING SOURCES (USES)			
Sale of Bonds	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-
NET CHANGE IN FUND BALANCES	54,438	(178,533)	(31,922)
FUND BALANCE - JUNE 30, 2007	719,082	1,243,888	94,410
FUND BALANCE - JUNE 30, 2008	\$ 773,520	\$ 1,065,355	\$ 62,488

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

TOTAL
GOVERNMENTAL
FUNDS

\$ 453,251
4,413,391
656,246
80,189
5,530
178,429

5,787,036

2,817,016

159,603
9,317
183,682
285,547
106,249
830,431
187,546
187,973
6,933

1,168,756

5,943,053

(156,017)

-

-

(156,017)

2,057,380

\$ 1,901,363

STATE OF NEW MEXICO
JAL PUBLIC SCHOOLS

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

Year Ended June 30, 2007

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

Net change in fund balance - total governmental funds \$ (156,017)

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current year.

390,245

Change in Net Assets \$ 234,228

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

Major Funds

STATE OF NEW MEXICO
JAL PUBLIC SCHOOLS

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

Year Ended June 30, 2008

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Revenue	\$ -	\$ -	\$ -	\$ -
State Revenue	3,879,504	3,915,414	3,904,230	(11,184)
Property Taxes	111,026	111,026	127,619	16,593
Local Revenue	7,000	7,000	14,220	7,220
Refunds/reimbursements	-	-	5,530	
Income from Investments	30,000	30,000	26,551	(3,449)
TOTAL REVENUE	4,027,530	4,063,440	\$ 4,078,150	\$ 9,180
BUDGETED CASH BALANCE	603,025	706,728		
TOTAL REVENUE & CASH	\$ 4,630,555	\$ 4,770,168		

EXPENDITURES

Current

Instruction	\$ 2,569,175	\$ 2,648,801	\$ 2,362,509	\$ 286,292
Support Services				
Students	161,992	163,933	157,833	6,100
Instruction	14,241	15,637	7,008	8,629
General Administration	245,242	250,742	174,375	76,367
School Administration	252,722	264,744	247,379	17,365
Central Services	141,201	141,701	94,158	47,543
Operation & Maintenance of Plant	907,034	925,472	695,622	229,850
Student Transportation	194,952	194,681	187,546	7,135
Other Support Services	31,880	31,880	-	31,880
Food Services	71,712	72,173	55,703	16,470
Community Services	7,000	7,000	6,933	67
Facilities Acquisition & Construction	33,404	53,404	37,890	15,514
TOTAL EXPENDITURES	\$ 4,630,555	\$ 4,770,168	\$ 4,026,956	\$ 743,212

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/Inflows of Resources

Actual amounts (budgetary basis)	\$ 4,078,150
Differences budget to GAAP	
Prior Year receivable	(6,869)
Current Year receivable	10,112
Total Revenues (GAAP Basis)	\$ 4,081,393

Uses/Outflows of Resources

Actual amounts (budgetary basis)	\$ 4,026,956
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	\$ 4,026,956

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

STATE OF NEW MEXICO
JAL PUBLIC SCHOOLS

STATEMENT OF ASSETS AND LIABILITIES - AGENCY FUNDS
June 30, 2008

<u>ASSETS</u>	Agency Funds
Pooled Cash and Investments	<u>\$ 237,107</u>
<u>LIABILITIES</u>	
Liabilities:	
Deposits held for others	<u>\$ 237,107</u>

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

STATE OF NEW MEXICO
JAL PUBLIC SCHOOLS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008

I. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

A. **Reporting Entity**

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

There were no component units.

The summary of significant accounting policies of the District is presented to assist in the understanding of the District's financial statements. The financial statements and notes are the representation of Jal Public School's management who is responsible for their integrity and objectivity. The financial statements of the District conform to generally accept accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the government's accounting policies are described below.

B. **Government-Wide and Fund Financial Statements**

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

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues. Separate financial statements are provided for governmental funds. 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. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues, net of estimated refunds and estimated uncollectible amounts, in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial 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.

STATE OF NEW MEXICO
JAL PUBLIC SCHOOLS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008

Property taxes, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government. Grant revenues and deferrals are recognized in accordance with GASB 33.

The District reports the following major governmental funds:

General Funds – The general fund is the government’s primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. Included are the Operational, Transportation & Instructional Materials Funds

SB-9 (Capital Projects Fund) – to account for 2.0 mill levy restricted by board resolution for erecting, remodeling, making additions to, providing equipment for, and furnishing school buildings, improving school grounds and maintenance of school building and grounds, exclusive of salary expense of employees. Authority for the creation of this fund is NMSA 22-25-1 to 22-25-10. Reported as a major fund.

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

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

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

D. Assets, Liabilities, and Net Assets or Equity

1. Deposits and Investments

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

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

Deposits of funds may be made in interest or non-interest bearing checking accounts in one or more banks or savings or 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 collateral deposited as security or by bond given by the financial institution.

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

**STATE OF NEW MEXICO
JAL PUBLIC SCHOOLS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008**

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

Investments for the District are reported at fair value. The State Treasurer's Investment Pool operates in accordance with appropriate state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares.

2. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (Le., the current portion of interfund loans) or "advances to/from other funds" (Le., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds."

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

3. Inventories

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

4. Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the applicable governmental-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$1,000 (amount not rounded) and an estimated useful life extending beyond a single reporting period. Effective June 17, 2005, the value of capital assets that must be inventoried and listed was increased to \$5,000 (amount not rounded). Old inventory items that do not meet the updated capitalization threshold will remain on the inventory list and will continue to be depreciated. Such assets are recorded at historical cost or estimated cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The district does not have any debt related to capital assets.

The District is including qualifying software and library books in capital assets.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Property, plant, and equipment of the District is depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings & Improvements	50
Land Improvement	50

**STATE OF NEW MEXICO
JAL PUBLIC SCHOOLS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008**

Equipment 10

5. **Compensated Absences**

It is the School District's policy not to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the government does not have a policy to pay any amounts when employees separate from service with the school district.

6. **Fund Equity**

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

7. **Comparative Data/Reclassifications**

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

8. **Indirect Costs**

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

9. **Salaries and Wages**

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

10. **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.

11. **Revenues**

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

A school district's program costs are determined through the use of various formulas using 'program units' which take into consideration 1) early childhood education; 2) basic education; 3) special education; 4) bilingual-multicultural education; 5) size, etc. Payment is made from the public school fund under the authority of the Director of Public School Finance. The District received \$3,675,440 in state equalization guarantee distributions during the year ended June 30, 2008.

Transportation Distribution: School Districts in the State of New Mexico received transportation distributions. The transportation distribution is allocated to each school district in accordance with formulas developed by the State Transportation Director

**STATE OF NEW MEXICO
JAL PUBLIC SCHOOLS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008**

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 \$172,848 in transportation distributions during the year ended June 30, 2008.

II. Reconciliation of Government-wide and Fund Financial Statements

A. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-Wide Statement of Activities

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net changes in fund balances – total governmental funds and changes in net assets of governmental activities* as reported in the government-wide statement of activities. One element of the reconciliation states, "Governmental funds report capital outlays as expenditures." However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. The details of the \$390,245 difference are as follows:

Capital Outlay	\$	922,939
Depreciation Expense		<u>(532,694)</u>
Net adjustment to increase net changes in fund balances-total government funds to arrive at changes in net assets of governmental activities		<u>\$ 390,245</u>

III. Stewardship, Compliance, and Accountability

A. Budgetary Information

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

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

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

The budgetary information presented in these financial statements has been amended in accordance with the above procedures. The District follows these procedures in establishing the budgetary data reflected in the financial statements:

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In April or May, the superintendent submits to the Board of Education a proposed operating budget of the fiscal year commencing the following July. The operating budget includes proposed expenditures and the means of financing them, and has approval by the Department of Education.

In May or June, the budget is approved by the Board of Education.

The school board meeting, while not intended for the general public, is open for the general public unless a closed meeting has been called for.

The superintendent is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the school board and the State of New Mexico Department of Education.

Budgets for the General, Special Revenue, Capital Projects, and Debt Service Funds are adopted on a basis not consistent with generally accepted accounting principles (GAAP). Encumbrances are treated the same way for GAAP purposes and for budget purposes.

The Board of Education may approve amendments to the appropriated budget, which are required when a change is made affecting budgeted ending fund balance. The appropriated budget for the year ended June 30, 2008 was properly amended by the Board through the year. New Mexico state law prohibits a Governmental Agency to exceed an individual line item.

B. Deficit Fund Equity

There were not any deficit fund balances at June 30, 2008.

IV. Detailed Notes on all Funds

A. Cash and Temporary Investments

At June 30, 2008, the carrying amount of the District's deposits was \$703,361 and the bank balance was \$888,397. Of this balance \$100,000 was covered by federal depository insurance and \$440,310 was covered by collateral held in joint safekeeping by a third party in the entity's name.

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

The collateral pledged is shown as listed in the table of contents of this report. The types of collateral allowed are limited to direct obligations of the United States Government and all bonds issued by any agency, district or political subdivision of the State of New Mexico.

According to the Federal Deposit Insurance Authority, public unit deposits are funds owned by the schools. Time deposits, savings deposits and interest bearing Now accounts of a public unit in an institution in the same state will be insured up to \$100,000 in aggregate and separate from the \$100,000 coverage for public unit demand deposits at the same institution.

Investments held by the New Mexico State Treasurer are valued at fair value based on quoted market prices as of the valuation date. The State Treasurer Local Government Investment Pool is not SEC registered. Section 6-10-10 I, NMSA 1978, empowers the State Treasurer, with the advice and consent of the State Board of Finance, to invest money held in the short-term investment fund in securities that are issued by direct obligations of the United States government or are agencies

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sponsored by the United States government. The pool does not have unit shares. Per Section 6-10-10.1, NMSA 1978, at the end of each month all interest earned is distributed by the State Treasurer to the contributing entities in amounts directly proportionate to the respective amounts deposited in the fund and the length of time the amounts were invested. Participation in the local government investment pool is voluntary.

Interest Rate Risk. The District does not have a formal investment policy that limits investments maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk. State law limits investments in commercial paper, corporate bonds and mutual fund bonds to the top two ratings issued nationally recognized statistical rating organizations. The District has no investment policy that would further limit its investment choices. At June 30, 2006, the District's investment in the state investment pool was rated AAAm by Standard & Poor's.

New MexiGROW LGIP	AAAm rated	\$1,414,079	46-day WAM
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B. Custodial Credit Risk – Deposits

Custodial Credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The government does not have a deposit policy for custodial credit risk. As of June 30, 2008, \$348,087 of the government's bank balance of \$888,397 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	<u>\$ 348,087</u>
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C. Receivables

Due from other governments:

Title I	58,867
Entitlement	71
Discretionary	53,008
Partnership in Character Education	8,889
Enhancing Education Through Technology	624
Title V	1,404
Title III	1,005
Teacher Principal Training	8,644
Title IV	2,309
Rural Ed Achievement Program	4,689
Microsoft Settlement Fund	28,048
State PreK	19
Library GO Bonds	1,838
Tech Equity	112,480
	<u>\$ 281,895</u>

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Due from local taxes:

General	\$	10,112
Senate Bill Nine		<u>40,476</u>
Total due from local taxes		<u>50,588</u>
Total Receivables	\$	<u><u>332,483</u></u>

D. Capital Assets

Capital asset activity for the year ended June 30, 2008, was as follows:

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	Beginning Balance	Increases	Decreases		Ending Balance
Capital assets not being depreciated:					
Land	\$ 823,653	\$ -	\$ -		\$ 823,653
Total assets not being depreciated	<u>823,653</u>	<u>-</u>	<u>-</u>		<u>823,653</u>
Capital Assets Being Depreciated:					
Buildings & Improvements	18,968,729	692,134	-		19,660,863
Equipment	1,534,549	230,805	-		1,765,354
Total Assets being Depreciated	<u>20,503,278</u>	<u>922,939</u>	<u>-</u>		<u>21,426,217</u>
Less accumulated depreciation for:					
Buildings & Improvements	15,441,887	410,447			15,852,334
Equipment & Furniture	822,122	122,247			944,369
Total Accumulated depreciation	<u>16,264,009</u>	<u>532,694</u>	<u>-</u>		<u>16,796,703</u>
Total Assets being depreciated, net	<u>4,239,269</u>	<u>390,245</u>	<u>-</u>		<u>4,629,514</u>
Capital Assets, Net	<u>\$ 5,062,922</u>	<u>\$ 390,245</u>	<u>\$ -</u>		<u>\$ 5,453,167</u>

The District has no debt related to capital assets.

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

Instruction	122,247
Operation & Maintenance of Plant	<u>410,447</u>
	<u>532,694</u>

V. Other Information

A. Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injury to employees; and natural disasters. The New Mexico Public Schools Insurance Authority (NMSIA) was formed on April 5, 1985 under the New Mexico Public Schools Insurance Authority Act, Chapter 22, Section 2 of the New Mexico Statutes Annotated (NMSA 1978), as amended, as an insurance fund to provide health, disability and life insurance coverage (benefits coverage), and property, casualty and workers' compensation

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JUNE 30, 2008**

insurance coverage (risk coverage) to participating public schools, school board members, public school employees, and retirees within the State of New Mexico. The District is one of 91 members that participate in the NMPSIA. Participation in NMPSIA is mandatory for all K-12 public schools except those with enrollment exceeding 60,000 students. Participation is voluntary for other public education institutions. The District pays for an annual premium to the pool for its general insurance coverage. The agreement for formation of NMPSIA provides that the pool will be self-sustaining through member premiums. NMPSIA establishes self-insured retentions by line of coverage and procures insurance or reinsurance, where indicated, in excess of the self-insured retention on a per occurrence basis. NMPSIA will publish its own financial report for the year ended June 30, 2008.

B. Contingent Liabilities

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

C. Employee Retirement Plan

Plan Description – Substantially all of Jal Public School'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 (ERA) is the administrator of the plan, which is a cost sharing multiple employer defined benefit retirement plan. The plan provides for retirement, disability benefits and cost-of-living adjustments to plan members and beneficiaries. ERA issues a separate, publicly available financial report that includes the financial statements and required supplementary information. That report may be obtained by writing to ERA, P.O. Box 26129, Santa Fe, New Mexico 87502-6129.

Funding Policy - Plan members are required to contribute 7.825% of their gross salary. Jal Public Schools is required to contribute 10.9% of the gross covered salary. Effective July 1, 2008, plan members are required to contribute 7.9% of their gross salary. The employer contribution will increase .75% each year until July 1, 2011 when the employer contribution will be 13.9%. The contribution requirements of plan members and the Jal Public Schools are established in State statute under Chapter 22, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. Jal Public School's contributions to ERB for the fiscal years ending June 30, 2008, 2007 and 2006, were \$309,789, \$269,943 and \$245,982, respectively, which equal the amount of the required contributions for each fiscal year.

D. Post-Retirement Health Care Benefits

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

Eligible retirees are: (1) retirees who make contributions to the fund for at least five years prior to retirement and whose eligible employer during that period of time made contributions as a participant in the Retiree Health Care Act on the person's behalf,

**STATE OF NEW MEXICO
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NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008**

unless that person retired on or before July 1, 1995, in which event the time period for contributions becomes the time between July 1, 1990, and the date of retirement; or (2) retirees defined by the Act who retired prior to July 1, 1990; and former legislators who served at least two years.

The RHA 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 member are required to pay 100% of the insurance premium to cover their claims and the administrative expenses of the plan. The monthly premium rate schedule can be obtained from the RHCA or viewed on their website at www.nmrhca.state.nm.us.

The Retiree Health Care Act (Section 10-7C-15 NMSA 1978) is the statutory authority that establishes the required contributions of participating employers and their employees. The statute requires each participating employer to contribute 1.3% of each participating employee's annual salary; each participating employee is required to contribute .65% of their salary.

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

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

Jal Public School's contributions to the RHCA for the years ended June 30, 2008, 2007, and 2006 were \$37,813, \$34,567 and \$31,702, respectively, which equal the required contributions for each year.

SUPPLEMENTAL INFORMATION

STATE OF NEW MEXICO
JAL PUBLIC SCHOOLS

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

Year Ended June 30, 2008

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Local Revenue				
Taxes	\$ 445,135	\$ 445,135	\$ 511,458	\$ 66,323
Other Local Revenue	-	-	14,854	
Investment Income	45,000	45,000	50,001	5,001
TOTAL LOCAL REVENUE	490,135	490,135	576,313	\$ 71,324
State Revenue				
State flowthrough	-	10,431	10,625	\$ 194
TOTAL STATE REVENUE	-	10,431	10,625	\$ 194
TOTAL REVENUE	490,135	500,566	\$ 586,938	\$ 71,518
BUDGETED CASH BALANCE	1,021,197	1,217,144		
TOTAL REVENUE & CASH	\$ 1,511,332	\$ 1,717,710		
EXPENDITURES				
Current				
Support Services				
General Administration	\$ 3,000	\$ 3,000	\$ 667	\$ 2,333
Facilities and construction	1,508,332	1,714,710	778,893	935,817
TOTAL EXPENDITURES	\$ 1,511,332	\$ 1,717,710	\$ 779,560	\$ 938,150

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/Inflows of Resources	
Actual amounts (budgetary basis)	\$ 586,938
Differences budget to GAAP	
Prior Year receivable	(26,744)
Change in deferred taxes	-
Current Year receivable	40,476
Total Revenues (GAAP Basis)	\$ 600,670
Uses/Outflows of Resources	
Actual amounts (budgetary basis)	\$ 779,560
Differences-budget to GAAP	
Prior year accounts payable	\$ -
Total Expenditures (GAAP Basis)	\$ 779,560

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

STATE OF NEW MEXICO
 JAL PUBLIC SCHOOLS

COMBINING BALANCE SHEET - GENERAL FUNDS

June 30, 2008

	OPERATIONAL 11000	TRANSPORTATION 13000	INSTRUCTIONAL MATERIALS 14000	TOTAL GENERAL FUND
ASSETS				
Cash on Deposit	\$ 757,129	\$ 3,132	\$ 3,147	\$ 763,408
Taxes Receivable	10,112	-	-	10,112
Internal balances	-	-	-	-
Due from other Governments	-	-	-	-
Inventories	-	-	-	-
TOTAL ASSETS	\$ 767,241	\$ 3,132	\$ 3,147	\$ 773,520
LIABILITIES AND FUND BALANCE				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Deferred Revenue	-	-	-	-
TOTAL LIABILITIES	-	-	-	-
FUND BALANCE				
Fund Balance				
Reserved:				
Reserved for inventory	-	-	-	-
Reserved for debt service	-	-	-	-
Unreserved:				
Designated, Reported in				
General Fund	767,241	3,132	3,147	773,520
Special Revenue Funds	-	-	-	-
Capital Projects Funds	-	-	-	-
TOTAL FUND BALANCE	767,241	3,132	3,147	773,520
TOTAL LIABILITIES AND FUND BALANCE	\$ 767,241	\$ 3,132	\$ 3,147	\$ 773,520

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

STATE OF NEW MEXICO
JAL PUBLIC SCHOOLS

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

Year ended June 30, 2008

	OPERATIONAL 11000	TRANSPORTATION 13000	INSTRUCTIONAL MATERIALS 14000	TOTAL GENERAL FUND
REVENUE				
Federal Aid	\$ -	\$ -	\$ -	\$ -
State Aid	3,675,440	172,848	55,748	3,904,036
Property taxes	131,056	-	-	131,056
Interest	26,551	-	-	26,551
Refunds/ reimbursements	5,530	-	-	5,530
Other local sources	14,220	-	-	14,220
TOTAL REVENUES	3,852,797	172,848	55,748	4,081,393
EXPENDITURES				
Current				
Instruction	2,314,544	-	47,964	2,362,508
Support Services				
Students	157,833	-	-	157,833
Instruction	2,371	-	4,637	7,008
General Administration	174,375	-	-	174,375
School Administration	247,379	-	-	247,379
Central Services	94,158	-	-	94,158
Operation & Maintenance of Plant	695,622	-	-	695,622
Transportation of students	6,472	181,074	-	187,546
Food Service	55,703	-	-	55,703
Community Services	6,933	-	-	6,933
Non-current				
Facilities and construction	37,890	-	-	37,890
TOTAL EXPENDITURES	3,793,280	181,074	52,601	4,026,955
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	59,517	(8,226)	3,147	54,438
OTHER FINANCING SOURCES (USES)				
Sale of Bonds	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-
NET CHANGE IN FUND BALANCES	59,517	(8,226)	3,147	54,438
FUND BALANCE - JUNE 30, 2007	707,724	11,358	-	719,082
FUND BALANCE - JUNE 30, 2008	\$ 767,241	\$ 3,132	\$ 3,147	\$ 773,520

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

STATE OF NEW MEXICO
JAL PUBLIC SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES - BUDGET (NON-GAAP)
AND ACTUAL - GENERAL FUND - OPERATIONAL - 11000

Year Ended June 30, 2008

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Revenue		\$ -	\$ -	\$ -
State Revenue	3,656,528	3,685,753	3,675,440	(10,313)
Property Taxes	111,026	111,026	127,619	16,593
Local Revenue	7,000	7,000	14,220	7,220
Refunds/Reimbursements	-	-	5,530	5,530
Income from Investments	30,000	30,000	26,551	(3,449)
TOTAL REVENUE	3,804,554	3,833,779	3,849,360	\$ 15,581

BUDGETED CASH BALANCE	603,025	701,049
TOTAL REVENUE & CASH	\$ 4,407,579	\$ 4,534,828

EXPENDITURES				
Current				
Instruction	\$ 2,532,392	\$ 2,600,779	\$ 2,314,544	\$ 286,235
Support Services				
Students	161,992	163,933	157,833	6,100
Instruction	11,000	11,000	2,371	8,629
General Administration	245,242	250,742	174,375	76,367
School Administration	252,722	264,744	247,379	17,365
Central Services	141,201	141,701	94,158	47,543
Operation & Maintenance of Plant	907,034	925,472	695,622	229,850
Student Transportation	12,000	12,000	6,472	5,528
Other Support Services	31,880	31,880	-	31,880
Food Services	71,712	72,173	55,703	16,470
Community Services	7,000	7,000	6,933	67
Facilities Acquisition & Construction	33,404	53,404	37,890	15,514
TOTAL EXPENDITURES	\$ 4,407,579	\$ 4,534,828	\$ 3,793,280	\$ 741,548

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/Inflows of Resources	
Actual amounts (budgetary basis)	\$ 3,849,360
Differences budget to GAAP	
Prior Year receivable	(6,675)
Prior Year receivable	-
Current Year receivable	10,112
Total Revenues (GAAP Basis)	\$ 3,852,797

Uses/Outflows of Resources	
Actual amounts (budgetary basis)	\$ 3,793,280
Differences-budget to GAAP	
Prior year payable	-
Change in inventory	-
Current year payable	-
Total Expenditures (GAAP Basis)	\$ 3,793,280

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

STATE OF NEW MEXICO
 JAL PUBLIC SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES - BUDGET (NON-GAAP)
 AND ACTUAL - GENERAL FUND - TRANSPORTATION - 13000

Year Ended June 30, 2008

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
State Aid	\$ 182,952	\$ 177,002	\$ 172,848	\$ (4,154)
TOTAL REVENUE	182,952	177,002	<u>172,848</u>	<u>(4,154)</u>
BUDGETED CASH BALANCE	-	5,679		
TOTAL REVENUE & CASH	<u>\$ 182,952</u>	<u>\$ 182,681</u>		
EXPENDITURES				
Current				
Student Transportation	\$ 182,952	\$ 182,681	\$ 181,074	\$ 1,607
TOTAL EXPENDITURES	<u>\$ 182,952</u>	<u>\$ 182,681</u>	<u>\$ 181,074</u>	<u>\$ 1,607</u>

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/Inflows of Resources

Actual amounts (budgetary basis)	\$ 172,848
Differences budget to GAAP	
Current Year receivable	-
Total Revenues (GAAP Basis)	<u>\$ 172,848</u>

Uses/Outflows of Resources

Actual amounts (budgetary basis)	\$ 181,074
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 181,074</u>

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

Non-Major Funds

STATE OF NEW MEXICO
JAL PUBLIC SCHOOLS

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

June 30, 2008

	SPECIAL REVENUE	CAPITAL PROJECTS	TOTAL
ASSETS			
Cash on Deposit	\$ 92,046	\$ -	\$ 92,046
Taxes receivable		-	-
Due from other Governments	281,895	-	281,895
Inventories	4,738	-	4,738
TOTAL ASSETS	\$ 378,679	\$ -	\$ 378,679
LIABILITIES			
Accounts Payable	\$ 281,895	\$ -	\$ 281,895
Internal balances	-	-	-
Deferred Revenue	34,296	-	34,296
TOTAL LIABILITIES	316,191	-	316,191
FUND BALANCE			
Fund Balance			
Reserved:			
Reserved for inventory	4,738	-	4,738
Unreserved:			
Designated for subsequent year expenditures	57,750	-	57,750
TOTAL FUND BALANCE	62,488	-	62,488
TOTAL LIABILITIES & FUND BALANCE	\$ 378,679	\$ -	\$ 378,679

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

STATE OF NEW MEXICO
JAL PUBLIC SCHOOLS

COMBINING STATEMENT OF REVENUES, EXPENDITURES
CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS

Year ended June 30, 2008

	SPECIAL REVENUE	CAPITAL PROJECTS	TOTAL
REVENUES			
Federal Aid	\$ 453,251	\$ -	\$ 453,251
State Aid	279,282	219,091	498,373
Local revenues	149,355	-	149,355
Interest	1,752	1,885	3,637
TOTAL REVENUES	883,640	220,976	1,104,616
EXPENDITURES			
Current			
Instruction	454,508	-	454,508
Support Services			
Students	1,770	-	1,770
Instruction	2,309	-	2,309
General Administration	8,640	-	8,640
School Administration	38,168	-	38,168
Central Services	12,091	-	12,091
Operation & Maintenance of Plant	134,809	-	134,809
Student Transportation	-	-	-
Food Service	132,270	-	132,270
Facilities and construction	100,000	251,973	351,973
TOTAL EXPENDITURES	884,565	251,973	1,136,538
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(925)	(30,997)	(31,922)
FUND BALANCE- JUNE 30, 2006	63,413	30,997	94,410
FUND BALANCE - JUNE 30, 2007	\$ 62,488	\$ -	\$ 62,488

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

NON MAJOR FUNDS

FOOD SERVICES – to account for revenues generated by the District as well as the federal assistance received and the related expenditures necessary to provide food services for the District. (Authority, NMSA 22-13-13)

ATHLETICS – to account for the revenues received and the related expenditures incurred by the District related to athletic functions. (Authority, SBE Reg. 93-1)

TITLE I – to account for the federal assistance provided to the District for the improvement of educational opportunities to deprived children. (Authority, PL 103-382)

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

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

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

PARTNERSHIP IN CHARACTER EDUCATION – to conduct nationally significant programs to improve the quality of education, assist all students to meet challenging State content standards, and contribute to the achievement of elementary and secondary students. This program is authorized under the Elementary and Secondary Education Act of 1965, Title V, Part D, as amended

ENHANCING EDUCATION THROUGH TECHNOLOGY – to account for the federal assistance provided to the District for the improvement of educational opportunities to deprived children. (Authority, PL 103-382)

TITLE V – to account for the federal assistance provided to the District for specialized improvements of educational opportunities to disadvantaged children. (Authority, PL 100-297)

TITLE III – 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, PL 107-116.

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

TITLE IV – to account for a federal grant restricted to the establishment and implementation of substance abuse education and prevention programs in the elementary and secondary schools. Authority for fund creation DFS & C Act of 1986, Title V, Part B; ESEA as amended; Public Laws 99-750, 100-297, 100-690, 101-226 and 101-647, Public Law 103-382.

READING FIRST- to provide assistance to states and districts to implement programs based on scientifically based reading research for students in Kindergarten through third grade. The program is authorized by Title I, Part B, Subpart 1 of the ESEA of 1965, as amended by No Child Left Behind Act of 2001.

RURAL EDUCATION ACHIEVEMENT PROGRAM– to account for monies received to provide financial assistance to rural districts to carry out activities to help improve the quality of teaching and learning. Authority for this program is contained in Title VI, Part B of the Elementary and Secondary Education Act of 1965, (ESEA), as amended by Public Law 107-110.

MICROSOFT SETTLEMENT FUND – to account for revenues received from Microsoft for the purpose of expanding and improving the technology program.

TECHNOLOGY FOR EDUCATION– to account for revenues received from the State for the purpose of expanding and improving the technology program. (Authority, NMSA 22-15A-1)

STATE PREK - To account for funds received for a Pre Kindergarten Program to improve skills of pre school age students.

INCENTIVES FOR SCHOOL IMPROVEMENT – to account for funds received from the Incentives for School Improvement Act (Section 22-2C-9, NMSA 1978) that is to provide financial incentive to individual schools that exceed expected academic progress.

BEGINNING TEACHER MENTORING PROGRAM - to account for revenues received to enhance and improve skills for beginning teachers. (Authority, State Grant Provision and Hatch Valley Board of Education)

TECH EQUITY - to account for a grant designed to strengthen learning in the field of technology.

LIBRARY BONDS 2004 – Funds are to be used for the upgrade of library, books, and equipment. (Authority, NMPED, Laws of 2004)

PRIVATE DIRECT GRANT - A private grant to assist in the roofing of the school facilities. Authority of the grant provisions,.

PUBLIC SCHOOL CAPITAL OUTLAY 20% - to account for the revenue received from 20% of the local taxes collected to be used for improvements and additions to school owned property.

STATE OF NEW MEXICO
JAL PUBLIC SCHOOLS

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS

June 30, 2008

	FOOD SERVICE 21000	ATHLETIC 22000	TITLE I 24101	IDEA-B ENTITLEMENT 24106	IDEA-B DISCRETIONARY 24107
ASSETS					
Cash on Deposit	\$ 37,488	\$ 20,262	\$ -	\$ -	\$ -
Due from other Governments	-	-	58,867	71	53,008
Inventories	4,738	-	-	-	-
TOTAL ASSETS	\$ 42,226	\$ 20,262	\$ 58,867	\$ 71	\$ 53,008
LIABILITIES					
Accounts Payable	\$ -	\$ -	\$ 58,867	\$ 71	\$ 53,008
Internal balances	-	-	-	-	-
Deferred Revenue	-	-	-	-	-
TOTAL LIABILITIES	-	-	58,867	71	53,008
FUND BALANCE					
Fund Balance					
Reserved:					
Reserved for inventory	4,738	-	-	-	-
Unreserved:					
Designated for subsequent year expenditures	37,488	20,262	-	-	-
TOTAL FUND BALANCE	42,226	20,262	-	-	-
TOTAL LIABILITIES & FUND BALANCE	\$ 42,226	\$ 20,262	\$ 58,867	\$ 71	\$ 53,008

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

IDEA-B PRESCHOOL 24109	PARTNERSHIP IN CHARACTER EDUCATION 24129	ENHANCING EDUCATION THROUGH TECHNOLOGY 24133	TITLE V 24150	TITLE III 24153	TEACHER PRINCIPAL TRAINING 24154
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	8,889	624	1,404	1,005	8,644
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ 8,889</u>	<u>\$ 624</u>	<u>\$ 1,404</u>	<u>\$ 1,005</u>	<u>\$ 8,644</u>

\$ -	\$ 8,889	\$ 624	\$ 1,404	\$ 1,005	\$ 8,644
-	-	-	-	-	-
-	-	-	-	-	-
-	8,889	624	1,404	1,005	8,644

-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ 8,889</u>	<u>\$ 624</u>	<u>\$ 1,404</u>	<u>\$ 1,005</u>	<u>\$ 8,644</u>

STATE OF NEW MEXICO
 JAL PUBLIC SCHOOLS

COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS

June 30, 2008

	TITLE IV 24157	READING ACHIEVEMENT FIRST 24167	RURAL ED ACHIEVEMENT PROGRAM 25233	MICROSOFT SETTLEMENT FUND 26170
ASSETS				
Cash on Deposit	\$ -	\$ -	\$ -	\$ -
Due from other Governments	2,309	-	4,689	28,048
Inventories	-	-	-	-
TOTAL ASSETS	\$ 2,309	\$ -	\$ 4,689	\$ 28,048
LIABILITIES				
Accounts Payable	\$ 2,309	\$ -	\$ 4,689	\$ 28,048
Internal balances	-	-	-	-
Deferred Revenue	-	-	-	-
TOTAL LIABILITIES	2,309	-	4,689	28,048
FUND BALANCE				
Fund Balance				
Reserved:				
Reserved for inventory	-	-	-	-
Unreserved:				
Designated for subsequent year expenditures	-	-	-	-
TOTAL FUND BALANCE	-	-	-	-
TOTAL LIABILITIES & FUND BALANCE	\$ 2,309	\$ -	\$ 4,689	\$ 28,048

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

TECHNOLOGY FOR EDUCATION 27117	INCENTIVE FOR SCHOOL IMPROVEMENT 27138	STATE PreK 27149	LIBRARY BONDS 2004 27170	TEACHER MENTORING PROGRAM 27154	TECH EQUITY 27162	COMBINED
\$ 17,267	\$ 17,029	\$ -	\$ -	\$ -	\$ -	\$ 92,046
-	-	19	1,838	-	112,480	281,895
-	-	-	-	-	-	4,738
<u>\$ 17,267</u>	<u>\$ 17,029</u>	<u>\$ 19</u>	<u>\$ 1,838</u>	<u>\$ -</u>	<u>\$ 112,480</u>	<u>\$ 378,679</u>

\$ -	\$ -	\$ 19	\$ 1,838	\$ -	\$ 112,480	\$ 281,895
-	-	-	-	-	-	-
17,267	17,029	-	-	-	-	34,296
<u>17,267</u>	<u>17,029</u>	<u>19</u>	<u>1,838</u>	<u>-</u>	<u>112,480</u>	<u>316,191</u>

-	-	-	-	-	-	4,738
-	-	-	-	-	-	57,750
-	-	-	-	-	-	62,488

<u>\$ 17,267</u>	<u>\$ 17,029</u>	<u>\$ 19</u>	<u>\$ 1,838</u>	<u>\$ -</u>	<u>\$ 112,480</u>	<u>\$ 378,679</u>
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STATE OF NEW MEXICO
JAL PUBLIC SCHOOLS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE
NONMAJOR SPECIAL REVENUE FUNDS

Year Ended June 30, 2008

	FOOD SERVICE 21000	ATHLETIC 22000	TITLE I 24101	IDEA-B ENTITLEMENT 24106
REVENUES				
Federal Aid	\$ 108,428	\$ -	\$ 122,718	\$ 82,586
State Aid	-	-	-	-
Local revenues	22,184	15,031	-	-
Interest	887	865	-	-
TOTAL REVENUES	131,499	15,896	122,718	82,586
EXPENDITURES				
Current				
Instruction	-	16,050	113,236	41,760
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	6,662	28,735
Central Services	-	-	-	12,091
Operation & Maintenance of Plant	-	-	2,820	-
Student Transportation	-	-	-	-
Food Service	132,270	-	-	-
Facilities Acquisition & Construction	-	-	-	-
TOTAL EXPENDITURES	132,270	16,050	122,718	82,586
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(771)	(154)	-	-
FUND BALANCE- JUNE 30, 2006	42,997	20,416	-	-
FUND BALANCE - JUNE 30, 2007	\$ 42,226	\$ 20,262	\$ -	\$ -

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

IDEA-B DISCRETIONARY 24107	IDEA -B PRESCHOOL 24109	PARTNERSHIP IN CHARACTER EDUCATION 24129	ENHANCING EDUCATION THROUGH TECHNOLOGY 24133	TITLE V 24150	TITLE III 24153	TEACHER PRINCIPAL TRAINING 24154
\$ 53,008	\$ 8,528	\$ 13,367	\$ 1,198	\$ 3,240	\$ 1,005	\$ 20,121
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
53,008	8,528	13,367	1,198	3,240	1,005	20,121
52,243	-	10,710	1,198	3,240	-	20,121
765	-	-	-	-	1,005	-
-	-	-	-	-	-	-
-	8,528	-	-	-	-	-
-	-	2,657	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
53,008	8,528	13,367	1,198	3,240	1,005	20,121
-	-	-	-	-	-	-
-	-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

STATE OF NEW MEXICO
JAL PUBLIC SCHOOLS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE
NONMAJOR SPECIAL REVENUE FUNDS

Year ended June 30, 2008

	TITLE IV 24157	READING FIRST 24167	RURAL ED ACHIEVEMENT PROGRAM 25233	MICROSOFT SETTLEMENT FUND 26170	TECHNOLOGY FOR EDUCATION 27117
REVENUES					
Federal Aid	\$ 2,309	\$ 26,761	\$ 9,982	\$ -	\$ -
State Aid	-	-	-	-	2,505
Local revenues	-	-	-	12,140	-
Interest	-	-	-	-	-
TOTAL REVENUES	2,309	26,761	9,982	12,140	2,505
EXPENDITURES					
Current					
Instruction	-	26,761	9,982	12,140	2,279
Support Services					
Students	-	-	-	-	-
Instruction	2,309	-	-	-	-
General Administration	-	-	-	-	112
School Administration	-	-	-	-	114
Central Services	-	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-	-
Student Transportation	-	-	-	-	-
Food Service	-	-	-	-	-
Facilities Acquisition & Construction	-	-	-	-	-
TOTAL EXPENDITURES	2,309	26,761	9,982	12,140	2,505
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-	-	-
FUND BALANCE- JUNE 30, 2006	-	-	-	-	-
FUND BALANCE - JUNE 30, 2007	\$ -	\$ -	\$ -	\$ -	\$ -

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

STATE PreK 27149	TEACHER MENTORING PROGRAM 27154	TECH EQUITY 27162	LIBRARY BONDS 2004 27145	PRIVATE DIRECT GRANT 29102	COMBINED
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 453,251
34,056	-	241,989	732	-	279,282
-	-	-	-	100,000	149,355
-	-	-	-	-	1,752
34,056	-	241,989	732	100,000	883,640
34,056	-	110,000	732	-	454,508
-	-	-	-	-	1,770
-	-	-	-	-	2,309
-	-	-	-	-	8,640
-	-	-	-	-	38,168
-	-	-	-	-	12,091
-	-	131,989	-	-	134,809
-	-	-	-	-	-
-	-	-	-	-	132,270
-	-	-	-	100,000	100,000
34,056	-	241,989	732	100,000	884,565
-	-	-	-	-	-
-	-	-	-	-	(925)
-	-	-	-	-	-
-	-	-	-	-	63,413
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 62,488

STATE OF NEW MEXICO
JAL PUBLIC SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES - BUDGET (NON-GAAP)
AND ACTUAL - SPECIAL REVENUE FUND - FOOD SERVICE - 21000

Year Ended June 30, 2008

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Aid	\$ 95,000	\$ 95,000	\$ 102,065	\$ 7,065
State Aid	-	-	-	-
Local Revenue	19,100	19,100	22,184	3,084
Income from Investments	900	900	887	(13)
TOTAL REVENUE	115,000	115,000	\$ 125,136	\$ 10,136
BUDGETED CASH BALANCE	35,885	38,012		
TOTAL REVENUE & CASH	\$ 150,885	\$ 153,012		
EXPENDITURES				
Current				
Food Service	150,885	153,012	125,660	27,352
TOTAL EXPENDITURES	\$ 150,885	\$ 153,012	\$ 125,660	\$ 27,352

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/Inflows of Resources

Actual amounts (budgetary basis)	\$ 125,136
Differences budget to GAAP	
Commodities received	6,363
Total Revenues (GAAP Basis)	\$ 131,499

Uses/Outflows of Resources

Actual amounts (budgetary basis)	\$ 125,660
Differences-budget to GAAP	
Commodities used	6,363
Change in Inventories	247
Total Expenditures (GAAP Basis)	\$ 132,270

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

STATE OF NEW MEXICO
JAL PUBLIC SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES - BUDGET (NON-GAAP)
AND ACTUAL - SPECIAL REVENUE FUND - ATHLETICS - 22000

Year Ended June 30, 2008

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Local Revenue				
Fees from activities	\$ 19,000	\$ 19,000	\$ 15,031	\$ (3,969)
Investment income	900	900	865	(35)
TOTAL REVENUE	19,900	19,900	\$ 15,896	\$ (4,004)
BUDGETED CASH BALANCE	18,540	20,416		
TOTAL REVENUE & CASH	\$ 38,440	\$ 40,316		
EXPENDITURES				
Current				
Instruction	\$ 38,440	\$ 40,316	\$ 16,050	\$ 24,266
TOTAL EXPENDITURES	\$ 38,440	\$ 40,316	\$ 16,050	\$ 24,266

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/Inflows of Resources

Actual amounts (budgetary basis)	\$ 15,896
Differences budget to GAAP	
Prior Year deferral	-
Current Year deferral	-
Total Revenues (GAAP Basis)	\$ 15,896

Uses/Outflows of Resources

Actual amounts (budgetary basis)	\$ 16,050
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	\$ 16,050

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

STATE OF NEW MEXICO
JAL PUBLIC SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES - BUDGET (NON-GAAP)
AND ACTUAL - SPECIAL REVENUE FUND - TITLE I - 24101

Year Ended June 30, 2008

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Revenue	\$ 114,087	\$ 126,997	\$ 100,468	\$ (26,529)
TOTAL REVENUE	114,087	126,997	<u>100,468</u>	<u>(26,529)</u>
BUDGETED CASH BALANCE	-	-		
TOTAL REVENUE & CASH	<u>\$ 114,087</u>	<u>\$ 126,997</u>		
EXPENDITURES				
Current				
Instruction	\$ 104,397	\$ 117,307	\$ 113,236	\$ 4,071
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
School Administration	6,690	6,690	6,662	28
Operation & Maintenance of plant	3,000	3,000	2,820	180
TOTAL EXPENDITURES	<u>\$ 114,087</u>	<u>\$ 126,997</u>	<u>\$ 122,718</u>	<u>\$ 4,279</u>

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/Inflows of Resources

Actual amounts (budgetary basis)	\$ 100,468
Differences budget to GAAP	
Prior Year Receivable	(36,617)
Current Year Receivable	58,867
Total Revenues (GAAP Basis)	<u>\$ 122,718</u>

Uses/Outflows of Resources

Actual amounts (budgetary basis)	\$ 122,718
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 122,718</u>

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

STATE OF NEW MEXICO
JAL PUBLIC SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES - BUDGET (NON-GAAP)
AND ACTUAL - SPECIAL REVENUE FUND - IDEA - ENTITLEMENT - 24106

Year Ended June 30, 2008

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Revenue	\$ 84,329	\$ 84,329	\$ 82,515	\$ (1,814)
TOTAL REVENUE	84,329	84,329	82,515	(1,814)
BUDGETED CASH BALANCE	-	-		
TOTAL REVENUE & CASH	\$ 84,329	\$ 84,329		
EXPENDITURES				
Current				
Instruction	\$ 43,460	\$ 43,460	\$ 41,760	\$ 1,700
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
School Administration	28,746	28,746	28,735	11
Central Services	12,123	12,123	12,091	32
TOTAL EXPENDITURES	\$ 84,329	\$ 84,329	\$ 82,586	\$ 1,743

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/Inflows of Resources

Actual amounts (budgetary basis)	\$ 82,515
Differences budget to GAAP	
Prior Year deferral	-
Current Year Receivable	71
Total Revenues (GAAP Basis)	\$ 82,586

Uses/Outflows of Resources

Actual amounts (budgetary basis)	\$ 82,586
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	\$ 82,586

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

STATE OF NEW MEXICO
JAL PUBLIC SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES - BUDGET (NON-GAAP)
AND ACTUAL - SPECIAL REVENUE FUND - IDEA - DISCRETIONARY - 24107

Year Ended June 30, 2008

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Revenue	\$ 54,290	\$ 55,055	\$ -	\$ (55,055)
TOTAL REVENUE	54,290	55,055	-	(55,055)
BUDGETED CASH BALANCE	-	-		
TOTAL REVENUE & CASH	\$ 54,290	\$ 55,055		
EXPENDITURES				
Current				
Instruction	\$ 54,290	\$ 54,290	\$ 52,243	\$ 2,047
Support Services				
Students	-	765	765	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
TOTAL EXPENDITURES	\$ 54,290	\$ 55,055	\$ 53,008	\$ 2,047

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/Inflows of Resources

Actual amounts (budgetary basis)	\$ -
Differences budget to GAAP	-
Prior Year deferral	53,008
Current Year Receivable	53,008
Total Revenues (GAAP Basis)	\$ 53,008

Uses/Outflows of Resources

Actual amounts (budgetary basis)	\$ 53,008
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	\$ 53,008

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

STATE OF NEW MEXICO
JAL PUBLIC SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES - BUDGET (NON-GAAP)
AND ACTUAL - SPECIAL REVENUE FUND - IDEA - PRESCHOOL - 24109

Year Ended June 30, 200

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Revenue	\$ 8,591	\$ 8,591	\$ 8,528	\$ (63)
TOTAL REVENUE	<u>8,591</u>	<u>8,591</u>	<u>\$ 8,528</u>	<u>\$ (63)</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ 8,591</u>	<u>\$ 8,591</u>		
EXPENDITURES				
Current				
General Administration	\$ 8,591	\$ 8,591	\$ 8,528	\$ 63
TOTAL EXPENDITURES	<u>\$ 8,591</u>	<u>\$ 8,591</u>	<u>\$ 8,528</u>	<u>\$ 63</u>

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/Inflows of Resources

Actual amounts (budgetary basis)	\$ 8,528
Differences budget to GAAP	
Prior Year deferral	-
Current Year deferral	-
Total Revenues (GAAP Basis)	<u>\$ 8,528</u>

Uses/Outflows of Resources

Actual amounts (budgetary basis)	\$ 8,528
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 8,528</u>

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

STATE OF NEW MEXICO
JAL PUBLIC SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES - BUDGET (NON-GAAP)
AND ACTUAL - SPECIAL REVENUE FUND - PARTNERSHIP IN CHARACTER EDUCATION - 24129

Year Ended June 30, 2008

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Revenue	\$ -	\$ 13,500	\$ 16,977	\$ 3,477
TOTAL REVENUE	-	13,500	16,977	3,477
BUDGETED CASH BALANCE	-	-		
TOTAL REVENUE & CASH	\$ -	\$ 13,500		
EXPENDITURES				
Current				
Instruction	\$ -	\$ 10,763	\$ 10,710	\$ 53
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
School Administration	-	2,737	2,657	80
Operation & Maintenance of Plant	-	-	-	-
TOTAL EXPENDITURES	\$ -	\$ 13,500	\$ 13,367	\$ 133

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/Inflows of Resources	
Actual amounts (budgetary basis)	\$ 16,977
Differences budget to GAAP	
Prior Year deferral	-
Prior year receivable	(12,499)
Current Year receivable	8,889
Total Revenues (GAAP Basis)	\$ 13,367
Uses/Outflows of Resources	
Actual amounts (budgetary basis)	\$ 13,367
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	\$ 13,367

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

STATE OF NEW MEXICO
JAL PUBLIC SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES - BUDGET (NON-GAAP)
AND ACTUAL - SPECIAL REVENUE FUND - ENHANCING EDUCATION THROUGH TECHNOLOGY - 24133

Year Ended June 30, 2008

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Revenue	\$ -	\$ 2,518	\$ 574	\$ (1,944)
TOTAL REVENUE	-	2,518	574	(1,944)
BUDGETED CASH BALANCE	-	-		
TOTAL REVENUE & CASH	\$ -	\$ 2,518		
EXPENDITURES				
Current				
Instruction	\$ -	\$ 2,518	\$ 1,198	\$ 1,320
Support Services				
General Administration	-	-	-	-
School Administration	-	-	-	-
TOTAL EXPENDITURES	\$ -	\$ 2,518	\$ 1,198	\$ 1,320

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/Inflows of Resources

Actual amounts (budgetary basis)	\$ 574
Differences budget to GAAP	
Prior Year receivable	-
Current Year receivable	624
Total Revenues (GAAP Basis)	<u>\$ 1,198</u>

Uses/Outflows of Resources

Actual amounts (budgetary basis)	\$ 1,198
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 1,198</u>

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

STATE OF NEW MEXICO
JAL PUBLIC SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES - BUDGET (NON-GAAP)
AND ACTUAL - SPECIAL REVENUE FUND - TITLE V - 24150

Year Ended June 30, 2008

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Revenue	\$ 3,154	\$ 3,246	\$ 1,836	\$ (1,410)
TOTAL REVENUE	3,154	3,246	<u>1,836</u>	<u>(1,410)</u>
BUDGETED CASH BALANCE	-	-		
TOTAL REVENUE & CASH	<u>\$ 3,154</u>	<u>\$ 3,246</u>		
EXPENDITURES				
Current				
Instruction	\$ 3,154	\$ 3,246	\$ 3,240	\$ 6
TOTAL EXPENDITURES	<u>\$ 3,154</u>	<u>\$ 3,246</u>	<u>\$ 3,240</u>	<u>\$ 6</u>

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/Inflows of Resources

Actual amounts (budgetary basis)	\$ 1,836
Differences budget to GAAP	
Prior Year deferral	-
Current Year receivable	1,404
Total Revenues (GAAP Basis)	<u>\$ 3,240</u>

Uses/Outflows of Resources

Actual amounts (budgetary basis)	\$ 3,240
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 3,240</u>

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

STATE OF NEW MEXICO
JAL PUBLIC SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES - BUDGET (NON-GAAP)
AND ACTUAL - SPECIAL REVENUE FUND - TITLE III - 24153

Year Ended June 30, 2008

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Revenue	\$ 1,007	\$ 1,007	\$ -	\$ (1,007)
TOTAL REVENUE	1,007	1,007	<u>\$ -</u>	<u>\$ (1,007)</u>
BUDGETED CASH BALANCE	-	-		
TOTAL REVENUE & CASH	<u>\$ 1,007</u>	<u>\$ 1,007</u>		
EXPENDITURES				
Current				
Support Services - Students	\$ 1,007	\$ 1,007	\$ 1,005	\$ 2
TOTAL EXPENDITURES	<u>\$ 1,007</u>	<u>\$ 1,007</u>	<u>\$ 1,005</u>	<u>\$ 2</u>

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/Inflows of Resources

Actual amounts (budgetary basis)	\$ -
Differences budget to GAAP	-
Prior Year deferral	1,005
Current Year receivable	<u>1,005</u>
Total Revenues (GAAP Basis)	<u>\$ 1,005</u>

Uses/Outflows of Resources

Actual amounts (budgetary basis)	\$ 1,005
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 1,005</u>

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

STATE OF NEW MEXICO
JAL PUBLIC SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES - BUDGET (NON-GAAP)
AND ACTUAL - SPECIAL REVENUE FUND - TEACHER/PRINCIPAL TRAINING - 24154

Year Ended June 30, 2008

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Aid	\$ 21,771	\$ 21,835	\$ 11,477	\$ (10,358)
TOTAL REVENUE	21,771	21,835	11,477	(10,358)
BUDGETED CASH BALANCE	-	-		
TOTAL REVENUE & CASH	\$ 21,771	\$ 21,835		
EXPENDITURES				
Current				
Instruction	\$ 20,647	\$ 20,711	\$ 20,121	\$ 590
Support Services - General Administration	558	558	-	558
Support Services - School Administration	566	566	-	566
TOTAL EXPENDITURES	\$ 21,771	\$ 21,835	\$ 20,121	\$ 1,714

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/Inflows of Resources

Actual amounts (budgetary basis)	\$ 11,477
Differences budget to GAAP	
Prior Year deferral	-
Current Year receivable	8,644
Total Revenues (GAAP Basis)	\$ 20,121

Uses/Outflows of Resources

Actual amounts (budgetary basis)	\$ 20,121
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	\$ 20,121

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

STATE OF NEW MEXICO
JAL PUBLIC SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES - BUDGET (NON-GAAP)
AND ACTUAL - SPECIAL REVENUE FUND - TITLE IV - 24157

Year Ended June 30, 2008

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Aid	\$ 2,347	\$ 2,312	\$ -	\$ (2,312)
TOTAL REVENUE	<u>2,347</u>	<u>2,312</u>	<u>\$ -</u>	<u>\$ (2,312)</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ 2,347</u>	<u>\$ 2,312</u>		
EXPENDITURES				
Current				
Support services				
Instruction	\$ 2,347	\$ 2,312	\$ 2,309	\$ 3
TOTAL EXPENDITURES	<u>\$ 2,347</u>	<u>\$ 2,312</u>	<u>\$ 2,309</u>	<u>\$ 3</u>

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/Inflows of Resources

Actual amounts (budgetary basis)	\$ -
Differences budget to GAAP	
Prior Year deferral	-
Current Year receivable	2,309
Total Revenues (GAAP Basis)	<u>\$ 2,309</u>

Uses/Outflows of Resources

Actual amounts (budgetary basis)	\$ 2,309
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 2,309</u>

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

STATE OF NEW MEXICO
JAL PUBLIC SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES - BUDGET (NON-GAAP)
AND ACTUAL - SPECIAL REVENUE FUND - READING FIRST - 25114

Year Ended June 30, 2008

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Aid	\$ -	\$ 26,761	\$ 26,761	\$ -
TOTAL REVENUE	<u>-</u>	<u>26,761</u>	<u>\$ 26,761</u>	<u>\$ -</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ 26,761</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ 26,761	\$ 26,761	\$ -
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ 26,761</u>	<u>\$ 26,761</u>	<u>\$ -</u>

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/Inflows of Resources

Actual amounts (budgetary basis)	\$ 26,761
Differences budget to GAAP	
Current Year receivable	-
Total Revenues (GAAP Basis)	<u>\$ 26,761</u>

Uses/Outflows of Resources

Actual amounts (budgetary basis)	\$ 26,761
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 26,761</u>

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

STATE OF NEW MEXICO
JAL PUBLIC SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES - BUDGET (NON-GAAP)
AND ACTUAL - SPECIAL REVENUE FUND - RURAL EDUCATION ACHIEVEMENT PROGRAM - 25233

Year Ended June 30, 2008

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Revenue	\$ -	\$ 15,172	\$ 5,293	\$ (9,879)
TOTAL REVENUE	-	15,172	5,293	(9,879)
BUDGETED CASH BALANCE	-	-		
TOTAL REVENUE & CASH	\$ -	\$ 15,172		
EXPENDITURES				
Current				
Instruction	\$ -	\$ 15,172	\$ 9,982	\$ 5,190
Support Services				
School Administration	-	-	-	-
TOTAL EXPENDITURES	\$ -	\$ 15,172	\$ 9,982	\$ 5,190

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/Inflows of Resources

Actual amounts (budgetary basis)	\$ 5,293
Differences budget to GAAP	
Prior Year Receivable	-
Current Year Receivable	4,689
Total Revenues (GAAP Basis)	\$ 9,982

Uses/Outflows of Resources

Actual amounts (budgetary basis)	\$ 9,982
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	\$ 9,982

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

STATE OF NEW MEXICO
JAL PUBLIC SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES - BUDGET (NON-GAAP)
AND ACTUAL - SPECIAL REVENUE FUND - MICROSOFT SETTLEMENT FUND - 26170

Year Ended June 30, 2008

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Local Revenue	\$ -	\$ 15,908	\$ -	\$ (15,908)
TOTAL REVENUE	<u>-</u>	<u>15,908</u>	<u>\$ -</u>	<u>\$ (15,908)</u>
 BUDGETED CASH BALANCE	 <u>-</u>	 <u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ 15,908</u>		
 EXPENDITURES				
Current				
Instruction	\$ -	\$ 15,908	\$ 12,140	\$ 3,768
Support Services - Instruction	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ 15,908</u>	<u>\$ 12,140</u>	<u>\$ 3,768</u>

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/Inflows of Resources

Actual amounts (budgetary basis)	\$ -
Differences budget to GAAP	
Current Year Receivable	12,140
Total Revenues (GAAP Basis)	<u>\$ 12,140</u>

Uses/Outflows of Resources

Actual amounts (budgetary basis)	\$ 12,140
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 12,140</u>

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

STATE OF NEW MEXICO
JAL PUBLIC SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES - BUDGET (NON-GAAP)
AND ACTUAL - SPECIAL REVENUE FUND - TECHNOLOGY FOR EDUCATION - 27117

Year Ended June 30, 2008

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
State Aid	\$ -	\$ 7,093	\$ 17,098	\$ 10,005
TOTAL REVENUE	-	7,093	17,098	10,005
BUDGETED CASH BALANCE	-	-		
TOTAL REVENUE & CASH	\$ -	\$ 7,093		
EXPENDITURES				
Current				
Instruction	\$ -	\$ 5,737	\$ 2,279	\$ 3,458
Support Services				
General Administration	-	450	112	
School Administration	-	906	114	792
TOTAL EXPENDITURES	\$ -	\$ 7,093	\$ 2,505	\$ 4,250

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/Inflows of Resources

Actual amounts (budgetary basis)	\$ 17,098
Differences budget to GAAP	
Prior Year deferral	2,674
Current Year deferral	(17,267)
Total Revenues (GAAP Basis)	\$ 2,505

Uses/Outflows of Resources

Actual amounts (budgetary basis)	\$ 2,505
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	\$ 2,505

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

STATE OF NEW MEXICO
JAL PUBLIC SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES - BUDGET (NON-GAAP)
AND ACTUAL - SPECIAL REVENUE FUND - STATE PREK - 27149

Year Ended June 30, 2008

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
State Aid	\$ -	\$ 34,124	\$ 34,037	\$ (87)
TOTAL REVENUE	-	34,124	34,037	(87)
BUDGETED CASH BALANCE	-	-		
TOTAL REVENUE & CASH	\$ -	\$ 34,124		
EXPENDITURES				
Current				
Instruction	\$ -	\$ 34,124	\$ 34,056	\$ 68
Supprt Services				
Instruction	-	-	-	-
School Administration	-	-	-	-
TOTAL EXPENDITURES	\$ -	\$ 34,124	\$ 34,056	\$ 68

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/Inflows of Resources

Actual amounts (budgetary basis)	\$ 34,037
Differences budget to GAAP	
Prior Year deferral	-
Current Year Receivable	19
Total Revenues (GAAP Basis)	\$ 34,056

Uses/Outflows of Resources

Actual amounts (budgetary basis)	\$ 34,056
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	\$ 34,056

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

STATE OF NEW MEXICO
JAL PUBLIC SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES - BUDGET (NON-GAAP)
AND ACTUAL - SPECIAL REVENUE FUND - BEGINNING TEACHER MENTORING PROGRAM - 27154

Year Ended June 30, 2008

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
State Aid	\$ -	\$ -	\$ 368	\$ 368
TOTAL REVENUE	<u>-</u>	<u>-</u>	<u>\$ 368</u>	<u>\$ 368</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ -</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/Inflows of Resources

Actual amounts (budgetary basis)	\$ 368
Differences budget to GAAP	
Prior Year receivable	(368)
Current Year receivable	-
Total Revenues (GAAP Basis)	<u>\$ -</u>

Uses/Outflows of Resources

Actual amounts (budgetary basis)	\$ -
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ -</u>

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

STATE OF NEW MEXICO
JAL PUBLIC SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES - BUDGET (NON-GAAP)
AND ACTUAL - SPECIAL REVENUE FUND - TECH EQUITY - 27162

Year Ended June 30, 2008

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
State Revenue	\$ -	\$ 301,800	\$ 193,516	\$ (108,284)
TOTAL REVENUE	-	301,800	193,516	(108,284)
BUDGETED CASH BALANCE	-	-		
TOTAL REVENUE & CASH	\$ -	\$ 301,800		
EXPENDITURES				
Current				
Instruction	\$ -	\$ 110,000	\$ 110,000	\$ -
Operation & Maintenance of Plant		191,800	131,989	59,811
Facilities Acquisition & Construction	-	-	-	-
TOTAL EXPENDITURES	\$ -	\$ 301,800	\$ 241,989	\$ -

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/Inflows of Resources

Actual amounts (budgetary basis)	\$ 193,516
Differences budget to GAAP	
Prior Year receivable	(64,007)
Current Year receivable	112,480
Total Revenues (GAAP Basis)	\$ 241,989

Uses/Outflows of Resources

Actual amounts (budgetary basis)	\$ 241,989
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	\$ 241,989

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

STATE OF NEW MEXICO
JAL PUBLIC SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES - BUDGET (NON-GAAP)
AND ACTUAL - SPECIAL REVENUE FUND - LIBRARY BONDS 2004 - 27170

Year Ended June 30, 2008

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
State Aid	\$ -	\$ 9,686	\$ -	\$ (9,686)
TOTAL REVENUE	-	9,686	-	(9,686)
BUDGETED CASH BALANCE	-	-		
TOTAL REVENUE & CASH	\$ -	\$ 9,686		
EXPENDITURES				
Current				
Support Services				
Instruction	\$ -	\$ 9,686	\$ 732	\$ 8,954
TOTAL EXPENDITURES	\$ -	\$ 9,686	\$ 732	\$ 8,954

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/Inflows of Resources

Actual amounts (budgetary basis)	\$ -
Differences budget to GAAP	
Prior Year Receivable	
Current Year Receivable	732
Total Revenues (GAAP Basis)	\$ 732

Uses/Outflows of Resources

Actual amounts (budgetary basis)	\$ 732
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	\$ 732

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

STATE OF NEW MEXICO
JAL PUBLIC SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES - BUDGET (NON-GAAP)
AND ACTUAL - SPECIAL REVENUE FUND - PRIVATE DIRECT GRANT - 29102

Year Ended June 30, 2008

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Local Aid	\$ -	\$ 100,000	\$ 100,000	\$ -
TOTAL REVENUE	<u>-</u>	<u>100,000</u>	<u>\$ 100,000</u>	<u>\$ -</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ 100,000</u>		
EXPENDITURES				
Current				
Facilities & Equipment Acquisitions	\$ -	\$ 100,000	\$ 100,000	\$ -
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ 100,000</u>	<u>\$ 100,000</u>	<u>\$ -</u>

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/Inflows of Resources

Actual amounts (budgetary basis)	\$ 100,000
Differences budget to GAAP	
Prior Year Receivable	
Current Year Receivable	-
Total Revenues (GAAP Basis)	<u>\$ 100,000</u>

Uses/Outflows of Resources

Actual amounts (budgetary basis)	\$ 100,000
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 100,000</u>

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

STATE OF NEW MEXICO
 JAL PUBLIC SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES - BUDGET (NON-GAAP)
 AND ACTUAL - CAPITAL PROJECTS - PSCO 20% - 32100

Year Ended June 30, 2008

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Local Revenue				
Property taxes	\$ -	\$ -	\$ -	\$ -
Investment Income	-	384	1,885	1,501
TOTAL REVENUE	<u>-</u>	<u>384</u>	<u>\$ 1,885</u>	<u>\$ 1,501</u>
BUDGETED CASH BALANCE	<u>32,200</u>	<u>32,498</u>		
TOTAL REVENUE & CASH	<u>\$ 32,200</u>	<u>\$ 32,882</u>		
EXPENDITURES				
Current				
Facilities and construction	\$ 32,200	\$ 32,882	\$ 32,882	\$ -
TOTAL EXPENDITURES	<u>\$ 32,200</u>	<u>\$ 32,882</u>	<u>\$ 32,882</u>	<u>\$ -</u>

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/Inflows of Resources

Actual amounts (budgetary basis)	\$ 1,885
Differences budget to GAAP	-
Prior Year receivable	-
Current Year receivable	-
Total Revenues (GAAP Basis)	<u>\$ 1,885</u>

Uses/Outflows of Resources

Actual amounts (budgetary basis)	\$ 32,882
Differences-budget to GAAP	-
Total Expenditures (GAAP Basis)	<u>\$ 32,882</u>

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

STATE OF NEW MEXICO
JAL PUBLIC SCHOOLS

STATEMENT OF REVENUE & EXPENDITURES - BUDGET (NON-GAAP)
AND ACTUAL - CAPITAL PROJECTS - SPECIAL CAPITAL OUTLAY-STATE - 31400

Year Ended June 30, 2008

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
State Revenue				
Special Capital Outlay - State	\$ 406,985	\$ 464,438	\$ 345,241	\$ (119,197)
Investment Income	-	-	-	-
TOTAL REVENUE	<u>406,985</u>	<u>464,438</u>	<u>\$ 345,241</u>	<u>\$ (119,197)</u>
BUDGETED CASH BALANCE	<u>23,160</u>	<u>23,850</u>		
TOTAL REVENUE & CASH	<u>\$ 430,145</u>	<u>\$ 488,288</u>		
EXPENDITURES				
Current				
Facilities and construction	\$ 430,145	\$ 488,288	\$ 219,091	\$ 269,197
TOTAL EXPENDITURES	<u>\$ 430,145</u>	<u>\$ 488,288</u>	<u>\$ 219,091</u>	<u>\$ 269,197</u>

Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/Inflows of Resources

Actual amounts (budgetary basis)	\$ 345,241
Differences budget to GAAP	
Prior Year receivable	(126,150)
Current Year receivable	-
Total Revenues (GAAP Basis)	<u>\$ 219,091</u>

Uses/Outflows of Resources

Actual amounts (budgetary basis)	\$ 219,091
Differences-budget to GAAP	
Total Expenditures (GAAP Basis)	<u>\$ 219,091</u>

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

STATE OF NEW MEXICO
 JAL PUBLIC SCHOOLS

COMBINING BALANCE SHEET
 NONMAJOR CAPITAL PROJECTS FUNDS

June 30, 2008

	SPECIAL CAPITAL OUTLAY STATE 31400	PSCO 20% 32100	COMBINED
ASSETS			
Cash on Deposit	\$ -	\$ -	\$ -
Taxes receivable	-	-	-
Due from other Governments	-	-	-
Inventories	-	-	-
TOTAL ASSETS	\$ -	\$ -	\$ -
LIABILITIES			
Accounts Payable	\$ -	\$ -	\$ -
Deferred Revenue	-	-	-
TOTAL LIABILITIES	-	-	-
FUND BALANCE			
Fund Balance			
Reserved:			
Reserved for inventory		-	-
Unreserved:			
Designated for subsequent year expenditures	-	-	-
TOTAL FUND BALANCE	-	-	-
TOTAL LIABILITIES & FUND BALANCE	\$ -	\$ -	\$ -

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

STATE OF NEW MEXICO
JAL PUBLIC SCHOOLS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS

Year Ended June 30, 2008

	SPECIAL CAPITAL OUTLAY STATE 31400	PSCO 20% 32100	COMBINED
REVENUES			
Federal Aid	\$ -	\$ -	\$ -
State Aid	219,091	-	219,091
Local revenues	-	-	-
Interest	-	384	384
TOTAL REVENUES	219,091	384	219,475
EXPENDITURES			
Current			
Instruction	-	-	-
Support Services			
Students	-	-	-
Instruction	-	-	-
General Administration	-	-	-
School Administration	-	-	-
Central Services	-	-	-
Operation & Maintenance of Plant	-	-	-
Food Service	-	-	-
Facilities and construction	219,091	32,882	251,973
TOTAL EXPENDITURES	219,091	32,882	251,973
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	(32,498)	(32,498)
FUND BALANCE- JUNE 30, 2007	-	32,498	32,498
FUND BALANCE - JUNE 30, 2008	\$ -	\$ -	\$ -

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

OTHER SUPPLEMENTAL INFORMATION

STATE OF NEW MEXICO
 JAL PUBLIC SCHOOLS
 FIDUCIARY FUNDS
 SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES - ALL AGENCY FUNDS
 For the year ended June 30, 2008

	Balance June 30, 2007	Receipts	Disbursements	Balance June 30, 2008
<u>ASSETS</u>				
Elementary	\$ 28,796	\$ 29,475	\$ 26,989	\$ 31,282
Junior & Senior High School	36,950	83,322	83,930	36,342
Other Activity	157,546	32,745	20,808	169,483
Pooled Cash and Investments	<u>\$ 223,292</u>	<u>\$ 145,542</u>	<u>\$ 131,727</u>	<u>\$ 237,107</u>
<u>LIABILITIES</u>				
Deposits held for others	<u>\$ 223,292</u>	<u>\$ 145,542</u>	<u>\$ 131,727</u>	<u>\$ 237,107</u>

STATE OF NEW MEXICO
 JAL PUBLIC SCHOOLS
 SCHEDULE OF PLEDGED COLLATERAL
 June 30, 2008

	<u>Wells Fargo</u>
Cash on Deposit at June 30, 2008	\$ 888,397
Less FIDC Coverage	<u>100,000</u>
Uninsured Funds	788,397
50% Collateral Requirement	<u>394,199</u>
Amount Requiring Pledged Collateral	394,199
Pledged Collateral	<u>440,310</u>
Excess of Pledged Collateral	<u><u>\$ 46,112</u></u>

Pledged collateral of financial institutions consists of the following at June 30, 2007

	<u>Maturity</u>	<u>CUSIP #</u>	<u>Amount</u>
Wells Fargo			
FNCL 831480	04/01/36	31407HXH4	174,086
FNCL 831549	05/01/36	31407HZN9	246,235
G2SF 3274	08/20/32	36202DT76	<u>19,989</u>
Total Western Bank			<u><u>\$ 440,310</u></u>

Pledged Securities are held by the Fe Wells Fargo Bank at San Francisco, CA
 Safekeeping receipts are held by the authority.

STATE OF NEW MEXICO
 JAL PUBLIC SCHOOLS
 CASH RECONCILIATION
 June 30, 2008

	Beginning Cash	Receipts	Distributions
JalPublic Schools			
Operational Account	\$ 701,049	\$ 3,847,091	\$ (3,793,280)
Transportation	11,358	172,848	(181,074)
Instructional Materials	(193)	55,942	(52,602)
Food Services	38,012	125,136	(125,660)
Athletics	20,416	15,896	(16,050)
FederalFlowthrough	(55,390)	229,150	(308,080)
Federal Direct	-	32,054	(36,743)
Local Grants Fund	(15,908)	-	(12,140)
State Flowthrough	(62,638)	264,551	(279,281)
Local /State Fund	-	100,000	(100,000)
Special Capital Outlay - State	(126,150)	345,241	(219,091)
Capital Improvement SB-9	1,217,144	587,295	(779,560)
PSCO 20%	32,498	384	(32,882)
Student Activities	223,292	145,542	(131,727)
	<u>1,983,490</u>	<u>5,921,130</u>	<u>(6,068,170)</u>
Total Jal Public Schools	\$ 1,983,490	\$ 5,921,130	\$ (6,068,170)

Account Name	Account Type	Bank Name	Bank Amount
Jal Public Schools			
Operational	Checking	Wells Fargo	\$ 545,604
Payroll Clearing	Checking	Wells Fargo	342,793
All Funds	Savings	State Treasurer	1,414,079
Total Jal PublicSchools			<u>\$ 2,302,476</u>

Reconciling Items	185,036
Report Balance	<u>\$ 2,117,440</u>

Other	Net Cash end of Period	Adjustments to the report	Total Cash on Report
\$ 2,269	\$ 757,129	\$ -	\$ 757,129
-	3,132	-	3,132
-	3,147	-	3,147
-	37,488	-	37,488
-	20,262	-	20,262
-	(134,320)	134,320	-
-	(4,689)	4,689	-
-	(28,048)	28,048	-
(2,674)	(80,042)	114,338	34,296
-	-	-	-
-	-	-	-
-	1,024,879	-	1,024,879
-	-	-	-
-	237,107	-	237,107
<u>\$ (405)</u>	<u>\$ 1,836,045</u>	<u>\$ 281,395</u>	<u>\$ 2,117,440</u>

CERTIFIED PUBLIC ACCOUNTANT

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Melrose, NM 88124

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**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, State Auditor
Jal Public School and
Board of Education
Jal, New Mexico

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information, and the combining and individual funds presented as supplemental information, and all the budgetary comparisons of the Jal Public Schools as of and for the year ended June 30, 2008, and have issued our report thereon dated October 31, 2008. 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 Jal Public School'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 significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the District's internal control.

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

Compliance and Other Matters

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

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

A handwritten signature in black ink that reads "Ronny Fouts, CPA". The signature is written in a cursive style.

Ronny Fouts, CPA
Melrose, New Mexico
October 31, 2008

STATE OF NEW MEXICO
Jal Public Schools

**Schedule of Findings and Recommendations and
Summary Schedule of Prior Audit Findings**
For the Year Ended June 30, 2008

SUMMARY OF AUDIT RESULTS

1. The Auditor's report expresses an unqualified opinion on the financial statements of Jal Public Schools.
2. No instances of noncompliance material to the financial statements of Jal Public Schools were disclosed during the audit.
3. The District did not expend \$500,000 in federal awards, and was therefore not subject to OMB Circular A-133 Audits of States, Local Governments, and Non-Profit Organizations.

SUMMARY SCHEDULE OF PRIOR AUDIT FINDING

None

FINDINGS – FINANCIAL STATEMENT AUDIT

None

FINANCIAL STATEMENT PREPARATION

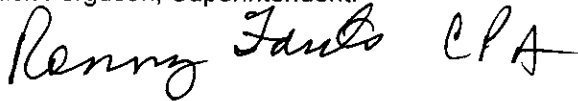
The financial statements was prepared by Ronny Fouts, CPA with substantial assistance from District personnel.

STATE OF NEW MEXICO
Jal Public Schools
Exit Conference
For the Year Ended June 30, 2008

EXIT CONFERENCE

An exit conference was held on October 31, 2008 to discuss results of audit and contents of report.

Present were Ronny Fouts, CPA, Vicki Kelton, Business Manager, Kelly Deck, Board President, and Rick Ferguson, Superintendent.

A handwritten signature in black ink that reads "Ronny Fouts CPA". The signature is written in a cursive style with a large initial "R".

Ronny Fouts, CPA
Melrose, New Mexico
October 31, 2008