

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

---

COMPREHENSIVE FINANCIAL ANNUAL REPORT  
AND  
SUPPLEMENTAL INFORMATION  
YEAR ENDED JUNE 30, 2009

WITH  
REPORT OF CERTIFIED PUBLIC ACCOUNTANTS

**THIS PAGE INTENTIONALLY LEFT BLANK**

## INTRODUCTORY SECTION

**THIS PAGE INTENTIONALLY LEFT BLANK**

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

Table of Contents  
Year Ended June 30, 2009

---

	Page
<b>INTRODUCTORY SECTION</b>	
Title Page	
Table of Contents	iii
Official Roster	3
<b>FINANCIAL SECTION</b>	
Independent Auditors' Report	7
<b>BASIC FINANCIAL STATEMENTS:</b>	
Government-wide Financial Statements:	
Statement of Net Assets	10
Statement of Activities	11
Fund Financial Statements:	
Balance Sheet – Governmental Funds	12
Reconciliation of the Balance Sheet – All Governmental Funds to the Statement of Net Assets	13
Statement of Revenues, Expenditures, and Changes in Fund Balance – Governmental Funds	14
Reconciliation of the Statement of Revenue, Expenditures, and Changes In Fund Balance – All Governmental Funds to the Statement of Activities	16
Major Funds:	
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis):	
General Fund	17
Food Service Special Revenue Fund	19
Headstart Special Revenue Fund	20
Title XIX Medicaid Special Revenue Fund	21
Incentives for School Improvement Special Revenue Fund	22
Statement of Fiduciary Assets and Liabilities – Agency Funds	23
Notes to the Financial Statements	25
<b>COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES:</b>	
General Fund:	
Combining Balance Sheet	52
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance	53
Budgetary Presentation:	
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis):	
Operating Fund	54
Transportation Fund	55
Instructional Materials Fund	56

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

Table of Contents  
Year Ended June 30, 2009

---

---

Nonmajor Governmental Funds:	
Combining Balance Sheet	58
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance	63
Budgetary Presentation:	
Schedule of Revenues, Expenditures, and Changes in	
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis):	
Nonmajor Special Revenue Funds:	
Athletics Special Revenue Fund	79
Title I Special Revenue Fund	80
Entitlement IDEA-B Special Revenue Fund	81
Discretionary IDEA-B Special Revenue Fund	82
Competitive IDEA-B Special Revenue Fund	83
Preschool IDEA-B Special Revenue Fund	84
Title I SIG Special Revenue Fund	85
Title IV Drug Free Schools Special Revenue Fund	86
Partnerships in Character Special Revenue Fund	87
Title V Innovative Education Special Revenue Fund	88
Title III English Language Acquisition Special Revenue Fund	89
Title II Teacher Quality Special Revenue Fund	90
Title IV Special Revenue Fund	91
21 <sup>st</sup> Century Community Living Centers Special Revenue Fund	92
Title I School Improvement Special Revenue Fund	93
Carl D. Perkins Special Revenue Fund	94
Reading First Special Revenue Fund	95
Title I – Stimulus Special Revenue Fund	96
Entitlement IDEA-B – Stimulus Special Revenue Fund	97
Child & Adult Food Program Special Revenue Fund	98
Rural Health Special Revenue Fund	99
LANL Foundation Special Revenue Fund	100
Jobs For Americas Graduates Special Revenue Fund	101
Family & Youth Resources Special Revenue Fund	102
Beginning Teacher Mentoring Special Revenue Fund	103
Breakfast for Elementary Students Special Revenue Fund	104
State 21 <sup>st</sup> Century Community Learning Center Special Revenue Fund	105
State Directed Activities Special Revenue Fund	106
Information Technology Special Revenue Fund	107
Library Book Special Revenue Fund	108
“Catch” Project Special Revenue Fund	109
Healthier Schools Special Revenue Fund	110
School Based Health Center Special Revenue Fund	111
Exemplary School Based Health Centers Special Revenue Fund	112

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

Table of Contents  
Year Ended June 30, 2009

---

Budgetary Presentation:	
Schedule of Revenues, Expenditures, and Changes in	
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis):	
Nonmajor Special Revenue Funds:	
(Continued):	
Capital Projects Funds:	
Bond Building Capital Projects Fund	114
Special Capital Outlay – State Capital Projects Fund	115
Capital Improvements SB-9 Capital Projects Fund	116
Public School Capital Outlay – 20% Capital Projects Fund	117
Debt Service Fund	121
OTHER SUPPLEMENTAL INFORMATION	
Statement of Capital Assets – By Source	123
Fiduciary Funds:	
Statement of Changes in Assets and Liabilities – All Agency Funds	124
Schedule of Pledged Collateral	126
Cash Reconciliation	127
SINGLE AUDIT SECTION	
Report on Internal Control Over Financial Reporting and on	
Compliance and Other Matters Based on an Audit of Financial Statements	
Performed In Accordance With <u>Government Auditing Standards</u>	135
Report on Compliance With Requirement Applicable to	
Each Major Program and Internal Control Over	
Compliance in Accordance With OMB Circular A-133	137
Summary Schedule of Prior Year Audit Findings	139
Schedule of Findings and Questioned Costs	140
Schedule of Expenditures of Federal Awards	149
Notes to the Schedule of Expenditures of Federal Awards	151
REQUIRED DISCLOSURE	155

**THIS PAGE INTENTIONALLY LEFT BLANK**



**OFFICIAL ROSTER**

**THIS PAGE INTENTIONALLY LEFT BLANK**

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

OFFICIAL ROSTER  
June 30, 2009

Board of Education

Joseph T. Griego	Board President
George A. Trujillo	Board Vice President
Dante E. Vigil	Board Secretary
Alex T. Montoya	Board Member
Arthur S. Romero	Board Member

School Officials

Dora M. Romero	Superintendent
Agnes Padilla	Business Manager

**THIS PAGE INTENTIONALLY LEFT BLANK**

**FINANCIAL SECTION**

**FISCAL YEAR 2009**

**JULY 1, 2008 THROUGH JUNE 30, 2009**

**THIS PAGE INTENTIONALLY LEFT BLANK**

# KEYSTONE ACCOUNTING, LLC

CERTIFIED PUBLIC ACCOUNTANTS

4801 N Butler, Ste. 8101  
Farmington, NM 87401

[keystone@keystoneacct.com](mailto:keystone@keystoneacct.com)

Telephone (505) 566-1900  
Fax (505) 566-1911

---

## INDEPENDENT AUDITORS' REPORT

---

Hector H. Balderas, State Auditor  
And the Board of Education of  
Mora Independent School District No. 44

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Mora Independent School District No. 44, as of and for the year ended June 30, 2009, which collectively comprise Mora Independent School District No. 44's basic financial statements as listed in the table of contents. We also have audited the financial statements of each of Mora Independent School District No. 44's nonmajor governmental funds presented as supplementary information in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2009, as listed in the table of contents. These financial statements are the responsibility of Mora Independent School District No. 44's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Mora Independent School District No. 44, as of June 30, 2009, and the respective changes in financial position thereof and the respective budgetary comparisons for the General Fund and major special revenue funds for the year then ended in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each nonmajor governmental fund of the Mora Independent School District No. 44 as of June 30, 2009, and the respective changes in financial position thereof and the respective budgetary comparisons for the major capital projects funds, debt service fund, and all nonmajor governmental 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 2, 2009, on our consideration of the Mora Independent School District No. 44's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in conjunction with this report in assessing the results of our audit.

# KEYSTONE ACCOUNTING, LLC

CERTIFIED PUBLIC ACCOUNTANTS

4801 N Butler, Ste. 8101  
Farmington, NM 87401

[keystone@keystoneacct.com](mailto:keystone@keystoneacct.com)

Telephone (505) 566-1900  
Fax (505) 566-1911

---

Hector H. Balderas, State Auditor  
And the Board of Education of  
Mora Independent School District No. 44

The District has not presented the Management's Discussion and Analysis that accounting principles generally accepted in the United States has determined is necessary to supplement, although not a required part of, the basic financial statements.

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

*Keystone Accounting, LLC*

October 2, 2009



## **BASIC FINANCIAL STATEMENTS**

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

STATEMENT OF NET ASSETS  
June 30, 2009

	<u>Governmental Activities</u>
 <u>ASSETS</u>	
Cash and cash equivalents	\$ 1,289,710
Receivables:	
Delinquent property taxes receivable	81,294
Grant	728,487
Due from other governments	13,272
Deferred bond issuance costs	89,838
USDA commodities inventory	1,673
Food inventory	1,357
 Non-current:	
Non-depreciable assets	643,585
Depreciable capital assets, net	<u>13,819,012</u>
Total assets	<u>16,668,228</u>
 <u>LIABILITIES</u>	
Accounts payable	\$ 33,766
Accrued interest	9,793
Deferred grant revenue	65,935
Compensated absences	48,755
Noncurrent liabilities:	
Due within one year	290,000
Due in more than one year	<u>2,550,107</u>
Total liabilities	<u>2,998,356</u>
 <u>NET ASSETS</u>	
Invested in capital assets, net of related debt	11,612,697
Restricted:	
Debt service	419,829
Capital projects	453,817
Unrestricted	<u>1,183,529</u>
Total net assets	<u>\$ 13,669,872</u>

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

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

STATEMENT OF ACTIVITIES  
Year Ended June 30, 2009

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Changes in Net Assets</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Primary Governmental Activities</u>
Primary government:					
Governmental activities:					
Instruction	\$ 3,978,984	\$ 4,917	\$ 1,298,265	\$ 7,488	\$ (2,668,314)
Support Services - Students	1,245,095	25,322	406,250	2,343	(811,180)
Support Services - Instruction	455,430	-	148,598	857	(305,975)
Support Services - General Administration	421,679	-	137,586	794	(283,299)
Support Services - School Administration	291,047	-	94,963	548	(195,536)
Central Services	224,135	-	73,131	-	(151,004)
Operations & Maintenance of Plant	1,275,980	-	416,327	-	(859,653)
Student Transportation	476,038	-	653,427	-	177,389
Other Support Services	3	-	1	-	(2)
Food Services	438,290	3,361	17,670	-	(417,259)
Bond interest paid	<u>156,021</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(156,021)</u>
 Total governmental activities	 <u>\$ 8,962,702</u>	 <u>\$ 33,600</u>	 <u>\$ 3,246,218</u>	 <u>\$ 12,030</u>	 <u>(5,670,854)</u>
 General revenues:					
Property Taxes:					
					19,782
					428,746
					122,631
					5,268,522
					<u>19,047</u>
Total general revenues					<u>5,858,728</u>
Change in net assets					187,874
Net assets - beginning					<u>13,481,998</u>
Net assets - ending					<u>\$ 13,669,872</u>

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

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

GOVERNMENTAL FUNDS  
Balance Sheet  
June 30, 2009

	General Fund	Food Service Fund	Headstart Fund	Title XIX Medicaid Fund	Incentives for School Improvement Fund	Debt Service Fund	Bond Building Fund	Other Governmental Funds	Total Governmental Funds
<u>ASSETS</u>									
Pooled cash and investments	\$ 903,346	\$ 249,515	\$ 436	\$ 18,035	\$ 19,356	\$ 346,776	\$ 406,800	\$ (654,554)	\$ 1,289,710
Receivables:									
Delinquent property taxes	2,744	-	-	-	-	62,968	-	15,582	81,294
Grant	-	12,438	-	-	-	-	-	716,049	728,487
Due from other governments	428	-	-	-	-	10,085	-	2,759	13,272
USDA commodities inventory	-	1,673	-	-	-	-	-	-	1,673
Food inventory	-	1,357	-	-	-	-	-	-	1,357
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total assets	<u>\$ 906,518</u>	<u>\$ 264,983</u>	<u>\$ 436</u>	<u>\$ 18,035</u>	<u>\$ 19,356</u>	<u>\$ 419,829</u>	<u>\$ 406,800</u>	<u>\$ 79,836</u>	<u>\$ 2,115,793</u>
<u>LIABILITIES AND FUND BALANCE</u>									
Liabilities:									
Accounts payable	\$ 32,065	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,701	\$ 33,766
Deferred revenue:									
Federal, state, and local grants	-	-	436	18,035	19,356	-	-	28,108	65,935
Delinquent property taxes	2,117	-	-	-	-	48,389	-	11,819	62,325
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total liabilities	<u>34,182</u>	<u>-</u>	<u>436</u>	<u>18,035</u>	<u>19,356</u>	<u>48,389</u>	<u>-</u>	<u>41,628</u>	<u>162,026</u>
Fund balance:									
Reserved:									
Retirement of long-term debt	-	-	-	-	-	371,440	-	-	371,440
Inventories	-	3,030	-	-	-	-	-	-	3,030
Capital projects funds	-	-	-	-	-	-	406,800	35,198	441,998
Unreserved reported in:									
General fund	872,336	-	-	-	-	-	-	-	872,336
Special revenue funds	-	261,953	-	-	-	-	-	3,010	264,963
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total fund balance	<u>872,336</u>	<u>264,983</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>371,440</u>	<u>406,800</u>	<u>38,208</u>	<u>1,953,767</u>
Total liabilities and fund balance	<u>\$ 906,518</u>	<u>\$ 264,983</u>	<u>\$ 436</u>	<u>\$ 18,035</u>	<u>\$ 19,356</u>	<u>\$ 419,829</u>	<u>\$ 406,800</u>	<u>\$ 79,836</u>	<u>\$ 2,115,793</u>

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

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

RECONCILIATION OF THE BALANCE SHEET - ALL  
GOVERNMENTAL FUNDS  
TO THE STATEMENT OF NET ASSETS

June 30, 2009

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

Fund balances - total governmental funds	\$ 1,953,767
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	14,462,597
Other assets are not available to pay for current-period expenditures and therefore are deferred in the funds.	62,325
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds	<u>(2,808,817)</u>
Net assets of governmental activities	<u>\$ 13,669,872</u>

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

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

GOVERNMENTAL FUNDS  
Statement of Revenues, Expenditures, and  
Changes in Fund Balance  
Year Ended June 30, 2009

	General Fund	Food Service Fund	Headstart Fund	Title XIX Medicaid Fund	Incentives for School Improvement Fund	Debt Service Fund	Bond Building Fund	Other Governmental Funds	Total Governmental Funds
<b>Revenues:</b>									
<b>Federal sources:</b>									
Forest reserve	\$ 129,130	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 129,130
Federal flowthrough grants	5,156	-	-	-	-	-	-	607,857	613,013
Federal direct grants	-	330,033	1,200,541	51,482	-	-	-	31,622	1,613,678
USDA Commodities	-	17,670	-	-	-	-	-	-	17,670
<b>Total federal revenues</b>	<b>134,286</b>	<b>347,703</b>	<b>1,200,541</b>	<b>51,482</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>639,479</b>	<b>2,373,491</b>
<b>State sources:</b>									
State equalization guarantee	5,090,086	-	-	-	-	-	-	-	5,090,086
Transportation	653,427	-	-	-	-	-	-	-	653,427
State instructional material	50,204	-	-	-	-	-	-	-	50,204
State grant	3,401	-	-	-	-	-	-	230,705	234,106
<b>Total state revenues</b>	<b>5,797,118</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>230,705</b>	<b>6,027,823</b>
<b>Local sources:</b>									
Grant	-	-	-	-	-	-	-	60,000	60,000
District school tax levy	20,990	-	-	-	-	445,119	-	123,808	589,917
Fees and activities	4,917	3,361	-	-	-	-	-	25,322	33,600
Earnings from investments	15,606	3,352	-	-	-	3,358	7,684	4,435	34,435
Miscellaneous	-	-	-	-	-	-	-	49,306	49,306
<b>Total local revenues</b>	<b>41,513</b>	<b>6,713</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>448,477</b>	<b>7,684</b>	<b>262,871</b>	<b>767,258</b>
<b>Total revenue</b>	<b>5,972,917</b>	<b>354,416</b>	<b>1,200,541</b>	<b>51,482</b>	<b>-</b>	<b>448,477</b>	<b>7,684</b>	<b>1,133,055</b>	<b>9,168,572</b>

(continued)

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

	General Fund	Food Service Fund	Headstart Fund	Title XIX Medicaid Fund	Incentives for School Improvement Fund	Debt Service Fund	Bond Building Fund	Other Governmental Funds	Total Governmental Funds
<b>Expenditures:</b>									
<b>Current:</b>									
Instruction	\$ 2,660,857	\$ -	\$ 563,510	\$ -	\$ -	\$ -	\$ -	\$ 489,976	\$ 3,714,343
Support Services - Students	675,947	-	77,232	51,482	-	-	-	357,623	1,162,284
Support Services - Instruction	56,360	-	354,542	-	-	-	-	14,908	425,810
Support Services - General Administration	336,090	-	18,788	-	-	4,275	-	34,480	393,633
Support Services - School Administration	271,690	-	-	-	-	-	-	-	271,690
Central Services	198,058	-	10,070	-	-	-	-	1,100	209,228
Operations & Maintenance of Plant	980,123	-	150,291	-	-	-	23,127	37,574	1,191,115
Student Transportation	444,377	-	-	-	-	-	-	-	444,377
Other Support Services	3	-	-	-	-	-	-	-	3
Food Services	-	364,084	4,418	-	-	-	-	40,638	409,140
Capital outlay	244,379	8,515	21,690	-	-	-	237,459	224,979	737,022
<b>Debt service:</b>									
Principal retirement	-	-	-	-	-	250,000	-	-	250,000
Bond interest paid	-	-	-	-	-	141,894	-	-	141,894
<b>Total expenditures</b>	<b>5,867,884</b>	<b>372,599</b>	<b>1,200,541</b>	<b>51,482</b>	<b>-</b>	<b>396,169</b>	<b>260,586</b>	<b>1,201,278</b>	<b>9,350,539</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>105,033</b>	<b>(18,183)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>52,308</b>	<b>(252,902)</b>	<b>(68,223)</b>	<b>(181,967)</b>
<b>Other financing sources and financing uses:</b>									
Transfers in	-	-	-	-	-	-	-	1,461	1,461
Transfers out	(1,461)	-	-	-	-	-	-	-	(1,461)
<b>Total other financing sources and financing</b>	<b>(1,461)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,461</b>	<b>-</b>
<b>Net change in fund balance</b>	<b>103,572</b>	<b>(18,183)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>52,308</b>	<b>(252,902)</b>	<b>(66,762)</b>	<b>(181,967)</b>
<b>Fund balance at beginning of the year</b>	<b>768,764</b>	<b>283,166</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>319,132</b>	<b>659,702</b>	<b>104,970</b>	<b>2,135,734</b>
<b>Fund balance at end of the year</b>	<b>\$ 872,336</b>	<b>\$ 264,983</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 371,440</b>	<b>\$ 406,800</b>	<b>\$ 38,208</b>	<b>\$ 1,953,767</b>

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

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

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

Year Ended June 30, 2009

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

Net change in fund balance - total governmental funds	\$ (181,967)
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	151,294
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	(18,758)
The issuance of long-term debt (e.g., bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, and similar, items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	235,707
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.	<u>1,598</u>
Change in net assets of governmental activities	<u>\$ 187,874</u>

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



STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

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

	<u>Budgeted Amounts</u>		Actual Amounts <u>(Budgetary Basis)</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Federal sources:				
Forest reserve	\$ 13,556	\$ 13,556	\$ 129,130	\$ 115,574
Federal direct grant	<u>12,000</u>	<u>12,000</u>	<u>5,156</u>	<u>(6,844)</u>
Total federal revenues	<u>25,556</u>	<u>25,556</u>	<u>134,286</u>	<u>108,730</u>
State sources:				
State equalization guarantee	5,256,696	5,247,152	5,090,086	(157,066)
Transportation	444,132	686,573	653,427	(33,146)
State instructional material	49,031	49,031	50,204	1,173
State grant	<u>3,108</u>	<u>27,799</u>	<u>3,401</u>	<u>(24,398)</u>
Total state revenues	<u>5,752,967</u>	<u>6,010,555</u>	<u>5,797,118</u>	<u>(213,437)</u>
Local sources:				
District school tax levy	16,706	16,706	20,446	3,740
Fees and activities	-	-	5,388	5,388
Earnings from investments	<u>3,487</u>	<u>3,487</u>	<u>15,135</u>	<u>11,648</u>
Total local revenues	<u>20,193</u>	<u>20,193</u>	<u>40,969</u>	<u>20,776</u>
Total revenues	<u>\$ 5,798,716</u>	<u>\$ 6,056,304</u>	<u>\$ 5,972,373</u>	<u>\$ (83,931)</u>

(continued)

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

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

Expenditures:	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
Current:				
Instruction	\$ 2,645,448	\$ 2,677,328	\$ 2,606,761	\$ 70,567
Support Services - Students	707,236	757,440	675,947	81,493
Support Services - Instruction	64,371	67,682	53,861	13,821
Support Services - General Administration	332,076	346,944	332,679	14,265
Support Services - School Administration	274,047	274,047	271,690	2,357
Central Services	201,789	201,789	198,058	3,731
Operation & Maintenance of Plant	1,108,352	1,074,480	972,901	101,579
Student Transportation	444,132	442,194	428,444	13,750
Other Support Services	157	157	3	154
Total current expenses	5,777,608	5,842,061	5,540,344	301,717
Capital outlay:				
Equipment	-	244,379	244,379	-
Construction in progress	373,858	322,614	-	322,614
Total capital outlay	373,858	566,993	244,379	322,614
Total expenditures	6,151,466	6,409,054	5,784,723	624,331
Excess (deficiency) of revenues over expenditures	(352,750)	(352,750)	187,650	540,400
Other financing sources and financing uses:				
Transfers in	-	-	3,370	3,370
Transfers out	-	-	(64,210)	(64,210)
Total other financing sources and financing uses	-	-	(60,840)	(60,840)
Net change in fund balance	(352,750)	(352,750)	126,810	479,560
Beginning cash balance budgeted	352,750	352,750	-	(352,750)
Fund balance at beginning of the year	-	-	768,764	768,764
Fund balance at end of the year	\$ -	\$ -	895,574	\$ 895,574
RECONCILIATION TO GAAP BASIS:				
Change in receivables			(864)	
Change in due from other governments			201	
Change in payables			(23,783)	
Change in deferred property taxes			1,208	
			\$ 872,336	

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

**STATE OF NEW MEXICO**  
**MORA INDEPENDENT SCHOOL DISTRICT NO. 44**

**FOOD SERVICE SPECIAL REVENUE FUND**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)**  
**Year Ended June 30, 2009**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	<u>Variance with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
<b>Federal sources:</b>				
Federal grant	\$ 296,316	\$ 296,316	\$ 323,884	\$ 27,568
USDA Commodities	-	17,670	17,670	-
Total federal revenues	<u>296,316</u>	<u>313,986</u>	<u>341,554</u>	<u>27,568</u>
<b>State sources:</b>				
State grant	-	38,959	-	(38,959)
<b>Local sources:</b>				
Fees and activities	580	580	3,361	2,781
Earnings from investments	950	950	3,352	2,402
Total local revenues	<u>1,530</u>	<u>1,530</u>	<u>6,713</u>	<u>5,183</u>
Total revenues	<u>297,846</u>	<u>354,475</u>	<u>348,267</u>	<u>(6,208)</u>
<b>Expenditures:</b>				
<b>Current:</b>				
Food Services Operations	520,454	582,083	363,031	219,052
<b>Capital outlay:</b>				
Equipment	5,000	-	8,515	(8,515)
Total expenditures	<u>525,454</u>	<u>582,083</u>	<u>371,546</u>	<u>210,537</u>
Excess (deficiency) of revenues over expenditures	(227,608)	(227,608)	(23,279)	204,329
Beginning cash balance budgeted	227,608	227,608	-	(227,608)
Fund balance at beginning of the year	-	-	283,166	283,166
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	259,887	<u>\$ 259,887</u>
<b>RECONCILIATION TO GAAP BASIS:</b>				
Change in inventory			(1,053)	
Change in grant receivable			6,149	
			<u>\$ 264,983</u>	

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

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

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

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
<b>Revenues:</b>				
Federal sources:				
Federal direct grant	\$ 661,588	\$ 1,408,152	\$ 1,052,236	\$ (355,916)
<b>Expenditures:</b>				
Current:				
Instruction	388,782	707,595	563,510	144,085
Support Services - Students	-	85,563	77,232	8,331
Support Services - Instruction	197,873	367,023	354,542	12,481
Support Services - General Administration	-	16,480	18,788	(2,308)
Central Services	9,247	16,542	10,070	6,472
Operation & Maintenance of Plant	62,386	177,529	150,291	27,238
Food Services Operations	3,300	9,796	4,418	5,378
Total current expenses	661,588	1,380,528	1,178,851	201,677
Capital outlay:				
Land and improvements	-	5,934	-	5,934
Equipment	-	21,690	21,690	-
Total capital outlay	-	27,624	21,690	5,934
Total expenditures	661,588	1,408,152	1,200,541	207,611
Excess (deficiency) of revenues				
over expenditures	-	-	(148,305)	(148,305)
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	\$ -	\$ -	(148,305)	\$ (148,305)
<b>RECONCILIATION TO GAAP BASIS:</b>				
Change in deferred revenue			148,305	
			\$ -	

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

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

TITLE XIX MEDICAID SPECIAL REVENUE FUND  
Statement of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Federal sources:				
Federal direct grant	\$ -	\$ 69,351	\$ 47,945	\$ (21,406)
Expenditures:				
Current:				
Support Services - Students	<u>-</u>	<u>69,351</u>	<u>51,482</u>	<u>17,869</u>
Excess (deficiency) of revenues over expenditures	-	-	(3,537)	(3,537)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	(3,537)	<u>\$ (3,537)</u>
RECONCILIATION TO GAAP BASIS:				
Change in deferred revenue			<u>3,537</u>	
			<u>\$ -</u>	

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

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

INCENTIVES FOR SCHOOL IMPROVEMENT SPECIAL REVENUE FUND  
Statement of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
Revenues:				
State sources:				
State grant	\$ -	\$ -	\$ -	\$ -
 Expenditures:				
Current:				
Instruction	-	-	-	-
Excess of revenues over expenditures	-	-	-	-
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
 RECONCILIATION TO GAAP BASIS:				
Change in payables			-	
			<u>\$ -</u>	

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

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

AGENCY FUNDS  
Statement of Fiduciary Assets and Liabilities  
June 30, 2009

ASSETS

Pooled cash and investments	\$ <u>149,001</u>
-----------------------------	-------------------

LIABILITIES

Deposits held for others	\$ <u>149,001</u>
--------------------------	-------------------

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

**THIS PAGE INTENTIONALLY LEFT BLANK**



**STATE OF NEW MEXICO**  
**MORA INDEPENDENT SCHOOL DISTRICT NO. 44**

Notes to the Financial Statements  
June 30, 2009

---

<b>NOTE</b>	<b>PAGE</b>
<b>I. SUMMARY OF ALL SIGNIFICANT ACCOUNTING POLICIES</b>	
A. Reporting Entity	26
1. Blended Component Units	
2. Discretely Presented Component Units	
B. Government-Wide and Fund Financial Statements	27
C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation	27
1. Major Funds	28
D. Assets, Liabilities, and Net Assets or Equity	29
<b>II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS</b>	
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	35
B. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-Wide Statement of Activities (continued)	36
<b>III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY</b>	
A. Budgetary Information	38
B. Deficit Fund Equity	39
<b>IV. DETAILED NOTES ON ALL FUNDS</b>	
A. Cash and Temporary Investments	39
B. Receivables	41
C. Capital Assets	42
D. Inter-Fund Receivables and Payables	43
E. Inter-Fund Transfers	43
F. Long-Term Debt	44
<b>V. OTHER INFORMATION</b>	45

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

Notes to the Financial Statements  
June 30, 2009

---

I. SUMMARY OF ALL SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Mora Independent School District (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 Village of Mora, New Mexico, and the surrounding areas. The District is responsible for all activities related to public elementary and secondary school education within its jurisdiction. The District receives funding from local, state, and federal government sources and must comply with the requirements of these funding source entities.

The District's financial statements include all entities over which the Board of Education exercises oversight responsibility. Oversight responsibility includes such aspects as appointment of governing body members, designation of management, the ability to significantly influence operations, and accountability for fiscal matters. Based upon the application of these criteria, no component units or fiduciary units were included in the financial statements.

GAAP requires that financial statements present the District (primary government) and its component units. The district does not have any component units that are required to be presented in accordance with Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity* and GASB Statement No. 39, *Determining Whether Certain Organizations Are Component Units, an amendment of GASB Statement No. 14*.

1. Blended Component Units

The District does not have any component units reported as blended component units.

2. Discretely Presented Component Units

The District does not have any component units reported as discretely presented component units.

The summary of significant accounting policies of the District is presented to assist in the understanding of the Association's financial statements. The financial statements and notes are the representation of Mora Independent School District's management who is responsible for their integrity and objectivity. The financial statements of the Association conform to Generally Accepted 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.

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

Notes to the Financial Statements  
June 30, 2009

---

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the non-fiduciary activities of the school 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 uncollectable 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 resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes and interest associated with the current fiscal period are 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.

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

Notes to the Financial Statements  
June 30, 2009

---

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)

The government reports the following major governmental funds:

**General Fund** – 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.

**Food Service Special Revenue Fund** – This program provides financing for the school breakfast and lunch program. Funding is provided from fees from patrons and USDA food reimbursements, under the National School Lunch Act of 1946, as amended, Public Law 79-396, Sections 2-12, 60 Stat. 230, 42 U.S.C. 1751 et seq.; 80 stat. 889, as amended; 84 stat. 270; and the Child Nutrition Act of 1966, as amended, Sections 4 and 10. Public Law 89-642, 80 sat. 886, 889, 42 U.S.C. 1773, 1779; Public Law 99-591, 100 stat. 3341; Public Law 100-71, 101 stat. 430.

**Headstart Special Revenue Fund** – To promote school readiness by enhancing the social and cognitive development of low-income children, including children on federally recognized reservations and children of migratory farm-workers, through the provision of comprehensive health, educational, nutritional, social and other services; and to involve parents in their children’s learning and to help parents make progress toward their educational, literacy and employment goals. Head Start also emphasizes the significant involvement of parents in the administration of their local Head Start programs. The project is funded through the federal government, under the Community Opportunities, Accountability, and Training and Educational Services Act of 1998, Title I, Section 101-119,

**Title XIX Medicaid Special Revenue Fund**– To provide financial assistance from the Federal government which flows-through the State of New Mexico to school districts, for payments of medical assistance on behalf of cash assistance recipients, children, pregnant women and the aged who meet income and resource requirements, and other categorically-eligible groups. The program is funded by the U.S. government under the Social Security Act, Title XIX, as amended; Public Laws 92-223, 92-602, 93-66, 93-233, 96-499, 97-35, 97-2248, 98-369, 99-272, 99-509, 100-93, 100-202, 100-203, 100-360, 100-436, 100-485, 100-647, 101-166, 101-234, 101-239, 101-508, 101-517, 102-234, 102-170, 102-394, 103-66, 103-112, 103-333, 104-91, 104-191, 104-193, 104-208, and 104-134; Balanced Budget Act of 1997, Public Law 105-33.

**Incentives for School Improvement Special Revenue Fund** – State funding awarded to five School Districts in the state for achieving improved test scores of the students in their districts. The funds were used to purchase supplies and other textbooks for the school district. Authority for creation is NMSA 25-13A-1.

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

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

Notes to the Financial Statements  
June 30, 2009

---

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)

**Bond Building Fund** – This fund provides financing for the construction of buildings, the purchase of equipment, and the acquisition and improvement of land. Funding is provided by the sale of general obligation bonds, which have been approved by the voters of the district.

Additionally, the government reports the following fund types:

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

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

**Fiduciary Funds** – Fiduciary Funds are the agency funds used to account for financial resources used by the student activity groups for which the District has stewardship

Similar to private-sector standards of accounting and financial reporting issued prior to November 30, 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.

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, then unrestricted resources as they are needed.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 with original maturities of three months or less from the date of acquisition.

State statutes authorize the investment of the District's funds in a wide variety of instruments including certificates 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 for the District must follow the above investment policies.

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

Notes to the Financial Statements  
June 30, 2009

---

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

Deposits of funds may be made in interest or non-interest bearing checking accounts in one or more banks or savings and loan associations within the geographical boundaries of the school district. Deposits may be made to the extent that they are insured by an Mora Independent School District No. 44 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.

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.

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” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., 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 Capital Improvements Fund, and Debt Service Fund. Taxes are payable in two equal installments on November 10th and April 10th following the levy and become delinquent after 30 days.

Under GASB Statement 33, property taxes are impressed non-exchange revenue. Assets from impressed non-exchange transactions are reported when the School District has an enforceable legal claim to the asset. The enforceable legal claim date for property taxes is the assessment date. Taxes are payable in two equal installments on November 10 and April 10th following the levy and become delinquent after 30 days. Therefore, the School District has recorded a delinquent tax receivable and revenue for taxes received within the sixty days following year-end. A receivable and deferred revenue have been recorded for uncollected delinquent taxes. On the government-wide financial statements, the district has recorded delinquent property taxes receivable and revenue for taxes assessed as of year-end that have not be collected, as prescribed in GASB 34. An allowance for refunds and uncollectibles has not been recorded.

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

Notes to the Financial Statements  
June 30, 2009

---

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

3. *Inventories*

USDA Commodity, food inventories and part inventory 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 (software), are reported in the applicable governmental-wide financial statements. Beginning July 1, 2005, the threshold for defining Capital assets by the government was raised from \$1,000 to assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. The costs of library books are not depreciated unless the individual cost is in excess of \$5,000. Software costs have been included with the cost of computer equipment and are capitalized with that equipment. The District does not develop software for internal use or any other use.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest on construction projects has not been capitalized.

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

<u>Assets</u>	<u>Years</u>
Buildings	40
Building improvements	20
Vehicles	5
Office equipment	5
Computer equipment	5

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

Notes to the Financial Statements  
June 30, 2009

---

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

5. *Compensated absences*

It is the School District's policy to permit employees to accumulate earned but unused vacation, which no more than 20 days will be paid to employees upon separation from the District's service. Twelve-month employees that are full time are entitled to two weeks paid vacation per year. Vacation days may not accrue from one year to the next without the prior approval of the superintendent, and is accrued when incurred in the government-wide financial statements.

Sick pay does not vest and is recorded as expenditures when it is paid.

6. *Long-term obligations*

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discounts. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

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

7. *Fund balance*

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.

8. *Net assets*

Net assets are presented on the statement of net assets and may be presented in any of three components.



STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

Notes to the Financial Statements  
June 30, 2009

---

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

a. Invested in capital assets, net of related debt

This component of net assets consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. The portion of the debt attributable to the unspent proceeds is not be included in the calculation of invested in capital assets, net of related debt. That portion of the debt is included in restricted for capital projects.

b. Restricted net assets

Net assets are reported as being restricted when the restriction is either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation. Enabling legislation authorizes the government to assess, levy, charge, or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation.

c. Unrestricted net assets

Unrestricted net assets consist of net assets that do not meet the definition of “invested in capital assets, net of related debt” or “restricted.”

In the governmental environment, net assets often are designated to indicate that management does not consider them to be available for general operations. In contrast to restricted net assets, these types of constraints on resources are internal and management can remove or modify them. However, enabling legislation established by the reporting government should not be construed as an internal constraint.

9. *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.

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

Notes to the Financial Statements  
June 30, 2009

---

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

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 guarantee distribution' which is defined as "that amount of money distributed to each school district to insure that the school district's operating revenue, including its local and federal revenues as defined (in Chapter 22, Section 825, NMSA 1978) is at least equal to the school district's program cost".

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 \$5,090,086 in state equalization guarantee distributions during the year ended June 30, 2009.

Transportation Distribution: School districts in the State of New Mexico received student transportation distributions. The transportation distribution is allocated to each school district in accordance with formulas developed by the State Transportation Director and the Director of Public School Finance. The funds shall be used only for the purpose of making payments to each school district for the to-and-from school transportation costs of students in grades K through twelve attending public school within the school district. The District received \$653,427 in transportation distributions during the year ended June 30, 2009.

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

Notes to the Financial Statements  
June 30, 2009

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 balance sheet includes a reconciliation between fund balance – total governmental funds and net assets – governmental activities as reported in the government-wide statement of net assets. One element of that reconciliation explains that “capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.” The details of the \$14,462,597 difference are as follows:

Capital assets	\$ 17,932,390
Accumulated depreciation	<u>(3,469,793)</u>
Net adjustment to increase fund balance - total governmental funds to arrive at net assets - governmental activities	<u>\$ 14,462,597</u>

Another element of the reconciliation states “other assets are not available to pay to current-period expenditures and therefore are deferred in the funds.” The details of the \$62,325 difference are as follows:

Property taxes receivable	<u>\$ 62,325</u>
---------------------------	------------------

The final adjustment in the reconciliation indicates that “long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.” The \$2,808,817 difference is detailed as follows:

Bonds payable	\$ (2,835,000)
Accrued interest payable	(9,793)
Accrued vacation payable	(48,755)
Bond premiums	(8,151)
Amortization of bond premiums	3,044
Bond issue costs	142,758
Amortization of bond issue costs	<u>(52,920)</u>
Net adjustment to reduce fund balance – total governmental funds to arrive at net assets – governmental activities	<u>\$ (2,808,817)</u>

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

Notes to the Financial Statements  
June 30, 2009

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS  
(continued)

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

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 that reconciliation explains that “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 this \$151,294 difference are as follows:

Capital outlay	\$ 737,022
Depreciation expense	<u>(585,728)</u>
Net adjustment to changes in fund balances - total governmental funds to arrive at changes in net assets of governmental activities	<u>\$ 151,294</u>

The second element in the reconciliation indicates “revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.” The adjustment of \$18,758 is detailed as follows:

Reduction in revenue:	
Deferred property taxes in 2008	\$ (81,083)
Amounts to be included in revenue:	
Deferred property taxes in 2009	<u>62,325</u>
Net adjustment to change in net assets of governmental activities for revenues that are not recorded in the funds	<u>\$ (18,758)</u>

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

Notes to the Financial Statements  
June 30, 2009

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS  
(continued)

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

Another element of that reconciliation states that “the issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.” The details of this \$235,707 difference are as follows:

Principal repayments:	
General obligation debt	\$ 250,000
Amortization of bond premium	762
Amortization of bond issuance costs	<u>(15,055)</u>
Net adjustment to decrease change in net assets of governmental activities	<u>\$ 235,707</u>

The final element of that reconciliation states that “Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.” The details of this \$1,598 difference are as follows:

Accrued interest:	
June 30, 2009	\$ (9,793)
June 30, 2008	10,721
Compensated absences:	
June 30, 2009	(48,755)
June 30, 2008	<u>49,425</u>
Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at changes in net assets of governmental activities	<u>\$ 1,598</u>

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

Notes to the Financial Statements  
June 30, 2009

---

III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

Budgets for the General, Special Revenue, Capital Projects, and Debt Service Funds are prepared by management and are approved by the local Board of Education and the 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 re-appropriated 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., each 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 of Education approval. If a transfer between 'series' or a budget increase is required, approval must also be obtained from Public School Finance Division.

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

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

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

**STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44**

Notes to the Financial Statements  
June 30, 2009

**III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (continued)**

**A. Budgetary Information (continued)**

6. 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, 2009 was properly amended by the Board through the year. New Mexico state law prohibits a Governmental Mora Independent School District No. 44 to exceed an individual line item. These amendments resulted in the following changes:

	<u>Original Budget</u>	<u>Final Budget</u>
General Fund	\$ 6,151,466	\$ 6,409,054
Special Revenue Fund	1,660,737	3,203,220
Debt Service Fund	711,260	711,260
Capital Projects Fund	2,292,275	2,360,156
Totals	\$ 10,815,738	\$ 12,683,690

The Libraries GO Bond Special Revenue Fund is not included in the budgetary comparison, since no budget was authorized. No budget was included for this fund.

**B. Deficit Fund Equity**

There was one deficit fund balance as of June 30, 2009. The \$31,089 fund balance deficit in the Transportation Fund, which will be covered by the Operational Fund.

**IV. DETAILED NOTES ON ALL FUNDS**

**A. Cash and Temporary Investments**

At June 30, 2009, the carrying amount of the District's deposits was \$1,438,711 and the bank balance was \$2,368,861 with the difference consisting of outstanding checks. Of this balance \$250,000 was covered by federal depository insurance and \$1,533,186 was covered by collateral held in joint safekeeping by a third party. The remaining \$585,675 not covered by pledged collateral is comprised of amounts in excess of those required to be collateralized under State law.

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

Notes to the Financial Statements  
June 30, 2009

IV. DETAILED NOTES ON ALL FUNDS (continued)

A. Cash and Temporary Investments (continued)

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. 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 statement listed below will meet the State of New Mexico Office of the State Auditor's requirement in reporting the uninsured portion of the deposits.

Uninsured and uncollateralized	\$	585,675
Uninsured and collateral held by pledging bank's trust department not in the district's name		<u>1,533,186</u>
Total uninsured		2,118,861
Insured (FDIC)		<u>250,000</u>
Total deposits	\$	<u><u>2,368,861</u></u>
State of New Mexico collateral requirement:		
50% of uninsured public fund bank deposits	\$	1,059,431
Pledged security		<u>1,533,186</u>
Over collateralization	\$	<u><u>473,755</u></u>

The collateral pledged is listed on Pages 126 of this report. The types of collateral allowed are limited to direct obligations of the United States Government and all bonds issued by any Mora Independent School District No. 44, 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 \$250,000 in aggregate and separate from the \$250,000 coverage for public unit demand deposits at the same institution.



STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

Notes to the Financial Statements  
June 30, 2009

IV. DETAILED NOTES ON ALL FUNDS (continued)

B. Receivables

Receivables as of year-end for the government's individual major funds and non-major funds in the aggregate, including the following:

	<u>General</u>	<u>Food Service</u>	<u>Debt Service</u>	<u>Other Governmental Funds</u>
Receivables:				
Delinquent property taxes	\$ 2,744	\$ -	\$ 62,968	\$ 15,582
Grant	-	12,438	-	716,049
Due from other:				
Governments	<u>428</u>	<u>-</u>	<u>10,085</u>	<u>2,759</u>
Total	<u>\$ 3,172</u>	<u>\$ 12,438</u>	<u>\$ 73,053</u>	<u>\$ 734,390</u>

An allowance for doubtful accounts has not been established. All receivables are expected to be collectible.

Governmental funds reported deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of deferred revenue and unearned revenue reported in the governmental funds were as follows:

	<u>Unavailable</u>	<u>Unearned</u>
Grant drawdowns prior to meeting all eligibility requirements		
Headstart	\$ -	\$ 436
Title XIX - Medicaid	-	18,035
Incentives for School Improvement	-	19,356
Other Governmental Funds	-	-
Delinquent property taxes		
General Fund	2,117	-
Debt Service	48,389	-
Other Governmental Funds	<u>11,819</u>	<u>28,108</u>
Total deferred/unearned revenue for governmental funds	<u>\$ 62,325</u>	<u>\$ 65,935</u>

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

Notes to the Financial Statements  
June 30, 2009

IV. DETAILED NOTES ON ALL FUNDS (continued)

C. Capital Assets

Capital asset activity for the year ended June 30, 2009 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Adjustments</u>	<u>Ending Balance</u>
Governmental activities:					
Capital assets, not being depreciated:					
Land	\$ 460,006	\$ -	\$ -	\$ -	\$ 460,006
Construction in progress	910,205	171,517	-	(898,143)	183,579
Total capital assets, not being depreciated	<u>\$ 1,370,211</u>	<u>\$ 171,517</u>	<u>\$ -</u>	<u>\$ (898,143)</u>	<u>\$ 643,585</u>
Capital assets, being depreciated:					
Land improvements	\$ 1,567,390	\$ 26,697	\$ -	\$ -	\$ 1,594,087
Buildings and improvements	11,755,483	171,258	-	898,143	12,824,884
Furniture, fixtures, and equipment	2,502,284	367,550	-	-	2,869,834
Total capital assets being depreciated	<u>15,825,157</u>	<u>565,505</u>	<u>-</u>	<u>898,143</u>	<u>17,288,805</u>
Less accumulated depreciation for:					
Land improvements	(204,544)	(79,333)	-	-	(283,877)
Buildings and improvements	(1,165,551)	(302,899)	-	-	(1,468,450)
Furniture, fixtures, and equipment	(1,513,970)	(203,496)	-	-	(1,717,466)
Total accumulated depreciation	<u>(2,884,065)</u>	<u>(585,728)</u>	<u>-</u>	<u>-</u>	<u>(3,469,793)</u>
Total capital assets being depreciated, net	<u>\$ 12,941,092</u>	<u>\$ (20,223)</u>	<u>\$ -</u>	<u>\$ 898,143</u>	<u>\$ 13,819,012</u>

Depreciation has been allocated to the functions by the following amounts:

<u>Depreciation Allocation to Functions</u>	
Instruction	\$ 262,362
Support Services - Students	83,398
Support Services - Instruction	30,505
Support Services - General Administration	28,245
Support Services - School Administration	19,495
Central Services	15,013
Operations & Maintenance of Plant	85,467
Student Transportation	31,886
Food Services	29,357
Total Depreciation Expense	<u>\$ 585,728</u>

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

Notes to the Financial Statements  
June 30, 2009

IV. DETAILED NOTES ON ALL FUNDS (continued)

C. Capital Assets (continued)

Construction commitments

The Mora Independent School District No. 44 did not receive any funds from the State of New Mexico Public School Facilities Authority for the year ended June 30, 2009.

The District is involved in several long-term construction projects as part of their master plan for upgrading the district buildings. The amount of \$441,998 in the capital projects fund designated for subsequent years expenditures are committed for funding these projects. Interest on construction projects is not capitalized.

D. Inter-Fund Receivables and Payables

There were not any inter-fund receivables or payables at June 30, 2009.

E. Inter-Fund Transfers

The following were the inter-fund transfers in made during the year ended June 30, 2009 for the purpose of 1) covering fund deficits due to the fact that reimbursements had not been received, and 2) part of the funds were no longer active with cash balances.

	<u>From</u>	<u>To</u>
Operating	\$ 64,210	\$ 3,370
Competitive IDEA-B	556	-
Preschool IDEA-B	-	625
Title IV Drug Free Schools	6	-
21st Century community Living	-	46,179
Title I School Improvements	100	-
Reading First	2,597	-
Carl D Perkins	-	15,945
Rural Health	111	-
Healthier Schools	-	20,294
School Based Health	20,294	-
Public School Capital Outlay - 20%	-	1,461
	<u>\$ 87,874</u>	<u>\$ 87,874</u>

The interfund transfers are cash basis items that show up on the budget-to-actual schedules.

**STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44**

Notes to the Financial Statements  
June 30, 2009

IV. DETAILED NOTES ON ALL FUNDS (continued)

F. Long-Term Debt

The details of the bonds and notes as of June 30, 2009 are as follows:

<u>General Obligations Bonds</u>		<u>Original Amount</u>	<u>Interest Rates</u>	<u>Balance June 30, 2009</u>	<u>Amount Due Within One Year</u>
Series	1998	\$ 275,000	4.90% to 6.25%	\$ 75,000	\$ 75,000
Series	1999	500,000	4.25% to 5.10%	300,000	150,000
Series	1999B	350,000	4.35% to 5.50%	50,000	50,000
Series	2001	150,000	5.00% to 5.45%	150,000	-
Series	2005	400,000	4.05% to 4.25%	400,000	-
Series	2006	1,000,000	3.50% to 3.85%	960,000	15,000
Series	2007	900,000	4.00% to 4.25%	900,000	-
<b>Total</b>		<u>\$ 3,575,000</u>		<u>\$ 2,835,000</u>	<u>\$ 290,000</u>

Balances shown for bonds and notes do not include unamortized premiums or deferred amounts on refinancing.

Annual debt service requirements to maturity for general obligation bonds are as follows:

<u>General Obligation Bonds</u>			
<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Requirements</u>
2010	\$ 290,000	\$ 110,880	\$ 400,880
2011	375,000	96,460	471,460
2012	335,000	81,511	416,511
2013	290,000	68,730	358,730
2014	305,000	56,958	361,958
2015 - 2019	1,240,000	123,144	1,363,144
<b>Total</b>	<u>\$ 2,835,000</u>	<u>\$ 537,683</u>	<u>\$ 3,372,683</u>

General Obligation Bonds – The District issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. Bonds are direct obligations and pledge the full faith and credit of the District. The bonds will be paid from taxes levied against property owners living within the School District boundaries

**STATE OF NEW MEXICO**  
**MORA INDEPENDENT SCHOOL DISTRICT NO. 44**

Notes to the Financial Statements  
June 30, 2009

IV. DETAILED NOTES ON ALL FUNDS (continued)

F. Long-Term Debt (continued)

Changes in long term debt – During the year ended June 30, 2009 the following changes occurred in liabilities reported in the general obligation bonds account group:

	Balance			Balance	Amount Due
	<u>June 30, 2008</u>	<u>Additions</u>	<u>Retirements</u>	<u>June 30, 2009</u>	<u>Within One Year</u>
Compensated absences:					
Compensated vacation	\$ 49,425	\$ 187,027	\$ 187,697	\$ 48,755	\$ 48,755
Bonds payable	<u>3,085,000</u>	<u>-</u>	<u>250,000</u>	<u>2,835,000</u>	<u>290,000</u>
	<u>\$ 3,134,425</u>	<u>\$ 187,027</u>	<u>\$ 437,697</u>	<u>\$ 2,883,755</u>	<u>\$ 338,755</u>

	Balance
	<u>June 30, 2009</u>
Bonds payable	\$ 2,835,000
Unamortized:	
Current maturities	(290,000)
Bond premiums	<u>5,107</u>
Total non-current liabilities	<u>\$ 2,550,107</u>

The liability of compensated absences is liquidated with resources from the general fund and several special revenue funds. The liquidation of bonds payable is done with resources from the debt service fund.

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 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 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 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, 2009.

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

Notes to the Financial Statements  
June 30, 2009

---

V. OTHER INFORMATION (continued)

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.

The government is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the government's counsel the resolution of these matters will not have a material adverse effect on the financial condition of the government.

C. Employee Retirement Plan

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

ERB  
P.O. Box 26129  
Santa Fe, New Mexico 87502-6129  
[www.nmerb.org](http://www.nmerb.org)

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

Notes to the Financial Statements  
June 30, 2009

V. OTHER INFORMATION (continued)

C. Employee Retirement Plan (continued)

Funding Policy - Plan members are required to contribute 7.9% of their gross salary. Mora Independent School District is required to contribute 11.65% 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 Mora Independent School District are established in Chapter 22, Article 11, NMSA 1978. The requirements may be amended by acts of legislature. Mora Independent School District's contributions to the ERB for the years ended June 30, 2009, 2008 and 2007 were \$510,238, \$482,762, and \$458,039 respectively, equal to the amount of the required contribution for the year. The contribution rates will increase each year as follows:

<u>Fiscal Year</u>	<u>Employer Contribution</u>	<u>Employee Contribution</u>
2009-2010	12.460%	7.900%
2010-2011	13.150%	7.900%
2011-2012	13.900%	7.900%

D. Post-Employment Benefits – State Retiree Health Care Plan

Plan Description – Mora Independent School District No. 44 contributes to the New Mexico Retiree Health Care Fund, a cost-sharing multiple-employer defined benefit postemployment healthcare plan administered by the New Mexico Retiree Health Care Authority (RHCA). The RHCA provides health care insurance and prescription drug benefits to retired employees of participating New Mexico government agencies, their spouses, dependents, and surviving spouses and dependents. The RHCA Board was established by the Retiree Health Care Act (Chapter 10, Article 7C, NMSA 1978). The Board is responsible for establishing and amending benefit provisions of the healthcare plan and is also authorized to designate optional and/or voluntary benefits like dental, vision, supplemental life insurance, and long-term care policies.

Eligible retirees are:

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

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

Notes to the Financial Statements  
June 30, 2009

---

V. OTHER INFORMATION (continued)

D. Post-Retirement Health Care Benefits (continued)

The RHCA issues a publicly available stand-alone financial report that includes financial statements and required supplementary information for the postemployment healthcare plan. That report and further information can be obtained by writing to:

Retiree Health Care Authority  
4308 Carlisle NE, Suite 104  
Albuquerque, NM 87107

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

The Retiree Health Care Act (Section 10-7C-15 NMSA 1978) is the statutory authority that establishes the required contributions of participating employers and their employees. The statute requires each participating employer to contribute 1.3% of each participating employee's annual salary; each participating employee is required to contribute .65% of their salary. Employers joining the program after January 1, 1998 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.

Mora Independent School District No. 44's contributions to the RHCA for the years ended June 30, 2009, 2008 and 2007 were \$56,932, \$57,455 and \$58,652, respectively, which equal the required contributions for each year.

E. School District Cash Flows

The District operates on primarily on reimbursement grants. The District must support the expenditures of these grants with monies from the unrestricted operating monies. Operating on a reimbursement basis for these grants in its self does not adversely affect the District's ability to operate effectively. However, the time it takes to receive reimbursement, if extensive, does significantly affect the District cash flows and the ability to deliver educational services to the community in an effective manner. The delay in receiving reimbursements has been progressively increasing through this and the previous two years. The current trend will adversely affect the District in subsequent years.



STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

Notes to the Financial Statements  
June 30, 2009

---

V. OTHER INFORMATION (continued)

F. Budgetary Violations

The District exceeded its legal budget in individual funds as referenced in Findings 2009-1 and 2009-2 on page 141 and 142. Although the report identified various funds lack the appropriate budget authority, the District currently has working agreements between each of the respective fiscal authorities via a Memorandum of Understanding/Agreement (MOU/MOA). Upon submission of the initial Budget Adjustment Requests (BARs) for specific funds, staff of the NMPED informed the District that we did the proper authority to do so. A portion of the funds identified did have proper approval. For the funds identified without proper approval, the District will implement the appropriate protocols to timely monitor individual line items

G. Restatement

The Entitlement IDEA-B in the 2008 report had an end of year fund balance of \$5,958,241. This amount was an error generated by excel in which it is not included in any of the totals for that report.

**THIS PAGE INTENTIONALLY LEFT BLANK**

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

GENERAL FUNDS  
June 30, 2009

---

**OPERATING FUND**

The government's primary fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

**TRANSPORTATION FUND**

Accounts for all the Transportation funds received through the state that are used in the maintaining and operating vehicles used to transport students.

**INSTRUCTIONAL MATERIALS FUND**

Accounts for all the Instructional Materials funds received through the state for the purpose of acquiring study materials for the students.

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

GENERAL FUND  
Combining Balance Sheet  
June 30, 2009

	General Funds			Total General <u>Fund</u>
	Operational <u>Fund</u>	Transportatio n <u>Fund</u>	Instructional Materials <u>Fund</u>	
<b><u>ASSETS</u></b>				
Pooled cash and investments	\$ 893,122	\$ (15,156)	\$ 25,380	\$ 903,346
Receivables:				
Delinquent property taxes	2,744	-	-	2,744
Due from other governments	428	-	-	428
Total assets	<u>\$ 896,294</u>	<u>\$ (15,156)</u>	<u>\$ 25,380</u>	<u>\$ 906,518</u>
<b><u>LIABILITIES AND FUND BALANCE</u></b>				
Liabilities:				
Accounts payable	\$ 16,132	\$ 15,933	\$ -	\$ 32,065
Deferred revenue:				
Delinquent property taxes	2,117	-	-	2,117
Total liabilities	18,249	15,933	-	34,182
Fund balance:				
Unreserved and reported in:				
Undesignated	878,045	(31,089)	25,380	872,336
Total liabilities and fund balance	<u>\$ 896,294</u>	<u>\$ (15,156)</u>	<u>\$ 25,380</u>	<u>\$ 906,518</u>

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

GENERAL FUND  
Combining Statement of Revenues, Expenditures, and  
Changes in Fund Balance  
Year Ended June 30, 2009

	General Funds			Total General <u>Fund</u>
	Operational <u>Fund</u>	Transportation <u>Fund</u>	Instructional Materials <u>Fund</u>	
<b>Revenues:</b>				
Federal sources:				
Forest reserve	\$ 129,130	\$ -	\$ -	\$ 129,130
Federal flowthrough grants	<u>5,156</u>	<u>-</u>	<u>-</u>	<u>5,156</u>
<b>Total federal revenues</b>	<u>134,286</u>	<u>-</u>	<u>-</u>	<u>134,286</u>
State sources:				
State equalization guarantee	5,090,086	-	-	5,090,086
Transportation	-	653,427	-	653,427
State instructional material	-	-	50,204	50,204
State grant	<u>-</u>	<u>-</u>	<u>3,401</u>	<u>3,401</u>
<b>Total state revenues</b>	<u>5,090,086</u>	<u>653,427</u>	<u>53,605</u>	<u>5,797,118</u>
Local sources:				
District school tax levy	20,990	-	-	20,990
Fees and activities	4,917	-	-	4,917
Earnings from investments	<u>14,591</u>	<u>-</u>	<u>1,015</u>	<u>15,606</u>
<b>Total local revenues</b>	<u>40,498</u>	<u>-</u>	<u>1,015</u>	<u>41,513</u>
<b>Total revenue</b>	<u>5,264,870</u>	<u>653,427</u>	<u>54,620</u>	<u>5,972,917</u>
<b>Expenditures:</b>				
Current:				
Instruction	2,614,961	-	45,896	2,660,857
Support Services - Students	675,947	-	-	675,947
Support Services - Instruction	49,941	-	6,419	56,360
Support Services - General Administration	336,090	-	-	336,090
Support Services - School Administration	271,690	-	-	271,690
Central Services	198,058	-	-	198,058
Operations & Maintenance of Plant	980,123	-	-	980,123
Student Transportation	-	444,377	-	444,377
Other Support Services	3	-	-	3
Capital outlay	<u>-</u>	<u>244,379</u>	<u>-</u>	<u>244,379</u>
<b>Total expenditures</b>	<u>5,126,813</u>	<u>688,756</u>	<u>52,315</u>	<u>5,867,884</u>
Excess of revenues over expenditures	138,057	(35,329)	2,305	105,033
Other financing uses:				
Transfers out	<u>(1,461)</u>	<u>-</u>	<u>-</u>	<u>(1,461)</u>
Net change in fund balance	136,596	(35,329)	2,305	103,572
Fund balance at beginning of the year	<u>741,449</u>	<u>4,240</u>	<u>23,075</u>	<u>768,764</u>
Fund balance at end of the year	<u>\$ 878,045</u>	<u>\$ (31,089)</u>	<u>\$ 25,380</u>	<u>\$ 872,336</u>

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

OPERATIONAL FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2009

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
<b>Federal sources:</b>				
Forest reserve	\$ 13,556	\$ 13,556	\$ 129,130	\$ 115,574
Federal direct grant	12,000	12,000	5,156	(6,844)
<b>Total federal revenues</b>	<u>25,556</u>	<u>25,556</u>	<u>134,286</u>	<u>108,730</u>
<b>State sources:</b>				
State equalization guarantee	5,256,696	5,247,152	5,090,086	(157,066)
<b>Local sources:</b>				
District school tax levy	16,706	16,706	20,446	3,740
Fees and activities	-	-	5,388	5,388
Earnings from investments	3,487	3,487	14,120	10,633
<b>Total local revenues</b>	<u>20,193</u>	<u>20,193</u>	<u>39,954</u>	<u>19,761</u>
<b>Total revenues</b>	<u>5,302,445</u>	<u>5,292,901</u>	<u>5,264,326</u>	<u>(28,575)</u>
<b>Expenditures:</b>				
<b>Current:</b>				
Instruction	2,596,417	2,606,917	2,560,865	46,052
Support Services - Students	707,236	757,440	675,947	81,493
Support Services - Instruction	61,263	61,263	47,442	13,821
Support Services - General Administration	332,076	346,944	332,679	14,265
Support Services - School Administration	274,047	274,047	271,690	2,357
Central Services	201,789	201,789	198,058	3,731
Operation & Maintenance of Plant	1,108,352	1,074,480	972,901	101,579
Other Support Services	157	157	3	154
<b>Total current expenses</b>	<u>5,281,337</u>	<u>5,323,037</u>	<u>5,059,585</u>	<u>263,452</u>
<b>Capital outlay:</b>				
Construction in progress	373,858	322,614	-	322,614
<b>Total expenditures</b>	<u>5,655,195</u>	<u>5,645,651</u>	<u>5,059,585</u>	<u>586,066</u>
Excess (deficiency) of revenues over expenditures	(352,750)	(352,750)	204,741	557,491
<b>Other financing sources and financing uses:</b>				
Transfers in	-	-	3,370	3,370
Transfers out	-	-	(64,210)	(64,210)
<b>Total other financing sources and financing uses</b>	<u>-</u>	<u>-</u>	<u>(60,840)</u>	<u>(60,840)</u>
<b>Net change in fund balance</b>	<u>(352,750)</u>	<u>(352,750)</u>	<u>143,901</u>	<u>496,651</u>
Beginning cash balance budgeted	352,750	352,750	-	(352,750)
<b>Fund balance at beginning of the year</b>	<u>-</u>	<u>-</u>	<u>741,449</u>	<u>741,449</u>
Restatement	-	-	-	-
<b>Fund balance as restated</b>	<u>-</u>	<u>-</u>	<u>741,449</u>	<u>741,449</u>
<b>Fund balance at end of the year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>885,350</u>	<u>\$ 885,350</u>
<b>RECONCILIATION TO GAAP BASIS:</b>				
Change in receivables			(864)	
Change in due from other governments			201	
Change in payables			(7,850)	
Change in deferred property taxes			1,208	
			<u>\$ 878,045</u>	

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

TRANSPORTATION FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget Positive (Negative)
Revenues:				
State sources:				
Transportation	\$ 444,132	\$ 686,573	\$ 653,427	\$ (33,146)
 Expenditures:				
Current:				
Student Transportation	444,132	442,194	428,444	13,750
Capital outlay:				
Equipment	-	244,379	244,379	-
Total expenditures	<u>444,132</u>	<u>686,573</u>	<u>672,823</u>	<u>13,750</u>
Excess (deficiency) of revenues over expenditures	-	-	(19,396)	(19,396)
Fund balance at beginning of the year	-	-	4,240	4,240
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	(15,156)	<u>\$ (15,156)</u>
 RECONCILIATION TO GAAP BASIS:				
Change in payables			<u>(15,933)</u>	
			<u>\$ (31,089)</u>	

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

INSTRUCTIONAL MATERIALS FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2009

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
State sources:				
State instructional material	\$ 49,031	\$ 49,031	\$ 50,204	\$ 1,173
State grant	<u>3,108</u>	<u>27,799</u>	<u>3,401</u>	<u>(24,398)</u>
Total state revenues	52,139	76,830	53,605	(23,225)
Local sources:				
Earnings from investments	<u>-</u>	<u>-</u>	<u>1,015</u>	<u>1,015</u>
Total revenues	<u>52,139</u>	<u>76,830</u>	<u>54,620</u>	<u>(22,210)</u>
<b>Expenditures:</b>				
Current:				
Instruction	49,031	70,411	45,896	24,515
Support Services - Instruction	<u>3,108</u>	<u>6,419</u>	<u>6,419</u>	<u>-</u>
Total expenditures	<u>52,139</u>	<u>76,830</u>	<u>52,315</u>	<u>24,515</u>
Excess of revenues over expenditures	-	-	2,305	2,305
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>23,075</u>	<u>23,075</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	25,380	<u>\$ 25,380</u>
<b>RECONCILIATION TO GAAP BASIS:</b>				
Change in deferred revenue			<u>-</u>	
			<u>\$ 25,380</u>	



**NONMAJOR GOVERNMENTAL FUNDS**

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

NON-MAJOR GOVERNMENTAL FUNDS  
Combining Balance Sheet  
June 30, 2009

Special Revenue Funds

	Athletics Fund	Title I Fund	Entitlement IDEA-B Fund	Discretionary IDEA-B Fund	Competitive IDEA-B Fund	Preschool IDEA-B Fund	Title I SIG Fund	Title IV Drug Free Schools Fund	Partnerships in Character Fund	Title V Fund
<u>ASSETS</u>										
Pooled cash and investments	\$ 3,010	\$ (226,390)	\$ (88,923)	\$ (4,722)	\$ -	\$ -	\$ (61,355)	\$ -	\$ 248	\$ (11,210)
Receivables:										
Delinquent property taxes	-	-	-	-	-	-	-	-	-	-
Grant	-	226,390	88,923	4,722	-	-	61,355	-	-	11,210
Due from other governments	-	-	-	-	-	-	-	-	-	-
Total assets	<u>\$ 3,010</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 248</u>	<u>\$ -</u>
<u>LIABILITIES AND FUND BALANCE</u>										
Liabilities:										
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Deferred revenue:										
Federal, state, and local grants	-	-	-	-	-	-	-	-	248	-
Delinquent property taxes	-	-	-	-	-	-	-	-	-	-
Total liabilities	-	-	-	-	-	-	-	-	248	-
Fund balance:										
Reserved:										
Retirement of long-term debt	-	-	-	-	-	-	-	-	-	-
Inventories	-	-	-	-	-	-	-	-	-	-
Capital projects funds	-	-	-	-	-	-	-	-	-	-
Unreserved and reported in:										
Special revenues funds	3,010	-	-	-	-	-	-	-	-	-
Total fund balance	<u>3,010</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities and fund balance	<u>\$ 3,010</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 248</u>	<u>\$ -</u>

(continued)

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

NON-MAJOR GOVERNMENTAL FUNDS  
Combining Balance Sheet  
June 30, 2009

Special Revenue Funds

	Title III English Language Fund	Title II Teacher Quality Fund	Title IV Fund	21st Century Community Living Centers Fund	Title I School Improvement Fund	Reading First Fund	Carl D Perkins Fund	Title I - Stimulus Fund	Entitlement IDEA-B - Stimulus Fund
<u>ASSETS</u>									
Pooled cash and investments	\$ (2,485)	\$ (31,962)	\$ 1,994	\$ 870	\$ -	\$ -	\$ (386)	\$ -	\$ (1,604)
Receivables:									
Delinquent property taxes	-	-	-	-	-	-	-	-	-
Grant	2,485	31,962	-	-	-	-	386	-	1,604
Due from other governments	-	-	-	-	-	-	-	-	-
<b>Total assets</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,994</u>	<u>\$ 870</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>LIABILITIES AND FUND BALANCE</u>									
Liabilities:									
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Deferred revenue:									
Federal, state, and local grants	-	-	1,994	870	-	-	-	-	-
Delinquent property taxes	-	-	-	-	-	-	-	-	-
<b>Total liabilities</b>	<u>-</u>	<u>-</u>	<u>1,994</u>	<u>870</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance:									
Reserved:									
Retirement of long-term debt	-	-	-	-	-	-	-	-	-
Inventories	-	-	-	-	-	-	-	-	-
Capital projects funds	-	-	-	-	-	-	-	-	-
Unreserved and reported in:									
Special revenues funds	-	-	-	-	-	-	-	-	-
<b>Total fund balance</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total liabilities and fund balance</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,994</u>	<u>\$ 870</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(continued)

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

NON-MAJOR GOVERNMENTAL FUNDS  
Combining Balance Sheet  
June 30, 2009

Special Revenue Funds

	Child & Adult Food Program Fund	Rural Health Outreach Fund	LANL Foundation Fund	Jobs for Americas Graduates Fund	Family & Youth Resources Fund	Libraries GO Bond Fund	Beginning Teacher Mentoring Fund	Breakfast for Elementary Students Fund	State 21st Century Learning Center Fund
<u>ASSETS</u>									
Pooled cash and investments	\$ 8,018	\$ -	\$ 911	\$ (1,620)	\$ (32,534)	\$ 16,067	\$ -	\$ (434)	\$ (41,660)
Receivables:									
Delinquent property taxes	-	-	-	-	-	-	-	-	-
Grant	-	-	-	1,620	32,534	-	-	434	41,660
Due from other governments	-	-	-	-	-	-	-	-	-
Total assets	<u>\$ 8,018</u>	<u>\$ -</u>	<u>\$ 911</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 16,067</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>LIABILITIES AND FUND BALANCE</u>									
Liabilities:									
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Deferred revenue:									
Federal, state, and local grants	8,018	-	911	-	-	16,067	-	-	-
Delinquent property taxes	-	-	-	-	-	-	-	-	-
Total liabilities	<u>8,018</u>	<u>-</u>	<u>911</u>	<u>-</u>	<u>-</u>	<u>16,067</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance:									
Reserved:									
Retirement of long-term debt	-	-	-	-	-	-	-	-	-
Inventories	-	-	-	-	-	-	-	-	-
Capital projects funds	-	-	-	-	-	-	-	-	-
Unreserved and reported in:									
Special revenues funds	-	-	-	-	-	-	-	-	-
Total fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities and fund balance	<u>\$ 8,018</u>	<u>\$ -</u>	<u>\$ 911</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 16,067</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(continued)

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

NON-MAJOR GOVERNMENTAL FUNDS  
Combining Balance Sheet  
June 30, 2009

	Special Revenue Funds							
	State Directed Activities Fund	Information Technology Fund	Library Book Fund	CATCH Project Fund	Healthier Schools Fund	School Based Health Center Fund	Exemplary School Based Health Centers Fund	Total Nonmajor Special Revenue Funds
<u>ASSETS</u>								
Pooled cash and investments	\$ (15,044)	\$ (4,600)	\$ -	\$ -	\$ -	\$ (5,749)	\$ (23,507)	\$ (523,067)
Receivables:								
Delinquent property taxes	-	-	-	-	-	-	-	-
Grant	15,044	4,600	-	-	-	5,749	25,208	555,886
Due from other governments	-	-	-	-	-	-	-	-
Total assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,701	\$ 32,819
<u>LIABILITIES AND FUND BALANCE</u>								
Liabilities:								
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,701	\$ 1,701
Deferred revenue:								
Federal, state, and local grants	-	-	-	-	-	-	-	28,108
Delinquent property taxes	-	-	-	-	-	-	-	-
Total liabilities	-	-	-	-	-	-	1,701	29,809
Fund balance:								
Reserved:								
Retirement of long-term debt	-	-	-	-	-	-	-	-
Inventories	-	-	-	-	-	-	-	-
Capital projects funds	-	-	-	-	-	-	-	-
Unreserved and reported in:								
Special revenues funds	-	-	-	-	-	-	-	3,010
Total fund balance	-	-	-	-	-	-	-	3,010
Total liabilities and fund balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,701	\$ 32,819

(continued)

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

NON-MAJOR GOVERNMENTAL FUNDS  
Combining Balance Sheet  
June 30, 2009

	<b>Capital Projects Funds</b>				
	Special Capital Outlay - State <u>Fund</u>	Capital Improvements SB-9 <u>Fund</u>	Public School Capital Outlay - 20% <u>Fund</u>	Total Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<u>ASSETS</u>					
Pooled cash and investments	\$ (160,163)	\$ 28,676	\$ -	\$ (131,487)	\$ (654,554)
Receivables:					
Delinquent property taxes	-	15,582	-	15,582	15,582
Grant	160,163	-	-	160,163	716,049
Due from other governments	-	2,759	-	2,759	2,759
	<u>-</u>	<u>2,759</u>	<u>-</u>	<u>2,759</u>	<u>2,759</u>
Total assets	<u>\$ -</u>	<u>\$ 47,017</u>	<u>\$ -</u>	<u>\$ 47,017</u>	<u>\$ 79,836</u>
<u>LIABILITIES AND FUND BALANCE</u>					
Liabilities:					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 1,701
Deferred revenue:					
Federal, state, and local grants	-	-	-	-	28,108
Delinquent property taxes	-	11,819	-	11,819	11,819
	<u>-</u>	<u>11,819</u>	<u>-</u>	<u>11,819</u>	<u>11,819</u>
Total liabilities	<u>-</u>	<u>11,819</u>	<u>-</u>	<u>11,819</u>	<u>41,628</u>
Fund balance:					
Reserved:					
Retirement of long-term debt	-	-	-	-	-
Inventories	-	-	-	-	-
Capital projects funds	-	35,198	-	35,198	35,198
Unreserved and reported in:					
Special revenues funds	-	-	-	-	3,010
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,010</u>
Total fund balance	<u>-</u>	<u>35,198</u>	<u>-</u>	<u>35,198</u>	<u>38,208</u>
Total liabilities and fund balance	<u>\$ -</u>	<u>\$ 47,017</u>	<u>\$ -</u>	<u>\$ 47,017</u>	<u>\$ 79,836</u>

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

NON-MAJOR GOVERNMENTAL FUNDS  
Combining Statement of Revenues, Expenditures, and  
Changes in Fund Balance  
Year Ended June 30, 2009

	Special Revenue Funds				
	Athletics Fund	Title I Fund	Entitlement IDEA-B Fund	Discretionary IDEA-B Fund	Competitive IDEA-B Fund
<b>Revenues:</b>					
Federal sources:					
Federal flowthrough grants	\$ -	\$ 262,349	\$ 89,954	\$ 4,722	\$ -
Federal direct grants	-	-	-	-	-
Total federal revenues	-	262,349	89,954	4,722	-
State sources:					
State grant	-	-	-	-	-
Local sources:					
Grant	-	-	-	-	-
District school tax levy	-	-	-	-	-
Fees and activities	25,322	-	-	-	-
Earnings from investments	89	-	-	-	-
Miscellaneous	-	-	-	-	-
Total local revenues	25,411	-	-	-	-
Total revenue	25,411	262,349	89,954	4,722	-
<b>Expenditures:</b>					
Current:					
Instruction	23,932	239,706	51,425	4,722	-
Support Services - Students	-	4,824	37,429	-	-
Support Services - Instruction	-	12,663	-	-	-
Support Services - General Administration	-	5,156	-	-	-
Central Services	-	-	1,100	-	-
Operations & Maintenance of Plant	-	-	-	-	-
Food Services	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	23,932	262,349	89,954	4,722	-
Excess (deficiency) of revenues over expenditures	1,479	-	-	-	-
Other financing sources:					
Transfers in	-	-	-	-	-
Net change in fund balance	1,479	-	-	-	-
Fund balance (deficit) at beginning of the year	1,531	-	-	-	-
Fund balance at end of the year	<u>\$ 3,010</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(continued)

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

NON-MAJOR GOVERNMENTAL FUNDS  
Combining Statement of Revenues, Expenditures, and  
Changes in Fund Balance  
Year Ended June 30, 2009

	Special Revenue Funds				
	Preschool IDEA-B Fund	Title I SIG Fund	Title IV Drug Free Schools Fund	Partnerships in Character Fund	Title V Fund
<b>Revenues:</b>					
Federal sources:					
Federal flowthrough grants	\$ -	\$ 100,000	\$ -	\$ 87,649	\$ -
Federal direct grants	-	-	-	-	-
Total federal revenues	-	100,000	-	87,649	-
State sources:					
State grant	-	-	-	-	-
Local sources:					
Grant	-	-	-	-	-
District school tax levy	-	-	-	-	-
Fees and activities	-	-	-	-	-
Earnings from investments	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Total local revenues	-	-	-	-	-
Total revenue	-	100,000	-	87,649	-
<b>Expenditures:</b>					
Current:					
Instruction	-	-	-	-	-
Support Services - Students	-	100,000	-	59,514	-
Support Services - Instruction	-	-	-	-	-
Support Services - General Administration	-	-	-	28,135	-
Central Services	-	-	-	-	-
Operations & Maintenance of Plant	-	-	-	-	-
Food Services	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	-	100,000	-	87,649	-
Excess (deficiency) of revenues over expenditures	-	-	-	-	-
Other financing uses:					
Transfers in	-	-	-	-	-
Net change in fund balance	-	-	-	-	-
Fund balance (deficit) at beginning of the year	-	-	-	-	-
Fund balance at end of the year	\$ -	\$ -	\$ -	\$ -	\$ -

(continued)



STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

NON-MAJOR GOVERNMENTAL FUNDS  
Combining Statement of Revenues, Expenditures, and  
Changes in Fund Balance  
Year Ended June 30, 2009

	Special Revenue Funds				
	Title III English Language Fund	Title II Teacher Quality Fund	Title IV Fund	21st Century Community Living Centers Fund	Title I School Improvement Fund
Revenues:					
Federal sources:					
Federal flowthrough grants	\$ -	\$ 60,288	\$ 1,291	\$ -	\$ -
Federal direct grants	-	-	-	-	-
Total federal revenues	-	60,288	1,291	-	-
State sources:					
State grant	-	-	-	-	-
Local sources:					
Grant	-	-	-	-	-
District school tax levy	-	-	-	-	-
Fees and activities	-	-	-	-	-
Earnings from investments	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Total local revenues	-	-	-	-	-
Total revenue	-	60,288	1,291	-	-
Expenditures:					
Current:					
Instruction	-	56,974	-	-	-
Support Services - Students	-	3,314	1,291	-	-
Support Services - Instruction	-	-	-	-	-
Support Services - General Administration	-	-	-	-	-
Central Services	-	-	-	-	-
Operations & Maintenance of Plant	-	-	-	-	-
Food Services	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	-	60,288	1,291	-	-
Excess (deficiency) of revenues over expenditures	-	-	-	-	-
Other financing uses:					
Transfers in	-	-	-	-	-
Net change in fund balance	-	-	-	-	-
Fund balance (deficit) at beginning of the year	-	-	-	-	-
Fund balance at end of the year	\$ -	\$ -	\$ -	\$ -	\$ -

(continued)

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

NON-MAJOR GOVERNMENTAL FUNDS  
Combining Statement of Revenues, Expenditures, and  
Changes in Fund Balance  
Year Ended June 30, 2009

	Special Revenue Funds				
	Reading First Fund	Carl D Perkins Fund	Title I - Stimulus Fund	Entitlement IDEA-B - Stimulus Fund	Child & Adult Food Program Fund
<b>Revenues:</b>					
Federal sources:					
Federal flowthrough grants	\$ -	\$ -	\$ -	\$ 1,604	\$ -
Federal direct grants	-	-	-	-	31,622
Total federal revenues	-	-	-	1,604	31,622
State sources:					
State grant	-	-	-	-	-
Local sources:					
Grant	-	-	-	-	-
District school tax levy	-	-	-	-	-
Fees and activities	-	-	-	-	-
Earnings from investments	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Total local revenues	-	-	-	-	-
Total revenue	-	-	-	1,604	31,622
<b>Expenditures:</b>					
Current:					
Instruction	-	-	-	1,604	-
Support Services - Students	-	-	-	-	-
Support Services - Instruction	-	-	-	-	-
Support Services - General Administration	-	-	-	-	-
Central Services	-	-	-	-	-
Operations & Maintenance of Plant	-	-	-	-	-
Food Services	-	-	-	-	31,622
Capital outlay	-	-	-	-	-
Total expenditures	-	-	-	1,604	31,622
Excess (deficiency) of revenues over expenditures	-	-	-	-	-
Other financing uses:					
Transfers in	-	-	-	-	-
Net change in fund balance	-	-	-	-	-
Fund balance (deficit) at beginning of the year	-	-	-	-	-
Fund balance at end of the year	\$ -	\$ -	\$ -	\$ -	\$ -

(continued)

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

NON-MAJOR GOVERNMENTAL FUNDS  
Combining Statement of Revenues, Expenditures, and  
Changes in Fund Balance  
Year Ended June 30, 2009

	Special Revenue Funds			
	Rural Health Outreach Fund	LANL Foundation Fund	Jobs for Americas Graduates Fund	Family & Youth Resources Fund
	Fund	Fund	Fund	Fund
<b>Revenues:</b>				
Federal sources:				
Federal flowthrough grants	\$ -	\$ -	\$ -	\$ -
Federal direct grants	-	-	-	-
Total federal revenues	-	-	-	-
State sources:				
State grant	-	-	-	45,000
Local sources:				
Grant	-	-	-	-
District school tax levy	-	-	-	-
Fees and activities	-	-	-	-
Earnings from investments	-	-	-	-
Miscellaneous	-	7,686	41,620	-
Total local revenues	-	7,686	41,620	-
Total revenue	-	7,686	41,620	45,000
<b>Expenditures:</b>				
Current:				
Instruction	-	7,686	41,620	-
Support Services - Students	-	-	-	45,000
Support Services - Instruction	-	-	-	-
Support Services - General Administration	-	-	-	-
Central Services	-	-	-	-
Operations & Maintenance of Plant	-	-	-	-
Food Services	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	-	7,686	41,620	45,000
Excess (deficiency) of revenues over expenditures	-	-	-	-
Other financing uses:				
Transfers in	-	-	-	-
Net change in fund balance	-	-	-	-
Fund balance (deficit) at beginning of the year	-	-	-	-
Fund balance at end of the year	\$ -	\$ -	\$ -	\$ -

(continued)

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

NON-MAJOR GOVERNMENTAL FUNDS  
Combining Statement of Revenues, Expenditures, and  
Changes in Fund Balance  
Year Ended June 30, 2009

	Special Revenue Funds			
	Libraries GO Bond Fund	Beginning Teacher Mentoring Fund	Breakfast for Elementary Students Fund	State 21st Century Community Learning Center Fund
<b>Revenues:</b>				
Federal sources:				
Federal flowthrough grants	\$ -	\$ -	\$ -	\$ -
Federal direct grants	-	-	-	-
Total federal revenues	-	-	-	-
State sources:				
State grant	-	1,003	9,016	41,660
Local sources:				
Grant	-	-	-	-
District school tax levy	-	-	-	-
Fees and activities	-	-	-	-
Earnings from investments	-	-	-	-
Miscellaneous	-	-	-	-
Total local revenues	-	-	-	-
Total revenue	-	1,003	9,016	41,660
<b>Expenditures:</b>				
Current:				
Instruction	-	1,003	-	41,660
Support Services - Students	-	-	-	-
Support Services - Instruction	-	-	-	-
Support Services - General Administration	-	-	-	-
Central Services	-	-	-	-
Operations & Maintenance of Plant	-	-	-	-
Food Services	-	-	9,016	-
Capital outlay	-	-	-	-
Total expenditures	-	1,003	9,016	41,660
Excess (deficiency) of revenues over expenditures	-	-	-	-
Other financing uses:				
Transfers in	-	-	-	-
Net change in fund balance	-	-	-	-
Fund balance (deficit) at beginning of the year	-	-	-	-
Fund balance at end of the year	\$ -	\$ -	\$ -	\$ -

(continued)

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

NON-MAJOR GOVERNMENTAL FUNDS  
Combining Statement of Revenues, Expenditures, and  
Changes in Fund Balance  
Year Ended June 30, 2009

	Special Revenue Funds			
	State Directed Activities Fund	Information Technology Fund	Library Book Fund	CATCH Project Fund
<b>Revenues:</b>				
<b>Federal sources:</b>				
Federal flowthrough grants	\$ -	\$ -	\$ -	\$ -
Federal direct grants	-	-	-	-
Total federal revenues	-	-	-	-
<b>State sources:</b>				
State grant	15,044	4,600	1,645	600
<b>Local sources:</b>				
Grant	-	-	-	-
District school tax levy	-	-	-	-
Fees and activities	-	-	-	-
Earnings from investments	-	-	-	-
Miscellaneous	-	-	-	-
Total local revenues	-	-	-	-
<b>Total revenue</b>	<b>15,044</b>	<b>4,600</b>	<b>1,645</b>	<b>600</b>
<b>Expenditures:</b>				
<b>Current:</b>				
Instruction	15,044	4,600	-	-
Support Services - Students	-	-	-	-
Support Services - Instruction	-	-	1,645	600
Support Services - General Administration	-	-	-	-
Central Services	-	-	-	-
Operations & Maintenance of Plant	-	-	-	-
Food Services	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	15,044	4,600	1,645	600
Excess (deficiency) of revenues over expenditures	-	-	-	-
<b>Other financing uses:</b>				
Transfers in	-	-	-	-
Net change in fund balance	-	-	-	-
Fund balance (deficit) at beginning of the year	-	-	-	-
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(continued)

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

NON-MAJOR GOVERNMENTAL FUNDS  
Combining Statement of Revenues, Expenditures, and  
Changes in Fund Balance  
Year Ended June 30, 2009

	Special Revenue Funds			Total Nonmajor Special Revenue Funds
	Healthier Schools Fund	School Based Health Center Fund	Exemplary School Based Health Centers Fund	
<b>Revenues:</b>				
Federal sources:				
Federal flowthrough grants	\$ -	\$ -	\$ -	\$ 607,857
Federal direct grants	-	-	-	31,622
Total federal revenues	-	-	-	639,479
State sources:				
State grant	-	-	46,251	164,819
Local sources:				
Grant	-	60,000	-	60,000
District school tax levy	-	-	-	-
Fees and activities	-	-	-	25,322
Earnings from investments	-	-	-	89
Miscellaneous	-	-	-	49,306
Total local revenues	-	60,000	-	134,717
Total revenue	-	60,000	46,251	939,015
<b>Expenditures:</b>				
Current:				
Instruction	-	-	-	489,976
Support Services - Students	-	60,000	46,251	357,623
Support Services - Instruction	-	-	-	14,908
Support Services - General Administration	-	-	-	33,291
Central Services	-	-	-	1,100
Operations & Maintenance of Plant	-	-	-	-
Food Services	-	-	-	40,638
Capital outlay	-	-	-	-
Total expenditures	-	60,000	46,251	937,536
Excess (deficiency) of revenues over expenditures	-	-	-	1,479
Other financing uses:				
Transfers in	-	-	-	-
Net change in fund balance	-	-	-	1,479
Fund balance (deficit) at beginning of the year	-	-	-	1,531
Fund balance at end of the year	\$ -	\$ -	\$ -	\$ 3,010

(continued)

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

NON-MAJOR GOVERNMENTAL FUNDS  
Combining Statement of Revenues, Expenditures, and  
Changes in Fund Balance  
Year Ended June 30, 2009

	Capital Projects Funds				
	Special Capital Outlay - State Fund	Capital Improvements SB-9 Fund	Public School Capital Outlay - 20% Fund	Total Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
	Fund	Fund	Fund	Funds	Funds
<b>Revenues:</b>					
Federal sources:					
Federal flowthrough grants	\$ -	\$ -	\$ -	\$ -	\$ 607,857
Federal direct grants	-	-	-	-	31,622
Total federal revenues	-	-	-	-	639,479
State sources:					
State grant	65,886	-	-	65,886	230,705
Local sources:					
Grant	-	-	-	-	60,000
District school tax levy	-	123,808	-	123,808	123,808
Fees and activities	-	-	-	-	25,322
Earnings from investments	-	4,346	-	4,346	4,435
Miscellaneous	-	-	-	-	49,306
Total local revenues	-	128,154	-	128,154	262,871
Total revenue	65,886	128,154	-	194,040	1,133,055
<b>Expenditures:</b>					
Current:					
Instruction	-	-	-	-	489,976
Support Services - Students	-	-	-	-	357,623
Support Services - Instruction	-	-	-	-	14,908
Support Services - General Administration	-	1,189	-	1,189	34,480
Central Services	-	-	-	-	1,100
Operations & Maintenance of Plant	4,088	33,486	-	37,574	37,574
Food Services	-	-	-	-	40,638
Capital outlay	61,798	163,181	-	224,979	224,979
Total expenditures	65,886	197,856	-	263,742	1,201,278
Excess (deficiency) of revenues over expenditures	-	(69,702)	-	(69,702)	(68,223)
Other financing uses:					
Transfers in	-	-	1,461	1,461	1,461
Net change in fund balance	-	(69,702)	1,461	(68,241)	(66,762)
Fund balance (deficit) at beginning of the year	-	104,900	(1,461)	103,439	104,970
Fund balance at end of the year	\$ -	\$ 35,198	\$ -	\$ 35,198	\$ 38,208

**THIS PAGE INTENTIONALLY LEFT BLANK**



## **BUDGETARY PRESENTATION**

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

SPECIAL REVENUE FUNDS  
June 30, 2009

---

**ATHLETICS**

This fund provides financing for school athletic activities. Funding is provided by fees from patrons.

**TITLE I**

To help local education agencies (LEAs) and schools improve the teaching and learning of children failing, or most at-risk of failing, to meet challenging State academic standards. Funding authorization: Elementary and Secondary Education Act of 1965, Title I, Part A, 20 U.S.C. 6301 et seq.

**ENTITLEMENT/DISCRETIONARY/COMPETITIVE IDEA-B**

The Entitlement/Discretionary /Competitive IDEA-B program is to provide grants to states, that flow-through to schools, to assist them in providing a free appropriate public education to all children with disabilities. The program is funded by the United States government, under the Individuals with Disabilities Education Act, Part B, Section 611-617, and part D, Section 674 as amended, 20 U.S.C. 1711-1417 and 1420.

**PRESCHOOL IDEA-B**

The Preschool program is for the purpose of enhancing Special Education for handicapped children from ages 3 to 5. The program is funded by the United States government, under the Individuals With Disabilities Act, Part B, Section 619, as amended, Public Laws 94-142, 99-457, 100-630, 101-497, and 101-476.

**TITLE I SIG**

To strengthen the capacity to carry out program improvement responsibilities required under Sections 1116 and 1117 of Title I of the ESEA by (1) building District capacity to provide leadership in implementing effective school improvement strategies for local educational agencies (LEAs) and schools that have been identified for improvement, are in corrective action, and are in the restructuring process and (2) providing resources to LEAs to support school improvement activities, including the development and implementation of effective restructuring plans. Authorized by Elementary and Secondary Education Act (ESEA), as amended , Executive Order Section 1003(g), Title I.

**TITLE IV DRUG FREE SCHOOLS**

To offer a disciplined environment conducive to learning, by preventing violence in and around schools and strengthen programs that prevent the illegal use of alcohol, tobacco, and drugs, involve parents, and coordinated with related Federal, State, and community efforts and resources. Authorized by Elementary and Secondary Education Act, Title IV, Part A, Subpart 1, as amended. 20 U.S.C. 7111-7118.

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

SPECIAL REVENUE FUNDS  
June 30, 2009

---

**PARTNERSHIPS IN CHARACTER**

To design and implement a character education program that is able to be: (a) integrated into classroom instruction and is consistent with state academic content standards and (b) carried out in conjunction with other education reform efforts. Elementary and Secondary Education Act of 1965, as amended, Title V, Part D, Subpart 3, Sec 5431 — Partnerships in Character Education; 20 U.S.C. 7247

**TITLE V**

To assist State and Local educational agencies in the reform of elementary and secondary education. Authorized by the Elementary and Secondary Education Act of 1965, Title VI, as amended, 20 U.S.C. 7301-7373.

**TITLE III ENGLISH LANGUAGE**

To ensure that limited English proficient children (LEP) and youth, including immigrant children and youth, attain English proficiency and meet the same standards as all children and youth are expected to meet; to provide assistance to Native American, Native Hawaiian, Native American Pacific Islander, and Alaskan native children with certain modifications relative to the unique status of native American language under Federal Law; to develop to the extent possible, the native language skills of such children. The fund is authorized through the Elementary and Secondary Education Act (ESEA), as amended, Title III, Part A, Sections 3101,3129.

**TITLE II TEACHER QUALITY**

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

**TITLE IV DRUG FREE SCHOOLS**

To offer a disciplined environment conducive to learning, by preventing violence in and around schools and strengthen programs that prevent the illegal use of alcohol, tobacco, and drugs, involve parents, and coordinated with related Federal, State, and community efforts and resources. Authorized by Elementary and Secondary Education Act, Title IV, Part A, Subpart 1, as amended. 20 U.S.C. 7111-7118.

**21<sup>ST</sup> CENTURY COMMUNITY LIVING CENTERS**

After school adolescence care, providing the community with responsible Child Care, while providing the children and their families with referral services, drug prevention education, academic help, and character building (social skill) activities. Funding is provided by the Department of Education under the Elementary and Secondary Education Act of 1965, Title X, part I Section 10901, Public Law 103-382 Stat. 3844, 20 U.S.C. 8241.

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

SPECIAL REVENUE FUNDS  
June 30, 2009

---

**TITLE I SCHOOL IMPROVEMENT**

To develop parental involvement in the school curriculum. The program is funded by the United States government under P.L. 100-297.

**READING FIRST**

To provide financial assistance to rural districts to carry out activities to help improve the quality of teaching and learning in their schools. Authorization is granted by Elementary and Secondary Education Act of 1965 (ESEA), as amended, Public Law 107-110.

**CARL D. PERKINS**

Basic grants assist State and outlying areas to expand and improve their programs of vocational education and provide equal access in vocational education to special need populations. Authorized by Carl D. Perkins Vocational and Applied Technology Education Amendments of 1998, Title I, Public Law 105-332, 20 U.S.C. 2301, et seq.

**TITLE I – STIMULUS**

Use of funds varies, depending on whether a school is operating a schoolwide program under Title I, section 1114 of ESEA or a targeted assistance program under Section 1115 of the ESEA. A school with at least a 40 percent poverty rate may choose to operate a schoolwide program under Section 1114 that allows Title I funds to be combined with other Federal, State, and local funds to upgrade the school's overall instructional program. Schoolwide program schools must receive the amount of non-Federal resources they would have received in the absence of Title I funds. All other participating schools must operate targeted assistance programs that provide extra instruction to those children failings, or most at risk of failing, to meet State academic achievement standards. Targeted assistance programs must ensure that Title I services supplement, and do not supplant the regular education programs normally provided with non-Federal funds by local educational agencies. This program is subject to non-supplanting requirements and must use a restricted indirect cost rate, which is referenced under 34 CFR 76.564-76.569. Authorization: Elementary and Secondary Education Act of 1965 (ESEA), Title I, Part A, 20 U.S.C. 6301 et seq. and the American Recovery and Reinvestment Act of 2009 (ARRA), Public Law 111-5.

**ENTITLEMENT IDEA-B – STIMULUS**

Used in accordance with the IDEA, to help provide the special education and related services needed to make a free appropriate public education available to all eligible children and, in some cases, early intervening services. Authorization: Individuals with Disabilities Education (IDEA), as amended, Part B, Section 611-618, 20 U.S.C. 1411-1418; American Recovery and Reinvestment Act of 2009 (ARRA), Public Law 111-5.

**CHILD & ADULT FOOD PROGRAM**

To account for the activities of a program to provide for healthier schools by providing a health center at the schools. Funding is from the New Mexico Department of Health. The authority for creation of this fund was approved by the original budget by the Mora Board of Education.

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

SPECIAL REVENUE FUNDS  
June 30, 2009

---

**RURAL HEALTH OUTREACH**

To expand access to, coordinate, restrain the cost of, and improve the quality of essential health services, including preventive and emergency services, through the development of integrated health care delivery systems or networks in rural areas and regions. Authorization is given through Health Care Safety Net Amendment, Public Law 107-251

**LANL FOUNDATION**

Local grant sponsored by Los Alamos National Laboratory that was used to provide a scholarship to a senior high student at Questa Independent High School that was to be used in a four-year program for educational efforts in pursuing an engineering degree at a New Mexico college or university.

**JOBS FOR AMERICAS GRADUATES**

To provide funds for the implementation of a school-to-career transition program.

**FAMILY AND YOUTH RESOURCES**

To coordinate services to non-cognitive students in order to ensure the students success in school

**LIBRARIES GO BOND**

Funding made available to update and expand library collections.

**BEGINNING TEACHER MENTORING**

Funds to assist school districts in the design, implementation, and evaluation of beginning teacher mentoring programs. Funding is provided through the 2000 legislative session, with appropriated funds from the General Appropriations Act.

**BREAKFAST FOR ELEMENTARY STUDENTS**

To provide elementary students with the nutrition necessary to facilitate learning.

**STATE 21<sup>ST</sup> CENTURY COMMUNITY LEARNING CENTER**

To provide (1) opportunities for academic enrichment, including providing tutorial services to help students, particularly students in high-poverty areas and those who attend low-performing schools, meet State and local student performance standards in core academic subjects such as reading and mathematics; (2) students a broad array of additional services, programs, and activities, such as youth development activities, drug and violence prevention programs, counseling programs, art, music, and recreation programs, technology education programs, and character education programs, that are designed to reinforce and complement the regular academic program of participating students; and (3) families of students served by community learning centers opportunities for literacy and related educational development.

**STATE OF NEW MEXICO**  
**MORA INDEPENDENT SCHOOL DISTRICT NO. 44**

**SPECIAL REVENUE FUNDS**  
June 30, 2009

---

**STATE DIRECTED ACTIVITIES**

To support the improvement of educational results and functional outcomes for all children with disabilities.

**INFORMATION TECHNOLOGY**

To provide assistance in information technology for the district.

**LIBRARY BOOK**

To support the purchase of library books. Authorized through New Mexico Senate Bill 471.

**CATCH PROJECT**

To fund research-based physical activity and nutrition diabetes prevention program for elementary school children.

**HEALTHIER SCHOOLS**

To account for the activities of a program to provide for healthier schools by providing a health center at the schools. Funding is from the New Mexico Department of Health. The authority for creation of this fund was approved by the original budget by the Mora Board of Education.

**SCHOOL BASED HEALTH CENTERS**

To enhance school based health centers infrastructure, develop and implement billing protocols, improve communication with school personnel, families, and outside agencies, and improve behavioral health programs.

**EXEMPLARY SCHOOL BASED HEALTH CENTERS**

To provide a comprehensive array of school based behavioral health programs and services for school students.

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

ATHLETICS SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	<u>Variance with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
<b>Local sources:</b>				
Fees and activities	\$ 24,982	\$ 24,982	\$ 25,322	\$ 340
Earnings from investments	<u>18</u>	<u>18</u>	<u>89</u>	<u>71</u>
 Total revenues	 25,000	 25,000	 25,411	 411
 <b>Expenditures:</b>				
<b>Current:</b>				
Instruction	<u>25,000</u>	<u>25,000</u>	<u>23,932</u>	<u>1,068</u>
Excess of revenues over expenditures	-	-	1,479	1,479
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>1,531</u>	<u>1,531</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	3,010	<u>\$ 3,010</u>
 <b>RECONCILIATION TO GAAP BASIS:</b>				
Change in payables			<u>-</u>	
			<u>\$ 3,010</u>	

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

TITLE I SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget Positive (Negative)
Revenues:				
Federal sources:				
Federal grant	\$ 248,153	\$ 254,768	\$ 169,078	\$ (85,690)
Expenditures:				
Current:				
Instruction	225,057	231,672	239,706	(8,034)
Support Services - Students	4,824	4,824	4,824	-
Support Services - Instruction	12,664	12,664	12,663	1
Support Services - General Administration	5,608	5,608	5,156	452
Total expenditures	248,153	254,768	262,349	(7,581)
Excess (deficiency) of revenues over expenditures	-	-	(93,271)	(93,271)
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	\$ -	\$ -	(93,271)	\$ (93,271)
RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			93,271	
			\$ -	



STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

ENTITLEMENT IDEA-B SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
Revenues:				
Federal sources:				
Federal grant	\$ 129,459	\$ 134,989	\$ 29,149	\$ (105,840)
Expenditures:				
Current:				
Instruction	90,178	90,130	51,425	38,705
Support Services - Students	32,035	37,613	37,429	184
Central Services	<u>7,246</u>	<u>7,246</u>	<u>1,100</u>	<u>6,146</u>
Total current expenses	<u>129,459</u>	<u>134,989</u>	<u>89,954</u>	<u>45,035</u>
Excess (deficiency) of revenues over expenditures	-	-	(60,805)	(60,805)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	(60,805)	<u>\$ (60,805)</u>
RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			<u>60,805</u>	
			<u>\$ -</u>	

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

DISCRETIONARY IDEA-B SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Federal sources:				
Federal grant	\$ -	\$ 4,722	\$ 20,900	\$ 16,178
 Expenditures:				
Current:				
Instruction	<u>-</u>	<u>4,722</u>	<u>4,722</u>	<u>-</u>
Excess of revenues over expenditures	-	-	16,178	16,178
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	16,178	<u>\$ 16,178</u>
 RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			<u>(16,178)</u>	
			<u>\$ -</u>	

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

COMPETITIVE IDEA-B SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Federal sources:				
Federal grant	\$ -	\$ -	\$ 658	\$ 658
Expenditures:				
Current:				
Instruction	-	-	-	-
Excess of revenues over expenditures	-	-	658	658
Other financing uses:				
Transfers out	-	-	(556)	(556)
Net change in fund balance	-	-	102	102
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	102	<u>\$ 102</u>
RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			(102)	
			<u>\$ -</u>	

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

PRESCHOOL IDEA-B SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	<u>Variance with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Federal sources:				
Federal grant	\$ 6,415	\$ 6,415	\$ 7,344	\$ 929
Expenditures:				
Current:				
Instruction	<u>6,415</u>	<u>6,415</u>	<u>-</u>	<u>6,415</u>
Excess of revenues over expenditures	-	-	7,344	7,344
Other financing sources:				
Transfers in	<u>-</u>	<u>-</u>	<u>625</u>	<u>625</u>
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	7,969	<u>\$ 7,969</u>
RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			<u>(7,969)</u>	
			<u>\$ -</u>	

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

TITLE I SIG SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Federal sources:				
Federal grant	\$ -	\$ 100,000	\$ 38,645	\$ (61,355)
 Expenditures:				
Current:				
Support Services - Students	<u>-</u>	<u>100,000</u>	<u>100,000</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	-	-	(61,355)	(61,355)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	(61,355)	<u>\$ (61,355)</u>
 RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			<u>61,355</u>	
			<u>\$ -</u>	

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

TITLE IV DRUG FREE SCHOOLS SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Federal sources:				
Federal grant	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Current:				
Instruction	-	-	-	-
Excess (deficiency) of revenues				
Excess of revenues over expenditures	-	-	-	-
Other financing uses:				
Transfers out	-	-	(6)	(6)
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	(6)	<u>\$ (6)</u>
RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			<u>6</u>	
			<u>\$ -</u>	

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

PARTNERSHIPS IN CHARACTER SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Federal sources:				
Federal grant	\$ -	\$ 87,649	\$ 87,454	\$ (195)
Expenditures:				
Current:				
Support Services - Students	-	59,514	59,514	-
Support Services - General Administration	-	28,135	28,135	-
Total expenditures	-	87,649	87,649	-
Excess (deficiency) of revenues over expenditures	-	-	(195)	(195)
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	\$ -	\$ -	(195)	\$ (195)
RECONCILIATION TO GAAP BASIS:				
Change in deferred revenue			195	
			<u>\$ -</u>	

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

TITLE V SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
Revenues:				
Federal sources:				
Federal grant	\$ -	\$ -	\$ 1,778	\$ 1,778
Expenditures:				
Current:				
Instruction	-	-	-	-
Excess of revenues over expenditures	-	-	1,778	1,778
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	1,778	<u>\$ 1,778</u>
RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			(1,778)	
			<u>\$ -</u>	



STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

TITLE III ENGLISH LANGUAGE SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Federal sources:				
Federal grant	\$ -	\$ -	\$ 3,150	\$ 3,150
 Expenditures:				
Current:				
Instruction	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over expenditures	-	-	3,150	3,150
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	3,150	<u>\$ 3,150</u>
 RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			<u>(3,150)</u>	
			<u>\$ -</u>	

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

TITLE II TEACHER QUALITY SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	<u>Variance with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Federal sources:				
Federal grant	\$ 60,999	\$ 61,710	\$ 45,749	\$ (15,961)
Expenditures:				
Current:				
Instruction	60,999	60,288	56,974	3,314
Support Services - Students	<u>-</u>	<u>-</u>	<u>3,314</u>	<u>(3,314)</u>
Total current expenses	60,999	60,288	60,288	-
Excess (deficiency) of revenues over expenditures	-	1,422	(14,539)	(15,961)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ 1,422</u>	(14,539)	<u>\$ (15,961)</u>
RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			<u>14,539</u>	
			<u>\$ -</u>	

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

TITLE IV SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
Revenues:				
Federal sources:				
Federal grant	\$ 3,669	\$ 5,338	\$ 3,139	\$ (2,199)
 Expenditures:				
Current:				
Support Services - Students	<u>3,669</u>	<u>5,338</u>	<u>1,291</u>	<u>4,047</u>
Excess of revenues over expenditures	-	-	1,848	1,848
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	1,848	<u>\$ 1,848</u>
 RECONCILIATION TO GAAP BASIS:				
Change in deferred revenue			<u>(1,848)</u>	
			<u>\$ -</u>	

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

21ST CENTURY COMMUNITY LIVING CENTERS SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
Revenues:				
Federal sources:				
Federal grant	\$ -	\$ -	\$ 87,787	\$ 87,787
 Expenditures:				
Current:				
Instruction	-	-	-	-
Excess of revenues over expenditures	-	-	87,787	87,787
Other financing sources:				
Transfers in	-	-	46,179	46,179
Net change in fund balance	-	-	133,966	133,966
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	133,966	<u>\$ 133,966</u>
 RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			(133,096)	
Change in deferred revenue			<u>(870)</u>	
			<u>\$ -</u>	

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44  
TITLE I SCHOOL IMPROVEMENT SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Local sources:				
District school tax levy	\$ -	\$ -	\$ 100	\$ 100
 Expenditures:				
Current:				
Instruction	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over expenditures	-	-	100	100
Other financing uses:				
Transfers out	<u>-</u>	<u>-</u>	<u>(100)</u>	<u>(100)</u>
Net change in fund balance	-	-	-	-
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of the year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u>-</u>	<u><u>\$ -</u></u>
 RECONCILIATION TO GAAP BASIS:				
Change in payables			<u>-</u>	
			<u><u>\$ -</u></u>	

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

CARL D PERKINS SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Federal sources:				
Federal grant	\$ -	\$ -	\$ 40,130	\$ 40,130
Expenditures:				
Current:				
Instruction	-	-	-	-
Excess of revenues over expenditures	-	-	40,130	40,130
Other financing sources:				
Transfers in	-	-	15,945	15,945
Net change in fund balance	-	-	56,075	56,075
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	56,075	<u>\$ 56,075</u>
RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			(56,075)	
			<u>\$ -</u>	

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

READING FIRST SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Federal sources:				
Federal grant	\$ -	\$ -	\$ 43,194	\$ 43,194
Expenditures:				
Current:				
Instruction	-	-	-	-
Excess of revenues over expenditures	-	-	43,194	43,194
Other financing uses:				
Transfers out	-	-	(2,597)	(2,597)
Net change in fund balance	-	-	40,597	40,597
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	40,597	<u>\$ 40,597</u>
RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			(40,597)	
			<u>\$ -</u>	

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

TITLE I - STIMULUS SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	<u>Variance with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Federal sources:				
Federal grant	\$ -	\$ 74,843	\$ -	\$ (74,843)
Expenditures:				
Current:				
Instruction	<u>-</u>	<u>74,843</u>	<u>-</u>	<u>74,843</u>
Excess of revenues over expenditures	-	-	-	-
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
RECONCILIATION TO GAAP BASIS:				
Change in payables			<u>-</u>	
			<u>\$ -</u>	



STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

ENTITLEMENT IDEA-B - STIMULUS SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Federal sources:				
Federal grant	\$ -	\$ 81,167	\$ -	\$ (81,167)
 Expenditures:				
Current:				
Instruction	<u>-</u>	<u>81,167</u>	<u>1,604</u>	<u>79,563</u>
Excess (deficiency) of revenues over expenditures	-	-	(1,604)	(1,604)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	(1,604)	<u>\$ (1,604)</u>
 RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			<u>1,604</u>	
			<u>\$ -</u>	

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

CHILD & ADULT FOOD PROGRAM SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	Final Budget Positive <u>(Negative)</u>
Revenues:				
Federal sources:				
Federal direct grant	\$ -	\$ 36,741	\$ 31,539	\$ (5,202)
 Expenditures:				
Current:				
Food Services Operations	<u>-</u>	<u>36,741</u>	<u>31,622</u>	<u>5,119</u>
Excess (deficiency) of revenues over expenditures	-	-	(83)	(83)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	(83)	<u>\$ (83)</u>
 RECONCILIATION TO GAAP BASIS:				
Change in deferred revenue			<u>83</u>	
			<u>\$ -</u>	

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

RURAL HEALTH OUTREACH SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		Actual Amounts <u>(Budgetary Basis)</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Federal sources:				
Federal direct grant	\$ -	\$ -	\$ 111	\$ 111
 Expenditures:				
Current:				
Instruction	-	-	-	-
Excess of revenues over expenditures	-	-	111	111
 Other financing uses:				
Transfers out	-	-	(111)	(111)
Net change in fund balance	-	-	-	-
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
 RECONCILIATION TO GAAP BASIS:				
Change in payables			-	
			<u>\$ -</u>	

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

LANL FOUNDATION SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	Final Budget Positive <u>(Negative)</u>
Revenues:				
Local sources:				
Grant	\$ -	\$ 8,596	\$ 5,279	\$ (3,317)
 Expenditures:				
Current:				
Instruction	<u>-</u>	<u>8,596</u>	<u>7,686</u>	<u>910</u>
Excess (deficiency) of revenues over expenditures	-	-	(2,407)	(2,407)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	(2,407)	<u>\$ (2,407)</u>
 RECONCILIATION TO GAAP BASIS:				
Change in deferred revenue			<u>2,407</u>	
			<u>\$ -</u>	

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

JOBS FOR AMERICAS GRADUATES SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	Final Budget Positive <u>(Negative)</u>
Revenues:				
Local sources:				
Grant	\$ -	\$ 40,000	\$ 40,000	\$ -
 Expenditures:				
Current:				
Instruction	<u>-</u>	<u>40,000</u>	<u>41,620</u>	<u>(1,620)</u>
Excess (deficiency) of revenues over expenditures	-	-	(1,620)	(1,620)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	(1,620)	<u>\$ (1,620)</u>
 RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			<u>1,620</u>	
			<u>\$ -</u>	

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

FAMILY & YOUTH RESOURCES SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	Final Budget Positive (Negative)
Revenues:				
State sources:				
State grant	\$ -	\$ 45,000	\$ 12,466	\$ (32,534)
 Expenditures:				
Current:				
Support Services - Students	<u>-</u>	<u>45,000</u>	<u>45,000</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	-	-	(32,534)	(32,534)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	(32,534)	<u>\$ (32,534)</u>
 RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			<u>32,534</u>	
			<u>\$ -</u>	

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

BEGINNING TEACHER MENTORING SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
Revenues:				
State sources:				
State grant	\$ -	\$ 1,003	\$ 1,003	\$ -
 Expenditures:				
Current:				
Instruction	<u>-</u>	<u>1,003</u>	<u>1,003</u>	<u>-</u>
Excess of revenues over expenditures	-	-	-	-
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
 RECONCILIATION TO GAAP BASIS:				
Change in payables			<u>-</u>	
			<u>\$ -</u>	

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

BREAKFAST FOR ELEMENTARY STUDENTS SPECIAL REVENUE FUND

Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)

Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
<b>Revenues:</b>				
State sources:				
State grant	\$ -	\$ 9,016	\$ 9,016	\$ -
<b>Expenditures:</b>				
Current:				
Food Services Operations	-	9,016	9,016	-
Excess of revenues over expenditures	-	-	-	-
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
<b>RECONCILIATION TO GAAP BASIS:</b>				
Change in payables			-	
			<u>\$ -</u>	



STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

STATE 21ST CENTURY COMMUNITY LEARNING CENTER SPECIAL REVENUE FUND

Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)

Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
<b>Revenues:</b>				
State sources:				
State grant	\$ -	\$ 41,660	\$ 57,738	\$ 16,078
 <b>Expenditures:</b>				
Current:				
Instruction	-	41,660	41,660	-
Excess of revenues over expenditures	-	-	16,078	16,078
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	16,078	<u>\$ 16,078</u>
 <b>RECONCILIATION TO GAAP BASIS:</b>				
Change in grant receivable			(16,078)	
			<u>\$ -</u>	

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

STATE DIRECTED ACTIVITIES SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
<b>Revenues:</b>				
State sources:				
State grant	\$ -	\$ 15,044	\$ -	\$ (15,044)
<b>Expenditures:</b>				
Current:				
Instruction	-	15,044	15,044	-
Excess (deficiency) of revenues over expenditures	-	-	(15,044)	(15,044)
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	(15,044)	<u>\$ (15,044)</u>
<b>RECONCILIATION TO GAAP BASIS:</b>				
Change in grant receivable			15,044	
			<u>\$ -</u>	

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

INFORMATION TECHNOLOGY SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
Revenues:				
State sources:				
State grant	\$ -	\$ 4,600	\$ -	\$ (4,600)
 Expenditures:				
Current:				
Instruction	<u>-</u>	<u>4,600</u>	<u>4,600</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	-	-	(4,600)	(4,600)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	(4,600)	<u>\$ (4,600)</u>
 RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			<u>4,600</u>	
			<u>\$ -</u>	

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

LIBRARY BOOK SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
State sources:				
State grant	\$ -	\$ 1,645	\$ 1,645	\$ -
 Expenditures:				
Current:				
Support Services - Instruction	<u>-</u>	<u>1,645</u>	<u>1,645</u>	<u>-</u>
Excess of revenues over expenditures	-	-	-	-
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
 RECONCILIATION TO GAAP BASIS:				
Change in payables			<u>-</u>	
			<u>\$ -</u>	

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

CATCH PROJECT SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
State sources:				
State grant	\$ -	\$ 600	\$ 1,700	\$ 1,100
 Expenditures:				
Current:				
Support Services - Instruction	<u>-</u>	<u>600</u>	<u>600</u>	<u>-</u>
Excess of revenues over expenditures	-	-	1,100	1,100
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	1,100	<u>\$ 1,100</u>
 RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			<u>(1,100)</u>	
			<u>\$ -</u>	

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

HEALTHIER SCHOOLS SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	<u>Variance with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
State sources:				
State grant	\$ -	\$ -	\$ -	\$ -
 Expenditures:				
Current:				
Instruction	-	-	-	-
 Other financing sources:				
Transfers in	-	-	20,294	20,294
 Net change in fund balance	-	-	20,294	20,294
 Fund balance at beginning of the year	-	-	-	-
 Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	20,294	<u>\$ 20,294</u>
 RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			(20,294)	
			<u>\$ -</u>	

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

SCHOOL BASED HEALTH CENTER SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget
	<u>Original</u>	<u>Final</u>		Positive <u>(Negative)</u>
Revenues:				
Local sources:				
Grant	\$ -	\$ 60,000	\$ 54,300	\$ (5,700)
 Expenditures:				
Current:				
Support Services - Students	<u>-</u>	<u>60,000</u>	<u>60,000</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	-	-	(5,700)	(5,700)
Other financing uses:				
Transfers out	<u>-</u>	<u>-</u>	<u>(20,294)</u>	<u>(20,294)</u>
Net change in fund balance	-	-	(25,994)	(25,994)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	(25,994)	<u>\$ (25,994)</u>
 RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			5,749	
Change in deferred revenue			<u>20,245</u>	
			<u>\$ -</u>	

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

EXEMPLARY SCHOOL BASED HEALTH CENTERS SPECIAL REVENUE FUND

Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)

Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
<b>Revenues:</b>				
State sources:				
State grant	\$ -	\$ 44,550	\$ 21,043	\$ (23,507)
 <b>Expenditures:</b>				
Current:				
Support Services - Students	-	44,550	44,550	-
 Excess (deficiency) of revenues over expenditures				
	-	-	(23,507)	(23,507)
 Fund balance at beginning of the year				
	-	-	-	-
 Fund balance at end of the year				
	<u>\$ -</u>	<u>\$ -</u>	(23,507)	<u>\$ (23,507)</u>
 <b>RECONCILIATION TO GAAP BASIS:</b>				
Change in grant receivable			25,208	
Change in payables			<u>(1,701)</u>	
			<u>\$ -</u>	



**STATE OF NEW MEXICO**  
**MORA INDEPENDENT SCHOOL DISTRICT NO. 44**  
**CAPITAL PROJECTS FUNDS**  
June 30, 2009

---

---

**BOND BUILDING FUND**

This fund provides financing for the construction of buildings, the purchase of equipment, and the acquisition and improvement of land. Funding is provided by the sale of general obligation bonds, which have been approved by the voters of the district.

**SPECIAL CAPITAL OUTLAY - STATE**

This fund provides financing for special appropriation monies received from the State of New Mexico under Chapter 367, Laws of 1993.

**CAPITAL IMPROVEMENTS SB – 9**

This fund provides financing for the purchase of equipment and capital improvements to School District property. Funding is received from a 2 mill property tax levy and interest earned on investments, under New Mexico Senate Bill 9.

**20% CAPITAL OUTLAY**

A capital projects fund to capture the 20% of eligible federal (Forest Revenue and Impact Aid) and local revenue (local taxes) that must be budgeted in Capital Outlay. Provides financing for the construction and improvement of buildings and land, and the purchase of equipment.

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

BOND BUILDING CAPITAL PROJECTS FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2009

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Local sources:				
Earnings from investments	\$ -	\$ -	\$ 7,684	\$ 7,684
 Expenditures:				
Current:				
Operation & Maintenance of Plant	-	23,127	23,127	-
Capital outlay:				
Construction in progress	<u>1,142,076</u>	<u>1,118,949</u>	<u>314,118</u>	<u>804,831</u>
Total expenditures	<u>1,142,076</u>	<u>1,142,076</u>	<u>337,245</u>	<u>804,831</u>
Excess (deficiency) of revenues over expenditures	(1,142,076)	(1,142,076)	(329,561)	812,515
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>659,702</u>	<u>659,702</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	330,141	<u>\$ 330,141</u>
 RECONCILIATION TO GAAP BASIS:				
Change in payables			<u>76,659</u>	
			<u>\$ 406,800</u>	

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

SPECIAL CAPITAL OUTLAY - STATE CAPITAL PROJECTS FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2009

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
State sources:				
State grant	\$ 928,258	\$ 928,258	\$ 679,880	\$ (248,378)
<b>Expenditures:</b>				
Current:				
Operation & Maintenance of Plant	-	4,088	4,088	-
Capital outlay:				
Equipment	30,000	43,429	43,429	-
Construction in progress	898,258	880,741	181,550	699,191
Total capital outlay	<u>928,258</u>	<u>924,170</u>	<u>224,979</u>	<u>699,191</u>
Total expenditures	<u>928,258</u>	<u>928,258</u>	<u>229,067</u>	<u>699,191</u>
Excess of revenues over expenditures	-	-	450,813	450,813
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	450,813	<u>\$ 450,813</u>
<b>RECONCILIATION TO GAAP BASIS:</b>				
Change in grant receivable			(613,994)	
Change in payables			<u>163,181</u>	
			<u>\$ -</u>	

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

CAPITAL IMPROVEMENTS SB-9 CAPITAL PROJECTS FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2009

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
<b>Local sources:</b>				
District school tax levy	\$ 118,345	\$ 186,226	\$ 120,002	\$ (66,224)
Earnings from investments	<u>-</u>	<u>-</u>	<u>4,345</u>	<u>4,345</u>
<b>Total revenues</b>	<u>118,345</u>	<u>186,226</u>	<u>124,347</u>	<u>(61,879)</u>
<b>Expenditures:</b>				
<b>Current:</b>				
Support Services - General Administration	1,184	1,184	1,189	(5)
Operation & Maintenance of Plant	<u>92,703</u>	<u>72,703</u>	<u>33,485</u>	<u>39,218</u>
<b>Total current expenses</b>	<u>93,887</u>	<u>73,887</u>	<u>34,674</u>	<u>39,213</u>
<b>Capital outlay:</b>				
Equipment	52,704	52,704	-	52,704
Construction in progress	<u>75,350</u>	<u>163,231</u>	<u>163,181</u>	<u>50</u>
<b>Total capital outlay</b>	<u>128,054</u>	<u>215,935</u>	<u>163,181</u>	<u>52,754</u>
<b>Total expenditures</b>	<u>221,941</u>	<u>289,822</u>	<u>197,855</u>	<u>91,967</u>
Excess (deficiency) of revenues over expenditures	(103,596)	(103,596)	(73,508)	30,088
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>104,900</u>	<u>104,900</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	31,392	<u>\$ 31,392</u>
<b>RECONCILIATION TO GAAP BASIS:</b>				
Change in property tax receivable			1,195	
Change in due from other governments			1,434	
Change in deferred property taxes			<u>1,177</u>	
			<u>\$ 35,198</u>	

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

PUBLIC SCHOOL CAPITAL OUTLAY - 20% CAPITAL PROJECTS FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget Positive (Negative)
Revenues:				
Local sources:				
District school tax levy	\$ -	\$ -	\$ -	\$ -
 Expenditures:				
Current:				
Instruction	-	-	-	-
Excess of revenues over expenditures	-	-	-	-
 Other financing sources:				
Transfers in	-	-	1,461	1,461
 Net change in fund balance	-	-	1,461	1,461
Fund balance (deficit) at beginning of the year	-	-	(1,461)	(1,461)
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
 RECONCILIATION TO GAAP BASIS:				
Change in payables			-	
			<u>\$ -</u>	

**THIS PAGE INTENTIONALLY LEFT BLANK**

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

DEBT SERVICE FUNDS  
June 30, 2009

---

**DEBT SERVICE FUND**

Used to account for the accumulation of resources for and the payment of, general long-term debt principal, interest, and related costs associated with general obligation bonds.

**THIS PAGE INTENTIONALLY LEFT BLANK**



**STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44**

**DEBT SERVICES FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2009**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
<b>Revenues:</b>				
Local sources:				
District school tax levy	\$ 430,756	\$ 430,756	\$ 431,176	\$ 420
Earnings from investments	890	890	3,358	2,468
Total revenues	431,646	431,646	434,534	2,888
<b>Expenditures:</b>				
Current:				
Support Services - General Administration	4,308	4,305	4,275	30
Other Support Services	-	3	-	3
Total current expenses	4,308	4,308	4,275	33
Debt service:				
Principal retirement	290,000	288,862	250,000	38,862
Bond interest paid	140,756	141,894	141,894	-
Reserves	280,504	280,504	-	280,504
Total debt service	711,260	711,260	391,894	319,366
Total expenditures	715,568	715,568	396,169	319,399
Excess (deficiency) of revenues over expenditures	(283,922)	(283,922)	38,365	322,287
Fund balance at beginning of the year	-	-	319,132	319,132
Fund balance at end of the year	\$ -	\$ -	357,497	\$ 357,497
<b>RECONCILIATION TO GAAP BASIS:</b>				
Change in property tax receivable			(7,755)	
Change in due from other governments			5,325	
Change in deferred property taxes			16,373	
			\$ 371,440	

**OTHER SUPPLEMENTAL INFORMATION**

**STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44**

**SCHEDULE OF CAPITAL ASSETS - BY SOURCE**

June 30, 2009

Capital assets:

Land and improvements	\$	2,054,093
Buildings and improvements		12,824,884
Equipment (software)		2,869,834
Construction in progress		<u>183,579</u>
 Total Capital assets	 \$	 <u><u>17,932,390</u></u>

Investment in Capital assets from:

General Fund	\$	2,216,310
Special revenue funds:		
Federal Projects		998,347
State Projects		1,720
Cafeteria		119,638
Capital projects funds:		
Bond Building		5,546,264
Public School Capital Outlay		5,796,450
Special Capital Outlay - State		2,453,181
Capital Improvements SB-9		763,390
Public School Capital Outlay - 20%		<u>37,090</u>
 Total investment in Capital assets	 \$	 <u><u>17,932,390</u></u>

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

FIDUCIARY FUNDS  
Schedule of Changes in Assets and Liabilities - All Agency Funds  
Year Ended June 30, 2009

Activity		Balance			Balance
<u>Fund</u>	<u>ASSETS</u>	<u>June 30, 2008</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>June 30, 2009</u>
23001	Cheerleaders	\$ 364	\$ 3,538	\$ 2,942	\$ 960
23002	National Honor Society	490	101	385	206
23003	High School	1,180	1,784	801	2,163
23004	Mesa	1,212	200	-	1,412
23005	BPA	1,122	4,263	4,228	1,157
23006	Scholarship	7,861	-	3,750	4,111
23007	High School Student Council	116	1,372	957	531
23008	Yearbook	5,416	6,764	8,303	3,877
23009	Spanish Club	18	-	-	18
23010	Band	5,617	511	-	6,128
23011	Artist in Residence	2,382	456	813	2,025
23012	Chorus	3,129	24,563	18,793	8,899
23013	Peer Educators	190	14	84	120
23014	Swimming Pool	3,868	-	-	3,868
23015	Class of 2007	119	-	-	119
23016	Alumni Scholarship	2,705	-	-	2,705
23017	21st CCLC Activity	2,637	-	1,751	886
23018	JAG Activity	652	7,288	3,189	4,751
23019	Region Athletics	47	1,722	1,090	679
23020	Girls Basketball Camp	2,659	17,511	18,096	2,074
23021	Boys Basketball Camp	1,194	7,334	4,686	3,842
23022	Baseball Fund	85	-	-	85
23023	Basketball District 8AA	60	6,802	6,806	56
23024	Athletics Concessions	1,210	30	-	1,240
230026	Class of 2006	641	-	-	641
230207	Prevention Activities	4,075	-	858	3,217
23028	Dreams Yearbook	286	870	286	870
23029	Girls Softball	338	1	-	339
23030	FFA	2,610	-	-	2,610
23031	Clothing Fund	113	266	-	379
23032	Dental Unit	138	-	-	138
23033	5th/6th Girls Athletics	204	186	321	69
23034	Elementary General	2,614	31,451	22,910	11,155
23035	Mora Headstart Parents	210	534	371	373
23036	Middle School Student Council	1,239	1,297	1,651	885
23037	Middle School Drill Team	241	-	-	241
23038	Art Club	79	-	-	79
23039	Youth Art Project	\$ 125	\$ -	\$ -	\$ 125

(continued)

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

FIDUCIARY FUNDS  
Schedule of Changes in Assets and Liabilities - All Agency Funds  
Year Ended June 30, 2009

Activity	Balance			Balance
<u>Fund</u> <u>ASSETS</u>	<u>June 30, 2008</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>June 30, 2009</u>
23040 Junior High Mesa	\$ 133	\$ 200	\$ -	\$ 333
23041 Elementary Library	234	-	-	234
23042 Elementary Yearbook	-	2,477	1,002	1,475
23043 Cafeteria Activity	1,566	-	-	1,566
23044 Junior High Yearbook	568	431	-	999
23045 Community Partnership	2,350	-	-	2,350
23046 Luz de Mi Vida	352	-	-	352
23047 General Admin	4,998	23,318	24,254	4,062
23048 Middle School General	874	1,107	1,397	584
23049 YAFL	185	1,141	1,062	264
23050 Elementary Teachers	1,726	3,245	3,498	1,473
23051 Springer Headstart	28	-	-	28
23052 Vacant Elementary Account	339	-	-	339
23053 7th-8th Boys Basketball	-	2,362	2,235	127
23054 Mora Headstart Office	11,341	10,474	15,704	6,111
23055 Innovation & Advancement	-	43,706	400	43,306
23056 Health Club	731	-	250	481
23057 Spanish Spelling Bee	76	-	-	76
23058 Bilingual Math/Science	3,000	-	-	3,000
23059 Annenbug Rural Challenge	607	-	-	607
23060 Class of 2005	5,545	1,096	6,438	203
23061 7th/8th Girls Volleyball	91	634	713	12
23062 Elementary Student Council	295	1,262	-	1,557
23063 Junior High Football	978	-	-	978
23064 Elementary Reading Program	100	-	-	100
23065 Junior High No Referral	1,441	9,573	6,523	4,491
23066 Middle School Science Lab	505	-	-	505
23067 7th/8th Girls Basketball	355	-	-	355
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Pooled cash and investments	\$ 95,664	\$ 219,884	\$ 166,547	\$ 149,001
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<u>LIABILITIES</u>				
Deposits held for others	\$ 95,664	\$ 219,884	\$ 166,547	\$ 149,001
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

SCHEDULE OF PLEDGED COLLATERAL  
June 30, 2009

	<u>Bank of Las Vegas</u>
Cash on deposit at June 30, 2009	\$ 2,368,861
Less FDIC coverage	<u>250,000</u>
Uninsured funds	<u>\$ 2,118,861</u>
50% collateral requirement	\$ 1,059,431
Pledged collateral	<u>1,533,186</u>
Excess of pledged collateral	<u>\$ 473,755</u>

Pledged collateral of financial institutions consists of the following at June 30, 2009

	<u>Maturity</u>	<u>CUSIP #</u>	<u>Market Value</u>
Bank of Las Vegas:			
FHLB	5/15/2010	912828DU1	\$ 1,030,270
FHLB	2/9/2012	3133XSTE8	<u>502,916</u>
			<u>\$ 1,533,186</u>

The above securities are held at Federal Home Loan Bank in Dallas, TX.

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

CASH RECONCILIATION  
June 30, 2009

	Beginning Cash	Receipts	Distributions	Other	Net Cash End of Period	Adjustments to the report	Total Cash on Report
Operations	\$ 749,220	\$ 5,264,326	\$ (5,061,045)	\$ (59,379)	\$ 893,122	\$ -	\$ 893,122
Transportation	4,240	653,427	(672,823)	-	(15,156)	-	(15,156)
Instructional Materials	23,075	54,620	(52,315)	-	25,380	-	25,380
Food Services	272,795	330,596	(353,876)	-	249,515	-	249,515
Athletics	1,531	25,411	(23,932)	-	3,010	-	3,010
Federal Flowthrough Funds	(450,447)	572,888	(607,855)	59,489	(425,925)	-	(425,925)
Federal Direct Funds	178,412	1,131,831	(1,283,644)	(110)	26,489	-	26,489
Local Grants	3,317	45,279	(49,305)	-	(709)	-	(709)
State Flowthrough Funds	(22,749)	81,868	(117,968)	-	(58,849)	-	(58,849)
State Direct Funds	(21,394)	1,700	(600)	20,294	-	-	-
Local/State	20,245	75,343	(104,550)	(20,294)	(29,256)	-	(29,256)
Bond Building	736,361	7,684	(337,245)	-	406,800	-	406,800
Special Capital Outlay - State	(610,976)	679,880	(229,067)	-	(160,163)	-	(160,163)
Capital Improvements SB-9	102,185	124,347	(197,856)	-	28,676	-	28,676
Public School Capital Outlay - 20%	(1,461)	1,461	-	-	-	-	-
Debt Services	308,411	434,533	(396,168)	-	346,776	-	346,776
Agency Funds	-	-	-	-	-	149,001	149,001
<b>Total</b>	<b>\$ 1,292,765</b>	<b>\$ 9,485,194</b>	<b>\$ (9,488,249)</b>	<b>\$ -</b>	<b>\$ 1,289,710</b>	<b>\$ 149,001</b>	<b>\$ 1,438,711</b>

<u>Account Name</u>	<u>Account Type</u>	<u>Bank Name</u>	<u>Bank Amount</u>		
Operational	Checking	Bank of Las Vegas	\$ 1,918,753	Adjustments to report:	
				Agency funds	\$ 149,001
Student nutrition	Checking	Bank of Las Vegas	266,119		
Athletics	Checking	Bank of Las Vegas	4,981	Adjustments to cash:	
Federal funds	Checking	Bank of Las Vegas	26,684	Bank balance	\$ 2,368,861
Activity	Checking	Bank of Las Vegas	61,561	Outstanding checks	(930,150)
Activity	Checking	Bank of Las Vegas	90,763	Cash on hand	-
<b>Total</b>			<b>\$ 2,368,861</b>	<b>Total adjustment to cash</b>	<b>\$ 1,438,711</b>

**THIS PAGE INTENTIONALLY LEFT BLANK**



**SINGLE AUDIT SECTION**

**THIS PAGE INTENTIONALLY LEFT BLANK**

**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**

**THIS PAGE INTENTIONALLY LEFT BLANK**

# KEYSTONE ACCOUNTING, LLC

CERTIFIED PUBLIC ACCOUNTANTS

4801 N Butler, Ste. 8101  
Farmington, NM 87401

[keystone@keystoneacct.com](mailto:keystone@keystoneacct.com)

Telephone (505) 566-1900  
Fax (505) 566-1911

---

## 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 H. Balderas, State Auditor  
and the Board of Education  
Mora Independent School District No. 44

We have audited the financial statements of the governmental activities, each major fund, the aggregate remaining fund information, the budgetary comparisons for the general fund and major special revenue funds, and the combining and individual funds presented as supplemental information of Mora Independent School District No. 44 as of and for the year ended June 30, 2009, and have issued our report thereon dated October 2, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered Mora Independent School District No. 44'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 Mora Independent School District No. 44's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Mora Independent School District No. 44's internal control over financial reporting.

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

A *control deficiency* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by Mora Independent School District No. 44's internal control. We consider the deficiencies described in the accompanying schedule of findings and questioned costs to be significant deficiencies in internal control over financial reporting. Findings 2009 – 1 through 2009-7.

# KEYSTONE ACCOUNTING, LLC

CERTIFIED PUBLIC ACCOUNTANTS

4801 N Butler, Ste. 8101  
Farmington, NM 87401

[keystone@keystoneacct.com](mailto:keystone@keystoneacct.com)

Telephone (505) 566-1900  
Fax (505) 566-1911

---

Hector H. Balderas, State Auditor  
and the Board of Education  
Mora Independent School District No. 44

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 Mora Independent School District No. 44'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 and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, of the significant deficiencies described above, we consider items findings 2009 – 1, 2009 – 2, and 2009 – 5 to be material weaknesses.

## Compliance and Other Matters

As part of obtaining reasonable assurance about whether Mora Independent School District No. 44's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under Government Auditing Standards and which are described in the accompanying schedule of findings and questioned costs as items Findings 2009 – 1, through 2009-3, 2009-5, 2009-6, and 2009-7.

Mora Independent School District No. 44's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit Mora Independent School District No. 44's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of management, others within Mora Independent School District No. 44, 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.

*Keystone Accounting, LLC*

October 2, 2009

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

**THIS PAGE INTENTIONALLY LEFT BLANK**



# KEYSTONE ACCOUNTING, LLC

CERTIFIED PUBLIC ACCOUNTANTS

4801 N Butler, Ste. 8101  
Farmington, NM 87401

[keystone@keystoneacct.com](mailto:keystone@keystoneacct.com)

Telephone (505) 566-1900  
Fax (505) 566-1911

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

Hector H. Balderas, State Auditor  
And the Board of Education  
Mora Independent School District No. 44

### Compliance

We have audited the compliance of Mora Independent School District No. 44 with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 *Compliance Supplement* (Revised May, 2009) that are applicable to each of its major federal programs for the year ended June 30, 2009. Mora Independent School District No. 44's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of finding and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Mora Independent School District No. 44's management. Our responsibility is to express an opinion on Mora Independent School District No. 44's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Mora Independent School District No. 44's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Mora Independent School District No. 44's compliance with those requirements.

In our opinion, Mora Independent School District No. 44, complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2009.

### Internal Control Over Compliance

The management of Mora Independent School District No. 44 is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered Mora Independent School District No. 44's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing an opinion on compliance and but not for the purpose of expressing an opinion on the effectiveness of the Mora Independent School District No. 44's internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Mora Independent School District No. 44's internal control over compliance.

# KEYSTONE ACCOUNTING, LLC

CERTIFIED PUBLIC ACCOUNTANTS

4801 N Butler, Ste. 8101  
Farmington, NM 87401

[keystone@keystoneacct.com](mailto:keystone@keystoneacct.com)

Telephone (505) 566-1900  
Fax (505) 566-1911

---

Hector H. Balderas, State Auditor  
And the Board of Education  
Mora Independent School District No. 44

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

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

This report is intended solely for the information and use of management, others within the Mora Independent School District No. 44, the State Auditor, the New Mexico Legislature, 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.

Keystone Accounting, LLC  
October 2, 2009

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44  
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS  
Year Ended June 30, 2009

---

A. PRIOR YEAR AUDIT FINDINGS

- 2006 – 1 LACK OF TIMELY MONITORING OF BUDGET LINE ITEMS  
Current Status: Not resolved. Repeated in the current year as finding 2009 – 1.
- 2007 – 3 CASH ACCOUNTS NOT RECONCILED TO GENERAL LEDGER  
Current Status: Resolved. Not repeated in the current year.
- 2007 – 4 PREPARATION OF FINANCIAL STATEMENTS  
Current Status: Not resolved. Repeated in the current year as finding 2009 – 4.
- 2008 – 2 BUDGET OVER EXPENDITURES  
Current Status: Not resolved. Repeated in the current year as finding 2009 – 2.
- 2008 – 3 CASH ACCOUNTS NOT RECONCILED TO GENERAL LEDGER  
Current Status: Resolved. Not repeated in the current year.
- 2008 – 5 DISBURSEMENTS MADE WITHOUT PURCHASE ORDER  
Current Status: Resolved. Not repeated in the current year.
- 2008 – 6 MISSING INFORMATION FROM THE EMPLOYEE FILES  
Current Status: Resolved. Not repeated in the current year.
- 2008 – 7 MISSING DEPOSIT  
Current Status: Resolved. Not repeated in the current year.
- 2008 – 8 FAILURE TO FILE TAX FORM 941  
Current Status: Resolved. Not repeated in the current year.
- 2008 – 9 OVER USE OF CELL PHONES  
Current Status: Resolved. Not repeated in the current year.

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ended June 30, 2009

---

A. SUMMARY OF AUDIT RESULTS

1. The auditors' report expresses an unqualified opinion on the basic financial statements of Mora Independent School District No. 44.
2. There were seven significant deficiencies disclosed during the audit of the financial statements in the Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards. There were three significant deficiencies considered to be material weaknesses.
3. Six instances of noncompliance material to the financial statements of Mora Independent School District No. 44 were disclosed during the audit.
4. There were no significant deficiencies disclosed during the audit of the major federal awards program in the Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control over Compliance in Accordance with OMB Circular A-133.
5. The auditors' report on compliance for the major federal award programs for Mora Independent School District No. 44 expresses an unqualified opinion.
6. There were no audit findings relative to the major federal award programs for Mora Independent School District No. 44 that is required to be reported in accordance with OMB Circular A-133.510(a).
7. The programs treated as major programs include: Headstart CFDA# 93.600.
8. The threshold for distinguishing types A and B programs was \$300,000.
9. Mora Independent School District No. 44 was determined to be a high risk auditee.

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ended June 30, 2009

B. FINDINGS - FINANCIAL STATEMENTS AUDIT

2009 – 1 LACK OF TIMELY MONITORING OF BUDGET LINE ITEMS (Original finding 2006-1)

*Condition:* There were unfavorable variances between actual and budgeted line item expenditures. The following funds had unfavorable variances between budgeted amounts at fiscal year end:

<u>Fund</u>		<u>Final budget</u>	<u>Expenditures</u>	<u>Over Expended</u>
Food service	Equipment	\$ -	\$ 8,515	\$ (8,515)
Headstart	Support Services - General Admin	16,480	18,788	(2,308)
Title I	Instruction	231,672	239,706	(8,034)
Title II Teacher Quality	Support Services - Students	-	3,314	(3,314)
Jobs for Americas Graduates	Instruction	40,000	41,620	(1,620)
Capital Improvements SB-9	Support Services - General	1,184	1,189	(5)

*Criteria:* According to NMSA 1978 Section 22-8-11 B all fiscal agents of public monies have a responsibility to monitor spending to comply with established budget guidelines. As part of maintaining fiscal responsibility for the operations of the school, management is responsible for following the guidelines set out for expenses in the budget submitted at the beginning of the year, as well as any “BARS” that had been approved.

*Effect of Condition:* Violation of NMSA 1978 Section 22-8-11 B, over spending of public monies. Improper monitoring could lead to expenditures being paid in excess of total budgeted amounts.

*Cause:* Improper monitoring of line item expenditures by comparing budgeted amounts and actual amounts spent allowed unfavorable (negative) variances, overspending of line item budgets, to occur.

*Recommendation:* Management should implement immediate steps to provide adequate financial reports to allow for proper and timely monitoring of line item expenditures. Budget adjustment requests should be approved by the Board of Education and State Department of Education (when required) to receive approval to make necessary changes to the records prior to being presented for audit.

*Management Response:* Although the report identified various funds lack the appropriate budget authority, the District currently has working agreements between each of the respective fiscal authorities via a Memorandum of Understanding/Agreement (MOU/MOA). Upon submission of the initial Budget Adjustment Requests (BARs) for specific funds, staff of the NMPED informed the District that we did the proper authority to do so. A portion of the funds identified did have proper approval. For the funds identified without proper approval, the District will implement the appropriate protocols to timely monitor individual line items.

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ended June 30, 2009

B. FINDINGS - FINANCIAL STATEMENTS AUDIT (continued)

2009 – 2 BUDGET OVER EXPENDITURES (Original finding 2008-2)

*Condition:* The County incurred expenditures in excess of the approved budget in the following funds.

Fund	Approved Budget	Actual Expenditures	Amount over expended
Title I	\$ 254,768	\$ 262,349	\$ (7,581)
Jobs for Americas Graduates	40,000	41,620	(1,620)

*Criteria:* According to NMSA 1978 Section 22-8-11 B all fiscal agents of public monies have a responsibility to monitor spending to comply with established budget guidelines. A budget is a proposed plan of financial operations for a given period of time. The annual budget authorizes and provides the basis for control of financial operations during the fiscal year. The budget should be analyzed monthly to insure expenditures remain within the legally adopted budget and revisions should be made whenever necessary.

*Effect of condition:* The District is not in compliance with NMSA 1978 Section 22-8-11 subjecting those responsible to the penalty provisions of the statute.

*Cause:* Purchases were approved in excess of available budget or budget adjustments were not approved to cover the expenditures approved.

*Recommendation:* We recommend that purchases not be approved which would cause the budget to be exceeded. We also recommend that timely budget adjustments be prepared when necessary.

*Response:* Although the report identified various funds lack the appropriate budget authority, the District currently has working agreements between each of the respective fiscal authorities via a Memorandum of Understanding/Agreement (MOU/MOA). Upon submission of the initial Budget Adjustment Requests (BARs) for specific funds, staff of the NMPED informed the District that we did the proper authority to do so. A portion of the funds identified did have proper approval. For the funds identified without proper approval, the District will implement the appropriate protocols to timely monitor individual line items

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ended June 30, 2009

---

---

B. FINDINGS - FINANCIAL STATEMENTS AUDIT (continued)

2009 – 3 STATE REPORTS

*Condition:* Amounts in the school report are not supported by the amounts in the general ledger.

*Criteria:* School report balances should be taken directly from the general ledger to ensure the validity and reliability of the financial data per SAO Rule 2.2.2.12C(4)(b).

*Effect of Condition:* Validity of school report balances could not be verified.

*Cause:* The use of data reports other than the general ledger to complete the school report causes imbalances between the school report and the general ledger. Amounts in other data reports may not always match the amounts in the general ledger.

*Recommendation:* The use of the general ledger to complete the school report is the only way to ensure that the information is valid and reliable and to provide support for the financial information.

*Management response:* Management is aware of the need for valid financial information and will begin using the general ledger to complete the school report.

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ended June 30, 2009

---

---

B. FINDINGS - FINANCIAL STATEMENTS AUDIT (continued)

2009 – 4 PREPARATION OF FINANCIAL STATEMENTS (Original Finding 2007-4)

*Condition:* The financial statements were prepared by the auditor..

*Criteria:* As per SAS 112, management is required to have an internal control system of financial reporting including the preparation of the financial statements.

*Effect of condition:* Management's ability to ascertain the accuracy and completeness of the financial statements has been diminished.

*Cause:* Management does not have internal controls in place that are necessary for the preparation of the financial statements.

*Recommendation:* Management should develop a plan and system of controls that enable them to review the accuracy and completeness of the financial statements.

*Management's Response:* A system of controls will be developed and implemented that will allow management to determine the accuracy and fair presentation of the financial statements.



STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ended June 30, 2009

---

---

B. FINDINGS - FINANCIAL STATEMENTS AUDIT (continued)

2009 – 5 CASH DEFICITS IN FEDERAL PROGRAMS BANK ACCOUNT

*Condition:* The bank account used for administering the federal programs experienced overdrafts during the year. The District has incurred NSF fees from the Bank of Las Vegas which were forgiven by the bank. As of June 30, 2009, the federal programs account had \$26,684 on deposit.

*Criteria:* According to the NMSA 1978 section 30-36-4 it is unlawful for a person to issue in exchange for anything of value, with intent to defraud, any check, draft or order for payment of money upon any bank or other depository, knowing at the time of the issuing that the offender has insufficient funds in or credit with the bank or depository for the payment of such check, draft or order in full upon its presentation. Internal control should exist to provide reasonable assurance that no disbursement is made that would result in a deficit bank balance.

*Effect of condition:* An over-expensed Bank account must be covered by funds from other programs. This causes monies to be spent for purposes for which they were not intended. Overall, the administration of programs is hindered.

*Cause:* The delays in receiving reimbursement funding for expenditures has resulted in cash deficiencies within the funds. The District only has \$903,346 available in the General Fund. This amount is not sufficient to cover the cash deficits until funding is received and support the District's operations.

*Recommendation:* Procedures should be implemented requiring close coordination with program coordinators and management to verify funds availability prior to authorization of disbursements.

*Management's Response:* Adequate monitoring of cash balances, on a fund-by-fund basis will be enforced. Steps will be taken to increase communication with program coordinators to ensure the availability of funding and timely transfer of funding.

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ended June 30, 2009

---

---

B. FINDINGS - FINANCIAL STATEMENTS AUDIT (continued)

2009 – 6 PURCHASE OF ITEMS FOR LEGISLATOR

*Condition:* The District used activity funds provided by various businesses to the school to purchase various food items and a jacket. The total dollar amount spent on purchases for thank you items was less than \$1,000. Included in the items purchased were jackets for the Board Members and administrators. The total purchase of the jackets was less than \$3,000. All of the purchases for board members and legislators, and administrators were board approved.

*Criteria:* The states anti-donation clause (Article IX, Section 14 of the Constitution of New Mexico) keeps entities from purchasing items for legislators, and funds provided to the school in activity funds should be used for the purpose collected. Although the businesses provided the funds to Mora Schools as a donation, the funds were not used for education of children, but for administrators.

*Effect of the Condition:* The District could be accused of providing kickbacks to legislators, when providing items as a thank you.

*Cause:* The District provided the administrators and some legislators with jackets and refreshments.

*Recommendation:* The District should not purchase items for legislators.

*Response:* The District recognizes the importance in developing the appropriate protocols and internal controls to ensure that any donations received on behalf of the Mora Independent Schools are expended in an appropriate manner. The District will no longer serve as an intermediary between donors and advocacy activities to prevent the assumption and/or public perception of impropriety.

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ended June 30, 2009

---

---

B. FINDINGS - FINANCIAL STATEMENTS AUDIT (continued)

2009 – 7 UNAUTHORIZED TRANSFER OF CASH

*Condition:* The school district transferred \$1,461 from the operating fund to the 20% Capital Outlay fund. There was not any authorization from the New Mexico Public Education Department for the transfer.

*Criteria:* New Mexico Public Education Department requires the schools to obtain approval for all transfers and loans.

*Effect of the Condition:* The circumventing of controls over cash opens the district to the potential for misappropriation of monies.

*Cause:* The school district did not follow the proper procedures for transferring monies from the funds.

*Recommendation:* The school district need to ensure that all authorizations have been requested and received before transferring monies from any funds.

*Response:* The District realizes that there may have been an oversight on following the proper transfer procedure. The District will ensure that the implementation of the appropriate protocol will be followed; requiring all transfers to be approved by local School Board and then submitted to PED prior to executing such a transfer.

C. AUDIT FINDINGS - MAJOR FEDERAL AWARD PROGRAMS AUDIT

No audit findings to report.

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
Year Ended June 30, 2009

<u>Federal Grantor/Pass - Through Grantor/Program or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Federal Expenditures</u>
<u>U.S. Department of Agriculture:</u>			
Pass-Through Program From:			
New Mexico Department of Education:			
<u>Child Nutrition -- Cluster:</u>			
USDA National School Lunch Program	10.555	21000	\$ 213,047
USDA School Breakfast Program	10.553	21000	<u>116,986</u>
 Total Child Nutrition Cluster			 330,033
 Direct Program:			
Forest Reserve	10.670	11000	129,130
 Pass-Through Program From:			
New Mexico Human Service Department:			
USDA Commodities Program	10.550	21000	<u>17,670</u>
Children, Youth, and Families:			
Child and Adult Food Program	10.558	25171	31,622
 Total U.S. Department of Agriculture			 <u>508,455</u>

(continued)

See accompanying notes to the  
Schedule of Expenditures of Federal Awards.

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
Year Ended June 30, 2009

<u>Federal Grantor/Pass - Through Grantor/Program or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Federal Expenditures</u>
<u>Special Education -- Cluster:</u>			
<u>U.S. Department of Education:</u>			
Pass-Through Programs From:			
New Mexico Department of Education:			
IDEA-B Entitlement	84.027	24106	\$ 89,954
IDEA-B Discretionary	84.027	24107	<u>4,722</u>
Total U.S. Department of Education - Special Education (IDEA-B) Cluster			<u>94,676</u>
Pass-Through Programs From:			
New Mexico Department of Education:			
Title I Basic Education Grant	84.010	24101	262,349
Title I - SIG	84.389	24124	100,000
Partnerships in Character	84.215v	24129	87,649
Title II Improving Teacher Quality	84.367	24154	60,288
Title IV - Safe and Drug-Free Schools	84.186	24157	1,291
Entitlement IDEA-B Stimulus	84.391	24206	1,604
Subtotal Pass-Through Programs			<u>513,181</u>
Total U.S. Department of Education			<u>607,857</u>
<u>U.S. Department of Health and Human Services:</u>			
Direct Program:			
Headstart	93.600	25127	1,200,541
Pass-Through Program From:			
New Mexico Department of Health:			
Title XIX Medicaid	93.778	25153	<u>51,482</u>
Total U.S. Department of Health and Human Services			<u>1,252,023</u>
Total Expenditures of Federal Awards			<u>\$ 2,368,335</u>

See accompanying notes to the  
Schedule of Expenditures of Federal Awards.

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

Notes To The Schedule Of Expenditures Of Federal Awards  
Year Ended June 30, 2009

1. Scope of audit pursuant to OMB Circular A-133

All federal grant operations of Mora Independent School District No. 44 (the "School District") are included in the scope of the Office of management and Budget ("OMB") Circular A-133 audit (the "Single Audit"). The Single Audit was performed in accordance with the provisions of the OMB Circular Compliance Supplement (Revised May 2009 the "Compliance Supplement"). Compliance testing of all requirements are described in the Compliance Supplement, was performed for the grants programs noted below. These programs represent all federal award programs and other grants with fiscal 2009 cash and non-cash expenditures to ensure coverage of at least 50% (High Risk Auditee) of federally granted funds. Actual coverage is approximately 51% of total cash and non-cash federal award program expenditures. Total cash expenditures were in the amount of \$2,350,665 and all non-cash expenditures amounted to \$17,670.

Major Federal Award Program Description	Fiscal 2009 <u>Expenditure</u>
Cash assistance:	
Headstart	<u>\$ 1,200,541</u>

The School District's federal program Headstart was considered high risk Type A programs for the 2009 audit.

The U.S. Department of Education is the School District's oversight Mora Independent School District No. 44 for single audit.

2. Summary of significant accounting policies

Basis of presentation

The accompanying Schedule of Expenditure of Federal Awards includes all federal grants to the School District that had activity during the fiscal year ended June 30, 2009. This Statement has been prepared on the accrual basis of accounting. Grant revenues are recorded for financial reporting purposes when the School District has met the qualifications for the respective grant.

Accrued and deferred reimbursements

Various reimbursement procedures are used for Federal awards received by the School District. Consequently, timing differences between expenditures and program reimbursements can exist at the beginning and end of the year. Accrued balances at year end represent an excess of reimbursable expenditures over receipts to date. Deferred balance at year-end represent an excess of cash receipts over reimbursable expenditure to date. Generally, accrued or deferred balances covered by differences in the timing of cash receipts and expenditures will be reversed in the remaining grant period.

3. Audits performed by other entities

There were no other audits performed by other organizations on the School Districts federal grant programs in 2009.

**THIS PAGE INTENTIONALLY LEFT BLANK**



## REQUIRED DISCLOSURE

**THIS PAGE INTENTIONALLY LEFT BLANK**

STATE OF NEW MEXICO  
MORA INDEPENDENT SCHOOL DISTRICT NO. 44

REQUIRED DISCLOSURES  
Year Ended June 30, 2009

---

REQUIRED DISCLOSURE

The financial statements were prepared by the independent public accountants.

An exit conference was held October 2, 2009, during which the audit findings were discussed. The exit conference was attended by the following individuals:

MORA INDEPENDENT SCHOOL DISTRICT NO. 44

Joseph T. Griego	Board President
Dante Vigil	Board Secretary
Roger Gonzales	Administrative Assistant
Dora M. Romero	Superintendent
Agnes Padilla	Business Manager
Beverly Montoya	Director of Head start
Debra Alcon	Bookkeeper
Ruthann Roybal-Griego	Bookkeeper

KEYSTONE ACCOUNTING, LLC

Terry Ogle, CPA	Partner
William W. King	Senior Auditor