

STATE OF NEW MEXICO  
MOUNTAINAIR PUBLIC SCHOOLS  
Independent Auditors' Report and  
Annual Financial Statements  
June 30, 2011

Calhoon Accounting & Tax Services  
PO Box 945  
Estancia, New Mexico



State of New Mexico  
**MOUNTAINAIR PUBLIC SCHOOLS**  
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**MOUNTAINAIR PUBLIC SCHOOLS**  
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**State of New Mexico**  
**MOUNTAINAIR PUBLIC SCHOOLS**  
**Official Roster**  
**As Of**  
**June 30, 2011**

**BOARD OF EDUCATION**

<u>NAME</u>	<u>TITLE</u>
P. J. Lovato	President
Ray Zamora	Vice President
Gabe Chavez	Secretary
Eric Anaya	Member
Darrell Roberts	Member

**SCHOOL OFFICIALS**

<u>NAME</u>	<u>POSITION</u>
Jay Mortensen	Superintendent
Tammy Zamora	Business Manager

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**FINANCIAL SECTION**

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CALHOON ACCOUNTING & TAX SERVICES  
PO BOX 945  
ESTANCIA, NEW MEXICO 87016

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**INDEPENDENT AUDITOR'S REPORT**

The Board of Education  
State of New Mexico-Mountainair Public Schools  
Mountainair, New Mexico

and

Mr. Hector H. Balderas, State Auditor  
New Mexico State Auditor  
Santa Fe, New Mexico

I have audited the accompanying financial statements of the governmental activities, each major fund, the aggregate remaining fund information and the budgetary comparison statement of the General Fund of the State of New Mexico, Mountainair Public Schools (District) as of and for the year ended June 30, 2011, which collectively comprise the District's basic financial statements as listed in the Table of Contents. I have also audited the financial statements of each of the District's nonmajor governmental funds and the budgetary comparisons of the Bond Building fund, Capital Improvements SB-9 fund, and Debt Service fund and the remaining nonmajor governmental funds presented as supplementary information in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2011, as listed in the Table of Contents. These financial statements are the responsibility of the District's management. My responsibility is to express opinions on these financial statements based on my audit.

I conducted my 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 I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinions.

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In my 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 Mountainair Public Schools, as of June 30, 2011, and the respective changes in financial position thereof and the respective budgetary comparisons statements for the General fund for the year then ended in conformity with accounting principles generally accepted in the United States of America. In addition, in my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each nonmajor governmental fund of the District as of June 30, 2011, and the respective changes in financial position, thereof and the respective budgetary comparison statements for each nonmajor governmental fund and the budgetary comparison of the Bond Building, Capital Improvements SB-9 fund, and Debt Service fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, I have also issued a report dated November 14, 2011, on my consideration of the District's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of my audit.

Mountainair Public Schools has not presented the Management's Discussion and Analysis for the year ended June 30, 2011. The Management's Discussion and Analysis is not a required part of the basic financial statements, but is supplementary information required by the Governmental Accounting Standards Board.

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Mountainair Public School's basic financial statements, the combining and individual fund financial statements, and the budgetary comparison statements. 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 Organization*, 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 my opinion, is fairly stated in all material respects, in relation to the basic financial statements taken as a whole.

*Calhoon Accounting & Tax Services*  
Calhoon Accounting & Tax Services

November 14, 2011

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**BASIC  
FINANCIAL STATEMENTS**

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State of New Mexico  
**MOUNTAINAIR PUBLIC SCHOOLS**  
Statement of Net Assets  
As of June 30, 2011

	<b>Governmental Activities</b>
<b>Assets</b>	
Current Assets	
Cash and investments	\$ 748,940
Property tax receivable	9,535
Due from other governmental units	366,148
Inventory	2,315
Total current assets	1,126,938
Noncurrent Assets	
Capital assets	11,103,566
Less: accumulated depreciation	(3,980,706)
Total capital assets less depreciation	7,122,860
Bond issuance costs, net of accumulated amortization of \$31,345	54,260
Total noncurrent assets	7,177,120
<b>Total assets</b>	<b>\$ 8,304,058</b>
<b>Liabilities and Net Assets</b>	
Current Liabilities	
Accounts payable	\$ -
Deferred revenue-grants	77,434
Current portion of long-term obligations	227,930
Total current liabilities	305,364
Noncurrent Liabilities	
Noncurrent portion of long-term obligations	1,320,000
Total long-term liabilities	1,320,000
<b>Total liabilities</b>	<b>1,625,364</b>
<b>Net Assets</b>	
Invested in capital assets, net of related debt	5,582,862
Restricted for:	
Debt service	223,185
Special projects	2,315
Capital projects	552,948
Unrestricted	317,384
<b>Total fund balances</b>	<b>6,678,694</b>
<b>Total liabilities and net assets</b>	<b>\$ 8,304,058</b>

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

State of New Mexico  
**MOUNTAINAIR PUBLIC SCHOOLS**  
 Statement of Activities  
 For the Year Ended June 30, 2011

Functions/Programs	<u>Expenses</u>
Government activities:	
Instruction:	
Direct instruction	\$ 2,615,929
Support services:	
Students	445,915
Instruction	166,764
General administration	194,078
School administration	264,555
Central services	73,276
Operation & maintenance of plant	548,847
Student transportation	289,993
Other support services	8,289
Food services	135,765
Capital outlay	87,173
Interest on long-term debt	63,555
Total governmental activities	<u>\$ 4,894,139</u>

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

Charges for Service	Program Revenues		Net (Expenses) Revenue and Changes in Net Assets
	Operating Grants and Contributions	Capital Grants and Contributions	
\$ 25,285	\$ 684,828	\$ 59,745	\$ (1,846,071)
-	1,001	-	(444,914)
572	52,009	-	(114,183)
-	-	-	(194,078)
-	-	-	(264,555)
-	-	-	(73,276)
-	-	-	(548,847)
-	267,661	-	(22,332)
-	-	-	(8,289)
-	157,210	-	21,445
-	-	-	(87,173)
-	-	-	(63,555)
<u>\$ 25,857</u>	<u>\$ 1,162,709</u>	<u>\$ 59,745</u>	<u>\$ (3,645,828)</u>

General Revenues:

Taxes:

Property taxes, levied for general purpose	23,305
Property taxes, levied for debt service	289,469
Property taxes, levied for capital projects	103,915
State equalization guarantee	3,308,518
Interest and investment earnings	<u>3,781</u>
Total general revenues	<u>3,728,988</u>
Change in net assets	83,160
Beginning net assets	<u>6,595,534</u>
Ending net assets	<u>\$ 6,678,694</u>

**State of New Mexico**  
**MOUNTAINAIR PUBLIC SCHOOLS**  
**Balance Sheet - Governmental Funds**  
**As of June 30, 2011**

	General Fund		
	<u>Operational</u>	<u>Transportation</u>	<u>Instructional Materials</u>
<b>Assets</b>			
Current Assets			
Cash and investments	\$ 70,900	\$ -	\$ 2,248
Tax receivables	518	-	-
Due from grantor	-	-	-
Due from other funds	25,447	-	-
Inventory	-	-	-
Total assets	<u>96,865</u>	<u>-</u>	<u>2,248</u>
<b>Liabilities and Fund Balance</b>			
Liabilities			
Due to other funds	-	-	-
Accounts payable and accrued liabilities	-	-	-
Deferred revenue - grants	-	-	-
Deferred revenues - property taxes	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance			
Non-spendable	-	-	-
Restricted for:			
General Fund	-	-	-
Special Revenue Funds	-	-	-
Capital Projects	-	-	-
Debt service	-	-	-
Committed for:			
General Fund	-	-	-
Special Revenue Funds	-	-	-
Capital Projects	-	-	-
Assigned for:			
General Fund	-	-	-
Special Revenue Funds	-	-	-
Capital Projects	-	-	-
Unassigned for:			
General Fund	96,865	-	2,248
Total fund balance	<u>96,865</u>	<u>-</u>	<u>2,248</u>
Total liabilities and fund balance	<u>\$ 96,865</u>	<u>\$ -</u>	<u>\$ 2,248</u>

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



<b>Bond Building</b>	<b>Capital Improvements SB-9</b>	<b>Debt Service</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
\$ -	\$ 209,884	\$ 216,531	\$ 249,377	\$ 748,940
-	2,363	6,654	-	9,535
-	-	-	366,148	366,148
340,701	-	-	-	366,148
-	-	-	2,315	2,315
<u>340,701</u>	<u>212,247</u>	<u>223,185</u>	<u>617,840</u>	<u>1,493,086</u>
-	-	-	366,148	366,148
-	-	-	-	-
-	-	-	77,434	77,434
-	-	-	-	-
-	-	-	443,582	443,582
-	-	-	-	-
-	-	-	-	-
-	-	-	2,315	2,315
340,701	212,247	-	-	552,948
-	-	223,185	-	223,185
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	171,943	271,056
<u>340,701</u>	<u>212,247</u>	<u>223,185</u>	<u>174,258</u>	<u>1,049,504</u>
<u>\$ 340,701</u>	<u>\$ 212,247</u>	<u>\$ 223,185</u>	<u>\$ 617,840</u>	<u>\$ 1,493,086</u>

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**State of New Mexico**  
**MOUNTAINAIR PUBLIC SCHOOLS**  
**Reconciliation of the Balance Sheet - Governmental Funds**  
**To the Statement of Net Assets**  
**As of June 30, 2011**

Total fund balances - governmental funds		\$ 1,049,504
<p>Amounts reported for governmental activities in the Statement of Net Assets are different because:</p>		
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds.	\$ 11,103,566 <u>(3,980,706)</u>	7,122,860
Bond issuance costs are expensed for fund financial statements but amortized for government-wide financial statements. Bond issuance costs net of accumulated amortization.		54,260
<p>Long-term and certain other liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds. Long-term and other liabilities at year end consist of :</p>		
Bonds payable	(1,540,000)	
Compensated absences payable	<u>(7,930)</u>	<u>(1,547,930)</u>
Total net assets-governmental activities		<u><u>\$ 6,678,694</u></u>

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

State of New Mexico  
**MOUNTAINAIR PUBLIC SCHOOLS**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**For the Year Ended June 30, 2011**

	General Fund		
	Operational	Transportation	Instructional Materials
<b>Revenues:</b>			
Local taxes	\$ 23,305	\$ -	\$ -
Local sources	22,491	-	-
State sources	3,193,591	267,661	11,986
Federal sources	6,498	-	-
Interest	3,697	-	-
Total Revenues	<u>3,249,582</u>	<u>267,661</u>	<u>11,986</u>
<b>Expenditures:</b>			
Current			
Instruction	1,557,309	-	11,947
Support services-students	372,048	-	-
Support services-instruction	147,103	-	-
Support services-general administration	190,144	-	-
Support services-school administration	262,978	-	-
Central services	73,277	-	-
Operation and maintenance of plant	463,636	-	-
Student transportation	12,725	272,944	-
Other support services	1,112	-	-
Food services operations	-	-	-
Capital outlay	-	-	-
Debt service-principal	-	-	-
Debt service-interest	-	-	-
Total expenditures	<u>3,080,332</u>	<u>272,944</u>	<u>11,947</u>
Excess (deficiency) of revenues over (under) expenditures	<u>169,250</u>	<u>(5,283)</u>	<u>39</u>
Other financing sources (uses):			
Operating transfers in (out)	(140,942)	-	-
Total other financing sources (uses)	<u>(140,942)</u>	<u>-</u>	<u>-</u>
Net change in fund balances	28,308	(5,283)	39
Fund balances - beginning of year	<u>68,557</u>	<u>5,283</u>	<u>2,209</u>
Fund balances - end of year	<u>\$ 96,865</u>	<u>\$ -</u>	<u>\$ 2,248</u>

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

<b>Bond Building</b>	<b>Capital Improvements SB-9</b>	<b>Debt Service</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
	\$ -		\$ 57,980	\$ 81,285
	106,610	291,669	102,996	523,766
-	42,869		827,095	4,343,202
-			67	6,565
-		17	-	3,714
-	<u>149,479</u>	<u>291,686</u>	<u>988,138</u>	<u>4,958,532</u>
-	-	-	594,983	2,164,239
-	-	-	73,867	445,915
-	-	-	7,714	154,817
-	3,402	4,549	140	198,235
-	-	-	1,577	264,555
-	-	-	-	73,277
-	-	-	85,211	548,847
-	-	-	4,323	289,992
-	-	-	-	1,112
-	-	-	135,107	135,107
-	63,733	-	23,441	87,174
-	-	245,000	-	245,000
-	-	63,556	-	63,556
-	<u>67,135</u>	<u>313,105</u>	<u>926,363</u>	<u>4,671,826</u>
-	<u>82,344</u>	<u>(21,419)</u>	<u>61,775</u>	<u>286,706</u>
-	-	-	(10,329)	(151,271)
-	-	-	(10,329)	(151,271)
-	82,344	(21,419)	51,446	135,435
<u>340,701</u>	<u>129,903</u>	<u>244,604</u>	<u>122,812</u>	<u>914,069</u>
<u>\$ 340,701</u>	<u>\$ 212,247</u>	<u>\$ 223,185</u>	<u>\$ 174,258</u>	<u>\$ 1,049,504</u>

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**State of New Mexico**  
**MOUNTAINAIR PUBLIC SCHOOLS**  
**Reconciliation of the Statement of Revenues, Expenditures and Changes in**  
**Fund Balances-Governmental Funds to the Statement of Activities**  
**For the Year Ended June 30, 2011**

Total net change in fund balances - governmental funds.	\$	135,435
<p>Amounts reported for governmental activities in the statement of activities are different because:</p>		
<p>Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the statement of net assets and allocated over their estimated useful lives as annual depreciation expenses in the statement of activities. This is the amount by which depreciation exceeds capital outlays in the period.</p>		
Depreciation expense		(290,819)
Capital outlays during the year which were capitalized		97,138
<p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenue in the funds:</p>		
Property taxes		(96,918)
<p>In the Statement of Activities, certain operating expenses - compensated absences payable - are measured by the amounts incurred during the year. In the fund financial statements, however, expenditures are measured by the amount of financial resources used (essentially the amounts actually paid). The (increases) decreases in the liabilities for the year were:</p>		
Compensated absences payable		(4,249)
<p>Repayment of bond principal is an expenditure in the governmental funds, but it reduces long-term liabilities in the statement of net assets and does not affect the statement of activities.</p>		
		245,000
<p>Because some property taxes will not be collected for several months after the fiscal year end, they are not considered available revenues in the governmental funds, and are instead counted as deferred tax revenues. They are, however, recorded as revenues in the statement of activities. The change in the liability for the year was:</p>		
		4,750
<p>Bond insurance costs are an expenditure in the governmental funds but are amortized in the government-wide financial statements</p>		
Current year amortization		(7,177)
Change in net assets of governmental activities	\$	83,160

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

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State of New Mexico  
**MOUNTAINAIR PUBLIC SCHOOLS**  
Statement of Revenues, Expenditures - Budget (Non-GAAP Budgetary Basis) and Actual  
Operational Account  
For the Year Ended June 30, 2011

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues:</b>				
Taxes	\$ 22,920	\$ 22,920	\$ 23,305	\$ 385
Local and county sources	3,500	3,500	22,491	18,991
State sources	3,403,711	3,308,223	3,308,522	299
Federal sources	207,273	7,273	6,498	(775)
Interest	7,300	7,300	3,697	(3,603)
Total revenues	<u>3,644,704</u>	<u>3,349,216</u>	<u>3,364,513</u>	<u>15,297</u>
<b>Expenditures:</b>				
Current				
Instruction	1,927,562	1,731,375	1,672,262	59,113
Support services-students	443,646	381,641	372,048	9,593
Support services-instruction	118,886	147,988	147,103	885
Support services-general administration	224,029	213,729	190,144	23,585
Support services-school administration	264,191	265,052	262,978	2,074
Central services	67,037	74,239	73,276	963
Operation and maintenance of plant	574,749	503,958	463,636	40,322
Student transportation	6,405	13,035	12,725	310
Other support services	6,172	6,172	1,112	5,060
Food services operations	19,166	19,166	-	19,166
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>3,651,843</u>	<u>3,356,355</u>	<u>3,195,284</u>	<u>161,071</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(7,139)</u>	<u>(7,139)</u>	<u>169,229</u>	<u>176,368</u>
Other financing sources (uses):				
Operating transfers	-	-	(166,393)	(166,393)
Proceeds from bonds	-	-	-	-
Designated cash	7,139	7,139	-	(7,139)
Total other financing sources (uses)	<u>7,139</u>	<u>7,139</u>	<u>(166,393)</u>	<u>(173,532)</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>2,836</u>	<u>2,836</u>
Cash balances - beginning of year	<u>-</u>	<u>-</u>	<u>68,064</u>	<u>-</u>
Cash balances - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 70,900</u>	<u>\$ 2,836</u>
Net change in fund balance (Non-GAAP Budgetary basis)			\$ 2,836	
Adjustment to revenue for accruals and other deferrals			16,967	
Adjustment to expenditures for payables, prepaids and other accruals			8,505	
Net changes in fund balance (GAAP basis)			<u>\$ 28,308</u>	

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

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State of New Mexico  
**MOUNTAINAIR PUBLIC SCHOOLS**  
Statement of Revenues, Expenditures - Budget (Non-GAAP Budgetary Basis) and Actual  
Transportation Fund  
For the Year Ended June 30, 2011

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues:</b>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	263,185	270,302	267,661	(2,641)
Federal sources	-	-	-	-
Interest	-	-	-	-
Total Revenues	<u>263,185</u>	<u>270,302</u>	<u>267,661</u>	<u>(2,641)</u>
<b>Expenditures:</b>				
Current				
Instruction	-	-	-	-
Support services-students	-	-	-	-
Support services-instruction	-	-	-	-
Support services-general administration	-	-	-	-
Support services-school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	263,185	272,944	272,944	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>263,185</u>	<u>272,944</u>	<u>272,944</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(2,642)</u>	<u>(5,283)</u>	<u>(2,641)</u>
Other financing sources (uses):				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated cash	-	2,642	-	(2,642)
Total other financing sources (uses)	<u>-</u>	<u>2,642</u>	<u>-</u>	<u>(2,642)</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>(5,283)</u>	<u>(5,283)</u>
Cash balances - beginning of year	<u>-</u>	<u>-</u>	<u>5,283</u>	<u>-</u>
Cash balances - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (5,283)</u>
Net change in fund balance (Non-GAAP Budgetary basis)			\$ (5,283)	
Adjustment to revenue for accruals and other deferrals			-	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Net changes in fund balance (GAAP basis)			<u>\$ (5,283)</u>	

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

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State of New Mexico  
**MOUNTAINAIR PUBLIC SCHOOLS**  
Statement of Revenues, Expenditures - Budget (Non-GAAP Budgetary Basis) and Actual  
Instructional Materials Fund  
For the Year Ended June 30, 2011

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues:</b>				
Local and county sources	\$ -	\$ -	\$ 50	\$ 50
State sources	11,151	11,151	11,936	785
Federal sources	-	-	-	-
Interest	-	-	-	-
Total Revenues	<u>11,151</u>	<u>11,151</u>	<u>11,986</u>	<u>835</u>
<b>Expenditures:</b>				
Current				
Instruction	-	-	-	-
Support services-students	-	-	-	-
Support services-instruction	12,901	12,901	11,947	954
Support services-general administration	-	-	-	-
Support services-school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>12,901</u>	<u>12,901</u>	<u>11,947</u>	<u>954</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,750)</u>	<u>(1,750)</u>	<u>39</u>	<u>1,789</u>
Other financing sources (uses):				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated cash	1,750	1,750	-	(1,750)
Total other financing sources (uses)	<u>1,750</u>	<u>1,750</u>	<u>-</u>	<u>(1,750)</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>39</u>	<u>39</u>
Cash balances - beginning of year	<u>-</u>	<u>-</u>	<u>2,209</u>	<u>-</u>
Cash balances - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,248</u>	<u>\$ 39</u>
Net change in fund balance (Non-GAAP Budgetary basis)			\$ 39	
Adjustment to revenue for accruals and other deferrals			-	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Net changes in fund balance (GAAP basis)			<u>\$ 39</u>	

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

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**State of New Mexico**  
**MOUNTAINAIR PUBLIC SCHOOLS**  
**Statement of Fiduciary Assets and Liabilities**  
**Agency Funds**  
**For the Year Ended June 30, 2011**

**Assets**

Current Assets

Cash	\$ 39,022
------	-----------

Total assets	<u>\$ 39,022</u>
--------------	------------------

**Liabilities**

Current Liabilities

Deposits held for others	\$ 39,022
--------------------------	-----------

Total liabilities	<u>\$ 39,022</u>
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The accompanying notes are an integral part of these financial statements.

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**State of New Mexico**  
**MOUNTAINAIR PUBLIC SCHOOLS**  
**Notes To The Financial Statements**  
**June 30, 2011**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of Mountainair Public Schools (District) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards, which along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units. The more significant of the District's accounting policies are described below.

***Reporting Entity***

The Mountainair Public School Board was created under the provision of Section 22-5-4 (NMSA, 1978 Comp.) to provide public education for the children within the District. The School Board is authorized to establish policies and regulations for its own government consistent with the laws of the state of New Mexico and the regulations of the State Board of Education and the Legislative Finance Committee. The School Board is comprised of five members who are elected for terms of four years. The Board selects a superintendent who administers the District.

GASB Statement No. 14 established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the District is considered a *primary government*, since it is a special-purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. As used in GASB Statement No. 14, fiscally independent means that the District may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or changes, and issue bonded debt. The District also has no *component units*, as defined by GASB Statement No. 14 as there are no other legally separate organizations for which the elected School Board members are financially accountable. There are no other primary governments with which the School Board Members are financially accountable. There are no other primary governments with which the District has a significant relationship.

***Basic Financial Statements – GASB Statement #34***

The basic financial statements include both government-wide (based on the District as a whole) and fund financial Statements. The new reporting model focus is on either the District as a whole or major individual funds (within the fund financial statements). Both the government-wide and fund financial statements (within the basic financial statements) categorize primary activities as either governmental or business type activities. In the government-wide Statement of Net Assets, both the governmental and business-type activities columns are presented on a consolidated basis by column, and are reflected on a full accrual, economic resources basis, which incorporates long-term assets and receivables as well as long-term debt and obligations. The District did not have any business-type activities during the year ended June 30, 2011.

Since the District does not have any business-type activities, but only governmental activities, the District's policy is not to apply any FASB pronouncements issued after November 30, 1989 in its government-wide financial statements, but only those issued on or before November 30, 1989 unless those pronouncements conflict with or contradict GASB pronouncements.

State of New Mexico  
MOUNTAINAIR PUBLIC SCHOOLS  
Notes To The Financial Statements  
June 30, 2011

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

The government-wide Statement of Activities reflects both the gross and net cost per functional category. The District reports one function (education). The Statement of Activities demonstrates the degree to which the direct expenses of a given program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific program. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given program and 2) operating or capital grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Taxes and other items not properly included among program revenues are reported instead as general revenues.

The net cost (by function or business-type activity) is normally covered by general revenues (taxes, intergovernmental revenues, interest income, etc.). Historically, the previous mode did not summarize or present net cost by function or activity. The District does not currently employ indirect cost allocation systems.

This government-wide focus is more on the sustainability of the District as an entity and in aggregate financial position resulting from the activities of the current fiscal period.

The fund financial statements are similar to the financial statements presented in the previous accounting model. Emphasis here is on the major funds in either the governmental or business-type categories. Nonmajor funds (by category) are summarized into a single column.

The governmental fund statements are presented on a current financial resource and modified accrual basis of accounting. This presentation is deemed appropriate to (a) demonstrate legal compliance, (b) demonstrate the source and use of liquid resources, and (c) demonstrate how the Districts actual experience conforms to the budget or fiscal plan. Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements' governmental activities column, a reconciliation is presented on the page following each statement, which briefly explains the adjustments necessary to transform the fund based financial statements into the governmental activities column on the governmental-wide presentation.

Internal activity between the various funds is eliminated in the government-wide financial statements. Interfund receivables and payables at June 30, 2011 have been eliminated. These consist of amounts titled "Due from other funds" and "Due to other funds" in the fund financial statements.

The District's fiduciary funds (agency funds) are presented in the fund financial statements. Since by definition these assets are being held for the benefit of a third party and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements. If the District had any component units similar to fiduciary funds, they would not be incorporated into the government-wide financial statements.

***Basis of Presentation***

The accounts of the District are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.



State of New Mexico  
MOUNTAINAIR PUBLIC SCHOOLS  
Notes To The Financial Statements  
June 30, 2011

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

The funds of the District are classified into two categories: governmental and fiduciary. In turn, each category is divided into separate fund types. The fund classifications and description of each existing fund type follow.

**Governmental Funds**

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

Operational Fund - the District's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. Revenues are provided by district school tax levy, state equalization and earnings from investments. Expenditures include all costs associated with the daily operations of the schools except for those items included in other funds.

Transportation Fund – used to account for the state equalization received from the State Public Education Department which is used to pay for the costs associated with transporting school age children.

Instructional Materials Fund – used to account for the monies received from the State Public Education Department for the purposes of purchasing instructional materials (books, manuals, periodicals, etc.) used in the education of students.

Bond Building Capital Project Fund – used to account for resources received from the State Public Education Department state equalization guarantee for use in remodeling and equipping classroom facilities.

Capital Improvements SB-9 Capital Projects Fund – used to account for the revenue derived from a district tax levy and matched by the state. Expenditures are restricted to capital improvements.

Debt service funds- used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.

Additionally, the government reports the following fund types:

Fiduciary Funds – used to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governments and/or other funds.

The funds of the District are classified into two categories: governmental and fiduciary. In turn, each category is divided into separate fund types. The fund classifications and description of each existing fund type follow.

***Basis of Accounting***

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made, regardless of the measurement focus applied. The Government-wide Financial Statements and the Fiduciary Fund Financial Statements are presented on an accrual basis of accounting. The Governmental Funds in the Fund Financial Statements are presented on a modified accrual basis.

State of New Mexico  
MOUNTAINAIR PUBLIC SCHOOLS  
Notes To The Financial Statements  
June 30, 2011

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Accrual Basis - Under the accrual basis of accounting, revenues are recorded when earned and expenditures are recorded when incurred.

Modified Accrual - All governmental funds are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The District considers all property tax revenues available if they are collected within 60 days of year end. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred.

Property taxes are recognized when levied. Reimbursement receivables are recognized when the related expenditures are incurred. Other receipts and taxes become measurable and available when cash is received by the District and are recognized as revenue at that time.

In applying the "susceptible to accrual" concept to intergovernmental revenues, the provider should recognize liabilities and expenses and the recipient should recognize receivables and revenues when the applicable eligibility requirements including time requirements, are met. Resources transmitted before the eligibility requirements are met, under most circumstances, should be reported as advances by the provider and deferred revenue by the recipient.

***Budgets and Budgetary Accounting***

Formal budgetary integration is employed as a management control device during the year.

Budgets for the General, Special Revenue, Debt Service and Capital Projects Funds are adopted on a basis inconsistent with accounting principles generally accepted in the United States of America (GAAP). These budgets are prepared using the cash basis of accounting. Budgetary comparisons for the various funds in this report are on this non-GAAP budgetary basis.

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

Prior to April 15, (unless a later date is fixed by the Secretary of the Public Education Department) the local school board submits to the School Budget Planning Unit (SBPU) of the New Mexico Public Education Department an estimated budget for the school district for the ensuing fiscal year beginning July 1. The operating budget includes proposed expenditures and the means of financing them. AJI budgets submitted to the Public Education Department by the school district shall contain headings and details as prescribed by law.

Prior to June 20, of each year, the proposed operating budget will be reviewed and approved by the SBPU and certified and approved by the local school board at a public hearing of which notice has been published by the local school board which fixes the estimated budget for the school district for the ensuing fiscal year.

The operating budget will be used by the District until it has been notified that the budget has been approved by the SBPU and the local school board. The budget shall be integrated formally into the accounting system. Encumbrances shall be used as an element of control and shall be integrated into the budget system.



**State of New Mexico**  
**MOUNTAINAIR PUBLIC SCHOOLS**  
**Notes To The Financial Statements**  
**June 30, 2011**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

1. The District shall make corrections, revisions and amendments to the estimated budgets fixed by the local school board to recognize actual cash balances and carryover funds, if any. These adjustments shall be reviewed and approved by the SBPU.
2. No school board or officer or employee of a school district shall make any expenditures or incur any obligation for the expenditure of public funds unless such expenditure or contractual obligation is made in accordance with an operating budget approved by the division, but this does not prohibit the transfer of funds between line items within a series of a budget.
3. Budget change requests are processed in accordance with Supplement 1 (Budget Preparation and Maintenance) of the Manual of Procedures Public School Accounting and Budgeting. Such changes are initiated by the school district and approved by the SBPU.
4. Legal budget control for expenditures is by function.
5. Appropriations lapse at fiscal year end. Funds unused during the fiscal year may be carried over into the next fiscal year by budgeting those in the subsequent fiscal year's budget. The budget of the District has been amended during the current fiscal year in accordance with these procedures. The budget schedules included in the accompanying financial statements reflect the approved budget and any amendments.

***Encumbrances***

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting - under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation - is utilized in the governmental funds. Encumbrances lapse at the fiscal year end and are therefore not included as a reservation of fund balance. Authorization for the eventual expenditure will be included in the following year's budget appropriations.

***Assets, Liabilities and Fund Equity***

***1. Cash***

The District is authorized under the provisions of Chapter 6, Article 10, Paragraph 10, NMSA 1978, to deposit its money in banks, savings and loan associations and/or credit unions whose accounts are insured by an agency of the United States.

***2. Investments***

All money not immediately necessary for the public uses of the District may be invested in:

Bonds or negotiable securities of the United States, the state or any county, municipality or school district which has a taxable valuation of real property for the last preceding year of at least one million dollars (\$1,000,000) and has not defaulted in the payment of any interest or sinking fund obligation or failed to meet any bonds at maturity at any time within the last five years preceding; or

**State of New Mexico**  
**MOUNTAINAIR PUBLIC SCHOOLS**  
**Notes To The Financial Statements**  
**June 30, 2011**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Securities that are issued by the United States government or by its agencies or instrumentalities and that are either direct obligations of the United States or are backed by the full faith and credit of the United States government or agencies guaranteed by the United States government.

In contracts with banks, savings and loan associations or credit unions for the present purchase and resale at a specified time in the future of specific securities at specified prices at a price differential representing the interest income to be earned by the investor.

The District may invest its money with the New Mexico State Treasurer's short-term investment pool. Such money will not be invested in the State Treasurer's short-term investment pool for a period greater than 181 days.

The District may invest funds in the New Mexico State Treasurer's Local Government Investment Pool (Pool). The Pool's investments are U.S. term overnight repurchase agreements. Interest rates fluctuate depending upon the investments in the Pool.

*3. Accounts Receivables and Payables*

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

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

The District receives monthly income from a tax levy in Torrance County. The funds are collected by the County Treasurers and are remitted to the School District the following month. Under the modified accrual method of accounting, the amount remitted by the County Treasurers in July and August 2011 is considered 'measurable and available' and, accordingly, is recorded as revenue in the governmental fund statements during the year ended June 30, 2011.

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

*4. Inventories*

Purchased inventory is valued at the lower of cost (first-in, first-out) or market. Inventory in the Food Services Fund consists of purchased food and non-food items and United States Department of Agriculture (USDA) commodities. Commodities are shown at the USDA procurement cost. Costs are recorded as expenditures at the time individual inventory items are used (consumption method). Reported inventories are equally offset by a fund balance reserve which indicates that they do not constitute "available spendable resources" even though they are a component of net current assets.



**State of New Mexico**  
**MOUNTAINAIR PUBLIC SCHOOLS**  
**Notes To The Financial Statements**  
**June 30, 2011**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

*5. Capital Assets*

Capital assets are recorded at historical cost and depreciated over their estimated useful lives (with no salvage value). Capital assets are defined by the District as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of one year. Donated capital assets are recorded at their estimated fair value at the date of donation. Software which meets the capitalization requirement is also capitalized. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. The District does not capitalize interest in regards to its capital assets. Library books have been capitalized and are depreciated as a group.

Estimated useful life is management's estimate of how long the asset is expected to meet service demands. Straight-line depreciation is used based on the following estimated useful lives:

Land improvements	20 years
Buildings & building improvements	40 years
Machinery and equipment, including	
Computer equipment and software	3-10 years
Autos and vehicles	10 years
Library books	10 years

GASB Statement #34 requires the recording and depreciation of infrastructure assets, which include roads, bridges, traffic signals, etc. The District did not own any infrastructure assets as of June 30, 2011.

*6. Deferred Revenues*

The District reports deferred revenues on its Statement of Net Assets and fund balance sheet. Deferred revenues arise when resources are received by the District before it has a legal claim to them, as when grant monies are received prior to the occurrence of qualifying expenditures. In subsequent periods, when the District has a legal claim to the resources, the liability for deferred revenue is removed from the balance sheet and the revenue is recognized.

*7. Compensated Absences*

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

*8. Long-term Liabilities*

For district-wide reporting, the costs associated with the bonds are recognized over the life of the bond. As permitted by GASB Statement No. 34 the amortization of the costs of bonds will be amortized prospectively from the date of adoption of GASB Statement No. 34.

**State of New Mexico**  
**MOUNTAINAIR PUBLIC SCHOOLS**  
**Notes To The Financial Statements**  
**June 30, 2011**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

For fund financial reporting, bond premiums and discounts, as well as issuance costs, are recognized in the period the bonds are issued. Bond proceeds are reported as other financing source net of the applicable premium or discount. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

*9. Fund Balances of Fund Financial Statements*

Reservations of fund balance represent amounts that are not appropriable for expenditures or legally segregated for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change. The District designates the portion of the year end fund balance, not otherwise designated or reserved, for subsequent years' expenditures. These designations are established to earmark resources for specific future use and to indicate that the fund equity does not represent available spendable resources.

*10. Restricted Net Assets*

For the government-wide statement of net assets, net assets are reported as restricted when constraints placed on net assets used are either:

Externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments; imposed by law through constitutional provisions or enabling legislation.

The Invested in Capital Assets, net of related debt consists of the portion of net assets which is associated with non-liquid capital assets less any outstanding related debt.

The District's policy is to apply restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

*11. Interfund Transactions*

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

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

*12. 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 the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.



**State of New Mexico**  
**MOUNTAINAIR PUBLIC SCHOOLS**  
**Notes To The Financial Statements**  
**June 30, 2011**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

*13. Bond Issuance Costs*

The costs of issuing bonds are capitalized in the government-wide financial statements and are amortized over the life of the related general obligation bonds payable.

*14. Property Taxes*

Property taxes are recognized when levied. Derived tax revenues are recognized when the exchange transaction takes place. Property tax and interest revenue are susceptible to accrual. Gross receipt taxes collected and held by the state at year end on behalf of the government are also recognized as revenue. These are generally received within 60 days of year end. Other receipts and taxes become measurable and available when cash is received by the District and are recognized as revenue at that time.

The County property tax bills must be mailed by November 1<sup>st</sup>, the first half of the assessed tax is due November 10<sup>th</sup>, and becomes delinquent December 10<sup>th</sup>, the second half of the assessed tax becomes due April 10<sup>th</sup>, and becomes delinquent May 10<sup>th</sup>. The applicable property is subject to lien and penalties and interest are assessed when property taxes become delinquent. When property taxes are delinquent three years, the property is transferred to the State Property Tax Department for public sale.

**NOTE 2. CASH AND INVESTMENTS**

*Pledged Collateral Requirement*

The District deposits its funds with various financial institutions. The District may invest in U.S. Treasury obligations but did not during the year ended June 30, 2011. New Mexico statute Section 6-10-17, 1978, provides that deposits of public monies in financial institutions must be secured by pledged collateral in an aggregate value equal to one-half of the amount of the public monies deposited after deducting the amount of Federal Deposit Insurance Corporation insurance coverage for each financial institution. A schedule detailing the collateral pledged to the District's deposits is located in the back of this report.

*Custodial Credit Risk*

Custodial credit risk is the risk that in the event of bank failure, the District's deposits may not be returned. The District's policy is to comply with Section 6-10-17, NMSA 1978. As of June 30, 2011, the District was over insured and collateralized by \$96,836.

*Investments*

Investments are cash deposited into savings accounts. These amounts are considered equivalent to cash.

*Summary of Cash and Investments*

Cash and investments are reported in each fund if the fund has a positive balance. If the fund has a negative balance, the negative balance is reported as a due from/ due to between the fund which loaned the monies and the fund which borrowed the monies.

State of New Mexico  
**MOUNTAINAIR PUBLIC SCHOOLS**  
**Notes To The Financial Statements**  
**June 30, 2011**

**NOTE 2. CASH AND INVESTMENTS (continued)**

A reconciliation of cash and investments follows:

Total cash and investments on deposit, all financial institutions	\$1,216,350
Less: Outstanding checks and warrants	<u>(428,387)</u>
Total cash	<u>\$ 787,962</u>
Per financial statements:	
All government funds	\$ 748,940
Agency Funds	<u>39,022</u>
Total	<u>\$ 787,962</u>

**NOTE 3. DUE FROM/ DUE TO BALANCES**

As of June 30, 2011, several funds had borrowed from the Bond Building Capital Projects Fund and the operational Fund in order to avoid negative cash balances.

	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
Major fund:		
Bond Building Capital Projects Fund	\$ 340,701	
Operational Fund	25,447	
Non-Major Special Revenue Fund		<u>\$ 366,148</u>
Total	<u>\$ 366,148</u>	<u>\$ 366,148</u>

These balances have been eliminated during the preparation of the government-wide financial statements.

**NOTE 4. INVENTORY**

Inventory is valued at the lower of cost (first-in, first-out) or market. Inventory consists of expendable supplies held for consumption. The cost is recorded as expenditures at the time individual inventory items are purchased. The reported inventories are equally offset by a fund balance reserve which indicates that they do not constitute available spendable resources even though they are a component of net current assets.

Inventories at June 30, 2011, consisted of the following:

Special Revenue Fund:	
Food Service	\$2,315

**NOTE 5. RECEIVABLES**

Receivables at June 30, 2011, consisted of the following:

	<u>General</u>	<u>Debt Service</u>	<u>SB-9</u>	<u>Bond Building</u>	<u>Other Governmental Funds</u>
Prop. Taxes receivable	\$ 518	\$ 6,654	\$ 2,363	\$ -0-	\$ 9,535
Due from grantor	<u>25,447</u>	<u>-0-</u>	<u>-0-</u>	<u>340,701</u>	<u>\$366,148</u>
Total	<u>\$25,965</u>	<u>\$ 6,654</u>	<u>\$ 2,363</u>	<u>\$340,701</u>	<u>\$375,683</u>

**State of New Mexico**  
**MOUNTAINAIR PUBLIC SCHOOLS**  
**Notes To The Financial Statements**  
**June 30, 2011**

**NOTE 5. RECEIVABLES (continued)**

Property taxes receivable are shown net of an allowance for uncollectible taxes of 10% of outstanding property taxes at year end. All other amounts are considered to be fully collectible. Property taxes not received within 60 days of the fiscal year end are shown as deferred property taxes in the fund financial statements.

**NOTE 6. CAPITAL ASSETS**

For the year ended June 30, 2011 depreciation expense of \$290,819 was charged to the Governmental Activities-Education of the District. Land assets, totaling \$57,583 were not charged with depreciation in accordance with accounting principles generally accepted in the United States of America.

The District's capital assets were as follows for the year ended June 30, 2011:

	<u>June 30, 2010</u> <u>Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2011</u> <u>Balance</u>
Assets not being depreciated:				
Land	\$ 57,583	\$ -	\$ -	\$ 57,583
Construction-in progress	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets not being depreciated	57,583	-	-	57,583
Assets being depreciated:				
Land improvements	741,337	45,506	-	786,843
Buildings and improvements	8,798,928	5,387	-	8,804,315
Machinery and equipment	999,309	41,101	-	1,040,410
Library books	<u>409,271</u>	<u>5,144</u>	<u>-</u>	<u>414,415</u>
Total assets being Depreciated	<u>10,948,845</u>	<u>97,138</u>	<u>-</u>	<u>11,045,983</u>
Total assets	<u>11,006,428</u>	<u>97,138</u>	<u>-</u>	<u>11,103,566</u>
Less accumulated depreciation:				
Land improvements	(154,552)	(40,923)	-	(195,475)
Buildings and improvements	(2,442,273)	(216,131)	-	(2,658,404)
Machinery and equipment	(760,720)	(37,245)	-	(797,965)
Library books	<u>(332,341)</u>	<u>3,480</u>	<u>-</u>	<u>(328,862)</u>
Total accumulated depreciation	<u>(3,689,886)</u>	<u>(290,819)</u>	<u>-</u>	<u>(3,980,706)</u>
Total	<u>\$ 7,316,541</u>	<u>\$(193,681)</u>	<u>\$ -</u>	<u>\$ 7,122,860</u>



**State of New Mexico**  
**MOUNTAINAIR PUBLIC SCHOOLS**  
**Notes To The Financial Statements**  
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**NOTE 7. LONG-TERM LIABILITIES**

A. Changes in Long-Term Liabilities:

During the year ended June 30, 2011, the following changes occurred in the liabilities reported in the government-wide Statement of Net Assets:

	Balance <u>July 1, 2010</u>	Additions	Deletions	Balance <u>June 30, 2011</u>	Due Within <u>One Year</u>	Amounts considered <u>Long-Term</u>
Bonds payable	\$ 1,785,000	\$ -0-	\$(245,000)	\$1,540,000	\$220,000	\$ 1,320,000
Compensated Absences payable	<u>3,681</u>	<u>4,249</u>	<u>-0-</u>	<u>7,930</u>	<u>7,930</u>	<u>-</u>
Total	<u>\$ 1,788,681</u>	<u>\$ 4,249</u>	<u>\$(245,000)</u>	<u>\$1,547,930</u>	<u>\$ 227,930</u>	<u>\$ 1,320,000</u>

General obligation bonds are repaid with property taxes which are collected by the Debt Service Fund.

In prior years, the General Fund has been used to pay accrued compensated absences and will likely continue to do so.

B. General Obligation Bonds

General obligation bonds, authorized by the voters of the District, are issued for the purposes of erecting, remodeling, making additions to and furnishing school buildings, and purchasing and improving school grounds. The following is a list of bonds issued and outstanding at June 30, 2011

Interest expenditures included in direct expenses for the year ended June 30, 2011 were \$63,556.

**NOTE 8. CONTINGENT LIABILITIES**

Amounts received or receivable from grantor 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 which may be disallowed by the grantor cannot be determined at this time, although the District expects such amounts, if any, to be immaterial.

**NOTE 9. INSURANCE COVERAGE**

The District is insured through the New Mexico Public School Insurance Authority. Coverage provided includes all-peril on buildings and contents; crime coverage; general liability; civil rights and personal injury; motor vehicle and fleet property damage and liability; school bus property damage and liability coverage; and statutory workmen's compensation coverage. The crime coverage portion of this insurance includes employee fidelity/faithful performance coverage up to \$250,000 each occurrence.

**State of New Mexico**  
**MOUNTAINAIR PUBLIC SCHOOLS**  
**Notes To The Financial Statements**  
**June 30, 2011**

**NOTE 10. BUDGET TO GAAP RECONCILIATION**

The Statements of Revenues and Expenditures – Budget (Non-GAAP Budgetary Basis) and Actual (Non-GAAP Budgetary Basis) present budget comparisons using cash basis revenues and expenditures, while the Statement of Revenues, Expenditures and Changes in Fund Balances-Governmental Funds utilizes the modified accrual basis of accounting.

**NOTE 11. EDUCATION RETIREMENT BOARD (ERB) PENSION PLAN**

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

**Funding Policy.** Effective July 1, 2011 the employer contribution will be 13.9% of the gross covered salary. The contribution requirements of the plan members and the District are established in State statute under Chapter 22, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. The District's contributions to ERB for the fiscal years ending June 30, 2011, 2010, and 2009, were \$281,937, \$282,704, \$276,123, respectively, which equal the amount of the required contributions for each fiscal year.

**NOTE 12. POST-EMPLOYMENT BENEFITS-STATE RETIREE HEALTH CARE PLAN**

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

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

The RHCA issues a publicly available stand-alone financial report that indicates financial statements and required supplementary information for the post employment healthcare plan. That report and further information can be obtained by writing to the Retiree Health Care Authority at 7308 Carlisle NE, Suite 104, Albuquerque, NM 87107.



**State of New Mexico**  
**MOUNTAINAIR PUBLIC SCHOOLS**  
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**June 30, 2011**

**NOTE 12. POST-EMPLOYEMENT BENEFITS-STATE RETIREE HEALTH CARE PLAN (continued)**

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 of 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. During the year ended June 30, 2011, the statute requires each participating employer to contribute 1.666% of each participating employee's annual salary; each participating employee was required to contribute .833% of their salary. In the fiscal years ending June 30, 2012 through June 30, 2013, the contribution rate for employees and employers will rise as follows:

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

Fiscal Year	Employer Contribution Rate	Employee Contribution Rate
FY 12	1.834%	0.917%
FY 13	2.000%	1.000%

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

The District's contributions to the RHCA for the years ended June 30, 2011, 2010, and 2009 were \$37,661, \$32,300, and \$30,848 respectively, which equal the required contributions for each year.

**NOTE 13. JOINT VENTURE**

Mountainair Public Schools is a member of Central Region Educational Cooperative, which was established by the New Mexico State Board of Education. This REC operates as an agency for school districts and provides cooperative services as its primary service. The REC administers several federal award programs for municipal schools. Central Region Educational Cooperative issues a separate, publicly available audited financial report that includes expenditures of federal awards and supplementary information. That report may be obtained by writing Central Region Educational Cooperative, P.O. Box 37440, Albuquerque, NM 87176.

**SUPPLEMENTARY INFORMATION  
SECTION**

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**COMBINING AND INDIVIDUAL FUND  
STATEMENTS AND SCHEDULES**

State of New Mexico  
**MOUNTAINAIR PUBLIC SCHOOLS**  
 Combining Balance Sheet  
 Nonmajor Governmental Funds  
 June 30, 2011

	<u>Food Service</u>	<u>Athletics</u>	<u>Board Activity</u>
<b>Assets</b>			
Cash and investments	\$ 53,731	\$ 805	\$ 16,870
Inventory	2,315	-	-
Due from grantor	-	-	-
Total assets	<u>\$ 56,046</u>	<u>\$ 805</u>	<u>\$ 16,870</u>
 <b>Liabilities and Fund Equity</b>			
<b>Liabilities</b>			
Due to other funds	\$ -	\$ -	\$ -
Accounts payable	-	-	-
Deferred revenues - grants	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>
 <b>Fund balance</b>			
<b>Unreserved</b>			
Designated for subsequent year's expenditures	-	-	-
	2,315	-	-
Undesignated	<u>53,731</u>	<u>805</u>	<u>16,870</u>
Total fund balance	<u>56,046</u>	<u>805</u>	<u>16,870</u>
Total liabilities and fund equity	<u>\$ 56,046</u>	<u>\$ 805</u>	<u>\$ 16,870</u>

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

<u>Title I Basic</u>	<u>IDEA - B Entitlement</u>	<u>IDEA - B Discretionary</u>	<u>CADRE - Special Ed</u>	<u>IDEA - B Preschool</u>	<u>Fresh Fruits &amp; Vegetables</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
117,323	47,924	-	-	8,303	-
<u>\$ 117,323</u>	<u>\$ 47,924</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,303</u>	<u>\$ -</u>
\$ 117,323	\$ 47,924	\$ -	\$ -	\$ 8,303	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
<u>117,323</u>	<u>47,924</u>	<u>-</u>	<u>-</u>	<u>8,303</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 117,323</u>	<u>\$ 47,924</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,303</u>	<u>\$ -</u>

State of New Mexico  
**MOUNTAINAIR PUBLIC SCHOOLS**  
 Combining Balance Sheet  
 Nonmajor Governmental Funds  
 June 30, 2011

<u>EETT</u>	<u>Title V-A</u>	<u>Teacher/ Principal Train &amp; Recruitment</u>	<u>Title IV-A</u>	<u>21st Century</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
2,257	634	25,392	3,641	-
<u>\$ 2,257</u>	<u>\$ 634</u>	<u>\$ 25,392</u>	<u>\$ 3,641</u>	<u>\$ -</u>
\$ 2,257	\$ 634	\$ 25,392	\$ 3,641	\$ -
-	-	-	-	-
-	-	-	-	-
<u>2,257</u>	<u>634</u>	<u>25,392</u>	<u>3,641</u>	<u>-</u>
-	-	-	-	-
-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 2,257</u>	<u>\$ 634</u>	<u>\$ 25,392</u>	<u>\$ 3,641</u>	<u>\$ -</u>

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

<u>IDEA Technology Renovation</u>	<u>ARRA Title I Stimulus</u>	<u>ARRA IDEA - B Stimulus</u>	<u>ARRA Preschool Stimulus</u>	<u>Medicaid</u>	<u>CYFD Summer Lunch</u>	<u>Underage Drinking</u>
\$ -	\$ -	\$ -	\$ -	\$ 100,537	\$ 795	\$ 21
-	-	-	-	-	-	-
-	51,302	81,834	2,689	-	-	-
<u>\$ -</u>	<u>\$ 51,302</u>	<u>\$ 81,834</u>	<u>\$ 2,689</u>	<u>\$ 100,537</u>	<u>\$ 795</u>	<u>\$ 21</u>
\$ -	\$ 51,302	\$ 81,834	\$ 2,689	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	795	21
<u>-</u>	<u>51,302</u>	<u>81,834</u>	<u>2,689</u>	<u>-</u>	<u>795</u>	<u>21</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	100,537	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>100,537</u>	<u>-</u>	<u>-</u>
<u>\$ -</u>	<u>\$ 51,302</u>	<u>\$ 81,834</u>	<u>\$ 2,689</u>	<u>\$ 100,537</u>	<u>\$ 795</u>	<u>\$ 21</u>

State of New Mexico  
**MOUNTAINAIR PUBLIC SCHOOLS**  
 Combining Balance Sheet  
 Nonmajor Governmental Funds  
 June 30, 2011

REAP SRSA	Operational Stimulus	Operational Stimulus II	Dual Credit Instructional Materials	GO Student Library Bonds
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
5,539	-	-	37	1,172
<u>\$ 5,539</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 37</u>	<u>\$ 1,172</u>
\$ 5,539	\$ -	\$ -	\$ 37	\$ 1,172
-	-	-	-	-
-	-	-	-	-
<u>5,539</u>	<u>-</u>	<u>-</u>	<u>37</u>	<u>1,172</u>
-	-	-	-	-
-	-	-	-	-
<u>\$ 5,539</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 37</u>	<u>\$ 1,172</u>

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

<u>Technology for Education</u>	<u>Incentives for School Improvements</u>	<u>GO Bond</u>	<u>Mentorship Program</u>	<u>Schools on the Rise</u>	<u>After School Enrollment Program</u>
\$ -	\$ 6,571	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	1,506	-	4,000	-
<u>\$ -</u>	<u>\$ 6,571</u>	<u>\$ 1,506</u>	<u>\$ -</u>	<u>\$ 4,000</u>	<u>\$ -</u>
\$ -	\$ -	\$ 1,506	\$ -	\$ 4,000	\$ -
-	-	-	-	-	-
-	6,571	-	-	-	-
<u>-</u>	<u>6,571</u>	<u>1,506</u>	<u>-</u>	<u>4,000</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ 6,571</u>	<u>\$ 1,506</u>	<u>\$ -</u>	<u>\$ 4,000</u>	<u>\$ -</u>

State of New Mexico  
**MOUNTAINAIR PUBLIC SCHOOLS**  
 Combining Balance Sheet  
 Nonmajor Governmental Funds  
 June 30, 2011

<u>SB301 GO Bonds</u>	<u>NMYCCC</u>	<u>NM Arts Grant</u>	<u>CATCH Program</u>	<u>School Based Health Center</u>	<u>Public School Capital Outlay</u>
\$ -	\$ -	\$ 333	\$ 4,084	\$ 65,630	\$ -
-	-	-	-	-	-
-	12,594	-	-	-	-
<u>\$ -</u>	<u>\$ 12,594</u>	<u>\$ 333</u>	<u>\$ 4,084</u>	<u>\$ 65,630</u>	<u>\$ -</u>
\$ -	\$ 12,594	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	333	4,084	65,630	-
<u>-</u>	<u>12,594</u>	<u>333</u>	<u>4,084</u>	<u>65,630</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ -</u>	<u>\$ 12,594</u>	<u>\$ 333</u>	<u>\$ 4,084</u>	<u>\$ 65,630</u>	<u>\$ -</u>

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



Special Capital Outlay State	Total
\$ -	\$ 249,377
-	2,315
-	366,148
<u>\$ -</u>	<u>\$ 617,840</u>

\$ -	\$ 366,148
-	-
-	77,434
<u>-</u>	<u>443,582</u>

-	-
-	2,315
-	171,943
<u>-</u>	<u>174,258</u>
<u>\$ -</u>	<u>\$ 617,840</u>

State of New Mexico  
**MOUNTAINAIR PUBLIC SCHOOLS**  
Combining Statement of Revenues, Expenditures  
And Changes In Fund Balance Nonmajor Governmental Funds  
For the Year Ended June 30, 2011

	<u>Food Service</u>	<u>Athletics</u>	<u>Board Activity</u>
<b>Revenues:</b>			
Local and county sources	\$ 14,935	\$ 19,054	\$ 572
State sources	-	-	-
Federal sources	125,136	-	-
Interest	67	-	-
Total revenues	<u>\$ 140,138</u>	<u>\$ 19,054</u>	<u>\$ 572</u>
<b>Expenditures:</b>			
Current			
Instruction	-	14,161	1,832
Support services - students	-	-	-
Support services - instruction	-	-	-
Support services - general administration	-	-	-
Support services - school administration	-	-	-
Central services	-	-	-
Operation and maintenance of plant	-	-	-
Student transportation	-	4,323	-
Food services operations	112,211	-	-
Capital Outlay	-	-	-
Debt Service:			
Principal	-	-	-
Interest	-	-	-
Total expenditures	<u>112,211</u>	<u>18,484</u>	<u>1,832</u>
Excess (deficiency) of revenues over expenditures	27,927	570	(1,260)
Other financing sources (uses):			
Operating transfers in (out)	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	27,927	570	(1,260)
Fund balance, beginning of year	<u>28,119</u>	<u>235</u>	<u>18,130</u>
Fund balance, end of year	<u>\$ 56,046</u>	<u>\$ 805</u>	<u>\$ 16,870</u>

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

<u>Title I Basic</u>	<u>IDEA - B Entitlement</u>	<u>IDEA - B Discretionary</u>	<u>CADRE - Special Ed</u>	<u>IDEA - B Preschool</u>
\$ 840	\$ 1,850	\$ -	\$ -	\$ -
-	-	-	-	-
210,107	72,681	370	7,879	10,913
-	-	-	-	-
<u>\$ 210,947</u>	<u>\$ 74,531</u>	<u>\$ 370</u>	<u>\$ 7,879</u>	<u>\$ 10,913</u>
194,540	62,450	-	-	10,913
-	12,081	-	-	-
1,003	-	-	-	-
-	-	-	-	-
1,577	-	-	-	-
-	-	-	-	-
13,827	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>210,947</u>	<u>74,531</u>	<u>-</u>	<u>-</u>	<u>10,913</u>
-	-	370	7,879	-
-	-	(370)	(7,879)	-
-	-	-	-	-
-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

State of New Mexico  
**MOUNTAINAIR PUBLIC SCHOOLS**  
 Combining Statement of Revenues, Expenditures  
 And Changes In Fund Balance Nonmajor Governmental Funds  
 For the Year Ended June 30, 2011

Fresh Fruits and Vegetables	EETT	Title V-A	Teacher/ Principal Training & Rec	Title IV-A
\$ -	\$ -	\$ -	\$ -	\$ 490
-	-	-	-	-
6,600	-	-	42,952	2,534
-	-	-	-	-
<u>\$ 6,600</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 42,952</u>	<u>\$ 3,024</u>
-	-	-	42,952	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
6,600	-	-	-	3,024
-	-	-	-	-
-	-	-	-	-
<u>6,600</u>	<u>-</u>	<u>-</u>	<u>42,952</u>	<u>3,024</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

<u>21st Century</u>	<u>IDEA Technology/ Renovation</u>	<u>Title I Stimulus</u>	<u>ARRA IDEA - B Stimulus</u>	<u>ARRA Preschool Stimulus</u>	<u>Medicaid</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
169	216	74,401	83,210	3,719	37,018
-	-	-	-	-	-
<u>\$ 169</u>	<u>\$ 216</u>	<u>\$ 74,401</u>	<u>\$ 83,210</u>	<u>\$ 3,719</u>	<u>\$ 37,018</u>
-	-	74,401	83,210	3,719	-
-	-	-	-	-	6,243
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	74,401	83,210	3,719	6,243
169	216	-	-	-	30,775
<u>(169)</u>	<u>(216)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	30,775
-	-	-	-	-	69,762
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 100,537</u>

State of New Mexico  
**MOUNTAINAIR PUBLIC SCHOOLS**  
 Combining Statement of Revenues, Expenditures  
 And Changes In Fund Balance Nonmajor Governmental Funds  
 For the Year Ended June 30, 2011

<u>CYFD Summer Lunch</u>	<u>Underage Drinking</u>	<u>REAP SRSA</u>	<u>Operational Stimulus</u>	<u>Operational Stimulus II</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
13,272	-	5,539	35,292	95,087
-	-	-	-	-
<u>\$ 13,272</u>	<u>\$ -</u>	<u>\$ 5,539</u>	<u>\$ 35,292</u>	<u>\$ 95,087</u>
-	-	-	-	95,087
-	-	-	-	-
-	-	5,539	-	-
-	-	-	140	-
-	-	-	-	-
-	-	-	-	-
-	-	-	35,152	-
-	-	-	-	-
13,272	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>13,272</u>	<u>-</u>	<u>5,539</u>	<u>35,292</u>	<u>95,087</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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







<u>CATCH Program</u>	<u>School Based Health Center</u>	<u>School Special Capital Outlay State</u>	<u>School Public School Capital Outlay</u>	<u>Total</u>
\$ -	\$ 20,239	\$ -	\$ -	\$ 57,980
-	35,304	16,875	-	102,996
-	-	-	-	827,095
-	-	-	-	67
<u>\$ -</u>	<u>\$ 55,543</u>	<u>\$ 16,875</u>	<u>\$ -</u>	<u>\$ 988,138</u>
-	-	-	-	594,983
-	55,543	-	-	73,867
-	-	-	-	7,714
-	-	-	-	140
-	-	-	-	1,577
-	-	-	-	-
-	-	-	-	85,211
-	-	-	-	4,323
-	-	-	-	135,107
-	-	18,053	5,388	23,441
-	-	-	-	-
-	-	-	-	-
-	55,543	18,053	5,388	926,363
-	-	(1,178)	(5,388)	61,775
-	-	-	-	(10,329)
-	-	(1,178)	(5,388)	51,446
-	-	1,178	5,388	122,812
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 174,258</u>

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**SPECIAL REVENUE FUNDS**

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**State of New Mexico**  
**MOUNTAINAIR PUBLIC SCHOOLS**  
**June 30, 2011**

**SPECIAL REVENUE FUNDS**

The Special Revenue Funds are used to account for Federal, State and Local funded grants. These grants are awarded to the District with the purpose of accomplishing specific educational tasks. Special Revenue Funds are used to account for the proceeds of specific revenue sources which are legally restricted to expenditures for specific purposes. Grants accounted for in the Special Revenue Funds include:

**Food Service** – This fund is utilized to account for the cost of operating a student breakfast, lunch, snack bar and summer lunch program and is financed with federal grants and fees paid by program users. Authority for the creation of this fund is NMSA 22-13-13.

**Athletics** – This fund is used to account for income from gross receipts and other proceeds from school athletic events and to provide for the payment of operating expenses of those activities. The authority for creation of this fund is SDE Regulation 6, NMAC 2.2.

**Board Activity** – This fund is utilized to account for resources designated by the Board of Education. Authority is Board of Education Resolution.

**Title I – Basic** – To account for grant funds to be used for the purpose of improving educational opportunities for educationally deprived children. Funding authority is the U.S. Department of Education Public Law 100-297.

**IDEA-B Entitlement** – To account for resources provided to the School for the purpose of meeting the educational needs of the handicapped. Funding authority is the U.S. Department of Education Public Law 94-142.

**IDEA-B Discretionary** – To account for discretionary funds provided under the Individuals with Disabilities Act. Funding authority is the U.S. Department of Education Public Law 94-142.

**CADRE-Special Education** – To account for resources provided for the training of Special Education teachers. Funding authority is the U.S. Department of Education Public Law 94-142.

**IDEA-B Preschool** – To account for the operations of supplementary aid to students with disabilities ages 5-21. Funding authority is the U.S. Department of Education Public Law 99-457.

**Fresh Fruits and Vegetables** – To account for resources provided to combat childhood obesity by helping children learn healthier eating habits. The program is used primarily to purchase unique fresh fruit and vegetables and must be made available to all students. Authority for creation of this fund is Public Law 110-234.

**EETT (Enhancing Education Through Technology)** – To account for resources provided to facilitate the greater use of computers in the classroom. Funding authority is the U.S. Department of Education (P.L. 94-142).

**Title V-A** – To improve educational opportunities for all children. The funding authority is the U.S. Department of Education No Child Left Behind Act, 2002.

**Teacher/Principal Training and Recruitment** – To account for grant funds to be used for training and recruiting teachers and principals. The authority for creation of this fund is Title II of the Elementary and Secondary Education Act of 1965 as amended, Public Law 103-382.

**Title IV-A** – To account for operations to promote drug use prevention education, intervention and rehabilitation referral in public schools. Funding authority is the U.S. Department of Education Public Law 100-297.

**21<sup>st</sup> Century** – To account for resources provided to establish or expand community learning centers that provide academic enrichment opportunities to students and their families. Funding authority is the U.S. Department of Education No Child Left Behind Act, 2001.

**IDEA Technology/Renovations** – To account for resources provided to facilitate the use of computers and to provide for the renovation of classrooms for Special Education. Funding authority is the U.S. Department of Education Public Law 94-142.

**Title I Stimulus** – To account for federal stimulus funds allocated to Title I. The authority is ARRA.

**IDEA-B Stimulus** – To account for federal stimulus funds allocated to IDEA-B. The funding authority is ARRA.

**Preschool Stimulus** – To account for federal stimulus funds allocated to IDEA-B Preschool. The funding authority is ARRA.

**Medicaid** – This grant is to provide resources for the provision of medical services to children of low-income families. Funding authority is the U.S. Government.

**CYFD Summer Lunch** – This grant is to account for

**Underage Drinking** – To account for funds obtained to educate students about underage drinking problems. Funding authority is Title IV, Part A, ESEA, 1965.

**Rural Education Achievement Program** – The objective is to provide financial assistance to rural districts to carry out activities to help improve the quality of teaching and learning in their schools. The Elementary and Secondary Education Act of 1965 (ESEA, Title VI, Part B, as amended).

**Operational Stimulus and Operational Stimulus II** – To account for federal stimulus funds allocated to Operational Stimulus. Funding authority is ARRA.

**2009 Dual Credit Instructional Materials** – To account for instructional materials funds received from the state. Authority is the State of New Mexico Public Education Department.

**2009 GO Student Library Funds** – To account for library funds received from the state. Authority is the State of New Mexico Public Education Department.

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

**Incentives for School Improvement** – The purpose of this state grant is to provide funds for use in providing student educational trips, automation of the District's libraries, and other educational materials. Authority for creation of this fund is the School Improvement Act (Section 22-26-9, NMSA, 1978).

**GO Bond** – To account for resources provided by voter approval of a state general obligation (GO) bond issue for public school libraries. Authority is laws of 2004, Chapter 1117.

**Mentorship Program** – To account for a state grant used to provide new teachers with experienced mentors. Funding provided through the State Department of Education. Authority is state statute.

**Schools on the Rise** – To account for state grant used to provide



**After School Enrollment Program** – To account for

**SB301GO Bonds** – To account for resources provided by voter approval of a state general obligation (GO) bond issue for public school libraries. Authority is laws of 2004, Chapter 1117.

**NMYCC** – This fund is to account for funds used by students to beautify and landscape parks and school grounds. (New Mexico Youth Conservation Corps, established by state statute.) Funding authority is New Mexico Energy, Minerals, and Natural Resources Department.

**NM Arts Grant** - To account for funds used for art given by the State of New Mexico. Authority is the State of New Mexico, Public Education Department.

**CATCH Program** – To account for funds provided to educate students about physical fitness and healthy lifestyles. (Coordinated Approach to Child Health). Authority is the State of new Mexico, Public Education Department.

**School Based Health Center** – A fund used to account for resources provided by the State of New Mexico Department of Health to implement a school-based health center. Authority is laws of 2005.

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State of New Mexico  
**MOUNTAINAIR PUBLIC SCHOOLS**  
Statement of Revenues, Expenditures and Changes In  
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
Food Service - Special Revenue Fund  
For the Year Ended June 30, 2011

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues:</b>				
Local and county sources	\$ 6,800	\$ 6,800	\$ 14,935	\$ 8,135
State sources	-	-	-	-
Federal sources	110,000	110,000	125,136	15,136
Interest	100	100	67	(33)
Total Revenues	<u>116,900</u>	<u>116,900</u>	<u>140,138</u>	<u>23,238</u>
<b>Expenditures:</b>				
Current				
Instruction	-	-	-	-
Support services-students	-	-	-	-
Support services-instruction	-	-	-	-
Support services-general administration	-	-	-	-
Support services-school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	147,388	147,388	112,869	34,519
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>147,388</u>	<u>147,388</u>	<u>112,869</u>	<u>34,519</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(30,488)</u>	<u>(30,488)</u>	<u>27,269</u>	<u>57,757</u>
Other financing sources (uses):				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated cash	30,488	30,488	-	(30,488)
Total other financing sources (uses)	<u>30,488</u>	<u>30,488</u>	<u>-</u>	<u>(30,488)</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>27,269</u>	<u>27,269</u>
Cash balances - beginning of year	<u>-</u>	<u>-</u>	<u>26,462</u>	<u>-</u>
Cash balances - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 53,731</u>	<u>\$ 27,269</u>
Net change in fund balance (Non-GAAP Budgetary basis)			\$ 27,269	
Adjustment to revenue for accruals and other deferrals			658	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Net changes in fund balance (GAAP basis)			<u>\$ 27,927</u>	

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

State of New Mexico  
**MOUNTAINAIR PUBLIC SCHOOLS**  
Statement of Revenues, Expenditures and Changes In  
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
Athletics - Special Revenue Fund  
For the Year Ended June 30, 2011

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues:</b>				
Local and county sources	\$ 26,750	\$ 26,750	\$ 19,054	\$ (7,696)
State sources	-	-	-	-
Federal sources	-	-	-	-
Interest	-	-	-	-
Total Revenues	<u>26,750</u>	<u>26,750</u>	<u>19,054</u>	<u>(7,696)</u>
<b>Expenditures:</b>				
Current				
Instruction	18,950	18,950	14,161	4,789
Support services-students	-	-	-	-
Support services-instruction	-	-	-	-
Support services-general administration	-	-	-	-
Support services-school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	8,513	8,513	4,323	4,190
Other support services	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>27,463</u>	<u>27,463</u>	<u>18,484</u>	<u>8,979</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(713)</u>	<u>(713)</u>	<u>570</u>	<u>1,283</u>
Other financing sources (uses):				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated cash	713	713	-	(713)
Total other financing sources (uses)	<u>713</u>	<u>713</u>	<u>-</u>	<u>(713)</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>570</u>	<u>570</u>
Cash balances - beginning of year	<u>-</u>	<u>-</u>	<u>235</u>	<u>235</u>
Cash balances - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 805</u>	<u>\$ 805</u>
Net change in fund balance (Non-GAAP Budgetary basis)			\$ 570	
Adjustment to revenue for accruals and other deferrals			-	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Net changes in fund balance (GAAP basis)			<u>\$ 570</u>	

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

State of New Mexico  
**MOUNTAINAIR PUBLIC SCHOOLS**  
Statement of Revenues, Expenditures and Changes In  
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
Board Activities - Special Revenue Fund  
For the Year Ended June 30, 2011

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues:</b>				
Local and county sources	\$ 500	\$ 500	\$ 572	\$ 72
State sources	-	-	-	-
Federal sources	-	-	-	-
Interest	-	-	-	-
Total Revenues	<u>500</u>	<u>500</u>	<u>572</u>	<u>72</u>
<b>Expenditures:</b>				
Current				
Instruction	18,273	18,273	1,832	16,441
Support services-students	-	-	-	-
Support services-instruction	-	-	-	-
Support services-general administration	-	-	-	-
Support services-school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>18,273</u>	<u>18,273</u>	<u>1,832</u>	<u>16,441</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(17,773)</u>	<u>(17,773)</u>	<u>(1,260)</u>	<u>16,513</u>
Other financing sources (uses):				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated cash	17,773	17,773	-	(17,773)
Total other financing sources (uses)	<u>17,773</u>	<u>17,773</u>	<u>-</u>	<u>(17,773)</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>(1,260)</u>	<u>(1,260)</u>
Cash balances - beginning of year	<u>-</u>	<u>-</u>	<u>18,130</u>	<u>18,130</u>
Cash balances - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 16,870</u>	<u>\$ 16,870</u>
Net change in fund balance (Non-GAAP Budgetary basis)			\$ (1,260)	
Adjustment to revenue for accruals and other deferrals			-	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Net changes in fund balance (GAAP basis)			<u>\$ (1,260)</u>	

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

State of New Mexico  
**MOUNTAINAIR PUBLIC SCHOOLS**  
Statement of Revenues, Expenditures and Changes In  
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
Title I Basic - Special Revenue Fund  
For the Year Ended June 30, 2011

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues:</b>				
Local and county sources	\$ -	\$ -	\$ 840	\$ 840
State sources	-	-	-	-
Federal sources	242,497	268,163	193,426	(74,737)
Interest	-	-	-	-
Total Revenues	<u>242,497</u>	<u>268,163</u>	<u>194,266</u>	<u>(73,897)</u>
<b>Expenditures:</b>				
Current				
Instruction	225,827	251,493	194,540	56,953
Support services-students	-	-	-	-
Support services-instruction	-	1,241	1,003	238
Support services-general administration	2,404	-	-	-
Support services-school administration	-	1,580	1,577	3
Central services	-	-	-	-
Operation and maintenance of plant	14,266	13,849	13,827	22
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>242,497</u>	<u>268,163</u>	<u>210,947</u>	<u>57,216</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>(16,681)</u>	<u>(16,681)</u>
Other financing sources (uses):				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated cash	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>(16,681)</u>	<u>(16,681)</u>
Cash balances - beginning of year	<u>-</u>	<u>-</u>	<u>(100,641)</u>	<u>-</u>
Cash balances - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (117,322)</u>	<u>\$ (16,681)</u>
Net change in fund balance (Non-GAAP Budgetary basis)			\$ (16,681)	(100,641)
Adjustment to revenue for accruals and other deferrals			16,681	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Net changes in fund balance (GAAP basis)			<u>\$ -</u>	

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



State of New Mexico  
**MOUNTAINAIR PUBLIC SCHOOLS**  
Statement of Revenues, Expenditures and Changes In  
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
IDEA-B Entitlement - Special Revenue Fund  
For the Year Ended June 30, 2011

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues:</b>				
Local and county sources	\$ -	\$ -	1,850	\$ 1,850
State sources	-	-	-	-
Federal sources	72,526	124,561	54,420	(70,141)
Interest	-	-	-	-
Total Revenues	72,526	124,561	56,270	(68,291)
<b>Expenditures:</b>				
Current				
Instruction	60,343	112,378	62,450	49,928
Support services-students	12,183	12,183	12,081	102
Support services-instruction	-	-	-	-
Support services-general administration	-	-	-	-
Support services-school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	72,526	124,561	74,531	50,030
Excess (deficiency) of revenues over (under) expenditures	-	-	(18,261)	(18,261)
Other financing sources (uses):				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated cash	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	-	-	(18,261)	-
Cash balances - beginning of year	-	-	(29,663)	-
Cash balances - end of year	\$ -	\$ -	\$ (47,924)	\$ -
Net change in fund balance (Non-GAAP Budgetary basis)			\$ (18,261)	
Adjustment to revenue for accruals and other deferrals			18,261	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Net changes in fund balance (GAAP basis)			\$ -	

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

State of New Mexico  
**MOUNTAINAIR PUBLIC SCHOOLS**  
Statement of Revenues, Expenditures and Changes In  
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
IDEA-B Discretionary - Special Revenue Fund  
For the Year Ended June 30, 2011

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues:</b>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	-	-	-	-
Interest	-	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Expenditures:</b>				
Current				
Instruction	-	-	-	-
Support services-students	-	-	-	-
Support services-instruction	-	-	-	-
Support services-general administration	-	-	-	-
Support services-school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other financing sources (uses):				
Operating transfers	-	-	(370)	(370)
Proceeds from bonds	-	-	-	-
Designated cash	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(370)</u>	<u>(370)</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>(370)</u>	<u>(370)</u>
Cash balances - beginning of year	<u>-</u>	<u>-</u>	<u>370</u>	<u>-</u>
Cash balances - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (370)</u>
Net change in fund balance (Non-GAAP Budgetary basis)			\$ (370)	
Adjustment to revenue for accruals and other deferrals			370	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Net changes in fund balance (GAAP basis)			<u>\$ -</u>	

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

State of New Mexico  
**MOUNTAINAIR PUBLIC SCHOOLS**  
Statement of Revenues, Expenditures and Changes In  
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
CADRE Special Education - Special Revenue Fund  
For the Year Ended June 30, 2011

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues:</b>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	-	-	-	-
Interest	-	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Expenditures:</b>				
Current				
Instruction	-	-	-	-
Support services-students	-	-	-	-
Support services-instruction	-	-	-	-
Support services-general administration	-	-	-	-
Support services-school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other financing sources (uses):				
Operating transfers	-	-	(7,879)	(7,879)
Proceeds from bonds	-	-	-	-
Designated cash	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(7,879)</u>	<u>(7,879)</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>(7,879)</u>	<u>(7,879)</u>
Cash balances - beginning of year	<u>-</u>	<u>-</u>	<u>7,879</u>	<u>-</u>
Cash balances - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (7,879)</u>
Net change in fund balance (Non-GAAP Budgetary basis)			\$ (7,879)	
Adjustment to revenue for accruals and other deferrals			7,879	
Adjustment to expenditures for payables, prepaids and other accruals			<u>-</u>	
Net changes in fund balance (GAAP basis)			<u>\$ -</u>	

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

State of New Mexico  
**MOUNTAINAIR PUBLIC SCHOOLS**  
Statement of Revenues, Expenditures and Changes In  
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
IDEA-B Preschool - Special Revenue Fund  
For the Year Ended June 30, 2011

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues:</b>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	7,903	149,778	4,906	(144,872)
Interest	-	-	-	-
Total Revenues	<u>7,903</u>	<u>149,778</u>	<u>4,906</u>	<u>(144,872)</u>
<b>Expenditures:</b>				
Current				
Instruction	7,903	14,978	10,913	4,065
Support services-students	-	-	-	-
Support services-instruction	-	-	-	-
Support services-general administration	-	-	-	-
Support services-school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>7,903</u>	<u>14,978</u>	<u>10,913</u>	<u>4,065</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>134,800</u>	<u>(6,007)</u>	<u>(140,807)</u>
Other financing sources (uses):				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated cash	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>(6,007)</u>	<u>(140,807)</u>
Cash balances - beginning of year	<u>-</u>	<u>-</u>	<u>(2,296)</u>	<u>-</u>
Cash balances - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (8,303)</u>	<u>\$ (140,807)</u>
Net change in fund balance (Non-GAAP Budgetary basis)			\$ (6,007)	
Adjustment to revenue for accruals and other deferrals			6,007	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Net changes in fund balance (GAAP basis)			<u>\$ -</u>	

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

State of New Mexico  
**MOUNTAINAIR PUBLIC SCHOOLS**  
Statement of Revenues, Expenditures and Changes In  
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
Fresh Fruits and Vegetables - Special Revenue Fund  
For the Year Ended June 30, 2011

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues:</b>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	6,600	6,600	6,600	-
Interest	-	-	-	-
Total Revenues	<u>6,600</u>	<u>6,600</u>	<u>6,600</u>	<u>-</u>
<b>Expenditures:</b>				
Current				
Instruction	-	-	-	-
Support services-students	-	-	-	-
Support services-instruction	-	-	-	-
Support services-general administration	-	-	-	-
Support services-school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	6,600	6,600	6,600	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>6,600</u>	<u>6,600</u>	<u>6,600</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other financing sources (uses):				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated cash	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash balances - beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash balances - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (Non-GAAP Budgetary basis)			\$ -	
Adjustment to revenue for accruals and other deferrals			-	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Net changes in fund balance (GAAP basis)			<u>\$ -</u>	

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



State of New Mexico  
**MOUNTAINAIR PUBLIC SCHOOLS**  
Statement of Revenues, Expenditures and Changes In  
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
Enhancing Education Through Technology - Special Revenue Fund  
For the Year Ended June 30, 2011

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues:</b>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	-	-	-	-
Interest	-	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Expenditures:</b>				
Current				
Instruction	-	-	-	-
Support services-students	-	-	-	-
Support services-instruction	-	-	-	-
Support services-general administration	-	-	-	-
Support services-school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other financing sources (uses):				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated cash	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash balances - beginning of year	<u>-</u>	<u>-</u>	<u>(2,257)</u>	<u>-</u>
Cash balances - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (2,257)</u>	<u>\$ -</u>
Net change in fund balance (Non-GAAP Budgetary basis)			\$ -	
Adjustment to revenue for accruals and other deferrals			-	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Net changes in fund balance (GAAP basis)			<u>\$ -</u>	

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



State of New Mexico  
**MOUNTAINAIR PUBLIC SCHOOLS**  
Statement of Revenues, Expenditures and Changes In  
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
Title V-A - Special Revenue Fund  
For the Year Ended June 30, 2011

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues:</b>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	-	-	-	-
Interest	-	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Expenditures:</b>				
Current				
Instruction	-	-	-	-
Support services-students	-	-	-	-
Support services-instruction	-	-	-	-
Support services-general administration	-	-	-	-
Support services-school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other financing sources (uses):				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated cash	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash balances - beginning of year	<u>-</u>	<u>-</u>	<u>(634)</u>	<u>-</u>
Cash balances - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (634)</u>	<u>\$ -</u>
Net change in fund balance (Non-GAAP Budgetary basis)			\$ -	
Adjustment to revenue for accruals and other deferrals			-	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Net changes in fund balance (GAAP basis)			<u>\$ -</u>	

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

State of New Mexico  
**MOUNTAINAIR PUBLIC SCHOOLS**  
Statement of Revenues, Expenditures and Changes In  
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
Teacher/Principal Training & Recruitment - Special Revenue Fund  
For the Year Ended June 30, 2011

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues:</b>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	41,692	51,347	52,009	662
Interest	-	-	-	-
Total Revenues	<u>41,692</u>	<u>51,347</u>	<u>52,009</u>	<u>662</u>
<b>Expenditures:</b>				
Current				
Instruction	41,692	51,347	42,952	8,395
Support services-students	-	-	-	-
Support services-instruction	-	-	-	-
Support services-general administration	-	-	-	-
Support services-school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>41,692</u>	<u>51,347</u>	<u>42,952</u>	<u>8,395</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>9,057</u>	<u>9,057</u>
Other financing sources (uses):				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated cash	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>9,057</u>	<u>9,057</u>
Cash balances - beginning of year	<u>-</u>	<u>-</u>	<u>(34,449)</u>	<u>-</u>
Cash balances - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (25,392)</u>	<u>\$ 9,057</u>
Net change in fund balance (Non-GAAP Budgetary basis)			\$ 9,057	
Adjustment to revenue for accruals and other deferrals			(9,057)	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Net changes in fund balance (GAAP basis)			<u>\$ -</u>	

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

State of New Mexico  
**MOUNTAINAIR PUBLIC SCHOOLS**  
Statement of Revenues, Expenditures and Changes In  
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
Title IV-A - Special Revenue Fund  
For the Year Ended June 30, 2011

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues:</b>				
Local and county sources	\$ -	\$ -	490	\$ 490
State sources	-	-	-	-
Federal sources	-	3,025	511	(2,514)
Interest	-	-	-	-
Total Revenues	<u>-</u>	<u>3,025</u>	<u>1,001</u>	<u>(2,024)</u>
<b>Expenditures:</b>				
Current				
Instruction	-	-	-	-
Support services-students	-	-	-	-
Support services-instruction	-	-	-	-
Support services-general administration	-	-	-	-
Support services-school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	3,025	3,024	1
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>-</u>	<u>3,025</u>	<u>3,024</u>	<u>1</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>(2,023)</u>	<u>(2,023)</u>
Other financing sources (uses):				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated cash	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>(2,023)</u>	<u>(2,023)</u>
Cash balances - beginning of year	<u>-</u>	<u>-</u>	<u>(1,618)</u>	<u>-</u>
Cash balances - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (3,641)</u>	<u>\$ (2,023)</u>
Net change in fund balance (Non-GAAP Budgetary basis)			\$ (2,023)	
Adjustment to revenue for accruals and other deferrals			2,023	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Net changes in fund balance (GAAP basis)			<u>\$ -</u>	

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

State of New Mexico  
**MOUNTAINAIR PUBLIC SCHOOLS**  
Statement of Revenues, Expenditures and Changes In  
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
21st Century - Special Revenue Fund  
For the Year Ended June 30, 2011

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues:</b>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	-	-	-	-
Interest	-	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Expenditures:</b>				
Current				
Instruction	-	-	-	-
Support services-students	-	-	-	-
Support services-instruction	-	-	-	-
Support services-general administration	-	-	-	-
Support services-school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other financing sources (uses):				
Operating transfers	-	-	(169)	(169)
Proceeds from bonds	-	-	-	-
Designated cash	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(169)</u>	<u>(169)</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>(169)</u>	<u>(169)</u>
Cash balances - beginning of year	<u>-</u>	<u>-</u>	<u>169</u>	<u>-</u>
Cash balances - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (169)</u>
Net change in fund balance (Non-GAAP Budgetary basis)			\$ (169)	
Adjustment to revenue for accruals and other deferrals			169	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Net changes in fund balance (GAAP basis)			<u>\$ -</u>	

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

State of New Mexico  
**MOUNTAINAIR PUBLIC SCHOOLS**  
Statement of Revenues, Expenditures and Changes In  
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
IDEA Technology/Renovation - Special Revenue Fund  
For the Year Ended June 30, 2011

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues:</b>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	-	-	-	-
Interest	-	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Expenditures:</b>				
Current				
Instruction	-	-	-	-
Support services-students	-	-	-	-
Support services-instruction	-	-	-	-
Support services-general administration	-	-	-	-
Support services-school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other financing sources (uses):				
Operating transfers	-	-	(216)	(216)
Proceeds from bonds	-	-	-	-
Designated cash	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(216)</u>	<u>(216)</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>(216)</u>	<u>(216)</u>
Cash balances - beginning of year	<u>-</u>	<u>-</u>	<u>216</u>	<u>-</u>
Cash balances - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (216)</u>
Net change in fund balance (Non-GAAP Budgetary basis)			\$ (216)	
Adjustment to revenue for accruals and other deferrals			216	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Net changes in fund balance (GAAP basis)			<u>\$ -</u>	

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



State of New Mexico  
**MOUNTAINAIR PUBLIC SCHOOLS**  
Statement of Revenues, Expenditures and Changes In  
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
Title I Stimulus - Special Revenue Fund  
For the Year Ended June 30, 2011

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues:</b>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	73,862	74,409	43,295	(31,114)
Interest	-	-	-	-
Total Revenues	<u>73,862</u>	<u>74,409</u>	<u>43,295</u>	<u>(31,114)</u>
<b>Expenditures:</b>				
Current				
Instruction	73,862	74,409	74,401	8
Support services-students	-	-	-	-
Support services-instruction	-	-	-	-
Support services-general administration	-	-	-	-
Support services-school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>73,862</u>	<u>74,409</u>	<u>74,401</u>	<u>8</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>(31,106)</u>	<u>(31,106)</u>
Other financing sources (uses):				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated cash	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>(31,106)</u>	<u>(31,106)</u>
Cash balances - beginning of year	<u>-</u>	<u>-</u>	<u>(20,196)</u>	<u>-</u>
Cash balances - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (51,302)</u>	<u>\$ (31,106)</u>
Net change in fund balance (Non-GAAP Budgetary basis)			\$ (31,106)	
Adjustment to revenue for accruals and other deferrals			31,106	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Net changes in fund balance (GAAP basis)			<u>\$ -</u>	

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



State of New Mexico  
**MOUNTAINAIR PUBLIC SCHOOLS**  
Statement of Revenues, Expenditures and Changes In  
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
IDEA-B - Special Revenue Fund  
For the Year Ended June 30, 2011

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues:</b>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	39,400	84,801	12,040	(72,761)
Interest	-	-	-	-
Total Revenues	<u>39,400</u>	<u>84,801</u>	<u>12,040</u>	<u>(72,761)</u>
<b>Expenditures:</b>				
Current				
Instruction	38,000	83,401	83,210	191
Support services-students	-	-	-	-
Support services-instruction	-	-	-	-
Support services-general administration	-	-	-	-
Support services-school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>38,000</u>	<u>83,401</u>	<u>83,210</u>	<u>191</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,400</u>	<u>1,400</u>	<u>(71,170)</u>	<u>(72,570)</u>
Other financing sources (uses):				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated cash	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>(71,170)</u>	<u>(72,570)</u>
Cash balances - beginning of year	<u>-</u>	<u>-</u>	<u>(10,664)</u>	<u>-</u>
Cash balances - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (81,834)</u>	<u>\$ (72,570)</u>
Net change in fund balance (Non-GAAP Budgetary basis)			\$ (71,170)	
Adjustment to revenue for accruals and other deferrals			71,170	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Net changes in fund balance (GAAP basis)			<u>\$ -</u>	

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

State of New Mexico  
**MOUNTAINAIR PUBLIC SCHOOLS**  
Statement of Revenues, Expenditures and Changes In  
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
Preschool Stimulus - Special Revenue Fund  
For the Year Ended June 30, 2011

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues:</b>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	-	2,326	1,030	(1,296)
Interest	-	-	-	-
Total Revenues	<u>-</u>	<u>2,326</u>	<u>1,030</u>	<u>(1,296)</u>
<b>Expenditures:</b>				
Current				
Instruction	1,400	3,726	3,719	7
Support services-students	-	-	-	-
Support services-instruction	-	-	-	-
Support services-general administration	-	-	-	-
Support services-school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>1,400</u>	<u>3,726</u>	<u>3,719</u>	<u>7</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,400)</u>	<u>(1,400)</u>	<u>(2,689)</u>	<u>(1,289)</u>
Other financing sources (uses):				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated cash	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>(2,689)</u>	<u>(1,289)</u>
Cash balances - beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash balances - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (2,689)</u>	<u>\$ (1,289)</u>
Net change in fund balance (Non-GAAP Budgetary basis)			\$ (2,689)	
Adjustment to revenue for accruals and other deferrals			2,689	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Net changes in fund balance (GAAP basis)			<u>\$ -</u>	

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

State of New Mexico  
**MOUNTAINAIR PUBLIC SCHOOLS**  
Statement of Revenues, Expenditures and Changes In  
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
Medicaid - Special Revenue Fund  
For the Year Ended June 30, 2011

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues:</b>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	10,000	10,000	37,018	27,018
Interest	-	-	-	-
Total Revenues	<u>10,000</u>	<u>10,000</u>	<u>37,018</u>	<u>27,018</u>
<b>Expenditures:</b>				
Current				
Instruction	-	-	-	-
Support services-students	67,705	67,705	6,243	61,462
Support services-instruction	-	-	-	-
Support services-general administration	-	-	-	-
Support services-school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>67,705</u>	<u>67,705</u>	<u>6,243</u>	<u>61,462</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(57,705)</u>	<u>(57,705)</u>	<u>30,775</u>	<u>88,480</u>
Other financing sources (uses):				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated cash	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>30,775</u>	<u>88,480</u>
Cash balances - beginning of year	<u>-</u>	<u>-</u>	<u>69,762</u>	<u>-</u>
Cash balances - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 100,537</u>	<u>\$ 88,480</u>
Net change in fund balance (Non-GAAP Budgetary basis)			\$ 30,775	
Adjustment to revenue for accruals and other deferrals			-	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Net changes in fund balance (GAAP basis)			<u>\$ 30,775</u>	

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

State of New Mexico  
**MOUNTAINAIR PUBLIC SCHOOLS**  
Statement of Revenues, Expenditures and Changes In  
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
Food Service - Special Revenue Fund  
For the Year Ended June 30, 2011

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues:</b>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	-	15,000	14,067	(933)
Interest	-	-	-	-
Total Revenues	<u>-</u>	<u>15,000</u>	<u>14,067</u>	<u>(933)</u>
<b>Expenditures:</b>				
Current				
Instruction	-	-	-	-
Support services-students	-	-	-	-
Support services-instruction	-	-	-	-
Support services-general administration	-	-	-	-
Support services-school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	15,000	13,272	1,728
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>-</u>	<u>15,000</u>	<u>13,272</u>	<u>1,728</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>795</u>	<u>795</u>
Other financing sources (uses):				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated cash	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>795</u>	<u>795</u>
Cash balances - beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash balances - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 795</u>	<u>\$ 795</u>
Net change in fund balance (Non-GAAP Budgetary basis)			\$ 795	
Adjustment to revenue for accruals and other deferrals			(795)	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Net changes in fund balance (GAAP basis)			<u>\$ -</u>	

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

State of New Mexico  
**MOUNTAINAIR PUBLIC SCHOOLS**  
Statement of Revenues, Expenditures and Changes In  
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
Underage Drinking - Special Revenue Fund  
For the Year Ended June 30, 2011

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues:</b>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	-	-	-	-
Interest	-	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Expenditures:</b>				
Current				
Instruction	-	-	-	-
Support services-students	-	-	-	-
Support services-instruction	-	-	-	-
Support services-general administration	-	-	-	-
Support services-school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other financing sources (uses):				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated cash	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash balances - beginning of year	<u>-</u>	<u>-</u>	21	<u>-</u>
Cash balances - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 21</u>	<u>\$ -</u>
Net change in fund balance (Non-GAAP Budgetary basis)			\$ -	
Adjustment to revenue for accruals and other deferrals			-	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Net changes in fund balance (GAAP basis)			<u>\$ -</u>	

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



State of New Mexico  
**MOUNTAINAIR PUBLIC SCHOOLS**  
Statement of Revenues, Expenditures and Changes In  
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
Rural Education Achievement Program - Special Revenue Fund  
For the Year Ended June 30, 2011

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues:</b>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	-	5,539	-	(5,539)
Interest	-	-	-	-
Total Revenues	<u>-</u>	<u>5,539</u>	<u>-</u>	<u>(5,539)</u>
<b>Expenditures:</b>				
Current				
Instruction	-	-	-	-
Support services-students	-	-	-	-
Support services-instruction	-	5,539	5,539	-
Support services-general administration	-	-	-	-
Support services-school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>-</u>	<u>5,539</u>	<u>5,539</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>(5,539)</u>	<u>(5,539)</u>
Other financing sources (uses):				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated cash	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>(5,539)</u>	<u>(5,539)</u>
Cash balances - beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash balances - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (5,539)</u>	<u>\$ (5,539)</u>
Net change in fund balance (Non-GAAP Budgetary basis)			\$ (5,539)	
Adjustment to revenue for accruals and other deferrals			5,539	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Net changes in fund balance (GAAP basis)			<u>\$ -</u>	

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



State of New Mexico  
**MOUNTAINAIR PUBLIC SCHOOLS**  
Statement of Revenues, Expenditures and Changes In  
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
Operational Stimulus - Special Revenue Fund  
For the Year Ended June 30, 2011

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues:</b>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	35,152	35,292	35,292	-
Interest	-	-	-	-
Total Revenues	<u>35,152</u>	<u>35,292</u>	<u>35,292</u>	<u>-</u>
<b>Expenditures:</b>				
Current				
Instruction	-	-	-	-
Support services-students	-	-	-	-
Support services-instruction	-	-	-	-
Support services-general administration	-	-	-	-
Support services-school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	35,152	35,152	35,152	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>35,152</u>	<u>35,152</u>	<u>35,152</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>140</u>	<u>140</u>	<u>-</u>
Other financing sources (uses):				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated cash	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>140</u>	<u>-</u>
Cash balances - beginning of year	<u>-</u>	<u>-</u>	<u>(140)</u>	<u>-</u>
Cash balances - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (Non-GAAP Budgetary basis)			\$ 140	
Adjustment to revenue for accruals and other deferrals			(140)	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Net changes in fund balance (GAAP basis)			<u>\$ -</u>	

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

State of New Mexico  
**MOUNTAINAIR PUBLIC SCHOOLS**  
Statement of Revenues, Expenditures and Changes In  
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
Operational Stimulus II - Special Revenue Fund  
For the Year Ended June 30, 2011

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues:</b>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	-	95,087	95,087	-
Interest	-	-	-	-
Total Revenues	<u>-</u>	<u>95,087</u>	<u>95,087</u>	<u>-</u>
<b>Expenditures:</b>				
Current				
Instruction	-	95,087	95,087	-
Support services-students	-	-	-	-
Support services-instruction	-	-	-	-
Support services-general administration	-	-	-	-
Support services-school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>-</u>	<u>95,087</u>	<u>95,087</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other financing sources (uses):				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated cash	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash balances - beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash balances - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (Non-GAAP Budgetary basis)			\$ -	
Adjustment to revenue for accruals and other deferrals			-	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Net changes in fund balance (GAAP basis)			<u>\$ -</u>	

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

State of New Mexico  
**MOUNTAINAIR PUBLIC SCHOOLS**  
Statement of Revenues, Expenditures and Changes In  
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
Dual Credit Instructional Materials - Special Revenue Fund  
For the Year Ended June 30, 2011

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues:</b>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	1,964	-	(1,964)
Federal sources	-	-	-	-
Interest	-	-	-	-
Total Revenues	<u>-</u>	<u>1,964</u>	<u>-</u>	<u>(1,964)</u>
<b>Expenditures:</b>				
Current				
Instruction	-	-	-	-
Support services-students	-	-	-	-
Support services-instruction	-	-	-	-
Support services-general administration	-	-	-	-
Support services-school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>1,964</u>	<u>-</u>	<u>(1,964)</u>
Other financing sources (uses):				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated cash	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,964)</u>
Cash balances - beginning of year	<u>-</u>	<u>-</u>	<u>(37)</u>	<u>-</u>
Cash balances - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (37)</u>	<u>\$ (1,964)</u>
Net change in fund balance (Non-GAAP Budgetary basis)			\$ -	
Adjustment to revenue for accruals and other deferrals			-	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Net changes in fund balance (GAAP basis)			<u>\$ -</u>	

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

State of New Mexico  
**MOUNTAINAIR PUBLIC SCHOOLS**  
Statement of Revenues, Expenditures and Changes In  
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
GO Student Library Bonds - Special Revenue Fund  
For the Year Ended June 30, 2011

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues:</b>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	1,550	1,550	7,932	6,382
Federal sources	-	-	-	-
Interest	-	-	-	-
Total Revenues	<u>1,550</u>	<u>1,550</u>	<u>7,932</u>	<u>6,382</u>
<b>Expenditures:</b>				
Current				
Instruction	-	-	-	-
Support services-students	-	-	-	-
Support services-instruction	1,550	1,550	1,172	378
Support services-general administration	-	-	-	-
Support services-school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>1,550</u>	<u>1,550</u>	<u>1,172</u>	<u>378</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>6,760</u>	<u>6,760</u>
Other financing sources (uses):				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated cash	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>6,760</u>	<u>6,760</u>
Cash balances - beginning of year	<u>-</u>	<u>-</u>	<u>(7,932)</u>	<u>-</u>
Cash balances - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,172)</u>	<u>\$ 6,760</u>
Net change in fund balance (Non-GAAP Budgetary basis)			\$ 6,760	
Adjustment to revenue for accruals and other deferrals			(6,760)	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Net changes in fund balance (GAAP basis)			<u>\$ -</u>	

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

State of New Mexico  
**MOUNTAINAIR PUBLIC SCHOOLS**  
Statement of Revenues, Expenditures and Changes In  
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
Technology for Education - Special Revenue Fund  
For the Year Ended June 30, 2011

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues:</b>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	6,857	6,857	-	(6,857)
Federal sources	-	-	-	-
Interest	-	-	-	-
Total Revenues	<u>6,857</u>	<u>6,857</u>	<u>-</u>	<u>(6,857)</u>
<b>Expenditures:</b>				
Current				
Instruction	6,857	6,857	6,857	-
Support services-students	-	-	-	-
Support services-instruction	-	-	-	-
Support services-general administration	-	-	-	-
Support services-school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>6,857</u>	<u>6,857</u>	<u>6,857</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>(6,857)</u>	<u>(6,857)</u>
Other financing sources (uses):				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated cash	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>(6,857)</u>	<u>(6,857)</u>
Cash balances - beginning of year	<u>-</u>	<u>-</u>	<u>6,857</u>	<u>-</u>
Cash balances - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (6,857)</u>
Net change in fund balance (Non-GAAP Budgetary basis)			\$ (6,857)	
Adjustment to revenue for accruals and other deferrals			6,857	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Net changes in fund balance (GAAP basis)			<u>\$ -</u>	

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



State of New Mexico  
**MOUNTAINAIR PUBLIC SCHOOLS**  
Statement of Revenues, Expenditures and Changes In  
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
Incentives for School Improvements - Special Revenue Fund  
For the Year Ended June 30, 2011

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues:</b>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	-	-	-	-
Interest	-	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Expenditures:</b>				
Current				
Instruction	-	-	-	-
Support services-students	-	-	-	-
Support services-instruction	-	-	-	-
Support services-general administration	-	-	-	-
Support services-school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other financing sources (uses):				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated cash	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash balances - beginning of year	<u>-</u>	<u>-</u>	<u>6,571</u>	<u>-</u>
Cash balances - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,571</u>	<u>\$ -</u>
Net change in fund balance (Non-GAAP Budgetary basis)			\$ -	
Adjustment to revenue for accruals and other deferrals			-	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Net changes in fund balance (GAAP basis)			<u>\$ -</u>	

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



State of New Mexico  
**MOUNTAINAIR PUBLIC SCHOOLS**  
Statement of Revenues, Expenditures and Changes In  
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
GO Bond - Special Revenue Fund  
For the Year Ended June 30, 2011

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues:</b>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	-	-	-	-
Interest	-	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Expenditures:</b>				
Current				
Instruction	-	-	-	-
Support services-students	-	-	-	-
Support services-instruction	-	-	-	-
Support services-general administration	-	-	-	-
Support services-school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other financing sources (uses):				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated cash	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash balances - beginning of year	<u>-</u>	<u>-</u>	<u>(1,506)</u>	<u>-</u>
Cash balances - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,506)</u>	<u>\$ -</u>
Net change in fund balance (Non-GAAP Budgetary basis)			\$ -	
Adjustment to revenue for accruals and other deferrals			-	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Net changes in fund balance (GAAP basis)			<u>\$ -</u>	

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

State of New Mexico  
**MOUNTAINAIR PUBLIC SCHOOLS**  
Statement of Revenues, Expenditures and Changes In  
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
Mentorship Program - Special Revenue Fund  
For the Year Ended June 30, 2011

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues:</b>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	-	-	-	-
Interest	-	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Expenditures:</b>				
Current				
Instruction	-	-	-	-
Support services-students	-	-	-	-
Support services-instruction	-	-	-	-
Support services-general administration	-	-	-	-
Support services-school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other financing sources (uses):				
Operating transfers	-	-	(990)	(990)
Proceeds from bonds	-	-	-	-
Designated cash	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(990)</u>	<u>(990)</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>(990)</u>	<u>(990)</u>
Cash balances - beginning of year	<u>-</u>	<u>-</u>	<u>990</u>	<u>-</u>
Cash balances - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (990)</u>
Net change in fund balance (Non-GAAP Budgetary basis)			\$ (990)	
Adjustment to revenue for accruals and other deferrals			990	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Net changes in fund balance (GAAP basis)			<u>\$ -</u>	

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

State of New Mexico  
**MOUNTAINAIR PUBLIC SCHOOLS**  
Statement of Revenues, Expenditures and Changes In  
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
Schools On The Rise - Special Revenue Fund  
For the Year Ended June 30, 2011

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues:</b>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	-	-	-	-
Interest	-	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Expenditures:</b>				
<b>Current</b>				
Instruction	-	-	-	-
Support services-students	-	-	-	-
Support services-instruction	-	-	-	-
Support services-general administration	-	-	-	-
Support services-school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
<b>Debt Service:</b>				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Other financing sources (uses):</b>				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated cash	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash balances - beginning of year	<u>-</u>	<u>-</u>	<u>(4,000)</u>	<u>-</u>
Cash balances - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (4,000)</u>	<u>\$ -</u>
Net change in fund balance (Non-GAAP Budgetary basis)			\$ -	
Adjustment to revenue for accruals and other deferrals			-	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Net changes in fund balance (GAAP basis)			<u>\$ -</u>	

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

State of New Mexico  
**MOUNTAINAIR PUBLIC SCHOOLS**  
Statement of Revenues, Expenditures and Changes In  
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
After School Enrollment Program - Special Revenue Fund  
For the Year Ended June 30, 2011

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues:</b>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	12,894	12,894
Federal sources	-	-	-	-
Interest	-	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>12,894</u>	<u>12,894</u>
<b>Expenditures:</b>				
Current				
Instruction	-	-	-	-
Support services-students	-	-	-	-
Support services-instruction	-	-	-	-
Support services-general administration	-	-	-	-
Support services-school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>12,894</u>	<u>12,894</u>
Other financing sources (uses):				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated cash	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>12,894</u>	<u>12,894</u>
Cash balances - beginning of year	<u>-</u>	<u>-</u>	<u>(12,894)</u>	<u>-</u>
Cash balances - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,894</u>
Net change in fund balance (Non-GAAP Budgetary basis)			\$ 12,894	
Adjustment to revenue for accruals and other deferrals			(12,894)	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Net changes in fund balance (GAAP basis)			<u>\$ -</u>	

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

State of New Mexico  
**MOUNTAINAIR PUBLIC SCHOOLS**  
Statement of Revenues, Expenditures and Changes In  
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
SB301 GO Bonds - Special Revenue Fund  
For the Year Ended June 30, 2011

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues:</b>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	-	-	-	-
Interest	-	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Expenditures:</b>				
Current				
Instruction	-	-	-	-
Support services-students	-	-	-	-
Support services-instruction	-	-	-	-
Support services-general administration	-	-	-	-
Support services-school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other financing sources (uses):				
Operating transfers	-	-	(705)	(705)
Proceeds from bonds	-	-	-	-
Designated cash	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(705)</u>	<u>(705)</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>(705)</u>	<u>(705)</u>
Cash balances - beginning of year	<u>-</u>	<u>-</u>	<u>705</u>	<u>-</u>
Cash balances - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (705)</u>
Net change in fund balance (Non-GAAP Budgetary basis)			\$ (705)	
Adjustment to revenue for accruals and other deferrals			705	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Net changes in fund balance (GAAP basis)			<u>\$ -</u>	

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



State of New Mexico  
**MOUNTAINAIR PUBLIC SCHOOLS**  
Statement of Revenues, Expenditures and Changes In  
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
NMYCC - Special Revenue Fund  
For the Year Ended June 30, 2011

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues:</b>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	43,398	43,398	38,334	(5,064)
Federal sources	-	-	-	-
Interest	-	-	-	-
Total Revenues	<u>43,398</u>	<u>43,398</u>	<u>38,334</u>	<u>(5,064)</u>
<b>Expenditures:</b>				
Current				
Instruction	-	-	-	-
Support services-students	-	-	-	-
Support services-instruction	-	-	-	-
Support services-general administration	-	-	-	-
Support services-school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	43,398	43,398	36,232	7,166
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>43,398</u>	<u>43,398</u>	<u>36,232</u>	<u>7,166</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>2,102</u>	<u>2,102</u>
Other financing sources (uses):				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated cash	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>2,102</u>	<u>2,102</u>
Cash balances - beginning of year	<u>-</u>	<u>-</u>	<u>(14,696)</u>	<u>-</u>
Cash balances - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (12,594)</u>	<u>\$ 2,102</u>
Net change in fund balance (Non-GAAP Budgetary basis)			\$ 2,102	
Adjustment to revenue for accruals and other deferrals			(2,102)	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Net changes in fund balance (GAAP basis)			<u>\$ -</u>	

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



State of New Mexico  
**MOUNTAINAIR PUBLIC SCHOOLS**  
Statement of Revenues, Expenditures and Changes In  
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
NM Arts Grant - Special Revenue Fund  
For the Year Ended June 30, 2011

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues:</b>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	6,457	6,457	10,199	3,742
Federal sources	-	-	-	-
Interest	-	-	-	-
Total Revenues	<u>6,457</u>	<u>6,457</u>	<u>10,199</u>	<u>3,742</u>
<b>Expenditures:</b>				
Current				
Instruction	6,457	6,457	4,863	1,594
Support services-students	-	-	-	-
Support services-instruction	-	-	-	-
Support services-general administration	-	-	-	-
Support services-school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>6,457</u>	<u>6,457</u>	<u>4,863</u>	<u>1,594</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>5,336</u>	<u>5,336</u>
Other financing sources (uses):				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated cash	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>5,336</u>	<u>5,336</u>
Cash balances - beginning of year	<u>-</u>	<u>-</u>	<u>(5,003)</u>	<u>-</u>
Cash balances - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 333</u>	<u>\$ 5,336</u>
Net change in fund balance (Non-GAAP Budgetary basis)			\$ 5,336	
Adjustment to revenue for accruals and other deferrals			(5,336)	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Net changes in fund balance (GAAP basis)			<u>\$ -</u>	

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

State of New Mexico  
**MOUNTAINAIR PUBLIC SCHOOLS**  
 Statement of Revenues, Expenditures and Changes In  
 Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
 CATCH Program - Special Revenue Fund  
 For the Year Ended June 30, 2011

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues:</b>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	500	500	-	(500)
Federal sources	-	-	-	-
Interest	-	-	-	-
Total Revenues	<u>500</u>	<u>500</u>	<u>-</u>	<u>(500)</u>
<b>Expenditures:</b>				
Current				
Instruction	-	-	-	-
Support services-students	4,584	4,584	-	4,584
Support services-instruction	-	-	-	-
Support services-general administration	-	-	-	-
Support services-school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>4,584</u>	<u>4,584</u>	<u>-</u>	<u>4,584</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,084)</u>	<u>(4,084)</u>	<u>-</u>	<u>4,084</u>
Other financing sources (uses):				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated cash	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,084</u>
Cash balances - beginning of year	<u>-</u>	<u>-</u>	<u>4,084</u>	<u>-</u>
Cash balances - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,084</u>	<u>\$ 4,084</u>
Net change in fund balance (Non-GAAP Budgetary basis)			\$ -	
Adjustment to revenue for accruals and other deferrals			-	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Net changes in fund balance (GAAP basis)			<u>\$ -</u>	

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

State of New Mexico  
**MOUNTAINAIR PUBLIC SCHOOLS**  
Statement of Revenues, Expenditures and Changes In  
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
School Based Health Center - Special Revenue Fund  
For the Year Ended June 30, 2011

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues:</b>				
Local and county sources	\$ -	\$ -	20,239	\$ 20,239
State sources	55,000	55,000	56,112	1,112
Federal sources	-	-	-	-
Interest	-	-	-	-
Total Revenues	<u>55,000</u>	<u>55,000</u>	<u>76,351</u>	<u>21,351</u>
<b>Expenditures:</b>				
Current				
Instruction	-	-	-	-
Support services-students	90,258	90,258	55,543	34,715
Support services-instruction	-	-	-	-
Support services-general administration	-	-	-	-
Support services-school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>90,258</u>	<u>90,258</u>	<u>55,543</u>	<u>34,715</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(35,258)</u>	<u>(35,258)</u>	<u>20,808</u>	<u>56,066</u>
Other financing sources (uses):				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated cash	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>20,808</u>	<u>56,066</u>
Cash balances - beginning of year	<u>-</u>	<u>-</u>	<u>44,822</u>	<u>-</u>
Cash balances - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 65,630</u>	<u>\$ 56,066</u>
Net change in fund balance (Non-GAAP Budgetary basis)			\$ 20,808	
Adjustment to revenue for accruals and other deferrals			(20,808)	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Net changes in fund balance (GAAP basis)			<u>\$ -</u>	

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

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**CAPITAL PROJECTS FUNDS**

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State of New Mexico  
**MOUNTAINAIR PUBLIC SCHOOLS**  
Statement of Revenues, Expenditures - Budget (Non-GAAP Budgetary Basis) and Actual  
Bond Building  
For the Year Ended June 30, 2011

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues:</b>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	-	-	-	-
Interest	-	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Expenditures:</b>				
Current				
Instruction	-	-	-	-
Support services-students	-	-	-	-
Support services-instruction	-	-	-	-
Support services-general administration	-	-	-	-
Support services-school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	340,701	340,701	-	340,701
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>340,701</u>	<u>340,701</u>	<u>-</u>	<u>340,701</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(340,701)</u>	<u>(340,701)</u>	<u>-</u>	<u>340,701</u>
Other financing sources (uses):				
Loan to other funds	-	-	(340,701)	(340,701)
Proceeds from bonds	-	-	-	-
Designated cash	340,700	340,700	-	340,700
Total other financing sources (uses)	<u>340,700</u>	<u>340,700</u>	<u>(340,701)</u>	<u>(1)</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>(340,701)</u>	<u>(340,700)</u>
Cash balances - beginning of year	<u>-</u>	<u>-</u>	<u>340,701</u>	<u>340,700</u>
Cash balances - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (Non-GAAP Budgetary basis)			\$(340,701)	
Adjustment to revenue for accruals and other deferrals			340,701	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Net changes in fund balance (GAAP basis)			<u>\$ -</u>	

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

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State of New Mexico  
**MOUNTAINAIR PUBLIC SCHOOLS**  
Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget (Non-GAAP Budgetary Basis) and Actual  
Public School Capital Outlay  
For the Year Ended June 30, 2011

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues:</b>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	-	-	-	-
Interest	-	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Expenditures:</b>				
Current				
Instruction	-	-	-	-
Support services-students	-	-	-	-
Support services-instruction	-	-	-	-
Support services-general administration	-	-	-	-
Support services-school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	5,388	5,388	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>-</u>	<u>5,388</u>	<u>5,388</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(5,388)</u>	<u>(5,388)</u>	<u>-</u>
Other financing sources (uses):				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated cash	-	5,387	-	(5,387)
Total other financing sources (uses)	<u>-</u>	<u>5,387</u>	<u>-</u>	<u>(5,387)</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>(5,388)</u>	<u>(5,387)</u>
Cash balances - beginning of year	<u>-</u>	<u>-</u>	<u>5,388</u>	<u>-</u>
Cash balances - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (5,387)</u>
Net change in fund balance (Non-GAAP Budgetary basis)			\$ (5,388)	
Adjustment to revenue for accruals and other deferrals			-	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Net changes in fund balance (GAAP basis)			<u>\$ (5,388)</u>	

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

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State of New Mexico  
**MOUNTAINAIR PUBLIC SCHOOLS**  
Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget (Non-GAAP Budgetary Basis) and Actual  
Special Capital Outlay State  
For the Year Ended June 30, 2011

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues:</b>				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	17,260	16,875	(385)
Federal sources	-	-	-	-
Interest	-	-	-	-
Total Revenues	<u>-</u>	<u>17,260</u>	<u>16,875</u>	<u>(385)</u>
<b>Expenditures:</b>				
Current				
Instruction	-	-	-	-
Support services-students	-	-	-	-
Support services-instruction	-	-	-	-
Support services-general administration	-	-	-	-
Support services-school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	1,177	18,053	18,053	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>1,177</u>	<u>18,053</u>	<u>18,053</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,177)</u>	<u>(793)</u>	<u>(1,178)</u>	<u>(385)</u>
Other financing sources (uses):				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated cash	1,177	1,177	-	(1,177)
Total other financing sources (uses)	<u>1,177</u>	<u>1,177</u>	<u>-</u>	<u>(1,177)</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>(1,178)</u>	<u>(1,562)</u>
Cash balances - beginning of year	<u>-</u>	<u>-</u>	<u>1,178</u>	<u>-</u>
Cash balances - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,562)</u>
Net change in fund balance (Non-GAAP Budgetary basis)			\$ (1,178)	
Adjustment to revenue for accruals and other deferrals			-	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Net changes in fund balance (GAAP basis)			<u>\$ (1,178)</u>	

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

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State of New Mexico  
**MOUNTAINAIR PUBLIC SCHOOLS**  
Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget (Non-GAAP Budgetary Basis) and Actual  
Capital Improvements SB-9  
For the Year Ended June 30, 2011

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues:</b>				
Local and county sources	\$ 93,026	\$ 93,026	103,915	\$ 10,889
State sources	42,870	69,206	42,869	(26,337)
Federal sources	-	-	-	-
Interest	-	-	-	-
Total Revenues	<u>135,896</u>	<u>162,232</u>	<u>146,784</u>	<u>(15,448)</u>
<b>Expenditures:</b>				
Current				
Instruction	-	-	-	-
Support services-students	-	-	-	-
Support services-instruction	-	-	-	-
Support services-general administration	1,500	1,500	1,039	461
Support services-school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	282,376	308,712	63,733	244,979
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>283,876</u>	<u>310,212</u>	<u>64,772</u>	<u>245,440</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(147,980)</u>	<u>(147,980)</u>	<u>82,012</u>	<u>229,992</u>
Other financing sources (uses):				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated cash	147,980	147,980	-	(147,980)
Total other financing sources (uses)	<u>147,980</u>	<u>147,980</u>	<u>-</u>	<u>(147,980)</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>82,012</u>	<u>82,012</u>
Cash balances - beginning of year	<u>-</u>	<u>-</u>	<u>127,871</u>	<u>-</u>
Cash balances - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 209,883</u>	<u>\$ 82,012</u>
Net change in fund balance (Non-GAAP Budgetary basis)			\$ 82,012	
Adjustment to revenue for accruals and other deferrals			332	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Net changes in fund balance (GAAP basis)			<u>\$ 82,344</u>	

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

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State of New Mexico  
**MOUNTAINAIR PUBLIC SCHOOLS**  
Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget (Non-GAAP Budgetary Basis) and Actual  
Debt Service  
For the Year Ended June 30, 2011

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues:</b>				
Local and county sources	\$ 308,557	\$ 308,557	289,469	\$ (19,088)
State sources	-	-	-	-
Federal sources	-	-	-	-
Interest	25	25	17	(8)
Total Revenues	<u>308,582</u>	<u>308,582</u>	<u>289,486</u>	<u>(19,096)</u>
<b>Expenditures:</b>				
Current				
Instruction	-	-	-	-
Support services-students	-	-	-	-
Support services-instruction	-	-	-	-
Support services-general administration	3,086	3,086	2,895	191
Support services-school administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	245,000	245,000	245,000	-
Interest	63,557	63,557	63,556	1
Total expenditures	<u>311,643</u>	<u>311,643</u>	<u>311,451</u>	<u>192</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,061)</u>	<u>(3,061)</u>	<u>(21,965)</u>	<u>(18,904)</u>
Other financing sources (uses):				
Operating transfers	-	-	-	-
Proceeds from bonds	-	-	-	-
Designated cash	(215,409)	(215,409)	-	215,409
Total other financing sources (uses)	<u>(215,409)</u>	<u>(215,409)</u>	<u>-</u>	<u>215,409</u>
Net change in fund balances	<u>(218,470)</u>	<u>(218,470)</u>	<u>(21,965)</u>	<u>196,505</u>
Cash balances - beginning of year	<u>218,470</u>	<u>218,470</u>	<u>238,496</u>	<u>-</u>
Cash balances - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 216,531</u>	<u>\$ 196,505</u>
Net change in fund balance (Non-GAAP Budgetary basis)			\$ (21,965)	
Adjustment to revenue for accruals and other deferrals			546	
Adjustment to expenditures for payables, prepaids and other accruals			-	
Net changes in fund balance (GAAP basis)			<u>\$ (21,419)</u>	

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

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**State of New Mexico**  
**MOUNTAINAIR PUBLIC SCHOOLS**  
**Statement of Changes in Assets and Liabilities**  
**Agency Funds**  
**For the Year Ended June 30, 2011**

	<u>Balance June 30, 2010</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2011</u>
<b><u>Assets</u></b>				
High School	\$ 29,302	\$ 80,950	\$ (82,174)	\$ 28,078
Elementary School	9,796	27,363	(26,215)	10,944
Total Assets	<u>\$ 39,098</u>	<u>\$ 108,313</u>	<u>\$ (108,389)</u>	<u>\$ 39,022</u>
<b>Liabilities</b>				
Deposits held for others	<u>39,098</u>	<u>108,313</u>	<u>\$ (108,389)</u>	<u>39,022</u>
Total Liabilities	<u>\$ 39,098</u>	<u>\$ 108,313</u>	<u>\$ (108,389)</u>	<u>\$ 39,022</u>

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

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State of New Mexico  
**Mountainair Public Schools**  
**Schedule of Expenditures of Federal Awards**  
**June 30, 2011**

Federal Grantor/Pass Through Grantor/Program Title	Pass- Through Number	CFDA Number	Federal Expenditures
Title I	05-01	84.010	\$ 210,947
Entitlement	05-02	84.027	74,531
Preschool	05-04	84.173	10,913
Fresh Fruits & Vegetables		10.582	6,600
Title IV		84.186	3,024
Title I Stimulus	05-01	84.389	74,401
Entitlement	05-02	84.391	83,210
Preschool Stimulus	05-04	84.392	3,719
Title II		84.367	42,952
Subtotal			<u>510,298</u>
Medicaid		93.778	6,243
CYFD Summer Lunch		10.558	13,272
REAP SRSA		84.358	5,539
Operational Stimulus	05-01	84.410	95,087
Operational Stimulus	05-01	84.394	35,292
Subtotal			<u>155,432</u>
U.S.D.A Commodities	n/a	10.555	7,705
Forest Reserve	n/a	10.665	6,498
National School Lunch/Breakfast	n/a	10.555	125,136
Total Expenditures of Federal Awards			<u>\$ 805,069</u>
Reconciliation of Scheduled of Expenditures of Federal Awards to Financial Statements:			
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds Federal sources			
			<u>\$ 805,069</u>

State of New Mexico  
**Mountainair Public Schools**  
**Schedule of Expenditures of Federal Awards (Continued)**  
**June 30, 2011**

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Notes to Schedule of Expenditures of Federal Awards

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1 Basis of Presentation

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

2 Non-Cash Assistance

The District expended \$7,705 worth of U.S.D.A Commodities received for the year.

3 Subrecipients

The District did not provide any federal awards to subrecipients during the year.

**SUPPORTING SCHEDULES**

**State of New Mexico**  
**MOUNTAINAIR PUBLIC SCHOOLS**  
**Schedule of Cash Reconciliations**  
**For the Year Ended June 30, 2011**

	Operational Account 11000	Transportation Account 13000	Instructional Materials 14000
	<u>11000</u>	<u>13000</u>	<u>14000</u>
Audited net cash and Investments, 06/30/10	\$ 68,064	\$ 5,283	\$ 2,209
Current year revenue	3,364,510	267,661	11,986
Loans from other funds			
Cash transfers in			
Prior year warrants voided			
Current year expenditures	(3,195,285)	(272,944)	(11,947)
Loans to other funds	(25,447)		
Cash transfers out	<u>(140,942)</u>	<u>                    </u>	<u>                    </u>
Total cash and investments 06/30/2011	<u>\$ 70,900</u>	<u>\$ -</u>	<u>\$ 2,248</u>

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

Food Services Account 21000	Athletics Account 22000	Non-Instruct. Fund 23000	Federal Flowthrough Fund 24000	Federal Direct Fund 25000
\$ 26,462	\$ 235	\$ 18,130	\$ (193,784)	\$ 69,783
140,138	19,054	572	371,417	181,464
			341,299	5,539
(112,869)	(18,484)	(1,832)	(510,298)	(155,433)
			(8,634)	
<u>\$ 53,731</u>	<u>\$ 805</u>	<u>\$ 16,870</u>	<u>\$ 0</u>	<u>\$ 101,353</u>

**State of New Mexico**  
**MOUNTAINAIR PUBLIC SCHOOLS**  
**Schedule of Cash Reconciliations**  
**For the Year Ended June 30, 2011**

State Flowthrough Fund 27000	State Direct Fund 28000	Local/State Fund 29000	Bond Building 31100	Pub. School Cap. Outlay 31200
\$ (11,246)	\$ (15,615)	\$ 44,822	\$ 340,701	\$ 5,388
20,824	48,532	76,351	-	-
6,715	12,595			
(8,027)	(41,095)	(55,543)	-	(5,388)
(1,695)			(340,701)	
<u>\$ 6,571</u>	<u>\$ 4,417</u>	<u>\$ 65,630</u>	<u>\$ -</u>	<u>\$ -</u>

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



Spec. Cap. Outlay-State 31400	Cap. Improv. SB-9 31700	Debt Service Fund 41000	Governmental
\$ 1,178	\$ 127,871	\$ 238,496	\$ 727,977
16,874	146,784	289,486	4,955,653
			366,148
			-
			-
(18,052)	(64,771)	(311,451)	(4,783,419)
			(366,148)
			(151,271)
<u>\$ -</u>	<u>\$ 209,884</u>	<u>\$ 216,531</u>	<u>\$ 748,940</u>

	Account Name	Type of Account	Bank Balance June 30, 2010	Reconciled Balance, June 30, 2011
My Bank, Belen, NM	General Operating	Checking	\$ 399,397	\$ 322,791
	School Lunch	Checking	61,146	54,526
	Payroll Clearing	Checking	192,921	(151,271)
	Bond Proceeds	Savings	445,110	445,110
	High School Activities	Checking	29,853	28,883
	Elementary Activities	Checking	10,944	10,944
	Investment	Savings	66,425	66,425
	Investment	Savings	10,554	10,554
	Total cash balance		<u>\$ 1,216,350</u>	<u>\$ 787,962</u>

Cash and investments per financial statements:

All governmental funds	\$ 748,940
Agency funds	<u>39,022</u>
Total	<u>\$ 787,962</u>

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**State of New Mexico**  
**MOUNTAINAIR PUBLIC SCHOOLS**  
**Schedule of Pledged Collateral**  
**June 30, 2011**

New Mexico statutes provide that deposits of public monies in financial institutions must be secured by pledged collateral in an aggregate value equal to one-half of the amount of the public monies deposited after deducting the amount of Federal Deposit Insurance Corporation insurance coverage for each financial institution.

Securities which are obligations of the State of New Mexico, its agencies, institutions, counties, or municipalities or other subdivisions are accepted as security at par value; all other securities are accepted as security at market value.

The following is a description of cash on deposit by financial institutions and the related pledged collateral at June 30, 2011:

My Bank, Belen, New Mexico:

Total bank deposits	\$1,216,350
Amount insured by FDIC	<u>(250,000)</u>
Uninsured public funds	<u>\$ 966,350</u>
50% Collateral requirement	<u>\$ 483,175</u>

Amount collateralized with the following securities held by The Independent Banker's Bank, Dallas, Texas:

<u>CUSIP#</u>	<u>Security Description</u>	<u>Maturity Date</u>	<u>Rate</u>	<u>Pledged Value</u>
189414HB4	Clovis NM MSD	08/01/14	2.00%	\$469,865
550340DL4	Luna County NM SD	08/01/16	3.60%	<u>110,146</u>
			Total Pledged	<u>\$580,011</u>

The Mountainair Public Schools are fully pledged and collateralized as of June 30, 2011.

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**State of New Mexico**  
**MOUNTAINAIR PUBLIC SCHOOLS**  
**Schedule of Joint Powers Agreement**  
**For the Year Ended June 30, 2011**

Parties Involved: District and State of New Mexico, Public School Facilities Authority (PSFA)

Responsible Party: PSFA

Beginning Date: 7/1/2010

Ending Date: 6/30/2015

Amount Applicable: n/a

Amount Contributed: n/a

Amount Responsibility: District

Note: This joint power agreement does not have a monetary amount within it but enables PSFA to work with the District.

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**COMPLIANCE SECTION**

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**CALHOON ACCOUNTING & TAX SERVICES  
PO BOX 945  
ESTANCIA, NEW MEXICO 87016**

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

The Board of Education  
State of New Mexico – Mountainair Public Schools  
Mountainair, New Mexico  
and

Mr. Hector H. Balderas  
New Mexico State Auditor  
Santa Fe, New Mexico

I have audited the accompanying financial statements of the governmental activities, each major fund, the aggregate remaining fund information and the budgetary comparison statement of the general fund and the combining and individual fund and related budgetary comparisons presented as supplemental information of the State of new Mexico, Mountainair Public Schools (District), as of and for the year ended June 30, 2011, and have issued my report thereon dated November 14, 2011. I conducted my 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 my audit, I considered the District's internal control over financial reporting as a basis for designing my audit procedures for the purpose of expressing my opinions on the financial statements, but not for the purpose of expressing an opinion of the effectiveness of the District's internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of the District's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected on timely basis. I consider the deficiencies described in the accompanying Schedule of Findings and Questioned Costs as findings 04-1, 06-1, and 11-1 to be material weaknesses

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

I did not identify any deficiencies that are considered to be significant deficiencies in internal control over financial reporting. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

#### Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial Statements are free of material misstatement, I 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 my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Mountainair Public School's responses to the findings identified in our audit are described in the accompanying schedule of findings and responses. We did not audit their response and, accordingly, we express no opinion on it.

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

*Calhoon Accounting + Tax Services*

Calhoon Accounting & Tax Services

November 14, 2011

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**CALHOON ACCOUNTING & TAX SERVICES  
PO BOX 945  
ESTANCIA, NEW MEXICO 87016**

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

The Board of Education  
State of New Mexico – Mountainair Public Schools  
Mountainair, New Mexico

and

Mr. Hector H. Balderas  
New Mexico State Auditor  
Santa Fe, New Mexico

Compliance

I have audited the compliance of the State of New Mexico, Mountainair Public Schools (District) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended June 30, 2011. The District's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the District's management. My responsibility is to express an opinion on the District's compliance based on my audit.

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

In my opinion, Mountainair Public Schools complied, in all material respects, with the requirements referred to above that are applicable to its major federal programs for the year ended June 30, 2011.



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### Internal Control Over Compliance

The management of the District is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing my audit, I considered the District's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine my auditing procedures for the purpose of expressing my opinion on compliance and to test and report on internal control over compliance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, I do not express an opinion on the effectiveness of the District's internal control over compliance.

A *deficiency* in internal control over compliance exists when the design or operation of a control 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 material *weakness* in

Internal control over compliance is a deficiency, or combination of deficiencies in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

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

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

*Calhoun Accounting + Tax Services*  
Calhoun Accounting & Tax Services

November 14, 2011

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State of New Mexico  
MOUNTAINAIR PUBLIC SCHOOLS  
Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2011

**Summary of Auditor's Results**

*Financial Statements*

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

Material weakness(es) identified?                     yes                     no

Significant deficiencies identified that are  
not considered to be material weaknesses:                     yes                     none reported

Noncompliance material to financial statements

Noted?                     yes                     no

*Federal Awards*

Internal control over major programs:

Material weakness(es) identified?                     yes                     no

Significant deficiencies identified that are  
not considered to be material weaknesses:                     yes                     none reported

Type of auditor's report issued on compliance for major programs: Unqualified.

Any audit findings disclosed that are required

to be reported in accordance with section 510(a)

of Circular A-133?                     yes                     no

**State of New Mexico  
MOUNTAINAIR PUBLIC SCHOOLS  
Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2011**

**Identification of major programs:**

CFDA Number(s)	Name of Federal Program or Cluster
Cluster – Title I Grants	
84.010	Title I
84.389	ARRA-Title I Stimulus
84.394	ARRA-Operational Stimulus

Dollar threshold used to distinguish between type A and type B programs: \$300,000

Auditee qualified as low-risk auditee      \_\_\_\_\_yes      no

State of New Mexico  
MOUNTAINAIR PUBLIC SCHOOLS  
Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2011

**FIANCIAL STATEMENT FINDINGS**

**04-1 Bank Accounts Not Reconciled**

**Statement of finding:** The Payroll Clearing Account was not completely reconciled during the fiscal year or at June 30, 2011.

**Criteria:** Per good internal control practices, all bank accounts should be reconciled to the balances per books each month. The clearing account should be reconciled to zero.

**Effect:** Internal control is weakened.

**Cause:** This area did not receive proper attention.

**Recommendation:** Bank accounts should be reconciled to the balance per books each month. All bank accounts should be reconciled each month, and the payroll clearing account should be reconciled to zero. A supervisor should review and initial the reconciliation's, indicating review oversight.

**Management's response:** The District is working with the Auditor to resolve this issue. The District will consult with the Auditor periodically throughout the year to discuss the progress.

**06-1 Untimely Deposit – Agency Funds**

**Statement of finding:** Deposits are not being made in a timely manner. Deposits are required to be deposited within twenty-four hours of receiving funds.

**Criteria:** Deposits should be made before the end of the next business day (PED Regulation 6.20.2.14 (c) NMAC).

**Effect:** Monies not deposited timely could be lost or stolen.

**Cause:** Deposits were not a high priority

**Recommendation:** Deposits should be made timely.

**Management's response:** The District will continue to work with the School Site Office personnel on Activity Account deposits. The District will monitor monthly to make sure deposits are made in a timely manner.

**State of New Mexico**  
**MOUNTAINAIR PUBLIC SCHOOLS**  
**Schedule of Findings and Questioned Costs**  
**For the Year Ended June 30, 2011**

**Current Year Audit Findings**

**11-1 Accounting Records Differ from PED Cash Report**

**Statement of Finding:** The District's cash reports are incorrectly reporting cash balances.

**Criteria:** Monies need to be recorded properly for reporting and budgeting purposes.

**Effect:** Budget problems could arise later if all of the budgeted expenditures are spent with no additional revenue being obtained.

**Cause:** The budget was set up without the cash balances being reconciled.

**Recommendation:** The District should reconcile bank accounts to the general ledger to ensure their adequacy before budgeting.

**Management's response:** The District will work with the Auditor to correct the bank balances. Corrections will be made to the cash balance and end of fiscal year changes will be made. The District will consult with the Auditor periodically throughout the year to discuss the progress.

**Federal Award Finding and Questioned Costs**

None were reported.



**State of New Mexico  
MOUNTAINAIR PUBLIC SCHOOLS  
Summary Schedule of Prior Audit Findings  
For the Year Ended June 30, 2011**

**Prior Year Audit Findings**

- 04-1 – Bank Accounts not reconciled – Repeated.
- 04-11 – Personnel Files – Resolved.
- 06-1 – Supporting documentation for receipts – Agency Funds – Modified.
- 10-1 – Budgeting of Beginning Cash – Resolved.

**State of New Mexico**  
**MOUNTAINAIR PUBLIC SCHOOLS**  
**Other Disclosures**  
**For the Year Ended June 30, 2011**

AUDITOR PREPARED FINANCIAL STATEMENTS

Management is responsible for the content of the report and financial statements. It would be preferred and desirable for the District to prepare its own GAAP-basis financial statements; although the District is capable, with guidance, of preparing, reviewing and approving the financial statements, it is felt that the District's personnel do not have the time to prepare them. Therefore, the outside auditor prepared the GAAP-basis financial statements and footnotes for inclusion in the annual audit report.

EXIT CONFERENCE

An exit conference was held in the offices of the Superintendent of Mountainair Public Schools in Mountainair, New Mexico on November 14, 2011. Those attending were Francis Gonzales, Board Member, Mary Childers, Audit Committee Member, Loretta Moseley, Audit Committee Member, Tammy Zamora, Business Manager, and Renea L. Calhoon CPA. The financial statements and audit report were discussed.

The financial statements presented in this report were prepared by the auditors, Calhoon Accounting and Tax Services.