



STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT

ANNUAL FINANCIAL REPORT
June 30, 2010

De'Aun Willoughby CPA, PC
Certified Public Accountant
Melrose, New Mexico



STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
 Table of Contents
 For the Year Ended June 30, 2010

	<u>Page</u>
Official Roster.....	7
Independent Auditor's Report.....	8-9
FINANCIAL SECTION	
Basic Financial Statements	
Government Wide Financial Statements	
Statement of Net Assets.....	11
Statement of Activities.....	12
Fund Financial Statements	
Government Funds - Balance Sheet.....	13-16
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets.....	17
Statement of Revenues, Expenditures, and Changes in Fund Balances.....	18-21
Reconciliation of Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balance to the Statement of Activities.....	22
General Fund-11000	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	23-25
Teacherage-12000	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	26
Transportation-13000	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	27
Instructional Material-14000	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	28
Title I-24101	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	29
Statement of Fiduciary Assets and Liabilities-Agency Funds	30
Notes to Financial Statements.....	31-45

	<u>Page</u>
SUPPLEMENTAL INFORMATION RELATED TO MAJOR FUNDS	
Bond Building-31100	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	47
Senate Bill Nine-31700	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	48
Debt Service-41000	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	49
SUPPLEMENTAL INFORMATION RELATED TO NON MAJOR FUNDS	
Non-major Funds	
Combining Balance Sheet.....	55-68
Combining Statement of Revenues, Expenditures and Changes in Fund Balance.....	69-82
Food Service-21000	
Statement of Revenues, Expenditures, and Changes in Cash Balance- Budget (Budgetary Basis) and Actual.....	83
Athletics-22000	
Statement of Revenues, Expenditures, and Changes in Cash Balance- Budget (Budgetary Basis) and Actual.....	84
IDEA, Part B, Entitlement-24106	
Statement of Revenues, Expenditures, and Changes in Cash Balance- Budget (Budgetary Basis) and Actual.....	85
Fresh Fruits & Vegetables-24118	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	86
21st Century Community Learning-24119	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	87
Title I 1003G Grant-24124	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	88
English Language Acquisition-24153	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	89
Teacher/Principal Training & Recruiting-24154	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	90
Safe & Drug Free Schools-24157	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	91

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
 Table of Contents
 For the Year Ended June 30, 2010

	<u>Page</u>
Title I School Improvements-24162	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	92
Carl Perkins HSTW-24180	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	93
Carl Perkins HSTW Redistribution-24182	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	94
Title I Recovery Act-24201	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	95
IDEA B Recovery Act-24206	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	96
IDEA Preschool Recovery Act-24209	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	97
USDA Child Nutrition Recovery Act-24218	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	98
Title I School Improvements Recovery Act-24262	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	99
Impact Aid Special Education-25145	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	100
Medicaid -25153	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	101
Luna Health Education-25172	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	102
State Fiscal Stabilization Program Fund-25250	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	103
Newspaper Association of America Foundation-26105	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	104
LANL Foundation-26113	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	105
Center for Education & Study of Diverse-26146	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	106

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
 Table of Contents
 For the Year Ended June 30, 2010

	<u>Page</u>
Dual Credit-27103	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	107
GO Library Books-27105	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	108
Technology For Education-27117	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	109
Incentives for School Improvement-27138	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	110
Pre K Initiative-27149	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	111
Beginning Teacher Mentoring Program-27154	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	112
Breakfast For Elementary Students-27155	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	113
Laws of New Mexico-27165	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	114
New Mexico Outdoor Classroom-27504	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	115
Library Books-27549	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	116
Gear Up-28178	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	117
Yes I Can-29102	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	118
McCune-29114	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	119
Public School Capital Outlay-31200	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	120
Special Capital Outlay-State-31400	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	121

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
 Table of Contents
 For the Year Ended June 30, 2010

	<u>Page</u>
Public School Capital Outlay-20%-32100	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	122
Education Technology-43000	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	123
OTHER SUPPLEMENTAL INFORMATION	
Activity	
Schedule of Fiduciary Assets and Liabilities-Agency Funds	126-127
Cash Reconciliations-All Funds.....	128
Schedule of Expenditures of Federal Awards.....	130
Notes to the Schedule of Expenditures of Federal Awards.....	131
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed In Accordance with <i>Government Auditing Standards</i>	132-133
Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance With OMB Circular A-133.....	134-135
Schedule of Findings and Questioned Costs.....	136-141

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
Official Roster
June 30, 2010

BOARD OF EDUCATION

Paul De Baca	President
Mary Ann Vigil	Vice-President
Harold Garcia	Secretary
Victor Ortiz	Member
Michael Flores	Member

SCHOOL OFFICIALS

Roy Herrera	Superintendent
Brenda Gallegos	Business Manager

De'Aun Willoughby CPA, PC

Certified Public Accountant

P.O. Box 223 Melrose, NM 88124

(575) 253-4313

Independent Auditor's Report

Mr. Hector Balderas
State Auditor of the State of New Mexico
Board Members of the PECOS INDEPENDENT SCHOOL DISTRICT

Mr. Balderas and Members of the Board

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information and the budgetary comparisons for the general funds and major special revenue funds of PECOS INDEPENDENT SCHOOL DISTRICT, (District), as of and for the year ended June 30, 2010, which collectively comprise the District's basic financial statements as listed in the table of contents. We also have audited the financial statements of each of the District's nonmajor governmental and the budgetary comparisons for the major capital project fund, debt service fund and all nonmajor funds presented as supplementary information in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2010, as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated November 1, 2010, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The District has not presented the Management's Discussion and Analysis that the Governmental Accounting Standards Board has determined is necessary to supplement, although not required to be a part of, the basic financial statements and the combining and individual financial statements and budgetary comparisons presented as supplemental information.

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

De'Aun Willoughby CPA PC

November 1, 2010

FINANCIAL SECTION

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
 Government-Wide Statement of Net Assets
 June 30, 2010

	<u>Governmental Activities</u>
ASSETS	
Current Assets	
Cash and Cash Equivalents	\$ 1,320,580
Investments	167,921
Taxes Receivable	10,211
Due from Grantor	435,847
Inventory	<u>1,538</u>
Total Current Assets	<u>1,936,097</u>
Noncurrent Assets	
Capital Assets	19,720,514
Less: Accumulated Depreciation	<u>(9,002,195)</u>
Total Noncurrent Assets	<u>10,718,319</u>
Total Assets	<u>12,654,416</u>
LIABILITIES	
Current Liabilities	
Accounts Payable	25,063
Accrued Interest	31,123
Deferred Revenue	1,000
Compensated Absences	53,762
Current Portion of Long-Term Debt	<u>310,000</u>
Total Current Liabilities	<u>420,948</u>
Noncurrent Liabilities	
Bonds and Notes, Net	<u>1,023,416</u>
Total Noncurrent Liabilities	<u>1,023,416</u>
Total Liabilities	<u>1,444,364</u>
NET ASSETS	
Invested in Capital Assets, Net of Related Debt	9,384,903
Restricted for:	
Capital Projects	100,082
Debt Service	(8,025)
Unrestricted	<u>1,733,092</u>
Total Net Assets	<u>\$ 11,210,052</u>

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

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
 Government-Wide Statement of Activities
 For the Year Ended June 30, 2010

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities					
Instruction	\$ 4,253,485	34,424	\$ 1,369,887	\$ 0	\$ (2,849,174)
Support Services-Students	1,120,367	23,105	199,235	0	(898,027)
Support Services-Instruction	351,095	0	80,141	0	(270,954)
General Administration	574,243	0	23,827	0	(550,416)
School Administration	448,491	0	1,630	0	(446,861)
Central Services	211,986	0	0	0	(211,986)
Operation of Plant	1,344,506	27,837	58,650	0	(1,258,019)
Student Transportation	403,976	0	344,663	0	(59,313)
Food Services Operations	437,992	17,008	482,319	0	61,335
Interest on Long-Term Obligations	65,537	0	0	0	(65,537)
Total Governmental Activities	<u>\$ 9,211,678</u>	<u>\$ 102,374</u>	<u>\$ 2,560,352</u>	<u>\$ 0</u>	<u>(6,548,952)</u>
General Revenues					
Taxes					
Property Taxes, Levied for General Purposes 11,619					
Property Taxes, Levied for Capital Projects 185,096					
Property Taxes, Levied for Debt Service 343,649					
Federal and State aid not restricted to specific purpose					
General 5,741,358					
Capital 66,287					
Interest and investment earnings 13,451					
Miscellaneous 40,014					
Subtotal, General Revenues <u>6,401,474</u>					
Change in Net Assets (147,478)					
Net Assets - Beginning <u>11,357,530</u>					
Net Assets - ending <u>\$ 11,210,052</u>					

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

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
GOVERNMENTAL FUNDS
Balance Sheet
June 30, 2010

	General Fund		
	Operational 11000	Teachorage 12000	Transportation 13000
ASSETS			
Cash and Cash Equivalents	\$ 0	\$ 45,428	\$ 1,952
Investments	0	0	0
Receivables			
Taxes	217	0	0
Due From Grantor	0	0	0
Interfund Balance	402,324	33,154	0
Inventory	0	0	0
Total Assets	<u>\$ 402,541</u>	<u>\$ 78,582</u>	<u>\$ 1,952</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Interfund Balance	\$ 0	\$ 0	\$ 0
Accounts Payable	19,174	189	684
Current Portion Due			
Principal	0	0	0
Interest	0	0	0
Deferred Revenue	0	0	0
Total Liabilities	<u>19,174</u>	<u>189</u>	<u>684</u>
Fund Balances			
Reserved for			
Inventory	0	0	0
Special Revenue Funds	0	0	0
Capital Improvements	0	0	0
Retirement of Long-Term Debt	0	0	0
Unreserved, Undesignated, reported in			
General Fund	383,367	78,393	1,268
Capital Projects	0	0	0
Debt Service	0	0	0
Total Fund Balances	<u>383,367</u>	<u>78,393</u>	<u>1,268</u>
Total Liabilities and Fund Balances	<u>\$ 402,541</u>	<u>\$ 78,582</u>	<u>\$ 1,952</u>

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

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
GOVERNMENTAL FUNDS
Balance Sheet
June 30, 2010

	General Fund	Special Revenue	Capital Projects
	Instructional Materials 14000	Title I 24101	Bond Building 31100
ASSETS			
Cash and Cash Equivalents	\$ 602	\$ 0	\$ 100,082
Investments	0	0	0
Receivables			
Taxes	0	0	0
Due From Grantor	0	83,362	0
Interfund Balance	0	0	0
Inventory	0	0	0
Total Assets	\$ 602	\$ 83,362	\$ 100,082
LIABILITIES AND FUND BALANCE			
Liabilities			
Interfund Balance	\$ 0	\$ 83,362	\$ 0
Accounts Payable	0	0	0
Current Portion Due			
Principal	0	0	0
Interest	0	0	0
Deferred Revenue	0	0	0
Total Liabilities	0	83,362	0
Fund Balances			
Reserved for			
Inventory	0	0	0
Special Revenue Funds	0	0	0
Capital Improvements	0	0	100,082
Retirement of Long-Term Debt	0	0	0
Unreserved, Undesignated, reported in			
General Fund	602	0	0
Capital Projects	0	0	0
Debt Service	0	0	0
Total Fund Balances	602	0	100,082
Total Liabilities and Fund Balances	\$ 602	\$ 83,362	\$ 100,082

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

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
GOVERNMENTAL FUNDS
Balance Sheet
June 30, 2010

	<u>Capital Projects</u>	<u>Debt Service</u>	
	<u>Senate Bill Nine 31700</u>	<u>Debt Service 41000</u>	<u>Other Governmental Funds</u>
ASSETS			
Cash and Cash Equivalents	\$ 505,154	\$ 326,521	\$ 340,841
Investments	167,921	0	0
Receivables			
Taxes	3,417	6,577	0
Due From Grantor	0	0	352,485
Interfund Balance	0	0	0
Inventory	0	0	1,538
Total Assets	<u>\$ 676,492</u>	<u>\$ 333,098</u>	<u>\$ 694,864</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Interfund Balance	\$ 0	\$ 0	\$ 352,116
Accounts Payable	270	0	4,746
Current Portion Due			
Principal	0	310,000	0
Interest	0	31,123	0
Deferred Revenue	0	0	1,000
Total Liabilities	<u>270</u>	<u>341,123</u>	<u>357,862</u>
Fund Balances			
Reserved for			
Inventory	0	0	1,028
Special Revenue Funds	0	0	320,868
Capital Improvements	0	0	0
Retirement of Long-Term Debt	0	(8,025)	0
Unreserved, Undesignated, reported in			
General Fund	0	0	0
Capital Projects	676,222	0	1,512
Debt Service	0	0	13,594
Total Fund Balances	<u>676,222</u>	<u>(8,025)</u>	<u>337,002</u>
Total Liabilities and Fund Balances	<u>\$ 676,492</u>	<u>\$ 333,098</u>	<u>\$ 694,864</u>

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

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
GOVERNMENTAL FUNDS
Balance Sheet
June 30, 2010

	Total Governmental Funds
ASSETS	
Cash and Cash Equivalents	\$ 1,320,580
Investments	167,921
Receivables	0
Taxes	10,211
Due From Grantor	435,847
Interfund Balance	435,478
Inventory	1,538
Total Assets	\$ <u><u>2,371,575</u></u>
 LIABILITIES AND FUND BALANCE	
Liabilities	
Interfund Balance	\$ 435,478
Accounts Payable	25,063
Current Portion Due	
Principal	310,000
Interest	31,123
Deferred Revenue	1,000
Total Liabilities	<u><u>802,664</u></u>
 Fund Balances	
Reserved for	
Inventory	1,028
Special Revenue Funds	320,868
Capital Improvements	100,082
Retirement of Long-Term Debt	(8,025)
Unreserved, Undesignated, reported in	
General Fund	463,630
Capital Projects	677,734
Debt Service	13,594
Total Fund Balances	<u><u>1,568,911</u></u>
 Total Liabilities and Fund Balances	 \$ <u><u>2,371,575</u></u>

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

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
 Reconciliation of the Governmental Funds
 Balance Sheet to the Statement of Net Assets
 June 30, 2010

Total Fund Balance - Governmental Funds \$ 1,568,911

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

Capital assets used in governmental activities are not
 financial resources and therefore are not reported as
 assets in governmental funds.

The cost of capital assets	\$ 19,720,514	
Accumulated depreciation is	<u>(9,002,195)</u>	10,718,319

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 :

Bond payable	(1,030,000)	
Bond Issue Costs	39,503	
Accumulated Amortization	(32,919)	
Compensated Absences	<u>(53,762)</u>	<u>(1,077,178)</u>

Total net assets - governmental activities	\$	<u><u>11,210,052</u></u>
--	----	--------------------------

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

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
GOVERNMENTAL FUNDS
Statement of Revenues, Expenditures and Changes
in Fund Balance
For the Year Ended June 30, 2010

	General Fund		
	Operational 11000	Teacherage 12000	Transportation 13000
Revenues			
Property Taxes	\$ 11,619	\$ 0	\$ 0
Fees	675	27,837	0
Investment Income	12,768	0	0
State & Local Grants	5,700,208	0	332,983
Federal Grants	41,150	0	0
Miscellaneous	40,014	0	0
Total Revenues	<u>5,806,434</u>	<u>27,837</u>	<u>332,983</u>
Expenditures			
Current			
Instruction	2,387,259	0	0
Support Services-Students	875,528	0	0
Support Services-Instruction	234,572	0	0
Support Services-General Administration	537,783	0	0
Support Services-School Administration	446,861	0	0
Central Services	191,573	0	0
Operation & Maintenance of Plant	1,189,171	13,733	0
Student Transportation	20,460	0	332,681
Food Service Operations	12,764	0	0
Capital Outlay	43,264	0	0
Debt Service			
Principal	0	0	0
Interest	0	0	0
Total Expenditures	<u>5,939,235</u>	<u>13,733</u>	<u>332,681</u>
Excess (Deficiency) of Revenues Over Expenditures	(132,801)	14,104	302
Fund Balances at Beginning of Year	<u>516,168</u>	<u>64,289</u>	<u>966</u>
Fund Balance End of Year	<u>\$ 383,367</u>	<u>\$ 78,393</u>	<u>\$ 1,268</u>

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

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
GOVERNMENTAL FUNDS
Statement of Revenues, Expenditures and Changes
in Fund Balance
For the Year Ended June 30, 2010

	General Fund	Special Revenue	Capital Projects
	Instructional Materials 14000	Title I 24101	Bond Building 31100
Revenues			
Property Taxes	\$ 0	\$ 0	\$ 0
Fees	0	0	0
Investment Income	0	0	636
State & Local Grants	35,340	0	0
Federal Grants	0	209,968	0
Miscellaneous	0	0	0
Total Revenues	<u>35,340</u>	<u>209,968</u>	<u>636</u>
Expenditures			
Current			
Instruction	79,335	168,578	0
Support Services-Students	0	0	0
Support Services-Instruction	0	36,208	0
Support Services-General Administration	0	5,182	0
Support Services-School Administration	0	0	0
Central Services	0	0	0
Operation & Maintenance of Plant	0	0	0
Student Transportation	0	0	0
Food Service Operations	0	0	0
Capital Outlay	0	0	364,040
Debt Service			
Principal	0	0	0
Interest	0	0	0
Total Expenditures	<u>79,335</u>	<u>209,968</u>	<u>364,040</u>
Excess (Deficiency) of Revenues Over Expenditures	(43,995)	0	(363,404)
Fund Balances at Beginning of Year	<u>44,597</u>	<u>0</u>	<u>463,486</u>
Fund Balance End of Year	<u>\$ 602</u>	<u>\$ 0</u>	<u>\$ 100,082</u>

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

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
GOVERNMENTAL FUNDS
Statement of Revenues, Expenditures and Changes
in Fund Balance
For the Year Ended June 30, 2010

	<u>Capital Projects</u>	<u>Debt Service</u>	
	Senate Bill Nine 31700	Debt Service 41000	Other Governmental Funds
Revenues			
Property Taxes	\$ 185,096	\$ 343,220	\$ 429
Fees	0	0	73,862
Investment Income	0	47	0
State & Local Grants	55,334	0	287,449
Federal Grants	0	0	1,705,565
Miscellaneous	0	0	0
Total Revenues	<u>240,430</u>	<u>343,267</u>	<u>2,067,305</u>
Expenditures			
Current			
Instruction	900	0	1,189,245
Support Services-Students	0	0	244,839
Support Services-Instruction	0	0	43,933
Support Services-General Administration	1,873	3,478	9,019
Support Services-School Administration	0	0	1,630
Central Services	0	0	0
Operation & Maintenance of Plant	79,222	0	6,316
Student Transportation	0	0	11,680
Food Service Operations	0	0	416,688
Capital Outlay	85,709	0	159,630
Debt Service			
Principal	0	310,000	0
Interest	0	62,245	0
Total Expenditures	<u>167,704</u>	<u>375,723</u>	<u>2,082,980</u>
Excess (Deficiency) of Revenues Over Expenditures	72,726	(32,456)	(15,675)
Fund Balances at Beginning of Year	<u>603,496</u>	<u>24,431</u>	<u>352,677</u>
Fund Balance End of Year	<u>\$ 676,222</u>	<u>\$ (8,025)</u>	<u>\$ 337,002</u>

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

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
GOVERNMENTAL FUNDS
Statement of Revenues, Expenditures and Changes
in Fund Balance
For the Year Ended June 30, 2010

	Total Governmental Funds
Revenues	
Property Taxes	\$ 540,364
Fees	102,374
Investment Income	13,451
State & Local Grants	6,411,314
Federal Grants	1,956,683
Miscellaneous	40,014
Total Revenues	<u>9,064,200</u>
Expenditures	
Current	
Instruction	3,825,317
Support Services-Students	1,120,367
Support Services-Instruction	314,713
Support Services-General Administration	557,335
Support Services-School Administration	448,491
Central Services	191,573
Operation & Maintenance of Plant	1,288,442
Student Transportation	364,821
Food Service Operations	429,452
Capital Outlay	652,643
Debt Service	
Principal	310,000
Interest	62,245
Total Expenditures	<u>9,565,399</u>
Excess (Deficiency) of Revenues Over Expenditures	(501,199)
Fund Balances at Beginning of Year	<u>2,070,110</u>
Fund Balance End of Year	<u>\$ 1,568,911</u>

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

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
 Reconciliation of the Governmental Funds
 Statement of Revenues, Expenditures and Changes in Fund Balance
 To the Statement of Activities
 June 30, 2010

Excess (Deficiency) of Revenues Over Expenditures-Governmental Funds \$ (501,199)

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

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.

Depreciation expense	\$ (612,156)	
Capital Outlays	<u>652,643</u>	40,487

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets.

Principal paid for bonds (Note H)	295,000	
Difference in current amount due in the Debt Service Fund	<u>15,000</u>	310,000

Bond issue costs are amortized in the Statement of Activities but are an expenditure in the governmental funds. (3,292)

Some expenses reported in the Statement of Activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Compensated Absences, June 30, 2009	60,289	
Compensated Absences, June 30, 2010	<u>(53,763)</u>	<u>6,526</u>

Changes in Net Assets of Governmental Activities \$ (147,478)

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

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
GENERAL FUND-OPERATIONAL-11000
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Property Taxes	\$ 12,247	\$ 12,247	\$ 11,772	\$ (475)
Investment Income	30,000	30,000	12,768	(17,232)
Fees	2,000	2,000	675	(1,325)
State Grant	5,946,648	5,700,432	5,700,208	(224)
Federal Grant	40,146	40,146	41,150	1,004
Miscellaneous	3,000	3,000	40,014	37,014
Total Revenues	<u>6,034,041</u>	<u>5,787,825</u>	<u>5,806,587</u>	<u>18,762</u>
Expenditures				
Instruction				
Personnel Services	2,058,082	1,792,613	1,737,687	54,926
Employee Benefits	723,267	575,922	510,526	65,396
Professional & Tech Services	34,500	20,038	13,291	6,747
Purchased Services	23,500	34,381	30,493	3,888
Supplies	71,000	105,133	95,401	9,732
Supply Assets	4,000	1,765	1,267	498
Total Instruction	<u>2,914,349</u>	<u>2,529,852</u>	<u>2,388,665</u>	<u>141,187</u>
Support Services-Students				
Personnel Services	462,857	629,968	629,558	410
Employee Benefits	153,630	189,840	188,941	899
Professional & Tech Services	109,000	2,000	379	1,621
Purchased Services	54,000	55,096	50,218	4,878
Supplies	6,343	6,852	6,159	693
Supply Assets	0	274	274	0
Total Support Services-Students	<u>785,830</u>	<u>884,030</u>	<u>875,529</u>	<u>8,501</u>
Support Services-Instruction				
Personnel Services	195,006	195,006	194,725	281
Employee Benefits	61,219	62,876	61,508	1,368
Professional & Tech Services	2,500	2,500	1,682	818
Purchased Services	3,500	3,500	2,360	1,140
Supplies	23,000	20,925	17,195	3,730
Supply Assets	0	418	418	0
Total Support Services-Instruction	<u>\$ 285,225</u>	<u>\$ 285,225</u>	<u>\$ 277,888</u>	<u>\$ 7,337</u>

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
GENERAL FUND-OPERATIONAL-11000
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Support Services-General Administration				
Personnel Services	\$ 255,914	\$ 251,146	\$ 251,144	\$ 2
Employee Benefits	89,692	95,144	93,083	2,061
Professional & Tech Services	68,200	112,386	110,658	1,728
Purchased Property Services	3,500	2,843	2,789	54
Purchased Services	60,000	62,269	60,208	2,061
Supplies	13,800	20,318	20,283	35
Supply Assets	2,000	2,000	1,149	851
Total Support Services-General Administration	<u>493,106</u>	<u>546,106</u>	<u>539,314</u>	<u>6,792</u>
Support Services-School Administration				
Personnel Services	326,432	318,527	317,937	590
Employee Benefits	105,197	95,835	94,964	871
Professional & Tech Services	2,000	1,453	448	1,005
Purchased Property Services	3,000	2,981	2,980	1
Purchased Services	2,000	4,370	1,697	2,673
Supplies	26,000	28,263	27,762	501
Supply Assets	4,500	1,500	881	619
Total Support Services-School Administration	<u>469,129</u>	<u>452,929</u>	<u>446,669</u>	<u>6,260</u>
Central Services				
Personnel Services	134,639	134,932	134,931	1
Employee Benefits	40,057	39,952	38,683	1,269
Professional & Tech Services	2,200	2,200	1,922	278
Purchased Services	12,000	3,000	2,558	442
Supplies	14,000	14,732	12,716	2,016
Supply Assets	2,000	1,080	433	647
Total Central Services	<u>204,896</u>	<u>195,896</u>	<u>191,243</u>	<u>4,653</u>
Operation & Maintenance of Plant				
Personnel Services	400,954	373,760	373,501	259
Employee Benefits	159,147	152,478	149,555	2,923
Professional & Tech Services	1,000	1,000	697	303
Purchased Property Services	406,100	411,261	411,156	105
Purchased Services	173,788	178,984	176,651	2,333
Supplies	34,000	66,527	66,526	1
Supply Assets	5,000	5,979	5,978	1
Total Operation & Maintenance of Plant	<u>\$ 1,179,989</u>	<u>\$ 1,189,989</u>	<u>\$ 1,184,064</u>	<u>\$ 5,925</u>

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
GENERAL FUND-OPERATIONAL-11000
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Student Transportation				
Personnel Services	\$ 12,676	\$ 12,676	\$ 11,030	\$ 1,646
Employee Benefits	10,103	7,103	5,322	1,781
Purchased Property Services	5,000	5,000	4,108	892
Total Student Transportation	<u>27,779</u>	<u>24,779</u>	<u>20,460</u>	<u>4,319</u>
Food Services				
Professional & Tech Services	1,500	1,500	303	1,197
Supplies	54,853	39,853	12,462	27,391
Total Food Services	<u>56,353</u>	<u>41,353</u>	<u>12,765</u>	<u>28,588</u>
Total Expenditures	<u>6,416,656</u>	<u>6,150,159</u>	<u>5,936,597</u>	<u>213,562</u>
Excess (Deficiency) of Revenues Over Expenditures	(382,615)	(362,334)	(130,010)	232,324
Cash Balance Beginning of Year	<u>532,334</u>	<u>532,334</u>	<u>532,334</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 149,719</u>	<u>\$ 170,000</u>	<u>\$ 402,324</u>	<u>\$ 232,324</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (130,010)	
Net change in Taxes Receivable			(152)	
Net change in Accounts Payable			(2,639)	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ (132,801)</u>	

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

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
GENERAL FUND-TEACHERAGE-12000
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Fees	\$ 16,800	\$ 16,800	\$ 27,837	\$ 11,037
Total Revenues	<u>16,800</u>	<u>16,800</u>	<u>27,837</u>	<u>11,037</u>
Expenditures				
Operation & Maintenance of Plant				
Purchased Property Services	50,000	50,000	7,917	42,083
Supplies	9,730	9,730	3,940	5,790
Supply Assets	<u>19,281</u>	<u>19,281</u>	<u>1,687</u>	<u>17,594</u>
Total Operation & Maintenance of Plant	<u>79,011</u>	<u>79,011</u>	<u>13,544</u>	<u>65,467</u>
Total Expenditures	<u>79,011</u>	<u>79,011</u>	<u>13,544</u>	<u>65,467</u>
Excess (Deficiency) of Revenues Over Expenditures	(62,211)	(62,211)	14,293	76,504
Cash Balance Beginning of Year	<u>64,289</u>	<u>64,289</u>	<u>64,289</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 2,078</u>	<u>\$ 2,078</u>	<u>\$ 78,582</u>	<u>\$ 76,504</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 14,293	
Net change in Accounts Payable			<u>(189)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 14,104</u>	

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

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
GENERAL FUND-TRANSPORTATION-13000
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 327,140	\$ 334,200	\$ 332,983	\$ (1,217)
Total Revenues	<u>327,140</u>	<u>334,200</u>	<u>332,983</u>	<u>(1,217)</u>
Expenditures				
Student Transportation				
Personnel Services	178,791	182,674	182,669	5
Employee Benefits	85,009	57,492	57,468	24
Professional & Tech Services	0	397	397	0
Purchased Property Services	14,200	18,373	17,148	1,225
Other Purchased Services	13,734	17,560	16,979	581
Supplies	35,406	58,921	57,587	1,334
Total Student Transportation	<u>327,140</u>	<u>335,417</u>	<u>332,248</u>	<u>3,169</u>
Total Expenditures	<u>327,140</u>	<u>335,417</u>	<u>332,248</u>	<u>3,169</u>
Excess (Deficiency) of Revenues Over Expenditures	0	(1,217)	735	1,952
Cash Balance Beginning of Year	<u>1,217</u>	<u>1,217</u>	<u>1,217</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 1,217</u>	<u>\$ 0</u>	<u>\$ 1,952</u>	<u>\$ 1,952</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 735	
Net change in Accounts Payable			<u>(433)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 302</u>	

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

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
GENERAL FUND-INSTRUCTIONAL MATERIALS-14000
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 25,546	\$ 35,347	\$ 35,340	\$ (7)
Total Revenues	<u>25,546</u>	<u>35,347</u>	<u>35,340</u>	<u>(7)</u>
Expenditures				
Instruction				
Supplies	65,040	79,944	79,335	609
Total Instruction	<u>65,040</u>	<u>79,944</u>	<u>79,335</u>	<u>609</u>
Total Expenditures	<u>65,040</u>	<u>79,944</u>	<u>79,335</u>	<u>609</u>
Excess (Deficiency) of Revenues Over Expenditures	(39,494)	(44,597)	(43,995)	602
Cash Balance Beginning of Year	<u>44,597</u>	<u>44,597</u>	<u>44,597</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 5,103</u>	<u>\$ 0</u>	<u>\$ 602</u>	<u>\$ 602</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			<u>\$ (43,995)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ (43,995)</u>	

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

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
SPECIAL REVENUE FUND-TITLE I-24101
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 185,094	\$ 221,040	\$ 186,876	\$ (34,164)
Total Revenues	<u>185,094</u>	<u>221,040</u>	<u>186,876</u>	<u>(34,164)</u>
Expenditures				
Instruction				
Personnel Services	75,877	86,852	86,504	348
Employee Benefits	30,604	30,263	25,966	4,297
Professional & Tech Services	15,000	15,450	15,450	0
Other Purchased Services	21,500	37,600	34,397	3,203
Supplies	1,000	8,875	6,262	2,613
Total Instruction	<u>143,981</u>	<u>179,040</u>	<u>168,579</u>	<u>10,461</u>
Support Services-Instruction				
Personnel Services	27,558	27,558	27,558	0
Employee Benefits	8,488	8,557	8,401	156
Professional & Tech Services	500	201	20	181
Other Purchased Services	0	230	230	0
Total Support Services-Instruction	<u>36,546</u>	<u>36,546</u>	<u>36,209</u>	<u>337</u>
Support Services-General Administration				
Professional & Tech Services	4,567	5,454	5,181	273
Total Support Services-General Administration	<u>4,567</u>	<u>5,454</u>	<u>5,181</u>	<u>273</u>
Total Expenditures	<u>185,094</u>	<u>221,040</u>	<u>209,969</u>	<u>11,071</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	(23,093)	(23,093)
Cash Balance Beginning of Year	<u>(60,269)</u>	<u>(60,269)</u>	<u>(60,269)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ (60,269)</u>	<u>\$ (60,269)</u>	<u>\$ (83,362)</u>	<u>\$ (23,093)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (23,093)	
Net change in Due from Grantor			<u>23,093</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
Statement of Fiduciary Assets and Liabilities-Agency Funds
June 30, 2010

	<u>Agency Funds</u>
Assets	
Cash and Cash Equivalents	\$ 95,475
Total Assets	<u>\$ 95,475</u>
Liabilities	
Deposits Held for Others	\$ 95,475
Total Liabilities	<u>\$ 95,475</u>

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

NOTE A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the PECOS INDEPENDENT SCHOOL DISTRICT (District) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) prior to November 30, 1989 that do not conflict with or contradict GASB pronouncements. The more significant of the District's accounting policies are described below.

Financial Reporting Entity

The PECOS INDEPENDENT SCHOOL DISTRICT has been in existence since the early nineteen hundreds, and is currently operating under the provisions of the Public School District Code, Chapter 22, of the New Mexico Statutes Annotated, 1978 Compilation. The District operates with a local board of education - superintendent form of government and provides a supervised program of instruction designed to educate students at the elementary and secondary level.

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 charges and issue bonded debt.

The District has no component units, defined by GASB Statement No. 14 as other legally separate organizations for which the elected District 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.

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 are maintained consistent with legal and managerial requirements.

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 classification and a description of each existing fund type follows below:

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 capital assets and the servicing of general long-term debt.

General Fund - The General Fund is the general operating fund of the District and accounts for all revenues and expenditures of the District not encompassed within other funds.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2010

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

Capital Projects Fund - The Capital Projects Fund is used to account for all resources for the acquisition of capital facilities by the District.

Debt Service Fund - The Debt Service Fund is used to account for the resources for, and the payment of, principal, interest and related costs.

Fiduciary Fund Type

Fiduciary funds account for assets held by the government in a trustee capacity or as an agent on behalf of outside parties, including other governments, or on behalf of other funds within the District.

The Student Activity Fund, an agency fund, accounts for assets held by the District as an agent for the District organizations. These organizations exist with the explicit approval of and are subject to revocation by the District's Board of Education. This accounting reflects the District's agency relationship with the student activity organizations.

Major Funds

The District reports the following major governmental funds:

GENERAL FUND (11000)(12000)(13000)(14000)

The General Fund consist of four sub funds. The first is the operational fund of the District and accounts for all revenues and expenditures of the District not encompassed within other funds. The Teacherage Fund is to provide teachers affordable housing to entice them to teach there. The Transportation fund includes a state grant to provide transportation for students in the District. The Instructional Materials fund accounts for a state grant to provide text books for students in the District.

SPECIAL REVENUE FUNDS

Title I (24101)

To account for a program funded by a Federal grant to supplement the regular instructional program for educationally deprived students. Funding authorized by the Elementary and Secondary Act of 1965, Chapter I of Title I, as amended, Public Laws 100-297, 20 U.S.C. 2701. The fund was created by the authority of federal grant provisions.

CAPITAL PROJECT FUNDS

Bond Building (31100)

The revenues are derived from a School Building Bond Issue. The expenditures are restricted to major capital improvements.

Senate Bill Nine (31700)

The revenues are derived from a district tax levy and matched by the state. Expenditures are restricted to capital improvements.

DEBT SERVICE FUND (41000)

To account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. The resources of this fund are generated by a tax levy based upon property values.

Measurement Focus and Basis of Accounting

Government-Wide Financial Statements (GWFS)

The Statement of Net Assets and the Statement of Activities displays information about the reporting government as a whole. Fiduciary funds are not included in the GWFS. Fiduciary Funds are reported only in the Statement of Fiduciary Net Assets at the fund financial statement level.

The Statement of Net Assets and the Statement of Activities were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, and liabilities resulting from nonexchange transactions are recognized in accordance with the requirement of GASB Statement No. 33 "Accounting and Financial Reporting for Nonexchange Transactions."

Program Revenues

Program revenues included in the Statement of Activities derive directly from the program itself or from parties outside the District's taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the District's general revenues. Program revenues include: 1) charges for services to students or applicants who purchase, use or directly benefit from the goods or services provided by the given function 2) program-specific operating grants and contributions, Transportation, Food Service, Special Revenue Funds such as special education as well as others., and 3) program specific capital grants and contributions.

Fund Financial Statements (FFS)

Governmental Funds

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting revenues are recognized when susceptible to accrual (i.e., when they are "measurable and available"). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The government considers all revenues available if they are collected within 30 days after year-end. Expenditures are recorded when the related fund liability is incurred, except for unmatured principal and interest on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. Any effect of interfund activity has

Revenues

Ad valorem taxes are susceptible to full accrual on the government wide financial statements. Property Tax revenues recognize revenues net of estimated refunds and uncollectible accounts in the period for which the taxes are levied.

Entitlement and shared revenues (which include state equalization and state revenue sharing) are recorded as unrestricted grants-in-aid at the time of receipt or earlier if the susceptible to accrual criteria are met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met and the susceptible to accrual criteria have been met.

Other receipts become measurable and available when cash is received by the District and are recognized as revenue at that time.

Expenditures

Salaries are recorded as paid. Salaries for nine-month employees are paid prior to the end of the fiscal year and therefore are not accrued. Salaries for the twelve month employees payroll are

Other Financing Sources (Uses)

Transfers between funds that are not expected to be repaid (or any other types, such as capital lease transactions, sale of fixed assets, debt extinguishments, long-term debt proceeds, etc.) are accounted for as other financing sources (uses). These other financing sources (uses) are recognized at the time the underlying events occur.

Basis of Budgeting

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 generally accepted accounting principles (GAAP). These budgets are prepared using the cash basis of accounting. Budgetary comparisons for the various funds in this report are on the non-GAAP budgetary basis.

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

1. Prior to April 15, (unless a later date is fixed by the Secretary of Education) the local school board submits to the School Budget and Finance Analysis Unit (SBFAU) of the New Mexico Public Education Department an estimated budget for the District for the ensuing fiscal year beginning July 1. The operating budget includes proposed expenditures and the means of financing them. All budgets submitted to the New Mexico Public Education Department (PED) by the district shall contain headings and details as prescribed by law.
2. Prior to June 20, of each year, the proposed "operating" budget will be reviewed and approved by the SBFAU and certified and approved by the local school board at the public hearing of which notice has been published by the local school board which fixed the estimated budget for the district for the ensuing fiscal year.
3. The "operating" budget will be used by the District until they have been notified that the budget has been approved by the SBFAU and the local school board. The budget shall be integrated formally in to the accounting system. Encumbrances shall be used as an element for control and shall be integrated into the budget system.
4. 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 SBFAU.
5. No school board or officer or employee of the District shall make any expenditures or incur any obligation for the expenditures 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.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2010

6. Budget change requests are processed in accordance with Supplement I (Budget Preparation and Maintenance) of the *Manual of Procedures Public School Accounting and Budgeting*. Such changes are initiated by the District and approved by the SBFAU.
7. Legal budget control for expenditures is by function.
8. 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 amendments thereto.

Cash and Cash Equivalents

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

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.

Investments

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

(a) 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 five years last preceding; or

(b) 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.

(c) 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 contract shall be shown on the books of the financial institution as being the property of the investor and the designation shall be contemporaneous with the investment. The contract shall be fully secured by obligations of the United States having a market value of at least one hundred two percent of the contract. The collateral required for investment in the contracts provided for in this subsection shall be shown on the books of the financial institution as being the property of the investor and the designation shall be contemporaneous with investment.

Receivables and Payables

Receivables include property taxes, interfund loans that are expected to be paid back and amount due from state government agencies related to various grant agreements. Payables represent routine monthly bills for services rendered and products purchased and accrued salaries and benefits.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2010

Property Taxes

The County collects the District's share of property taxes assessed. Property taxes attach an enforceable lien on property as of January 1st. Tax notices are sent by the County treasurer to property owners by November 1st of each year to be paid in whole or in two installments by November 10th and April 10th of each year. The County collects such taxes and distributes them to the District on a monthly basis. The District accounts for its share of property taxes in the General, Debt Service and Capital Projects Funds. Only those collections received are recorded as revenues for the budget presentation.

Elimination and Reclassifications of Certain Receivables and Payables

In the process of aggregating data for the Statement of Net Assets and the Statement of Activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities within the governmental activities column.

Inventories and Prepaid Items

Purchased inventory is valued at the lower of cost (first-in, first-out) or market. Inventory in the Cafeteria 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. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both District-wide and fund financial statements.

Capital Assets

Capital assets are recorded at historical costs 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 market value on the date received. 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.

If there are any construction projects funded by the NM Public School Facilities Authority they are included in the appropriate capital projects fund and in the capital assets.

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:

Buildings & Improvements	20-50 Years
Equipment, Vehicles, Information Technology Equipment, Software & Library Books	3-15 Years

Capital Leases

Capital leases are recorded at the inception of the leases as expenditures and other financing sources in governmental fund financial statement at the present value of the future minimum lease payments, using the stated or implicit interest rate in the leases. Lease payments are recorded as expenditures on the due date. Capital leases are recorded as a liability in the government-wide financial statement at the time of inception and the corresponding asset is recorded in the capital asset section on the balance sheet.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2010

Short -Term Debt

Short-term debt results from borrowings characterized by anticipation notes, use of lines of credit, and similar loans. The District does not have any activity in short-term debt.

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.

Restricted Net Assets

For the government-wide statement of net assets, net assets are reported as restricted when constraints placed on net assets use 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.

When an expense is incurred for purposes for which both restricted and unrestricted net assets are available it will first be applied to restricted resources.

Fund Balances of Fund Financial Statements

Reserved fund balance indicates that portion of fund equity which has been segregated for specific purposes.

Unreserved fund balance indicates that portion of fund equity which is available for budgeting in future periods.

Interfund Transfers

In governmental funds, transfers should be reported as other financing uses in the funds making transfers and as other financing sources in the funds receiving transfers.

Deferred Revenue

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 combined balance sheet and the revenue is recognized. Deferred revenues also occur in the fund financial statements when revenue is earned but is not available. The revenue becomes available if received within 30 days of the fiscal year end.

Compensated Absences

After a non-certified employee has been with the District for a period of at least six months, the employee is entitled to a one-week paid vacation; when employed twelve months, the employee is entitled to a two week paid vacation accumulative to no more than 20 contract days. Vacation is to be scheduled at an appropriate time and approved by the supervisor. If an employee is discharged because of lack of work, and through no fault of the employee, the employee shall receive commensurate vacation pay.

The District's recognition and measurement criteria for compensated absences follow:

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2010

GASB Statement No. 16 provides that vacation leave and other compensated absences with similar characteristics should be accrued as a liability as the benefits are earned by the employees if both the following conditions are met:

- (a) The employees' right to receive compensation is attributable to services already rendered.
- (b) It is probable that the employer will compensate the employees for the benefits through paid time off or some other means, such as cash payments at termination or retirement.

The entire compensated absence liability is reported on the government-wide financial statements.

For governmental fund financial statements the current portion of unpaid compensated absences is the amount expected to be paid using expendable available resources. These amounts, if any, are recorded in the account "compensated absences payable" in the fund from which the employees who have accumulated unpaid leave are paid. The noncurrent portion of the liability is not reported.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTE B: DEPOSITS AND INVESTMENTS

The District is required by New Mexico State Statute (Section 6-10-17) to be 50% collateralized. Following is a schedule calculating the requirement and disclosing the pledged securities.

The Bank of Las Vegas

<u>Name of Account</u>	Balance Per Bank 6/30/10	Reconciled Balance	<u>Type</u>
General Fund Account	\$ 1,738,868	\$ 1,416,055	Checking
TOTAL Deposited	1,738,868	<u>1,416,055</u>	
Less: FDIC Coverage	<u>(1,738,868)</u>		
Uninsured Amount	0		
50% collateral requirement	0		
Pledged securities	0		
Over (Under) requirement	<u>\$ 0</u>		

The difference between the bank balance and the reconciled balance is outstanding deposits, outstanding checks and pending bank adjustments.

Custodial Credit Risk-Deposits

<u>Depository Account</u>	Bank Balance
Insured	\$ 1,738,868
Collateralized:	
Collateral held by the pledging bank in District's name	0
Over insured or over collateralized	0
Total Deposits	<u>\$ 1,738,868</u>

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
 Notes to the Financial Statements
 June 30, 2010

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The government does not have a deposit policy for custodial credit risk. As of June 30, 2010 none of the districts balance of \$1,738,868 was exposed to custodial risk.

New Mexico State Treasurer

Name of Account	Balance Per Bank 6/30/10	Reconciled Balance	Type
Pecos Independent School District	\$ 165,751	\$ 165,751	Investment
Pecos Reserve Account	<u>2,170</u>	<u>2,170</u>	Investment
 TOTAL Deposited	 \$ <u>167,921</u>	 \$ <u>167,921</u>	

GASB Statement No. 40, *Deposit and Investment Risk Disclosures*, relates to how deposits and investments are reported in the annual financial statements of governmental entities. GASB Statement No. 40 disclosures inform financial statement users about deposit and investment risks that could affect a government's ability to provide services and meet its obligations as they become due. GASB Statement No. 40 requires governments to disclose deposit and investment risks related to credit risk (including custodial credit risk), concentration of credit risk, interest rate risk, and foreign currency risk. The State Treasurer's Office provides the following information regarding the LGIP:

1. With respect to credit risk, the LGIP, a government investment pool, is rated AAAM by Standard & Poor's. Therefore, the LGIP reports AAAM for credit risk. Public funds are not required to disclose custodial credit risk for external investment pools. Therefore, the LGIP is exempt from this requirement.
2. GASB Statement No. 40 defines concentration of credit risk as investments of more than 5% in any one issuer. External investment pools, such as the LGIP, are excluded from the requirement of disclosing concentration of credit risk. Therefore, the LGIP is exempt from this disclosure. However, our portfolio is posted on the State Treasurer's website www.stonm.org and available for review by
3. GASB Statement No. 40 defines interest rate risk as the risk that interest rate variations may adversely affect the fair value of an investment. According to GASB Statement No. 40, an acceptable method for reporting interest rate risk is weighted average maturity ("WAM"). The State Treasurer's Office uses this method for reporting purposes for the LGIP. The WAM of the LGIP is identified on the monthly LGIP investment report found on the State Treasurer's Office website at www.stonm.org. As of June 30, 2010, the LGIP WAM is 50 days.
4. Finally, with respect to foreign currency risk, all investments in the LGIP are in U.S. dollar denominated assets. Therefore, the LGIP has no foreign currency risk.

NOTE C: INTERFUND BALANCES, RECEIVABLES, AND TRANSFERS

Interfund balances during the year ending June 30, 2010 were as follows:

Due to General Fund from:

Title I	\$ 83,362
Other Governmental Funds	<u>352,116</u>
Totals	<u>\$ 435,478</u>

Short term loans from the General Fund to the above fund were to cover costs during the year until the grant revenue is received, the loans will be repaid within one year.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2010

NOTE D: TAXES RECEIVABLE

Following is a schedule of property taxes receivable as of June 30, 2010:

	General Fund	Senate Bill Nine	Debt Service	Total
Property Tax				
Available	\$ 217	\$ 3,417	\$ 6,577	\$ 10,211
Unavailable	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Property Taxes Receivable	<u>\$ 217</u>	<u>\$ 3,417</u>	<u>\$ 6,577</u>	<u>\$ 10,211</u>

NOTE E: DUE FROM OTHER GOVERNMENT UNITS

Amounts due from other agencies and units of government were as follows as of June 30, 2010:

	Title I	Other Governmental	Total
Federal Agencies	\$ 83,362	\$ 144,854	\$ 228,216
State Agencies	<u>0</u>	<u>207,631</u>	<u>207,631</u>
Total	<u>\$ 83,362</u>	<u>\$ 352,485</u>	<u>\$ 435,847</u>

NOTE F: DEFERRED REVENUES

Revenues are deferred in accordance with the modified accrual basis of accounting for the fund financial statements. The following deferred revenues are measurable but do not represent available expendable resources for the Fund Financial Statements for the fiscal year ended June 30, 2010:

	Other Governmental	Total
Federal Revenues	\$ 1,000	\$ 1,000
Total Deferred Revenues	<u>\$ 1,000</u>	<u>\$ 1,000</u>

NOTE G: CAPITAL ASSETS

Capital Assets Balances and Activity for the Year Ended June 30, 2010, is as follows:

	Balance 6/30/09	Increases	Decreases	Balance 6/30/10
Governmental Activities				
Capital Assets not being Depreciated				
Land	\$ 228,257	\$ 0	\$ 0	\$ 228,257
Total Capital Assets not being Depreciated	<u>228,257</u>	<u>0</u>	<u>0</u>	<u>228,257</u>
Capital Assets, being Depreciated				
Buildings & Improvements	14,785,279	480,457	0	15,265,736
Equipment, Vehicles, Information Technology Equipment, Software & Library Books	<u>4,054,335</u>	<u>172,187</u>	<u>0</u>	<u>4,226,522</u>
Total Capital Assets, being Depreciated	<u>18,839,614</u>	<u>652,644</u>	<u>0</u>	<u>19,492,258</u>
Total Capital Assets	<u>\$ 19,067,871</u>	<u>\$ 652,644</u>	<u>\$ 0</u>	<u>\$ 19,720,515</u>

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2010

Less Accumulated Depreciation

Buildings & Improvements	\$ 5,359,324	\$ 392,759	\$ 0	\$ 5,752,083
Equipment, Vehicles, Information Technology Equipment, Software & Library Books	<u>3,030,715</u>	<u>219,397</u>	<u>0</u>	<u>3,250,112</u>
Total Accumulated Depreciation	<u>8,390,039</u>	<u>612,156</u>	<u>0</u>	<u>9,002,195</u>
Capital Assets, net	\$ <u>10,677,832</u>	\$ <u>40,488</u>	\$ <u>0</u>	\$ <u>10,718,320</u>

Depreciation expense was charged to governmental activities as follows:

Instruction	\$ 428,168
Support Services-Instruction	42,525
Support Services-General Administration	20,444
Central Services	20,341
Operation & Maintenance of Plant	56,160
Student Transportation	35,978
Food Services Operations	8,540
Total depreciation expenses	\$ <u>612,156</u>

NOTE H: LONG TERM DEBT

A summary of activity in the Long-Term Debt is as follows:

	Balance 6/30/09	Additions	Reductions	Balance 6/30/10	Amounts Due Within One Year
Governmental Activities					
Bonds and Notes Payable					
General Obligation					
Bonds	\$ <u>1,635,000</u>	\$ <u>0</u>	\$ <u>295,000</u>	\$ <u>1,340,000</u>	\$ <u>310,000</u>
Total Bonds	<u>1,635,000</u>	<u>0</u>	<u>295,000</u>	<u>1,340,000</u>	<u>310,000</u>
Other Liabilities					
Compensated					
Absences	<u>60,288</u>	<u>64,608</u>	<u>71,133</u>	<u>53,763</u>	<u>0</u>
Total Other Liabilities	<u>60,288</u>	<u>64,608</u>	<u>71,133</u>	<u>53,763</u>	<u>0</u>
Long-Term Liabilities	\$ <u>1,695,288</u>	\$ <u>64,608</u>	\$ <u>366,133</u>	\$ <u>1,393,763</u>	\$ <u>310,000</u>

Payments on the general obligation bonds are made by the Debt Service Funds. The compensated absences liability will ultimately be liquidated by several of the District's governmental funds, with most being paid by the General Fund.

General Obligation Bonds.

The following bonds were issued for the purpose of erecting, furnishing, remodeling and making additions to District buildings and improving District grounds. A tax is annually assessed, levied and collected upon all taxable property within the District for the purpose of providing the necessary funds to meet the interest and principal payments as they become due.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2010

<u>Series</u>	<u>Date of Issue</u>	<u>Original Amount</u>	<u>Interest Rate</u>	<u>Balance</u>
2001	07-15-01	2,700,000	4%-5.0%	\$ 1,340,000
				\$ <u>1,340,000</u>

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

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2011	\$ 310,000	\$ 55,735	\$ 365,735
2012	325,000	42,238	367,238
2013	345,000	26,625	371,625
2014	360,000	9,000	369,000
Total	\$ <u>1,340,000</u>	\$ <u>133,598</u>	\$ <u>1,473,598</u>

Reconciliation of Long-Term Debt disclosed in Note H to the Long-Term Debt reported in the Statement of Net Assets.

Note H	\$ 1,340,000
Net Issue Costs/Premium/Discounts on Bond Issues	(39,503)
Accumulated Amortization	32,919
Statement of Net Assets	<u>\$ 1,333,416</u>
Government Wide Statements	
Amount Reported as Current Amount Due	\$ 310,000
Amount Reported as Long-Term Due	1,023,416
Statement of Net Assets	<u>\$ 1,333,416</u>

NOTE I: COMMITMENTS

The District is involved in small renovations and repairs campus wide.

NOTE J: PENSION PLAN

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

Effective July 1, 2009, plan members were required by state statute to contribute 7.9% of their gross salary if they earn \$20,000 or less annually, and plan members earning more than \$20,000 annually were required to contribute 9.4% of their gross salary. The District was required to contribute 12.4% of the gross covered salary for employees earning \$20,000 or less, and 10.9% of the gross covered salary of employees earning more than \$20,000 annually. The employer contribution will increase .75% each year until July 1, 2011 when the employer contribution will be 13.9% of the gross covered salary. The contribution requirements of plan members and the District are established in State statute under Chapter 22, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. The District's contributions to ERB for the fiscal years ending June 30, 2010, 2009, and 2008, were \$963,379, \$971,043 & \$967,085 respectively, which equal the amount of the required contributions for each fiscal year.

NOTE K: RETIREE HEALTH CARE ACT CONTRIBUTIONS

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

Eligible retirees are: 1) retirees who make contributions to the fund for at least five years prior to retirement and whose eligible employer during that period of time made contributions as a participant in the RHCA plan on the person's behalf unless that person retires before the employer's RHCA effective date, in which 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 includes financial statements and required supplementary information for the postemployment healthcare plan. That report and further information can be obtained by writing to the Retiree Health Care Authority at 4308 Carlisle NE, Suite 104, Albuquerque, NM 87107.

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

The Retiree Health Care Authority issues a separate, publicly available audited financial report that includes post employment benefit expenditures of premiums and claims paid, participant contributions (employer, employee, and retiree), and net expenditures for the fiscal year. The report also includes the approximate number of retirees participating in the plan. That report may be obtained by writing to the RHCA, Albuquerque State Government Center, 401 Roma, NW, Suite 200, Albuquerque, New Mexico 87102.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
 Notes to the Financial Statements
 June 30, 2010

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

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

<u>Fiscal Year</u>	<u>Employer Contribution</u>	<u>Employee Contribution</u>
2011	1.666%	0.833%
2012	1.834%	0.917%
2013	2.000%	1.000%

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

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

The District's contributions to the RHCA for the years ended June 30, 2010, 2009 and 2008 were \$93,023, \$98,571 & \$102,462 respectively, which equal the required contributions for each year.

NOTE L: RECONCILIATION OF BUDGETARY BASIS TO GAAP BASIS STATEMENTS

The Combined Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - all Governmental Fund Types is presented on the budgetary basis to provide a comparison of actual results with the budget. The major differences between the budget basis and GAAP (Generally Accepted Accounting Principles) basis are that:

- A. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
- B. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).

The adjustments necessary to convert the results of operations for the year from GAAP basis to the budget basis for the governmental funds are presented on each individual Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget and Actual (Budgetary Basis).

The reconciliation of budgetary basis to GAAP basis statements are located at the bottom of each budget actual.

NOTE M: INSURANCE COVERAGE

The District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; error and omissions; and injuries to employees; and natural disasters. The District, as a New Mexico Public School, is insured through the New Mexico Public Schools Insurance Authority (NMPSIA). Annual premiums are paid by the District to NMPSIA for coverage provided in the following areas:

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
 Notes to the Financial Statements
 June 30, 2010

Property and Automobile Liability and Physical Damage
 Liability and Civil Rights and Personal Injury
 Contract School Bus Coverage; and
 Crime

NOTE N: SURETY BOND

The officials and certain employees of the District are covered by a surety bond as required by Section 12-6-7, NMSA, 1978 Compilation.

NOTE O: JOINT POWERS AGREEMENT

The Pecos Independent School District is part of a joint powers agreement with the Northeast Regional Center Cooperative (NEREC). A regional cooperative center that operates as an agency for seven school districts and provides cooperative services as its primary service. The school districts include, Las Vegas City, Mora, Pecos, Santa Rosa, Wagon Mound, West Las Vegas; and four charter schools: Riverside Charter School, Walatowa High School, Bridge Academy, and Rio Gallinas Charter School.

The purpose of the agreement is to provide supplementary special education services to local education agencies utilizing federal PL 94-142 funds.

The agreement is to remain in effect until the end of any fiscal year during which the school gives notice of intent to terminate.

The REC passed-through \$108,917, to the District for salaries and fringe benefits. As required by SAO 2.2.2.12 C (3) (d), the REC funds were reported as revenues and expenditures in the following special revenue funds:

24106	IDEA, Part B Entitlement
-------	--------------------------

The financial statements for the REC were prepared by an IPA. The audit report is available at the REC located in Las Vegas, New Mexico

NOTE P. BUDGET

Generally accepted accounting principles require disclosures of certain information concerning individual funds including:

The following funds maintained a deficit fund balance as of June 30, 2010.

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

MAJOR FUNDS	<u>Amount</u>
Capital Project-Senate Bill Nine-31700	
Support Services-General Administration	(45)
NON-MAJOR FUNDS	
Public School Capital Outlay-31200	
Capital Outlay	(11,574)
Public School Capital Outlay 20%-32100	
Operation & Maintenance of Plant	(3,000)

**SUPPLEMENTAL INFORMATION RELATED TO
MAJOR FUNDS**

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
SPECIAL REVENUE FUND-BOND BUILDING-31100
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Investment Income	\$ 0	\$ 0	\$ 636	\$ (636)
Total Revenues	<u>0</u>	<u>0</u>	<u>636</u>	<u>(636)</u>
Expenditures				
Capital Outlay				
Building Improvements	423,829	423,829	364,040	59,789
Total Capital Outlay	<u>423,829</u>	<u>423,829</u>	<u>364,040</u>	<u>59,789</u>
Total Expenditures	<u>423,829</u>	<u>423,829</u>	<u>364,040</u>	<u>59,789</u>
Excess (Deficiency) of Revenues Over Expenditures	(423,829)	(423,829)	(363,404)	60,425
Cash Balance Beginning of Year	<u>463,486</u>	<u>463,486</u>	<u>463,486</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 39,657</u>	<u>\$ 39,657</u>	<u>\$ 100,082</u>	<u>\$ 60,425</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			<u>\$ (363,404)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ (363,404)</u>	

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

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
 CAPITAL PROJECT FUND-SENATE BILL NINE-31700
 Statement of Revenues, Expenditures, and Changes in Cash Balance -
 Budget and Actual (Budgetary Basis)
 For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Property Taxes	\$ 186,712	\$ 186,712	\$ 187,263	\$ 551
State & Local Grants	0	29,492	55,334	25,842
Total Revenues	<u>186,712</u>	<u>216,204</u>	<u>242,597</u>	<u>26,393</u>
Expenditures				
Support Services-General Administration				
Professional & Tech Services	1,828	1,828	1,873	(45)
Total Support Services-General Administration	<u>1,828</u>	<u>1,828</u>	<u>1,873</u>	<u>(45)</u>
Capital Outlay				
Purchased Property Services	200,000	229,492	71,378	158,114
Land Improvements	174,670	166,670	50,106	116,564
Fixed Assets	50,000	58,000	35,603	22,397
Supply Assets	50,000	50,000	8,474	41,526
Total Capital Outlay	<u>474,670</u>	<u>504,162</u>	<u>165,561</u>	<u>338,601</u>
Total Expenditures	<u>476,498</u>	<u>505,990</u>	<u>167,434</u>	<u>338,556</u>
Excess (Deficiency) of Revenues Over Expenditures	(289,786)	(289,786)	75,163	364,949
Cash Balance Beginning of Year	<u>597,912</u>	<u>597,912</u>	<u>597,912</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 308,126</u>	<u>\$ 308,126</u>	<u>\$ 673,075</u>	<u>\$ 364,949</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 75,163	
Net change in Taxes Receivable			(2,166)	
Net change in Accounts Payable			(271)	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 72,726</u>	

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

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
DEBT SERVICE-41000
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Taxes	\$ 363,393	\$ 363,393	\$ 347,826	\$ (15,567)
Investment Income	400	400	47	(353)
Total Revenues	<u>363,793</u>	<u>363,793</u>	<u>347,873</u>	<u>(15,920)</u>
Expenditures				
Support Services-General Administration				
Professional & Tech Services	4,000	4,000	3,479	521
Total Support Services General Administration	<u>4,000</u>	<u>4,000</u>	<u>3,479</u>	<u>521</u>
Debt Service				
Principal	295,000	295,000	295,000	0
Interest	68,393	68,393	68,293	100
Total Debt Service	<u>363,393</u>	<u>363,393</u>	<u>363,293</u>	<u>100</u>
Total Expenditures	<u>367,393</u>	<u>367,393</u>	<u>366,772</u>	<u>621</u>
Excess (Deficiency) of Revenues Over Expenditures	(3,600)	(3,600)	(18,899)	(15,299)
Cash Balance Beginning of Year	<u>345,420</u>	<u>345,420</u>	<u>345,420</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 341,820</u>	<u>\$ 341,820</u>	<u>\$ 326,521</u>	<u>\$ (15,299)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (18,899)	
Net change in Taxes Receivable			(4,605)	
Net change in Principal			(15,000)	
Net change in Interest			6,048	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ (32,456)</u>	

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

**SUPPLEMENTAL INFORMATION RELATED TO
NON MAJOR FUNDS**

NONMAJOR SPECIAL REVENUE FUNDS

Food Service (21000). To account for revenue and expenditures associated with the school breakfast and lunch program. Funding is provided from fees from patrons and USDA food reimbursements. Authority for creation of this fund is NMSA 22-13-13.

Athletics (22000). To account for revenue and expenditures associated with the District's budgeted athletic activities. (NMAC 6.20.2).

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

Fruits & Vegetables (24118). To account for a Federal grant to provide a variety of free fresh fruits and vegetables to children to help create a healthier school environment. Funding is authorized by the Agriculture, Rural Development, Food and Drug Administration and Related Agencies Act, signed in November 2005, Public Law 109-97.

21st Century Community Learning (24119). To provide expanded learning opportunities for participating children in a safe, drug-free and supervised environment. Funding is authorized under Title X, Part I, of the Elementary and Secondary Education Act of 1965.

Title I 1003g Grant (24124). To account for revenues and expenditures for school in need of improvement specifically for the elementary students. The fund was created by state grant provisions.

English Language Acquisition (24153). To account for revenues and expenditures received from a federal grant provided to develop school-wide programs for limited English proficient students that reform, restructure, and upgrade all relevant programs. The fund was created by the Elementary and Secondary Education Act of 1965, as amended, Title VII, Part A.

Teacher/Principal Training & Recruiting (24154). To provide grants to State Education Agencies (SEAs) on a formula basis to increase student academic achievement through strategies such as improving teacher and principal quality and increasing the number of highly qualified teachers in the classroom and highly qualified principals and assistant principals in schools and hold local educational agencies and schools accountable for improvements in student academic achievement. Elementary and Secondary Education Act of 1965, as amended, Title II, Part A (PL 107-110).

Safe & Drug Free Schools (24157). To offer a disciplined environment conducive to learning, by preventing violence in and around schools and strengthen programs that prevent the illegal use of alcohol, tobacco, and drugs, involve parents, and coordinated with related Federal, State, and community efforts and resources. Elementary and Secondary Education Act , Title IV, Part A, Subpart 1, as amended. 20 USC 7111-7118.

Title I School Improvement (24162). To help schools improve the teaching and learning of children failing, or most at-risk of failing and to meet challenging State academic standards. Funding authorization: Elementary and Secondary Education Act of 1965, Title I, Part A, 20 U.S.C. 6301 et seq.

NONMAJOR SPECIAL REVENUE FUNDS

Carl Perkins (24180)(24182). To account for funds distributed by the U. S. Department of Education through the State Department of Education to provide services which impact school district vocational programs, educators, and students. This fund was created by the authority of the Carl D. Perkins Vocational. and Applied Technology Education Amendments of 1998, Title I, Part B and C and Sections 115 and 116, and Workforce Investment Act, Section 503.

Title I Recovery Act (24201). To account for a program funded by a Federal grant to supplement the regular instructional program for educationally deprived students. Funding authorized by the American Recovery and Reinvestment Act of 2009. The fund was created by the authority of federal grant provisions.

IDEA, Part B Recovery Act (24206). To account for a program funded by a Federal grant to assist the District in providing free appropriate public education to all handicapped children. Funding authorized by the American Recovery and Reinvestment Act of 2009. The fund was created by the authority of federal grant provisions.

IDEA Preschool Recovery Act (24209). To account for a program funded by a Federal grant to assist the District in providing a free appropriate public education to preschool disabled children aged three through five years. Funding authorized by the American Recovery and Reinvestment Act of 2009. The fund was created by the authority of federal grant provisions.

USDA Child Nutrition Recovery Act (24218). To account for a program funded by a Federal grant to assist the District in providing equipment for the food service program. The fund was created by the authority of federal grant provisions.

Title I School Improvement Recovery Act (24262). To help local education agencies (LEAs) and schools improve the teaching and learning of children failing, or most at-risk of failing, to meet challenging State academic standards. Funding authorized by the American Recovery and Reinvestment Act of 2009. The fund was created by the authority of federal grant provisions.

Impact Aid Special Education (25145). To account for funding of a Federal program to provide financial assistance to local educational agencies (LEA's) where enrollments or availability of revenue are adversely affected by Federal activities, i. e. where the tax base of a district is reduced through the Federal acquisition of real property (Section 2), or where there are a significant number of children who reside on Federal (including Indian) lands and /or children whose parents are employed on Federal property or in the Uniformed Services (Section 3(a) and 3(b) where there is a significant decrease (Section 3(c)) or a sudden and substantial increase (Section 4) in school enrollment as the result of Federal activities; to provide disaster assistances for reduced or increased operating costs (Section 7(a)), for replacing or repairing damaged or destroyed supplies, equipment, and books, and for repairing minor damage to facilities, Funding authorized by Public Law 81-874.

Medicaid (25153). To account for a program providing school-based screening, diagnostic services and other related health services and administrative activities in conformance with the approved Medicaid State Plan in order to improve health and developmental outcomes for children. The fund was created by the authority of federal grant provisions. (Title XIX Social Security Act).

NONMAJOR SPECIAL REVENUE FUNDS

LUNA Health Education (25172). To account for a program to improve the distribution, supply, and quality of health personnel in the health services delivery system by encouraging the regionalization of health professions in schools. Public Health Service Act, Title VII, Section 751(a)(2), as amended; Public Health Professions Education Partnership Act of 1998, Public Law 105-392.

State Fiscal Stabilization Program Fund (25250). The objectives of this grant are to support and restore funding for elementary and secondary education, to avoid reductions in budgets for education and other essential services in exchange for a commitment to advance essential education reforms. The fund was created by grant provisions.

Newspaper Association of America (26105). To account for resources received to help establish or revive a student newspaper. The goal of this program is for schools and newspapers to work together to create a newspaper where none exists or stabilize and strengthen newspapers that are at risk.

LANL Foundation (26113). This fund provides for language arts education for direct instruction from local funding by the authority of the State of New Mexico Department of Education, NMSA 22-8-14.

Center for Education & Study of Diverse (26146). To account for resources received to enable curriculum, instruction and learning technologies staff to implement the Technology for Education Act. (22-15A NMSA 1978).

Dual Credit (27103). To provide financial assistance to purchased instructional materials for the college classes offered to students who are taking them for dual credits. The fund was created by the authority of state grant provisions.

GO Library Books (27105). To provide funding for the purchase of library books. The fund was created by the authority of state grant provision.

Technology for Education (27117). To account for funds received from the Technology for Education Grant created by the 1994 State Legislation to establish funding of any costs associated with educational technology. Funding provided by the State of New Mexico. (NMSA 22-15A-1-10).

Incentives for School Improvement (27138). To account for revenues and expenditures from a state grant as part of the Incentives for School Improvement Act: awarded based on the improvement in CTBS 5/Terra Nova or New Mexico High School Competency Examination scores. The fund was created by state grant provisions. (NMSA 22-13 A-1).

Pre K Initiative (27149). To account for revenues and expenditures from a state grant provided for the running of the Pre K program.. The fund was created by state grant provisions.

Beginning Teacher Mentoring (27154). To account for revenues and expenditures from a state grant provided for tutoring and student enhancement activities in reading, math, and study skills for grades sixth through eight. The fund was created by state grant provisions.

Breakfast for Elementary Students (27155) To account for revenues and expenditures from a state grant for the purpose of providing a free breakfast to elementary students. The fund was created by state grant provisions.

NONMAJOR SPECIAL REVENUE FUNDS

Laws of New Mexico (27165) To account for funds from the stat to be used for curriculum based or service learning outdoor education programming and projects, transportation of students to outdoor educational sites, or professional development for teachers and/or staff. The fund was created by state grant provisions.

New Mexico Outdoor Classroom (27504). To account for revenues and expenditures from a state grant to increase outdoor education across the state. The fund was created by state grant provisions.

Library Books (27549). To account for funds received from the New Mexico Public Education Department for purchasing library books. The fund was created by state grant provisions.

Gear Up (28178). To encourage eligible entities to provide or maintain a guarantee to eligible low-income students who obtain a secondary diploma of the financial assistance necessary to permit the student to attend an institution of higher education; and provide additional support services to students who are at risk of dropping out of school. The fund was created by state grant provisions.

Yes I Can (29102). To account for a grant to be used for field trips and materials and supplies for activities and classes that promote inclusion of students with and without disabilities using the "Yes I Can" curriculum. The fund was created by state grant provisions.

McCune (29114)

To account for revenues and expenditures to enrich the education of students. The fund was created by state grant provisions.

NONMAJOR CAPITAL PROJECTS FUNDS

Public School Capital Outlay (31200)

The revenues are derived from a state legislative grant. The expenditures are restricted to capital improvements.

Special School Capital Outlay State (31400)

To account for special appropriations monies received from the State of New Mexico under Chapter 4, Laws of 1996 for the purpose of upgrading buildings.

Public School Capital Outlay-20% (32100)

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

NONMAJOR DEBT SERVICE FUND

Ed Tech Debt Service (43000)

To account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. The resources of this fund are generated by a tax levy based upon property values.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
NONMAJOR FUNDS
Combining Balance Sheet
June 30, 2010

	Special Revenue Fund		
	Food Service 21000	Athletics 22000	IDEA, Part B Entitlement 24106
ASSETS			
Cash and Cash Equivalents	\$ 72,915	\$ 180,012	\$ 0
Receivables			
Taxes	0	0	0
Due From Grantor	0	0	19,832
Inventory	1,538	0	0
Total Assets	<u>74,453</u>	<u>180,012</u>	<u>19,832</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Interfund Balance	0	0	19,722
Accounts Payable	1,028		110
Deferred Revenue	0	0	0
Total Liabilities	<u>1,028</u>	<u>0</u>	<u>19,832</u>
Fund Balances			
Reserved for			
Inventory	1,028	0	0
Special Revenue Fund	72,397	180,012	0
Capital Improvements	0	0	0
Unreserved, Undesignated, reported in			
Capital Projects	0	0	0
Debt Service	0	0	0
Total Fund Balances	<u>73,425</u>	<u>180,012</u>	<u>0</u>
Total Liabilities and Fund Balances	<u>\$ 74,453</u>	<u>\$ 180,012</u>	<u>\$ 19,832</u>

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

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
NONMAJOR FUNDS
Combining Balance Sheet
June 30, 2010

	Special Revenue Fund		
	Fresh Fruits & Vegetables 24118	21st Century Community Learning 24119	Title I 1003g Grants 24124
ASSETS			
Cash and Cash Equivalents	\$ 0	\$ 0	\$ 0
Receivables			
Taxes	0	0	0
Due From Grantor	5,001	53,700	0
Inventory	0	0	0
Total Assets	<u>5,001</u>	<u>53,700</u>	<u>0</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Interfund Balance	5,001	53,700	0
Accounts Payable	0	0	0
Deferred Revenue	0	0	0
Total Liabilities	<u>5,001</u>	<u>53,700</u>	<u>0</u>
Fund Balances			
Reserved for			
Inventory	0	0	0
Special Revenue Fund	0	0	0
Capital Improvements	0	0	0
Unreserved, Undesignated, reported in			
Capital Projects	0	0	0
Debt Service	0	0	0
Total Fund Balances	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities and Fund Balances	<u>\$ 5,001</u>	<u>\$ 53,700</u>	<u>\$ 0</u>

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

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
NONMAJOR FUNDS
Combining Balance Sheet
June 30, 2010

	Special Revenue Fund		
	English Language Acquisition 24153	Teacher/ Principal Training & Recruiting 24154	Safe & Drug Free Schools 24157
ASSETS			
Cash and Cash Equivalents	\$ 0	\$ 0	\$ 0
Receivables			
Taxes	0	0	0
Due From Grantor	11,946	19,934	1,278
Inventory	0	0	0
Total Assets	<u>11,946</u>	<u>19,934</u>	<u>1,278</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Interfund Balance	11,946	19,934	1,278
Accounts Payable	0	0	0
Deferred Revenue	0	0	0
Total Liabilities	<u>11,946</u>	<u>19,934</u>	<u>1,278</u>
Fund Balances			
Reserved for			
Inventory	0	0	0
Special Revenue Fund	0	0	0
Capital Improvements	0	0	0
Unreserved, Undesignated, reported in			
Capital Projects	0	0	0
Debt Service	0	0	0
Total Fund Balances	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities and Fund Balances	<u>\$ 11,946</u>	<u>\$ 19,934</u>	<u>\$ 1,278</u>

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

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
NONMAJOR FUNDS
Combining Balance Sheet
June 30, 2010

	Special Revenue Fund		
	Title I School Improvement <u>24162</u>	Carl D Perkins HSTW <u>24180</u>	Carl D Perkins HSTW Redistribution <u>24182</u>
ASSETS			
Cash and Cash Equivalents	\$ 0	\$ 0	\$ 0
Receivables			
Taxes	0	0	0
Due From Grantor	0	259	0
Inventory	<u>0</u>	<u>0</u>	<u>0</u>
Total Assets	<u>0</u>	<u>259</u>	<u>0</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Interfund Balance	0	0	0
Accounts Payable	0	259	0
Deferred Revenue	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities	<u>0</u>	<u>259</u>	<u>0</u>
Fund Balances			
Reserved for			
Inventory	0	0	0
Special Revenue Fund	0	0	0
Capital Improvements	0	0	0
Unreserved, Undesignated, reported in			
Capital Projects	0	0	0
Debt Service	<u>0</u>	<u>0</u>	<u>0</u>
Total Fund Balances	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities and Fund Balances	<u>\$ 0</u>	<u>\$ 259</u>	<u>\$ 0</u>

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

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
NONMAJOR FUNDS
Combining Balance Sheet
June 30, 2010

	Special Revenue Fund		
	Title I	IDEA, Part B	IDEA
	Recovery Act 24201	Recovery Act 24206	Preschool Recovery Act 24209
ASSETS			
Cash and Cash Equivalents	\$ 0	\$ 0	\$ 0
Receivables			
Taxes	0	0	0
Due From Grantor	11,088	21,816	0
Inventory	0	0	0
Total Assets	<u>11,088</u>	<u>21,816</u>	<u>0</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Interfund Balance	11,088	21,816	0
Accounts Payable	0	0	0
Deferred Revenue	0	0	0
Total Liabilities	<u>11,088</u>	<u>21,816</u>	<u>0</u>
Fund Balances			
Reserved for			
Inventory	0	0	0
Special Revenue Fund	0	0	0
Capital Improvements	0	0	0
Unreserved, Undesignated, reported in			
Capital Projects	0	0	0
Debt Service	0	0	0
Total Fund Balances	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities and Fund Balances	<u>\$ 11,088</u>	<u>\$ 21,816</u>	<u>\$ 0</u>

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

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
NONMAJOR FUNDS
Combining Balance Sheet
June 30, 2010

	Special Revenue Fund		
	USDA Child Nutrition Recovery Act 24218	Title I School Improvement Recovery Act 24262	Impact Aid Special Education 25145
ASSETS			
Cash and Cash Equivalents	\$ 0	\$ 0	\$ 28,532
Receivables			
Taxes	0	0	0
Due From Grantor	0	0	0
Inventory	0	0	0
Total Assets	<u>0</u>	<u>0</u>	<u>28,532</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Interfund Balance	0	0	0
Accounts Payable	0	0	0
Deferred Revenue	0	0	0
Total Liabilities	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances			
Reserved for			
Inventory	0	0	0
Special Revenue Fund	0	0	28,532
Capital Improvements	0	0	0
Unreserved, Undesignated, reported in			
Capital Projects	0	0	0
Debt Service	0	0	0
Total Fund Balances	<u>0</u>	<u>0</u>	<u>28,532</u>
Total Liabilities and Fund Balances	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 28,532</u>

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

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
NONMAJOR FUNDS
Combining Balance Sheet
June 30, 2010

	Special Revenue Fund		
	Medicaid 25153	Luna Health Education 25172	State Fiscal Stabilization Program Fund 25250
ASSETS			
Cash and Cash Equivalents	\$ 3,855	\$ 1,000	\$ 0
Receivables			
Taxes	0	0	0
Due From Grantor	0	0	0
Inventory	0	0	0
Total Assets	<u>3,855</u>	<u>1,000</u>	<u>0</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Interfund Balance	0	0	0
Accounts Payable	0	0	0
Deferred Revenue	0	1,000	0
Total Liabilities	<u>0</u>	<u>1,000</u>	<u>0</u>
Fund Balances			
Reserved for			
Inventory	0	0	0
Special Revenue Fund	3,855	0	0
Capital Improvements	0	0	0
Unreserved, Undesignated, reported in			
Capital Projects	0	0	0
Debt Service	0	0	0
Total Fund Balances	<u>3,855</u>	<u>0</u>	<u>0</u>
Total Liabilities and Fund Balances	<u>\$ 3,855</u>	<u>\$ 1,000</u>	<u>\$ 0</u>

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

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
NONMAJOR FUNDS
Combining Balance Sheet
June 30, 2010

	Special Revenue Fund		
	Newspaper Association of America 26105	LANL Foundation 26113	Center for Education & Study of Diverse 26146
ASSETS			
Cash and Cash Equivalents	\$ 456	\$ 21,517	\$ 384
Receivables			
Taxes	0	0	0
Due From Grantor	0	0	0
Inventory	0	0	0
Total Assets	<u>456</u>	<u>21,517</u>	<u>384</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Interfund Balance	0	0	0
Accounts Payable	0	3,349	0
Deferred Revenue	0	0	0
Total Liabilities	<u>0</u>	<u>3,349</u>	<u>0</u>
Fund Balances			
Reserved for			
Inventory	0	0	0
Special Revenue Fund	456	18,168	384
Capital Improvements	0	0	0
Unreserved, Undesignated, reported in			
Capital Projects	0	0	0
Debt Service	0	0	0
Total Fund Balances	<u>456</u>	<u>18,168</u>	<u>384</u>
Total Liabilities and Fund Balances	<u>\$ 456</u>	<u>\$ 21,517</u>	<u>\$ 384</u>

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

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
NONMAJOR FUNDS
Combining Balance Sheet
June 30, 2010

	Special Revenue Fund		
	Duel Credit 27103	GO Library Books 27105	Technology For Education 27117
ASSETS			
Cash and Cash Equivalents	\$ 0	\$ 0	\$ 9,437
Receivables			
Taxes	0	0	0
Due From Grantor	0	9,630	0
Inventory	0	0	0
Total Assets	<u>0</u>	<u>9,630</u>	<u>9,437</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Interfund Balance	0	9,630	0
Accounts Payable	0	0	0
Deferred Revenue	0	0	0
Total Liabilities	<u>0</u>	<u>9,630</u>	<u>0</u>
Fund Balances			
Reserved for			
Inventory	0	0	0
Special Revenue Fund	0		9,437
Capital Improvements	0	0	0
Unreserved, Undesignated, reported in			
Capital Projects	0	0	0
Debt Service	0	0	0
Total Fund Balances	<u>0</u>	<u>0</u>	<u>9,437</u>
Total Liabilities and Fund Balances	<u>\$ 0</u>	<u>\$ 9,630</u>	<u>\$ 9,437</u>

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

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
NONMAJOR FUNDS
Combining Balance Sheet
June 30, 2010

	Special Revenue Fund		
	Incentives For School Improvement <u>27138</u>	Pre K Initiative <u>27149</u>	Beginning Teacher Mentoring <u>27154</u>
ASSETS			
Cash and Cash Equivalents	\$ 0	\$ 0	\$ 2,358
Receivables			
Taxes	0	0	0
Due From Grantor	0	81,677	0
Inventory	<u>0</u>	<u>0</u>	<u>0</u>
Total Assets	<u>0</u>	<u>81,677</u>	<u>2,358</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Interfund Balance	0	81,677	0
Accounts Payable	0	0	0
Deferred Revenue	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities	<u>0</u>	<u>81,677</u>	<u>0</u>
Fund Balances			
Reserved for			
Inventory	0	0	0
Special Revenue Fund	0	0	2,358
Capital Improvements	0	0	0
Unreserved, Undesignated, reported in			
Capital Projects	0	0	0
Debt Service	<u>0</u>	<u>0</u>	<u>0</u>
Total Fund Balances	<u>0</u>	<u>0</u>	<u>2,358</u>
Total Liabilities and Fund Balances	<u>\$ 0</u>	<u>\$ 81,677</u>	<u>\$ 2,358</u>

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

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
NONMAJOR FUNDS
Combining Balance Sheet
June 30, 2010

	Special Revenue Fund		
	Breakfast for Elementary Students <u>27155</u>	Laws of New Mexico <u>27165</u>	NM Outdoor Classroom <u>27504</u>
ASSETS			
Cash and Cash Equivalents	\$ 2,196	\$ 0	\$ 0
Receivables			
Taxes	0	0	0
Due From Grantor	0	314	0
Inventory	<u>0</u>	<u>0</u>	<u>0</u>
Total Assets	<u>2,196</u>	<u>314</u>	<u>0</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Interfund Balance	0	314	0
Accounts Payable	0	0	0
Deferred Revenue	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities	<u>0</u>	<u>314</u>	<u>0</u>
Fund Balances			
Reserved for			
Inventory	0	0	0
Special Revenue Fund	2,196	0	0
Capital Improvements	0	0	0
Unreserved, Undesignated, reported in			
Capital Projects	0	0	0
Debt Service	<u>0</u>	<u>0</u>	<u>0</u>
Total Fund Balances	<u>2,196</u>	<u>0</u>	<u>0</u>
Total Liabilities and Fund Balances	<u>\$ 2,196</u>	<u>\$ 314</u>	<u>\$ 0</u>

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

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
NONMAJOR FUNDS
Combining Balance Sheet
June 30, 2010

	Special Revenue Fund		
	Library Books <u>27549</u>	Gear Up <u>28178</u>	Yes I Can <u>29102</u>
ASSETS			
Cash and Cash Equivalents	\$ 0	\$ 0	\$ 0
Receivables			
Taxes	0	0	0
Due From Grantor	0	3,514	0
Inventory	<u>0</u>	<u>0</u>	<u>0</u>
Total Assets	<u>0</u>	<u>3,514</u>	<u>0</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Interfund Balance	0	3,514	0
Accounts Payable	0	0	0
Deferred Revenue	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities	<u>0</u>	<u>3,514</u>	<u>0</u>
Fund Balances			
Reserved for			
Inventory	0	0	0
Special Revenue Fund	0	0	0
Capital Improvements	0	0	0
Unreserved, Undesignated, reported in			
Capital Projects	0	0	0
Debt Service	<u>0</u>	<u>0</u>	<u>0</u>
Total Fund Balances	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities and Fund Balances	<u>\$ 0</u>	<u>\$ 3,514</u>	<u>\$ 0</u>

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

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
NONMAJOR FUNDS
Combining Balance Sheet
June 30, 2010

	Special Revenue	Capital Outlay	
	McCune 29114	Public School Capital Outlay 31200	Special School Capital Outlay State 31400
ASSETS			
Cash and Cash Equivalents	\$ 3,073	\$ 0	\$ 0
Receivables			
Taxes	0	0	0
Due From Grantor	0	79,995	32,501
Inventories	0	0	0
Total Assets	<u>3,073</u>	<u>79,995</u>	<u>32,501</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Interfund Balance	0	79,995	32,501
Accounts Payable	0	0	0
Deferred Revenue	0	0	0
Total Liabilities	<u>0</u>	<u>79,995</u>	<u>32,501</u>
Fund Balances			
Reserved for			
Inventories	0	0	0
Special Revenue Fund	3,073	0	0
Capital Improvements	0	0	0
Unreserved, Undesignated, reported in			
Capital Projects	0	0	0
Debt Service	0	0	0
Total Fund Balances	<u>3,073</u>	<u>0</u>	<u>0</u>
Total Liabilities and Fund Balances	<u>\$ 3,073</u>	<u>\$ 79,995</u>	<u>\$ 32,501</u>

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

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
NONMAJOR FUNDS
Combining Balance Sheet
June 30, 2010

	Capital Outlay	Debt Service	
	Public School Capital Outlay 20% 32100	Ed Tech Debt Service 43000	Total
ASSETS			
Cash and Cash Equivalents	\$ 1,512	\$ 13,594	\$ 340,841
Receivables			
Taxes	0	0	0
Due From Grantor	0	0	352,485
Inventory	0	0	1,538
Total Assets	<u>1,512</u>	<u>13,594</u>	<u>694,864</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Interfund Balance	0	0	352,116
Accounts Payable	0	0	4,746
Deferred Revenue	0	0	1,000
Total Liabilities	<u>0</u>	<u>0</u>	<u>357,862</u>
Fund Balances			
Reserved for			
Inventory	0	0	1,028
Special Revenue Fund	0	0	320,868
Capital Improvements	0	0	0
Unreserved, Undesignated, reported in			
Capital Projects	1,512	0	1,512
Debt Service	0	13,594	13,594
Total Fund Balances	<u>1,512</u>	<u>13,594</u>	<u>337,002</u>
Total Liabilities and Fund Balances	<u>\$ 1,512</u>	<u>\$ 13,594</u>	<u>\$ 694,864</u>

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

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
NONMAJOR FUNDS
Combining Statement of Revenues, Expenditures and
Changes in Fund Balance
For the Year Ended June 30, 2010

	Special Revenue Fund		
	Food Service 21000	Athletics 22000	IDEA, Part B Entitlement 24106
Revenues			
Property Taxes	\$ 0	\$ 0	\$ 0
Fees	17,008	33,749	0
Investment Income	0	0	0
State & Local Grants	0	0	0
Federal Grants	422,206	0	108,917
Total Revenues	<u>439,214</u>	<u>33,749</u>	<u>108,917</u>
Expenditures			
Current			
Instruction	0	72,395	43,927
Support Services-Students	0	0	64,990
Support Services-Instruction	0	0	0
Support Services-General Administration	0	0	0
Support Services-School Administration	0	0	0
Operation & Maintenance of Plant	0	0	0
Student Transportation	0	0	0
Food Service Operations	388,047	0	0
Capital Outlay	0	0	0
Total Expenditures	<u>388,047</u>	<u>72,395</u>	<u>108,917</u>
Excess (Deficiency) of Revenues Over Expenditures	51,167	(38,646)	0
Fund Balances at Beginning of Year	<u>22,258</u>	<u>218,658</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 73,425</u>	<u>\$ 180,012</u>	<u>\$ 0</u>

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

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
NONMAJOR FUNDS
Combining Statement of Revenues, Expenditures and
Changes in Fund Balance
For the Year Ended June 30, 2010

	Special Revenue Fund		
	Fresh Fruits & Vegetables 24118	21st Century Community Learning 24119	Title I 1003g Grants 24124
Revenues			
Property Taxes	\$ 0	\$ 0	\$ 0
Fees	0	0	0
Investment Income	0	0	0
State & Local Grants	0	0	0
Federal Grants	12,074	175,666	0
Total Revenues	<u>12,074</u>	<u>175,666</u>	<u>0</u>
Expenditures			
Current			
Instruction	0	133,880	0
Support Services-Students	0	0	0
Support Services-Instruction	0	37,451	0
Support Services-General Administration	0	4,335	0
Support Services-School Administration	0	0	0
Operation & Maintenance of Plant	0	0	0
Student Transportation	0	0	0
Food Service Operations	12,074	0	0
Capital Outlay	0	0	0
Total Expenditures	<u>12,074</u>	<u>175,666</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0
Fund Balances at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

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

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
NONMAJOR FUNDS
Combining Statement of Revenues, Expenditures and
Changes in Fund Balance
For the Year Ended June 30, 2010

	Special Revenue Fund		
	English Language Acquisition 24153	Teacher/ Principal Training & Recruiting 24154	Safe & Drug Free Schools 24157
Revenues			
Property Taxes	\$ 0	\$ 0	\$ 0
Fees	0	0	0
Investment Income	0	0	0
State & Local Grants	0	0	0
Federal Grants	24,039	84,960	3,816
Total Revenues	<u>24,039</u>	<u>84,960</u>	<u>3,816</u>
Expenditures			
Current			
Instruction	18,525	82,871	500
Support Services-Students	0	0	0
Support Services-Instruction	992	0	0
Support Services-General Administration	593	2,089	0
Support Services-School Administration	0	0	0
Operation & Maintenance of Plant	0	0	3,316
Student Transportation	0	0	0
Food Service Operations	0	0	0
Capital Outlay	3,929	0	0
Total Expenditures	<u>24,039</u>	<u>84,960</u>	<u>3,816</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0
Fund Balances at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

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

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
NONMAJOR FUNDS
Combining Statement of Revenues, Expenditures and
Changes in Fund Balance
For the Year Ended June 30, 2010

	Special Revenue Fund		
	Title I School Improvement 24162	Carl D Perkins HSTW 24180	Carl D Perkins HSTW Redistribution 24182
Revenues			
Property Taxes	\$ 0	\$ 0	\$ 0
Fees	0	0	0
Investment Income	0	0	0
State & Local Grants	0	0	0
Federal Grants	29,470	11,433	1,205
Total Revenues	<u>29,470</u>	<u>11,433</u>	<u>1,205</u>
Expenditures			
Current			
Instruction	29,470	9,192	0
Support Services-Students	0	0	1,205
Support Services-Instruction	0	0	0
Support Services-General Administration	0	611	0
Support Services-School Administration	0	1,630	0
Operation & Maintenance of Plant	0	0	0
Student Transportation	0	0	0
Food Service Operations	0	0	0
Capital Outlay	0	0	0
Total Expenditures	<u>29,470</u>	<u>11,433</u>	<u>1,205</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0
Fund Balances at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>

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

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
NONMAJOR FUNDS
Combining Statement of Revenues, Expenditures and
Changes in Fund Balance
For the Year Ended June 30, 2010

	Special Revenue Fund		
	Title I	IDEA, Part B	IDEA
	Recovery Act 24201	Recovery Act 24206	Preschool Recovery Act 24209
Revenues			
Property Taxes	\$ 0	\$ 0	\$ 0
Fees	0	0	0
Investment Income	0	0	0
State & Local Grants	0	0	0
Federal Grants	56,220	178,824	2,891
Total Revenues	<u>56,220</u>	<u>178,824</u>	<u>2,891</u>
Expenditures			
Current			
Instruction	51,633	45,784	2,891
Support Services-Students	0	133,040	0
Support Services-Instruction	0	0	0
Support Services-General Administration	1,387	0	0
Support Services-School Administration	0	0	0
Operation & Maintenance of Plant	0	0	0
Student Transportation	0	0	0
Food Service Operations	0	0	0
Capital Outlay	3,200	0	0
Total Expenditures	<u>56,220</u>	<u>178,824</u>	<u>2,891</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0
Fund Balances at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

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

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
NONMAJOR FUNDS
Combining Statement of Revenues, Expenditures and
Changes in Fund Balance
For the Year Ended June 30, 2010

	Special Revenue Fund		
	Title I		
	USDA Child Nutrition Recovery Act 24218	School Improvement Recovery Act 24262	Impact Aid Special Education 25145
Revenues			
Property Taxes	\$ 0	\$ 0	\$ 0
Fees	0	0	0
Investment Income	0	0	0
State & Local Grants	0	0	0
Federal Grants	32,356	6,132	0
Total Revenues	<u>32,356</u>	<u>6,132</u>	<u>0</u>
Expenditures			
Current			
Instruction	0	6,132	0
Support Services-Students	0		0
Support Services-Instruction	0	0	0
Support Services-General Administration	0	0	0
Support Services-School Administration	0	0	0
Operation & Maintenance of Plant	0	0	0
Student Transportation	0	0	0
Food Service Operations	0	0	0
Capital Outlay	32,356	0	0
Total Expenditures	<u>32,356</u>	<u>6,132</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0
Fund Balances at Beginning of Year	<u>0</u>	<u>0</u>	<u>28,532</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 28,532</u>

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

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
NONMAJOR FUNDS
Combining Statement of Revenues, Expenditures and
Changes in Fund Balance
For the Year Ended June 30, 2010

	Special Revenue Fund		
	Medicaid 25153	Luna Health Education 25172	State Fiscal Stabilization Program Fund 25250
Revenues			
Property Taxes	\$ 0	\$ 0	\$ 0
Fees	23,105	0	0
Investment Income	0	0	0
State & Local Grants	0	0	0
Federal Grants	0	0	555,356
Total Revenues	<u>23,105</u>	<u>0</u>	<u>555,356</u>
Expenditures			
Current			
Instruction	0	0	555,356
Support Services-Students	45,604	0	0
Support Services-Instruction	0	0	0
Support Services-General Administration	0	0	0
Support Services-School Administration	0	0	0
Operation & Maintenance of Plant	0	0	0
Student Transportation	0	0	0
Food Service Operations	0	0	0
Capital Outlay	0	0	0
Total Expenditures	<u>45,604</u>	<u>0</u>	<u>555,356</u>
Excess (Deficiency) of Revenues Over Expenditures	(22,499)	0	0
Fund Balances at Beginning of Year	<u>26,354</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 3,855</u>	<u>\$ 0</u>	<u>0</u>

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

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
NONMAJOR FUNDS
Combining Statement of Revenues, Expenditures and
Changes in Fund Balance
For the Year Ended June 30, 2010

	Special Revenue Fund		
	Newspaper Association of America 26105	LANL Foundation 26113	Center for Education & Study of Diverse 26146
Revenues			
Property Taxes	\$ 0	\$ 0	\$ 0
Fees	0	0	0
Investment Income	0	0	0
State & Local Grants	0	24,628	0
Federal Grants	0	0	0
Total Revenues	<u>0</u>	<u>24,628</u>	<u>0</u>
Expenditures			
Current			
Instruction	0	25,504	0
Support Services-Students	0	0	0
Support Services-Instruction	0	0	0
Support Services-General Administration	0	0	0
Support Services-School Administration	0	0	0
Operation & Maintenance of Plant	0	0	0
Student Transportation	0	0	0
Food Service Operations	0	0	0
Capital Outlay	0	0	0
Total Expenditures	<u>0</u>	<u>25,504</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	(876)	0
Fund Balances at Beginning of Year	<u>456</u>	<u>19,044</u>	<u>384</u>
Fund Balance End of Year	<u>\$ 456</u>	<u>\$ 18,168</u>	<u>\$ 384</u>

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

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
NONMAJOR FUNDS
Combining Statement of Revenues, Expenditures and
Changes in Fund Balance
For the Year Ended June 30, 2010

	Special Revenue Fund		
	Duel Credit 27103	GO Library Books 27105	Technology For Education 27117
Revenues			
Property Taxes	\$ 0	\$ 0	\$ 0
Fees	0	0	0
Investment Income	0	0	0
State & Local Grants	8,000	9,630	4,521
Federal Grants	0	0	0
Total Revenues	<u>8,000</u>	<u>9,630</u>	<u>4,521</u>
Expenditures			
Current			
Instruction	8,000	0	1,005
Support Services-Students	0	0	0
Support Services-Instruction	0	0	0
Support Services-General Administration	0	0	0
Support Services-School Administration	0	0	0
Operation & Maintenance of Plant	0	0	0
Student Transportation	0	0	0
Food Service Operations	0	0	0
Capital Outlay	0	9,630	1,665
Total Expenditures	<u>8,000</u>	<u>9,630</u>	<u>2,670</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	1,851
Fund Balances at Beginning of Year	<u>0</u>	<u>0</u>	<u>7,586</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 9,437</u>

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

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
NONMAJOR FUNDS
Combining Statement of Revenues, Expenditures and
Changes in Fund Balance
For the Year Ended June 30, 2010

	Special Revenue Fund		
	Incentives For School Improvement 27138	Pre K Initiative 27149	Beginning Teacher Mentoring 27154
Revenues			
Property Taxes	\$ 0	\$ 0	\$ 0
Fees	0	0	0
Investment Income	0	0	0
State & Local Grants	0	127,720	5,339
Federal Grants	0	0	0
Total Revenues	<u>0</u>	<u>127,720</u>	<u>5,339</u>
Expenditures			
Current			
Instruction	1,633	75,555	4,841
Support Services-Students	0	0	0
Support Services-Instruction	0	0	0
Support Services-General Administration	0	0	0
Support Services-School Administration	0	0	0
Operation & Maintenance of Plant	0	0	0
Student Transportation	0	11,680	0
Food Service Operations	0	0	0
Capital Outlay	0	40,485	0
Total Expenditures	<u>1,633</u>	<u>127,720</u>	<u>4,841</u>
Excess (Deficiency) of Revenues Over Expenditures	(1,633)	0	498
Fund Balances at Beginning of Year	<u>1,633</u>	<u>0</u>	<u>1,860</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 2,358</u>

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

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
NONMAJOR FUNDS
Combining Statement of Revenues, Expenditures and
Changes in Fund Balance
For the Year Ended June 30, 2010

	Special Revenue Fund		
	Breakfast for Elementary Students 27155	Laws of New Mexico 27165	NM Outdoor Classroom 27504
Revenues			
Property Taxes	\$ 0	\$ 0	\$ 0
Fees	0	0	0
Investment Income	0	0	0
State & Local Grants	15,683	0	0
Federal Grants	0	0	0
Total Revenues	<u>15,683</u>	<u>0</u>	<u>0</u>
Expenditures			
Current			
Instruction	0	0	0
Support Services-Students	0	0	0
Support Services-Instruction	0	0	0
Support Services-General Administration	0	0	0
Support Services-School Administration	0	0	0
Operation & Maintenance of Plant	0	0	0
Student Transportation	0	0	0
Food Service Operations	15,683	0	0
Capital Outlay	0	0	0
Total Expenditures	<u>15,683</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0
Fund Balances at Beginning of Year	<u>2,196</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 2,196</u>	<u>\$ 0</u>	<u>\$ 0</u>

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

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
NONMAJOR FUNDS
Combining Statement of Revenues, Expenditures and
Changes in Fund Balance
For the Year Ended June 30, 2010

	Special Revenue Fund		
	Library Books 27549	Gear Up 28178	Yes I Can 29102
Revenues			
Property Taxes	\$ 0	\$ 0	\$ 0
Fees	0	0	0
Investment Income	0	0	0
State & Local Grants	0	25,641	0
Federal Grants	0	0	0
Total Revenues	<u>0</u>	<u>25,641</u>	<u>0</u>
Expenditures			
Current			
Instruction	0	20,151	0
Support Services-Students	0	0	0
Support Services-Instruction	0	5,490	0
Support Services-General Administration	0	0	0
Support Services-School Administration	0	0	0
Operation & Maintenance of Plant	0	0	0
Student Transportation	0	0	0
Food Service Operations	0	0	884
Capital Outlay	2,055	0	0
Total Expenditures	<u>2,055</u>	<u>25,641</u>	<u>884</u>
Excess (Deficiency) of Revenues Over Expenditures	(2,055)	0	(884)
Fund Balances at Beginning of Year	<u>2,055</u>	<u>0</u>	<u>884</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

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

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
NONMAJOR FUNDS
Combining Statement of Revenues, Expenditures and
Changes in Fund Balance
For the Year Ended June 30, 2010

	Special	Capital Projects	
	Revenue	Public School	Special
	McCune	Capital Outlay	School
	29114	31200	Capital Outlay
			State
			31400
Revenues			
Property Taxes	\$ 0	\$ 0	\$ 0
Fees	0	0	0
Investment Income	0	0	0
State & Local Grants	0	11,574	54,713
Federal Grants	0	0	0
Total Revenues	<u>0</u>	<u>11,574</u>	<u>54,713</u>
Expenditures			
Current			
Instruction	0	0	0
Support Services-Students	0	0	0
Support Services-Instruction	0	0	0
Support Services-General Administration	0	0	0
Support Services-School Administration	0	0	0
Operation & Maintenance of Plant	0	0	0
Student Transportation	0	0	0
Food Service Operations	0	0	0
Capital Outlay	0	11,574	54,736
Total Expenditures	<u>0</u>	<u>11,574</u>	<u>54,736</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	(23)
Fund Balances at Beginning of Year	<u>3,073</u>	<u>0</u>	<u>23</u>
Fund Balance End of Year	<u>\$ 3,073</u>	<u>\$ 0</u>	<u>\$ 0</u>

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

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
NONMAJOR FUNDS
Combining Statement of Revenues, Expenditures and
Changes in Fund Balance
For the Year Ended June 30, 2010

	Capital Projects	Debt Service	
	Public	Ed Tech	
	School	Debt	
	Capital Outlay	Service	
	20%	43000	Total
	32100		
Revenues			
Property Taxes	\$ 0	\$ 429	\$ 429
Fees	0	0	73,862
Investment Income	0	0	0
State & Local Grants	0	0	287,449
Federal Grants	0	0	1,705,565
Total Revenues	<u>0</u>	<u>429</u>	<u>2,067,305</u>
Expenditures			
Current			
Instruction	0	0	1,189,245
Support Services-Students	0	0	244,839
Support Services-Instruction	0	0	43,933
Support Services-General Administration	0	4	9,019
Support Services-School Administration	0	0	1,630
Operation & Maintenance of Plant	3,000	0	6,316
Student Transportation	0	0	11,680
Food Service Operations	0	0	416,688
Capital Outlay	0	0	159,630
Total Expenditures	<u>3,000</u>	<u>4</u>	<u>2,082,980</u>
Excess (Deficiency) of Revenues Over Expenditures	(3,000)	425	(15,675)
Fund Balances at Beginning of Year	<u>4,512</u>	<u>13,169</u>	<u>352,677</u>
Fund Balance End of Year	<u>\$ 1,512</u>	<u>\$ 13,594</u>	<u>\$ 337,002</u>

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

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
SPECIAL REVENUE FUND-FOOD SERVICE-21000
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Fees	\$ 22,000	\$ 22,000	\$ 17,008	\$ (4,992)
Federal Grants	317,639	372,908	398,008	25,100
Total Revenues	<u>339,639</u>	<u>394,908</u>	<u>415,016</u>	<u>20,108</u>
Expenditures				
Food Services Operations				
Personnel Services	156,666	153,098	150,472	2,626
Employee Benefits	84,608	76,910	67,450	9,460
Professional & Tech Services	500	1,000	807	193
Other Purchased Services	900	7,666	5,522	2,144
Supplies	96,965	178,234	139,850	38,384
Total Food Service Operations	<u>339,639</u>	<u>416,908</u>	<u>364,101</u>	<u>52,807</u>
Total Expenditures	<u>339,639</u>	<u>416,908</u>	<u>364,101</u>	<u>52,807</u>
Excess (Deficiency) of Revenues Over Expenditures	0	(22,000)	50,915	72,915
Cash Balance Beginning of Year	<u>22,000</u>	<u>22,000</u>	<u>22,000</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 22,000</u>	<u>\$ 0</u>	<u>\$ 72,915</u>	<u>\$ 72,915</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 50,915	
Net Change in Inventory			201	
Net Change in Payables			51	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 51,167</u>	

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

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
SPECIAL REVENUE FUND-ATHLETICS-22000
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Fees	\$ 35,000	\$ 35,000	\$ 33,749	\$ (1,251)
Total Revenues	<u>35,000</u>	<u>35,000</u>	<u>33,749</u>	<u>(1,251)</u>
Expenditures				
Instruction				
Employee Benefits	0	310	220	90
Purchased Services	70,000	70,000	39,029	30,971
Supplies	100,000	100,000	33,345	66,655
Supply Assets	81,994	81,684	0	81,684
Total Instruction	<u>251,994</u>	<u>251,994</u>	<u>72,594</u>	<u>179,400</u>
Total Expenditures	<u>251,994</u>	<u>251,994</u>	<u>72,594</u>	<u>179,400</u>
Excess (Deficiency) of Revenues Over Expenditures	(216,994)	(216,994)	(38,845)	178,149
Cash Balance Beginning of Year	<u>218,857</u>	<u>218,857</u>	<u>218,857</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 1,863</u>	<u>\$ 1,863</u>	<u>\$ 180,012</u>	<u>\$ 178,149</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (38,845)	
Net Change in Accounts Payable			199	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ (38,646)</u>	

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

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
SPECIAL REVENUE FUND-IDEA, PART B ENTITLEMENT-24106
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 38,737	\$ 178,237	\$ 127,933	\$ (50,304)
Total Revenues	<u>38,737</u>	<u>178,237</u>	<u>127,933</u>	<u>(50,304)</u>
Expenditures				
Instruction				
Personnel Services	0	44,000	32,949	11,051
Employee Benefits	0	13,821	10,977	2,844
Total Instruction	<u>0</u>	<u>57,821</u>	<u>43,926</u>	<u>13,895</u>
Support Services-Students				
Personnel Services	0	60,192	50,855	9,337
Employee Benefits	0	21,487	14,137	7,350
Total Support Services-Students	<u>0</u>	<u>81,679</u>	<u>64,992</u>	<u>16,687</u>
Total Expenditures	\$ <u>0</u>	\$ <u>139,500</u>	\$ <u>108,918</u>	\$ <u>30,582</u>
Excess (Deficiency) of Revenues Over Expenditures	\$ 38,737	\$ 38,737	\$ 19,015	\$ (19,722)
Cash Balance Beginning of Year	<u>(38,737)</u>	<u>(38,737)</u>	<u>(38,737)</u>	<u>0</u>
Cash Balance End of Year	\$ <u>0</u>	\$ <u>0</u>	\$ <u>(19,722)</u>	\$ <u>(19,722)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 19,015	
Net change in Due from Grantor			<u>(19,015)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ <u>0</u>	

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

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
SPECIAL REVENUE FUND-FRESH FRUITS & VEGETABLES-24118
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 0	\$ 16,350	\$ 7,073	\$ (9,277)
Total Revenues	<u>0</u>	<u>16,350</u>	<u>7,073</u>	<u>(9,277)</u>
Expenditures				
Food Service				
Supplies	0	16,350	12,074	4,276
Total Food Service	<u>0</u>	<u>16,350</u>	<u>12,074</u>	<u>4,276</u>
Total Expenditures	<u>0</u>	<u>16,350</u>	<u>12,074</u>	<u>4,276</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	(5,001)	(5,001)
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (5,001)</u>	<u>\$ (5,001)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (5,001)	
Net change in Due from Grantor			<u>5,001</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
SPECIAL REVENUE FUND-21st CENTURY COMMUNITY LEARNING-24119
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 263,225	\$ 263,225	\$ 209,190	\$ (54,035)
Total Revenues	<u>263,225</u>	<u>263,225</u>	<u>209,190</u>	<u>(54,035)</u>
Expenditures				
Instruction				
Personnel Services	117,200	110,846	110,846	0
Employee Benefits	22,534	16,132	16,132	0
Other Purchased Services	0	275	275	0
Supplies	7,057	6,953	6,626	327
Total Instruction	<u>146,791</u>	<u>134,206</u>	<u>133,879</u>	<u>327</u>
Support Services-Instruction				
Personnel Services	15,000	29,010	29,010	0
Employee Benefits	2,866	5,672	5,672	0
Professional & Tech Services	1,000	80	80	0
Other Purchased Services	6,000	2,689	2,689	0
Total Support Services-Instruction	<u>24,866</u>	<u>37,451</u>	<u>37,451</u>	<u>0</u>
Support Services-General Administration				
Professional & Tech Services	4,343	4,343	4,335	8
Total Support Services-General Administration	<u>4,343</u>	<u>4,343</u>	<u>4,335</u>	<u>8</u>
Total Expenditures	<u>176,000</u>	<u>176,000</u>	<u>175,665</u>	<u>335</u>
Excess (Deficiency) of Revenues Over Expenditures	87,225	87,225	33,525	(53,700)
Cash Balance Beginning of Year	<u>(87,225)</u>	<u>(87,225)</u>	<u>(87,225)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (53,700)</u>	<u>\$ (53,700)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 33,525	
Net change in Due from Grantor			<u>(33,525)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
SPECIAL REVENUE FUND-TITLE I 1003g GRANTS-24124
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 24,067	\$ 24,067	\$ 24,067	\$ 0
Total Revenues	<u>24,067</u>	<u>24,067</u>	<u>24,067</u>	<u>0</u>
Expenditures				
Instruction				
Supplies	0	0	0	0
Supply Assets	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Instruction	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	24,067	24,067	24,067	0
Cash Balance Beginning of Year	<u>(24,067)</u>	<u>(24,067)</u>	<u>(24,067)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 24,067	
Net change in Due from Grantor			<u>(24,067)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
SPECIAL REVENUE FUND-ENGLISH LANGUAGE ACQUISITION-24153
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 22,886	\$ 44,795	\$ 24,448	\$ (20,347)
Total Revenues	<u>22,886</u>	<u>44,795</u>	<u>24,448</u>	<u>(20,347)</u>
Expenditures				
Instruction				
Professional & Tech Services	0	6,052	5,578	474
Other Purchased Services	7,175	11,940	11,940	0
Supplies	0	10,853	4,936	5,917
Total Instruction	<u>7,175</u>	<u>28,845</u>	<u>22,454</u>	<u>6,391</u>
Support Services-Instruction				
Supplies	3,000	3,000	991	2,009
Total Support Services-Instruction	<u>3,000</u>	<u>3,000</u>	<u>991</u>	<u>2,009</u>
Support Services-General Administration				
Professional & Tech Services	355	594	593	1
Total Support Services-General Administration	<u>355</u>	<u>594</u>	<u>593</u>	<u>1</u>
Total Expenditures	<u>10,530</u>	<u>32,439</u>	<u>24,038</u>	<u>8,401</u>
Excess (Deficiency) of Revenues Over Expenditures	12,356	12,356	410	(11,946)
Cash Balance Beginning of Year	<u>(12,356)</u>	<u>(12,356)</u>	<u>(12,356)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (11,946)</u>	<u>\$ (11,946)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 410	
Net change in Due from Grantor			<u>(410)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
SPECIAL REVENUE FUND-TEACHER/PRINCIPAL TRAINING & RECRUITING-24154
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 69,958	\$ 99,698	\$ 76,004	\$ (23,694)
Total Revenues	<u>69,958</u>	<u>99,698</u>	<u>76,004</u>	<u>(23,694)</u>
Expenditures				
Instruction				
Personnel Services	40,000	53,472	53,443	29
Employee Benefits	17,525	28,074	27,906	168
Professional & Tech Services	0	4,920	1,523	3,397
Total Instruction	<u>57,525</u>	<u>86,466</u>	<u>82,872</u>	<u>3,594</u>
Support Services-General Administration				
Professional & Tech Services	1,455	2,254	2,088	166
Total Support Services-General Administration	<u>1,455</u>	<u>2,254</u>	<u>2,088</u>	<u>166</u>
Total Expenditures	<u>58,980</u>	<u>88,720</u>	<u>84,960</u>	<u>3,760</u>
Excess (Deficiency) of Revenues Over Expenditures	10,978	10,978	(8,956)	(19,934)
Cash Balance Beginning of Year	<u>(10,978)</u>	<u>(10,978)</u>	<u>(10,978)</u>	<u>0</u>
Cash Balance End of Year	\$ <u>0</u>	\$ <u>0</u>	\$ <u>(19,934)</u>	\$ <u>(19,934)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (8,956)	
Net change in Due from Grantor			<u>8,956</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>0</u>	

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

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
SPECIAL REVENUE FUND-SAFE & DRUG FREE SCHOOLS-24157
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 3,154	\$ 3,816	\$ 2,538	\$ (1,278)
Total Revenues	<u>3,154</u>	<u>3,816</u>	<u>2,538</u>	<u>(1,278)</u>
Expenditures				
Instruction				
Supplies	<u>500</u>	<u>500</u>	<u>500</u>	<u>0</u>
Total Instruction	<u>500</u>	<u>500</u>	<u>500</u>	<u>0</u>
Operation & Maintenance of Plant				
Supply Assets	<u>2,654</u>	<u>3,316</u>	<u>3,316</u>	<u>6,632</u>
Total Operation & Maintenance of Plant	<u>2,654</u>	<u>3,316</u>	<u>3,316</u>	<u>6,632</u>
Total Expenditures	<u>3,154</u>	<u>3,816</u>	<u>3,816</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	(1,278)	(1,278)
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (1,278)</u>	<u>\$ (1,278)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (1,278)	
Net change in Due from Grantor			<u>1,278</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
SPECIAL REVENUE FUND-TITLE I SCHOOL IMPROVEMENT-24162
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 0	\$ 29,470	\$ 29,470	\$ 0
Total Revenues	<u>0</u>	<u>29,470</u>	<u>29,470</u>	<u>0</u>
Expenditures				
Instruction				
Personnel Services	0	22,744	22,744	0
Employee Benefits	<u>0</u>	<u>6,726</u>	<u>6,726</u>	<u>0</u>
Total Instruction	<u>0</u>	<u>29,470</u>	<u>29,470</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>29,470</u>	<u>29,470</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0	0
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 0	
Net change in Due from Grantor			<u>0</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
SPECIAL REVENUE FUND-CARL D PERKINS-HSTW CURRENT-24180
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 11,740	\$ 12,740	\$ 12,740	\$ 0
Total Revenues	<u>11,740</u>	<u>12,740</u>	<u>12,740</u>	<u>0</u>
Expenditures				
Instruction				
Professional & Tech Services	6,174	6,066	6,066	0
Other Purchased Services	<u>2,000</u>	<u>3,126</u>	<u>3,126</u>	<u>0</u>
Total Instruction	<u>8,174</u>	<u>9,192</u>	<u>9,192</u>	<u>0</u>
Support Services-General Administration				
Other Purchased Services	<u>1,000</u>	<u>612</u>	<u>612</u>	<u>0</u>
Total Support Services-General Administration	<u>1,000</u>	<u>612</u>	<u>612</u>	<u>0</u>
Support Services-School Administration				
Other Purchased Services	<u>1,000</u>	<u>1,370</u>	<u>1,370</u>	<u>0</u>
Total Support Services-School Administration	<u>1,000</u>	<u>1,370</u>	<u>1,370</u>	<u>0</u>
Total Expenditures	<u>10,174</u>	<u>11,174</u>	<u>11,174</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	1,566	1,566	1,566	0
Cash Balance Beginning of Year	<u>(1,566)</u>	<u>(1,566)</u>	<u>(1,566)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 1,566	
Net change in Due from Grantor			(1,307)	
Net Change in Accounts Payables			<u>(259)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
SPECIAL REVENUE FUND-CARL D PERKINS-HSTW REDISTRIBUTION-24182
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 0	\$ 10,206	\$ 1,205	\$ (9,001)
Total Revenues	<u>0</u>	<u>10,206</u>	<u>1,205</u>	<u>(9,001)</u>
Expenditures				
Support Services-Students				
Employee Benefits	0	31	31	0
Other Purchased Services	<u>0</u>	<u>10,175</u>	<u>1,174</u>	<u>9,001</u>
Total Support Services-Students	<u>0</u>	<u>10,206</u>	<u>1,205</u>	<u>9,001</u>
Total Expenditures	<u>0</u>	<u>10,206</u>	<u>1,205</u>	<u>9,001</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0	0
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			<u>\$ 0</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
SPECIAL REVENUE FUND-TITLE I-RECOVERY ACT-24201
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 36,267	\$ 94,829	\$ 81,399	\$ (13,430)
Total Revenues	<u>36,267</u>	<u>94,829</u>	<u>81,399</u>	<u>(13,430)</u>
Expenditures				
Instruction				
Professional & Tech Services	0	3,200	3,200	0
Supplies	0	3,200	3,200	0
Supply Assets	0	48,433	48,433	0
Total Instruction	<u>0</u>	<u>54,833</u>	<u>54,833</u>	<u>0</u>
Support Services-General Administration				
Professional & Tech Services	0	3,729	1,387	2,342
Total Support Services-General Administration	<u>0</u>	<u>3,729</u>	<u>1,387</u>	<u>2,342</u>
Total Expenditures	<u>0</u>	<u>58,562</u>	<u>56,220</u>	<u>2,342</u>
Excess (Deficiency) of Revenues Over Expenditures	36,267	36,267	25,179	(11,088)
Cash Balance Beginning of Year	\$ <u>(36,267)</u>	\$ <u>(36,267)</u>	\$ <u>(36,267)</u>	\$ <u>0</u>
Cash Balance End of Year	\$ <u>0</u>	\$ <u>0</u>	\$ <u>(11,088)</u>	\$ <u>(11,088)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 25,179	
Net change in Due from Grantor			<u>(25,179)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>0</u>	

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

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
SPECIAL REVENUE FUND-IDEA B RECOVERY ACT-24206
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 0	\$ 178,824	\$ 157,008	\$ (21,816)
Total Revenues	<u>0</u>	<u>178,824</u>	<u>157,008</u>	<u>(21,816)</u>
Expenditures				
Instruction				
Personnel Services	0	38,152	38,152	0
Employee Benefits	0	7,632	7,632	0
Total Instruction	<u>0</u>	<u>45,784</u>	<u>45,784</u>	<u>0</u>
Support Services-Students				
Personnel Services	0	78,917	78,917	0
Employee Benefits	0	14,285	14,285	0
Supplies	0	606	606	0
Supply Assets	0	39,232	39,232	0
Total Support Services-Students	<u>0</u>	<u>133,040</u>	<u>133,040</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>178,824</u>	<u>178,824</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	(21,816)	(21,816)
Cash Balance Beginning of Year	\$ 0	\$ 0	\$ 0	\$ 0
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (21,816)</u>	<u>\$ (21,816)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (21,816)	
Net change in Due from Grantor			21,816	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
SPECIAL REVENUE FUND-IDEA PRESCHOOL RECOVERY ACT-24209
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 0	\$ 3,238	\$ 2,891	\$ (347)
Total Revenues	<u>0</u>	<u>3,238</u>	<u>2,891</u>	<u>(347)</u>
Expenditures				
Instruction				
Supplies	0	581	581	0
Supply Assets	0	2,657	2,310	347
Total Instruction	<u>0</u>	<u>3,238</u>	<u>2,891</u>	<u>347</u>
Total Expenditures	<u>0</u>	<u>3,238</u>	<u>2,891</u>	<u>347</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0	0
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 0	
Net change in Due from Grantor			<u>0</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
 SPECIAL REVENUE FUND-USDA CHILD NUTRITION RECOVERY ACT-24218
 Statement of Revenues, Expenditures, and Changes in Cash Balance -
 Budget and Actual (Budgetary Basis)
 For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 0	\$ 36,298	\$ 32,356	\$ 3,942
Total Revenues	<u>0</u>	<u>36,298</u>	<u>32,356</u>	<u>3,942</u>
Expenditures				
Food Service				
Fixed Assets	0	32,357	32,356	1
Supply Assets	<u>0</u>	<u>3,941</u>	<u>0</u>	<u>3,941</u>
Total Food Service	<u>0</u>	<u>36,298</u>	<u>32,356</u>	<u>3,942</u>
Total Expenditures	<u>0</u>	<u>36,298</u>	<u>32,356</u>	<u>3,942</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0	0
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			<u>\$ 0</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
SPECIAL REVENUE FUND-TITLE I SCHOOL IMPROVEMENT RECOVERY ACT-24262
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 0	\$ 10,530	\$ 6,132	\$ 4,398
Total Revenues	<u>0</u>	<u>10,530</u>	<u>6,132</u>	<u>4,398</u>
Expenditures				
Instruction				
Professional & Tech Services	0	10,530	6,132	4,398
Total Instruction	<u>0</u>	<u>10,530</u>	<u>6,132</u>	<u>4,398</u>
Total Expenditures	<u>0</u>	<u>10,530</u>	<u>6,132</u>	<u>4,398</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0	0
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ <u>0</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ <u>0</u>	

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

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
SPECIAL REVENUE FUND-IMPACT AID SPECIAL EDUCATION-25145
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 0	\$ 0	\$ 0	\$ 0
Total Revenues	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures				
Instruction				
Supplies	0	0	0	0
Total Instruction	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0	0
Cash Balance Beginning of Year	<u>28,532</u>	<u>28,532</u>	<u>28,532</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 28,532</u>	<u>\$ 28,532</u>	<u>\$ 28,532</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 0	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ 0	

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

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
SPECIAL REVENUE FUND-TITLE XIX MEDICAID-25153
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Fees	\$ 0	\$ 19,250	\$ 23,105	\$ 3,855
Total Revenues	<u>0</u>	<u>19,250</u>	<u>23,105</u>	<u>3,855</u>
Expenditures				
Support Services-Students				
Personnel Services	0	32,440	32,440	0
Employee Benefits	0	12,223	12,223	0
Professional & Tech Services	0	941	941	0
Total Support Services-Students	<u>0</u>	<u>45,604</u>	<u>45,604</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>45,604</u>	<u>45,604</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	(26,354)	(22,499)	3,855
Cash Balance Beginning of Year	<u>26,354</u>	<u>26,354</u>	<u>26,354</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 26,354</u>	<u>\$ 0</u>	<u>\$ 3,855</u>	<u>\$ 3,855</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (22,499)	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ (22,499)</u>	

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

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
SPECIAL REVENUE FUND-LUNA HEALTH EDUCATION-25172
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 0	\$ 0	\$ 0	\$ 0
Total Revenues	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures				
Instruction				
Supplies	0	0	0	0
Total Instruction	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0	0
Cash Balance Beginning of Year	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 1,000</u>	<u>\$ 1,000</u>	<u>\$ 1,000</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 0	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
SPECIAL REVENUE FUND-STATE FISCAL STABILIZATION PROGRAM FUND-25250
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 479,859	\$ 555,357	\$ 555,356	\$ 1
Total Revenues	<u>479,859</u>	<u>555,357</u>	<u>555,356</u>	<u>1</u>
Expenditures				
Instruction				
Personnel Services	369,176	432,170	432,170	0
Employee Benefits	110,683	123,187	123,186	1
Total Instruction	<u>479,859</u>	<u>555,357</u>	<u>555,356</u>	<u>1</u>
Total Expenditures	<u>479,859</u>	<u>555,357</u>	<u>555,356</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0	0
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 0	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ 0	

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

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
SPECIAL REVENUE FUND-NEWSPAPER ASSOCIATION OF AMERICA-26105
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 0	\$ 0	\$ 0	\$ 0
Total Revenues	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures				
Instruction				
Supplies	0	0	0	0
Total Instruction	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0	0
Cash Balance Beginning of Year	<u>456</u>	<u>456</u>	<u>456</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 456</u>	<u>\$ 456</u>	<u>\$ 456</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 0	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ 0	

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

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
SPECIAL REVENUE FUND-LANL FOUNDATION-26113
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 0	\$ 0	\$ 24,628	\$ 24,628
Total Revenues	<u>0</u>	<u>0</u>	<u>24,628</u>	<u>24,628</u>
Expenditures				
Instruction				
Personnel Services	0	11,093	6,688	4,405
Employee Benefits	0	543	543	0
Other Purchased Services	0	21,307	11,103	10,204
Supplies	0	2,168	1,422	746
Supply Assets	0	3,382	2,400	982
Total Instruction	<u>0</u>	<u>38,493</u>	<u>22,156</u>	<u>16,337</u>
Total Expenditures	<u>0</u>	<u>38,493</u>	<u>22,156</u>	<u>16,337</u>
Excess (Deficiency) of Revenues Over Expenditures	0	(38,493)	2,472	40,965
Cash Balance Beginning of Year	<u>19,044</u>	<u>19,044</u>	<u>19,044</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 19,044</u>	<u>\$ (19,449)</u>	<u>\$ 21,516</u>	<u>\$ 40,965</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 2,472	
Net change in Payables			(3,348)	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ (876)</u>	

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

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
SPECIAL REVENUE FUND-CENTER FOR ED & STUDY OF DIVERSE-26146
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 0	\$ 0	\$ 0	\$ 0
Total Revenues	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures				
Instruction				
Supplies	0	0	0	0
Total Instruction	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0	0
Cash Balance Beginning of Year	<u>384</u>	<u>384</u>	<u>384</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 384</u>	<u>\$ 384</u>	<u>\$ 384</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 0	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
SPECIAL REVENUE FUND-DUAL CREDIT-27103
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 0	\$ 8,000	\$ 8,000	\$ 0
Total Revenues	<u>0</u>	<u>8,000</u>	<u>8,000</u>	<u>0</u>
Expenditures				
Instruction				
Supplies	0	8,000	8,000	0
Total Instruction	<u>0</u>	<u>8,000</u>	<u>8,000</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>8,000</u>	<u>8,000</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0	0
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 0	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
SPECIAL REVENUE FUND-GO LIBRARY BOOKS-27105
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 0	\$ 9,630	\$ 0	\$ (9,630)
Total Revenues	<u>0</u>	<u>9,630</u>	<u>0</u>	<u>(9,630)</u>
Expenditures				
Student Services-Instruction				
Supplies	0	9,630	9,630	0
Total Student Services-Instruction	<u>0</u>	<u>9,630</u>	<u>9,630</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>9,630</u>	<u>9,630</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	(9,630)	(9,630)
Cash Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (9,630)</u>	<u>\$ (9,630)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (9,630)	
Net change in Due from Grantor			<u>9,630</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
SPECIAL REVENUE FUND-TECHNOLOGY FOR EDUCATION-27117
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 0	\$ 4,694	\$ 4,521	\$ (173)
Total Revenues	<u>0</u>	<u>4,694</u>	<u>4,521</u>	<u>(173)</u>
Expenditures				
Instruction				
Other Purchased Services	0	835	493	342
Supplies	0	2,359	1,958	401
Supply Assets	0	1,000	462	538
Total Instruction	<u>0</u>	<u>4,194</u>	<u>2,913</u>	<u>1,281</u>
Total Expenditures	<u>0</u>	<u>4,194</u>	<u>2,913</u>	<u>1,281</u>
Excess (Deficiency) of Revenues Over Expenditures	0	500	1,608	1,108
Cash Balance Beginning of Year	<u>7,829</u>	<u>7,829</u>	<u>7,829</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 7,829</u>	<u>\$ 8,329</u>	<u>\$ 9,437</u>	<u>\$ 1,108</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 1,608	
Net Change in Payables			<u>243</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 1,851</u>	

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

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
SPECIAL REVENUE FUND-INCENTIVES FOR SCHOOL IMPROVEMENT-27138
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 0	\$ 0	\$ 0	\$ 0
Total Revenues	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures				
Instruction				
Supplies	0	1,633	1,633	0
Total Instruction	<u>0</u>	<u>1,633</u>	<u>1,633</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>1,633</u>	<u>1,633</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	(1,633)	(1,633)	0
Cash Balance Beginning of Year	<u>1,633</u>	<u>1,633</u>	<u>1,633</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 1,633</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			<u>\$ (1,633)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ (1,633)</u>	

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

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
SPECIAL REVENUE FUND-PRE K INITIATIVE-27149
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 160,958	\$ 163,959	\$ 82,282	\$ (81,677)
Total Revenues	<u>160,958</u>	<u>163,959</u>	<u>82,282</u>	<u>(81,677)</u>
Expenditures				
Instruction				
Personnel Services	80,000	60,540	60,540	0
Employee Benefits	29,120	13,376	13,376	0
Supplies	3,920	1,640	1,640	0
Fixed Assets	0	40,485	40,485	0
Total Instruction	<u>113,040</u>	<u>116,041</u>	<u>116,041</u>	<u>0</u>
Student Transportation				
Personnel Services	9,686	9,622	9,622	0
Employee Benefits	1,994	2,058	2,058	0
Total Student Transportation	<u>11,680</u>	<u>11,680</u>	<u>11,680</u>	<u>0</u>
Total Expenditures	<u>124,720</u>	<u>127,721</u>	<u>127,721</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	36,238	36,238	(45,439)	(81,677)
Cash Balance Beginning of Year	<u>(36,238)</u>	<u>(36,238)</u>	<u>(36,238)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (81,677)</u>	<u>\$ (81,677)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (45,439)	
Net change in Due from Grantor			45,439	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
SPECIAL REVENUE FUND-BEGINNING TEACHER MENTORING-27154
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 0	\$ 5,339	\$ 5,339	\$ 0
Total Revenues	<u>0</u>	<u>5,339</u>	<u>5,339</u>	<u>0</u>
Expenditures				
Instruction				
Personnel Services	0	3,096	2,600	496
Employee Benefits	0	517	515	2
Supplies	<u>0</u>	<u>1,726</u>	<u>1,726</u>	<u>0</u>
Total Instruction	<u>0</u>	<u>5,339</u>	<u>4,841</u>	<u>498</u>
Total Expenditures	<u>0</u>	<u>5,339</u>	<u>4,841</u>	<u>498</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	498	498
Cash Balance Beginning of Year	<u>1,860</u>	<u>1,860</u>	<u>1,860</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 1,860</u>	<u>\$ 1,860</u>	<u>\$ 2,358</u>	<u>\$ 498</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ <u>498</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ <u>498</u>	

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

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
SPECIAL REVENUE FUND-BREAKFAST FOR ELEMENTARY STUDENTS-27155
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 0	\$ 15,683	\$ 15,683	\$ 0
Total Revenues	<u>0</u>	<u>15,683</u>	<u>15,683</u>	<u>0</u>
Expenditures				
Food Services				
Supplies	0	15,683	15,683	0
Total Food Services	<u>0</u>	<u>15,683</u>	<u>15,683</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>15,683</u>	<u>15,683</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0	0
Cash Balance Beginning of Year	<u>2,196</u>	<u>2,196</u>	<u>2,196</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 2,196</u>	<u>\$ 2,196</u>	<u>\$ 2,196</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ <u>0</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ <u>0</u>	

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

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
SPECIAL REVENUE FUND-LAWS OF NEW MEXICO-27165
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 314	\$ 314	\$ 0	\$ (314)
Total Revenues	<u>314</u>	<u>314</u>	<u>0</u>	<u>(314)</u>
Expenditures				
Instruction				
Supplies	0	0	0	0
Supply Assets	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Instruction	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	314	314	0	(314)
Cash Balance Beginning of Year	<u>(314)</u>	<u>(314)</u>	<u>(314)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (314)</u>	<u>\$ (314)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 0	
Net change in Due from Grantor			<u>0</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
SPECIAL REVENUE FUND-NM OUTDOOR CLASSROOM-27504
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 2,984	\$ 2,984	\$ 2,984	\$ 0
Total Revenues	<u>2,984</u>	<u>2,984</u>	<u>2,984</u>	<u>0</u>
Expenditures				
Instruction				
Supplies	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Instruction	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	2,984	2,984	2,984	0
Cash Balance Beginning of Year	<u>(2,984)</u>	<u>(2,984)</u>	<u>(2,984)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 2,984	
Net change in Due from Grantor			<u>(2,984)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
SPECIAL REVENUE FUND-LIBRARY BOOK FUND-27549
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 0	\$ 0	\$ 0	\$ 0
Total Revenues	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures				
Instruction				
Supplies	0	2,055	2,055	0
Total Instruction	<u>0</u>	<u>2,055</u>	<u>2,055</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>2,055</u>	<u>2,055</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	(2,055)	(2,055)	0
Cash Balance Beginning of Year	<u>2,055</u>	<u>2,055</u>	<u>2,055</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 2,055</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 0	
Net change in Due from Grantor			<u>0</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
SPECIAL REVENUE FUND-GEAR UP-28178
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 4,200	\$ 42,840	\$ 26,328	\$ (16,512)
Total Revenues	<u>4,200</u>	<u>42,840</u>	<u>26,328</u>	<u>(16,512)</u>
Expenditures				
Instruction				
Personnel Services	0	6,551	3,112	3,439
Employee Benefits	0	1,333	584	749
Other Purchased Services	0	15,490	7,381	8,109
Supplies	0	9,076	9,075	1
Total Instruction	<u>0</u>	<u>32,450</u>	<u>20,152</u>	<u>12,298</u>
Support Services-Instruction				
Personnel Services	0	4,500	4,500	0
Employee Benefits	0	990	990	0
Total Support Services-Instruction	<u>0</u>	<u>5,490</u>	<u>5,490</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>37,940</u>	<u>25,642</u>	<u>12,298</u>
Excess (Deficiency) of Revenues Over Expenditures	4,200	4,900	686	(4,214)
Cash Balance Beginning of Year	<u>(4,200)</u>	<u>(4,200)</u>	<u>(4,200)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 700</u>	<u>\$ (3,514)</u>	<u>\$ (4,214)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 686	
Net change in Due from Grantor			<u>(686)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
SPECIAL REVENUE FUND-YES I CAN-29102
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State & Local Grant	\$ 0	\$ 0	\$ 0	\$ 0
Total Revenues	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures				
Food Services				
Supplies	0	884	884	0
Total Food Services	<u>0</u>	<u>884</u>	<u>884</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	(884)	(884)	0
Cash Balance Beginning of Year	<u>884</u>	<u>884</u>	<u>884</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 884</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (884)	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ (884)</u>	

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

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
GENERAL FUND-McCUNE-29114
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State & Local Grants	\$ 0	\$ 0	\$ 0	\$ 0
Total Revenues	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures				
Instruction				
Supplies	0	0	0	0
Total Instruction	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	0	0
Cash Balance Beginning of Year	<u>3,073</u>	<u>3,073</u>	<u>3,073</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 3,073</u>	<u>\$ 3,073</u>	<u>\$ 3,073</u>	<u>\$ 0</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ <u>0</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ <u>0</u>	

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

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
 CAPITAL PROJECTS FUND-PUBLIC SCHOOL CAPITAL OUTLAY-31200
 Statement of Revenues, Expenditures, and Changes in Cash Balance -
 Budget and Actual (Budgetary Basis)
 For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 79,995	\$ 79,995	\$ 0	\$ 79,995
Total Revenues	<u>79,995</u>	<u>79,995</u>	<u>0</u>	<u>79,995</u>
Expenditures				
Capital Outlay				
Building Improvements	11,574	11,574	11,574	0
Total Capital Outlay	<u>11,574</u>	<u>11,574</u>	<u>11,574</u>	<u>0</u>
Total Expenditures	<u>11,574</u>	<u>11,574</u>	<u>11,574</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	68,421	68,421	(11,574)	(79,995)
Cash Balance Beginning of Year	<u>(68,421)</u>	<u>(68,421)</u>	<u>(68,421)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (79,995)</u>	<u>\$ (79,995)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (11,574)	
Net Change in Due from Grantor			<u>11,574</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 0</u>	

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

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
 CAPITAL PROJECTS FUND-SPECIAL SCHOOL CAPITAL OUTLAY-STATE-31400
 Statement of Revenues, Expenditures, and Changes in Cash Balance -
 Budget and Actual (Budgetary Basis)
 For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 0	\$ 261,316	\$ 54,713	\$ 206,603
Total Revenues	<u>0</u>	<u>261,316</u>	<u>54,713</u>	<u>206,603</u>
Expenditures				
Capital Outlay				
Building Improvements	0	218,624	54,736	163,888
Fixed Assets	<u>0</u>	<u>42,692</u>	<u>0</u>	<u>42,692</u>
Total Capital Outlay	<u>0</u>	<u>261,316</u>	<u>54,736</u>	<u>206,580</u>
Total Expenditures	<u>0</u>	<u>261,316</u>	<u>54,736</u>	<u>206,580</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	(23)	(23)
Cash Balance Beginning of Year	<u>23</u>	<u>23</u>	<u>23</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 23</u>	<u>\$ 23</u>	<u>\$ 0</u>	<u>\$ (23)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			<u>\$ (23)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ (23)</u>	

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

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
 CAPITAL PROJECTS FUND-PUBLIC SCHOOL CAPITAL OUTLAY 20%-32100
 Statement of Revenues, Expenditures, and Changes in Cash Balance -
 Budget and Actual (Budgetary Basis)
 For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 0	\$ 0	\$ 0	\$ 0
Total Revenues	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures				
Operation & Maintenance of Plant				
Purchased Property Services	0	0	3,000	(3,000)
Total Operation & Maintenance of Plant	<u>0</u>	<u>0</u>	<u>3,000</u>	<u>(3,000)</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	(3,000)	(3,000)
Cash Balance Beginning of Year	<u>4,512</u>	<u>4,512</u>	<u>4,512</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 4,512</u>	<u>\$ 4,512</u>	<u>\$ 1,512</u>	<u>\$ (3,000)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			<u>\$ (3,000)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ (3,000)</u>	

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

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
DEBT SERVICE FUND-ED TECH DEBT SERVICE-43000
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Property Taxes	\$ 0	\$ 0	\$ 442	\$ (442)
Total Revenues	<u>0</u>	<u>0</u>	<u>442</u>	<u>(442)</u>
Expenditures				
Support Services-General Administration				
Professional & Tech Services	<u>10</u>	<u>10</u>	<u>4</u>	<u>6</u>
Total Support Services-General Administration	<u>10</u>	<u>10</u>	<u>4</u>	<u>6</u>
Excess (Deficiency) of Revenues Over Expenditures	(10)	(10)	438	448
Cash Balance Beginning of Year	<u>13,156</u>	<u>13,156</u>	<u>13,156</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 13,146</u>	<u>\$ 13,146</u>	<u>\$ 13,594</u>	<u>\$ 448</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			<u>\$ 438</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 438</u>	

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

OTHER SUPPLEMENTAL INFORMATION

FIDUCIARY FUND

Activity Trust Fund

To account for funds of various student groups that are custodial in nature.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
 AGENCY FUNDS - ACTIVITY
 Schedule of Fiduciary Assets and Liabilities-Agency Funds
 For the Year Ended June 30, 2010

	Balance 06/30/09	Additions	Deletions	Balance 06/30/10
ASSETS				
Band	\$ 1,381	\$ 0	\$ 0	\$ 1,381
First Grade	0	500	54	446
Cheerleaders	2,101	14,346	12,252	4,195
HS Sunshine Club (Stsff)	603	0	30	573
Jurewich Plant	160	0	0	160
High School Girls Softball	794	1,218	1,495	517
Class of 2011	1,845	2,745	3,555	1,035
Rural Revitalization	0	100	0	100
General Fund/ Unused Balance	7,553	0	2,898	4,655
Class of 2010	1,684	1,607	2,304	987
Class of 2013	0	1,131	477	654
Enchantment	2,160	903	2,260	803
FCCLA	27	0	0	27
HS Student Council	625	399	377	647
MS Activity	103	70	0	173
HS Library	190	1,588	1,750	28
HS Boys Basketball	3,057	6,715	8,304	1,468
Sena-Holton Haiti Relief	0	367	0	367
National Honor Society	1,000	0	30	970
BPA	238	0	0	238
Background Checks	0	1,202	1,198	4
Class of 2012	402	431	226	607
Spanish Club	1,495	695	841	1,349
Sanchez Scholarship	1,555	1,201	825	1,931
Needy Children	238	200	438	0
Elementary Activity	314	21	27	308
General Activity	1,122	81	618	585
Insurance Fund	7,057	37	0	7,094
HS General Activity	5,268	1,520	6,654	134
HS Mesa	257	400	0	657
Volleyball	1,100	1,408	2,112	396
MS Mesa	1,409	0	0	1,409
Baseball	1,293	850	1,212	931
HS Girls Basketball	2,047	2,705	3,050	1,702
Mariachi	3,560	600	2,556	1,604
Cross Country	2,663	300	990	1,973
MS Student Council	2,274	887	2,408	753
MS Girls Basketball	464	0	0	464
Elementary Library	5,889	4,795	4,139	6,545
Elementary Cheerleaders	122	1,083	1,192	13
Kinder Rogers	112	250	356	6
MS Fundraising	9,108	0	7,269	1,839
MS Well Being	104	0	0	104
MS Cheerleaders	\$ 38	\$ 1,062	\$ 1,074	\$ 26

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
 AGENCY FUNDS - ACTIVITY
 Schedule of Fiduciary Assets and Liabilities-Agency Funds
 For the Year Ended June 30, 2010

	Balance 06/30/09	Additions	Deletions	Balance 06/30/10
Kinder/MS Anderson	\$ 219	\$ 0	\$ 0	\$ 219
Varsity Track	359	300	0	659
Locker/HS	2,129	435	1,400	1,164
Elementary Yearbook	6,231	3,670	0	9,901
Elementary Arts Fund	50	50	0	100
MS CC & Track	76	0	0	76
Ancillary	130	0	130	0
Bilingual	483	0	0	483
Literacy Night/Accelerated Reader	778	0	0	778
HS Yearbook	770	1,957	855	1,872
Class of 2007	406	0	0	406
Athletics-General Fund	515	0	0	515
NMPSIA	1,344	3,789	4,582	551
6th Grade Special Education	398	0	0	398
HS Wrestling	2,081	3,957	6,038	0
David Ules Ruiz Scholarship	475	0	0	475
District 8-AA	1,382	0	0	1,382
Principal's Incentive Award	22,192	16,906	20,823	18,275
Laptop Deposits	5,695	0	0	5,695
Adrian Quintana Memorial	1,048	0	0	1,048
Class of 2008	1,332	0	0	1,332
Class of 2009	288	0	0	288
Mid School Yearbook	2,923	2,715	5,638	0
Total Assets	<u>\$ 122,716</u>	<u>\$ 85,196</u>	<u>\$ 112,437</u>	<u>\$ 95,475</u>
LIABILITIES				
Deposits Held for Others	<u>\$ 122,716</u>	<u>\$ 85,196</u>	<u>\$ 112,437</u>	<u>\$ 95,475</u>
Total Liabilities	<u>\$ 122,716</u>	<u>\$ 85,196</u>	<u>\$ 112,437</u>	<u>\$ 95,475</u>

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

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
CASH RECONCILIATION-ALL FUNDS
For the Year Ended June 30, 2010

		Beginning Cash	Revenue	Expenditures	Ending Cash
OperationAL	11000	\$ 532,334	\$ 5,806,588	\$ 5,936,598	\$ 402,324
Teacherage	12000	64,289	27,837	13,544	78,582
Transportation	13000	1,217	332,983	332,248	1,952
Instructional Materials	14000	44,597	35,340	79,336	601
Food Services	21000	22,000	415,016	364,101	72,915
Athletics	22000	218,857	33,749	72,594	180,012
Federal Flowthrough	24000	(271,565)	981,429	937,711	(227,847)
Federal Direct	25000	55,886	578,461	600,960	33,387
Local Grants	26000	19,883	24,628	22,155	22,356
State Flowthrough	27000	(23,963)	118,807	172,475	(77,631)
State Direct	28000	(4,199)	26,328	25,641	(3,512)
Local/State	29000	3,957	0	884	3,073
Bond Building	31100	463,486	636	364,040	100,082
PSCOC	31200	(68,421)	0	11,574	(79,995)
Special CO State	31400	23	22,212	54,736	(32,501)
SB-9	31700	597,912	242,597	167,434	673,075
PSCO-20%	32100	4,512	0	3,000	1,512
Debt Service	41000	345,420	347,872	366,770	326,522
Ed Tech Debt Service	43000	13,156	442	4	13,594
Agency Funds		122,716	85,195	112,436	95,475
Total		<u>\$ 2,142,097</u>	<u>9,080,120</u>	<u>9,638,241</u>	<u>1,583,976</u>

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

FEDERAL COMPLIANCE

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
 Schedule of Expenditures of Federal Awards
 For the Year Ended June 30, 2010

Federal Agency/Pass Through Grantor/Program Title	Federal CFDA Number	State ID Number	Total Federal Awards Expended
<u>U. S. Department of Agriculture</u>			
Pass-through State Public Education Department:			
USDA National School Lunch Program	10.555	21000	\$ 398,008
USDA Child Nutrition Recovery Act	10.511	24218	32,356
			<u>430,364</u>
Pass-through Department of Education			
Fruits & Vegetables	10.582	24118	12,074
Pass-through State Department of Human Services:			
USDA Commodities Program	10.550	21000	(1) 24,198
Direct Program			
Forest Reserve	10.670	11000	41,150
			<u>41,150</u>
Total U. S. Department of Agriculture			<u>507,786</u>
<u>U. S. Department of Education</u>			
Pass-through Northeast Regional REC			
Special Education Cluster			
IDEA B, Entitlement	84.027	24106	108,917
IDEA B, Recovery Act	84.391	24206	178,824
IDEA Preschool Recovery Act	84.392	24209	2,891
			<u>290,632</u>
Pass-through State Public Education Department:			
Title I	84.010	24101/24162	239,438
Title I Recovery Act	84.389	24201	62,352
Carl Perkins	84.048	24262	12,638
21st Century	84.287	24119	175,666
Title III	84.365	24153	24,039
Title II	84.367	24154	84,960
Title IV	84.186A	24157	3,816
State Fiscal Stabilization Fund Program	84.394	25250	555,356
Total U. S. Department of Education			<u>1,448,897</u>
Total Federal Assistance			<u>\$ 1,956,683</u>

(1) Non-cash assistance

See accompanying notes to the Schedule of Expenditures of Federal Awards

Note 1: Significant Accounting Policies used in preparing the Schedule of Expenditure of Federal Awards

The modified accrual basis was used to prepare the Schedule of Expenditures of Federal Awards

Note 2: Insurance Requirements

There are no insurance requirements on the federal awards disclosed on the Schedule of Expenditures of Federal Awards

Note 3: Loans or Loan Guarantees

There were no loans or loan guarantees outstanding at year end.

De'Aun Willoughby CPA, PC

Certified Public Accountant

P.O. Box 223 Melrose, NM 88124

(575) 253-4313

Report on Internal Control Over Financial Reporting and on Compliance
and Other Matters Based on an Audit of Financial Statements Performed
In Accordance with *Government Auditing Standards*

Mr. Hector Balderas
State Auditor of the State of New Mexico
Board Members of the PECOS INDEPENDENT SCHOOL DISTRICT

Mr. Balderas and Members of the Board

We have audited the financial statements of the governmental activities, each major fund, the aggregate remaining fund information, the budgetary comparisons for the general fund and major special revenue funds, and the combining and individual funds and related budgetary comparisons presented as supplemental information of PECOS INDEPENDENT SCHOOL DISTRICT, (District), as of and for the year ended June 30, 2010, and have issued our report thereon dated November 1, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

Our consideration of the internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified.

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 a timely basis. We consider the deficiencies described in the accompanying schedule of findings and questioned costs to be material weaknesses listed as 10-1, 10-2, 10-3, 10-4, 10-5 and 10-6.

Compliance and Other Matters

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

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

This report is intended solely for the information and use of the administration, the board members, the Public Education Department, the Office of the State Auditor, the New Mexico State Legislature and federal grantors and is not intended to be and should not be used by anyone other than these specified parties.

De'Ann Willoughby CPA PC

November 1, 2010

De'Aun Willoughby CPA, PC

Certified Public Accountant

P.O. Box 223 Melrose, NM 88124

(575) 253-4313

Report on Compliance With Requirements
Applicable To Each Major Program and Internal Control
Over Compliance in Accordance With OMB Circular A-133

Mr. Hector Balderas
State Auditor of the State of New Mexico
Board Members of the PECOS INDEPENDENT SCHOOL DISTRICT

Compliance

Mr. Balderas and Members of the Board

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

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

In our opinion, the District, complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2010.

Internal Control Over Compliance

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

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

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

This report is intended solely for the information and use of the administration, the board members, the Public Education Department, the Office of the State Auditor, the New Mexico State Legislature and federal awarding agencies and is not intended to be and should not be used by anyone other than these specified parties.

De'Ann Willoughby CPA PC

November 1, 2010

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
 Schedule of Findings and Questioned Costs
 For the Year Ended June 30, 2010

A. SUMMARY OF AUDIT RESULTS

Financial Statements

Type of auditor's report issued: unqualified

Internal control over financial reporting

- * Significant deficiencies _____ yes X no
- * Significant deficiency(ies) identified that are not considered to be material weaknesses? _____ yes X none reported
- Noncompliance material to financial statements noted? _____ yes X no

Federal Awards

Internal control over major programs:

- * Significant deficiencies _____ yes X no
- * Significant deficiency(ies) identified that are not considered to be material weaknesses? _____ yes X 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 X no

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program of Cluster</u>
84.394	State Fiscal Stabilization Fund Program

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

Auditee qualified as low risk auditee X yes _____ no

Prior Year Audit Findings

There were no prior year audit findings.

Current Year Audit Findings

10-1 Employee Files

Condition

In a test of 30 employee files, we noted 5 instances where the number of installments on the contract were not the same number of installments the employee actually paid, thus we are unable to determine if those employees were paid the correct amount for their services, 3 instances of background checks not on file, and 23 instances of incomplete I-9's (either the information was incorrectly written on the form, the hire date was not on for. etc..).

Criteria

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

Effect

Certified personnel may have been paid incorrect amounts, and there is an increased likelihood that experience not earned could be claimed as a means of increasing the pay rate. The District is not in compliance with the Immigration Reform and Control Act or with New Mexico State Statutes. The District could be at risk of substantial fines for failure to maintain I-9's.

Cause

The District was unaware that the employees had incomplete files.

Recommendation

We recommend the District obtain all required information and retain the necessary documents in the personnel files. The District should make periodic checks to ensure all required information is being maintained.

Response

The contracts in question were simply errors in the number of installments listed, not an error in the actual contract amount or what the employee actually received. All contracts were paid correctly. In the future, the district will make every effort to make sure that the number of installments listed on the contracts is in fact the number of installments payable to each employee. All background checks have been updated. The district was not aware that background checks for employees moving from one position to another had to be performed when these employees have been employed by the district for over 20 years. I-9's have been cited as being incomplete for having expired verification sources; however, upon further research the district has determined that the law states that the only I-9 related documents that must be re-verified are 1) an employee indicates in Section 1 of the I-9 that she is authorized to work only until a specific date or 2) an employee has shown you a document from List A or List C that has an expiration date for when the employee's work authorization will expire. Documents from List B that establish a person's identity, such as a driver's license, school ID or U.S. Military card do not need to be re-verified. The district has made sure that all I-9 forms are completed entirely and that the backup documentation is attached. We have also filed those in a locked, fire proof cabinet where they are safe and out of public access.

10-2 Use of a Credit Card by the District

Condition

During the test of expenditures and travel expense it was discovered that the District has been using a Visa issued by Card Service Center in the District's name with a credit limit of \$10,000.00. Total purchases on the card for the fiscal year were \$15,164.25.

Instances noted:

- * A meal was charged to the credit card along with a \$30.00 tip.

- * 2 Chairs in the total amount of \$139.98 were purchased using the credit card. No PO was provided for this purchase.

Criteria

In accordance with Laws of 2007, Regular session, Chapter 28, Section 3, Subsection L states, "Except for gasoline credit cards used solely for operation of official vehicles, telephone credit cards used solely for official business and procurement cards used as authorized by section 6-5-9(l) NMSA 1978, none of the appropriations contained in the General Appropriation Act of 2007 may be expended for payment of agency-issued credit card invoices."

Effect

The District potentially could lose spending control with these cards as the purchases do not have to follow the District's purchase order system. In addition the District has a potential risk of loss and theft through inappropriate purchases by an employee or the loss of control of the credit card number resulting in fraudulent use.

Cause

The Board approved the issuance of the credit card even with the caution and concern of the Business Manager.

Recommendation

The District should immediately cancel the credit card and only utilize procurement cards authorized by Section 6-5-9(l) NMSA 1978.

Response

The district was not aware that it was illegal to enter into an agreement with a credit card company. The credit card has been cancelled and the account closed. The district is currently looking into state approved procurement/purchasing cards.

10-3 Reporting of NMPSIA

Condition

During our 100% sample of 119 employees paying into NMPSIA we calculated that 8 of those employees percentages were wrong. This caused the District to over pay their portion for the fiscal year by \$3,019.08.

Criteria

New Mexico Public Districts Insurance Authority-Employee Benefits Rules and Regulations Program guide July 2010.

Effect

Because the proper procedures are not being followed the District could have additional expenditures.

Cause

The deductions are based on a tiered system. The employee was offered a stipend at a later date that caused the wage base to increase and moving the employee to the next tier.

Recommendation

The percentages should be reviewed after every change in employee pay.

Response

The difference in employee percentages was due to employees receiving additional duties, hours, etc. throughout the year and not making the adjustments in the payroll module. The payroll officer is well aware of this and will make every effort to review employee benefits any time a change in salary is made.

10-4 Reporting of ERB and RHCA Wages

Condition

During the payroll sampling we noticed that a long term sub was not being reported to ERB and RHCA.

Criteria

As per ERB handbook any employee working .25 FTE or more is covered by ERB's retirement program. Also, the Office of the State Auditor has added NMRHCA to their 2010 State Auditor Rule under State Compliance, Section 2.2.2.10 (G) (19). The rule states: "Retiree Health Care Authority Act (Section 10-7C-1 to 10-7C-19 NMSA 1978). Auditors should test to ensure 100% of payroll is reported to NMRHCA. RHCA employer and employee contributions are set forth in Section 10-7C-15 NMSA 1978.

Effect

Because the employees were not substitutes, or less than .25 FTE RHCCA contributions should have been made by both employee and employer. As a result the District has misreported its wages to ERB and NMRHCA and is out of compliance with the state statute. The District also could have additional expenditures due to mistake.

Cause

Substitutes that work often can become long term subs sometime during the year. The subs should be monitored to determine if they subsequently become long term and if so, their wages should be included in ERB and RHCA wages.

Recommendation

We recommend that the district properly report wages ERB and NMRHCA and implement procedures to ensure wages are properly reported and contributions are paid accurately and timely.

Response

The district was not aware that Long Term Substitutes were covered by ERB or RHCA since a substitute is called when needed and only works during those situations. The district had advertised the position for which this substitute was filling numerous times throughout the year and was trying to fill it with a full time employee. This substitute would therefore have not been called if we had found someone to fill the position at any given point throughout the year and therefore, was a "substitute" by definition in the district's eyes. We have contacted ERB and explained the situation and are currently working with them to calculate the amount owed by the district on behalf of this employee and will do the same with RHCA. In the future, the district will assign benefits to all long term substitutes accordingly.

10-5 Budget

Condition

Condition: The district has maintained expenditures at the function level in which actual expenditures exceeded budgetary authority in the following funds:

MAJOR FUNDS	<u>Amount</u>
Capital Project-Senate Bill Nine-31700	
Support Services-General Administration	(\$45)
NON-MAJOR FUNDS	
Public School Capital Outlay 20%-32100	
Operation & Maintenance of Plant	(\$3,000)

Criteria

Sound financial management and state regulation 6.20.2.9 (A), NMAC and state statutes 22-8-5 through 22-8-12.2, NMSA 1978, require that budgets not be exceeded at the legal level of control. For School District's, the expenditure function is the legal level of control.

Effect

As a result, the district is in non compliance with New Mexico law, and the control established by the use of budgets has been compromised. Continued over-expenditure of budgeted balances may result in unnecessary usage of operating funds to absorb over-expenditures.

Cause

The District did not make the appropriate budgetary adjustments requests and transfers to the funds mentioned in the condition, which would alleviate over-expenditure within the functions prior to the year end.

Recommendation

The District must establish a policy of budgetary review at year-end, and make the necessary budget adjustments.

Response

Budgetary authority was exceeded in 2 instances. The first was in the tax collection costs in SB-9. The district has no way of knowing how many people will pay their tax bills on time and what amount will actually be collected and since we owe 1% of whatever is collected, it is impossible to know this amount exactly. We estimate what will be owed based on our current valuations and that is what we budget; however, it is not known until the end of June what is actually collected since some people pay prior year taxes during the current year and the PED sets the deadline for budget adjustment requests in early June. We will budget more than 1% of anticipated collections in the coming year so as to avoid this from happening again.

The other fund in question is Public School Capital Outlay. The district had budget authority in 08-09 and had open purchase orders that rolled over to the new year. Because no new PO's were issued, budget authority was never established, an oversight on the district's part. The district will be sure to establish budget authority for all open purchase orders from one fiscal year to the next.

10-6 Stale Date Transactions

Condition

The District is in violation of state statutes regarding stale-dated checks. The District maintained 17 checks that were dated over one year old at June 30, 2010. The checks totaled \$2,086.03 respectively.

Criteria

Section 7-8A, NMSA 1978, and related regulations require that the District provide information about the payees and the related funds to Unclaimed Property Division of the New Mexico Taxation and Revenue Department for outstanding checks that were distributed but not cashed within one year.

Effect

Carrying numerous bank reconciling items could result in a misstatement in the accounting records or related misappropriation of funds.

Cause

The District did not implement an internal control policy to account for stale dated outstanding checks and did not clear these checks on a timely basis.

Recommendation

We recommend that the District implement a procedure to review the outstanding check listings for all bank accounts and track stale-dated checks. If checks on the outstanding check listings are greater than one year old we recommend these checks be voided.

Response

The district switched over to a new accounting system on July 1, 2010. At that time, all stale dated checks were voided. We will monitor the list at the end of each fiscal year to make sure anything older than one year gets voided in a timely manner.

Financial Statement Preparation

The financial statements were prepared by De'Aun Willoughby CPA. However, they are the responsibility of management.

Exit Conference

An exit conference was held on November 1, 2010. Those present were Harold Garcia-Board secretary, Roy Herrera-Superintendent, Darlene Ulibarri-Assistant Superintendent, Brenda Gallegos-Business Manager, and De'Aun Willoughby, CPA.