



STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT

ANNUAL FINANCIAL REPORT
June 30, 2011

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, 2011

	<u>Page</u>
Official Roster.....	6
Independent Auditor's Report.....	7-8

FINANCIAL SECTION

Basic Financial Statements

Government Wide Financial Statements

Statement of Net Assets.....	10
Statement of Activities.....	11

Fund Financial Statements

Government Funds - Balance Sheet.....	12-14
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets.....	15

Statement of Revenues, Expenditures, and Changes in Fund Balances.....	16-18
---	-------

Reconciliation of Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balance to the Statement of Activities.....	19
--	----

General Fund-11000

Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	20-22
--	-------

Teacherage-12000

Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	23
--	----

Transportation-13000

Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	24
--	----

Instructional Material-14000

Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	25
--	----

Statement of Fiduciary Assets and Liabilities-Agency Funds	26
--	----

Notes to Financial Statements.....	27-42
------------------------------------	-------

SUPPLEMENTAL INFORMATION RELATED TO MAJOR FUNDS

Senate Bill Nine-31700

Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	44
--	----

Debt Service-41000

Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	45
--	----

SUPPLEMENTAL INFORMATION RELATED TO NON MAJOR FUNDS

Non-major Funds

Combining Balance Sheet.....	51-53
Combining Statement of Revenues, Expenditures and Changes in Fund Balance.....	64-76
Food Service-21000	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	77
Athletics-22000	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	78
Title I-24101	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	79
IDEA, Part B, Entitlement-24106	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	80
Fresh Fruits & Vegetables-24118	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	81
21st Century Community Learning-24119	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	82
English Language Acquisition-24153	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	83
Improving Teacher Quality	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	84
Safe & Drug Free Schools-24157	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	85
Title I School Improvements-24162	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	86
Carl Perkins HSTW-24180	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	87
Carl Perkins HSTW Redistribution-24182	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	88
Title I Recovery Act-24201	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	89
IDEA B Recovery Act-24206	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	90

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
 Table of Contents
 For the Year Ended June 30, 2011

	<u>Page</u>
IDEA Preschool Recovery Act-24209	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	91
Title I School Improvements Recovery Act-24262	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	92
Impact Aid Special Education-25145	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	93
Medicaid -25153	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	94
Luna Health Education-25172	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	95
State Fiscal Stabilization Program Fund-25250	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	96
Education Job Fund-25255	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	97
Newspaper Association of America Foundation-26105	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	98
LANL Foundation-26113	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	99
Center for Education of Diverse Population-26146	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	100
Dual Credit-27103	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	101
GO Library Books-27105	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	102
Technology For Education-27117	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	103
Pre K Initiative-27149	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	104
Beginning Teacher Mentoring-27154	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	105
Breakfast For Elementary Students-27155	
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, 2011

	<u>Page</u>
Laws of New Mexico-27165	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	107
Gear Up-28178	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	108
McCune-29114	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	109
Bond Building-31100	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	110
Public School Capital Outlay-31200	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	111
Special Capital Outlay-State-31400	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	112
Public School Capital Outlay-20%-32100	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	113
Education Technology-43000	
Statement of Revenues, Expenditures, and Changes in Cash Balance - Budget (Budgetary Basis) and Actual.....	114
OTHER SUPPLEMENTAL INFORMATION	
Activity	
Schedule of Fiduciary Assets and Liabilities-Agency Funds	117-118
Cash Reconciliations-All Funds.....	119
Schedule of Expenditures of Federal Awards.....	121
Notes to the Schedule of Expenditures of Federal Awards.....	122
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>	123-124
Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance With OMB Circular A-133.....	125-126
Schedule of Findings and Questioned Costs.....	127-132

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
Official Roster
June 30, 2011

BOARD OF EDUCATION

Victor Ortiz	President
Eileen Griego-Vigil	Vice-President
Michael Flores	Secretary
Eddie Roy Duran	Member
Lawrence Vigil	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 fund of Pecos Independent School District, (District), as of and for the year ended June 30, 2011, which collectively comprise the District's basic financial statements as listed in the table of contents. 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, major 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, 2011, 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, 2011, and the respective changes in financial position, thereof and the respective budgetary comparisons for the general fund for the year then ended in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each nonmajor governmental fund of the District as of June 30, 2011, and the respective changes in financial position, thereof and the respective budgetary comparisons for the major capital project fund, major 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 September 16, 2011 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 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

September 16, 2011

FINANCIAL SECTION

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
 Government-Wide Statement of Net Assets
 June 30, 2011

	<u>Governmental Activities</u>
ASSETS	
Current Assets	
Cash and Cash Equivalents	\$ 1,404,692
Investments	168,299
Taxes Receivable	5,649
Due from Grantor	407,877
Inventory	<u>1,520</u>
Total Current Assets	<u>1,988,037</u>
Noncurrent Assets	
Capital Assets	20,359,656
Less: Accumulated Depreciation	<u>(9,576,143)</u>
Total Noncurrent Assets	<u>10,783,513</u>
 Total Assets	 <u>12,771,550</u>
LIABILITIES	
Current Liabilities	
Accounts Payable	59,287
Accrued Interest	24,613
Deferred Revenue	1,000
Current Portion of Long-Term Debt	<u>325,000</u>
Total Current Liabilities	<u>409,900</u>
Noncurrent Liabilities	
Compensated Absences	47,509
Bonds and Notes, Net	<u>701,708</u>
Total Noncurrent Liabilities	<u>749,217</u>
 Total Liabilities	 <u>1,159,117</u>
NET ASSETS	
Invested in Capital Assets, Net of Related Debt	9,756,805
Restricted for:	
Capital Projects	2,135
Debt Service	18,042
Unrestricted	<u>1,835,451</u>
Total Net Assets	<u>\$ 11,612,433</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, 2011

Functions/Programs	Expenses	Program Revenues		Net (Expenses) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	
Governmental Activities				
Instruction	\$ 4,017,758	62,868	\$ 1,029,698	\$ 0 \$ (2,925,192)
Support Services-Students	914,061	42,607	71,605	0 (799,849)
Support Services-Instruction	291,582	15,714	95,603	0 (180,265)
General Administration	457,759	0	10,980	0 (446,779)
School Administration	508,645	0	2,342	0 (506,303)
Central Services	197,059	0	0	0 (197,059)
Operation of Plant	1,347,675	26,825	0	0 (1,320,850)
Student Transportation	372,457	0	322,546	0 (49,911)
Other	5,107	0	0	0 (5,107)
Food Services Operations	425,103	0	412,491	0 (12,612)
Interest on Long-Term Obligations	52,517	0	0	0 (52,517)
Total Governmental Activities	<u>\$ 8,589,723</u>	<u>\$ 148,014</u>	<u>\$ 1,945,265</u>	<u>\$ 0 (6,496,444)</u>
General Revenues				
Taxes				
				12,398
				192,720
				390,571
Federal and State aid not restricted to specific purpose				
				6,009,159
				275,990
Interest and investment earnings				
				6,614
Miscellaneous				
				11,373
Subtotal, General Revenues				
				<u>6,898,825</u>
Change in Net Assets				
				402,381
Net Assets - Beginning				
				<u>11,210,052</u>
Net Assets - ending				
				<u>\$ 11,612,433</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, 2011

	General Fund		
	Operational 11000	Teachergage 12000	Transportation 13000
ASSETS			
Cash and Cash Equivalents	\$ 241,141	\$ 94,527	\$ 1,021
Investments	168,299	0	0
Receivables			
Taxes	116	0	0
Due From Grantor	0	0	0
Interfund Balance	406,578	0	0
Inventory	0	0	0
Total Assets	<u>\$ 816,134</u>	<u>\$ 94,527</u>	<u>\$ 1,021</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Interfund Balance	\$ 0	\$ 0	\$ 0
Accounts Payable	35,575	399	188
Current Portion Due			
Principal	0	0	0
Interest	0	0	0
Deferred Revenue	0	0	0
Total Liabilities	<u>35,575</u>	<u>399</u>	<u>188</u>
Fund Balances			
Nonspendable-Inventory	0	0	0
Restricted for, reported in			
Special Revenue Funds	0	0	0
Capital Improvements	0	0	0
Debt Service	0	0	0
Assigned-Capital Projects	0	0	0
Unassigned-General	780,559	94,128	833
Total Fund Balances	<u>780,559</u>	<u>94,128</u>	<u>833</u>
Total Liabilities and Fund Balances	<u>\$ 816,134</u>	<u>\$ 94,527</u>	<u>\$ 1,021</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, 2011

	General Fund	Capital Projects	Debt Service
	Instructional Materials 14000	Senate Bill Nine 31700	Debt Service 41000
ASSETS			
Cash and Cash Equivalents	\$ 656	\$ 407,631	\$ 350,304
Investments	0	0	0
Receivables			
Taxes	0	1,842	3,691
Due From Grantor	0	0	0
Interfund Balance	0	0	0
Inventory	0	0	0
Total Assets	\$ 656	\$ 409,473	\$ 353,995
LIABILITIES AND FUND BALANCE			
Liabilities			
Interfund Balance	\$ 0	\$ 0	\$ 0
Accounts Payable	0	21,237	0
Current Portion Due			
Principal	0	0	325,000
Interest	0	0	24,613
Deferred Revenue	0	0	0
Total Liabilities	0	21,237	349,613
Fund Balances			
Nonspendable-Inventory	0	0	0
Restricted for, reported in			
Special Revenue Funds	0	0	0
Capital Improvements	0	0	0
Debt Service	0	0	4,382
Assigned-Capital Projects	0	388,236	0
Unassigned-General	656	0	0
Total Fund Balances	656	388,236	4,382
Total Liabilities and Fund Balances	\$ 656	\$ 409,473	\$ 353,995

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, 2011

	Other Governmental Funds	Total Governmental Funds
ASSETS		
Cash and Cash Equivalents	\$ 309,412	\$ 1,404,692
Investments	0	168,299
Receivables		
Taxes	0	5,649
Due From Grantor	407,877	407,877
Interfund Balance	0	406,578
Inventory	1,520	1,520
Total Assets	<u>\$ 718,809</u>	<u>\$ 2,394,615</u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Interfund Balance	\$ 406,578	\$ 406,578
Accounts Payable	1,888	59,287
Current Portion Due		
Principal	0	325,000
Interest	0	24,613
Deferred Revenue	1,000	1,000
Total Liabilities	<u>409,466</u>	<u>816,478</u>
Fund Balances		
Nonspendable-Inventory	1,512	1,512
Restricted for, reported in		
Special Revenue Funds	291,579	291,579
Capital Improvements	2,135	2,135
Debt Service	13,660	18,042
Assigned-Capital Projects	457	388,693
Unassigned-General	0	876,176
Total Fund Balances	<u>309,343</u>	<u>1,578,137</u>
Total Liabilities and Fund Balances	<u>\$ 718,809</u>	<u>\$ 2,394,615</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, 2011

Total Fund Balance - Governmental Funds \$ 1,578,137

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	\$ 20,359,656	
Accumulated depreciation is	<u>(9,576,143)</u>	10,783,513

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	(705,000)	
Bond Issue Costs	39,503	
Accumulated Amortization	(36,211)	
Compensated Absences	<u>(47,509)</u>	<u>(749,217)</u>

Total net assets - governmental activities	\$	<u><u>11,612,433</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, 2011

	General Fund		
	Operational 11000	Teacherage 12000	Transportation 13000
Revenues			
Property Taxes	\$ 12,398	\$ 0	\$ 0
Investment Income	6,227	0	0
Fees	3,545	26,825	0
State & Local Grants	5,966,765	0	316,706
Federal Grants	31,414	0	0
Miscellaneous	13,550	0	0
Total Revenues	6,033,899	26,825	316,706
Expenditures			
Current			
Instruction	2,353,543	0	0
Support Services-Students	763,920	0	0
Support Services-Instruction	195,192	0	0
Support Services-General Administration	418,597	0	0
Support Services-School Administration	500,310	0	0
Central Services	190,636	0	0
Operation & Maintenance of Plant	1,098,735	11,090	0
Student Transportation	28,542	0	317,141
Other	5,107	0	0
Food Service Operations	0	0	0
Capital Outlay	82,125	0	0
Debt Service			
Principal	0	0	0
Interest	0	0	0
Total Expenditures	5,636,707	11,090	317,141
Excess (Deficiency) of Revenues Over Expenditures	397,192	15,735	(435)
Fund Balances at Beginning of Year	383,367	78,393	1,268
Fund Balance End of Year	\$ 780,559	\$ 94,128	\$ 833

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, 2011

	General Fund	Capital Projects	Debt Service
	Instructional Materials 14000	Senate Bill Nine 31700	Debt Service 41000
Revenues			
Property Taxes	\$ 0	\$ 192,720	\$ 390,504
Investment Income	0	0	62
Fees	0	0	0
State & Local Grants	25,433	59,755	0
Federal Grants	0	0	0
Miscellaneous	0	8,803	0
Total Revenues	<u>25,433</u>	<u>261,278</u>	<u>390,566</u>
Expenditures			
Current			
Instruction	25,379	105,390	0
Support Services-Students	0	0	0
Support Services-Instruction	0	0	0
Support Services-General Administration	0	1,943	3,934
Support Services-School Administration	0	0	0
Central Services	0	0	0
Operation & Maintenance of Plant	0	215,087	0
Student Transportation	0	0	0
Other	0	0	0
Food Service Operations	0	0	0
Capital Outlay	0	226,844	0
Debt Service			
Principal	0	0	325,000
Interest	0	0	49,225
Total Expenditures	<u>25,379</u>	<u>549,264</u>	<u>378,159</u>
Excess (Deficiency) of Revenues Over Expenditures	54	(287,986)	12,407
Fund Balances at Beginning of Year	<u>602</u>	<u>676,222</u>	<u>(8,025)</u>
Fund Balance End of Year	<u>\$ 656</u>	<u>\$ 388,236</u>	<u>\$ 4,382</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, 2011

	Other Governmental Funds	Total Governmental Funds
Revenues		
Property Taxes	\$ 67	\$ 595,689
Investment Income	325	6,614
Fees	117,644	148,014
State & Local Grants	341,862	6,710,521
Federal Grants	1,477,499	1,508,913
Miscellaneous	0	22,353
Total Revenues	<u>1,937,397</u>	<u>8,992,104</u>
Expenditures		
Current		
Instruction	1,093,258	3,577,570
Support Services-Students	104,170	868,090
Support Services-Instruction	95,603	290,795
Support Services-General Administration	10,981	435,455
Support Services-School Administration	2,342	502,652
Central Services	0	190,636
Operation & Maintenance of Plant	1,054	1,325,966
Student Transportation	5,840	351,523
Other	0	5,107
Food Service Operations	421,717	421,717
Capital Outlay	330,172	639,141
Debt Service		
Principal	0	325,000
Interest	0	49,225
Total Expenditures	<u>2,065,137</u>	<u>8,982,877</u>
Excess (Deficiency) of Revenues Over Expenditures	(127,740)	9,227
Fund Balances at Beginning of Year	<u>437,083</u>	<u>1,568,910</u>
Fund Balance End of Year	<u>\$ 309,343</u>	<u>\$ 1,578,137</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, 2011

Excess (Deficiency) of Revenues Over Expenditures-Governmental Funds \$ 9,227

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	\$ (573,949)	
Capital Outlays	<u>639,141</u>	65,192

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets. 325,000

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, 2010	53,763	
Compensated Absences, June 30, 2011	<u>(47,509)</u>	<u>6,254</u>

Changes in Net Assets of Governmental Activities \$ 402,381

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, 2011

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Property Taxes	\$ 13,143	\$ 13,143	\$ 12,499	\$ (644)
Interest Income	15,322	15,322	6,227	(9,095)
Fees	1,000	1,000	3,545	2,545
State Grant	5,806,503	5,962,215	5,966,765	4,550
Federal Grant	37,035	37,035	31,414	(5,621)
Miscellaneous	9,000	9,000	13,552	4,552
Total Revenues	<u>5,882,003</u>	<u>6,037,715</u>	<u>6,034,002</u>	<u>(3,713)</u>
Expenditures				
Instruction				
Personnel Services	2,064,170	1,764,416	1,617,897	146,519
Employee Benefits	661,423	611,987	531,514	80,473
Professional & Tech Services	18,500	26,731	13,295	13,436
Other Purchased Services	12,000	46,171	37,410	8,761
Supplies	96,001	195,432	167,785	27,647
Supply Assets	0	43,363	39,286	4,077
Total Instruction	<u>2,852,094</u>	<u>2,688,100</u>	<u>2,407,187</u>	<u>280,913</u>
Support Services-Students				
Personnel Services	687,518	678,642	579,092	99,550
Employee Benefits	200,632	201,902	170,368	31,534
Professional & Tech Services	0	11,110	7,960	3,150
Other Purchased Services	2,500	8,666	4,710	3,956
Supplies	2,500	3,500	2,290	1,210
Total Support Services-Students	<u>893,150</u>	<u>903,820</u>	<u>764,420</u>	<u>139,400</u>
Support Services-Instruction				
Personnel Services	158,672	148,072	132,547	15,525
Employee Benefits	57,521	57,953	38,315	19,638
Professional & Tech Services	2,000	2,000	795	1,205
Other Purchased Services	2,500	2,668	2,668	0
Supplies	22,000	22,000	17,483	4,517
Total Support Services-Instruction	<u>\$ 242,693</u>	<u>\$ 232,693</u>	<u>\$ 191,808</u>	<u>\$ 40,885</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, 2011

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Support Services-General Administration				
Personnel Services	\$ 224,908	\$ 222,636	\$ 216,301	\$ 6,335
Employee Benefits	94,561	83,516	79,569	3,947
Professional & Tech Services	73,700	80,467	75,888	4,579
Purchased Property Services	1,500	1,500	1,000	500
Other Purchased Services	38,000	46,750	30,561	16,189
Supplies	14,000	16,000	14,799	1,201
Supply Assets	0	300	260	40
Total Support Services-General Administration	<u>446,669</u>	<u>451,169</u>	<u>418,378</u>	<u>32,791</u>
Support Services-School Administration				
Personnel Services	291,576	367,093	366,709	384
Employee Benefits	98,222	105,527	102,245	3,282
Professional & Tech Services	1,500	1,789	1,311	478
Purchased Property Services	1,500	215	214	1
Other Purchased Services	3,000	13,739	10,790	2,949
Supplies	22,645	21,728	18,001	3,727
Fixed Assets	0	10,000	9,967	33
Supply Assets	0	1,100	1,100	0
Total Support Services-School Administration	<u>418,443</u>	<u>521,191</u>	<u>510,337</u>	<u>10,854</u>
Central Services				
Personnel Services	134,827	136,727	136,634	93
Employee Benefits	40,625	41,515	39,835	1,680
Professional & Tech Services	1,700	1,700	342	1,358
Other Purchased Services	12,000	10,000	5,374	4,626
Supplies	13,772	11,182	11,018	164
Supply Assets	0	3,500	3,409	91
Total Central Services	<u>202,924</u>	<u>204,624</u>	<u>196,612</u>	<u>8,012</u>
Operation & Maintenance of Plant				
Personnel Services	372,712	359,465	349,176	10,289
Employee Benefits	167,682	155,540	144,225	11,315
Professional & Tech Services	1,000	1,000	0	1,000
Purchased Property Services	476,486	505,962	394,711	111,251
Other Purchased Services	135,700	139,800	137,701	2,099
Supplies	35,256	55,894	53,159	2,735
Supply Assets	5,000	8,000	6,788	1,212
Total Operation & Maintenance of Plant	<u>\$ 1,193,836</u>	<u>\$ 1,225,661</u>	<u>\$ 1,085,760</u>	<u>\$ 139,901</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, 2011

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Student Transportation				
Personnel Services	\$ 11,558	\$ 11,658	\$ 11,582	\$ 76
Employee Benefits	5,906	5,915	5,574	341
Purchased Property Services	2,500	18,500	11,387	7,113
Total Student Transportation	<u>19,964</u>	<u>36,073</u>	<u>28,543</u>	<u>7,530</u>
Food Services				
Professional & Tech Services	14,553	14,553	5,108	9,445
Total Food Services	<u>14,553</u>	<u>14,553</u>	<u>5,108</u>	<u>9,445</u>
Capital Outlay				
Land Improvements	0	12,155	12,155	0
Total Capital Outlay	<u>0</u>	<u>12,155</u>	<u>12,155</u>	<u>0</u>
Total Expenditures	<u>6,284,326</u>	<u>6,290,039</u>	<u>5,620,308</u>	<u>669,731</u>
Excess (Deficiency) of Revenues Over Expenditures	(402,323)	(252,324)	413,694	666,018
Cash Balance Beginning of Year	<u>402,324</u>	<u>402,324</u>	<u>402,324</u>	<u>0</u>
Cash Balance End of Year	\$ <u>1</u>	\$ <u>150,000</u>	\$ <u>816,018</u>	\$ <u>666,018</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 413,694	
Net change in Taxes Receivable			(101)	
Net change in Accounts Payable			(16,401)	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 397,192</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, 2011

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Fees	\$ 19,707	\$ 24,000	\$ 26,825	\$ 2,825
Total Revenues	<u>19,707</u>	<u>24,000</u>	<u>26,825</u>	<u>2,825</u>
Expenditures				
Operation & Maintenance of Plant				
Purchased Property Services	70,000	70,000	7,471	62,529
Supplies	10,000	10,000	3,409	6,591
Supply Assets	<u>18,289</u>	<u>18,289</u>	<u>0</u>	<u>18,289</u>
Total Operation & Maintenance of Plant	<u>98,289</u>	<u>98,289</u>	<u>10,880</u>	<u>87,409</u>
Total Expenditures	<u>98,289</u>	<u>98,289</u>	<u>10,880</u>	<u>87,409</u>
Excess (Deficiency) of Revenues Over Expenditures	(78,582)	(74,289)	15,945	90,234
Cash Balance Beginning of Year	<u>78,582</u>	<u>78,582</u>	<u>78,582</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 4,293</u>	<u>\$ 94,527</u>	<u>\$ 90,234</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 15,945	
Net change in Accounts Payable			<u>(210)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 15,735</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, 2011

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 326,379	\$ 317,682	\$ 316,706	\$ (976)
Total Revenues	<u>326,379</u>	<u>317,682</u>	<u>316,706</u>	<u>(976)</u>
Expenditures				
Student Transportation				
Personnel Services	184,757	146,627	146,627	0
Employee Benefits	63,174	64,044	64,044	0
Professional & Tech Services	400	1,747	1,702	45
Purchased Property Services	20,000	33,058	33,058	0
Other Purchased Services	20,000	19,300	19,300	0
Supplies	40,000	52,906	52,906	0
Total Student Transportation	<u>328,331</u>	<u>317,682</u>	<u>317,637</u>	<u>45</u>
Total Expenditures	<u>328,331</u>	<u>317,682</u>	<u>317,637</u>	<u>45</u>
Excess (Deficiency) of Revenues Over Expenditures	(1,952)	0	(931)	(931)
Cash Balance Beginning of Year	<u>1,952</u>	<u>1,952</u>	<u>1,952</u>	<u>0</u>
Cash Balance End of Year	\$ <u>0</u>	\$ <u>1,952</u>	\$ <u>1,021</u>	\$ <u>(931)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (931)	
Net change in Accounts Payable			496	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			\$ <u>(435)</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, 2011

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 24,777	\$ 24,777	\$ 25,433	\$ 656
Total Revenues	<u>24,777</u>	<u>24,777</u>	<u>25,433</u>	<u>656</u>
Expenditures				
Instruction				
Supplies	24,777	25,379	25,379	0
Total Instruction	<u>24,777</u>	<u>25,379</u>	<u>25,379</u>	<u>0</u>
Total Expenditures	<u>24,777</u>	<u>25,379</u>	<u>25,379</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	(602)	54	656
Cash Balance Beginning of Year	<u>602</u>	<u>602</u>	<u>602</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 602</u>	<u>\$ 0</u>	<u>\$ 656</u>	<u>\$ 656</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 54	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 54</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, 2011

	<u>Agency Funds</u>
Assets	
Cash and Cash Equivalents	\$ <u>87,476</u>
Total Assets	\$ <u><u>87,476</u></u>
Liabilities	
Deposits Held for Others	\$ <u>87,476</u>
Total Liabilities	\$ <u><u>87,476</u></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.

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.

CAPITAL PROJECT FUNDS

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.
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.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2011

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.

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.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2011

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.

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.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2011

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

Nonspendable fund balance indicates that portion of fund equity is not spendable such as inventory.

The restricted fund balance category includes amounts that can be spent only for specific purposes stipulated by constitution, external resources providers, or through enabling legislation.

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority.

Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed.

Unassigned fund balance is the residual amount that is not restricted or committed.

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, 2011

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 6/30/11	Reconciled Balance	<u>Type</u>
General Fund Account	\$ 1,835,413	\$ 1,492,168	Checking
TOTAL Deposited	1,835,413	<u>1,492,168</u>	
Less: FDIC Coverage	<u>(250,000)</u>		
Uninsured Amount	1,585,413		
50% collateral requirement	792,707		
Pledged securities	1,500,000		
Over (Under) requirement	<u>\$ 707,294</u>		

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

The following securities are pledged at **The Bank of Las Vegas**:

<u>Description</u>	<u>CUSIP #</u>	<u>Market Value</u>	<u>Maturity Date</u>	<u>Location</u>
FHLB	3133XYHDO	\$ 1,000,000	6/14/2013	Dallas, TX
FFCB	31331GMK2	500,000	2/5/2015	Dallas, TX
		<u>\$ 1,500,000</u>		

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2011

Custodial Credit Risk-Deposits

<u>Depository Account</u>	Bank Balance
Insured	\$ 250,000
Collateralized:	
Collateral held by the pledging bank in District's name	1,500,000
Over insured or over collateralized	85,413
Total Deposits	<u>\$ 1,835,413</u>

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, 2011 \$85,413 of the districts balance of \$1,835,413 was exposed to custodial risk.

New Mexico State Treasurer

<u>Name of Account</u>	Balance Per Bank 6/30/11	Reconciled Balance	<u>Type</u>
Pecos Independent School District	\$ 166,655	\$ 166,655	Investment
Pecos Reserve Account	<u>1,644</u>	<u>1,644</u>	Investment
TOTAL Deposited	<u>\$ 168,299</u>	<u>\$ 168,299</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, 2011, 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.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2011

NOTE C: INTERFUND BALANCES, RECEIVABLES, AND TRANSFERS

Interfund balances during the year ending June 30, 2011 were as follows:

Due to General Fund from:

Other Governmental Funds	\$	<u>406,578</u>
Totals	\$	<u><u>406,578</u></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.

NOTE D: TAXES RECEIVABLE

Following is a schedule of property taxes receivable as of June 30, 2011:

	<u>General Fund</u>	<u>Senate Bill Nine</u>	<u>Debt Service</u>	<u>Total</u>
Property Tax Available	\$ 116	\$ 1,842	\$ 3,691	\$ 5,649
Total Property Taxes Receivable	\$ <u>116</u>	\$ <u>1,842</u>	\$ <u>3,691</u>	\$ <u>5,649</u>

NOTE E: DUE FROM OTHER GOVERNMENT UNITS

Amounts due from other agencies and units of government were as follows as of June 30, 2011:

	<u>Other Governmental</u>	<u>Total</u>
Federal Agencies	\$ 247,432	\$ 247,432
State Agencies	160,445	160,445
Total	\$ <u>407,877</u>	\$ <u>407,877</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, 2011:

	<u>Other Governmental</u>	<u>Total</u>
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, 2011, is as follows:

	<u>Balance 6/30/10</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance 6/30/11</u>
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>

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2011

Capital Assets, being Depreciated				
Buildings & Improvements	\$ 15,265,736	\$ 522,326	\$ 0	\$ 15,788,062
Equipment, Vehicles, Information Technology Equipment, Software & Library Books	<u>4,226,523</u>	<u>116,814</u>	<u>0</u>	<u>4,343,337</u>
Total Capital Assets, being Depreciated	<u>19,492,259</u>	<u>639,140</u>	<u>0</u>	<u>20,131,399</u>
Total Capital Assets	<u>19,720,516</u>	<u>639,140</u>	<u>0</u>	<u>20,359,656</u>
Less Accumulated Depreciation				
Buildings & Improvements	5,752,083	375,808	0	6,127,891
Equipment, Vehicles, Information Technology Equipment, Software & Library Books	<u>3,250,112</u>	<u>198,140</u>	<u>0</u>	<u>3,448,252</u>
Total Accumulated Depreciation	<u>9,002,195</u>	<u>573,948</u>	<u>0</u>	<u>9,576,143</u>
Capital Assets, net	\$ <u>10,718,321</u>	\$ <u>65,192</u>	\$ <u>0</u>	\$ <u>10,783,513</u>

Depreciation expense was charged to governmental activities as follows:

Instruction	\$ 440,187
Support Services-Instruction	45,971
Support Services-General Administration	21,365
Central Services	3,630
Operation & Maintenance of Plant	32,019
Student Transportation	27,389
Food Services Operations	3,386
Total depreciation expenses	\$ <u>573,947</u>

NOTE H: LONG TERM DEBT

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

	Balance 6/30/10	Additions	Reductions	Balance 6/30/11	Amounts Due Within One Year
Governmental Activities					
Bonds and Notes Payable					
General Obligation					
Bonds	\$ 1,340,000	\$ 0	\$ 310,000	\$ 1,030,000	\$ 325,000
Total Bonds	<u>1,340,000</u>	<u>0</u>	<u>310,000</u>	<u>1,030,000</u>	<u>325,000</u>
Other Liabilities					
Compensated					
Absences	<u>53,763</u>	<u>59,499</u>	<u>65,753</u>	<u>47,509</u>	<u>0</u>
Total Other Liabilities	<u>53,763</u>	<u>59,499</u>	<u>65,753</u>	<u>47,509</u>	<u>0</u>
Long-Term Liabilities	\$ <u>1,393,763</u>	\$ <u>59,499</u>	\$ <u>375,753</u>	\$ <u>1,077,509</u>	\$ <u>325,000</u>

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
 Notes to the Financial Statements
 June 30, 2011

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.

Series	Date of Issue	Original Amount	Interest Rate	Balance
2001	07-15-01	2,700,000	4%-5.0%	\$ 1,030,000
				\$ <u>1,030,000</u>

The annual requirements to amortize the 2001 Series general obligation bonds as of June 30, 2011, including interest payments are as follows:

	Principal	Interest	Total
2012	\$ 325,000	\$ 42,238	\$ 367,238
2013	345,000	26,625	371,625
2014	360,000	9,000	369,000
Total	\$ <u>1,030,000</u>	\$ <u>77,863</u>	\$ <u>1,107,863</u>

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

Note H	\$ 1,030,000
Net Issue Costs/Premium/Discounts on Bond Issues	(39,503)
Accumulated Amortization	36,211
Statement of Net Assets	\$ <u>1,026,708</u>
Government Wide Statements	
Amount Reported as Current Amount Due	\$ 325,000
Amount Reported as Long-Term Due	701,708
Statement of Net Assets	\$ <u>1,026,708</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 through June 30, 2011, 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. Effective July 1, 2011 plan members are required by statute to continue 7.9% of their gross salary if they earned \$20,000 or less annually, and plan members earning more than \$20,000 annually are required to contribute 11.15% of their gross salary. The District is required to contribute 12.4% of gross covered salary for employees earning \$20,000 or less, and 9.15% of the gross covered salary of employees earning more than \$20,000 annually. 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, 2011, 2010, and 2009, were \$868,087, \$963,379 and \$971,043 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.

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
 Notes to the Financial Statements
 June 30, 2011

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.

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, 2011, the statute required each participating employer to contribute 1.666% of each participating employee's annual salary; each participating employee was required to contribute .8333% of their salary. In the fiscal years ending June 30, 2012 and June 30, 2013 the contribution rates for employees and employers will rise as follows:

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

<u>Fiscal Year</u>	<u>Employer Contribution</u>	<u>Employee Contribution</u>
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, 2011, 2010 and 2009 were \$107,465, \$93,023 and \$98,571 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:

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 \$181,246, 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

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2011

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, 2011.

Excess of expenditures over appropriations. The following funds exceeded approved budgetary authority for the year ended June 30, 2011:

	<u>Amount</u>
Fresh Fruit & Vegetables-24118	\$ <u><u>(1,663)</u></u>

**SUPPLEMENTAL INFORMATION RELATED TO
MAJOR FUNDS**

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, 2011

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Property Taxes	\$ 200,491	\$ 200,491	\$ 194,295	\$ (6,196)
State & Local Grants	30,263	30,263	59,755	29,492
Miscellaneous	0	0	8,803	8,803
Total Revenues	<u>230,754</u>	<u>230,754</u>	<u>262,853</u>	<u>32,099</u>
Expenditures				
Support Services-General Administration				
Professional & Tech Services	1,800	2,800	1,943	857
Total Support Services-General Administration	<u>1,800</u>	<u>2,800</u>	<u>1,943</u>	<u>857</u>
Capital Outlay				
Maintenance	204,976	234,239	213,920	20,319
Software	0	10,000	0	10,000
Land Improvements	250,000	250,000	195,664	54,336
Fixed Assets	100,000	100,000	31,180	68,820
Supply Assets	120,000	120,000	85,590	34,410
Total Capital Outlay	<u>674,976</u>	<u>714,239</u>	<u>526,354</u>	<u>187,885</u>
Total Expenditures	<u>676,776</u>	<u>717,039</u>	<u>528,297</u>	<u>188,742</u>
Excess (Deficiency) of Revenues Over Expenditures	(446,022)	(486,285)	(265,444)	220,841
Cash Balance Beginning of Year	<u>673,075</u>	<u>673,075</u>	<u>673,075</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 227,053</u>	<u>\$ 186,790</u>	<u>\$ 407,631</u>	<u>\$ 220,841</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (265,444)	
Net change in Taxes Receivable			(1,575)	
Net change in Accounts Payable			(20,967)	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ (287,986)</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, 2011

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Taxes	\$ 43,214	\$ 365,735	\$ 393,390	\$ 27,655
Investment Income	0	40	62	22
Total Revenues	<u>43,214</u>	<u>365,775</u>	<u>393,452</u>	<u>27,677</u>
Expenditures				
Support Services-General Administration				
Professional & Tech Services	<u>4,000</u>	<u>4,000</u>	<u>3,934</u>	<u>66</u>
Total Support Services General Administration	<u>4,000</u>	<u>4,000</u>	<u>3,934</u>	<u>66</u>
Debt Service				
Principal	310,000	310,000	310,000	0
Interest	<u>55,735</u>	<u>55,735</u>	<u>55,735</u>	<u>0</u>
Total Debt Service	<u>365,735</u>	<u>365,735</u>	<u>365,735</u>	<u>0</u>
Total Expenditures	<u>369,735</u>	<u>369,735</u>	<u>369,669</u>	<u>66</u>
Excess (Deficiency) of Revenues Over Expenditures	(326,521)	(3,960)	23,783	27,743
Cash Balance Beginning of Year	<u>326,521</u>	<u>326,521</u>	<u>326,521</u>	<u>0</u>
Cash Balance End of Year	\$ <u>0</u>	\$ <u>322,561</u>	\$ <u>350,304</u>	\$ <u>27,743</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 23,783	
Net change in Taxes Receivable			(2,886)	
Net change in Principal			(15,000)	
Net change in Interest			6,510	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 12,407</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).

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.

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.

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.

Improving Teacher Quality (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.

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).

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.

NONMAJOR SPECIAL REVENUE FUNDS

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.

Education Jobs Fund (25255). To provide for the compensation and benefits and other expenses, such as support services, necessary to retain existing employees, to recall or rehire former employees, and to hire new employees, in order to provide early childhood, elementary, or secondary educational and related services. Authorized by PL No 111-226.

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 of Diverse Population (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).

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.

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.

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.

NONMAJOR SPECIAL REVENUE FUNDS

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

Bond Building (31100)

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

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, 2011

	Special Revenue Fund		
	Food Service 21000	Athletics 22000	Title I 24101
ASSETS			
Cash and Cash Equivalents	\$ 78,393	\$ 158,249	\$ 0
Receivables			
Taxes	0	0	0
Due From Grantor	0	0	46,641
Inventory	1,520	0	0
Total Assets	<u>79,913</u>	<u>158,249</u>	<u>46,641</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Interfund Balance	0	0	46,641
Accounts Payable		0	0
Deferred Revenue	0	0	0
Total Liabilities	<u>0</u>	<u>0</u>	<u>46,641</u>
Fund Balances			
Nonspendable-Inventory	1,512	0	0
Restricted for, reported in			
Special Revenue Fund	78,401	158,249	0
Capital Improvements	0	0	0
Debt Service	0	0	0
Assigned-Capital Projects	0	0	0
Total Fund Balances	<u>79,913</u>	<u>158,249</u>	<u>0</u>
Total Liabilities and Fund Balances	<u>\$ 79,913</u>	<u>\$ 158,249</u>	<u>\$ 46,641</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, 2011

	Special Revenue Fund		
	IDEA, Part B Entitlement 24106	Fresh Fruits & Vegetables 24118	21st Century Community Learning 24119
ASSETS			
Cash and Cash Equivalents	\$ 0	\$ 0	\$ 0
Receivables			
Taxes	0	0	0
Due From Grantor	43,062	2,252	76,107
Inventory	0	0	0
Total Assets	<u>43,062</u>	<u>2,252</u>	<u>76,107</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Interfund Balance	43,062	2,252	76,107
Accounts Payable	0	0	0
Deferred Revenue	0	0	0
Total Liabilities	<u>43,062</u>	<u>2,252</u>	<u>76,107</u>
Fund Balances			
Nonspendable-Inventory	0	0	0
Restricted for, reported in			
Special Revenue Fund	0	0	0
Capital Improvements	0	0	0
Debt Service	0	0	0
Assigned-Capital Projects	0	0	0
Total Fund Balances	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities and Fund Balances	<u>\$ 43,062</u>	<u>\$ 2,252</u>	<u>\$ 76,107</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, 2011

	Special Revenue Fund		
	English Language Acquisition 24153	Improving Teacher Quality 24154	Safe & Drug Free Schools 24157
ASSETS			
Cash and Cash Equivalents	\$ 0	\$ 0	\$ 0
Receivables			
Taxes	0	0	0
Due From Grantor	40,629	14,063	0
Inventory	0	0	0
Total Assets	<u>40,629</u>	<u>14,063</u>	<u>0</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Interfund Balance	39,330	14,063	0
Accounts Payable	1,299	0	0
Deferred Revenue	0	0	0
Total Liabilities	<u>40,629</u>	<u>14,063</u>	<u>0</u>
Fund Balances			
Nonspendable-Inventory	0	0	0
Restricted for, reported in			
Special Revenue Fund	0	0	0
Capital Improvements	0	0	0
Debt Service	0	0	0
Assigned-Capital Projects	0	0	0
Total Fund Balances	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities and Fund Balances	<u>\$ 40,629</u>	<u>\$ 14,063</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, 2011

	Special Revenue Fund		
	Title I School Improvement 24162	Carl D Perkins HSTW 24180	Carl D Perkins HSTW Redistribution 24182
ASSETS			
Cash and Cash Equivalents	\$ 0	\$ 0	\$ 0
Receivables			
Taxes	0	0	0
Due From Grantor	5,000	0	0
Inventory	0	0	0
Total Assets	<u>5,000</u>	<u>0</u>	<u>0</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Interfund Balance	5,000	0	0
Accounts Payable	0	0	0
Deferred Revenue	0	0	0
Total Liabilities	<u>5,000</u>	<u>0</u>	<u>0</u>
Fund Balances			
Nonspendable-Inventory	0	0	0
Restricted for, reported in			
Special Revenue Fund	0	0	0
Capital Improvements	0	0	0
Debt Service	0	0	0
Assigned-Capital Projects	0	0	0
Total Fund Balances	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities and Fund Balances	<u>\$ 5,000</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 Balance Sheet
June 30, 2011

	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	0	0	764
Inventory	0	0	0
Total Assets	<u>0</u>	<u>0</u>	<u>764</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Interfund Balance	0	0	764
Accounts Payable	0	0	0
Deferred Revenue	0	0	0
Total Liabilities	<u>0</u>	<u>0</u>	<u>764</u>
Fund Balances			
Nonspendable-Inventory	0	0	0
Restricted for, reported in			
Special Revenue Fund	0	0	0
Capital Improvements	0	0	0
Debt Service	0	0	0
Assigned-Capital Projects	0	0	0
Total Fund Balances	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities and Fund Balances	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 764</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, 2011

	<u>Special Revenue Fund</u>		
	School Improvement Recovery Act <u>24262</u>	Impact Aid Special Education <u>25145</u>	Medicaid <u>25153</u>
ASSETS			
Cash and Cash Equivalents	\$ 0	\$ 27,535	\$ 15,483
Receivables			
Taxes	0	0	0
Due From Grantor	1,431	0	0
Inventory	<u>0</u>	<u>0</u>	<u>0</u>
Total Assets	<u>1,431</u>	<u>27,535</u>	<u>15,483</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Interfund Balance	1,431	0	0
Accounts Payable	0	0	589
Deferred Revenue	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities	<u>1,431</u>	<u>0</u>	<u>589</u>
Fund Balances			
Nonspendable-Inventory	0	0	0
Restricted for, reported in			
Special Revenue Fund	0	27,535	14,894
Capital Improvements	0	0	0
Debt Service	0	0	0
Assigned-Capital Projects	<u>0</u>	<u>0</u>	<u>0</u>
Total Fund Balances	<u>0</u>	<u>27,535</u>	<u>14,894</u>
Total Liabilities and Fund Balances	<u>\$ 1,431</u>	<u>\$ 27,535</u>	<u>\$ 15,483</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, 2011

	Special Revenue Fund		
	Luna Health Education 25172	State Fiscal Stabilization Program Fund 25250	Education Job Fund 25255
ASSETS			
Cash and Cash Equivalents	\$ 1,000	\$ 0	\$ 0
Receivables			
Taxes	0	0	0
Due From Grantor	0	0	0
Inventory	0	0	0
Total Assets	<u>1,000</u>	<u>0</u>	<u>0</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Interfund Balance	0	0	0
Accounts Payable	0	0	0
Deferred Revenue	1,000	0	0
Total Liabilities	<u>1,000</u>	<u>0</u>	<u>0</u>
Fund Balances			
Nonspendable-Inventory	0	0	0
Restricted for, reported in			
Special Revenue Fund	0	0	0
Capital Improvements	0	0	0
Debt Service	0	0	0
Assigned-Capital Projects	0	0	0
Total Fund Balances	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities and Fund Balances	<u>\$ 1,000</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 Balance Sheet
June 30, 2011

	Special Revenue Fund		
	Newspaper Association of America 26105	LANL Foundation 26113	Center for Education of Diverse Population 26146
ASSETS			
Cash and Cash Equivalents	\$ 456	\$ 0	\$ 384
Receivables			
Taxes	0	0	0
Due From Grantor	0	0	0
Inventory	0	0	0
Total Assets	<u>456</u>	<u>0</u>	<u>384</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			
Nonspendable-Inventory	0	0	0
Restricted for, reported in			
Special Revenue Fund	456	0	384
Capital Improvements	0	0	0
Debt Service	0	0	0
Assigned-Capital Projects	0	0	0
Total Fund Balances	<u>456</u>	<u>0</u>	<u>384</u>
Total Liabilities and Fund Balances	<u>\$ 456</u>	<u>\$ 0</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, 2011

	Special Revenue Fund		
	Duel Credit 27103	GO Library Books 27105	Technology For Education 27117
ASSETS			
Cash and Cash Equivalents	\$ 0	\$ 0	\$ 6,391
Receivables			
Taxes	0	0	0
Due From Grantor	0	0	0
Inventory	0	0	0
Total Assets	<u>0</u>	<u>0</u>	<u>6,391</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			
Nonspendable-Inventory	0	0	0
Restricted for, reported in			
Special Revenue Fund	0	0	6,391
Capital Improvements	0	0	0
Debt Service	0	0	0
Assigned-Capital Projects	0	0	0
Total Fund Balances	<u>0</u>	<u>0</u>	<u>6,391</u>
Total Liabilities and Fund Balances	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 6,391</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, 2011

	Special Revenue Fund		
	Pre K Initiative <u>27149</u>	Beginning Teacher Mentoring <u>27154</u>	Breakfast for Elementary Students <u>27155</u>
ASSETS			
Cash and Cash Equivalents	\$ 0	\$ 0	\$ 2,196
Receivables			
Taxes	0	0	0
Due From Grantor	22,475	0	0
Inventory	<u>0</u>	<u>0</u>	<u>0</u>
Total Assets	<u>22,475</u>	<u>0</u>	<u>2,196</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Interfund Balance	22,475	0	0
Accounts Payable	0	0	0
Deferred Revenue	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities	<u>22,475</u>	<u>0</u>	<u>0</u>
Fund Balances			
Nonspendable-Inventory	0	0	0
Restricted for, reported in			
Special Revenue Fund	0	0	2,196
Capital Improvements	0	0	0
Debt Service	0	0	0
Assigned-Capital Projects	<u>0</u>	<u>0</u>	<u>0</u>
Total Fund Balances	<u>0</u>	<u>0</u>	<u>2,196</u>
Total Liabilities and Fund Balances	<u>\$ 22,475</u>	<u>\$ 0</u>	<u>\$ 2,196</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, 2011

	<u>Special Revenue Fund</u>		
	<u>Laws of New Mexico 27165</u>	<u>Gear Up 28178</u>	<u>McCune 29114</u>
ASSETS			
Cash and Cash Equivalents	\$ 0	\$ 0	\$ 3,073
Receivables			
Taxes	0	0	0
Due From Grantor	314	17,483	0
Inventory	0	0	0
Total Assets	<u>314</u>	<u>17,483</u>	<u>3,073</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Interfund Balance	314	17,483	0
Accounts Payable	0	0	0
Deferred Revenue	0	0	0
Total Liabilities	<u>314</u>	<u>17,483</u>	<u>0</u>
Fund Balances			
Nonspendable-Inventory	0	0	0
Restricted for, reported in			
Special Revenue Fund	0	0	3,073
Capital Improvements	0	0	0
Debt Service	0	0	0
Assigned-Capital Projects	0	0	0
Total Fund Balances	<u>0</u>	<u>0</u>	<u>3,073</u>
Total Liabilities and Fund Balances	<u>\$ 314</u>	<u>\$ 17,483</u>	<u>\$ 3,073</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, 2011

	Capital Outlay		
	Bond Building 31100	Public School Capital Outlay 31200	School Capital Outlay State 31400
ASSETS			
Cash and Cash Equivalents	\$ 2,135	\$ 0	\$ 0
Receivables			
Taxes	0	0	0
Due From Grantor	0	79,995	57,661
Inventory	0	0	0
Total Assets	<u>2,135</u>	<u>79,995</u>	<u>57,661</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Interfund Balance	0	79,995	57,661
Accounts Payable	0	0	0
Deferred Revenue	0	0	0
Total Liabilities	<u>0</u>	<u>79,995</u>	<u>57,661</u>
Fund Balances			
Nonspendable-Inventory	0	0	0
Restricted for, reported in			
Special Revenue Fund	0	0	0
Capital Improvements	2,135	0	0
Debt Service	0	0	0
Assigned-Capital Projects	0	0	0
Total Fund Balances	<u>2,135</u>	<u>0</u>	<u>0</u>
Total Liabilities and Fund Balances	<u>\$ 2,135</u>	<u>\$ 79,995</u>	<u>\$ 57,661</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, 2011

	Capital Outlay	Debt Service	
	Special School Capital Outlay 20% 32100	Public Ed Tech Debt Service 43000	Total
ASSETS			
Cash and Cash Equivalents	\$ 457	\$ 13,660	\$ 309,412
Receivables			
Taxes	0	0	0
Due From Grantor	0	0	407,877
Inventory	0	0	1,520
Total Assets	<u>457</u>	<u>13,660</u>	<u>718,809</u>
LIABILITIES AND FUND BALANCE			
Liabilities			
Interfund Balance	0	0	406,578
Accounts Payable	0	0	1,888
Deferred Revenue	0	0	1,000
Total Liabilities	<u>0</u>	<u>0</u>	<u>409,466</u>
Fund Balances			
Nonspendable-Inventory	0	0	1,512
Restricted for, reported in			
Special Revenue Fund	0	0	291,579
Capital Improvements	0	0	2,135
Debt Service	0	13,660	13,660
Assigned-Capital Projects	457	0	457
Total Fund Balances	<u>457</u>	<u>13,660</u>	<u>309,343</u>
Total Liabilities and Fund Balances	<u>\$ 457</u>	<u>\$ 13,660</u>	<u>\$ 718,809</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, 2011

	Special Revenue Fund		
	Food Service 21000	Athletics 22000	Title I 24101
Revenues			
Property Taxes	\$ 0	\$ 0	\$ 0
Fees	15,714	59,323	0
Investment Income	0	0	0
State & Local Grants	0	0	0
Federal Grants	386,378	0	170,653
Total Revenues	<u>402,092</u>	<u>59,323</u>	<u>170,653</u>
Expenditures			
Current			
Instruction	0	81,086	130,373
Support Services-Students	0	0	0
Support Services-Instruction	0	0	36,530
Support Services-General Administration	0	0	3,750
Support Services-School Administration	0	0	0
Operation & Maintenance of Plant	0	0	0
Student Transportation	0	0	0
Food Service Operations	395,604	0	0
Capital Outlay	0	0	0
Total Expenditures	<u>395,604</u>	<u>81,086</u>	<u>170,653</u>
Excess (Deficiency) of Revenues Over Expenditures	6,488	(21,763)	0
Fund Balances at Beginning of Year	<u>73,425</u>	<u>180,012</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 79,913</u>	<u>\$ 158,249</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, 2011

	Special Revenue Fund		
	IDEA, Part B Entitlement 24106	Fresh Fruits & Vegetables 24118	21st Century Community Learning 24119
Revenues			
Property Taxes	\$ 0	\$ 0	\$ 0
Fees	0	0	0
Investment Income	0	0	0
State & Local Grants	0	0	0
Federal Grants	181,246	18,663	239,724
Total Revenues	<u>181,246</u>	<u>18,663</u>	<u>239,724</u>
Expenditures			
Current			
Instruction	112,515	0	182,169
Support Services-Students	68,731	0	0
Support Services-Instruction	0	0	52,131
Support Services-General Administration	0	0	5,424
Support Services-School Administration	0	0	0
Operation & Maintenance of Plant	0	0	0
Student Transportation	0	0	0
Food Service Operations	0	18,663	0
Capital Outlay	0	0	0
Total Expenditures	<u>181,246</u>	<u>18,663</u>	<u>239,724</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, 2011

	Special Revenue Fund		
	English Language Acquisition 24153	Improving Teacher Quality 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	64,945	57,625	3,154
Total Revenues	<u>64,945</u>	<u>57,625</u>	<u>3,154</u>
Expenditures			
Current			
Instruction	56,350	56,158	3,154
Support Services-Students	0	0	0
Support Services-Instruction	544	0	0
Support Services-General Administration	339	1,467	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	7,712	0	0
Total Expenditures	<u>64,945</u>	<u>57,625</u>	<u>3,154</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, 2011

	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	5,000	7,480	2,689
Total Revenues	<u>5,000</u>	<u>7,480</u>	<u>2,689</u>
Expenditures			
Current			
Instruction	5,000	7,295	0
Support Services-Students	0	185	2,689
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>5,000</u>	<u>7,480</u>	<u>2,689</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, 2011

	Special Revenue Fund		
	Title I Recovery Act 24201	IDEA, Part B Recovery Act 24206	IDEA 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	2,342	0	764
Total Revenues	<u>2,342</u>	<u>0</u>	<u>764</u>
Expenditures			
Current			
Instruction	0	0	764
Support Services-Students	0	0	0
Support Services-Instruction	0	0	0
Support Services-General Administration	0	0	0
Support Services-School Administration	2,342	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>2,342</u>	<u>0</u>	<u>764</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, 2011

	Special Revenue Fund		
	School Improvement Recovery Act 24262	Impact Aid Special Education 25145	Medicaid 25153
Revenues			
Property Taxes	\$ 0	\$ 0	\$ 0
Fees	0	0	42,607
Investment Income	0	0	0
State & Local Grants	0	0	0
Federal Grants	1,431	0	0
Total Revenues	<u>1,431</u>	<u>0</u>	<u>42,607</u>
Expenditures			
Current			
Instruction	1,431	0	0
Support Services-Students	0	997	31,568
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>1,431</u>	<u>997</u>	<u>31,568</u>
Excess (Deficiency) of Revenues Over Expenditures	0	(997)	11,039
Fund Balances at Beginning of Year	<u>0</u>	<u>28,532</u>	<u>3,855</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 27,535</u>	<u>\$ 14,894</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, 2011

	Special Revenue Fund		
	Luna Health Education 25172	State Fiscal Stabilization Program Fund 25250	Education Job Fund 25255
Revenues			
Property Taxes	\$ 0	\$ 0	\$ 0
Fees	0	0	0
Investment Income	0	0	0
State & Local Grants	0	0	0
Federal Grants	0	63,570	171,278
Total Revenues	<u>0</u>	<u>63,570</u>	<u>171,278</u>
Expenditures			
Current			
Instruction	0	63,570	171,278
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>63,570</u>	<u>171,278</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, 2011

	Special Revenue Fund		
	Newspaper Association of America 26105	LANL Foundation 26113	Center for Education of Diverse Population 26146
Revenues			
Property Taxes	\$ 0	\$ 0	\$ 0
Fees	0	0	0
Investment Income	0	0	0
State & Local Grants	0	0	0
Federal Grants	0	0	0
Total Revenues	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures			
Current			
Instruction	0	18,168	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>18,168</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	(18,168)	0
Fund Balances at Beginning of Year	<u>456</u>	<u>18,168</u>	<u>384</u>
Fund Balance End of Year	<u>\$ 456</u>	<u>\$ 0</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, 2011

	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	5,000	0	0
Federal Grants	0	0	0
Total Revenues	<u>5,000</u>	<u>0</u>	<u>0</u>
Expenditures			
Current			
Instruction	5,000	0	3,046
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>5,000</u>	<u>0</u>	<u>3,046</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	(3,046)
Fund Balances at Beginning of Year	<u>0</u>	<u>0</u>	<u>9,437</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 6,391</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, 2011

	Special Revenue Fund		
	Pre K Initiative 27149	Beginning Teacher Mentoring 27154	Breakfast for Elementary Students 27155
Revenues			
Property Taxes	\$ 0	\$ 0	\$ 0
Fees	0	0	0
Investment Income	0	0	0
State & Local Grants	113,177	0	7,450
Federal Grants	0	0	0
Total Revenues	<u>113,177</u>	<u>0</u>	<u>7,450</u>
Expenditures			
Current			
Instruction	107,337	2,358	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	5,840	0	0
Food Service Operations	0	0	7,450
Capital Outlay	0	0	0
Total Expenditures	<u>113,177</u>	<u>2,358</u>	<u>7,450</u>
Excess (Deficiency) of Revenues Over Expenditures	0	(2,358)	0
Fund Balances at Beginning of Year	<u>0</u>	<u>2,358</u>	<u>2,196</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 2,196</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, 2011

	Special Revenue Fund		
	Laws of New Mexico 27165	Gear Up 28178	McCune 29114
Revenues			
Property Taxes	\$ 0	\$ 0	\$ 0
Fees	0	0	0
Investment Income	0	0	0
State & Local Grants	0	0	0
Federal Grants	0	100,557	0
Total Revenues	<u>0</u>	<u>100,557</u>	<u>0</u>
Expenditures			
Current			
Instruction	0	86,206	0
Support Services-Students	0	0	0
Support Services-Instruction	0	6,398	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	7,953	0
Total Expenditures	<u>0</u>	<u>100,557</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>3,073</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 3,073</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, 2011

	Capital Outlay		
	Bond Building 31100	Public School Capital Outlay 31200	School Capital Outlay State 31400
Revenues			
Property Taxes	\$ 0	\$ 0	\$ 0
Fees	0	0	0
Investment Income	325	0	0
State & Local Grants	0	0	216,235
Federal Grants	0	0	0
Total Revenues	<u>325</u>	<u>0</u>	<u>216,235</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	98,272	0	216,235
Total Expenditures	<u>98,272</u>	<u>0</u>	<u>216,235</u>
Excess (Deficiency) of Revenues Over Expenditures	(97,947)	0	0
Fund Balances at Beginning of Year	<u>100,082</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 2,135</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, 2011

	Capital Outlay	Debt Service	
	Special School Capital Outlay 20% 32100	Public Ed Tech Debt Service 43000	Total
Revenues			
Property Taxes	\$ 0	\$ 67	\$ 67
Fees	0	0	117,644
Investment Income	0	0	325
State & Local Grants	0	0	341,862
Federal Grants	0	0	1,477,499
Total Revenues	<u>0</u>	<u>67</u>	<u>1,937,397</u>
Expenditures			
Current			
Instruction	0	0	1,093,258
Support Services-Students	0	0	104,170
Support Services-Instruction	0	0	95,603
Support Services-General Administration	0	1	10,981
Support Services-School Administration	0	0	2,342
Operation & Maintenance of Plant	1,054	0	1,054
Student Transportation	0	0	5,840
Food Service Operations	0	0	421,717
Capital Outlay	0	0	330,172
Total Expenditures	<u>1,054</u>	<u>1</u>	<u>2,065,137</u>
Excess (Deficiency) of Revenues Over Expenditures	(1,054)	66	(127,740)
Fund Balances at Beginning of Year	<u>1,511</u>	<u>13,594</u>	<u>437,083</u>
Fund Balance End of Year	<u>\$ 457</u>	<u>\$ 13,660</u>	<u>\$ 309,343</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, 2011

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Fees	\$ 15,000	\$ 15,000	\$ 15,713	\$ 713
Federal Grants	405,198	405,198	367,508	(37,690)
Total Revenues	<u>420,198</u>	<u>420,198</u>	<u>383,221</u>	<u>(36,977)</u>
Expenditures				
Food Services Operations				
Personnel Services	150,737	163,481	141,233	22,248
Employee Benefits	76,268	76,894	69,187	7,707
Professional & Tech Services	1,000	2,253	2,219	34
Purchased Property Services	0	2,921	2,919	2
Other Purchased Services	1,000	7,046	6,744	302
Supplies	264,108	233,950	151,930	82,020
Supply Assets	0	6,568	3,511	3,057
Total Food Service Operations	<u>493,113</u>	<u>493,113</u>	<u>377,743</u>	<u>115,370</u>
Total Expenditures	<u>493,113</u>	<u>493,113</u>	<u>377,743</u>	<u>115,370</u>
Excess (Deficiency) of Revenues Over Expenditures	(72,915)	(72,915)	5,478	78,393
Cash Balance Beginning of Year	<u>72,915</u>	<u>72,915</u>	<u>72,915</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 78,393</u>	<u>\$ 78,393</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 5,478	
Net Change in Inventory			(18)	
Net Change in Accounts Payable			1,028	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 6,488</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, 2011

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Fees	\$ 29,375	\$ 29,375	\$ 59,323	\$ 29,948
Total Revenues	<u>29,375</u>	<u>29,375</u>	<u>59,323</u>	<u>29,948</u>
Expenditures				
Instruction				
Employee Benefits	260	260	194	66
Other Purchased Services	80,000	80,000	36,690	43,310
Supplies	89,127	89,127	38,806	50,321
Supply Assets	40,000	40,000	5,396	34,604
Total Instruction	<u>209,387</u>	<u>209,387</u>	<u>81,086</u>	<u>128,301</u>
Total Expenditures	<u>209,387</u>	<u>209,387</u>	<u>81,086</u>	<u>128,301</u>
Excess (Deficiency) of Revenues Over Expenditures	(180,012)	(180,012)	(21,763)	158,249
Cash Balance Beginning of Year	<u>180,012</u>	<u>180,012</u>	<u>180,012</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 158,249</u>	<u>\$ 158,249</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (21,763)	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ (21,763)</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, 2011

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 266,543	\$ 277,618	\$ 207,374	\$ (70,244)
Total Revenues	<u>266,543</u>	<u>277,618</u>	<u>207,374</u>	<u>(70,244)</u>
Expenditures				
Instruction				
Personnel Services	68,694	67,364	65,695	1,669
Employee Benefits	26,576	26,576	19,226	7,350
Professional & Tech Services	10,000	21,193	19,706	1,487
Other Purchased Services	31,500	31,500	19,190	12,310
Supplies	5,345	6,557	6,556	1
Total Instruction	<u>142,115</u>	<u>153,190</u>	<u>130,373</u>	<u>22,817</u>
Support Services-Instruction				
Personnel Services	27,558	29,258	29,258	0
Employee Benefits	8,557	6,625	6,609	16
Professional & Tech Services	100	150	150	0
Other Purchased Services	331	513	513	0
Total Support Services-Instruction	<u>36,546</u>	<u>36,546</u>	<u>36,530</u>	<u>16</u>
Support Services-General Administration				
Professional & Tech Services	4,520	4,520	3,750	770
Total Support Services-General Administration	<u>4,520</u>	<u>4,520</u>	<u>3,750</u>	<u>770</u>
Total Expenditures	<u>183,181</u>	<u>194,256</u>	<u>170,653</u>	<u>23,603</u>
Excess (Deficiency) of Revenues Over Expenditures	83,362	83,362	36,721	(46,641)
Cash Balance Beginning of Year	<u>(83,362)</u>	<u>(83,362)</u>	<u>(83,362)</u>	<u>0</u>
Cash Balance End of Year	\$ <u>0</u>	\$ <u>0</u>	\$ <u>(46,641)</u>	\$ <u>(46,641)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 36,721	
Net change in Due from Grantor			<u>(36,721)</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, PART B ENTITLEMENT-24106
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 19,722	\$ 267,872	\$ 158,016	\$ (109,856)
Total Revenues	<u>19,722</u>	<u>267,872</u>	<u>158,016</u>	<u>(109,856)</u>
Expenditures				
Instruction				
Personnel Services	0	91,648	89,730	1,918
Employee Benefits	0	25,708	22,895	2,813
Total Instruction	<u>0</u>	<u>117,356</u>	<u>112,625</u>	<u>4,731</u>
Support Services-Students				
Personnel Services	0	53,715	53,715	0
Employee Benefits	0	15,501	15,016	485
Other Purchased Services	0	61,578	0	61,578
Total Support Services-Students	<u>0</u>	<u>130,794</u>	<u>68,731</u>	<u>62,063</u>
Total Expenditures	<u>0</u>	<u>248,150</u>	<u>181,356</u>	<u>66,794</u>
Excess (Deficiency) of Revenues Over Expenditures	19,722	19,722	(23,340)	(43,062)
Cash Balance Beginning of Year	<u>(19,722)</u>	<u>(19,722)</u>	<u>(19,722)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (43,062)</u>	<u>\$ (43,062)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (23,340)	
Net change in Due from Grantor			23,230	
Net change in Accounts Payable			110	
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, 2011

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 5,001	\$ 22,001	\$ 21,412	\$ (589)
Total Revenues	<u>5,001</u>	<u>22,001</u>	<u>21,412</u>	<u>(589)</u>
Expenditures				
Food Service				
Supplies	0	17,000	18,663	(1,663)
Total Food Service	<u>0</u>	<u>17,000</u>	<u>18,663</u>	<u>(1,663)</u>
Total Expenditures	<u>0</u>	<u>17,000</u>	<u>18,663</u>	<u>(1,663)</u>
Excess (Deficiency) of Revenues Over Expenditures	5,001	5,001	2,749	(2,252)
Cash Balance Beginning of Year	<u>(5,001)</u>	<u>(5,001)</u>	<u>(5,001)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (2,252)</u>	<u>\$ (2,252)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 2,749	
Net change in Due from Grantor			<u>(2,749)</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, 2011

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 273,500	\$ 293,434	\$ 217,318	\$ (76,116)
Total Revenues	<u>273,500</u>	<u>293,434</u>	<u>217,318</u>	<u>(76,116)</u>
Expenditures				
Instruction				
Personnel Services	123,688	135,496	135,496	0
Employee Benefits	25,155	20,231	20,231	0
Professional & Tech Services	500	1,655	1,646	9
Other Purchased Services	5,236	11,924	11,924	0
Supplies	10,000	12,873	12,873	0
Total Instruction	<u>164,579</u>	<u>182,179</u>	<u>182,170</u>	<u>9</u>
Support Services-Instruction				
Personnel Services	36,035	38,856	38,856	0
Employee Benefits	7,288	7,986	7,986	0
Professional & Tech Services	500	0	0	0
Other Purchased Services	5,974	5,289	5,289	0
Total Support Services-Instruction	<u>49,797</u>	<u>52,131</u>	<u>52,131</u>	<u>0</u>
Support Services-General Administration				
Professional & Tech Services	5,424	5,424	5,424	0
Total Support Services-General Administration	<u>5,424</u>	<u>5,424</u>	<u>5,424</u>	<u>0</u>
Total Expenditures	<u>219,800</u>	<u>239,734</u>	<u>239,725</u>	<u>9</u>
Excess (Deficiency) of Revenues Over Expenditures	53,700	53,700	(22,407)	(76,107)
Cash Balance Beginning of Year	<u>(53,700)</u>	<u>(53,700)</u>	<u>(53,700)</u>	<u>0</u>
Cash Balance End of Year	\$ <u>0</u>	\$ <u>0</u>	\$ <u>(76,107)</u>	\$ <u>(76,107)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (22,407)	
Net change in Due from Grantor			22,407	
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, 2011

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 27,728	\$ 89,694	\$ 36,262	\$ (53,432)
Total Revenues	<u>27,728</u>	<u>89,694</u>	<u>36,262</u>	<u>(53,432)</u>
Expenditures				
Instruction				
Personnel Services	8,000	12,814	12,814	0
Employee Benefits	0	4,068	4,068	0
Professional & Tech Services	0	2,833	2,833	0
Other Purchased Services	4,000	15,974	15,974	0
Supplies	3,782	25,966	18,916	7,050
Supply Assets	0	990	990	0
Total Instruction	<u>15,782</u>	<u>62,645</u>	<u>55,595</u>	<u>7,050</u>
Support Services-Instruction				
Supplies	0	14,764	7,712	7,052
Total Support Services-Instruction	<u>0</u>	<u>14,764</u>	<u>7,712</u>	<u>7,052</u>
Support Services-General Administration				
Professional & Tech Services	0	339	339	0
Total Support Services-General Administration	<u>0</u>	<u>339</u>	<u>339</u>	<u>0</u>
Total Expenditures	<u>15,782</u>	<u>77,748</u>	<u>63,646</u>	<u>14,102</u>
Excess (Deficiency) of Revenues Over Expenditures	11,946	11,946	(27,384)	(39,330)
Cash Balance Beginning of Year	<u>(11,946)</u>	<u>(11,946)</u>	<u>(11,946)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (39,330)</u>	<u>\$ (39,330)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (27,384)	
Net change in Due from Grantor			28,682	
Net change in Accounts Payable			(1,298)	
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-IMPROVING TEACHER QUALITY-24154
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 79,377	\$ 85,802	\$ 63,496	\$ (22,306)
Total Revenues	<u>79,377</u>	<u>85,802</u>	<u>63,496</u>	<u>(22,306)</u>
Expenditures				
Instruction				
Personnel Services	40,000	40,004	40,003	1
Employee Benefits	15,101	15,097	12,101	2,996
Professional & Tech Services	1,000	7,425	4,054	3,371
Other Purchased Services	1,000	1,000	0	1,000
Supplies	875	875	0	875
Total Instruction	<u>57,976</u>	<u>64,401</u>	<u>56,158</u>	<u>8,243</u>
Support Services-General Administration				
Professional & Tech Services	1,467	1,467	1,467	0
Total Support Services-General Administration	<u>1,467</u>	<u>1,467</u>	<u>1,467</u>	<u>0</u>
Total Expenditures	<u>59,443</u>	<u>65,868</u>	<u>57,625</u>	<u>8,243</u>
Excess (Deficiency) of Revenues Over Expenditures	19,934	19,934	5,871	(14,063)
Cash Balance Beginning of Year	<u>(19,934)</u>	<u>(19,934)</u>	<u>(19,934)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (14,063)</u>	<u>\$ (14,063)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 5,871	
Net change in Due from Grantor			<u>(5,871)</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, 2011

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 1,278	\$ 4,432	\$ 4,432	\$ 0
Total Revenues	<u>1,278</u>	<u>4,432</u>	<u>4,432</u>	<u>0</u>
Expenditures				
Instruction				
Supplies	0	3,154	3,154	0
Total Instruction	<u>0</u>	<u>3,154</u>	<u>3,154</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>3,154</u>	<u>3,154</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	1,278	1,278	1,278	0
Cash Balance Beginning of Year	<u>(1,278)</u>	<u>(1,278)</u>	<u>(1,278)</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			\$ 1,278	
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, 2011

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 0	\$ 5,000	\$ 0	\$ (5,000)
Total Revenues	<u>0</u>	<u>5,000</u>	<u>0</u>	<u>(5,000)</u>
Expenditures				
Instruction				
Professional & Tech Services	0	5,000	5,000	0
Total Instruction	<u>0</u>	<u>5,000</u>	<u>5,000</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>5,000</u>	<u>5,000</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	(5,000)	(5,000)
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>\$ (5,000)</u>	<u>\$ (5,000)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (5,000)	
Net change in Due from Grantor			<u>5,000</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, 2011

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 13,993	\$ 13,993	\$ 7,739	\$ (6,254)
Total Revenues	<u>13,993</u>	<u>13,993</u>	<u>7,739</u>	<u>(6,254)</u>
Expenditures				
Instruction				
Professional & Tech Services	8,681	8,681	7,431	1,250
Other Purchased Services	<u>5,312</u>	<u>4,729</u>	<u>123</u>	<u>4,606</u>
Total Instruction	<u>13,993</u>	<u>13,410</u>	<u>7,554</u>	<u>5,856</u>
Support Services-General Administration				
Other Purchased Services	<u>0</u>	<u>583</u>	<u>185</u>	<u>398</u>
Total Support Services-General Administration	<u>0</u>	<u>583</u>	<u>185</u>	<u>398</u>
Total Expenditures	<u>13,993</u>	<u>13,993</u>	<u>7,739</u>	<u>6,254</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			259	
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, 2011

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 0	\$ 3,069	\$ 2,689	\$ (380)
Total Revenues	<u>0</u>	<u>3,069</u>	<u>2,689</u>	<u>(380)</u>
Expenditures				
Support Services-Students				
Personnel Services	0	218	0	218
Employee Benefits	0	138	0	138
Other Purchased Services	0	569	545	24
Supplies	0	2,144	2,144	0
Total Support Services-Students	<u>0</u>	<u>3,069</u>	<u>2,689</u>	<u>380</u>
Total Expenditures	<u>0</u>	<u>3,069</u>	<u>2,689</u>	<u>380</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-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, 2011

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 11,088	\$ 13,430	\$ 13,430	\$ 0
Total Revenues	<u>11,088</u>	<u>13,430</u>	<u>13,430</u>	<u>0</u>
Expenditures				
Support Services-General Administration				
Supply Assets	0	3,242	2,342	900
Total Support Services-General Administration	<u>0</u>	<u>3,242</u>	<u>2,342</u>	<u>900</u>
Total Expenditures	<u>0</u>	<u>3,242</u>	<u>2,342</u>	<u>900</u>
Excess (Deficiency) of Revenues Over Expenditures	11,088	10,188	11,088	900
Cash Balance Beginning of Year	\$ (11,088)	\$ (11,088)	\$ (11,088)	\$ 0
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 900</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 11,088	
Net change in Due from Grantor			(11,088)	
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, 2011

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 21,816	\$ 21,816	\$ 21,816	\$ 0
Total Revenues	<u>21,816</u>	<u>21,816</u>	<u>21,816</u>	<u>0</u>
Expenditures				
Instruction				
Personnel Services	0	0	0	0
Employee Benefits	<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	21,816	21,816	21,816	0
Cash Balance Beginning of Year	<u>(21,816)</u>	<u>(21,816)</u>	<u>(21,816)</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			\$ 21,816	
Net change in Due from Grantor			<u>(21,816)</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 PRESCHOOL RECOVERY ACT-24209
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 0	\$ 3,837	\$ 0	\$ (3,837)
Total Revenues	<u>0</u>	<u>3,837</u>	<u>0</u>	<u>(3,837)</u>
Expenditures				
Instruction				
Supplies	0	3,837	764	3,073
Total Instruction	<u>0</u>	<u>3,837</u>	<u>764</u>	<u>3,073</u>
Total Expenditures	<u>0</u>	<u>3,837</u>	<u>764</u>	<u>3,073</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	(764)	(764)
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>\$ (764)</u>	<u>\$ (764)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (764)	
Net change in Due from Grantor			<u>764</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, 2011

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 0	\$ 4,398	\$ 0	\$ 4,398
Total Revenues	<u>0</u>	<u>4,398</u>	<u>0</u>	<u>4,398</u>
Expenditures				
Instruction				
Professional & Tech Services	0	3,255	288	2,967
Supplies	<u>0</u>	<u>1,143</u>	<u>1,143</u>	<u>0</u>
Total Instruction	<u>0</u>	<u>4,398</u>	<u>1,431</u>	<u>2,967</u>
Total Expenditures	<u>0</u>	<u>4,398</u>	<u>1,431</u>	<u>2,967</u>
Excess (Deficiency) of Revenues Over Expenditures	0	0	(1,431)	1,431
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>\$ (1,431)</u>	<u>\$ 1,431</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (1,431)	
Net change in Due from Grantor			<u>1,431</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, 2011

	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	20,532	997	19,535
Supply Assets	<u>0</u>	<u>8,000</u>	<u>0</u>	<u>8,000</u>
Total Instruction	<u>0</u>	<u>28,532</u>	<u>997</u>	<u>27,535</u>
Total Expenditures	<u>0</u>	<u>28,532</u>	<u>997</u>	<u>27,535</u>
Excess (Deficiency) of Revenues Over Expenditures	0	(28,532)	(997)	(27,535)
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>\$ 0</u>	<u>\$ 27,535</u>	<u>\$ (27,535)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			<u>\$ (997)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ (997)</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 XIX MEDICAID-25153
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Fees	\$ 54,358	\$ 54,358	\$ 42,607	\$ (11,751)
Total Revenues	<u>54,358</u>	<u>54,358</u>	<u>42,607</u>	<u>(11,751)</u>
Expenditures				
Support Services-Students				
Personnel Services	33,634	33,634	21,227	12,407
Employee Benefits	12,345	12,345	7,807	4,538
Professional & Tech Services	12,234	12,234	1,945	10,289
Total Support Services-Students	<u>58,213</u>	<u>58,213</u>	<u>30,979</u>	<u>27,234</u>
Total Expenditures	<u>58,213</u>	<u>58,213</u>	<u>30,979</u>	<u>27,234</u>
Excess (Deficiency) of Revenues Over Expenditures	(3,855)	(3,855)	11,628	15,483
Cash Balance Beginning of Year	<u>3,855</u>	<u>3,855</u>	<u>3,855</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 15,483</u>	<u>\$ 15,483</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 11,628	
Net change in Accounts Payable			<u>(589)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 11,039</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, 2011

	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			\$ 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-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, 2011

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 63,318	\$ 63,570	\$ 63,570	\$ 0
Total Revenues	<u>63,318</u>	<u>63,570</u>	<u>63,570</u>	<u>0</u>
Expenditures				
Instruction				
Personnel Services	50,000	48,733	48,733	0
Employee Benefits	13,318	14,837	14,837	0
Total Instruction	<u>63,318</u>	<u>63,570</u>	<u>63,570</u>	<u>0</u>
Total Expenditures	<u>63,318</u>	<u>63,570</u>	<u>63,570</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-EDUCATION JOB FUND-25255
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 0	\$ 171,278	\$ 171,278	\$ 0
Total Revenues	<u>0</u>	<u>171,278</u>	<u>171,278</u>	<u>0</u>
Expenditures				
Instruction				
Personnel Services	0	127,332	127,332	0
Employee Benefits	<u>0</u>	<u>43,946</u>	<u>43,946</u>	<u>0</u>
Total Instruction	<u>0</u>	<u>171,278</u>	<u>171,278</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>171,278</u>	<u>171,278</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			<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-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, 2011

	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			\$ <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-LANL FOUNDATION-26113
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2011

	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				
Personnel Services	0	5,843	5,843	0
Employee Benefits	0	1,776	1,776	0
Other Purchased Services	0	2,625	2,625	0
Supplies	0	1,514	1,514	0
Supply Assets	0	9,759	9,759	0
Total Instruction	<u>0</u>	<u>21,517</u>	<u>21,517</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>21,517</u>	<u>21,517</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	(21,517)	(21,517)	0
Cash Balance Beginning of Year	<u>21,517</u>	<u>21,517</u>	<u>21,517</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 21,517</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			\$ (21,517)	
Net change in Payables			3,349	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ (18,168)</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, 2011

	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, 2011

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 0	\$ 5,000	\$ 5,000	\$ 0
Total Revenues	<u>0</u>	<u>5,000</u>	<u>5,000</u>	<u>0</u>
Expenditures				
Instruction				
Supplies	0	5,000	5,000	0
Total Instruction	<u>0</u>	<u>5,000</u>	<u>5,000</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>5,000</u>	<u>5,000</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, 2011

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 10,009	\$ 10,009	\$ 9,630	\$ (379)
Total Revenues	<u>10,009</u>	<u>10,009</u>	<u>9,630</u>	<u>(379)</u>
Expenditures				
Student Services-Instruction				
Supplies	0	379	0	379
Total Student Services-Instruction	<u>0</u>	<u>379</u>	<u>0</u>	<u>379</u>
Total Expenditures	<u>0</u>	<u>379</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	10,009	9,630	9,630	0
Cash Balance Beginning of Year	<u>(9,630)</u>	<u>(9,630)</u>	<u>(9,630)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 379</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			\$ 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, 2011

	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				
Other Purchased Services	0	2,393	0	2,393
Supplies	0	4,000	649	3,351
Supply Assets	0	3,177	2,397	780
Total Instruction	<u>0</u>	<u>9,570</u>	<u>3,046</u>	<u>6,524</u>
Total Expenditures	<u>0</u>	<u>9,570</u>	<u>3,046</u>	<u>6,524</u>
Excess (Deficiency) of Revenues Over Expenditures	0	(9,570)	(3,046)	6,524
Cash Balance Beginning of Year	<u>9,437</u>	<u>9,437</u>	<u>9,437</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 9,437</u>	<u>\$ (133)</u>	<u>\$ 6,391</u>	<u>\$ 6,524</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			<u>\$ (3,046)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ (3,046)</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, 2011

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 81,677	\$ 194,854	\$ 172,379	\$ (22,475)
Total Revenues	<u>81,677</u>	<u>194,854</u>	<u>172,379</u>	<u>(22,475)</u>
Expenditures				
Instruction				
Personnel Services	0	74,000	74,000	0
Employee Benefits	0	30,230	30,230	0
Supplies	0	3,107	3,107	0
Total Instruction	<u>0</u>	<u>107,337</u>	<u>107,337</u>	<u>0</u>
Student Transportation				
Personnel Services	0	4,756	4,756	0
Employee Benefits	0	1,084	1,084	0
Total Student Transportation	<u>0</u>	<u>5,840</u>	<u>5,840</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>113,177</u>	<u>113,177</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	81,677	81,677	59,202	(22,475)
Cash Balance Beginning of Year	<u>(81,677)</u>	<u>(81,677)</u>	<u>(81,677)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (22,475)</u>	<u>\$ (22,475)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 59,202	
Net change in Due from Grantor			(59,202)	
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, 2011

	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				
Personnel Services	0	1,962	1,962	0
Employee Benefits	<u>0</u>	<u>396</u>	<u>396</u>	<u>0</u>
Total Instruction	<u>0</u>	<u>2,358</u>	<u>2,358</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>2,358</u>	<u>2,358</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	0	(2,358)	(2,358)	0
Cash Balance Beginning of Year	<u>2,358</u>	<u>2,358</u>	<u>2,358</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 2,358</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>\$ (2,358)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<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
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, 2011

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 0	\$ 7,450	\$ 7,450	\$ 0
Total Revenues	<u>0</u>	<u>7,450</u>	<u>7,450</u>	<u>0</u>
Expenditures				
Food Services				
Supplies	0	7,450	7,450	0
Total Food Services	<u>0</u>	<u>7,450</u>	<u>7,450</u>	<u>0</u>
Total Expenditures	<u>0</u>	<u>7,450</u>	<u>7,450</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			\$ 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-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, 2011

	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			\$ <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, 2011

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Federal Grant	\$ 3,514	\$ 104,714	\$ 86,587	\$ (18,127)
Total Revenues	<u>3,514</u>	<u>104,714</u>	<u>86,587</u>	<u>(18,127)</u>
Expenditures				
Instruction				
Personnel Services	0	34,834	34,834	0
Employee Benefits	0	10,341	10,341	0
Professional Tech Services	0	1,480	1,480	0
Other Purchased Services	0	12,873	12,873	0
Supplies	0	15,498	14,856	642
Supply Assets	0	19,774	19,774	0
Total Instruction	<u>0</u>	<u>94,800</u>	<u>94,158</u>	<u>642</u>
Support Services-Instruction				
Personnel Services	0	5,000	5,000	0
Employee Benefits	0	1,000	998	2
Supply Assets	0	400	400	0
Total Support Services-Instruction	<u>0</u>	<u>6,400</u>	<u>6,398</u>	<u>2</u>
Total Expenditures	<u>0</u>	<u>101,200</u>	<u>100,556</u>	<u>644</u>
Excess (Deficiency) of Revenues Over Expenditures	3,514	3,514	(13,969)	(17,483)
Cash Balance Beginning of Year	<u>(3,514)</u>	<u>(3,514)</u>	<u>(3,514)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (17,483)</u>	<u>\$ (17,483)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (13,969)	
Net change in Due from Grantor			<u>13,969</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
GENERAL FUND-McCUNE-29114
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2011

	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			\$ 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-BOND BUILDING-31100
Statement of Revenues, Expenditures, and Changes in Cash Balance -
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2011

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Investment Income	\$ 0	\$ 0	\$ 325	\$ (325)
Total Revenues	<u>0</u>	<u>0</u>	<u>325</u>	<u>(325)</u>
Expenditures				
Capital Outlay				
Building Improvements	0	100,082	98,272	1,810
Total Capital Outlay	<u>0</u>	<u>100,082</u>	<u>98,272</u>	<u>1,810</u>
Total Expenditures	<u>0</u>	<u>100,082</u>	<u>98,272</u>	<u>1,810</u>
Excess (Deficiency) of Revenues Over Expenditures	0	(100,082)	(97,947)	2,135
Cash Balance Beginning of Year	<u>100,082</u>	<u>100,082</u>	<u>100,082</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 100,082</u>	<u>\$ 0</u>	<u>\$ 2,135</u>	<u>\$ 2,135</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			<u>\$ (97,947)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ (97,947)</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, 2011

	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	0	0	0	0
Total Capital Outlay	<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	79,995	79,995	0	(79,995)
Cash Balance Beginning of Year	<u>(79,995)</u>	<u>(79,995)</u>	<u>(79,995)</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			\$ 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
 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, 2011

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
State Grant	\$ 32,501	\$ 251,236	\$ 191,075	\$ 60,161
Total Revenues	<u>32,501</u>	<u>251,236</u>	<u>191,075</u>	<u>60,161</u>
Expenditures				
Capital Outlay				
Building Improvements	0	218,735	216,235	2,500
Total Capital Outlay	<u>0</u>	<u>218,735</u>	<u>216,235</u>	<u>2,500</u>
Total Expenditures	<u>0</u>	<u>218,735</u>	<u>216,235</u>	<u>2,500</u>
Excess (Deficiency) of Revenues Over Expenditures	32,501	32,501	(25,160)	(57,661)
Cash Balance Beginning of Year	<u>(32,501)</u>	<u>(32,501)</u>	<u>(32,501)</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (57,661)</u>	<u>\$ (57,661)</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ (25,160)	
Net change in Due from Grantor			<u>25,160</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 20%-32100
 Statement of Revenues, Expenditures, and Changes in Cash Balance -
 Budget and Actual (Budgetary Basis)
 For the Year Ended June 30, 2011

	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	1,511	1,511	1,054	457
Total Operation & Maintenance of Plant	<u>1,511</u>	<u>1,511</u>	<u>1,054</u>	<u>457</u>
Excess (Deficiency) of Revenues Over Expenditures	(1,511)	(1,511)	(1,054)	457
Cash Balance Beginning of Year	<u>1,511</u>	<u>1,511</u>	<u>1,511</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 457</u>	<u>\$ 457</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			<u>\$ (1,054)</u>	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ (1,054)</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, 2011

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget- Over (Under)
	Original	Final		
Revenues				
Property Taxes	\$ 10	\$ 10	\$ 67	\$ (57)
Total Revenues	<u>10</u>	<u>10</u>	<u>67</u>	<u>(57)</u>
Expenditures				
Support Services-General Administration				
Professional & Tech Services	0	1	1	0
Total Support Services-General Administration	<u>0</u>	<u>1</u>	<u>1</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	10	9	66	57
Cash Balance Beginning of Year	<u>13,594</u>	<u>13,594</u>	<u>13,594</u>	<u>0</u>
Cash Balance End of Year	<u>\$ 13,604</u>	<u>\$ 13,603</u>	<u>\$ 13,660</u>	<u>\$ 57</u>
Reconciliation of Budgetary Basis to GAAP Basis				
Excess (Deficiency) of Revenues Over Expenditures-Cash Basis			\$ 66	
Excess (Deficiency) of Revenues Over Expenditures-GAAP Basis			<u>\$ 66</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, 2011

	Balance 6/30/10	Additions	Deletions	Balance 6/30/11
ASSETS				
Band	\$ 1,381	\$ 1,532	\$ 1,562	\$ 1,351
First Grade-Leal	446	31	445	32
Cheerleaders	4,195	13,112	15,648	1,659
HS Sunshine Club (Stsff)	573	72	71	574
Jurewich Plant	160	0	0	160
High School Girls Softball	517	3,838	3,969	386
Class of 2011	1,035	4,953	5,749	239
Rural Revitalization	100	0	0	100
General Fund/ Unused Balance	4,655	500	3,242	1,913
Class of 2010	987	0	0	987
Board of Education	0	150	0	150
Class of 2013	654	450	471	633
Enchantment	803	0	803	0
FCCLA	27	0	0	27
HS Student Council	647	753	1,042	358
Third Grade	0	500	0	500
MS Activity	173	835	1,004	4
HS Library	28	160	0	188
HS Boys Basketball	1,468	150	750	868
Sena-Holton Haiti Relief	367	0	367	0
National Honor Society	970	0	106	864
BPA	238	0	0	238
Background Checks	4	1,353	1,386	(29)
Class of 2012	607	3,098	3,032	673
Class of 2014	0	524	191	333
Spanish Club	1,349	1,099	1,796	652
Ms Spanish Club	0	981	918	63
Elementary Math	0	428	0	428
First Grade-Spencer	0	125	0	125
First Grade-Padilla	0	375	169	206
Secondary PTS	0	917	673	244
Sanchez Scholarship	1,931	676	300	2,307
Elementary Activity	308	0	0	308
General Activity	585	0	51	534
Insurance Fund	7,094	37	0	7,131
HS General Activity	134	337	351	120
HS Mesa	657	200	0	857
Volleyball	396	1,980	1,936	440
MS Mesa	1,409	200	0	1,609
Baseball	931	2,181	2,980	132
HS Girls Basketball	1,702	250	1,176	776
Mariachi	1,604	58	668	994
Cross Country	1,973	0	0	1,973
MS Student Council	\$ 753	\$ 625	\$ 1,272	\$ 106

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, 2011

	Balance 6/30/10	Additions	Deletions	Balance 6/30/11
MS Girls Basketball	\$ 464	\$ 0	\$ 0	\$ 464
Elementary Library	6,545	4,938	0	11,483
Elementary Cheerleaders	13	0	0	13
Kinder Rogers	6	0	0	6
MS Fundraising	1,839	0	108	1,731
MS Well Being	104	0	0	104
MS Cheerleaders	26	4,503	4,415	114
Kinder/MS Anderson	219	0	0	219
Varsity Track	659	0	0	659
Locker/HS	1,164	0	889	275
Elementary Yearbook	9,901	1,508	4,577	6,832
Elementary Arts Fund	100	50	0	150
MS CC & Track	76	0	0	76
Ancillary	0	0	0	0
Bilingual	483	0	0	483
Literacy Night/Accelerated Reader	778	0	0	778
HS Yearbook	1,872	2,334	3,831	375
MS Volleyball	0	1,158	1,178	(20)
Class of 2007	406	0	0	406
Athletics-General Fund	515	1,103	0	1,618
NMPSIA	551	102,652	102,711	492
6th Grade Special Education	398	0	0	398
HS Wrestling	0	877	98	779
David Ules Ruiz Scholarship	475	0	0	475
District 8-AA	1,382	0	0	1,382
Principal's Incentive Award	18,275	20,100	20,179	18,196
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	0	412	0	412
Total Assets	<u>\$ 95,475</u>	<u>\$ 182,115</u>	<u>\$ 190,114</u>	<u>\$ 87,476</u>
LIABILITIES				
Deposits Held for Others	\$ 95,475	\$ 182,115	\$ 190,114	\$ 87,476
Total Liabilities	<u>\$ 95,475</u>	<u>\$ 182,115</u>	<u>\$ 190,114</u>	<u>\$ 87,476</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, 2011

		Beginning Cash 6/30/10	Revenue	Expenditures	Ending Cash 6/30/11
OperationAL	11000	\$ 402,324	\$ 6,034,001	\$ 5,620,307	\$ 816,018
Teacherage	12000	78,582	26,825	10,880	94,527
Transportation	13000	1,952	316,706	317,637	1,021
Instructional Materials	14000	601	25,434	25,379	656
Food Services	21000	72,915	383,221	377,743	78,393
Athletics	22000	180,012	59,323	81,087	158,248
Federal Flowthrough	24000	(227,847)	753,983	754,785	(228,649)
Federal Direct	25000	33,387	277,455	266,824	44,018
Local Grants	26000	22,356	0	21,517	839
State Flowthrough	27000	(77,631)	194,459	131,031	(14,203)
State Direct	28000	(3,512)	86,586	100,557	(17,483)
Local/State	29000	3,073	0	0	3,073
Bond Building	31100	100,082	324	98,272	2,134
PSCOC	31200	(79,995)	0	0	(79,995)
Special CO State	31400	(32,501)	191,075	216,235	(57,661)
SB-9	31700	673,075	262,853	528,296	407,632
PSCO-20%	32100	1,512	0	1,054	458
Debt Service	41000	326,522	393,452	369,669	350,305
Ed Tech Debt Service	43000	13,594	67	1	13,660
Agency Funds		95,475	182,116	190,115	87,476
Total		<u>\$ 1,583,976</u>	<u>\$ 9,187,880</u>	<u>\$ 9,111,389</u>	<u>\$ 1,660,467</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, 2011

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:			
School Breakfast Program	10.553	21000	139,380
National School Lunch Program	10.555	21000	\$ 228,128
			<u>367,508</u>
Pass-through Department of Education			
Fruits & Vegetables	10.582	24118	18,663
Pass-through State Department of Human Services:			
Commodity Supplemental Food Program	10.550	21000 (1)	18,870
Direct Program			
Rural Development, Forestry, and Communities	10.672	11000	<u>31,414</u>
Total U. S. Department of Agriculture			<u>436,455</u>
<u>U. S. Department of Education</u>			
Pass-through Northeast Regional REC			
Special Education Cluster			
IDEA B, Entitlement	84.027	24106	181,246
IDEA Preschool Recovery Act	84.392	24209	764
			<u>182,010</u>
Pass-through State Public Education Department:			
Title I	84.010	24101/24162	175,653
Title I Recovery Act	84.389	24201/24262	3,773
Carl Perkins	84.048	24180/24182	10,169
21st Century	84.287	24119	239,724
English Language Acquisition	84.365	24153	64,945
Improving Teacher Quality	84.367	24154	57,625
Safe & Drug Free Schools	84.186	24157	3,154
State Fiscal Stabilization Fund Program	84.394	25250	63,570
Education Jobs Fund	84.410	25255	171,278
Pass-through Highland University			
Gear Up	84.334	28178	100,557
Total U. S. Department of Education			<u>1,072,458</u>
Total Federal Assistance			\$ <u>1,508,913</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 of the general fund, the budgetary comparisons for the major capital project funds, debt service fund and the combining individual funds and related budgetary comparison presented as supplemental information of the Pecos Independent School District (District) as of and for the year ended June 30, 2011, and have issued our report thereon dated September 16, 2011. 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 our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over financial reporting.

A 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 entity's financial statements will not be prevented, or detected and correct on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses as defined above. However, we identified certain deficiencies in internal control over financial reporting, described in the accompanying schedule of findings and questioned costs that we consider to be significant deficiencies in internal control over financial reporting; 10-1, 10-2, 10-3, 10-5, 11-1, 11-2 and 11-3. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under Government Auditing Standards and which are described in the accompanying schedule of findings and questioned costs; 10-1, 10-2, 10-3, 10-5, 11-1, 11-2 and 11-3.

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 responses 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

September 16, 2011

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, 2011. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the District's management. 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, 2011.

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.

DeAnn Willoughby CPA PC

September 16, 2011

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
 Schedule of Findings and Questioned Costs
 For the Year Ended June 30, 2011

A. SUMMARY OF AUDIT RESULTS

Financial Statements

Type of auditor's report issued Unqualified

Internal control over financial reporting

* Material weaknesses identified? No

* Significant deficiencies identified? Yes

Noncompliance material to financial statements noted? No

Federal Awards

Internal control over major programs:

* Material weaknesses identified? No

* Significant deficiencies identified? No

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 No

Identification of major programs:

<u>CFDA Numbers)</u>	<u>Name of Federal Program of Cluster</u>
10.553	Child Nutrition Cluster
10.555	School Breakfast Program
84.394	National School Lunch Program
	State Fiscal Stabilization Program

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

Audited qualified as low risk auditee Yes

STATE OF NEW MEXICO
PECOS INDEPENDENT SCHOOL DISTRICT
 Schedule of Findings and Questioned Costs
 For the Year Ended June 30, 2011

Prior Year Audit Findings	<u>Status</u>
10-1 Employee Files	Repeated & Modified
10-2 Use of a Credit Card by the District	Repeated & Modified
10-3 Reporting of NMPSIA	Repeated & Modified
10-4 Reporting of ERB and RHCA Wages	Resolved
10-5 Budget	Repeated & Modified
10-6 Stale Date Transactions	Resolved

Current Year Audit Findings

10-1 Employee Files - Internal Control & Compliance

Condition

In a sample size of 31 personnel files we determined the following

- Two signed contracts could not be located.
- Three required background checks could not be located.

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

There is a possibility that an employee hired without a background check could have a criminal past that would in danger students in the District. Missing contracts could cause personnel to be paid incorrect amounts.

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 district employee overseeing human resources will make periodic checks of employee files to make sure all required paper work is filed.

10-2 Use of a Credit Card by the District - Internal Control & Compliance

Condition

During the test of expenditures we found that the District had a Sam's credit card.

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 this card 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 District was not aware that a Sam's credit card was not allowable.

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 Sam's credit card.. 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 - Internal Control & Compliance

Condition

Two of the eight employees that had the wrong percentages withheld in the prior year are still incorrect. This error has caused the District to over pay their portion for the fiscal year by \$442.32 for one employee and under pay by \$747.78 for the other. The District has reported to NMPSIA a salary of \$15,004 for the underpaid employee and the correct amount was \$14,144 thus placing the employee in the 25/75 bracket instead of the 30/70 and causing District to withhold more than should be from the employees check.

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. The employee should be reimbursed \$747.78.

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 clerk is well aware of this and will make every effort to review employee benefits any time a change in salary is made.

10-5 Budget - Internal Control & Compliance

Condition

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

	Amount
Fresh Fruit & Vegetables-24118	(\$1,663)

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

These were expenditures that were encumbered but not liquidated in the prior fiscal year. PED

11-1 Negative Activity Account Balances - Internal Control & Compliance

Condition

The District has two negative balances in the activity accounts, Background Checks \$(29) and MS Volleyball \$(20).

Criteria

Internal control should exist to provide reasonable assurance that no disbursement is made that would result in a deficit balance. PSAB Supplement 18 and 6-10-2 NMSA 1978.

Effect

The District has violated PSAB Supplement 18 and 6-10-2 NMSA 1978.

Cause

Sponsors are not following procurement act and issuing purchase requisitions that generates a purchase order and allows business personnel to determine if funds are available before cash is spent.

Recommendation

Training should be held with all personnel regarding the procurement act and those that violate it will have consequences.

Response

The District will conduct training with all personnel to ensure no further violations occur.

11-2 Expenditure Issues - Internal Control & Compliance

Condition

Of a sample size of 197 revealed the following:

- Six was past due and two of the six had a total of \$23.50 worth of late penalty fees.
- Eight had PO's issued after the fact.
- One the PO was for a penny, the invoice and check were both for \$5,293.20.
- Seven the checks were written before invoices were received or before services rendered.
- Two the PO's were less than the Invoices and checks.

Criteria

In accordance with 6.20.2.17 Purchasing each school district shall establish and implement written policies and procedures for purchasing which shall be in compliance with the Procurement Code, Section 13-1-21 et seq, NMSA 1978.

Effect

Without proper documentation and following the procurement act, there are not adequate controls over expenditures. Results are over spending.

Cause

The staff are not following the procurement act. They are sending bills to the central office expecting them to be paid without the purchase requisition or purchase order. Revised purchase orders should be issued when the amount of the purchase is greater than expected. Staff did not get the invoice to central office to complete the bill package before the bill was paid.

Recommendation

Staff meeting need to be held with training on the procurement process. The Superintendent needs to enforce the process and write up those who violate it. There should be consequences to violations.

Response

Trainings will be held with personnel on the procurement act with a reminder summary sheet given to every employee each year. Superintendent will enforce the process through progressive discipline which includes reprimand up to deduction from payroll for expenditures that didn't have the proper documentation. All revised PO's will be included in the audit file.

11-3 Payroll - Internal Control & Compliance

Condition

During our sample of 31 employees payroll, we have determined that one employee the NMPSIA amount being withheld was more than the calculated amount, and the District has voluntary life set up as a cafeteria plan causing the employees federal and state taxes to be underpaid.

Criteria

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. As of June 30, 2010 the contribution rates will increase. See applicable statute for more information." And in accordance with the instructions from the Internal Revenue Service regarding cafeteria plans, life insurance is not allowed.

Effect

As a result of filing incorrect wages with the RHCA the school could absorb additional expenditures due to the penalties of unpaid late penalty assessment transactions.

Cause

The employee with the wrong amount withheld for NMPSIA was a security guard and event coordinator. She is paid hourly and did not earn as much as expected and was just under the threshold for the higher NMPSIA bracket. The Business Manager was told by an insurance salesman that life insurance was eligible for the cafeteria plan.

Recommendation

The employee should be reimbursed for the excess insurance withheld from her pay and the life insurance should be removed from the cafeteria plan.

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 clerk is well aware of this and will make every effort to review employee benefits any time a change in salary is made. Adjustments will be made to reimburse the employee that was over charged.

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 September 16, 2011. Those present were Victor Ortiz-Board President, Roy Herrera-Superintendent, Brenda Gallegos-Business Manager, and De'Aun Willoughby, CPA.