

STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

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COMPREHENSIVE FINANCIAL ANNUAL REPORT  
AND  
SUPPLEMENTAL INFORMATION  
YEAR ENDED JUNE 30, 2011  
WITH  
REPORT OF CERTIFIED PUBLIC ACCOUNTANTS

The logo for Keystone Accounting, LLC features a stylized, calligraphic 'K' and 'A' that are intertwined. The 'K' is on the left, and the 'A' is on the right, with their stems overlapping. The letters are in a serif font with decorative flourishes.  
KEYSTONE ACCOUNTING, LLC  
CERTIFIED PUBLIC ACCOUNTANTS

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## INTRODUCTORY SECTION

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STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

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STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

OFFICIAL ROSTER  
June 30, 2011

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BOARD OF EDUCATION

Juliet Garcia-Gonzales	President
Roland Rodriguez	Vice President
Isabel L. Duran	Secretary
Norman Esquibel	Member
Leroy Lopez	Member

SCHOOL OFFICIALS

Ernesto Valdez	Superintendent
Elizabeth Romero	Business Manager

AUDIT COMMITTEE

Isabel L. Duran	Board Secretary
Norman Esquibel	Board Member
Ernesto Valdez	Superintendent
Elizabeth Romero	Business Manager
Jane Fernandez	Member
Yvonne Castillo	Member

FINANCE COMMITTEE

Isabel L. Duran	Board Secretary
Ernesto Valdez	Superintendent
Elizabeth Romero	Business Manager
Bobby Romero	Member
Michael Pacheco	Member
Cecilia Romero-Torres	Member
Kathryn Vigil	Member

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**FINANCIAL SECTION**

**FISCAL YEAR 2011**

**JULY 1, 2010 THROUGH JUNE 30, 2011**

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# KEYSTONE ACCOUNTING, LLC

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## INDEPENDENT AUDITORS' REPORT

Hector H. Balderas, State Auditor  
And the Board of Education of  
Penasco Independent School District No. 4

We have audited the accompanying financial statements of the governmental activities, each major fund, the aggregate remaining fund information, and the budgetary comparisons for the general fund of the Penasco Independent School District No. 4, as of and for the year ended June 30, 2011, which collectively comprise Penasco Independent School District No. 4's basic financial statements as listed in the table of contents. We also have audited the financial statements of each of the Penasco Independent School District No. 4's nonmajor governmental funds and the budgetary comparisons for the major capital projects funds, 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 agency'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 consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the agency's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. 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 Penasco Independent School District No. 4, 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 Penasco Independent School District No. 4 as of June 30, 2011, and the respective changes in financial position, thereof and the respective budgetary comparisons for the major capital project funds, debt service fund, and all nonmajor funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

# KEYSTONE ACCOUNTING, LLC

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Hector H. Balderas, State Auditor  
And the Board of Education of  
Penasco Independent School District No. 4

In accordance with Government Auditing Standards, we have also issued our report dated October 25, 2011, on our consideration of the Penasco Independent School District No. 4's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in conjunction with this report in assessing the results of our audit.

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

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



October 25, 2011

## **BASIC FINANCIAL STATEMENTS**

STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

STATEMENT OF NET ASSETS  
June 30, 2011

	<u>Governmental Activities</u>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 2,528,547
Receivables:	
Delinquent property taxes receivable	89,717
Grant	261,953
Due from other governments	9,046
Deferred bond issuance costs	68,460
Food inventory	22,912
 Non-current:	
Non-depreciable assets	1,531,311
Depreciable capital assets, net	<u>9,789,114</u>
Total assets	<u>14,301,060</u>
 <b>LIABILITIES</b>	
Accounts payable	42,871
Accrued interest	32,768
Deferred grant revenue	536
Compensated absences	46,773
Noncurrent liabilities:	
Due within one year	80,000
Due in more than one year	<u>2,185,843</u>
Total liabilities	<u>2,388,791</u>
 <b>NET ASSETS</b>	
Invested in capital assets, net of related debt	9,172,483
Restricted for:	
Inventories	22,912
Special revenue funds	390,614
Capital projects	1,751,202
Debt service	218,010
Unrestricted	<u>357,048</u>
Total net assets	<u>\$ 11,912,269</u>

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



STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

STATEMENT OF ACTIVITIES  
Year Ended June 30, 2011

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Changes in Net Assets</u>	
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Primary Governmental Activities</u>	
Primary government:						
Governmental activities:						
Instruction	\$ 3,443,067	\$ 5,305	\$ 745,258	\$ 968,189	\$ (1,724,315)	
Support Services - Students	861,035	66,045	186,373	242,122	(366,495)	
Support Services - Instruction	42,865	-	9,278	12,054	(21,533)	
Support Services - General Administration	333,078	-	72,095	93,661	(167,322)	
Support Services - School Administration	445,317	-	96,390	125,223	(223,704)	
Central Services	265,111	-	57,384	-	(207,727)	
Operations & Maintenance of Plant	1,090,473	-	236,035	-	(854,438)	
Student Transportation	302,860	-	264,777	-	(38,083)	
Other Support Services	9,146	-	1,980	-	(7,166)	
Food Services	326,914	3,993	269,898	-	(53,023)	
Community Services	13,753	-	2,977	-	(10,776)	
Bond interest paid	<u>102,106</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(102,106)</u>	
Total governmental activities	<u>\$ 7,235,725</u>	<u>\$ 75,343</u>	<u>\$ 1,942,445</u>	<u>\$ 1,441,249</u>	<u>(3,776,688)</u>	
General revenues:						
Property Taxes:						
General purposes						32,335
Debt service						239,439
Capital projects						96,275
Grants and contributions not restricted						4,750,330
Unrestricted investment earnings						<u>686</u>
Total general revenues						<u>5,119,065</u>
Change in net assets						1,342,377
Net assets - beginning						<u>10,569,892</u>
Net assets - ending						<u>\$ 11,912,269</u>

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

STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

GOVERNMENTAL FUNDS  
Balance Sheet  
June 30, 2011

	General Fund	Entitlement IDEA-B Fund #24106	21st Century Community Learning Centers Fund #24119	ARRA - Entitlement IDEA-B Fund #24206	Education Jobs Fund #25255
<b>ASSETS</b>					
Pooled cash and investments	\$ 190,740	\$ -	\$ 9	\$ 52	\$ -
Receivables:					
Delinquent property taxes	2,220	-	-	-	-
Grant	-	37,435	55,713	52,130	39,113
Due from other governments	223	-	-	-	-
Due from other funds	227,042	-	-	-	-
Food inventory	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 420,225</u>	<u>\$ 37,435</u>	<u>\$ 55,722</u>	<u>\$ 52,182</u>	<u>\$ 39,113</u>
<b>LIABILITIES AND FUND BALANCE</b>					
Liabilities:					
Accounts payable	\$ 14,366	\$ -	\$ 919	\$ -	\$ -
Due to other funds	-	37,435	54,803	52,182	39,113
Deferred revenue:					
Federal, state, and local grants	-	-	-	-	-
Delinquent property taxes	2,038	-	-	-	-
	<u>16,404</u>	<u>37,435</u>	<u>55,722</u>	<u>52,182</u>	<u>39,113</u>
Total liabilities	<u>16,404</u>	<u>37,435</u>	<u>55,722</u>	<u>52,182</u>	<u>39,113</u>
Fund balance:					
Non-spendable:					
Inventories	-	-	-	-	-
Restricted for:					
Special revenue funds	-	-	-	-	-
Capital projects funds	-	-	-	-	-
Debt service	-	-	-	-	-
Unassigned	403,821	-	-	-	-
	<u>403,821</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balance	<u>403,821</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities and fund balance	<u>\$ 420,225</u>	<u>\$ 37,435</u>	<u>\$ 55,722</u>	<u>\$ 52,182</u>	<u>\$ 39,113</u>

(continued)

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

STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

GOVERNMENTAL FUNDS  
Balance Sheet  
June 30, 2011

	Bond Building Fund #31100	Special Capital Outlay - State Fund #31400	Capital Improvements SB-9 Fund #31700	Debt Service Fund #41000	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>						
Pooled cash and investments	\$ 1,354,203	\$ 39,791	\$ 378,667	\$ 206,396	\$ 358,689	\$ 2,528,547
Receivables:						
Delinquent property taxes	-	-	24,940	62,557	-	89,717
Grant	-	-	-	-	77,562	261,953
Due from other governments	-	-	2,517	6,306	-	9,046
Due from other funds	-	-	-	-	-	227,042
Food inventory	-	-	-	-	22,912	22,912
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>22,912</u>	<u>22,912</u>
Total assets	<u>\$ 1,354,203</u>	<u>\$ 39,791</u>	<u>\$ 406,124</u>	<u>\$ 275,259</u>	<u>\$ 459,163</u>	<u>\$ 3,139,217</u>
<b>LIABILITIES AND FUND BALANCE</b>						
<b>Liabilities:</b>						
Accounts payable	\$ 27,164	\$ -	\$ -	\$ -	\$ 422	\$ 42,871
Due to other funds	-	-	-	-	43,509	227,042
Deferred revenue:						
Federal, state, and local grants	-	-	-	-	536	536
Delinquent property taxes	-	-	22,922	57,249	-	82,209
	<u>-</u>	<u>-</u>	<u>22,922</u>	<u>57,249</u>	<u>-</u>	<u>82,209</u>
Total liabilities	<u>27,164</u>	<u>-</u>	<u>22,922</u>	<u>57,249</u>	<u>44,467</u>	<u>352,658</u>
<b>Fund balance:</b>						
<b>Non-spendable:</b>						
Inventories	-	-	-	-	22,912	22,912
<b>Restricted for:</b>						
Special revenue funds	-	-	-	-	390,614	390,614
Capital projects funds	1,327,039	39,791	383,202	-	1,170	1,751,202
Debt service	-	-	-	218,010	-	218,010
Unassigned	-	-	-	-	-	403,821
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>403,821</u>
Total fund balance	<u>1,327,039</u>	<u>39,791</u>	<u>383,202</u>	<u>218,010</u>	<u>414,696</u>	<u>2,786,559</u>
Total liabilities and fund balance	<u>\$ 1,354,203</u>	<u>\$ 39,791</u>	<u>\$ 406,124</u>	<u>\$ 275,259</u>	<u>\$ 459,163</u>	<u>\$ 3,139,217</u>

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

STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

RECONCILIATION OF THE BALANCE SHEET - ALL  
GOVERNMENTAL FUNDS  
TO THE STATEMENT OF NET ASSETS  
June 30, 2011

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

Fund balances - total governmental funds	\$	2,786,559
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		
Capital assets		26,088,990
Accumulated depreciation		(14,768,565)
Other assets are not available to pay for current-period expenditures and therefore are deferred in the funds.		
Property taxes receivable		82,209
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds		
Bonds payable		(2,230,000)
Accrued interest payable		(32,768)
Accrued vacation payable		(46,773)
Bond issue costs		68,460
Bond premiums		(35,843)
		(35,843)
Net assets of governmental activities	\$	11,912,269

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

STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

GOVERNMENTAL FUNDS  
Statement of Revenues, Expenditures, and  
Changes in Fund Balance  
Year Ended June 30, 2011

	General Fund	Entitlement IDEA-B Fund #24106	21st Century Community Learning Centers Fund #24119	ARRA - Entitlement IDEA-B Fund #24206	Education Jobs Fund #25255	Bond Building Fund #31100
Revenues:						
Federal sources:						
Public Law 874	\$ 49,415	\$ -	\$ -	\$ -	\$ -	\$ -
Forest reserve	27,460	-	-	-	-	-
Federal flowthrough grants	-	108,812	209,290	79,083	-	-
Federal direct grants	-	-	-	-	134,730	-
Food and milk reimbursements	-	-	-	-	-	-
USDA Commodities	-	-	-	-	-	-
State sources:						
State equalization guarantee	4,655,557	-	-	-	-	-
Transportation	264,777	-	-	-	-	-
State instructional material	20,217	-	-	-	-	-
State grant	22,405	-	-	-	-	213,321
Local sources:						
Grant	24,370	-	-	-	-	-
District school tax levy	31,806	-	-	-	-	-
Fees and activities	5,305	-	-	-	-	-
Earnings from investments	473	-	-	-	-	964
Miscellaneous	4,548	-	-	-	-	-
<b>Total revenue</b>	<b>\$ 5,106,333</b>	<b>\$ 108,812</b>	<b>\$ 209,290</b>	<b>\$ 79,083</b>	<b>\$ 134,730</b>	<b>\$ 214,285</b>
Expenditures:						
Current:						
Instruction	\$ 2,500,323	\$ 89,848	\$ 159,962	\$ 75,716	\$ 134,730	\$ -
Support Services:						
Students	670,912	1,500	-	3,287	-	-
Instruction	47,866	-	-	-	-	-
General Administration	281,707	-	12,536	-	-	-
School Administration	354,030	-	31,062	-	-	-
Central Services	248,996	-	-	80	-	-
Operation & Maintenance of Plant	740,047	-	-	-	-	82,203
Student Transportation	276,555	7,554	-	-	-	-
Other Support Services	8,593	-	-	-	-	-
Food Services Operations	-	-	-	-	-	-
Community Services	1,144	-	-	-	-	-
Capital outlay	8,600	9,910	5,730	-	-	484,949
Debt service:						
Bond interest paid	-	-	-	-	-	-
<b>Total expenditures</b>	<b>5,138,773</b>	<b>108,812</b>	<b>209,290</b>	<b>79,083</b>	<b>134,730</b>	<b>567,152</b>
Excess (deficiency) of revenues over expenditures	(32,440)	-	-	-	-	(352,867)
Fund balance at beginning of the year	436,261	-	-	-	-	1,679,906
Fund balance at end of the year	<u>\$ 403,821</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,327,039</u>

(continued)

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

STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

GOVERNMENTAL FUNDS  
Statement of Revenues, Expenditures, and  
Changes in Fund Balance  
Year Ended June 30, 2011

	Special Capital Outlay - State Fund #31400	Capital Improvements SB-9 Fund #31700	Debt Service Fund #41000	Other Governmental Funds	Total Governmental Funds
<b>Revenues:</b>					
Federal sources:					
Public Law 874	\$ -	\$ -	\$ -	\$ 13,350	\$ 62,765
Forest reserve	-	-	-	-	27,460
Federal flowthrough grants	-	-	-	257,608	654,793
Federal direct grants	-	-	-	188,630	323,360
Food and milk reimbursements	-	-	-	255,136	255,136
USDA Commodities	-	-	-	14,762	14,762
State sources:					
State equalization guarantee	-	-	-	-	4,655,557
Transportation	-	-	-	-	264,777
State instructional material	-	-	-	-	20,217
State grant	1,172,347	54,617	-	357,296	1,819,986
Local sources:					
Grant	-	-	-	3,338	27,708
District school tax levy	-	89,341	230,187	-	351,334
Fees and activities	-	-	-	70,038	75,343
Earnings from investments	-	-	-	213	1,650
Miscellaneous	-	-	-	-	4,548
<b>Total revenue</b>	<b>\$ 1,172,347</b>	<b>\$ 143,958</b>	<b>\$ 230,187</b>	<b>\$ 1,160,371</b>	<b>\$ 8,559,396</b>
<b>Expenditures:</b>					
Current:					
Instruction	\$ -	\$ -	\$ -	\$ 274,240	\$ 3,234,819
Support Services:					
Students	-	-	-	133,258	808,957
Instruction	-	-	-	2,522	50,388
General Administration	-	885	2,298	15,506	312,932
School Administration	-	-	-	33,291	418,383
Central Services	-	-	-	-	249,076
Operation & Maintenance of Plant	-	85,625	-	116,642	1,024,517
Student Transportation	-	-	-	433	284,542
Other Support Services	-	-	-	-	8,593
Food Services Operations	-	-	-	307,141	307,141
Community Services	-	-	-	11,777	12,921
Capital outlay	1,172,347	31,439	-	303,016	2,015,991
Debt service:					
Bond interest paid	-	-	98,302	-	98,302
<b>Total expenditures</b>	<b>1,172,347</b>	<b>117,949</b>	<b>100,600</b>	<b>1,197,826</b>	<b>8,826,562</b>
Excess (deficiency) of revenues over expenditures	-	26,009	129,587	(37,455)	(267,166)
Fund balance at beginning of the year	39,791	357,193	88,423	452,151	3,053,725
Fund balance at end of the year	<u>\$ 39,791</u>	<u>\$ 383,202</u>	<u>\$ 218,010</u>	<u>\$ 414,696</u>	<u>\$ 2,786,559</u>

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

STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

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

Year Ended June 30, 2011

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

Net change in fund balance - total governmental funds	\$ (267,166)
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current year</p>	
Capital outlay	2,015,991
Depreciation	(431,466)
<p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.</p>	
<p>Deferred property taxes at:</p>	
June 30, 2010	(65,494)
June 30, 2011	82,209
<p>The issuance of long-term debt (e.g., bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, and similar, items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.</p>	
Issuance cost amortization	(3,804)
Bond premium amortization	1,991
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.</p>	
<p>Compensated absences at:</p>	
June 30, 2010	56,889
June 30, 2011	(46,773)
<p>Accrued interest at:</p>	
June 30, 2010	(32,768)
June 30, 2011	<u>32,768</u>
Change in net assets of governmental activities	<u>\$ 1,342,377</u>

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

STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

GENERAL FUND  
Statement of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget
				Positive (Negative)
<b>Revenues:</b>				
Federal sources:				
Public Law 874	\$ 42,556	\$ 42,556	\$ 49,415	\$ 6,859
Forest reserve	31,664	31,664	27,460	(4,204)
State sources:				
State equalization guarantee	4,793,100	4,926,268	4,655,557	(270,711)
Transportation	257,327	264,782	264,777	(5)
State instructional material	17,739	18,531	20,217	1,686
State grant	158,000	8,000	22,405	14,405
Local sources:				
Grant	-	-	23,311	23,311
District school tax levy	8,129	8,129	31,729	23,600
Fees and activities	5,700	5,700	6,365	665
Earnings from investments	2,000	2,000	473	(1,527)
Miscellaneous	-	-	4,548	4,548
Total revenues	<u>5,316,215</u>	<u>5,307,630</u>	<u>5,106,257</u>	<u>(201,373)</u>
<b>Expenditures:</b>				
Current:				
Instruction	2,709,222	2,538,927	2,507,223	31,704
Support Services:				
Students	686,977	739,380	670,912	68,468
Instruction	64,882	53,056	47,866	5,190
General Administration	238,771	291,704	282,820	8,884
School Administration	348,029	363,428	354,030	9,398
Central Services	274,054	258,291	249,155	9,136
Operation & Maintenance of Plant	753,791	821,092	736,578	84,514
Student Transportation	293,916	284,202	277,868	6,334
Other Support Services	26,221	28,591	6,053	22,538
Community Services Operations	2,404	2,411	1,144	1,267
Capital outlay:				
Equipment	-	8,600	8,600	-
Total expenditures	<u>5,398,267</u>	<u>5,389,682</u>	<u>5,142,249</u>	<u>247,433</u>
Excess (deficiency) of revenues over expenditures	(82,052)	(82,052)	(35,992)	46,060
Beginning cash balance budgeted	82,052	82,052	-	(82,052)
Fund balance at beginning of the year	-	-	<u>436,261</u>	<u>436,261</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	400,269	<u>\$ 400,269</u>
<b>RECONCILIATION TO GAAP BASIS:</b>				
Change in property tax receivable			610	
Change in due from other governments			(4)	
Change in payables			3,475	
Change in deferred property taxes			(529)	
			<u>\$ 403,821</u>	

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



STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

ENTITLEMENT IDEA-B SPECIAL REVENUE FUND  
Statement of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget
				Positive (Negative)
<b>Revenues:</b>				
Federal sources:				
Federal grant	\$ 123,335	\$ 160,116	\$ 79,242	\$ (80,874)
 <b>Expenditures:</b>				
Current:				
Instruction	115,786	140,687	89,848	50,839
Support Services:				
Students	7,342	1,676	1,675	1
School Administration	207	-	-	-
Student Transportation	-	7,753	7,554	199
 Capital outlay:				
Equipment	-	10,000	9,910	90
Total expenditures	123,335	160,116	108,987	51,129
Excess (deficiency) of revenues over expenditures	-	-	(29,745)	(29,745)
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	\$ -	\$ -	(29,745)	\$ (29,745)
 <b>RECONCILIATION TO GAAP BASIS:</b>				
Change in grant receivable			29,570	
Change in payables			175	
			\$ -	

STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

21ST CENTURY COMMUNITY LEARNING CENTERS SPECIAL REVENUE FUND

Statement of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2011

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget
	<u>Original</u>	<u>Final</u>		Positive <u>(Negative)</u>
<b>Revenues:</b>				
Federal sources:				
Federal grant	\$ 119,000	\$ 266,184	\$ 167,434	\$ (98,750)
<b>Expenditures:</b>				
Current:				
Instruction	89,582	205,893	159,042	46,851
Support Services:				
General Administration	5,093	16,093	12,536	3,557
School Administration	24,025	37,898	31,062	6,836
Operation & Maintenance of Plant	300	300	-	300
Capital outlay:				
Equipment	-	6,000	5,730	270
Total expenditures	<u>119,000</u>	<u>266,184</u>	<u>208,370</u>	<u>57,814</u>
Excess (deficiency) of revenues over expenditures	-	-	(40,936)	(40,936)
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	(40,936)	<u>\$ (40,936)</u>
<b>RECONCILIATION TO GAAP BASIS:</b>				
Change in grant receivable			41,855	
Change in payables			<u>(919)</u>	
			<u>\$ -</u>	

STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

ARRA - ENTITLEMENT IDEA-B SPECIAL REVENUE FUND  
Statement of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2011

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget
	<u>Original</u>	<u>Final</u>		Positive <u>(Negative)</u>
Revenues:				
Federal sources:				
Federal grant	\$ 31,048	\$ 88,312	\$ 34,178	\$ (54,134)
Expenditures:				
Current:				
Instruction	-	83,277	75,716	7,561
Support Services:				
Students	31,048	4,785	3,287	1,498
Central Services	<u>-</u>	<u>250</u>	<u>80</u>	<u>170</u>
Total expenditures	<u>31,048</u>	<u>88,312</u>	<u>79,083</u>	<u>9,229</u>
Excess (deficiency) of revenues over expenditures	-	-	(44,905)	(44,905)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	(44,905)	<u>\$ (44,905)</u>
RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			<u>44,905</u>	
			<u>\$ -</u>	

STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

EDUCATION JOBS SPECIAL REVENUE FUND  
Statement of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget
				Positive (Negative)
<b>Revenues:</b>				
Federal sources:				
Federal direct grant	\$ -	\$ 134,730	\$ 95,617	\$ (39,113)
 <b>Expenditures:</b>				
Current:				
Instruction	-	134,730	134,730	-
Excess (deficiency) of revenues over expenditures	-	-	(39,113)	(39,113)
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	\$ -	\$ -	(39,113)	\$ (39,113)
 <b>RECONCILIATION TO GAAP BASIS:</b>				
Change in grant receivable			39,113	
			\$ -	

STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

AGENCY FUNDS  
Statement of Fiduciary Assets and Liabilities  
June 30, 2011

ASSETS

Pooled cash and investments	\$ <u>92,802</u>
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LIABILITIES

Deposits held for others	\$ <u>92,802</u>
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The notes to the financial statements are an integral part of this statement.

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**STATE OF NEW MEXICO**  
**PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4**

Notes to the Financial Statements  
June 30, 2011

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STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

Notes to the Financial Statements  
June 30, 2011

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I. SUMMARY OF ALL SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

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

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

GAAP requires that financial statements present the District (primary government) and its component units. The district has three component units that are required to be presented in accordance with Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity* and GASB Statement No. 89, *Determining Whether Certain Organizations Are Component Units, an amendment of GASB Statement No. 14*.

1. Blended Component Units

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

2. Discretely Presented Component Units

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

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



STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

Notes to the Financial Statements  
June 30, 2011

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I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Government-Wide and Fund Financial Statements

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

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues, net of estimated refunds and estimated uncollectable amounts, in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

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

STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

Notes to the Financial Statements  
June 30, 2011

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I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

The government reports the following major governmental funds:

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

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

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

**ARRA – Entitlement IDEA-B Special Revenue Fund:** Used in accordance with the IDEA, to help provide the special education and related services needed to make a free appropriate public education available to all eligible children and, in some cases, early intervening services. Authorization: Individuals with Disabilities Education (IDEA), as amended, Part B, Section 611-618, 20 U.S.C 1411-1418; American Recovery and Reinvestment Act of 2011 (ARRA), Public Law 111-5.

**Education Jobs Special Revenue Fund:** To provide funds to States to assist local educational agencies (LEAs) in saving or creating education jobs for school year 2010-2011. Authorization: Title I, Public Law 111-126.

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

**Special Capital Outlay – State Capital Projects Fund:** This fund provides financing for special appropriation monies received from the State of New Mexico under Chapter 367, Laws of 1993.

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

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

STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

Notes to the Financial Statements  
June 30, 2011

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I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

Additionally, the government reports the following fund types:

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

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

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

Similar to private-sector standards of accounting and financial reporting issued prior to November 30, 1989, generally are followed in the government-wide financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. The government has elected not to follow subsequent private-sector guidance.

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

D. Assets, Liabilities, and Net Assets or Equity

1. *Deposits and investments*

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

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

Deposits of funds may be made in interest or non-interest bearing checking accounts in one or more banks or savings and loan associations within the geographical boundaries of the school district. Deposits may be made to the extent that they are insured by an agency of the United States or by collateral deposited as security or by bond given by the financial institution.

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

STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

Notes to the Financial Statements  
June 30, 2011

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I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

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

2. *Receivables and payables*

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

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

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

3. *Inventories*

USDA Commodities are recorded at estimated costs. Inventories of governmental funds are recorded as expenditures when purchased rather than when consumed.

4. *Capital assets*

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

STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

Notes to the Financial Statements  
June 30, 2011

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I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

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

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

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

<u>Assets</u>	<u>Years</u>
Buildings	40-50
Building improvements	20
Land Improvements	10-20
Vehicles	5-7
Office equipment	5
Computer equipment	3-5

5. *Compensated absences*

It is the District's policy to permit employees to accumulate 40 days of earned but unused vacation, which will be paid to employees upon separation from the District's service. The amount for liability has been reported in the government-wide financial statements.

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

6. *Long-term obligations*

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

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

STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

Notes to the Financial Statements  
June 30, 2011

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I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

7. *Fund balance*

Non-Spendable

The non-spendable fund balance classification includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, for example, inventories and prepaid amounts.

Restricted

Fund balance is reported as restricted when constraints placed on the use of resources are either (1) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or (2) imposed by law through constitutional provisions or enabling legislation.

Committed

Amounts that can only be used for specific purposes pursuant to constraints imposed by the formal action of the District's Board of Education should be reported as committed fund balance. The committed amounts cannot be used for any other purpose unless the District's Board of Education removes or changes the specified use by taking the same type of action it employed to previously commit those amounts. The District did not have committed fund balances for the year ended June 30, 2011.

Assigned

Assigned fund balance includes (a) all remaining amounts, except for negative balances, that are reported in governmental funds, other than the general fund, that are not classified as non-spendable and are neither restricted nor committed and amounts in the general fund that are constrained by the District's intent to be used for specific purposes, but are neither restricted nor committed. Intent, and removal of, is expressed by the Board of Education or the Finance Committee. The District did not have assigned fund balances for the year ended June 30, 2011.

Unassigned

The remaining fund balance, after all other classifications, within the general fund is reported as unassigned fund balance. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. In governmental funds other than the general fund, if expenditures incurred for specific purposes exceeded the amounts restricted, committed, or assigned to those purposes, a negative fund balance will be reported as unassigned fund balance.

STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

Notes to the Financial Statements  
June 30, 2011

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I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

When committed, assigned, and unassigned resources are available for use, it is the District's policy to use committed first followed by assigned and unassigned resources as they are needed.

8. *Net assets*

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

a. Invested in capital assets, net of related debt

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

b. Restricted net assets

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

c. Unrestricted net assets

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

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

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

STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

Notes to the Financial Statements  
June 30, 2011

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I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

9. *Indirect Costs*

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

10. *Estimates*

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

11. *Revenues*

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

A school district's program costs are determined through the use of various formulas using 'program units' which take into consideration 1) early childhood education; 2) basic education; 3) special education; 4) bilingual-multicultural education, 5) size, etc. Payment is made from the public school fund under the authority of the Director of Public School Finance. The District received \$4,655,557 in state equalization guarantee distributions during the year ended June 30, 2011.

**Transportation Distribution:** School districts in the State of New Mexico received student transportation distributions. The transportation distribution is allocated to each school district in accordance with formulas developed by the State Transportation Director and the Director of Public School Finance. The funds shall be used only for the purpose of making payments to each school district for the to-and-from school transportation costs of students in grades K through twelve attending public school within the school district. The District received \$264,777 in transportation distributions during the year ended June 30, 2011.



STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

Notes to the Financial Statements  
June 30, 2011

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II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

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

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

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

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

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

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

**STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4**

Notes to the Financial Statements  
June 30, 2011

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

**A. Budgetary Information (continued)**

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

The Board of Education may approve amendments to the appropriated budget, which are required when a change is made affecting budgeted ending fund balance. The appropriated budget for the year ended June 30, 2011 was properly amended by the Board through the year. New Mexico state law prohibits a Governmental Agency to exceed an individual line item. These amendments resulted in the following changes:

	<u>Original Budget</u>	<u>Final Budget</u>
General Fund	\$ 5,398,267	\$ 5,389,682
Special Revenue Fund	1,308,130	2,253,745
Capital Projects Fund	1,838,851	1,915,021
Debt Service Fund	135,277	135,277
Totals	\$ 8,680,525	\$ 9,693,725

**B. Budgetary Violations**

The District exceeded its legal budget in individual funds as referenced in Finding 2011-1 on page 129. The District is aware of legal binding of budgets and has implemented a system of checks that will help prevent any further violations of budgetary control.

**C. Deficit fund equity**

There was one deficit fund balance of \$151 as of June 30, 2011 in the Transportation Fund. This deficit will be covered by future revenues or by the Operational Fund.

**III. DETAILED NOTES ON ALL FUNDS**

**A. Cash and Temporary Investments**

At June 30, 2011, the carrying amount of the District's deposits was \$2,616,349 and the bank balance was \$3,133,123 with the difference consisting of outstanding checks and deposits. Of this balance \$894,905 was covered by federal depository insurance and \$1,408,452 was covered by collateral held in joint safekeeping by a third party.

STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

Notes to the Financial Statements  
June 30, 2011

III. DETAILED NOTES ON ALL FUNDS (continued)

A. Cash and Temporary Investments (continued)

Investments held by the New Mexico State Treasurer are valued at fair value based on quoted market prices as of the valuation date. The State Treasurer Local Government Investment Pool is not SEC registered. Section 6-10-10 I, NMSA 1978, empowers the State Treasurer, with the advice and consent of the State Board of Finance, to invest money held in the short-term investment fund in securities that are issued by the direct obligations of the United States government or are agencies sponsored by the United States government. The pool does not have unit shares. Per Section 6-10-10.1(F), NMSA 1978, at the end of each month all interest earned is distributed by the State Treasurer to the contributing entities in amounts directly proportionate to the respective amounts deposited in the fund and the length of time the amounts were invested. Participation in the local government investment pool is voluntary.

As of June 30, 2011, the District's deposits held by the New Mexico State treasurer were \$5,000.

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. New Mexico State Statutes require collateral pledged for deposits in excess of the federal deposit insurance to be delivered, or a joint safekeeping receipt be issued, to the District for at least one half of the amount on deposit with the institution. The statement listed below will meet the State of New Mexico Office of the State Auditor's requirement in reporting the uninsured portion of the deposits. As of June 30, 2011, \$829,766 of the District's bank balance of \$3,133,123 was exposed to custodial risk as follows:

Uninsured and uncollateralized	\$	829,766
Uninsured and collateral held by pledging bank's trust dept not in the District's name		1,408,452
Total uninsured		2,238,218
Insured (FDIC)		894,905
Total deposits	\$	3,133,123
State of New Mexico collateral requirement:		
50% of uninsured public fund bank deposits	\$	1,119,109
Pledged security		1,408,452
Under collateralization	\$	289,343

The collateral pledged is listed on Page 115 of this report. The types of collateral allowed are limited to direct obligations of the United States Government and all bonds issued by any agency, district or political subdivision of the State of New Mexico.

**STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4**

Notes to the Financial Statements  
June 30, 2011

**III. DETAILED NOTES ON ALL FUNDS (continued)**

**A. Cash and Temporary Investments (continued)**

According to the Federal Deposit Insurance Authority, public unit deposits are funds owned by the schools. Time deposits, savings deposits and interest bearing "Now" accounts of a public unit in an institution in the same state will be insured up to \$250,000 in aggregate and separate from the \$250,000 coverage for public unit demand deposits at the same institution. As of December 31, 2010, all noninterest bearing transaction accounts held by FDIC insured institutions are fully insured. This will continue to be in effect until December 31, 2012.

**B. Receivables**

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

	Receivables		Due from Other	
	Delinquent Property		<u>Governments</u>	<u>Funds</u>
	<u>Taxes</u>	<u>Grant</u>		
Major Funds:				
General	\$ 2,220	\$ -	\$ 223	\$ 227,042
Entitlement IDEA-B	-	37,435	-	-
21st Century Community Learning Center	-	55,713	-	-
ARRA - Entitlement IDEA-B	-	52,130	-	-
Education Jobs	-	39,113	-	-
Capital Improvements SB - 9	24,940	-	2,517	-
Debt Service Fund	62,557	-	6,306	-
Other Governmental Funds	-	<u>77,562</u>	-	-
<b>Total</b>	<u>\$ 89,717</u>	<u>\$ 261,953</u>	<u>\$ 9,046</u>	<u>\$ 227,042</u>

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

**STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4**

Notes to the Financial Statements  
June 30, 2011

III. DETAILED NOTES ON ALL FUNDS (continued)

A. Receivables (continued)

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

	<u>Unavailable</u>	<u>Unearned</u>
Grant drawdowns prior to meeting all eligibility requirements		
Other Governmental Funds	\$ -	\$ 536
Delinquent property taxes		
General Fund	2,038	-
Capital Improvements SB - 9	22,922	-
Debt Service Fund	<u>57,249</u>	<u>-</u>
Total deferred/unearned revenue for governmental funds	<u>\$ 82,209</u>	<u>\$ 536</u>

C. Capital Assets

Capital asset activity for the year ended June 30, 2011 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Adjustments</u>	<u>Ending Balance</u>
Governmental activities:					
Capital assets, not being depreciated:					
Land	\$ 1,531,311	\$ -	\$ -	\$ -	\$ 1,531,311
Construction in progress	<u>4,089,877</u>	<u>-</u>	<u>-</u>	<u>(4,089,877)</u>	<u>-</u>
Total capital assets, not being depreciated	<u>5,621,188</u>	<u>-</u>	<u>-</u>	<u>(4,089,877)</u>	<u>1,531,311</u>
Capital assets, being depreciated:					
Land improvements	892,346	306,649	-	-	1,198,995
Buildings and improvements	16,757,502	1,661,667	-	4,089,877	22,509,046
Furniture, fixtures, and equipment	<u>801,963</u>	<u>47,675</u>	<u>-</u>	<u>-</u>	<u>849,638</u>
Total capital assets being depreciated	<u>18,451,811</u>	<u>2,015,991</u>	<u>-</u>	<u>4,089,877</u>	<u>24,557,679</u>
Less accumulated depreciation for:					
Land improvements	(210,665)	(78,370)	-	-	(289,035)
Buildings and improvements	(13,523,586)	(301,752)	-	-	(13,825,338)
Furniture, fixtures, and equipment	<u>(602,848)</u>	<u>(51,344)</u>	<u>-</u>	<u>-</u>	<u>(654,192)</u>
Total accumulated depreciation	<u>(14,337,099)</u>	<u>(431,466)</u>	<u>-</u>	<u>-</u>	<u>(14,768,565)</u>
Total capital assets being depreciated, net	<u>4,114,712</u>	<u>1,584,525</u>	<u>-</u>	<u>4,089,877</u>	<u>9,789,114</u>
Total capital assets, net	<u>\$ 9,735,900</u>	<u>\$ 1,584,525</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,320,425</u>

STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

Notes to the Financial Statements  
June 30, 2011

III. DETAILED NOTES ON ALL FUNDS (continued)

C. Capital Assets (continued)

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

Instruction	\$	208,248
Support Services - Students		52,078
Support Services - Instruction		2,593
Support Services - General Administration		20,146
Support Services - School Administration		26,934
Central Services		16,035
Operations & Maintenance of Plant		65,956
Student Transportation		18,318
Other Support Services		553
Food Services		19,773
Community Services		832
Total Depreciation Expense	\$	<u>431,466</u>

The Schedule of Capital Assets Used by Source, and the Schedule of Changes in Capital Assets by Function and Activity have not been prepared because the detailed information is unavailable.

Construction commitments

The District is involved in several long-term construction projects as part of their master plan for upgrading the district buildings. The amount of \$1,751,202 in the capital projects fund designated for subsequent years expenditures are committed for funding these projects. Interest on construction projects is not capitalized.

D. Inter-Fund Receivables and Payables

The inter-fund receivables and payables at June 30, 2011 were:

	<u>Receivables</u>	<u>Payables</u>
General Fund	\$ 227,042	\$ -
Entitlement IDEA-B	-	37,435
21st Century Community Learning Center	-	54,803
ARRA - Entitlement IDEA-B	-	52,182
Education Jobs	-	39,113
Other Governmental Funds	-	43,509
Total deferred/unearned revenue for governmental funds	<u>\$ 227,042</u>	<u>\$ 227,042</u>

The inter-fund loans were made for the purposes of cash shortfalls within the individual funds. All loans are expected to be repaid within the next fiscal year.

**STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4**

Notes to the Financial Statements  
June 30, 2011

III. DETAILED NOTES ON ALL FUNDS (continued)

E. Inter-Fund Transfers

There were not any inter-fund transfers at June 30, 2011.

F. Long-Term Debt

General Obligation Bonds

General Obligation Bonds – The District issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. Bonds are direct obligations and pledge the full faith and credit of the District. The bonds will be paid from taxes levied against property owners living within the School District boundaries. The details of the bonds and notes as of June 30, 2011 are as follows:

<u>General Obligations Bonds</u>	<u>Original Amount</u>	<u>Interest Rates</u>	<u>Balance June 30, 2011</u>	<u>Amount Due Within One Year</u>
Series 2009	\$ 2,230,000	3.75% to 5.15%	\$ 2,230,000	\$ 80,000

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

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

<u>General Obligation Bonds</u>			
<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Requirements</u>
2012	\$ 80,000	\$ 96,703	\$ 176,703
2013	85,000	93,402	178,402
2014	90,000	89,903	179,903
2015	95,000	86,321	181,321
2016	95,000	82,759	177,759
2017 - 2021	560,000	351,237	911,237
2022 - 2026	710,000	213,856	923,856
2027 - 2031	<u>515,000</u>	<u>40,267</u>	<u>555,267</u>
Total	<u>\$ 2,230,000</u>	<u>\$ 1,054,448</u>	<u>\$ 3,284,448</u>

STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

Notes to the Financial Statements  
June 30, 2011

III. DETAILED NOTES ON ALL FUNDS (continued)

G. Long-Term Debt (continued)

Changes in long term debt – During the year ended June 30, 2011 the following changes occurred in liabilities reported in the general obligation bonds account group:

	Beginning <u>Balance</u>	<u>Additions</u>	<u>Retirements</u>	Ending <u>Balance</u>	Amount Due <u>Within One Year</u>
Compensated absences:					
Compensated vacation	\$ 56,889	\$ 25,178	\$ 35,294	\$ 46,773	\$ 46,773
Bonds payable	<u>2,230,000</u>	<u>-</u>	<u>-</u>	<u>2,230,000</u>	<u>80,000</u>
	<u>\$ 2,286,889</u>	<u>\$ 25,178</u>	<u>\$ 35,294</u>	<u>\$ 2,276,773</u>	<u>\$ 126,773</u>

	Balance
	<u>June 30, 2011</u>
Bonds payable	\$ 2,230,000
Less: current maturities	(80,000)
Unamortized:	
Bond premiums	<u>35,843</u>
Total non-current liabilities	<u>\$ 2,185,843</u>

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

IV. OTHER INFORMATION

A. Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injury to employees; and natural disasters. The New Mexico Public Schools Insurance Authority (NMSIA) was formed on April 5, 1985 under the New Mexico Public Schools Insurance Authority Act, Chapter 22, Section 2 of the New Mexico Statutes Annotated (NMSA 1978), as amended, as an insurance fund to provide health, disability and life insurance coverage (benefits coverage), and property, casualty and workers' compensation insurance coverage (risk coverage) to participating public schools, school board members, public school employees, and retirees within the State of New Mexico. The District is one of 91 members that participate in NMPSIA. Participation in NMPSIA is mandatory for all K-12 public schools except those with enrollment exceeding 60,000 students. Participation is voluntary for other public education institutions. The District pays an annual premium to the pool for its general insurance coverage. The agreement for formation of NMPSIA provides that the pool will be self-sustaining through member premiums. NMPSIA establishes self-insured retentions by line of coverage and procures insurance or reinsurance, where indicated, in excess of the self-insured retention on a per occurrence basis. NMPSIA will publish its own financial report for the year ended June 30, 2011.



STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

Notes to the Financial Statements  
June 30, 2011

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IV. OTHER INFORMATION (continued)

B. Contingent Liabilities

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

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

C. Employee Retirement Plan

Plan Description - Substantially all of 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 the financial statements and required supplementary information for the plan. That report may be obtained by writing to:

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

Funding Policy - Effective July 1, 2009 through June 30, 2011, plan members were required by statute to contribute 7.9% of their gross salary if they earned \$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 contribute 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 the 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 the ERB for the years ended June 30, 2011, 2010 and 2009 were \$388,013, \$426,737, and \$444,596, respectively, equal to the amount of the required contribution for the year.

STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

Notes to the Financial Statements  
June 30, 2011

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IV. OTHER INFORMATION (continued)

D. Post-Retirement Health Care Benefits

Plan Description – Penasco Independent School District No. 4’s 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:

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

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

STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

Notes to the Financial Statements  
June 30, 2011

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IV. OTHER INFORMATION (continued)

D. Post-Retirement Health Care Benefits (continued)

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:

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

Employers joining the program after January 1, 1998 are also required to make a surplus-amount contribution to the RHCA based on one of two formulas at agreed-upon intervals.

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

Penasco Independent School District No. 4's contributions to the RHCA for the years ended June 30, 2011, 2010, and 2009 were \$57,449, \$50,206, and \$49,612, respectively, which equal the required contributions for each year.

E. Cash Flows

The District operates on primarily on reimbursement grants. The District must support the expenditures of these grants with monies from the unrestricted operating monies. Operating on a reimbursement basis for these grants in its self does not adversely affect the District's ability to operate effectively. However, the time it takes to receive reimbursement, if extensive, does significantly affect the District cash flows and the ability to deliver educational services to the community in an effective manner.

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**STATE OF NEW MEXICO**  
**PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4**

**GENERAL FUNDS**  
Year Ended June 30, 2011

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**OPERATING FUND**

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

**TRANSPORTATION FUND**

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

**INSTRUCTIONAL MATERIALS FUND**

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

STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

GENERAL FUND  
Combining Balance Sheet  
June 30, 2011

	General Funds			
	Operational Fund #11000	Transportation Fund #13000	Instructional Materials Fund #14000	Total General Funds
<b>ASSETS</b>				
Pooled cash and investments	\$ 184,275	\$ 49	\$ 6,416	\$ 190,740
Receivables:				
Delinquent property taxes	2,220	-	-	2,220
Due from other governments	223	-	-	223
Total assets	\$ 413,760	\$ 49	\$ 6,416	\$ 420,225
<b>LIABILITIES AND FUND BALANCE</b>				
Liabilities:				
Accounts payable	\$ 14,166	\$ 200	\$ -	\$ 14,366
Deferred revenue:				
Delinquent property taxes	2,038	-	-	2,038
Total liabilities	16,204	200	-	16,404
Fund balance:				
Unassigned	397,556	(151)	6,416	403,821
Total liabilities and fund balance	\$ 413,760	\$ 49	\$ 6,416	\$ 420,225

STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

GENERAL FUND  
Combining Statement of Revenues, Expenditures, and  
Changes in Fund Balance  
Year Ended June 30, 2011

	General Funds			Total General Fund
	Operational Fund #11000	Transportation Fund #13000	Instructional Materials Fund #14000	
Revenues:				
Federal sources:				
Public Law 874	\$ 49,415	\$ -	\$ -	\$ 49,415
Forest reserve	27,460	-	-	27,460
State sources:				
State equalization guarantee	4,655,557	-	-	4,655,557
Transportation	-	264,777	-	264,777
State instructional material	-	-	20,217	20,217
State grant	22,405	-	-	22,405
Local sources:				
Grant	24,370	-	-	24,370
District school tax levy	31,806	-	-	31,806
Fees and activities	5,305	-	-	5,305
Earnings from investments	473	-	-	473
Miscellaneous	<u>4,548</u>	<u>-</u>	<u>-</u>	<u>4,548</u>
 Total revenue	 <u>\$ 4,821,339</u>	 <u>\$ 264,777</u>	 <u>\$ 20,217</u>	 <u>\$ 5,106,333</u>

(continued)

STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

GENERAL FUND  
Combining Statement of Revenues, Expenditures, and  
Changes in Fund Balance  
Year Ended June 30, 2011

	<b>General Funds</b>			
	<u>Operational</u>	<u>Transportation</u>	<u>Instructional</u>	<u>Total General</u>
	<u>Fund #11000</u>	<u>Fund #13000</u>	<u>Materials</u>	<u>Fund</u>
	<u>Fund #14000</u>		<u>Fund #14000</u>	<u>Fund</u>
Expenditures:				
Current:				
Instruction	\$ 2,454,343	\$ -	\$ 45,980	\$ 2,500,323
Support Services:				
Students	670,912	-	-	670,912
Instruction	47,485	-	381	47,866
General Administration	281,707	-	-	281,707
School Administration	354,030	-	-	354,030
Central Services	248,996	-	-	248,996
Operation & Maintenance of Plant	740,047	-	-	740,047
Student Transportation	21,063	255,492	-	276,555
Other Support Services	8,593	-	-	8,593
Community Services	1,144	-	-	1,144
Capital outlay	-	8,600	-	8,600
Total expenditures	4,828,320	264,092	46,361	5,138,773
Excess (deficiency) of revenues over expenditures	(6,981)	685	(26,144)	(32,440)
Fund balance at beginning of the year	404,537	(836)	32,560	436,261
Fund balance at end of the year	\$ 397,556	\$ (151)	\$ 6,416	\$ 403,821



STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

OPERATIONAL FUND  
Statement of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2011

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget
	Original	Final		Positive (Negative)
<b>Revenues:</b>				
<b>Federal sources:</b>				
Public Law 874	\$ 42,556	\$ 42,556	\$ 49,415	\$ 6,859
Forest reserve	31,664	31,664	27,460	(4,204)
<b>State sources:</b>				
State equalization guarantee	4,793,100	4,926,268	4,655,557	(270,711)
State grant	158,000	8,000	22,405	14,405
<b>Local sources:</b>				
Grant	-	-	23,311	23,311
District school tax levy	8,129	8,129	31,729	23,600
Fees and activities	5,700	5,700	6,365	665
Earnings from investments	2,000	2,000	473	(1,527)
Miscellaneous	-	-	4,548	4,548
<b>Total revenues</b>	<b>5,041,149</b>	<b>5,024,317</b>	<b>4,821,263</b>	<b>(203,054)</b>
<b>Expenditures:</b>				
<b>Current:</b>				
Instruction	2,661,403	2,490,316	2,461,243	29,073
<b>Support Services:</b>				
Students	686,977	739,380	670,912	68,468
Instruction	63,603	51,777	47,485	4,292
General Administration	238,771	291,704	282,820	8,884
School Administration	348,029	363,428	354,030	9,398
Central Services	274,054	258,291	249,155	9,136
Operation & Maintenance of Plant	753,791	821,092	736,578	84,514
Student Transportation	36,589	28,020	21,731	6,289
Other Support Services	26,221	28,591	6,053	22,538
Community Services Operations	2,404	2,411	1,144	1,267
<b>Total expenditures</b>	<b>5,091,842</b>	<b>5,075,010</b>	<b>4,831,151</b>	<b>243,859</b>
Excess (deficiency) of revenues over expenditures	(50,693)	(50,693)	(9,888)	40,805
Beginning cash balance budgeted	50,693	50,693	-	(50,693)
Fund balance at beginning of the year	-	-	404,537	404,537
Fund balance at end of the year	\$ -	\$ -	394,649	\$ 394,649
<b>RECONCILIATION TO GAAP BASIS:</b>				
Change in property tax receivable			610	
Change in due from other governments			(4)	
Change in payables			2,830	
Change in deferred property taxes			(529)	
			\$ 397,556	

STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

TRANSPORTATION FUND

Statement of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final	(Budgetary Basis)	Positive (Negative)
<b>Revenues:</b>				
State sources:				
Transportation	\$ 257,327	\$ 264,782	\$ 264,777	\$ (5)
<b>Expenditures:</b>				
Current:				
Support Services:				
Student Transportation	257,327	256,182	256,137	45
Capital outlay:				
Equipment	-	8,600	8,600	-
Total expenditures	257,327	264,782	264,737	45
Excess of revenues over expenditures	-	-	40	40
Fund balance (deficit) at beginning of the year	-	-	(836)	(836)
Fund balance at end of the year	\$ -	\$ -	(796)	\$ (796)
<b>RECONCILIATION TO GAAP BASIS:</b>				
Change in payables			645	
			\$ (151)	

STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

INSTRUCTIONAL MATERIALS FUND  
Statement of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2011

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
State sources:				
State instructional material	\$ 17,739	\$ 18,531	\$ 20,217	\$ 1,686
<b>Expenditures:</b>				
Current:				
Instruction	47,819	48,611	45,980	2,631
Support Services:				
Instruction	1,279	1,279	381	898
Total expenditures	49,098	49,890	46,361	3,529
Excess (deficiency) of revenues over expenditures	(31,359)	(31,359)	(26,144)	5,215
Beginning cash balance budgeted	31,359	31,359	-	(31,359)
Fund balance at beginning of the year	-	-	32,560	32,560
Fund balance at end of the year	\$ -	\$ -	6,416	\$ 6,416
<b>RECONCILIATION TO GAAP BASIS:</b>				
Change in payables			-	
			\$ 6,416	

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**NONMAJOR GOVERNMENTAL FUNDS**

STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

GOVERNMENTAL FUNDS  
Combining Balance Sheet  
June 30, 2011

	Special Revenue Funds					
	Food Service Fund #21000	Athletics Fund #22000	Title I Fund #24101	Preschool IDEA-B Fund #24109	IDEA-B "Risk Pool" Fund #24120	Title III English Language Fund #24153
<b>ASSETS</b>						
Pooled cash and investments	\$ 44,145	\$ 48,039	\$ -	\$ -	\$ -	\$ -
Receivables:						
Grant	34,053	-	6,657	2,273	-	2,408
Food inventory	<u>22,912</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total assets</b>	<b><u>\$ 101,110</u></b>	<b><u>\$ 48,039</u></b>	<b><u>\$ 6,657</u></b>	<b><u>\$ 2,273</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 2,408</u></b>
<b>LIABILITIES AND FUND BALANCE</b>						
Liabilities:						
Accounts payable	\$ 128	\$ 246	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	6,657	2,273	-	2,408
Deferred revenue:						
Federal, state, and local grants	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total liabilities</b>	<b><u>128</u></b>	<b><u>246</u></b>	<b><u>6,657</u></b>	<b><u>2,273</u></b>	<b><u>-</u></b>	<b><u>2,408</u></b>
Fund balance:						
Non-spendable:						
Inventories	22,912	-	-	-	-	-
Restricted for:						
Special revenue funds	78,070	47,793	-	-	-	-
Capital projects funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total fund balance</b>	<b><u>100,982</u></b>	<b><u>47,793</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>Total liabilities and fund balance</b>	<b><u>\$ 101,110</u></b>	<b><u>\$ 48,039</u></b>	<b><u>\$ 6,657</u></b>	<b><u>\$ 2,273</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 2,408</u></b>

(continued)

STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

GOVERNMENTAL FUNDS  
Combining Balance Sheet  
June 30, 2011

	Special Revenue Funds					
	Teacher/Principal Training Fund #24154	Title IV Drug Free Schools Fund #24157	Rural & Low- Income Schools Fund #24160	ARRA - Equipment Assist Fund #24183	ARRA - Title I Fund #24201	ARRA - Preschool IDEA-B Fund #24209
<b>ASSETS</b>						
Pooled cash and investments	\$ 286	\$ -	\$ 296	\$ -	\$ -	\$ -
Receivables:						
Grant	-	-	-	-	2,114	3,018
Food inventory	-	-	-	-	-	-
<b>Total assets</b>	<b>\$ 286</b>	<b>\$ -</b>	<b>\$ 296</b>	<b>\$ -</b>	<b>\$ 2,114</b>	<b>\$ 3,018</b>
<b>LIABILITIES AND FUND BALANCE</b>						
<b>Liabilities:</b>						
Accounts payable	\$ 48	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	2,114	3,018
Deferred revenue:						
Federal, state, and local grants	238	-	296	-	-	-
<b>Total liabilities</b>	<b>286</b>	<b>-</b>	<b>296</b>	<b>-</b>	<b>2,114</b>	<b>3,018</b>
<b>Fund balance:</b>						
<b>Non-spendable:</b>						
Inventories	-	-	-	-	-	-
<b>Restricted for:</b>						
Special revenue funds	-	-	-	-	-	-
Capital projects funds	-	-	-	-	-	-
<b>Total fund balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total liabilities and fund balance</b>	<b>\$ 286</b>	<b>\$ -</b>	<b>\$ 296</b>	<b>\$ -</b>	<b>\$ 2,114</b>	<b>\$ 3,018</b>

(continued)

STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

GOVERNMENTAL FUNDS  
Combining Balance Sheet  
June 30, 2011

	<b>Special Revenue Funds</b>						
	Impact Aid Special Education Fund #25145	Impact Aid Indian Education Fund #25147	Title XIX Medicaid Fund #25153	Indian Ed Formula Grant Fund #25184	ARRA - State Revitalization Fund #25250	LANL Foundation Fund #26113	Drawing from the Well Fund #26147
<b>ASSETS</b>							
Pooled cash and investments	\$ 11,989	\$ 63,964	\$ 71,323	\$ 2	\$ -	\$ 86,313	\$ -
Receivables:							
Grant	-	-	-	-	3,821	-	3,338
Food inventory	-	-	-	-	-	-	-
<b>Total assets</b>	<b>\$ 11,989</b>	<b>\$ 63,964</b>	<b>\$ 71,323</b>	<b>\$ 2</b>	<b>\$ 3,821</b>	<b>\$ 86,313</b>	<b>\$ 3,338</b>
<b>LIABILITIES AND FUND BALANCE</b>							
<b>Liabilities:</b>							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	3,821	-	3,338
Deferred revenue:							
Federal, state, and local grants	-	-	-	2	-	-	-
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2</b>	<b>3,821</b>	<b>-</b>	<b>3,338</b>
<b>Fund balance:</b>							
<b>Non-spendable:</b>							
Inventories	-	-	-	-	-	-	-
<b>Restricted for:</b>							
Special revenue funds	11,989	63,964	71,323	-	-	86,313	-
Capital projects funds	-	-	-	-	-	-	-
<b>Total fund balance</b>	<b>11,989</b>	<b>63,964</b>	<b>71,323</b>	<b>-</b>	<b>-</b>	<b>86,313</b>	<b>-</b>
<b>Total liabilities and fund balance</b>	<b>\$ 11,989</b>	<b>\$ 63,964</b>	<b>\$ 71,323</b>	<b>\$ 2</b>	<b>\$ 3,821</b>	<b>\$ 86,313</b>	<b>\$ 3,338</b>

(continued)



STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

GOVERNMENTAL FUNDS  
Combining Balance Sheet  
June 30, 2011

Special Revenue Funds

	Dual Credit Instructional Materials Fund #27103	Go Bond Library Fund #27105	Solar Energy Fund #27110	Technology for Education Fund #27117	Incentives for School Improvement Fund #27138	Beginning Teacher Mentoring Fund #27154	Breakfast for Elementary Students Fund #27155
<b>ASSETS</b>							
Pooled cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,505
Receivables:							
Grant	4,169	1,072	-	-	-	1,472	-
Food inventory	-	-	-	-	-	-	-
<b>Total assets</b>	<b>\$ 4,169</b>	<b>\$ 1,072</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,472</b>	<b>\$ 3,505</b>
<b>LIABILITIES AND FUND BALANCE</b>							
Liabilities:							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	4,169	1,072	-	-	-	1,472	-
Deferred revenue:							
Federal, state, and local grants	-	-	-	-	-	-	-
<b>Total liabilities</b>	<b>4,169</b>	<b>1,072</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,472</b>	<b>-</b>
Fund balance:							
Non-spendable:							
Inventories	-	-	-	-	-	-	-
Restricted for:							
Special revenue funds	-	-	-	-	-	-	3,505
Capital projects funds	-	-	-	-	-	-	-
<b>Total fund balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,505</b>
<b>Total liabilities and fund balance</b>	<b>\$ 4,169</b>	<b>\$ 1,072</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,472</b>	<b>\$ 3,505</b>

(continued)

STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

GOVERNMENTAL FUNDS  
Combining Balance Sheet  
June 30, 2011

	<u>Special Revenue Funds</u>						
	K-Plus Initiative Fund #27159	Libraries GO Bond 2006 Fund #27170	State Discretionary IDEA-B Fund #27200	Library Books Fund #27549	Total Non-Major Special Revenue Funds	Public School Capital Outlay - 20% Fund #32100	Total Nonmajor Governmental Funds
<b>ASSETS</b>							
Pooled cash and investments	\$ -	\$ -	\$ 27,654	\$ 3	\$ 357,519	\$ 1,170	\$ 358,689
Receivables:							
Grant	13,167	-	-	-	77,562	-	77,562
Food inventory	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>22,912</u>	<u>-</u>	<u>22,912</u>
Total assets	<u>\$ 13,167</u>	<u>\$ -</u>	<u>\$ 27,654</u>	<u>\$ 3</u>	<u>\$ 457,993</u>	<u>\$ 1,170</u>	<u>\$ 459,163</u>
<b>LIABILITIES AND FUND BALANCE</b>							
Liabilities:							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 422	\$ -	\$ 422
Due to other funds	13,167	-	-	-	43,509	-	43,509
Deferred revenue:							
Federal, state, and local grants	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>536</u>	<u>-</u>	<u>536</u>
Total liabilities	<u>13,167</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>44,467</u>	<u>-</u>	<u>44,467</u>
Fund balance:							
Non-spendable:							
Inventories	-	-	-	-	22,912	-	22,912
Restricted for:							
Special revenue funds	-	-	27,654	3	390,614	-	390,614
Capital projects funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,170</u>	<u>1,170</u>
Total fund balance	<u>-</u>	<u>-</u>	<u>27,654</u>	<u>3</u>	<u>413,526</u>	<u>1,170</u>	<u>414,696</u>
Total liabilities and fund balance	<u>\$ 13,167</u>	<u>\$ -</u>	<u>\$ 27,654</u>	<u>\$ 3</u>	<u>\$ 457,993</u>	<u>\$ 1,170</u>	<u>\$ 459,163</u>

STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

NON-MAJOR GOVERNMENTAL FUNDS  
Combining Statement of Revenues, Expenditures, and  
Changes in Fund Balance  
Year Ended June 30, 2011

	Special Revenue Funds				
	Food Service	Athletics	Title I	Preschool	IDEA-B
	<u>Fund #21000</u>	<u>Fund #22000</u>	<u>Fund #24101</u>	<u>Fund #24109</u>	<u>Fund #24120</u>
Revenues:					
Federal sources:					
Public Law 874	\$ -	\$ -	\$ -	\$ -	\$ -
Federal flowthrough grants	-	-	175,192	2,068	464
Federal direct grants	-	-	-	-	-
Food and milk reimbursements	255,136	-	-	-	-
USDA Commodities	14,762	-	-	-	-
State sources:					
State grant	-	-	-	-	-
Local sources:					
Grant	-	-	-	-	-
Fees and activities	3,993	66,045	-	-	-
Earnings from investments	199	14	-	-	-
<b>Total revenue</b>	<u>274,090</u>	<u>66,059</u>	<u>175,192</u>	<u>2,068</u>	<u>464</u>
Expenditures:					
Current:					
Instruction	-	65,908	130,559	287	88
Support Services:					
Students	-	-	-	1,781	376
Instruction	-	-	-	-	-
General Administration	-	-	10,862	-	-
School Administration	-	-	31,725	-	-
Operation & Maintenance of Plant	-	-	-	-	-
Student Transportation	-	-	-	-	-
Food Services Operations	283,678	-	-	-	-
Community Services	-	-	2,046	-	-
Capital outlay	-	-	-	-	-
<b>Total expenditures</b>	<u>283,678</u>	<u>65,908</u>	<u>175,192</u>	<u>2,068</u>	<u>464</u>
Excess (deficiency) of revenues over expenditures	(9,588)	151	-	-	-
Fund balance at beginning of the year	<u>110,570</u>	<u>47,642</u>	-	-	-
Fund balance at end of the year	<u>\$ 100,982</u>	<u>\$ 47,793</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(continued)

STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

NON-MAJOR GOVERNMENTAL FUNDS  
Combining Statement of Revenues, Expenditures, and  
Changes in Fund Balance  
Year Ended June 30, 2011

	<u>Special Revenue Funds</u>				
	Title III English Language <u>Fund #24153</u>	Teacher/Principal Training <u>Fund #24154</u>	Title IV Drug Free Schools <u>Fund #24157</u>	Rural & Low- Income Schools <u>Fund #24160</u>	ARRA - Equipment Assist <u>Fund #24183</u>
<b>Revenues:</b>					
Federal sources:					
Public Law 874	\$ -	\$ -	\$ -	\$ -	\$ -
Federal flowthrough grants	-	52,888	1,881	-	19,983
Federal direct grants	-	-	-	-	-
Food and milk reimbursements	-	-	-	-	-
USDA Commodities	-	-	-	-	-
State sources:					
State grant	-	-	-	-	-
Local sources:					
Grant	-	-	-	-	-
Fees and activities	-	-	-	-	-
Earnings from investments	-	-	-	-	-
<b>Total revenue</b>	<u>-</u>	<u>52,888</u>	<u>1,881</u>	<u>-</u>	<u>19,983</u>
<b>Expenditures:</b>					
Current:					
Instruction	-	48,115	1,764	-	-
Support Services:					
Students	-	-	-	-	-
Instruction	-	-	-	-	-
General Administration	-	3,277	117	-	-
School Administration	-	1,496	-	-	-
Operation & Maintenance of Plant	-	-	-	-	-
Student Transportation	-	-	-	-	-
Food Services Operations	-	-	-	-	19,983
Community Services	-	-	-	-	-
Capital outlay	-	-	-	-	-
<b>Total expenditures</b>	<u>-</u>	<u>52,888</u>	<u>1,881</u>	<u>-</u>	<u>19,983</u>
Excess (deficiency) of revenues over expenditures	-	-	-	-	-
Fund balance at beginning of the year	-	-	-	-	-
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(continued)

STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

NON-MAJOR GOVERNMENTAL FUNDS  
Combining Statement of Revenues, Expenditures, and  
Changes in Fund Balance  
Year Ended June 30, 2011

	Special Revenue Funds				
	ARRA - Title I <u>Fund #24201</u>	ARRA - Preschool IDEA-B <u>Fund #24209</u>	Impact Aid Special Education <u>Fund #25145</u>	Impact Aid Indian Education <u>Fund #25147</u>	Title XIX Medicaid <u>Fund #25153</u>
<b>Revenues:</b>					
Federal sources:					
Public Law 874	\$ -	\$ -	\$ 3,165	\$ 10,185	\$ -
Federal flowthrough grants	2,114	3,018	-	-	-
Federal direct grants	-	-	-	-	28,497
Food and milk reimbursements	-	-	-	-	-
USDA Commodities	-	-	-	-	-
State sources:					
State grant	-	-	-	-	-
Local sources:					
Grant	-	-	-	-	-
Fees and activities	-	-	-	-	-
Earnings from investments	-	-	-	-	-
<b>Total revenue</b>	<b>2,114</b>	<b>3,018</b>	<b>3,165</b>	<b>10,185</b>	<b>28,497</b>
<b>Expenditures:</b>					
Current:					
Instruction	2,002	-	-	635	470
Support Services:					
Students	-	-	-	-	44,455
Instruction	-	-	-	-	-
General Administration	112	-	-	-	1,138
School Administration	-	-	-	-	70
Operation & Maintenance of Plant	-	-	-	-	317
Student Transportation	-	-	-	-	210
Food Services Operations	-	-	-	-	-
Community Services	-	-	-	-	-
Capital outlay	-	3,018	-	-	-
<b>Total expenditures</b>	<b>2,114</b>	<b>3,018</b>	<b>-</b>	<b>635</b>	<b>46,660</b>
Excess (deficiency) of revenues over expenditures	-	-	3,165	9,550	(18,163)
Fund balance at beginning of the year	-	-	8,824	54,414	89,486
Fund balance at end of the year	\$ -	\$ -	\$ 11,989	\$ 63,964	\$ 71,323

(continued)

STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

NON-MAJOR GOVERNMENTAL FUNDS  
Combining Statement of Revenues, Expenditures, and  
Changes in Fund Balance  
Year Ended June 30, 2011

	Special Revenue Funds				
	Indian Ed Formula Grant <u>Fund #25184</u>	ARRA - State Revitalization <u>Fund #25250</u>	LANL Foundation <u>Fund #26113</u>	Drawing from the Well <u>Fund #26147</u>	Dual Credit Instructional Materials <u>Fund #27103</u>
<b>Revenues:</b>					
Federal sources:					
Public Law 874	\$ -	\$ -	\$ -	\$ -	\$ -
Federal flowthrough grants	-	-	-	-	-
Federal direct grants	5,560	154,573	-	-	-
Food and milk reimbursements	-	-	-	-	-
USDA Commodities	-	-	-	-	-
State sources:					
State grant	-	-	-	-	4,169
Local sources:					
Grant	-	-	-	3,338	-
Fees and activities	-	-	-	-	-
Earnings from investments	-	-	-	-	-
<b>Total revenue</b>	<u>5,560</u>	<u>154,573</u>	<u>-</u>	<u>3,338</u>	<u>4,169</u>
<b>Expenditures:</b>					
Current:					
Instruction	5,560	-	-	8,823	4,169
Support Services:					
Students	-	38,248	650	-	-
Instruction	-	-	-	-	-
General Administration	-	-	-	-	-
School Administration	-	-	-	-	-
Operation & Maintenance of Plant	-	116,325	-	-	-
Student Transportation	-	-	-	-	-
Food Services Operations	-	-	-	-	-
Community Services	-	-	9,731	-	-
Capital outlay	-	-	-	-	-
<b>Total expenditures</b>	<u>5,560</u>	<u>154,573</u>	<u>10,381</u>	<u>8,823</u>	<u>4,169</u>
Excess (deficiency) of revenues over expenditures	-	-	(10,381)	(5,485)	-
Fund balance at beginning of the year	-	-	<u>96,694</u>	<u>5,485</u>	-
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 86,313</u>	<u>\$ -</u>	<u>\$ -</u>

(continued)

STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

NON-MAJOR GOVERNMENTAL FUNDS  
Combining Statement of Revenues, Expenditures, and  
Changes in Fund Balance  
Year Ended June 30, 2011

	Special Revenue Funds			
	Go Bond Library <u>Fund #27105</u>	Solar Energy <u>Fund #27110</u>	Technology for Education <u>Fund #27117</u>	Incentives for School Improvement <u>Fund #27138</u>
<b>Revenues:</b>				
Federal sources:				
Public Law 874	\$ -	\$ -	\$ -	\$ -
Federal flowthrough grants	-	-	-	-
Federal direct grants	-	-	-	-
Food and milk reimbursements	-	-	-	-
USDA Commodities	-	-	-	-
State sources:				
State grant	2,522	299,998	-	-
Local sources:				
Grant	-	-	-	-
Fees and activities	-	-	-	-
Earnings from investments	-	-	-	-
<b>Total revenue</b>	<b>2,522</b>	<b>299,998</b>	<b>-</b>	<b>-</b>
<b>Expenditures:</b>				
Current:				
Instruction	-	-	-	-
Support Services:				
Students	-	-	-	13,408
Instruction	2,522	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	299,998	-	-
<b>Total expenditures</b>	<b>2,522</b>	<b>299,998</b>	<b>-</b>	<b>13,408</b>
Excess (deficiency) of revenues over expenditures	-	-	-	(13,408)
Fund balance at beginning of the year	-	-	-	13,408
Fund balance at end of the year	\$ -	\$ -	\$ -	\$ -

(continued)

STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

NON-MAJOR GOVERNMENTAL FUNDS  
Combining Statement of Revenues, Expenditures, and  
Changes in Fund Balance  
Year Ended June 30, 2011

	Special Revenue Funds			
	Beginning Teacher Mentoring <u>Fund #27154</u>	Breakfast for Elementary Students <u>Fund #27155</u>	K-Plus Initiative <u>Fund #27159</u>	Libraries GO Bond 2006 <u>Fund #27170</u>
Revenues:				
Federal sources:				
Public Law 874	\$ -	\$ -	\$ -	\$ -
Federal flowthrough grants	-	-	-	-
Federal direct grants	-	-	-	-
Food and milk reimbursements	-	-	-	-
USDA Commodities	-	-	-	-
State sources:				
State grant	-	5,907	-	-
Local sources:				
Grant	-	-	-	-
Fees and activities	-	-	-	-
Earnings from investments	-	-	-	-
Total revenue	-	5,907	-	-
Expenditures:				
Current:				
Instruction	-	-	-	-
Support Services:				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Food Services Operations	-	3,480	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	-	3,480	-	-
Excess (deficiency) of revenues over expenditures	-	2,427	-	-
Fund balance at beginning of the year	-	1,078	-	-
Fund balance at end of the year	\$ -	\$ 3,505	\$ -	\$ -

(continued)



STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

NON-MAJOR GOVERNMENTAL FUNDS  
Combining Statement of Revenues, Expenditures, and  
Changes in Fund Balance  
Year Ended June 30, 2011

	<b>Special Revenue Funds</b>		
	State		Total Nonmajor
	Discretionary	Library Books	Special Revenue
	<u>IDEA-B</u>	<u>Library Books</u>	<u>Special Revenue</u>
	<u>Fund #27200</u>	<u>Fund #27549</u>	<u>Funds</u>
<b>Revenues:</b>			
Federal sources:			
Public Law 874	\$ -	\$ -	\$ 13,350
Federal flowthrough grants	-	-	257,608
Federal direct grants	-	-	188,630
Food and milk reimbursements	-	-	255,136
USDA Commodities	-	-	14,762
State sources:			
State grant	44,700	-	357,296
Local sources:			
Grant	-	-	3,338
Fees and activities	-	-	70,038
Earnings from investments	-	-	213
<b>Total revenue</b>	<b>44,700</b>	<b>-</b>	<b>1,160,371</b>
<b>Expenditures:</b>			
Current:			
Instruction	5,860	-	274,240
Support Services:			
Students	34,340	-	133,258
Instruction	-	-	2,522
General Administration	-	-	15,506
School Administration	-	-	33,291
Operation & Maintenance of Plant	-	-	116,642
Student Transportation	223	-	433
Food Services Operations	-	-	307,141
Community Services	-	-	11,777
Capital outlay	-	-	303,016
<b>Total expenditures</b>	<b>40,423</b>	<b>-</b>	<b>1,197,826</b>
Excess (deficiency) of revenues over expenditures	4,277	-	(37,455)
Fund balance at beginning of the year	23,377	3	450,981
Fund balance at end of the year	\$ 27,654	\$ 3	\$ 413,526

(continued)

STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

NON-MAJOR GOVERNMENTAL FUNDS  
Combining Statement of Revenues, Expenditures, and  
Changes in Fund Balance  
Year Ended June 30, 2011

	Public School Capital Outlay - 20% <u>Fund #32100</u>	Total Nonmajor Governmental <u>Funds</u>
<b>Revenues:</b>		
Federal sources:		
Public Law 874	\$ -	\$ 13,350
Federal flowthrough grants	-	257,608
Federal direct grants	-	188,630
Food and milk reimbursements	-	255,136
USDA Commodities	-	14,762
State sources:		
State grant	-	357,296
Local sources:		
Grant	-	3,338
Fees and activities	-	70,038
Earnings from investments	-	213
Total revenue	<u>-</u>	<u>1,160,371</u>
<b>Expenditures:</b>		
Current:		
Instruction	-	274,240
Support Services:		
Students	-	133,258
Instruction	-	2,522
General Administration	-	15,506
School Administration	-	33,291
Operation & Maintenance of Plant	-	116,642
Student Transportation	-	433
Food Services Operations	-	307,141
Community Services	-	11,777
Capital outlay	<u>-</u>	<u>303,016</u>
Total expenditures	<u>-</u>	<u>1,197,826</u>
Excess (deficiency) of revenues over expenditures	-	(37,455)
Fund balance at beginning of the year	<u>1,170</u>	<u>452,151</u>
Fund balance at end of the year	<u>\$ 1,170</u>	<u>\$ 414,696</u>

## **BUDGETARY PRESENTATION**

STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

NONMAJOR SPECIAL REVENUE FUNDS  
Year Ended June 30, 2011

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**FOOD SERVICES**

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

**ATHLETICS**

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

**TITLE I**

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

**PRESCHOOL IDEA-B**

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

**21ST CENTURY COMMUNITY LEARNING CENTERS**

To create community learning centers that provide academic enrichment opportunities for children, particularly students who attend high-poverty and low-performing schools. The program is intended to help students meet state and local student standards in core academic subjects, such as reading and math; offers students a broad array of enrichment activities that should complement their regular academic programs; and offers literacy and other educational services to the families of participating children. Authorization: Elementary and Secondary Education Act of 1965, as amended, Title IV, Part B.

**IDEA-B "RISK POOL"**

The following rule is promulgated to assist New Mexico public agencies in appropriately identifying and providing educational services for children with disabilities and gifted children. The purposes of this rule is (a) to ensure that all children with disabilities and gifted children have available a free appropriate public education which includes special education and related services to meet their unique needs; (b) to ensure that the rights of children with disabilities and gifted children and their parents are protected; (c) to assist public agencies to provide for the education of all children with disabilities and gifted children; and (d) to evaluate and ensure the effectiveness of efforts to educate those children. Public Law 108-446, now the Individuals with Disabilities Education Improvement Act of 2004 (IDEA) at 20 USC Sec. 1412(a)(11)

**TITLE III ENGLISH LANGUAGE**

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

STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

NONMAJOR SPECIAL REVENUE FUNDS  
Year Ended June 30, 2011

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**TEACHER/PRINCIPAL TRAINING**

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

**TITLE IV DRUG FREE SCHOOLS**

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

**RURAL & LOW-INCOME SCHOOLS**

To provide financial assistance to rural districts to carry out activities to help improve the quality of teaching and learning in their schools. Elementary and Secondary Education Act, Title VI, Part B.

**ARRA – EQUIPMENT ASSIST**

To assist States: (1) through cash grants and food donations, in making the school lunch program available to school children and to encourage the domestic consumption of nutritious agricultural commodities, (2) in providing a nutritious nonprofit breakfast service for school children, through cash grants and donations, (3) to provide subsidies to schools to encourage the consumption of fluid milk by children.

**ARRA – TITLE I**

Use of funds varies, depending on whether a school is operating a schoolwide program under Title I, section 1114 of ESEA or a targeted assistance program under Section 1115 of the ESEA. A school with at least a 40 percent poverty rate may choose to operate a schoolwide program under Section 1114 that allows Title I funds to be combined with other Federal, State, and local funds to upgrade the school's overall instructional program. Schoolwide program schools must receive the amount of non-Federal resources they would have received in the absence of Title I funds. All other participating schools must operate targeted assistance programs that provide extra instruction to those children failings, or most at risk of failing, to meet State academic achievement standards. Targeted assistance programs must ensure that Title I services supplement, and do not supplant the regular education programs normally provided with non-Federal funds by local educational agencies. This program is subject to non-supplanting requirements and must use a restricted indirect cost rate, which is referenced under 34 CFR 76.564-76.569. Authorization: Elementary and Secondary Education Act of 1965 (ESEA), Title I, Part A, 20 U.S.C. 6301 et seq. and the American Recovery and Reinvestment Act of 2011 (ARRA), Public Law 111-5.

**ARRA – ENTITLEMENT IDEA-B**

Used in accordance with the IDEA, to help provide the special education and related services needed to make a free appropriate public education available to all eligible children and, in some cases, early intervening services. Authorization: Individuals with Disabilities Education (IDEA), as amended, Part B, Section 611-618, 20 U.S.C 1411-1418; American Recovery and Reinvestment Act of 2011 (ARRA), Public Law 111-5.

**STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4**

**NONMAJOR SPECIAL REVENUE FUNDS  
Year Ended June 30, 2011**

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**ARRA – PRESCHOOL IDEA-B**

To provide grants to States to assist them to make available special education and related services for children with disabilities ages 3 through 5 years, and at a State's discretion, to 2-year-old children with disabilities who will reach age three during the school year. Authorization (040): Individuals with Disabilities Education Act (IDEA), as amended, , Part B, Section 619, 20 U.S.C 1419; American Recovery and Reinvestment Act of 2010 (ARRA), Public Law 111-5.

**IMPACT AID SPECIAL/INDIAN EDUCATION**

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), where there is 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 assistance 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.

**TITLE XIX MEDICAID**

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

**INDIAN ED FORMULA GRANT**

The purpose of this program is to support projects which improve educational opportunities and achievement of Native American children. Funding is provided by the Federal Government, under the Elementary and Secondary Education Act of 1965, Title IX, Part A, Subpart 1, as amended, Public Law 103-382, 20 U.S.C. 7811-7818; 25 U.S.C. 2002.

**ARRA – STATE REVITALIZATION**

To support and restore funding for elementary, secondary, and postsecondary education and, as applicable, early child hood education programs and services in States and local educational agencies. Authorization: American Recovery and Reinvestment Act of 2010 (ARRA), Division A, Title XIV, Public Law 111-5.

**LANL FOUNDATION**

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

**STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4**

**NONMAJOR SPECIAL REVENUE FUNDS  
Year Ended June 30, 2011**

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**DRAWING FROM THE WELL**

To account funds received from a State Grant to hire consultants, to purchase the updated and revised curriculum guides, and instructional material for the Drawing from the Well curriculum.

**DUAL CREDIT INSTRUCTIONAL MATERIALS**

To be used for courses approved by Higher Education Department (RED) and through a college/university for which the district has an approved agreement.

**GO BOND LIBRARY**

To be used to fund each library facility for improvement or acquisition and to acquire library books and library resources to support the library program. Funds generated by GO Bonds may not be used to supplant existing or prior library material funding within school districts receiving these monies. This funding will supplement and be in addition to current and existing funding. Authorized through Senate Bill 2009 SB333

**SOLAR ENERGY**

To purchase and install 100 kilowatt photovoltaic (PV) solar energy systems to support clean energy education in New Mexico's public schools and demonstrate the benefits of commercial-scale PV to communities throughout New Mexico.

**TECHNOLOGY FOR EDUCATION**

State funding to provide financial assistance to school districts to improve educational opportunities for all students to close the technology gap between schools and the workplace through enhancement of computer education. The funding is provided by state resources and supplements the federal funding for the Technology Literacy Challenge grant. The creation of the fund is authorized by NMSA 1978 22-15A-1 to 22-15A-10.

**INCENTIVE FOR SCHOOL IMPROVEMENTS**

These funds are used for school improvements, from lighting to encyclopedias. Funding is provided by the State of New Mexico. The creation of the fund is authorized by NMSA 1978 22-13A-5.

**BEGINNING TEACHER MENTORING**

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

**BREAKFAST FOR ELEMENTARY STUDENTS**

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

**K-PLUS INITIATIVE**

To account for revenues and expenditures from a state grant for the purpose of providing extended kindergarten services for students.

**STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4**

**NONMAJOR SPECIAL REVENUE FUNDS  
Year Ended June 30, 2011**

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**LIBRARIES GO BOND 2006**

To be used to fund each library facility for improvement or acquisition and to acquire library books and library resources to support the library program. Funds generated by GO Bonds may not be used to supplant existing or prior library material funding within school districts receiving these monies. This funding will supplement and be in addition to current and existing funding. Authorized through Senate Bill 2006 SB301

**STATE DISCRETINOARY IDEA-B**

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

**LIBRARY BOOKS**

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



STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

FOOD SERVICE SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget Positive (Negative)
<b>Revenues:</b>				
Federal sources:				
Food and milk reimbursements	\$ 248,256	\$ 248,256	\$ 230,177	\$ (18,079)
Local sources:				
Fees and activities	2,298	2,298	3,994	1,696
Earnings from investments	489	489	199	(290)
Total revenues	251,043	251,043	234,370	(16,673)
<b>Expenditures:</b>				
Current:				
Food Services Operations	330,489	330,489	280,744	49,745
Capital outlay:				
Equipment	10,000	10,000	-	10,000
Total expenditures	340,489	340,489	280,744	59,745
Excess (deficiency) of revenues over expenditures	(89,446)	(89,446)	(46,374)	43,072
Beginning cash balance budgeted	89,446	89,446	-	(89,446)
Fund balance at beginning of the year	-	-	110,570	110,570
Fund balance at end of the year	\$ -	\$ -	64,196	\$ 64,196
<b>RECONCILIATION TO GAAP BASIS:</b>				
Change in inventory			10,489	
Change in grant receivable			24,959	
Change in payables			1,338	
			\$ 100,982	

STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

ATHLETICS SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget Positive (Negative)
<b>Revenues:</b>				
Local sources:				
Grant	\$ -	\$ -	\$ 200	\$ 200
Fees and activities	87,858	87,858	65,845	(22,013)
Earnings from investments	<u>30</u>	<u>30</u>	<u>14</u>	<u>(16)</u>
Total revenues	87,888	87,888	66,059	(21,829)
<b>Expenditures:</b>				
Current:				
Instruction	<u>118,309</u>	<u>118,309</u>	<u>65,865</u>	<u>52,444</u>
Excess (deficiency) of revenues over expenditures	(30,421)	(30,421)	194	30,615
Beginning cash balance budgeted	30,421	30,421	-	(30,421)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>47,642</u>	<u>47,642</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	47,836	<u>\$ 47,836</u>
<b>RECONCILIATION TO GAAP BASIS:</b>				
Change in payables			<u>(43)</u>	
			<u>\$ 47,793</u>	

STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

TITLE I SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2011

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	<u>Variance with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Federal sources:				
Federal grant	\$ 156,368	\$ 199,030	\$ 176,566	\$ (22,464)
<b>Expenditures:</b>				
Current:				
Instruction	110,377	145,227	130,559	14,668
Support Services:				
General Administration	9,695	12,340	10,862	1,478
School Administration	36,296	38,025	31,725	6,300
Community Services Operations	<u>-</u>	<u>3,438</u>	<u>2,046</u>	<u>1,392</u>
Total expenditures	<u>156,368</u>	<u>199,030</u>	<u>175,192</u>	<u>23,838</u>
Excess of revenues over expenditures	-	-	1,374	1,374
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	1,374	<u>\$ 1,374</u>
<b>RECONCILIATION TO GAAP BASIS:</b>				
Change in grant receivable			<u>(1,374)</u>	
			<u>\$ -</u>	

STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

PRESCHOOL IDEA-B SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2011

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	<u>Variance with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Federal sources:				
Federal grant	\$ 4,972	\$ 9,770	\$ 658	\$ (9,112)
Expenditures:				
Current:				
Instruction	3,700	5,498	287	5,211
Support Services:				
Students	<u>1,272</u>	<u>4,272</u>	<u>1,781</u>	<u>2,491</u>
Total expenditures	<u>4,972</u>	<u>9,770</u>	<u>2,068</u>	<u>7,702</u>
Excess (deficiency) of revenues over expenditures	-	-	(1,410)	(1,410)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	(1,410)	<u>\$ (1,410)</u>
RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			<u>1,410</u>	
			<u>\$ -</u>	

STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

IDEA-B "RISK POOL" SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget Positive (Negative)
<b>Revenues:</b>				
Federal sources:				
Federal grant	\$ -	\$ 1,082	\$ 1,154	\$ 72
<b>Expenditures:</b>				
Current:				
Instruction	-	441	88	353
Support Services:				
Students	-	641	375	266
Total expenditures	-	1,082	463	619
Excess of revenues over expenditures	-	-	691	691
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	\$ -	\$ -	691	\$ 691
<b>RECONCILIATION TO GAAP BASIS:</b>				
Change in grant receivable			(691)	
			\$ -	

STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

TITLE III ENGLISH LANGUAGE SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2011

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

STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4  
TEACHER/PRINCIPAL TRAINING SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2011

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	<u>Variance with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Federal sources:				
Federal grant	\$ 59,628	\$ 82,991	\$ 59,865	\$ (23,126)
Expenditures:				
Current:				
Instruction	44,941	69,855	48,088	21,767
Support Services:				
General Administration	3,687	5,136	3,277	1,859
School Administration	<u>11,000</u>	<u>8,000</u>	<u>1,496</u>	<u>6,504</u>
Total expenditures	<u>59,628</u>	<u>82,991</u>	<u>52,861</u>	<u>30,130</u>
Excess of revenues over expenditures	-	-	7,004	7,004
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	7,004	<u>\$ 7,004</u>
RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			(6,739)	
Change in payables			(27)	
Change in deferred revenue			<u>(238)</u>	
			<u>\$ -</u>	

STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

TITLE IV DRUG FREE SCHOOLS SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2011

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	<u>Variance with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Federal sources:				
Federal grant	\$ -	\$ 1,889	\$ 2,483	\$ 594
Expenditures:				
Current:				
Instruction	-	1,772	1,764	8
Support Services:				
General Administration	-	117	117	-
Total expenditures	-	1,889	1,881	8
Excess of revenues over expenditures	-	-	602	602
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	602	<u>\$ 602</u>
RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			(602)	
			<u>\$ -</u>	



STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4  
RURAL & LOW-INCOME SCHOOLS SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2011

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

STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

ARRA - EQUIPMENT ASSIST SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2011

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Federal sources:				
Federal grant	\$ -	\$ 20,033	\$ 19,983	\$ (50)
 Expenditures:				
Current:				
Food Services Operations	-	20,033	19,983	50
Excess of revenues over expenditures	-	-	-	-
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
 RECONCILIATION TO GAAP BASIS:				
Change in payables			-	
			<u>\$ -</u>	

STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

ARRA - TITLE I SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2011

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Federal sources:				
Federal grant	\$ 2,377	\$ 2,114	\$ 1,521	\$ (593)
Expenditures:				
Current:				
Instruction	2,230	1,967	2,002	(35)
Support Services:				
General Administration	<u>147</u>	<u>147</u>	<u>112</u>	<u>35</u>
Total expenditures	<u>2,377</u>	<u>2,114</u>	<u>2,114</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	-	-	(593)	(593)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	(593)	<u>\$ (593)</u>
RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			<u>593</u>	
			<u>\$ -</u>	

STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

ARRA - PRESCHOOL IDEA-B SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2011

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Federal sources:				
Federal grant	\$ 79	\$ 3,038	\$ 1,400	\$ (1,638)
Expenditures:				
Current:				
Instruction	79	-	-	-
Capital outlay:				
Equipment	-	3,038	3,018	20
Total expenditures	79	3,038	3,018	20
Excess (deficiency) of revenues over expenditures	-	-	(1,618)	(1,618)
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	(1,618)	<u>\$ (1,618)</u>
RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			1,618	
			<u>\$ -</u>	

STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4  
IMPACT AID SPECIAL EDUCATION SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2011

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	<u>Variance with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Federal sources:				
Public Law 874	\$ -	\$ 8,824	\$ 3,165	\$ (5,659)
 Expenditures:				
Current:				
Instruction	-	8,824	-	8,824
Excess of revenues over expenditures	-	-	3,165	3,165
Fund balance at beginning of the year	-	-	8,824	8,824
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	11,989	<u>\$ 11,989</u>
 RECONCILIATION TO GAAP BASIS:				
Change in payables			-	
			<u>\$ 11,989</u>	

STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4  
IMPACT AID INDIAN EDUCATION SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2011

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	<u>Variance with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Federal sources:				
Public Law 874	\$ -	\$ 54,414	\$ 10,185	\$ (44,229)
Expenditures:				
Current:				
Instruction	-	53,014	635	52,379
Support Services:				
School Administration	-	500	-	500
Student Transportation	-	900	-	900
Total expenditures	-	54,414	635	53,779
Excess of revenues over expenditures	-	-	9,550	9,550
Fund balance at beginning of the year	-	-	54,414	54,414
Fund balance at end of the year	\$ -	\$ -	63,964	\$ 63,964
RECONCILIATION TO GAAP BASIS:				
Change in payables			-	
			<u>\$ 63,964</u>	

STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

TITLE XIX MEDICAID SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2011

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Federal sources:				
Federal direct grant	\$ 15,000	\$ 15,000	\$ 28,497	\$ 13,497
<b>Expenditures:</b>				
Current:				
Instruction	2,450	1,665	470	1,195
Support Services:				
Students	53,606	56,311	44,455	11,856
General Administration	35,718	32,718	1,138	31,580
School Administration	-	80	70	10
Operation & Maintenance of Plant	1,000	1,000	317	683
Student Transportation	-	1,000	210	790
Capital outlay:				
Equipment	<u>9,252</u>	<u>9,252</u>	-	<u>9,252</u>
Total expenditures	<u>102,026</u>	<u>102,026</u>	<u>46,660</u>	<u>55,366</u>
Excess (deficiency) of revenues over expenditures	(87,026)	(87,026)	(18,163)	68,863
Beginning cash balance budgeted	87,026	87,026	-	(87,026)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>89,486</u>	<u>89,486</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	71,323	<u>\$ 71,323</u>
<b>RECONCILIATION TO GAAP BASIS:</b>				
Change in payables			<u>-</u>	
			<u>\$ 71,323</u>	

STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

INDIAN ED FORMULA GRANT SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final	(Budgetary Basis)	Positive (Negative)
Revenues:				
Federal sources:				
Federal direct grant	\$ 5,817	\$ 5,629	\$ 5,621	\$ (8)
 Expenditures:				
Current:				
Instruction	<u>5,817</u>	<u>5,629</u>	<u>5,621</u>	<u>8</u>
Excess of revenues over expenditures	-	-	-	-
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
 RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			(60)	
Change in payables			62	
Change in deferred revenue			<u>(2)</u>	
			<u>\$ -</u>	



STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

ARRA - STATE REVITALIZATION SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2011

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	<u>Variance with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Federal sources:				
Federal direct grant	\$ 180,819	\$ 181,017	\$ 192,313	\$ 11,296
 Expenditures:				
Current:				
Support Services:				
Students	-	38,248	38,247	1
Operation & Maintenance of Plant	<u>180,819</u>	<u>142,769</u>	<u>123,074</u>	<u>19,695</u>
Total expenditures	<u>180,819</u>	<u>181,017</u>	<u>161,321</u>	<u>19,696</u>
Excess of revenues over expenditures	-	-	30,992	30,992
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	30,992	<u>\$ 30,992</u>
 RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			(37,740)	
Change in payables			<u>6,748</u>	
			<u>\$ -</u>	

STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

LANL FOUNDATION SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2011

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	<u>Variance with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Local sources:				
Grant	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Current:				
Instruction	44,663	44,083	-	44,083
Support Services:				
Students	-	1,400	650	750
School Administration	18,500	7,515	-	7,515
Student Transportation	700	700	-	700
Community Services Operations	<u>-</u>	<u>10,165</u>	<u>9,731</u>	<u>434</u>
Total expenditures	<u>63,863</u>	<u>63,863</u>	<u>10,381</u>	<u>53,482</u>
Excess (deficiency) of revenues over expenditures	(63,863)	(63,863)	(10,381)	53,482
Beginning cash balance budgeted	63,863	63,863	-	(63,863)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>96,694</u>	<u>96,694</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	86,313	<u>\$ 86,313</u>
RECONCILIATION TO GAAP BASIS:				
Change in payables			<u>-</u>	
			<u>\$ 86,313</u>	

STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

DRAWING FROM THE WELL SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2011

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Local sources:				
Grant	\$ -	\$ 13,484	\$ -	\$ (13,484)
 Expenditures:				
Current:				
Instruction	<u>-</u>	<u>13,484</u>	<u>8,823</u>	<u>4,661</u>
Excess (deficiency) of revenues over expenditures	-	-	(8,823)	(8,823)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>5,485</u>	<u>5,485</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>(3,338)</u>	<u>\$ (3,338)</u>
 RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			<u>3,338</u>	
			<u>\$ -</u>	

STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

DUAL CREDIT INSTRUCTIONAL MATERIALS SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2011

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
State sources:				
State grant	\$ -	\$ 5,165	\$ 551	\$ (4,614)
 Expenditures:				
Current:				
Instruction	<u>-</u>	<u>5,165</u>	<u>4,169</u>	<u>996</u>
Excess (deficiency) of revenues over expenditures	-	-	(3,618)	(3,618)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	(3,618)	<u>\$ (3,618)</u>
 RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			<u>3,618</u>	
			<u>\$ -</u>	

STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

GO BOND LIBRARY SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2011

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	<u>Variance with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
State sources:				
State grant	\$ -	\$ 9,782	\$ 1,450	\$ (8,332)
 Expenditures:				
Current:				
Support Services:				
Instruction	<u>-</u>	<u>9,782</u>	<u>2,522</u>	<u>7,260</u>
Excess (deficiency) of revenues over expenditures	-	-	(1,072)	(1,072)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	(1,072)	<u>\$ (1,072)</u>
 RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			<u>1,072</u>	
			<u>\$ -</u>	

STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

SOLAR ENERGY SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2011

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
State sources:				
State grant	\$ -	\$ 300,000	\$ 299,998	\$ (2)
 Expenditures:				
Capital outlay:				
Equipment	<u>-</u>	<u>300,000</u>	<u>299,998</u>	<u>2</u>
Excess of revenues over expenditures	-	-	-	-
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
 RECONCILIATION TO GAAP BASIS:				
Change in payables			<u>-</u>	
			<u>\$ -</u>	

STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

TECHNOLOGY FOR EDUCATION SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2011

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
State sources:				
State grant	\$ -	\$ 17,439	\$ -	\$ (17,439)
 Expenditures:				
Current:				
Instruction	<u>-</u>	<u>17,439</u>	<u>17,362</u>	<u>77</u>
Excess (deficiency) of revenues over expenditures	-	-	(17,362)	(17,362)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	(17,362)	<u>\$ (17,362)</u>
 RECONCILIATION TO GAAP BASIS:				
Change in payables			<u>17,439</u>	
			<u>\$ -</u>	

STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

INCENTIVES FOR SCHOOL IMPROVEMENT SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2011

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
State sources:				
State grant	\$ -	\$ 13,408	\$ -	\$ (13,408)
 Expenditures:				
Current:				
Support Services:				
Students	<u>-</u>	<u>13,408</u>	<u>13,408</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	-	-	(13,408)	(13,408)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>13,408</u>	<u>13,408</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
 RECONCILIATION TO GAAP BASIS:				
Change in payables			<u>-</u>	
			<u>\$ -</u>	



STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4  
BEGINNING TEACHER MENTORING SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2011

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

STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

BREAKFAST FOR ELEMENTARY STUDENTS SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2011

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
State sources:				
State grant	\$ -	\$ 5,907	\$ 5,907	\$ -
 Expenditures:				
Current:				
Food Services Operations	-	5,907	3,480	2,427
Excess of revenues over expenditures	-	-	2,427	2,427
Fund balance at beginning of the year	-	-	1,078	1,078
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	3,505	<u>\$ 3,505</u>
 RECONCILIATION TO GAAP BASIS:				
Change in payables			-	
			<u>\$ 3,505</u>	

STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

K-PLUS INITIATIVE SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2011

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

STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

LIBRARIES GO BOND 2006 SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2011

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	<u>Variance with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
State sources:				
State grant	\$ -	\$ -	\$ 1,730	\$ 1,730
 Expenditures:				
Current:				
Instruction	-	-	-	-
Excess of revenues over expenditures	-	-	1,730	1,730
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	1,730	<u>\$ 1,730</u>
 RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			<u>(1,730)</u>	
			<u>\$ -</u>	

STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

STATE DISCRETIONARY IDEA-B SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget Positive (Negative)
Revenues:				
State sources:				
State grant	\$ -	\$ 44,700	\$ 44,700	\$ -
 Expenditures:				
Current:				
Instruction	-	6,000	5,860	140
Support Services:				
Students	-	36,999	34,340	2,659
Student Transportation	-	<u>1,701</u>	<u>223</u>	<u>1,478</u>
Total expenditures	-	<u>44,700</u>	<u>40,423</u>	<u>4,277</u>
Excess of revenues over expenditures	-	-	4,277	4,277
Fund balance at beginning of the year	-	-	<u>23,377</u>	<u>23,377</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	27,654	<u>\$ 27,654</u>
 RECONCILIATION TO GAAP BASIS:				
Change in payables			-	
			<u>\$ 27,654</u>	

STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

LIBRARY BOOKS SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2011

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

**STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4**

**CAPITAL PROJECTS FUNDS  
Year Ended June 30, 2010**

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**BOND BUILDING FUND**

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

**SPECIAL CAPITAL OUTLAY - STATE**

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

**CAPITAL IMPROVEMENTS SB – 9**

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

**PUBLIC SCHOOL CAPITAL OUTLAY – 20%**

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 improvement of buildings and land, and the purchase of equipment.

STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

BOND BUILDING CAPITAL PROJECTS FUND  
Statement of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2011

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
State sources:				
State grant	\$ -	\$ -	\$ 213,321	\$ 213,321
Local sources:				
Earnings from investments	-	-	964	964
Total revenues	-	-	214,285	214,285
<b>Expenditures:</b>				
Current:				
Support Services:				
Operation & Maintenance of Plant	50,000	121,000	50,668	70,332
Capital outlay:				
Land and improvements	50,000	50,000	-	50,000
Construction in progress	1,115,662	1,044,662	489,320	555,342
Total expenditures	1,215,662	1,215,662	539,988	675,674
Excess (deficiency) of revenues over expenditures	(1,215,662)	(1,215,662)	(325,703)	889,959
Beginning cash balance budgeted	1,215,662	1,215,662	-	(1,215,662)
Fund balance at beginning of the year	-	-	1,679,906	1,679,906
Fund balance at end of the year	\$ -	\$ -	1,354,203	\$ 1,354,203
<b>RECONCILIATION TO GAAP BASIS:</b>				
Change in payables			(27,164)	
			<u>\$ 1,327,039</u>	



STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

SPECIAL CAPITAL OUTLAY - STATE CAPITAL PROJECTS FUND  
Statement of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget
				Positive (Negative)
Revenues:				
State sources:				
State grant	\$ -	\$ -	\$ -	\$ -
 Expenditures:				
Current:				
Instruction	-	-	-	-
Excess of revenues over expenditures	-	-	-	-
 Fund balance at beginning of the year	-	-	39,791	39,791
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	39,791	<u>\$ 39,791</u>
 RECONCILIATION TO GAAP BASIS:				
Change in payables			-	
			<u>\$ 39,791</u>	

STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

CAPITAL IMPROVEMENTS SB-9 CAPITAL PROJECTS FUND  
Statement of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2011

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget
	<u>Original</u>	<u>Final</u>		Positive (Negative)
<b>Revenues:</b>				
State sources:				
State grant	\$ 206,993	\$ 206,993	\$ 54,617	\$ (152,376)
Local sources:				
District school tax levy	<u>87,072</u>	<u>162,072</u>	<u>88,506</u>	<u>(73,566)</u>
Total revenues	<u>294,065</u>	<u>369,065</u>	<u>143,123</u>	<u>(225,942)</u>
<b>Expenditures:</b>				
Current:				
Support Services:				
General Administration	880	1,630	885	745
Operation & Maintenance of Plant	397,309	396,559	102,848	293,711
Capital outlay:				
Land and improvements	100,000	74,300	-	74,300
Equipment	75,000	75,000	18,194	56,806
Construction in progress	<u>50,000</u>	<u>150,700</u>	<u>14,041</u>	<u>136,659</u>
Total expenditures	<u>623,189</u>	<u>698,189</u>	<u>135,968</u>	<u>562,221</u>
Excess (deficiency) of revenues over expenditures	(329,124)	(329,124)	7,155	336,279
Beginning cash balance budgeted	329,124	329,124	-	(329,124)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>357,193</u>	<u>357,193</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>364,348</u>	<u>\$ 364,348</u>
<b>RECONCILIATION TO GAAP BASIS:</b>				
Change in property tax receivable			7,681	
Change in due from other governments			88	
Change in payables			18,019	
Change in deferred property taxes			<u>(6,934)</u>	
			<u>\$ 383,202</u>	

STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

PUBLIC SCHOOL CAPITAL OUTLAY - 20% CAPITAL PROJECTS FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget
				Positive (Negative)
<b>Revenues:</b>				
Local sources:				
Grant	\$ -	\$ -	\$ -	\$ -
 <b>Expenditures:</b>				
Current:				
Support Services:				
Operation & Maintenance of Plant	-	1,170	-	1,170
Excess (deficiency) of revenues over expenditures	-	(1,170)	-	1,170
Beginning cash balance budgeted	-	1,170	-	(1,170)
Fund balance at beginning of the year	-	-	1,170	1,170
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	1,170	<u>\$ 1,170</u>
 <b>RECONCILIATION TO GAAP BASIS:</b>				
Change in payables			-	
			<u>\$ 1,170</u>	

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STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

DEBT SERVICE FUND  
Year Ended June 30, 2010

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DEBT SERVICE FUND

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

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STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

DEBT SERVICE FUND

Statement of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget
				Positive (Negative)
<b>Revenues:</b>				
Local sources:				
District school tax levy	\$ 98,303	\$ 98,303	\$ 229,898	\$ 131,595
 <b>Expenditures:</b>				
Current:				
Support Services:				
General Administration	1,475	2,791	2,298	493
Debt service:				
Bond interest paid	98,303	98,303	98,302	1
Reserves	<u>35,499</u>	<u>34,183</u>	-	<u>34,183</u>
Total expenditures	<u>135,277</u>	<u>135,277</u>	<u>100,600</u>	<u>34,677</u>
Excess (deficiency) of revenues over expenditures	(36,974)	(36,974)	129,298	166,272
Beginning cash balance budgeted	36,974	36,974	-	(36,974)
Fund balance at beginning of the year	-	-	<u>88,423</u>	<u>88,423</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	217,721	<u>\$ 217,721</u>
 <b>RECONCILIATION TO GAAP BASIS:</b>				
Change in property tax receivable			10,569	
Change in due from other governments			(1,028)	
Change in deferred property taxes			<u>(9,252)</u>	
			<u>\$ 218,010</u>	

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**OTHER SUPPLEMENTAL INFORMATION**

STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

FIDUCIARY FUNDS  
Schedule of Changes in Assets and Liabilities - All Agency Funds  
Year Ended June 30, 2011

Activity		Balance				Balance
<u>Fund</u>	<u>ASSETS</u>	<u>June 30, 2010</u>	<u>Receipts</u>	<u>Disbursements</u>		<u>June 30, 2011</u>
95000	Elementary School	\$ 30,241	\$ 17,358	\$ 19,595		\$ 28,004
96000	Junior High School	65,602	29,238	30,483		64,357
97000	Payroll Clearing Account	<u>          -</u>	<u>      4,997</u>	<u>      4,556</u>		<u>      441</u>
	Pooled cash and investments	<u>\$ 95,843</u>	<u>\$ 51,593</u>	<u>\$ 54,634</u>		<u>\$ 92,802</u>
	 <u>LIABILITIES</u>					
	Deposits held for others	<u>\$ 95,843</u>	<u>\$ 51,593</u>	<u>\$ 54,634</u>		<u>\$ 92,802</u>

**STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4**

**SCHEDULE OF PLEDGED COLLATERAL  
June 30, 2011**

	<u>Centinel Bank</u>
Cash on deposit at June 30, 2011	\$ 3,133,123
Less FDIC coverage	<u>894,905</u>
Uninsured funds	<u>\$ 2,238,218</u>
50% collateral requirement	\$ 1,119,109
102% collateral requirement (Repo Account)	<u>-</u>
Amount requiring pledged collateral	1,119,109
Pledged collateral	<u>1,408,452</u>
Excess (deficiency) of pledged collateral	<u>\$ 289,343</u>

Pledged collateral of financial institutions consists of the following at June 30, 2011

<u>Centinel Bank:</u>	<u>Maturity</u>	<u>CUSIP #</u>	<u>Market Value</u>
FHLB	2/21/2013	31331JBV4	\$ 1,356,097
FHLB	4/17/2014	31331GTJ8	<u>52,355</u>
			<u>\$ 1,408,452</u>

The above securities are held at Texas Independent Bank in Dallas, TX.

STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

CASH RECONCILIATION  
June 30, 2011

	Beginning Cash	Receipts	Distributions	Other	Net Cash End of Period	Adjustments to the report	Total Cash on Report
Operations	\$ 318,445	\$ 4,821,263	\$ (4,831,150)	\$ (124,283)	\$ 184,275	\$ -	\$ 184,275
Transportation	9	264,777	(264,737)	-	49	-	49
Instructional Materials	32,560	20,217	(46,361)	-	6,416	-	6,416
Food Services	90,519	234,370	(280,744)	-	44,145	-	44,145
Athletics	47,846	66,058	(65,865)	-	48,039	-	48,039
Federal Flowthrough Funds	296	522,982	(631,926)	109,291	643	-	643
Federal Direct Funds	152,726	333,433	(348,967)	10,086	147,278	-	147,278
Local Grants	102,179	-	(19,204)	3,338	86,313	-	86,313
State Flowthrough Funds	55,228	352,605	(381,361)	4,690	31,162	-	31,162
Bond Building	1,679,906	214,285	(539,988)	-	1,354,203	-	1,354,203
Special Capital Outlay - State	39,791	1,172,347	(1,172,347)	-	39,791	-	39,791
Capital Improvements SB-9	371,512	143,123	(135,968)	-	378,667	-	378,667
Public School Capital Outlay - 20%	1,170	-	-	-	1,170	-	1,170
Debt Service	77,099	229,898	(100,601)	-	206,396	-	206,396
Agency Funds	-	-	-	-	-	92,802	92,802
<b>Total</b>	<b>\$ 2,969,286</b>	<b>\$ 8,375,358</b>	<b>\$ (8,819,219)</b>	<b>\$ 3,122</b>	<b>\$ 2,528,547</b>	<b>\$ 92,802</b>	<b>\$ 2,621,349</b>

Account Name	Account Type	Bank Name	Bank Amount	Adjustments to report:	
Operational	Checking	Centinel Bank	\$ 505,581	Agency funds	\$ 92,802
Payroll	Checking	Centinel Bank	298,590		
High School	Checking	Centinel Bank	851		
High School	Checking	Centinel Bank	98,469	Adjustments to cash:	
Federal	Checking	Centinel Bank	246,802	Bank Balance	\$ 3,133,123
Bond Building	Checking	Centinel Bank	<u>1,982,830</u>	Held by the State Treasurer	5,000
<b>Total</b>			<b>\$ 3,133,123</b>	Cash on hand	50
				Outstanding deposits	227,527
POOL-4101	LGIP	State Treasurer	\$ 2,664	Outstanding checks	<u>(744,351)</u>
POOL-4102	Reserve	State Treasurer	<u>2,336</u>	<b>Total adjustment to cash</b>	<b>\$ 2,621,349</b>
<b>Total</b>			<b>\$ 5,000</b>		

**SINGLE AUDIT SECTION**

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

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# KEYSTONE ACCOUNTING, LLC

CERTIFIED PUBLIC ACCOUNTANTS

4801 N Butler, Ste. 8101  
Farmington, NM 87401

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

Hector H. Balderas, State Auditor  
The Board of Education of  
Penasco Independent School District No. 4

We have audited the financial statements of the governmental activities, each major fund, the aggregate remaining fund information, the budgetary comparisons for the general fund and major special revenue funds, and the combining and individual funds presented as supplemental information of Penasco Independent School District No. 4 as of and for the year ended June 30, 2011, and have issued our report thereon dated October 25, 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

Management of Penasco Independent School District No. 4 is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered Penasco Independent School District No. 4'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 Penasco Independent School District No. 4's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Penasco Independent School District No. 4'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 corrected 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 a certain deficiency in internal control over financial reporting, described in the accompanying schedule of findings and questioned costs that we consider to be a significant deficiency in internal control over financial reporting. Findings 2011 – 1 through 2011 – 2. 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.

# KEYSTONE ACCOUNTING, LLC

CERTIFIED PUBLIC ACCOUNTANTS

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Hector H. Balderas, State Auditor  
The Board of Education of  
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## Compliance and other matters

As part of obtaining reasonable assurance about whether Penasco Independent School District No. 4's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We also noted certain other matters that are required to be reported pursuant to Government Auditing Standards paragraphs 5.14 and 5.16, and pursuant to Section 12-6-5, NMSA 1978, which are described in the accompanying schedule of findings and questioned costs as findings 2011 – 1 through 2011 – 2.

Management's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit management's response and, accordingly, we express no opinion on them.

This report is intended solely for the information and use of management, others within the Penasco Independent School District No. 4, the U.S. Department of Education, State Auditor, the New Mexico Legislature, New Mexico Public Education Department, and applicable federal grantors, and is not intended to be and should not be used by anyone other than these specified parties.



October 25, 2011

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH  
REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON  
EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN  
ACCORDANCE WITH OMB CIRCULAR A-133**

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## INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

### Independent Auditor's Report

Hector H. Balderas, State Auditor  
The Board of Education of  
Penasco Independent School District No. 4

#### Compliance

We have audited Penasco Independent School District No. 4's compliance with the types of compliance requirements described in the OMB Circular A-133 Compliance Supplement (Revised March 2011) that could have a direct and material effect on each of Penasco Independent School District No. 4's major federal programs for the year ended June 30, 2011. Penasco Independent School District No. 4'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 Penasco Independent School District No. 4's management. Our responsibility is to express an opinion on Penasco Independent School District No. 4's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Penasco Independent School District No. 4'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 Penasco Independent School District No. 4's compliance with those requirements.

In our opinion, Penasco Independent School District No. 4 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.

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Hector H. Balderas, State Auditor  
The Board of Education of  
Penasco Independent School District No. 4

## Internal Control Over Compliance

Management of Penasco Independent School District No. 4 is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered Penasco Independent School District No. 4'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 Penasco Independent School District No. 4'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 internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be 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 management, others within the Penasco Independent School District No. 4, the U.S. Department of Education, the State Auditor, the New Mexico Legislature, New Mexico Public Education Department, and applicable federal grantors, and is not intended to be and should not be used by anyone other than these specified parties.



October 25, 2011

**STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4**

**SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS  
Year Ended June 30, 2011**

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**A. PRIOR YEAR AUDIT FINDINGS**

**NOT RESOLVED**

- 2010 – 5 **LACK OF TIMELY MONITORING OF BUDGET LINE ITEMS**  
Current Status: Not resolved. Repeated in the current year as Finding 2011 – 1.
- 2010 – 6 **MISSING BACKGROUND CHECKS**  
Current Status: Not resolved. Repeated in the current year as Finding 2011 – 2.

**RESOLVED**

- 2010 – 1 **DECENTRALIZED ACCOUNTING SYSTEM**  
Current Status: Resolved. Not repeated in the current year.
- 2010 – 2 **PURCHASE ORDER APPROVED AFTER PURCHASE**  
Current Status: Resolved. Not repeated in the current year.
- 2010 – 3 **MISSING INFORMATION FROM THE EMPLOYEE FILES**  
Current Status: Resolved. Not repeated in the current year.
- 2010 – 4 **LATE DEPOSIT OF RECEIPTS**  
Current Status: Resolved. Not repeated in the current year.
- 2010 – 7 **INVENTORIES LACKED DETAIL**  
Current Status: Resolved. Not repeated in the current year.
- 2010 – 8 **PUBLIC MONIES WERE NOT ADEQUATELY COLLATERALIZED**  
Current Status: Resolved. Not repeated in the current year.

STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ended June 30, 2011

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A. SUMMARY OF AUDIT RESULTS

1. The auditors' report expresses an unqualified opinion on the basic financial statements of Penasco Independent School District No. 4.
2. There were two significant deficiencies disclosed during the audit of the financial statements in the Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards. There were no significant deficiencies considered to be material weaknesses.
3. There were no instance of noncompliance material to the financial statements of Penasco Independent School District No. 4 were disclosed during the audit.
4. There were no significant deficiencies disclosed during the audit of the major federal awards program in the Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control over Compliance in Accordance with OMB Circular A-133.
5. The auditors' report on compliance for the major federal award programs for Penasco Independent School District No. 4 expresses an unqualified opinion.
6. There were no audit findings relative to the major federal award programs for Penasco Independent School District No. 4 that are required to be reported in accordance with OMB Circular A-133.510(a).
7. The programs treated as major programs include:  
Child Nutrition (USDA) Cluster CFDA #10.553 and #10.555; and  
21<sup>st</sup> Century Community Learning Center CFDA #84.287C.
8. The threshold for distinguishing types A and B programs was \$300,000.
9. Penasco Independent School District No. 4 was determined to be a low-risk auditee.



STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ended June 30, 2011

B. FINDINGS - FINANCIAL STATEMENTS AUDIT

2011 – 1 LACK OF TIMELY MONITORING OF BUDGET LINE ITEMS  
(Repeat of prior year Finding 2010 – 5)

<u>Significant Deficiency?</u>	<u>Material Weakness?</u>
Yes	No

<u>Internal Control?</u>	<u>Compliance?</u>	<u>Other Matter?</u>
Yes	No	Yes

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

ARRA - Title I	Instruction	\$	35
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**Criteria:** According to NMSA 1978 Section 22-8-11 B all fiscal agents of public monies have a responsibility to monitor spending to comply with established budget guidelines.

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

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

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

**Management's response:** The total budget was entered into the accounting system with the correct amount. However, two line items were entered incorrect by function. When reports were viewed from the accounting system, the budgets by function appeared to be correct. When reports were compared to the uploads at the state level, actual expenditures by function were compared but not budget by function. The district will now monitor budgets by function along with actual comparisons on a quarterly basis.

STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ended June 30, 2011

B. FINDINGS - FINANCIAL STATEMENTS AUDIT (continued)

2011 – 2 MISSING BACKGROUND CHECKS  
(Repeat of prior year Finding 2010 – 6)

Significant Deficiency?  
Yes

Material Weakness?  
No

Internal Control?  
Yes

Compliance?  
No

Other Matter?  
Yes

Condition: Six of 30 employee files selected for testing was missing a background check.

Criteria: In accordance 1978 NMSA 22-10A-5, all employees who have access to children are required to have a background check completed and approved.

Effect of condition: The school is out of compliance with requirements for 1978 NMSA 22-10A-5.

Cause: The district is not maintaining adequate controls over employee hiring.

Recommendation: The district should not employ any individual without prior receipt of the cleared background check.

Management's response: The district concurs that this is a repeat finding from Fiscal Year 2009-2010. To ensure correction of this finding, the district has begun a specific action plan and initiative effective October 31, 2011. All employees, consultants, subcontractors, volunteers, and board members who are in direct contact with students will possess a current background check. Employment and contract files have been reviewed and those personnel who do not have a background check since July 2009 or who have had a break in service will be required to obtain a background check within 30 calendar days of written notice.

C. AUDIT FINDINGS - MAJOR FEDERAL AWARD PROGRAMS AUDIT

No findings to report.

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
Year Ended June 30, 2011

<u>Federal Grantor/Pass - Through Grantor/Program or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Cluster Programs</u>	<u>Federal Expenditures</u>
<b><u>U.S. Department of Agriculture:</u></b>				
Direct Program:				
Forest Reserve	10.670	11000		\$ 27,460
Pass-Through Program From:				
New Mexico Department of Education:				
<u>Child Nutrition Cluster:</u>				
USDA National School Lunch Program	10.555	21000	198,121	
USDA School Breakfast Program	10.553	21000	<u>57,015</u>	
Total Child Nutrition Cluster				255,136
ARRA - Equipment Assist	10.579	24183		19,983
Pass-Through Program From:				
New Mexico Human Service Department:				
USDA Commodities Program	10.550	21000		<u>14,762</u>
Subtotal Pass-Through Programs				<u>289,881</u>
Total U.S. Department of Agriculture				<u>317,341</u>
<b><u>U.S. Department of Education:</u></b>				
Direct Programs:				
Impact Aid Indian Education	84.041	25147		50,050
Indian Ed Formula Grant	84.060	25184		<u>5,560</u>
Subtotal Direct Programs				<u>55,610</u>
Pass-Through Programs From:				
New Mexico Department of Education:				
<u>Special Education (IDEA) Cluster:</u>				
Entitlement IDEA-B	84.027	24106	108,812	
Preschool IDEA-B	84.173	24109	2,068	
IDEA-B "Risk Pool"	84.027	24120	464	
ARRA - Entitlement IDEA-B	84.391	24206	79,083	
ARRA - Preschool IDEA-B	84.392	24209	<u>3,018</u>	
Total Special Education (IDEA) Cluster				193,445
<u>Title I, Part A Cluster:</u>				
Title I	84.010	24101	175,192	
ARRA - Title I	84.389	24201	<u>2,114</u>	
Total Title I, Part A Cluster:				\$ 177,306

(continued)

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

STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
Year Ended June 30, 2011

<u>Federal Grantor/Pass - Through Grantor/Program or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Cluster Programs</u>	<u>Federal Expenditures</u>
<u>U.S. Department of Education (continued):</u>				
Pass-Through Programs From (continued):				
New Mexico Department of Education (continued):				
21st Century Community Learning Centers	84.287C	24119		\$ 209,290
Teacher/Principal Training	84.367	24154		52,888
Title IV Drug Free Schools	84.186	24157		1,881
ARRA - State Revitalization	84.394	25250		154,573
Education Jobs	84.410	25255		<u>134,730</u>
Subtotal Pass-Through Programs				<u>924,113</u>
Total U.S. Department of Education				<u>979,723</u>
<u>U.S. Department of Health and Human Services:</u>				
Pass-Through Program From:				
New Mexico Department of Health:				
Title XIX Medicaid	93.778	25153		<u>46,660</u>
Total Expenditures of Federal Awards				<u>\$ 1,343,724</u>

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

STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

Notes To The Schedule Of Expenditures Of Federal Awards  
Year Ended June 30, 2011

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

All federal grant operations of Penasco Independent School District No. 4 (the "School District") are included in the scope of the Office of management and Budget ("OMB") Circular A-133 audit (the "Single Audit"). The Single Audit was performed in accordance with the provisions of the OMB Circular Compliance Supplement (Revised June 2011 the "Compliance Supplement"). Compliance testing of all requirements are described in the Compliance Supplement, was performed for the grants programs noted below. These programs represent all federal award programs and other grants with fiscal 2011 cash and non-cash expenditures to ensure coverage of at least 25% (LOW risk auditee) of federally granted funds. Actual coverage is approximately 34% of total cash and non-cash federal award program expenditures. Total cash expenditures were in the amount of \$1,328,962 and all non-cash expenditures amounted to \$14,762.

Major Federal Award Program Description	Fiscal 2011 <u>Expenditure</u>
Cash assistance:	
Child Nutrition (USDA) Cluster	\$ 255,136
21st Century Community Learning Center	<u>209,290</u>
Total	<u>\$ 464,426</u>

The School District did not have any Type A federal programs for the 2011 audit.

The U.S. Department of Education is the School District's oversight agency for single audit.

2. Summary of significant accounting policies

Basis of presentation

The accompanying Schedule of Expenditure of Federal Awards includes all federal grants to the School District that had activity during the fiscal year ended June 30, 2011. This Statement has been prepared on the accrual basis of accounting. Grant revenues are recorded for financial reporting purposes when the School District has met the qualifications for the respective grant.

Accrued and deferred reimbursements

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

3. Audits performed by other entities

There were no other audits performed by other organizations on the School Districts federal grant programs in 2011.

**REQUIRED DISCLOSURE**

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STATE OF NEW MEXICO  
PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

REQUIRED DISCLOSURES  
Year Ended June 30, 2011

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REQUIRED DISCLOSURE

The financial statements were prepared by the independent public accountants.

An exit conference was held October 25, 2011, during which the audit findings were discussed. The exit conference was attended by the following individuals:

PENASCO INDEPENDENT SCHOOL DISTRICT NO. 4

Isabel L. Duran  
Jeanelle Livingston  
Elizabeth Romero

Secretary  
Incoming Superintendent  
Director of Finance

KEYSTONE ACCOUNTING, LLC

Terry Ogle, CPA

Partner