
STATE OF NEW MEXICO
SAN JON Municipal School
June 30, 2011

Financial Statements and Supplementary Information
As Of And For The Year Ended June 30, 2011
With Independent Auditor's Report Thereon

Sandra Rush
Certified Public Accountant, PC

1101 E Llano Estacado
Clovis, New Mexico 88101

Introductory Section

STATE OF NEW MEXICO
SAN JON MUNICIPAL SCHOOL

Official Roster
For the year ended June 30, 2011

Board of Education

Franklin Gibson President

Dale Bone Vice-President

Tommy Evans Secretary

Cynthia Lee Member

Tim Foster Member

School Officials

Gary Salazar Superintendent

Lucy Heddlesten Business Manager

STATE OF NEW MEXICO
SAN JON MUNICIPAL SCHOOL

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SAN JON MUNICIPAL SCHOOL

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Sandra Rush

Certified Public Accountant PC

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Independent Auditor's Report

Mr. Hector H. Balderas
State Auditor of the State of New Mexico
Board Members of the San Jon Municipal School District

Mr. Balderas and Members of the Board

I have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information, and the budgetary comparisons for the general fund and major special revenue funds of the San Jon Municipal School District (District), as of and for the year ended June 30, 2011, which collectively comprise the District's basic financial statements as listed in the table of contents. I also have audited the financial statements of each of the District's nonmajor governmental, and the budgetary comparisons for the major capital project funds, and all nonmajor funds presented as supplementary information in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2011, as listed in the table of contents. These financial statements are the responsibility of the District's management. My responsibility is to express opinions on these financial statements based on my audit.

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

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District as of June 30, 2011, and the respective changes in financial position, thereof and the respective budgetary comparisons for the general fund and major special revenue funds for the year then ended in conformity with accounting principles generally accepted in the United States of America. In addition, in my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each nonmajor governmental fund of the District as of June 30, 2011, and the respective changes in financial position, thereof and the respective budgetary comparisons for the major capital project funds, and all nonmajor funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, I have also issued my report dated September 1, 2011 on my consideration of the District's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of my audit.

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

My 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 additional schedules listed as "other supplemental information" in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.



Sandra Rush, CPA PC
September 1, 2011

Financial Section

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Basic Financial Statements

Government-Wide Financial Statements

STATE OF NEW MEXICO
 SAN JON MUNICIPAL SCHOOL

Statement of Net Assets
 June 30, 2011

	<u>Governmental Activities</u>
<u>ASSETS</u>	
Current assets:	
Cash and cash equivalents	\$ 527,963
Inventory	1,695
Taxes receivable current	2,205
Due from other governments	<u>14,224</u>
Total current assets	<u>546,087</u>
Capital assets	
Bond issue costs	38,852
Less: accumulated amortization	(9,712)
Capital assets	9,938,638
Less: accumulated depreciation	<u>(3,350,728)</u>
Total non current assets	<u>6,617,050</u>
Total assets	<u>\$ 7,163,137</u>
<u>LIABILITIES AND NET ASSETS</u>	
Current liabilities:	
Accounts payable	\$ 9,464
Current portion of long term debt	<u>70,000</u>
Total current liabilities	<u>79,464</u>
Noncurrent liabilities:	
Bonds and notes	<u>420,000</u>
Total noncurrent liabilities	<u>420,000</u>
Total liabilities	<u>499,464</u>
<u>NET ASSETS</u>	
Invested in capital assets, net of related debt	6,097,910
Non-spendable	1,695
Restricted	201,259
Unrestricted	<u>362,809</u>
Total net assets	<u>6,663,673</u>
Total liabilities and net assets	<u>\$ 7,163,137</u>

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

STATE OF NEW MEXICO
 SAN JON MUNICIPAL SCHOOL

Statement of Activities
 For the year ended June 30, 2011

Functions / Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities				
Instruction	\$ 1,222,865	\$ -	\$ 163,445	\$ 346
Support services:				
Students	140,041	24,627	65,902	-
Instruction	49,840	-	-	-
General administration	223,018	-	-	-
School administration	-	-	-	-
Central services	75,139	-	15,662	-
Operation & maintenance of plant	322,461	10,500	-	-
Other support services	219	-	-	-
Community service operations	1,460	-	-	-
Student transportation	158,403	-	153,211	-
Food services	111,779	3,526	38,642	-
Capital outlay	55,304	-	-	136,161
Depreciation unclassified	71,893	-	-	-
Amortization	9,712	-	-	-
Interest on long term debt	26,190	-	-	-
Total governmental activities	<u>\$ 2,468,324</u>	<u>\$ 38,653</u>	<u>\$ 436,862</u>	<u>\$ 136,507</u>

General Revenues

Local and county

Taxes:

- Property taxes, levied for general purposes
- Property taxes, levied for capital projects
- Property taxes, levied for debt service

State

- Total general revenues and transfers
- Change in net assets

Net assets at beginning of period

Prior period adjustment

Net assets at beginning of period restated

Net assets at end of period

The accompanying notes are an integral part of these financial statements

Net Program
 [Expense]
 Revenues
 Governmental
 Activities
 Total

\$ (1,059,074)

(49,512)
 (49,840)
 (223,018)

-
 (59,477)
 (311,961)

(219)
 (1,460)
 (5,192)
 (69,611)

80,857
 (71,893)
 (9,712)
 (26,190)

(1,856,302)

13,809

5,092
 21,343
 76,374
1,648,773
1,765,391
 (90,911)

6,731,208
23,376

6,754,584

6,663,673

STATE OF NEW MEXICO
 SAN JON MUNICIPAL SCHOOL

Balance Sheet
 Governmental Funds
 June 30, 2011

	General Fund			
	Operational 11000	Teacherage 12000	Transportation 13000	Instructional Materials 14000
<u>ASSETS</u>				
Cash and cash equivalents	\$ 174,678	\$ 15,874	\$ 4,533	\$ 2,698
Inventory	-	-	-	-
Accounts receivable:				
Taxes current	84	-	-	-
Due from other governments	-	-	-	-
Due from other funds	14,225	-	-	-
	<u>14,225</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 188,987</u>	<u>\$ 15,874</u>	<u>\$ 4,533</u>	<u>\$ 2,698</u>
<u>LIABILITIES</u>				
Accounts payable	7,698	177	-	-
Due to other funds	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>7,698</u>	<u>177</u>	<u>-</u>	<u>-</u>
<u>FUND BALANCE</u>				
Non-spendable	-	-	-	-
Restricted for:				
General Fund	-	-	-	-
Special Revenue Funds	-	15,697	4,533	2,698
Capital Projects	-	-	-	-
Debt Service	-	-	-	-
Unassigned for:				
General Fund	181,289	-	-	-
	<u>181,289</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balance	<u>181,289</u>	<u>15,697</u>	<u>4,533</u>	<u>2,698</u>
Total liabilities and fund balances	<u>\$ 188,987</u>	<u>\$ 15,874</u>	<u>\$ 4,533</u>	<u>\$ 2,698</u>

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

Wind Farm Projects 29134	Capital Improvements SB-9 31,700	Other Governmental Funds	Total Governmental Funds
\$ 152,380	\$ 78,927	\$ 98,873	\$ 527,963
-	-	1,695	1,695
-	448	1,673	2,205
-	-	14,224	14,224
-	-	-	14,225
<u>\$ 152,380</u>	<u>\$ 79,375</u>	<u>\$ 116,465</u>	<u>\$ 560,312</u>
-	1,589	-	9,464
-	-	14,225	14,225
-	1,589	14,225	23,689
-	-	1,695	1,695
-	-	-	-
-	-	56,446	79,374
-	77,786	-	77,786
-	-	44,099	44,099
<u>152,380</u>	<u>-</u>	<u>-</u>	<u>333,669</u>
<u>152,380</u>	<u>77,786</u>	<u>102,240</u>	<u>536,623</u>
<u>\$ 152,380</u>	<u>\$ 79,375</u>	<u>\$ 116,465</u>	<u>\$ 560,312</u>

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STATE OF NEW MEXICO
SAN JON MUNICIPAL SCHOOL

Governmental Funds
Reconciliation of the Balance Sheet to the Statement of Net Assets
June 30, 2011

Reconciliation of Total Fund Balance from Balance Sheet Governmental Funds
to the Total Net Assets on the Statement of Net Assets

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

Fund balances - total governmental funds		\$ 536,623
Long-term debt reflected on Statement of Net Assets not in governmental funds balance sheet		(490,000)
Bond issue costs	38,852	
Accumulated amortization	<u>(9,712)</u>	29,140
Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds	9,938,638	
Accumulated depreciation	<u>(3,350,728)</u>	6,587,910
		<hr/>
Net assets of governmental activities		<u>\$ 6,663,673</u>

STATE OF NEW MEXICO
SAN JON MUNICIPAL SCHOOL

Statement of Revenues, Expenditures, and Changes in
Fund Balances - Governmental Funds
For the year ended June 30, 2011

	General Fund			
	Operational 11000	Teacherage 12000	Transportation 13000	Materials 14000
Revenues:				
Local and county sources	\$ 8,074	\$ 10,500	\$ -	\$ -
State sources	1,555,884	-	153,211	5,287
Federal sources	-	-	-	-
Total revenues	<u>1,563,958</u>	<u>10,500</u>	<u>153,211</u>	<u>5,287</u>
Expenditures:				
Current operating:				
Instruction	876,371	-	-	5,261
Support services				
Students	75,988	-	-	-
Instruction	33,882	-	-	-
General administration	212,100	-	-	-
School administration	-	-	-	-
Central services	75,139	-	-	-
Operation & maintenance of plant	255,733	8,442	-	-
Student transportation	-	-	157,649	-
Other support services	219	-	-	-
Operation of non-instructional services				
Food services operations	24,233	-	-	-
Community service operations	1,460	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal payment	-	-	-	-
Interest payment	-	-	-	-
Total expenditures	<u>1,555,125</u>	<u>8,442</u>	<u>157,649</u>	<u>5,261</u>
Excess (deficiency) of revenues over expenditures	8,833	2,058	(4,438)	26
Other financing sources (uses):				
Operating transfer	<u>43,879</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>43,879</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	52,712	2,058	(4,438)	26
Fund balance, beginning of year	128,577	13,639	8,971	2,672
Restatements	-	-	-	-
Fund balance restated	<u>128,577</u>	<u>13,639</u>	<u>8,971</u>	<u>2,672</u>
Fund balance, end of year	<u>\$ 181,289</u>	<u>\$ 15,697</u>	<u>\$ 4,533</u>	<u>\$ 2,698</u>

The accompanying notes are an integral part of these financial statements

Wind Farm Projects 29134	Capital Improvements SB-9 31,700	Other Governmental Funds	Total Governmental Funds
\$ 86,588	\$ 22,030	\$ 28,079	\$ 155,271
-	136,161	207,577	2,058,120
-	-	194,944	194,944
<u>86,588</u>	<u>158,191</u>	<u>430,600</u>	<u>2,408,335</u>
1,192	-	212,525	1,095,349
-	-	64,053	140,041
-	-	9,480	43,362
-	220	3,713	216,033
-	-	-	-
-	-	-	75,139
19,210	-	16,516	299,901
-	-	-	157,649
-	-	-	219
-	-	66,106	90,339
-	-	-	1,460
48,853	59,203	188,987	297,043
-	-	60,000	60,000
-	-	26,190	26,190
<u>69,255</u>	<u>59,423</u>	<u>647,570</u>	<u>2,502,725</u>
17,333	98,768	(216,970)	(94,390)
-	(19,476)	(24,403)	-
-	(19,476)	(24,403)	-
17,333	79,292	(241,373)	(94,390)
135,047	(1,506)	320,237	607,637
-	-	23,376	23,376
<u>135,047</u>	<u>(1,506)</u>	<u>343,613</u>	<u>631,013</u>
<u>\$ 152,380</u>	<u>\$ 77,786</u>	<u>\$ 102,240</u>	<u>\$ 536,623</u>

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STATE OF NEW MEXICO
SAN JON MUNICIPAL SCHOOL

Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds to the
Statement of Activities
For the year ended June 30, 2011

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

Net change in fund balances - total governmental funds	\$ (94,390)
Principal payments on long-term expensed in governmental fund statements, treated as reductions of outstanding debt in Entity wide statements	60,000
Fixed assets expensed as capital outlay in governmental fund statements, capitalized as fixed assets in Statement of Net Assets	241,739
Depreciation expense reflected in entity wide statements, not reflected in governmental fund statements	(257,626)
Amortization expense reflected in entity wide statements, not reflected in governmental fund statements	<u>(9,712)</u>
Change in Net Assets of Governmental Activities	<u>\$ (59,989)</u>

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STATE OF NEW MEXICO
SAN JON MUNICIPAL SCHOOL
General Fund - Operational - 11000
Statement of Revenues, Expenditures, and Changes in Cash
Balance - Budget and Actual (Non - GAAP Budgetary Basis)
For the year ended June 30, 2011

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenue:				
Local and county sources	\$ 7,372	\$ 7,372	\$ 8,080	\$ 708
State sources	1,606,232	1,561,544	1,562,709	1,165
Federal sources	-	-	-	-
Interest	-	-	-	-
Total revenues	<u>1,613,604</u>	<u>1,568,916</u>	<u>1,570,789</u>	<u>1,873</u>
Expenditures:				
Current operating:				
Instruction	983,249	940,253	875,738	64,515
Support services:				
Students	80,351	80,351	75,988	4,363
Instruction	41,955	41,954	34,470	7,484
General administration	229,744	229,744	213,251	16,493
School administration	-	-	-	-
Central services	75,861	75,861	75,139	722
Operation & maintenance of plant	314,551	321,758	255,386	66,372
Student transportation	-	-	-	-
Other support services	852	1,852	219	1,633
Operation of non-instructional services				
Food services operations	27,038	27,018	24,233	2,785
Community service operations	2,087	2,087	1,460	627
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>1,755,688</u>	<u>1,720,878</u>	<u>1,555,884</u>	<u>164,994</u>
Excess (deficiency) of revenues over(under) expenditures	(142,084)	(151,962)	14,905	166,867
Other financing sources (uses):				
Operating transfers	-	-	43,879	43,879
Interfund loan	-	-	(14,225)	(14,225)
Designated cash	142,084	151,962	-	(151,962)
Total other financing sources (uses)	<u>142,084</u>	<u>151,962</u>	<u>29,654</u>	<u>(122,308)</u>
Net change in fund balances	-	-	44,559	44,559
Cash balance, beginning of year	-	-	130,119	130,119
Prior period voided check	-	-	-	-
Cash balance, beginning of year restated	<u>-</u>	<u>-</u>	<u>130,119</u>	<u>130,119</u>
Cash balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 174,678</u>	<u>\$ 174,678</u>
Net change in fund balance (Non-GAAP Budgetary Basis)			\$ 44,559	
Adjustment to revenues for accruals & other deferrals			7,394	
Adjustment to expenditures for payables, prepaids & other accruals			759	
Net change in fund balance (GAAP Basis)			<u>\$ 52,712</u>	

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

STATE OF NEW MEXICO
SAN JON MUNICIPAL SCHOOL
General Fund - Teacherage - 12000
Statement of Revenues, Expenditures, and Changes in Cash
Balance - Budget and Actual (Non - GAAP Budgetary Basis)
For the year ended June 30, 2011

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenue:				
Local and county sources	\$ 10,800	\$ 10,800	\$ 10,500	\$ (300)
State sources	-	-	-	-
Federal sources	-	-	-	-
Interest	-	-	-	-
Total revenues	<u>10,800</u>	<u>10,800</u>	<u>10,500</u>	<u>(300)</u>
Expenditures:				
Current operating:				
Instruction	-	-	-	-
Support services:				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	24,058	24,058	9,189	14,869
Student transportation	-	-	-	-
Other support services	-	-	-	-
Operation of non-instructional services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>24,058</u>	<u>24,058</u>	<u>9,189</u>	<u>14,869</u>
Excess (deficiency) of revenues over(under) expenditures	(13,258)	(13,258)	1,311	14,569
Other financing sources (uses):				
Operating transfers	-	-	-	-
Interfund loans	-	-	-	-
Designated cash	13,258	13,258	-	(13,258)
Total other financing sources (uses)	<u>13,258</u>	<u>13,258</u>	<u>-</u>	<u>(13,258)</u>
Net change in fund balances	-	-	1,311	1,311
Cash balance, beginning of year	-	-	14,563	14,563
Prior period voided check	-	-	-	-
Cash balance, beginning of year restated	<u>-</u>	<u>-</u>	<u>14,563</u>	<u>14,563</u>
Cash balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,874</u>	<u>\$ 15,874</u>
Net change in fund balance (Non-GAAP Budgetary Basis)			\$ 1,311	
Adjustment to revenues for accruals & other deferrals			-	
Adjustment to expenditures for payables, prepaids & other accruals			<u>747</u>	
Net change in fund balance (GAAP Basis)			<u>\$ 2,058</u>	

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

STATE OF NEW MEXICO
SAN JON MUNICIPAL SCHOOL
General Fund - Transportation - 13000
Statement of Revenues, Expenditures, and Changes in Cash
Balance - Budget and Actual (Non - GAAP Budgetary Basis)
For the year ended June 30, 2011

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenue:				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	168,655	157,696	153,211	(4,485)
Federal sources	-	-	-	-
Interest	-	-	-	-
Total revenues	<u>168,655</u>	<u>157,696</u>	<u>153,211</u>	<u>(4,485)</u>
Expenditures:				
Current operating:				
Instruction	-	-	-	-
Support services:				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	168,655	157,696	157,649	47
Other support services	-	-	-	-
Operation of non-instructional services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>168,655</u>	<u>157,696</u>	<u>157,649</u>	<u>47</u>
Excess (deficiency) of revenues over(under) expenditures	-	-	(4,438)	(4,438)
Other financing sources (uses):				
Operating transfers	-	-	-	-
Interfund loans	-	-	-	-
Designated cash	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	-	(4,438)	(4,438)
Cash balance, beginning of year	-	-	8,971	8,971
Prior period voided check	-	-	-	-
Cash balance, beginning of year restated	<u>-</u>	<u>-</u>	<u>8,971</u>	<u>8,971</u>
Cash balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,533</u>	<u>\$ 4,533</u>
Net change in fund balance (Non-GAAP Budgetary Basis)			\$ (4,438)	
Adjustment to revenues for accruals & other deferrals			-	
Adjustment to expenditures for payables, prepaids & other accruals			-	
Net change in fund balance (GAAP Basis)			<u>\$ (4,438)</u>	

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

STATE OF NEW MEXICO
SAN JON MUNICIPAL SCHOOL
General Fund - Instructional Materials - 14000
Statement of Revenues, Expenditures, and Changes in Cash
Balance - Budget and Actual (Non - GAAP Budgetary Basis)
For the year ended June 30, 2011

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenue:				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	5,262	5,262	5,287	25
Federal sources	-	-	-	-
Interest	-	-	-	-
Total revenues	5,262	5,262	5,287	25
Expenditures:				
Current operating:				
Instruction	5,262	5,262	5,261	1
Support services:				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Operation of non-instructional services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	5,262	5,262	5,261	1
Excess (deficiency) of revenues over(under) expenditures	-	-	26	26
Other financing sources (uses):				
Operating transfers	-	-	-	-
Interfund loans	-	-	-	-
Designated cash	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	-	-	26	26
Cash balance, beginning of year	2,672	2,672	2,672	-
Prior period voided check	-	-	-	-
Cash balance, beginning of year restated	2,672	2,672	2,672	-
Cash balance, end of year	\$ 2,672	\$ 2,672	\$ 2,698	\$ 26
Net change in fund balance (Non-GAAP Budgetary Basis)			\$ 26	
Adjustment to revenues for accruals & other deferrals			-	
Adjustment to expenditures for payables, prepaids & other accruals			-	
Net change in fund balance (GAAP Basis)			\$ 26	

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

STATE OF NEW MEXICO
SAN JON MUNICIPAL SCHOOL
Major Special Revenue Fund - Wind Farm Projects - 29134
Statement of Revenues, Expenditures, and Changes in Cash
Balance - Budget and Actual (Non - GAAP Budgetary Basis)
For the year ended June 30, 2011

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenue:				
Local and county sources	\$ 86,430	\$ 86,430	\$ 86,588	\$ 158
State sources	-	-	-	-
Federal sources	-	-	-	-
Interest	-	-	-	-
Total revenues	<u>86,430</u>	<u>86,430</u>	<u>86,588</u>	<u>158</u>
Expenditures:				
Current operating:				
Instruction	41,582	41,582	1,192	40,390
Support services:				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	25,000	25,000	19,210	5,790
Student transportation	-	-	-	-
Other support services	-	-	-	-
Operation of non-instructional services				
Food services operations	-	-	-	-
Capital outlay	155,000	155,000	48,853	106,147
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>221,582</u>	<u>221,582</u>	<u>69,255</u>	<u>152,327</u>
Excess (deficiency) of revenues over(under) expenditures	(135,152)	(135,152)	17,333	152,485
Other financing sources (uses):				
Operating transfers	-	-	-	-
Interfund loans	-	-	-	-
Designated cash	135,152	135,152	-	(135,152)
Total other financing sources (uses)	<u>135,152</u>	<u>135,152</u>	<u>-</u>	<u>(135,152)</u>
Net change in fund balances	-	-	17,333	17,333
Cash balance, beginning of year	135,047	135,047	135,047	-
Prior period voided check	-	-	-	-
Cash balance, beginning of year restated	<u>135,047</u>	<u>135,047</u>	<u>135,047</u>	<u>-</u>
Cash balance, end of year	<u>\$ 135,047</u>	<u>\$ 135,047</u>	<u>\$ 152,380</u>	<u>\$ 17,333</u>
Net change in fund balance (Non-GAAP Budgetary Basis)			\$ 17,333	
Adjustment to revenues for accruals & other deferrals			-	
Adjustment to expenditures for payables, prepaids & other accruals			-	
Net change in fund balance (GAAP Basis)			<u>\$ 17,333</u>	

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

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STATE OF NEW MEXICO
SAN JON MUNICIPAL SCHOOL

Statement of Fiduciary Assets and Liabilities - Agency Funds
June 30, 2011

	<u>Agency Funds</u>
<u>ASSETS</u>	
Cash and cash equivalents	\$ 47,449
Total assets	<u>\$ 47,449</u>
<u>LIABILITIES</u>	
Funds handled on behalf of:	
Deposits held for others	<u>47,449</u>
Total liabilities	<u>\$ 47,449</u>

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

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Notes to Financial Statements

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Note 1. Summary of Significant Accounting Policies

The financial statements of San Jon Municipal School District (District) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the District's accounting policies are described below.

Financial Reporting Entity

The San Jon School Municipal District was established in the early nineteen hundreds, and is currently operating under the provisions of the Public School District Code, Chapter 22, of the New Mexico Statutes Annotated, 1978 Compilation. The District operates with a local board of education – superintendent form of government and provides a supervised program of instruction designed to educate students at the elementary and secondary level.

All governmental funds of the District follow FASB Statements and Interpretations issued on or before November 30, 1989, Accounting Principles Board Opinions, and Accounting Research Bulletins, unless those pronouncements conflict with GASB pronouncements.

GASB Statement No. 14 established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this statement, the District is considered a *primary government*, since it is a special-purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. As used in GASB Statement No. 14, fiscally independent means that the District may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges and issue bonded debt.

The District has no component units; defined by GASB Statement No. 14 as other legally separate organizations for which the elected District members are financially accountable. There are no other primary governments with which the School Board Members are financially accountable. Nor are there other primary governments with which the District has a significant relationship.

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

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

Governmental Funds

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

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

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

Debt Service Fund – The Debt Service Funds are used to account for the resources for, and the payment of, principal, interest and related costs.

Capital Project Funds – The Capital Project Funds are used to account for all resources for the acquisition of capital facilities by the District.

Fiduciary Fund Type

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

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

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

The District reports the following major governmental funds:

General Fund (11000) (12000) (13000) (14000)

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

Major Special Revenue Funds:

Wind Farm Projects (29134)

To account for local revenue fund payments received from a private company in lue of property tax. This fund was created by the state just for San Jon Municipal School District.

Capital Projects Funds:

Senate Bill Nine (31700)

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

Debt Service Funds:

Debt Service (41000)

The revenues are generated by a tax levy based upon property values. The expenditures are for the payment of general long-term debt principal and interest.

Measurement Focus and Basis of Accounting

Government-Wide Financial Statements (GWFS)

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

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

Program Revenues

Program revenues included in the Statement of Activities derive directly from the program itself or from parties outside the District's taxpayer or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the District's general revenues. Program revenues include charges to users or applicants who purchase, use or directly benefit from the goods or services provided by the given function.

Fund Financial Statements (FFS)

Governmental Funds

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting revenues are recognized when susceptible to accrual (i.e., when they are "measurable and available"). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The government considers all revenues available if they are collected within 60 days after year-end. Expenditures are recorded when the related fund liability is incurred, except for un-matured principal and interest on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. Any effect of interfund activity has been eliminated from the district-wide financial statements.

Revenues

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

Revenue Recognition for Grants

Eligibility requirements for government-mandated and voluntary non-exchange transaction comprise one or more of the following:

1. Required characteristics of recipients. The recipient has the characteristics specified by the provider (are required to be school districts and RECs).
2. Time requirements. Time requirements specified by enabling legislation or the provider have been met (period when the resources are required to be used).
3. Reimbursements. The provider offers resources on a reimbursement ("expenditure-driven") basis and the recipient has incurred allowable costs under the applicable program.
4. Contingencies. The providers offer of resources is contingent upon a specified action of the recipient and that action has occurred (the recipient has raised the matching funds).

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

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

Expenditures

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

Other Financing Sources (Uses)

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

Basis of Budgeting

Formal budgetary integration is employed as a management control device during the year. Budgets for the General, Special Revenue, Debt Service, and Capital Projects Funds are adopted on a basis inconsistent with generally accepted accounting principles (GAAP). These budgets are prepared using the cash basis of accounting. Budgetary comparisons for the various funds in this report are on the non-GAAP budgetary basis.

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

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

2. Prior to June 20, of each year, the proposed "operating" budget will be reviewed and approved by the SBFAU and certified and approved by the local school board at the public hearing of which notice has been published by the local school board which fixed the estimated budget for the district for the ensuing fiscal year.
3. The "operating" budget will be used by the District until they have been notified that the budget has been approved by the SBFAU and the local school board. The budget shall be integrated formally into the accounting system. Encumbrances shall be used as an element for control and shall be integrated into the budget system.
4. The District shall make corrections, revisions, and amendments to the estimated budgets fixed by the local school board to recognize actual cash balances and carryover funds, if any. These adjustments shall be reviewed and approved by the SBFAU.
5. No school board or officer or employee of the District shall make any expenditure or incur any obligation for the expenditures of public funds unless such expenditure or contractual obligation is made in accordance with an operating budget approved by the division. But this does not prohibit the transfer of funds between line items within a series of a budget.
6. Budget change requests are processed in accordance with Supplement I (Budget Preparation and Maintenance) of the *Manual of Procedures Public School Accounting and Budgeting*. Such changes are initiated by the district and approved by the SBFAU.
7. Legal budget control for expenditures is by function.
8. Appropriations lapse at fiscal year end. Funds unused during the fiscal year may be carried over into the next fiscal year by budgeting those in the subsequent fiscal year's budget. The budget of the District has been amended during the current fiscal year in accordance with these procedures. The budget schedules included in the accompanying financial statements reflect the approved budget and amendments thereto.

Cash and Cash Equivalents

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

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

Investments

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

1. bonds or negotiable securities of the United States, the state or any county, municipality or school district which has a taxable valuation of real property for the last preceding year of at least one million dollars (\$1,000,000) and has not defaulted in the payment of any interest or sinking fund obligation or failed to meet any bonds at maturity at any time within five years last preceding; or
2. securities that are issued by the United States government or by its agencies or instrumentalities and that are either direct obligations of the United States or are backed by the full faith and credit of the United States government or agencies guaranteed by the United States government; or

3. in contracts with bank, savings and loan associations or credit unions for the present purchase and resale at a specified time in the future of specific securities at specified prices at a price differential representing the interest income to be earned by the investor. The contract shall be shown on the books of the financial institution as being the property of the investor and the designation shall be contemporaneous with the investment. The contract shall be fully secured by obligations of the United States having a market value of at least one hundred two percent of the contract. The collateral required for investment in the contracts provided for in this subsection shall be shown on the books of the financial institution as being the property of the investor and the designation shall be contemporaneous with investment.

Receivables and Payables

Receivables include property taxes, interfund loans that are expected to be paid back and amount due from state government agencies related to various grant agreements. Interfund activities are reported as loans, services provided reimbursements or transfers. Loans are reports as interfund receivable and payables as appropriate and are subject to elimination upon consolidation. Service provided, deemed to be at market or near market, is treated as revenue and expenditures/expense. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers.

The District receives monthly income from a tax levy in Quay County. The funds are collected by the County Treasurer and are remitted to the School District the following month. Under the modified accrual method of accounting, the amounts remitted by the County Treasurer in July is considered "measurable and available" and accordingly, is recorded as revenue in the government fund statements during the year ended June 30, 2011. The information required to report property taxes at full accrual was not available during the year.

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

Instructional Materials

The New Mexico Public Education Department (PED) receives federal mineral leasing funds from which it makes annual allocations to the various school districts for the purchase of educational materials. Of each allocation, seventy percent is restricted to the requisition of materials listed in the New Mexico Public Education Department "State Adopted Instructional Material" list, while thirty percent of each allocation is available for purchases directly from vendors. The districts are allowed to carry forward unused allocations from year to year

Payables represent routine monthly bills for services rendered and products purchased and accrued salaries and benefits.

Property Taxes

The County collects the District's share of property taxes assessed. Property taxes attach an enforceable lien on property as of January 1st. Tax notices are sent by the County treasurer to property owners by November 1st of each year to be paid in whole or in two installments by November 10th and April 10th of each year. The County collects such taxes and distributes them to the District on a monthly basis. The District accounts for

its share of property taxes in the General, Debt Service, and Senate Bill Nine Funds. Only those collections received are recorded as revenues for the budget presentation.

Elimination and Reclassifications of Certain Receivables and Payables

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

Inventories and Prepaid Items

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

Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the applicable governmental column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of one year. 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. Information Technology Equipment including software is being capitalized and included in furniture, fixtures and equipment in accordance with NMAC 2.20.1.9 C (5).

Capital expenditures made on the school district's building construction projects by the NM Public School Facilities Authority are appropriately included in the school district's capital assets disclosures and financial statements.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. No interest was included as part of the cost of capital assets under construction.

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

<u>Assets</u>	<u>Years</u>
Buildings and Improvements	20 - 50 Years
Vehicles	2 - 15 Years
Equipment	2 - 15 Years

Capital Leases

Capital leases are recorded at the inception of the leases as expenditures and other financing sources in governmental fund financial statement at the present value of the future minimum lease payments, using the stated or implicit interest rate in the leases. Lease payments are recorded as expenditures on the due date. Capital leases are recorded as a liability in the government-wide financial statement at the time of inception and the corresponding asset is recorded in the capital asset section on the balance sheet. There are no outstanding Capital Leases.

Short-Term Debt

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

Long-Term Liabilities

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

Restricted Net Assets

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

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

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

Fund Balances of Fund Financial Statements

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

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

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

Interfund Transactions

Quasi-external transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund from expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. All other inter-fund transaction, except quasi-external transactions and reimbursements, are reported as transfers. Nonrecurring or non-routine permanent transfers of equity are reported as residual equity transfers. All other inter-fund transfers are reported as operating transfers.

Deferred Revenue

The District reports deferred revenues on its Statement of Net Assets and Fund Balance Sheet. Deferred revenues arise when the resources are received by the District before it has a legal claim to them, as when grant monies are received prior to the occurrence of qualifying expenditures. In subsequent periods, when the District has a legal claim to the resources, the liability for deferred revenue is removed from the combined balance sheet and the revenue is recognized. Deferred revenues also occur in the fund financial statements when revenue is earned but is not available. The revenue becomes available if received within 60 days of the fiscal year end.

Compensated Absences

The District does not accrue compensated absences. A terminated employee is paid through the date of dismissal. Due to this practice, there are no compensated absences accrued.

Estimates

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

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 costs.

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 \$1,555,143 in state equalization guarantee distributions during the year ended June 30, 2011.

Note 2. Cash and Investments

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

STATE OF NEW MEXICO
San Jon Municipal School
Notes To Financial Statement
June 30, 2011

	<u>Citizens Bank Tucumcari, NM</u>	<u>First National Tucumcari, NM</u>	<u>Type</u>
Total amount on deposit on June 30, 2011			
San Jon Municipal Schools	\$ 585,893	\$ -	Checking
San Jon Activity Fund	47,449	-	Checking
San Jon Athletics		4,112	Checking
San Jon Activity Fund	5,500	-	CD
Total deposited	<u>638,842</u>	<u>4,112</u>	
Less FDIC coverage	<u>(250,000)</u>	<u>(4,112)</u>	
Total uninsured public funds	<u>388,842</u>	<u>-</u>	
50% collateral requirement			
as per Section 6-10-17, NMSA 1978	<u>194,421</u>		
Pledged securities			
FNMA Note	<u>500,000</u>		
Over (under)	<u>\$ 305,578</u>	<u>\$</u>	

Pledged Collateral: FHLB, pledge receipt no. 161031867, CUIISP 3133XVNU1, maturity date 12/12/2014, market value \$529,260 held at Texas Independent Bank, Dallas TX., not in the District's name.

Custodial Credit Risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The government does not have a deposit policy for custodial credit risk. As of June 30, 2011, \$388,842 of the District's bank balance of \$642,954 was exposed to custodial credit risk as follows:

Note 3. Accounts Receivable

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>SB-9 Fund</u>	<u>Non-major Governmental Funds</u>	<u>Totals</u>
Property tax receivable					
Available	\$ 84	\$ 1,673	\$ 448	\$ -	\$ 2,205
Accounts receivable	-	-	-	-	-
Due from grantor					
Discretionary IDEA B	-	-	-	5,000	5,000
GO Student Library	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,224</u>	<u>9,224</u>
Totals	<u>\$ 84</u>	<u>\$ 1,673</u>	<u>\$ 448</u>	<u>\$ 14,224</u>	<u>\$ 16,429</u>

The above receivables are deemed 100% collectible.

Note 4. Deferred Revenues

Revenues are deferred in accordance with the modified accrual basis of accounting for the fund financial statements. For the year ended June 30, 2011 there was no deferred revenue.

Note 5. Transfers

Interfund Receivables and Payables

The District records temporary interfund receivables and payables to enable funds to operate until grant monies are received. The balances for the year ended June 30, 2011 is as follows:

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>	<u>Total</u>
Operational	\$ 14,224	\$ -	\$ 14,224
IDEA B Discretionary	-	(5,000)	(5,000)
GO Library	-	(9,224)	(9,224)
Totals	<u>\$ 14,224</u>	<u>\$ (14,224)</u>	<u>\$ -</u>

Interfund Receivables and Payables

In governmental funds, transfers should be reported as other financing uses in the funds making transfers and as other financing sources in the funds receiving transfers. Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

	<u>Transfer To</u>	<u>Transfer From</u>
General-Operational	\$ 43,879	\$ -
Senate Bill Nine		(19,476)
IDEA B Entitlement		(33)
State Equalization Guarantee		(23,168)
Safe & Drug Free		(1,202)
	<u>\$ 43,879</u>	<u>\$ (43,879)</u>

Note 6. Changes in Capital Assets

A summary of changes in capital assets follows:

	Beginning Balances	Increase	Adjustments/ Decrease	Ending Balances
Governmental activities:				
Capital assets not being depreciated				
Land	\$ 35,998	\$ -	\$ -	\$ 35,998
Construction in progress	264,682	-	(264,682)	-
Total assets not being depreciated	<u>\$ 300,680</u>	<u>\$ -</u>	<u>\$ (264,682)</u>	<u>\$ 35,998</u>
Capital assets being depreciated				
Buildings and improvements	\$ 8,644,062	\$ 506,421	\$ -	\$ 9,150,483
Vehicles	361,831	-	-	361,831
Equipment	390,326	-	-	390,326
Total assets being depreciated	<u>9,396,219</u>	<u>506,421</u>	<u>-</u>	<u>9,902,640</u>
Less accumulated depreciation				
Buildings and improvements	(2,691,081)	(217,801)	-	(2,908,882)
Vehicles	(176,390)	(15,819)	-	(192,209)
Equipment	(225,631)	(24,006)	-	(249,637)
Total accumulated depreciation	<u>(3,093,102)</u>	<u>(257,626)</u>	<u>-</u>	<u>(3,350,728)</u>
Total capital assets being depreciated, net	<u>6,303,117</u>	<u>248,795</u>	<u>-</u>	<u>6,551,912</u>
Governmental activity capital assets, net	<u>\$ 6,603,797</u>	<u>\$ 248,795</u>	<u>\$ (264,682)</u>	<u>\$ 6,587,910</u>

Depreciation expense was charged to governmental activities as follows:

Instructions	\$ 127,516
Support services - instruction	6,478
Support service - general administration	6,985
Operation maintenance of plant	22,560
Food service operation	21,440
Transportation	754
Unclassified	71,893
	<u>\$ 257,626</u>

Note 7. Long-Term Debt

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

	Beginning Balance	Additions	Reductions	Ending Balance	Amount Due Within One Year
Governmental activities					
Bonds payable					
General Obligation Bonds	<u>\$ 550,000</u>	<u>\$ -</u>	<u>\$ (60,000)</u>	<u>\$ 490,000</u>	<u>\$ 70,000</u>

Payments on the general obligation bonds are made by the Debt Service Funds.

General Obligations Bonds.

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

Series	Date of Issue	Original Amount	Interest Rate	Balance
1998	3/9/1998	\$ 540,000	4.50% - 6.00%	\$ 20,000
2009	5/1/2009	\$ 500,000	4.87% - 5.15%	470,000
				<u>\$ 490,000</u>

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

Year Ended June 30,	Principal	Interest	Total
2012	70,000	23,932	93,932
2013	50,000	20,415	70,415
2014	50,000	17,977	67,977
2015	50,000	15,540	65,540
2016	60,000	13,215	73,215
2017-2020	210,000	24,090	234,090
	<u>\$ 490,000</u>	<u>\$ 115,169</u>	<u>\$ 605,169</u>

Reconciliation of Bond Issue Cost and Accumulated Amortization

Issue Cost/Premium/Discount on Bond Issue	38,852
Accumulated amortization	<u>(9,712)</u>
	<u>\$ 29,140</u>

Note 8. Pension Plan – Educational Retirement Board

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 financial statements and required supplementary information for the plan. That report may be obtained by writing to ERB, P.O. Box 26129, Santa Fe, NM 87502. The report is also available on ERB's website at www.nmerb.org.

Funding Policy. Effective July 1, 2010 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 ERB for the fiscal years ending June 30, 2011, 2010, and 2009, were \$224,182, \$249,585, and \$236,217, respectively, which equal the amount of the required contributions for each fiscal year.

Note 9. Post-Employment Benefits – State Retiree Health Care Plan

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

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

The RHCA issues a publicly available stand-alone financial report that includes financial statements and required supplementary information for the postemployment healthcare plan. That report and further information can be obtained by writing to the Retiree Health Care Authority at 4308 Carlisle NE, Suite 104, Albuquerque, NM 87107.

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.

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:

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

<u>Fiscal Year</u>	<u>Employer Contribution Rate</u>	<u>Employee Contribution Rate</u>
FY12	1.834%	.917%
FY13	2.000%	1.000%

(2) For employees who are members of an enhanced retirement plan (state police and adult correctional officer coverage plan 1; municipal police member coverage plans 3, 4 and 5; municipal fire member coverage plan 3, 4 and 5; municipal detention officer member coverage plan 1; and members pursuant to the Judicial Retirement Act [10-12B-1 NMSA 1978]), during the fiscal year ended June 30, 2011, the statute required each participating employer to contribute 2.084% of each participating employee's annual salary, and each participating employee was required to contribute 1.042% of their salary. In the fiscal years ending June 30, 2012 and June 30, 2013 the contributions rates for both employees and employers will rise as follows:

<u>Fiscal Year</u>	<u>Employer Contribution Rate</u>	<u>Employee Contribution Rate</u>
FY12	2.292%	1.146%
FY13	2.500%	1.250%

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

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

The District's contributions to the RHCA for the years ended June 30, 2011, 2010 and 2009 were \$18,425, \$15,983 and \$15,704, respectively, which equal the required contributions for the each year.

Note 10. Risk Management

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

Note 11. Non-Cash Assistance

The District receives USDA Commodities for use in sponsoring National School Lunch and Breakfast programs. The value of commodities received for the year ended June 30, 2011 was \$3,182.

Note 12. Risk Management

The District is exposed to various risks of loss related to torts, thefts of, damage to, and destruction of assets, error and omissions, injuries to employees and natural disasters. The District, as a New Mexico Public School, is insured through the New Mexico Public Schools Insurance Authority (NMPSIA). Amounts of settlements have not exceeded insurance coverage for the past three years. The District pays annual premiums to NMPSIA for coverage provided in the following areas:

- Workers Compensation
- Property and Automobile Liability and Physical Damage
- Liability and Civil Rights and Personal Injury
-

- Contract School Bus Coverage; and
- Crime

Note 13. Surety Bond

A surety bond as required by Section 12-6-7 NMSA 1978 Compilation and the New Mexico State Auditor Rule NMAC 2.2.2 covers the officials and certain employees of the District.

Note 14. Memorandum of Understanding

REC

Purpose: To allow the submission of a consolidated application to the State Department of Education for certain funds granted to the State of New Mexico by the USDE under the Education of the Handicapped Act, Part B, PL 94-142 among others.

Participants: Regional Education Cooperative and San Jon Municipal School District

Responsible Party for Operation and Audit: Regional Education Cooperative

Beginning and Ending Date of Agreement: July 1, 1995 until the end of any fiscal year during which the school give notice of intent to terminate.

Total Estimated Amount of Project and Actual Amount Contributed: The REC paid expenditures on behalf of the District.

NOTE 15. Subsequent Accounting Standard Pronouncements

In December 2010, the GASB issued Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. That Statement supersedes Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting*. Statement 6 is effective for financial statements for periods beginning after December 15, 2011, with early application encouraged. The objective of this statement is to provide non-conflicting pronouncements between FASB and GASB. The District is reviewing the effects of the implementation of this statement.

In June 2011, the GASB issued Statement No. 63, *Financial reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and net Position* which is effective for financial statements for periods beginning after December 15, 2011. Earlier application is encouraged. The objective of this statement is to provide financial reporting guidance for deferred outflows of resources and deferred inflows of resources. Concepts Statement No. 4, *Elements of Financial Statements*, introduced and defined those elements as a consumption of net assets by the government that is applicable to a future reporting period, and an acquisition of net assets by the government that is applicable to a future reporting period, respectively. Previous financial reporting standards do not include guidance for reporting those financial statement elements, which are distinct from assets and liabilities. Concepts Statement 4 also identifies net position as the residual of all other elements presented in a statement of financial position. This Statement amends the net asset reporting requirements in Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, and other pronouncements by incorporating deferred outflows of resources and deferred inflows of resources into the definitions of the required components of the residual measure and by renaming that measure as net position, rather than net assets. The District is reviewing the effects of the implementation of this statement.

NOTE 16. Prior Period Adjustment

Fund Balance beginning balances for State Equalization Guarantee was increased \$23,168 and Technology for Education was increased \$208 to reflect a prior year deferred revenue that was not received.

NOTE 17.

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

Senate Bill Nine - 31700	Budget		Actual	Over
	<u>Original</u>	<u>Final</u>		<u>Budget</u>
Support Services - General Admin	<u>\$ 218</u>	<u>\$ 218</u>	<u>\$ 220</u>	<u>\$ (2)</u>

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Supplementary Information Related to
Major Governmental Funds

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STATE OF NEW MEXICO
SAN JON MUNICIPAL SCHOOL
Capital Projects Fund - Capital Improvements Senate Bill Nine - 31700
Statement of Revenues, Expenditures, and Changes in Cash
Balance - Budget and Actual (Non - GAAP Budgetary Basis)
For the year ended June 30, 2011

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenue:				
Local and county sources	\$ 21,798	\$ 21,798	\$ 21,974	\$ 176
State sources	37,621	37,621	136,161	98,540
Federal sources	-	-	-	-
Interest	-	-	-	-
Total revenues	59,419	59,419	158,135	98,716
Expenditures:				
Current operating:				
Instruction	-	-	-	-
Support services:				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	218	218	220	(2)
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Operation of non-instructional services				
Food services operations	-	-	-	-
Capital outlay	137,809	175,520	59,512	116,008
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	138,027	175,738	59,732	116,006
Excess (deficiency) of revenues over(under) expenditures	(78,608)	(116,319)	98,403	214,722
Other financing sources (uses):				
Operating transfers	-	-	(19,476)	(19,476)
Interfund loans	-	-	-	-
Designated cash	78,608	116,319	-	(116,319)
Total other financing sources (uses)	78,608	116,319	(19,476)	(135,795)
Net change in fund balances	-	-	78,927	78,927
Cash balance, beginning of year	(20,982)	(20,982)	-	20,982
Prior period voided check	-	-	-	-
Cash balance, beginning of year restated	(20,982)	(20,982)	-	20,982
Cash balance, end of year	\$ (20,982)	\$ (20,982)	\$ 78,927	\$ 99,909
Net change in fund balance (Non-GAAP Budgetary Basis)			\$ 78,927	
Adjustment to revenues for accruals & other deferrals			56	
Adjustment to expenditures for payables, prepaids & other accruals			309	
Net change in fund balance (GAAP Basis)			\$ 79,292	

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

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Supplementary Information Related to
Non-Major Governmental Funds

NONMAJOR GOVERNMENTAL FUNDS

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

Food Service

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

Athletics

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

IASA Title I

This fund's major objectives are to provide supplemental educational opportunities for academically disadvantaged children in the area where they reside. Campuses are identified for program participation by the percentage of students on free or reduced price lunches. Any school with free and reduced price lunch percentage that is equal to or greater than the total district percentage becomes eligible for program participation. Any student whose test scores fall below District established criteria and who is attending a Title I campus is eligible to receive Title I services. Poverty is the criteria that identify a campus; education need determine the students to be served. Federal revenues accounted for in this fund are allocated to the District through the New Mexico Department of Education. Authority for the creation of this fund is Part A of Chapter 1 of Elementary and Secondary Education Act (ESEA) of 1965, as amended, Public Law 103-383.

IDEA B Entitlement

The purpose of this program is to account for revenue used to help maximize the resources in meeting the objective of handicapped children. The federal revenues in this fund are received from and administered by the New Mexico Department of Education. Authority for the creation of this fund is Part B of the Handicapped Act, Public Law 105-17.

IDEA B Discretionary

The project provides for free appropriate public education to all children with disabilities. The program is funded by the Federal government and passed through the State Department of Education under the Individuals with Disabilities Education Act, Part B, Section 611-617, and Part O, Section 674 as amended, 20 U.S.C. 1711-1417 and 1420.

IDEA B Preschool

The objective of the Assistance to State for the Education of Handicapped Children Program is to assist in providing free, appropriate public education to all handicapped children from ages three to five. Federal revenues accounted for in this fund are allocated to the District through the New Mexico Department of Children, Youth and Families. Authority for creation of this fund is Public Law 105-17

Teacher Principal Training

The purpose of this fund is to improve the skills of teachers and the quality of instruction in mathematics and science and also to increase the accessibility of such instruction to all students. Authority for creation of this fund is Title II of the Elementary and Secondary Education Act of 1965 as amended, Public Law 103-382.

NONMAJOR GOVERNMENTAL FUNDS

Title I Stimulus

This fund's major objectives are to provide supplemental educational opportunities for academically disadvantaged children in the area where they reside. Campuses are identified for program participation by the percentage of students on free or reduced price lunches. Any school with free and reduced price lunch percentage that is equal to or greater than the total district percentage becomes eligible for program participation. Any student whose test scores fall below District established criteria and who is attending a Title I campus is eligible to receive Title I services. Poverty is the criteria that identify a campus; education need determine the students to be served. Federal revenues accounted for in this fund are allocated to the District through the New Mexico Department of Education. Authority for the creation of this fund is Part A of Chapter 1 of Elementary and Secondary Education Act (ESEA) of 1965, as amended, Public Law 103-383.

Rural Education Achievement Program

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

State Equalization Guarantee

The objective is to provide funding equal to the 2006 base year to assist with the budget crises. Authority is the American Recovery and Reinvestment Act of 2009.

Education Jobs Fund

The Education Jobs Fund (Ed Jobs) program is a new Federal program that provides \$10 billion in assistance to States to save or create education jobs for the 2010-2011 school year. Jobs funded under this program include those that provide educational and related services for early childhood, elementary, and secondary education.

Dual Credit Fund

The objective is to account for the monies received from NMHU for the purpose of dual credit college enrollment for qualified high school seniors.

GO Student Library Fund

The purpose of this program is to acquire library books, equipment, and library resources for public schools libraries and juvenile detention libraries. The source of funding for this grant is General Obligation Bonds issued through the Public Education Department. The authority for creating this grant is NMSA Chapter 117, Section 10C(3). Senate Bill 333.

Technology for Education Act

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

Computerized Learning

To account for funds received from a state grant provided to use computer technology to accumulate and report test scores. Funding provided by a state grant.

School Based Home Health Center

To support a Level Two School-Based Health Center that will provide quality direct care to students, children of students, and school staff, through the coordination of integrated primary care and behavioral health services. Funds have been allocated from the New Mexico Department of Health, Public Health Division, based on DOH Strategic Plan (07.01.05)

SBHC Value Options

To account for resources administered by New Mexico Department of Health. Funded by a contract with New Mexico Department of Health.

STATE OF NEW MEXICO
 SAN JON MUNICIPAL SCHOOL

All Nonmajor Governmental Funds
 Combining Balance Sheet
 June 30, 2011

	Food Service 21000	Athletics 22000	IASA Title I 24101	IDEA - B Entitlement 24106
<u>ASSETS</u>				
Cash and cash equivalents	\$ 3,712	\$ 4,112	\$ -	\$ -
Inventory	1,695	-	-	-
Accounts receivable	-	-	-	-
Taxes current	-	-	-	-
Due from other governments	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total assets	<u>\$ 5,407</u>	<u>\$ 4,112</u>	<u>\$ -</u>	<u>\$ -</u>
<u>LIABILITIES</u>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>FUND BALANCE</u>				
Non-spendable	1,695	-	-	-
Restricted for:				
General fund	-	-	-	-
Special revenue funds	3,712	4,112	-	-
Capital projects funds	-	-	-	-
Debt service funds	-	-	-	-
Unassigned for:				
General fund	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total fund balance	<u>5,407</u>	<u>4,112</u>	<u>-</u>	<u>-</u>
	<hr/>	<hr/>	<hr/>	<hr/>
Total liabilities and fund balance	<u>\$ 5,407</u>	<u>\$ 4,112</u>	<u>\$ -</u>	<u>\$ -</u>

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

Discretionary IDEA B 24107	IDEA - B PreSchool 24109	Teacher / Principal Training & Recruiting 24154	Safe & Drug Free Schools 24157	IASA Title I Stimulus 24201	Rural Education Achievement Program 25233
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,445
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
5,000	-	-	-	-	-
<u>5,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,445</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5,000	-	-	-	-	-
<u>5,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	4,445
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	4,445
<u>\$ 5,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,445</u>

STATE OF NEW MEXICO
SAN JON MUNICIPAL SCHOOL

All Nonmajor Governmental Funds
Combining Balance Sheet
June 30, 2011

	State Equalization Guarantee 25250	Educational Job Fund 25255	Dual Credit Instructional Materials 27103	GO Student Library Fund 27105
<u>ASSETS</u>				
Cash and cash equivalents	\$ 1	\$ -	\$ -	\$ 1
Inventory	-	-	-	-
Accounts receivable	-	-	-	-
Taxes current	-	-	-	-
Due from other governments	-	-	-	9,224
	<hr/>	<hr/>	<hr/>	<hr/>
Total assets	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,225</u>
<u>LIABILITIES</u>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	9,225
	<hr/>	<hr/>	<hr/>	<hr/>
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,225</u>
<u>FUND BALANCE</u>				
Non-spendable	-	-	-	-
Restricted for:				
General fund	1	-	-	-
Special revenue funds	-	-	-	-
Capital projects funds	-	-	-	-
Debt service funds	-	-	-	-
Unassigned for:				
General fund	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total fund balance	<u>1</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<hr/>	<hr/>	<hr/>	<hr/>
Total liabilities and fund balance	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,225</u>

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

Technology for Education PED 27117	Computerized Learning 27123	School Based Health Center 29130	SBHC Value Options 29131	Bond Building Capital Outlay 31100
\$ 930	\$ 400	\$ 33,367	\$ 9,479	\$ -
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>930</u>	<u>400</u>	<u>33,367</u>	<u>9,479</u>	<u>-</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
930	400	33,367	9,479	-
-	-	-	-	-
-	-	-	-	-
<u>930</u>	<u>400</u>	<u>33,367</u>	<u>9,479</u>	<u>-</u>
<u>\$ 930</u>	<u>\$ 400</u>	<u>\$ 33,367</u>	<u>\$ 9,479</u>	<u>\$ -</u>

STATE OF NEW MEXICO
 SAN JON MUNICIPAL SCHOOL

All Nonmajor Governmental Funds
 Combining Balance Sheet
 June 30, 2011

	Debt Service Debt Service 41000	Total Non-major Governmental Funds
	<u> </u>	<u> </u>
<u>ASSETS</u>		
Cash and cash equivalents	\$ 42,426	\$ 98,873
Inventory	-	1,695
Accounts receivable	-	-
Taxes current	1,673	1,673
Due from other governments	-	14,224
	<u> </u>	<u> </u>
Total assets	<u>\$ 44,099</u>	<u>\$ 116,465</u>
<u>LIABILITIES</u>		
Accounts payable	\$ -	\$ -
Due to other funds	-	14,225
	<u> </u>	<u> </u>
Total liabilities	<u>-</u>	<u>14,225</u>
<u>FUND BALANCE</u>		
Non-spendable	-	1,695
Restricted for:		
General fund	-	-
Special revenue funds	-	56,446
Capital projects funds	-	-
Debt service funds	44,099	44,099
Unassigned for:		
General fund	-	-
	<u> </u>	<u> </u>
Total fund balance	<u>44,099</u>	<u>102,240</u>
Total liabilities and fund balance	<u>\$ 44,099</u>	<u>\$ 116,465</u>

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

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STATE OF NEW MEXICO
SAN JON MUNICIPAL SCHOOL

All Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the year ended June 30, 2011

	Food Service 21000	Athletics 22000	IASA Title I 24101	IDEA - B Entitlement 24106
Revenues:				
Local and county sources	\$ 18,459	\$ 9,432	\$ -	\$ -
State sources	-	-	-	-
Federal sources	38,642	-	80,834	35,794
Total revenues	<u>57,101</u>	<u>9,432</u>	<u>80,834</u>	<u>35,794</u>
Expenditures:				
Current operating:				
Instruction	-	10,100	79,685	35,761
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	1,149	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Operation of non-instructional services				
Food services operations	66,106	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>66,106</u>	<u>10,100</u>	<u>80,834</u>	<u>35,761</u>
Excess (deficiency) revenues over expenditures	(9,005)	(668)	-	33
Other financing sources (uses):				
Operating transfer	-	-	-	(33)
Interfund loans	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(33)</u>
Net change in fund balances	(9,005)	(668)	-	-
Fund balance, beginning	14,412	4,780	-	-
Prior period adjustment	-	-	-	-
Fund balance, beginning restated	<u>14,412</u>	<u>4,780</u>	<u>-</u>	<u>-</u>
Fund balance, ending	<u>\$ 5,407</u>	<u>\$ 4,112</u>	<u>\$ -</u>	<u>\$ -</u>

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

Discretionary IDEA B 24107	IDEA - B PreSchool 24109	Teacher / Principal Training & Recruiting 24154	Safe & Drug Free Schools 24157	IASA Title I Stimulus 24201	Rural Education Achievement Program 25233
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
<u>5,000</u>	<u>4,301</u>	<u>15,662</u>	<u>1,202</u>	<u>-</u>	<u>13,509</u>
5,000	4,301	15,662	1,202	-	13,509
5,000	4,301	13,536	-	-	19,295
-	-	1,054	-	-	-
-	-	256	-	-	-
-	-	816	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>5,000</u>	<u>4,301</u>	<u>15,662</u>	<u>-</u>	<u>-</u>	<u>19,295</u>
-	-	-	1,202	-	(5,786)
-	-	-	(1,202)	-	-
-	-	-	-	-	-
-	-	-	(1,202)	-	-
-	-	-	-	-	(5,786)
-	-	-	-	-	10,231
-	-	-	-	-	-
-	-	-	-	-	10,231
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>\$ 4,445</u>

STATE OF NEW MEXICO
SAN JON MUNICIPAL SCHOOL

All Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the year ended June 30, 2011

	State Equalization Guarantee 25250	Educational Job Fund 25255	Dual Credit Instructional Materials 27103	GO Student Library Fund 27105
Revenues:				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	16,517	44,501	346	9,224
Federal sources	-	-	-	-
Total revenues	16,517	44,501	346	9,224
Expenditures:				
Current operating:				
Instruction	-	44,501	346	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	9,224
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	16,516	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Operation of non-instructional services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	16,516	44,501	346	9,224
Excess (deficiency) revenues over expenditures	1	-	-	-
Other financing sources (uses):				
Operating transfer	(23,168)			
Interfund loans	-			
Total other financing sources (uses)	(23,168)	-	-	-
Net change in fund balances	(23,167)	-	-	-
Fund balance, beginning	-	-	-	-
Prior period adjustment	23,168	-	-	-
Fund balance, beginning restated	23,168	-	-	-
Fund balance, ending	\$ 1	\$ -	\$ -	\$ -

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

Technology for Education PED 27117	Computerized Learning 27123	School Based Health Center 29130	SBHC Value Options 29131	Bond Building Capital Outlay 31100
\$ -	\$ -	\$ -	\$ -	\$ 188
-	-	60,615	-	-
-	-	-	-	-
-	-	60,615	-	188
-	-	-	-	-
-	-	55,699	7,300	-
1,000	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	188,987
-	-	-	-	-
1,000	-	55,699	7,300	188,987
(1,000)	-	4,916	(7,300)	(188,799)
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
(1,000)	-	4,916	(7,300)	(188,799)
1,722	400	28,451	16,779	188,799
208	-	-	-	-
1,930	400	28,451	16,779	188,799
\$ 930	\$ 400	\$ 33,367	\$ 9,479	-

STATE OF NEW MEXICO
SAN JON MUNICIPAL SCHOOL

All Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the year ended June 30, 2011

	Debt Service Debt Service 41000	Total Non-major Governmental Funds
	<u> </u>	<u> </u>
Revenues:		
Local and county sources	\$ -	\$ 28,079
State sources	76,374	207,577
Federal sources	-	194,944
	<u> </u>	<u> </u>
Total revenues	<u>76,374</u>	<u>430,600</u>
Expenditures:		
Current operating:		
Instruction	-	212,525
Support services		
Students	-	64,053
Instruction	-	9,480
General administration	748	3,713
School administration	-	-
Central services	-	-
Operation & maintenance of plant	-	16,516
Student transportation	-	-
Other support services	-	-
Operation of non-instructional services		
Food services operations		66,106
Capital outlay	-	188,987
Debt service:		
Principal	60,000	60,000
Interest	26,190	26,190
	<u> </u>	<u> </u>
Total expenditures	<u>86,938</u>	<u>647,570</u>
Excess (deficiency) revenues over expenditures	(10,564)	(216,970)
Other financing sources (uses):		
Operating transfer	-	(24,403)
Interfund loans	-	-
	<u> </u>	<u> </u>
Total other financing sources (uses)	<u>-</u>	<u>(24,403)</u>
Net change in fund balances	(10,564)	(241,373)
Fund balance, beginning	54,663	320,237
Prior period adjustment	-	23,376
	<u> </u>	<u> </u>
Fund balance, beginning restated	<u>54,663</u>	<u>343,613</u>
Fund balance, ending	<u>\$ 44,099</u>	<u>\$ 102,240</u>

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

STATE OF NEW MEXICO
SAN JON MUNICIPAL SCHOOL
Special Revenue Fund - Food Service - 21000
Statement of Revenues, Expenditures, and Changes in Cash
Balance - Budget and Actual (Non - GAAP Budgetary Basis)
For the year ended June 30, 2011

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenue:				
Local and county sources	\$ 22,000	\$ 22,000	\$ 18,459	\$ (3,541)
State sources	-	-	-	-
Federal sources	34,000	34,000	35,460	1,460
Interest	-	-	-	-
Total revenues	56,000	56,000	53,919	(2,081)
Expenditures:				
Current operating:				
Instruction	-	-	-	-
Support services:				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Operation of non-instructional services				
Food services operations	61,211	65,353	59,560	5,793
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	61,211	65,353	59,560	5,793
Excess (deficiency) of revenues over(under) expenditures	(5,211)	(9,353)	(5,641)	3,712
Other financing sources (uses):				
Operating transfers	-	-	-	-
Interfund loans	-	-	-	-
Designated cash	5,211	9,353	-	(9,353)
Total other financing sources (uses)	5,211	9,353	-	(9,353)
Net change in fund balances	-	-	(5,641)	(5,641)
Cash balance, beginning of year	14,412	14,412	9,353	(5,059)
Prior period voided check	-	-	-	-
Cash balance, beginning of year restated	14,412	14,412	9,353	(5,059)
Cash balance, end of year	\$ 14,412	\$ 14,412	\$ 3,712	\$ (10,700)
Net change in fund balance (Non-GAAP Budgetary Basis)			\$ (5,641)	
Adjustment to revenues for accruals & other deferrals			3,182	
Adjustment to expenditures for payables, prepaids & other accruals			(6,546)	
Net change in fund balance (GAAP Basis)			\$ (9,005)	

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

STATE OF NEW MEXICO
SAN JON MUNICIPAL SCHOOL
Special Revenue Fund - Athletics - 22000
Statement of Revenues, Expenditures, and Changes in Cash
Balance - Budget and Actual (Non - GAAP Budgetary Basis)
For the year ended June 30, 2011

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenue:				
Local and county sources	\$ 9,300	\$ 9,300	\$ 9,432	\$ 132
State sources	-	-	-	-
Federal sources	-	-	-	-
Interest	-	-	-	-
Total revenues	<u>9,300</u>	<u>9,300</u>	<u>9,432</u>	<u>132</u>
Expenditures:				
Current operating:				
Instruction	15,592	15,592	10,100	5,492
Support services:				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Operation of non-instructional services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>15,592</u>	<u>15,592</u>	<u>10,100</u>	<u>5,492</u>
Excess (deficiency) of revenues over(under) expenditures	(6,292)	(6,292)	(668)	5,624
Other financing sources (uses):				
Operating transfers	-	-	-	-
Interfund loans	-	-	-	-
Designated cash	<u>6,292</u>	<u>6,292</u>	-	<u>(6,292)</u>
Total other financing sources (uses)	<u>6,292</u>	<u>6,292</u>	-	<u>(6,292)</u>
Net change in fund balances	-	-	(668)	(668)
Cash balance, beginning of year	4,780	4,780	4,780	-
Prior period voided check	-	-	-	-
Cash balance, beginning of year restated	<u>4,780</u>	<u>4,780</u>	<u>4,780</u>	-
Cash balance, end of year	<u>\$ 4,780</u>	<u>\$ 4,780</u>	<u>\$ 4,112</u>	<u>\$ (668)</u>
Net change in fund balance (Non-GAAP Budgetary Basis)			\$ (668)	
Adjustment to revenues for accruals & other deferrals			-	
Adjustment to expenditures for payables, prepaids & other accruals			-	
Net change in fund balance (GAAP Basis)			<u>\$ (668)</u>	

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

STATE OF NEW MEXICO
SAN JON MUNICIPAL SCHOOL
Special Revenue Fund - IASA Title I - 24101
Statement of Revenues, Expenditures, and Changes in Cash
Balance - Budget and Actual (Non - GAAP Budgetary Basis)
For the year ended June 30, 2011

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenue:				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	59,444	89,284	80,834	(8,450)
Interest	-	-	-	-
Total revenues	59,444	89,284	80,834	(8,450)
Expenditures:				
Current operating:				
Instruction	58,255	88,095	79,685	8,410
Support services:				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	1,189	1,189	1,149	40
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Operation of non-instructional services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	59,444	89,284	80,834	8,450
Excess (deficiency) of revenues over(under) expenditures	-	-	-	-
Other financing sources (uses):				
Operating transfers	-	-	-	-
Interfund loans	-	-	-	-
Designated cash	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	-	-	-	-
Cash balance, beginning of year	-	-	-	-
Prior period voided check	-	-	-	-
Cash balance, beginning of year restated	-	-	-	-
Cash balance, end of year	\$ -	\$ -	\$ -	\$ -
Net change in fund balance (Non-GAAP Budgetary Basis)			\$ -	
Adjustment to revenues for accruals & other deferrals			-	
Adjustment to expenditures for payables, prepaids & other accruals			-	
Net change in fund balance (GAAP Basis)			\$ -	

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

STATE OF NEW MEXICO
SAN JON MUNICIPAL SCHOOL
Special Revenue Fund - IDEA-B Entitlement - 24106
Statement of Revenues, Expenditures, and Changes in Cash
Balance - Budget and Actual (Non - GAAP Budgetary Basis)
For the year ended June 30, 2011

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenue:				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	36,563	37,945	35,794	(2,151)
Interest	-	-	-	-
Total revenues	36,563	37,945	35,794	(2,151)
Expenditures:				
Current operating:				
Instruction	26,563	37,945	35,761	2,184
Support services:				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Operation of non-instructional services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	26,563	37,945	35,761	2,184
Excess (deficiency) of revenues over(under) expenditures	10,000	-	33	33
Other financing sources (uses):				
Operating transfers	-	-	(33)	(33)
Interfund loans	-	-	-	-
Designated cash	-	-	-	-
Total other financing sources (uses)	-	-	(33)	(33)
Net change in fund balances	10,000	-	-	-
Cash balance, beginning of year	-	-	-	-
Prior period voided check	-	-	-	-
Cash balance, beginning of year restated	-	-	-	-
Cash balance, end of year	\$ 10,000	\$ -	\$ -	\$ -
Net change in fund balance (Non-GAAP Budgetary Basis)			\$ -	
Adjustment to revenues for accruals & other deferrals			-	
Adjustment to expenditures for payables, prepaids & other accruals			-	
Net change in fund balance (GAAP Basis)			\$ -	

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

STATE OF NEW MEXICO
SAN JON MUNICIPAL SCHOOL
Special Revenue Fund - Discretionary IDEA B - 24107
Statement of Revenues, Expenditures, and Changes in Cash
Balance - Budget and Actual (Non - GAAP Budgetary Basis)
For the year ended June 30, 2011

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenue:				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	-	5,000	-	(5,000)
Interest	-	-	-	-
Total revenues	-	5,000	-	(5,000)
Expenditures:				
Current operating:				
Instruction	-	5,000	5,000	-
Support services:				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Operation of non-instructional services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	-	5,000	5,000	-
Excess (deficiency) of revenues over(under) expenditures	-	-	(5,000)	(5,000)
Other financing sources (uses):				
Operating transfers	-	-	-	-
Interfund loans	-	-	5,000	5,000
Designated cash	-	-	-	-
Total other financing sources (uses)	-	-	5,000	5,000
Net change in fund balances	-	-	-	-
Cash balance, beginning of year	-	-	-	-
Prior period voided check	-	-	-	-
Cash balance, beginning of year restated	-	-	-	-
Cash balance, end of year	\$ -	\$ -	\$ -	\$ -
Net change in fund balance (Non-GAAP Budgetary Basis)			\$ -	
Adjustment to revenues for accruals & other deferrals			-	
Adjustment to expenditures for payables, prepaids & other accruals			-	
Net change in fund balance (GAAP Basis)			\$ -	

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

STATE OF NEW MEXICO
SAN JON MUNICIPAL SCHOOL
Special Revenue Fund - IDEA-B PreSchool - 24109
Statement of Revenues, Expenditures, and Changes in Cash
Balance - Budget and Actual (Non - GAAP Budgetary Basis)
For the year ended June 30, 2011

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenue:				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	4,440	4,936	4,301	(635)
Interest	-	-	-	-
Total revenues	<u>4,440</u>	<u>4,936</u>	<u>4,301</u>	<u>(635)</u>
Expenditures:				
Current operating:				
Instruction	4,440	4,936	4,301	635
Support services:				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Operation of non-instructional services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>4,440</u>	<u>4,936</u>	<u>4,301</u>	<u>635</u>
Excess (deficiency) of revenues over(under) expenditures	-	-	-	-
Other financing sources (uses):				
Operating transfers	-	-	-	-
Interfund loans	-	-	-	-
Designated cash	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	-	-	-
Cash balance, beginning of year	-	-	-	-
Prior period voided check	-	-	-	-
Cash balance, beginning of year restated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (Non-GAAP Budgetary Basis)			\$ -	
Adjustment to revenues for accruals & other deferrals			-	
Adjustment to expenditures for payables, prepaids & other accruals			-	
Net change in fund balance (GAAP Basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
SAN JON MUNICIPAL SCHOOL
Special Revenue Funds - Teacher/Principal Training & Recruiting - 24154
Statement of Revenues, Expenditures, and Changes in Cash
Balance - Budget and Actual (Non - GAAP Budgetary Basis)
For the year ended June 30, 2011

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenue:				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	11,729	17,404	15,662	(1,742)
Interest	-	-	-	-
Total revenues	11,729	17,404	15,662	(1,742)
Expenditures:				
Current operating:				
Instruction	5,594	13,634	13,536	98
Support services:				
Students	3,000	2,000	1,054	946
Instruction	500	500	256	244
General administration	2,635	1,270	816	454
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Operation of non-instructional services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	11,729	17,404	15,662	1,742
Excess (deficiency) of revenues over(under) expenditures	-	-	-	-
Other financing sources (uses):				
Operating transfers	-	-	-	-
Interfund loans	-	-	-	-
Designated cash	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	-	-	-	-
Cash balance, beginning of year	-	-	-	-
Prior period voided check	-	-	-	-
Cash balance, beginning of year restated	-	-	-	-
Cash balance, end of year	\$ -	\$ -	\$ -	\$ -
Net change in fund balance (Non-GAAP Budgetary Basis)			\$ -	
Adjustment to revenues for accruals & other deferrals			-	
Adjustment to expenditures for payables, prepaids & other accruals			-	
Net change in fund balance (GAAP Basis)			\$ -	

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

STATE OF NEW MEXICO
SAN JON MUNICIPAL SCHOOL
Special Revenue Funds - Safe & Drug Free Schools - 24157
Statement of Revenues, Expenditures, and Changes in Cash
Balance - Budget and Actual (Non - GAAP Budgetary Basis)
For the year ended June 30, 2011

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenue:				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	-	-	1,202	1,202
Interest	-	-	-	-
Total revenues	-	-	1,202	1,202
Expenditures:				
Current operating:				
Instruction	-	-	-	-
Support services:				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Operation of non-instructional services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over(under) expenditures	-	-	1,202	1,202
Other financing sources (uses):				
Operating transfers	-	-	(1,202)	(1,202)
Interfund loans	-	-	-	-
Designated cash	-	-	-	-
Total other financing sources (uses)	-	-	(1,202)	(1,202)
Net change in fund balances	-	-	-	-
Cash balance, beginning of year	-	-	-	-
Prior period voided check	-	-	-	-
Cash balance, beginning of year restated	-	-	-	-
Cash balance, end of year	\$ -	\$ -	\$ -	\$ -
Net change in fund balance (Non-GAAP Budgetary Basis)			\$ -	
Adjustment to revenues for accruals & other deferrals			-	
Adjustment to expenditures for payables, prepaids & other accruals			-	
Net change in fund balance (GAAP Basis)			\$ -	

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

STATE OF NEW MEXICO
SAN JON MUNICIPAL SCHOOL
Special Revenue Fund - IASA Title I Stimulus - 24201
Statement of Revenues, Expenditures, and Changes in Cash
Balance - Budget and Actual (Non - GAAP Budgetary Basis)
For the year ended June 30, 2011

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenue:				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	4,000	-	-	-
Interest	-	-	-	-
Total revenues	<u>4,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures:				
Current operating:				
Instruction	4,000	-	-	-
Support services:				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Operation of non-instructional services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>4,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over(under) expenditures	-	-	-	-
Other financing sources (uses):				
Operating transfers	-	-	-	-
Interfund loans	-	-	-	-
Designated cash	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	-	-	-
Cash balance, beginning of year	-	-	-	-
Prior period voided check	-	-	-	-
Cash balance, beginning of year restated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (Non-GAAP Budgetary Basis)			\$ -	
Adjustment to revenues for accruals & other deferrals			-	
Adjustment to expenditures for payables, prepaids & other accruals			-	
Net change in fund balance (GAAP Basis)			<u>\$ -</u>	

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

STATE OF NEW MEXICO
SAN JON MUNICIPAL SCHOOL
Special Revenue Fund - Rural Education Achievement Program - 25233
Statement of Revenues, Expenditures, and Changes in Cash
Balance - Budget and Actual (Non - GAAP Budgetary Basis)
For the year ended June 30, 2011

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenue:				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	-	13,509	13,509	-
Interest	-	-	-	-
Total revenues	-	13,509	13,509	-
Expenditures:				
Current operating:				
Instruction	12,288	25,797	19,295	6,502
Support services:				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Operation of non-instructional services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	12,288	25,797	19,295	6,502
Excess (deficiency) of revenues over(under) expenditures	(12,288)	(12,288)	(5,786)	6,502
Other financing sources (uses):				
Operating transfers	-	-	-	-
Interfund loans	-	-	-	-
Designated cash	12,288	12,288	-	(12,288)
Total other financing sources (uses)	12,288	12,288	-	(12,288)
Net change in fund balances	-	-	(5,786)	(5,786)
Cash balance, beginning of year	-	-	10,231	10,231
Prior period voided check	-	-	-	-
Cash balance, beginning of year restated	-	-	10,231	10,231
Cash balance, end of year	\$ -	\$ -	\$ 4,445	\$ 4,445
Net change in fund balance (Non-GAAP Budgetary Basis)			\$ (5,786)	
Adjustment to revenues for accruals & other deferrals			-	
Adjustment to expenditures for payables, prepaids & other accruals			-	
Net change in fund balance (GAAP Basis)			\$ (5,786)	

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

STATE OF NEW MEXICO
SAN JON MUNICIPAL SCHOOL
Special Revenue Fund - State Equalization Guarantee - 25250
Statement of Revenues, Expenditures, and Changes in Cash
Balance - Budget and Actual (Non - GAAP Budgetary Basis)
For the year ended June 30, 2011

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenue:				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	11,729	17,404	39,685	22,281
Federal sources	-	-	-	-
Interest	-	-	-	-
Total revenues	11,729	17,404	39,685	22,281
Expenditures:				
Current operating:				
Instruction	-	-	-	-
Support services:				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	16,451	16,516	16,516	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Operation of non-instructional services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	16,451	16,516	16,516	-
Excess (deficiency) of revenues over(under) expenditures	(4,722)	888	23,169	22,281
Other financing sources (uses):				
Operating transfers	-	-	(23,168)	(23,168)
Interfund loans	-	-	-	-
Designated cash	-	-	-	-
Total other financing sources (uses)	-	-	(23,168)	(23,168)
Net change in fund balances	(4,722)	888	1	(887)
Cash balance, beginning of year	-	-	-	-
Prior period voided check	-	-	-	-
Cash balance, beginning of year restated	-	-	-	-
Cash balance, end of year	\$ (4,722)	\$ 888	\$ 1	\$ (887)
Net change in fund balance (Non-GAAP Budgetary Basis)			\$ 1	
Adjustment to revenues for accruals & other deferrals			-	
Adjustment to expenditures for payables, prepaids & other accruals			-	
Net change in fund balance (GAAP Basis)			\$ 1	

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

STATE OF NEW MEXICO
SAN JON MUNICIPAL SCHOOL
Special Revenue Fund - Educational Job Fund - 25255
Statement of Revenues, Expenditures, and Changes in Cash
Balance - Budget and Actual (Non - GAAP Budgetary Basis)
For the year ended June 30, 2011

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenue:				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	44,501	44,501	-
Federal sources	-	-	-	-
Interest	-	-	-	-
Total revenues	-	44,501	44,501	-
Expenditures:				
Current operating:				
Instruction	-	44,501	44,501	-
Support services:				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Operation of non-instructional services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	-	44,501	44,501	-
Excess (deficiency) of revenues over(under) expenditures	-	-	-	-
Other financing sources (uses):				
Operating transfers	-	-	-	-
Interfund loans	-	-	-	-
Designated cash	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	-	-	-	-
Cash balance, beginning of year	-	-	-	-
Prior period voided check	-	-	-	-
Cash balance, beginning of year restated	-	-	-	-
Cash balance, end of year	\$ -	\$ -	\$ -	\$ -
Net change in fund balance (Non-GAAP Budgetary Basis)			\$ -	
Adjustment to revenues for accruals & other deferrals			-	
Adjustment to expenditures for payables, prepaids & other accruals			-	
Net change in fund balance (GAAP Basis)			\$ -	

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

STATE OF NEW MEXICO
SAN JON MUNICIPAL SCHOOL
Special Revenue Fund - Dual Credit Instructional Materials - 27103
Statement of Revenues, Expenditures, and Changes in Cash
Balance - Budget and Actual (Non - GAAP Budgetary Basis)
For the year ended June 30, 2011

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenue:				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	2,681	346	(2,335)
Federal sources	-	-	-	-
Interest	-	-	-	-
Total revenues	-	2,681	346	(2,335)
Expenditures:				
Current operating:				
Instruction	-	2,681	346	2,335
Support services:				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Operation of non-instructional services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	-	2,681	346	2,335
Excess (deficiency) of revenues over(under) expenditures	-	-	-	-
Other financing sources (uses):				
Operating transfers	-	-	-	-
Interfund loans	-	-	-	-
Designated cash	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	-	-	-	-
Cash balance, beginning of year	-	-	-	-
Prior period voided check	-	-	-	-
Cash balance, beginning of year restated	-	-	-	-
Cash balance, end of year	\$ -	\$ -	\$ -	\$ -
Net change in fund balance (Non-GAAP Budgetary Basis)			\$ -	
Adjustment to revenues for accruals & other deferrals			-	
Adjustment to expenditures for payables, prepaids & other accruals			-	
Net change in fund balance (GAAP Basis)			\$ -	

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

STATE OF NEW MEXICO
SAN JON MUNICIPAL SCHOOL
Special Revenue Fund - Go Student Library Funds 2008 - 2012 - 27105
Statement of Revenues, Expenditures, and Changes in Cash
Balance - Budget and Actual (Non - GAAP Budgetary Basis)
For the year ended June 30, 2011

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenue:				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	9,225	-	(9,225)
Federal sources	-	-	-	-
Interest	-	-	-	-
Total revenues	-	9,225	-	(9,225)
Expenditures:				
Current operating:				
Instruction	-	-	-	-
Support services:				
Students	-	-	-	-
Instruction	-	9,225	9,224	1
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Operation of non-instructional services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	-	9,225	9,224	1
Excess (deficiency) of revenues over(under) expenditures	-	-	(9,224)	(9,224)
Other financing sources (uses):				
Operating transfers	-	-	-	-
Interfund loans	-	-	9,225	9,225
Designated cash	-	-	-	-
Total other financing sources (uses)	-	-	9,225	9,225
Net change in fund balances	-	-	1	1
Cash balance, beginning of year	-	-	-	-
Prior period voided check	-	-	-	-
Cash balance, beginning of year restated	-	-	-	-
Cash balance, end of year	\$ -	\$ -	\$ 1	\$ 1
Net change in fund balance (Non-GAAP Budgetary Basis)			\$ 1	
Adjustment to revenues for accruals & other deferrals			-	
Adjustment to expenditures for payables, prepaids & other accruals			-	
Net change in fund balance (GAAP Basis)			\$ 1	

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

STATE OF NEW MEXICO
SAN JON MUNICIPAL SCHOOL
Special Revenue Fund - Technology for Education PED - 27117
Statement of Revenues, Expenditures, and Changes in Cash
Balance - Budget and Actual (Non - GAAP Budgetary Basis)
For the year ended June 30, 2011

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenue:				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	-	-	-	-
Interest	-	-	-	-
Total revenues	-	-	-	-
Expenditures:				
Current operating:				
Instruction	-	-	-	-
Support services:				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	1,000	(1,000)
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Operation of non-instructional services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	-	-	1,000	(1,000)
Excess (deficiency) of revenues over(under) expenditures	-	-	(1,000)	(1,000)
Other financing sources (uses):				
Operating transfers	-	-	-	-
Interfund loans	-	-	-	-
Designated cash	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	-	-	(1,000)	(1,000)
Cash balance, beginning of year	-	-	1,930	1,930
Prior period voided check	-	-	-	-
Cash balance, beginning of year restated	-	-	1,930	1,930
Cash balance, end of year	\$ -	\$ -	\$ 930	\$ 930
Net change in fund balance (Non-GAAP Budgetary Basis)			\$ (1,000)	
Adjustment to revenues for accruals & other deferrals			208	
Adjustment to expenditures for payables, prepaids & other accruals			-	
Net change in fund balance (GAAP Basis)			\$ (792)	

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

STATE OF NEW MEXICO
SAN JON MUNICIPAL SCHOOL
Special Revenue Fund - Computerized Learning - 27123
Statement of Revenues, Expenditures, and Changes in Cash
Balance - Budget and Actual (Non - GAAP Budgetary Basis)
For the year ended June 30, 2011

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenue:				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	-	-	-	-
Interest	-	-	-	-
Total revenues	-	-	-	-
Expenditures:				
Current operating:				
Instruction	-	-	-	-
Support services:				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Operation of non-instructional services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over(under) expenditures	-	-	-	-
Other financing sources (uses):				
Operating transfers	-	-	-	-
Interfund loans	-	-	-	-
Designated cash	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	-	-	-	-
Cash balance, beginning of year	-	-	400	400
Prior period voided check	-	-	-	-
Cash balance, beginning of year restated	-	-	400	400
Cash balance, end of year	\$ -	\$ -	\$ 400	\$ 400
Net change in fund balance (Non-GAAP Budgetary Basis)			\$ -	
Adjustment to revenues for accruals & other deferrals			-	
Adjustment to expenditures for payables, prepaids & other accruals			-	
Net change in fund balance (GAAP Basis)			\$ -	

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

SAN JON MUNICIPAL SCHOOL
Special Revenue Fund - School Based Health Center - 29130
Statement of Revenues, Expenditures, and Changes in Cash
Balance - Budget and Actual (Non - GAAP Budgetary Basis)
For the year ended June 30, 2011

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenue:				
Local and county sources	\$ 60,000	\$ 55,000	\$ 60,615	\$ 5,615
State sources	-	-	-	-
Federal sources	-	-	-	-
Interest	-	-	-	-
Total revenues	60,000	55,000	60,615	5,615
Expenditures:				
Current operating:				
Instruction	-	-	-	-
Support services:				
Students	86,593	81,593	55,699	25,894
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Operation of non-instructional services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	86,593	81,593	55,699	25,894
Excess (deficiency) of revenues over(under) expenditures	(26,593)	(26,593)	4,916	31,509
Other financing sources (uses):				
Operating transfers	-	-	-	-
Interfund loans	-	-	-	-
Designated cash	26,593	26,593	-	(26,593)
Total other financing sources (uses)	26,593	26,593	-	(26,593)
Net change in fund balances	-	-	4,916	4,916
Cash balance, beginning of year	-	-	28,451	28,451
Prior period voided check	-	-	-	-
Cash balance, beginning of year restated	-	-	28,451	28,451
Cash balance, end of year	\$ -	\$ -	\$ 33,367	\$ 33,367
Net change in fund balance (Non-GAAP Budgetary Basis)			\$ 4,916	
Adjustment to revenues for accruals & other deferrals			-	
Adjustment to expenditures for payables, prepaids & other accruals			-	
Net change in fund balance (GAAP Basis)			\$ 4,916	

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

STATE OF NEW MEXICO
SAN JON MUNICIPAL SCHOOL
Special Revenue Fund - SBHC Value Options - 29131
Statement of Revenues, Expenditures, and Changes in Cash
Balance - Budget and Actual (Non - GAAP Budgetary Basis)
For the year ended June 30, 2011

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenue:				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	-	-	-	-
Interest	-	-	-	-
Total revenues	-	-	-	-
Expenditures:				
Current operating:				
Instruction	-	-	-	-
Support services:				
Students	17,509	17,509	7,300	10,209
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Operation of non-instructional services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	17,509	17,509	7,300	10,209
Excess (deficiency) of revenues over(under) expenditures	(17,509)	(17,509)	(7,300)	10,209
Other financing sources (uses):				
Operating transfers	-	-	-	-
Interfund loans	-	-	-	-
Designated cash	17,509	17,509	-	(17,509)
Total other financing sources (uses)	17,509	17,509	-	(17,509)
Net change in fund balances	-	-	(7,300)	(7,300)
Cash balance, beginning of year	-	-	16,779	16,779
Prior period voided check	-	-	-	-
Cash balance, beginning of year restated	-	-	16,779	16,779
Cash balance, end of year	\$ -	\$ -	\$ 9,479	\$ 9,479
Net change in fund balance (Non-GAAP Budgetary Basis)			\$ (7,300)	
Adjustment to revenues for accruals & other deferrals			-	
Adjustment to expenditures for payables, prepaids & other accruals			-	
Net change in fund balance (GAAP Basis)			\$ (7,300)	

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

STATE OF NEW MEXICO
SAN JON MUNICIPAL SCHOOL
Capital Projects Fund - Bond Building - 31100
Statement of Revenues, Expenditures, and Changes in Cash
Balance - Budget and Actual (Non - GAAP Budgetary Basis)
For the year ended June 30, 2011

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenue:				
Local and county sources	\$ 500	\$ 500	\$ 188	\$ (312)
State sources	-	-	-	-
Federal sources	-	-	-	-
Interest	-	-	-	-
Total revenues	500	500	188	(312)
Expenditures:				
Current operating:				
Instruction	-	-	-	-
Support services:				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Operation of non-instructional services				
Food services operations	-	-	-	-
Capital outlay	220,754	250,614	250,303	311
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	220,754	250,614	250,303	311
Excess (deficiency) of revenues over(under) expenditures	(220,254)	(250,114)	(250,115)	(1)
Other financing sources (uses):				
Operating transfers	-	-	-	-
Interfund loans	-	-	-	-
Designated cash	220,254	250,114	-	(250,114)
Total other financing sources (uses)	220,254	250,114	-	(250,114)
Net change in fund balances	-	-	(250,115)	(250,115)
Cash balance, beginning of year	-	-	250,115	250,115
Prior period voided check	-	-	-	-
Cash balance, beginning of year restated	-	-	250,115	250,115
Cash balance, end of year	\$ -	\$ -	\$ -	\$ -
Net change in fund balance (Non-GAAP Budgetary Basis)			\$ (250,115)	
Adjustment to revenues for accruals & other deferrals			-	
Adjustment to expenditures for payables, prepaids & other accruals			61,316	
Net change in fund balance (GAAP Basis)			\$ (188,799)	

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

STATE OF NEW MEXICO
SAN JON MUNICIPAL SCHOOL
Debt Service Fund - Debt Service - 41000
Statement of Revenues, Expenditures, and Changes in Cash
Balance - Budget and Actual (Non - GAAP Budgetary Basis)
For the year ended June 30, 2011

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenue:				
Local and county sources	\$ -	\$ -	\$ -	\$ -
State sources	86,190	86,190	76,556	(9,634)
Federal sources	-	-	-	-
Interest	-	-	-	-
Total revenues	<u>86,190</u>	<u>86,190</u>	<u>76,556</u>	<u>(9,634)</u>
Expenditures:				
Current operating:				
Instruction	-	-	-	-
Support services:				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	862	862	766	96
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Operation of non-instructional services				
Food services operations	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	129,857	129,587	60,000	69,587
Interest	26,190	26,190	26,190	-
Total expenditures	<u>156,909</u>	<u>156,639</u>	<u>86,956</u>	<u>69,683</u>
Excess (deficiency) of revenues over(under) expenditures	(70,719)	(70,449)	(10,400)	60,049
Other financing sources (uses):				
Operating transfers	-	-	-	-
Interfund loans	-	-	-	-
Designated cash	70,719	70,449	-	(70,449)
Total other financing sources (uses)	<u>70,719</u>	<u>70,449</u>	<u>-</u>	<u>(70,449)</u>
Net change in fund balances	-	-	(10,400)	(10,400)
Cash balance, beginning of year	-	-	52,826	52,826
Prior period voided check	-	-	-	-
Cash balance, beginning of year restated	<u>-</u>	<u>-</u>	<u>52,826</u>	<u>52,826</u>
Cash balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 42,426</u>	<u>\$ 42,426</u>
Net change in fund balance (Non-GAAP Budgetary Basis)			\$ (10,400)	
Adjustment to revenues for accruals & other deferrals			(182)	
Adjustment to expenditures for payables, prepaids & other accruals			18	
Net change in fund balance (GAAP Basis)			<u>\$ (10,564)</u>	

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

Supplementary Information
Relayed to Fiduciary Funds

AGENCY FUNDS

Activity Trust Fund

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

STATE OF NEW MEXICO
SAN JON MUNICIPAL SCHOOL

Agency Funds
Statement of Changes in Assets and Liabilities
June 30, 2011

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>
<u>ASSETS</u>				
Student activity groups	\$ 48,871	\$ 45,137	\$ (46,559)	\$ 47,449
Total assets	<u>\$ 48,871</u>	<u>\$ 45,137</u>	<u>\$ (46,559)</u>	<u>\$ 47,449</u>
<u>LIABILITIES</u>				
Funds handled on behalf of:				
Student activity groups	\$ 48,871	\$ 45,137	\$ (46,559)	\$ 47,449
Total liabilities	<u>\$ 48,871</u>	<u>\$ 45,137</u>	<u>\$ (46,559)</u>	<u>\$ 47,449</u>

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

STATE OF NEW MEXICO
SAN JON MUNICIPAL SCHOOL

Agency Funds - Activity
Statement of Changes in Assets and Liabilities
June 30, 2011

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>
ASSETS				
Class of 2010	\$ 402	\$ -	\$ (402)	\$ -
Class of 2011	1,078	959	(1,790)	247
Class of 2012	1,053	3,784	(3,449)	1,388
Class of 2013	2,634	194	-	2,828
Class of 2014	809	154	-	963
Class of 2015	1,982	392	(181)	2,193
Class of 2016	1,547	213	-	1,760
Class of 2017	866	195	-	1,061
Class of 2018	909	108	(46)	971
Class of 2019	497	108	(46)	559
Class of 2020	359	262	(41)	580
Class of 2021	974	357	(61)	1,270
Class of 2022	405	108	(184)	329
Class of 2023	-	108	-	108
General	4,095	9,192	(10,165)	3,123
Annual	5,532	2,237	(2,870)	4,900
100 + Student Meals	530	-	-	530
Cheerleaders	788	1,102	(449)	1,441
Library	152	1,743	(1,772)	124
National Honor Society	98	-	-	98
BPA	481	-	-	481
Special Travel	1,856	814	(668)	2,002
Student Council	1,360	555	(783)	1,132
Concessions	7,259	2,840	(2,975)	7,124
FFA	841	10,333	(10,868)	306
Bidegain	3,292	25	(566)	2,751
Science	2,656	-	(135)	2,521
Girl's Basketball	916	-	(649)	267
Football	-	-	-	-
Volleyball	-	9,352	(8,460)	892
Boy's Basketball	-	-	-	-
CD	5,500	-	-	5,500
	<u>5,500</u>	<u>-</u>	<u>-</u>	<u>5,500</u>
Total assets	<u>\$ 48,871</u>	<u>\$ 45,137</u>	<u>\$ (46,559)</u>	<u>\$ 47,449</u>
LIABILITIES				
Due to student groups	\$ 48,871	\$ 45,137	\$ (46,559)	\$ 47,449
Accounts payable	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>\$ 48,871</u>	<u>\$ 45,137</u>	<u>\$ (46,559)</u>	<u>\$ 47,449</u>

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

Other Supplemental Information

STATE OF NEW MEXICO
SAN JON MUNICIPAL SCHOOL

Cash Reconciliation - All Funds
For the year ended June 30, 2011

	<u>Beginning Cash</u>	<u>Receipts</u>	<u>Distributions</u>	<u>Other</u>
San Jon Municipal School				
Operational	\$ 130,119	\$ 1,570,790	\$ (1,512,006)	\$ (14,225)
Teacherage	14,563	10,500	(9,189)	-
Transportation	8,971	153,211	(157,649)	-
Instructional Materials	2,672	5,287	(5,261)	-
Food Services	9,353	53,919	(59,560)	-
Athletics	4,780	9,432	(10,100)	-
Federal Flowthrough	-	137,793	(142,793)	5,000
Federal Direct	10,231	97,694	(103,479)	-
State Flowthrough	2,330	346	(10,570)	9,225
Local or State	180,277	147,203	(132,254)	-
Bond Building	250,115	188	(250,303)	-
Capital Improvement SB-9	-	158,135	(79,208)	-
Debt Service	52,826	76,556	(86,956)	-
	<u>666,237</u>	<u>2,421,054</u>	<u>(2,559,328)</u>	<u>-</u>
Sub-total governmental funds				
Student Activities	48,871	45,137	(46,559)	-
	<u>48,871</u>	<u>45,137</u>	<u>(46,559)</u>	<u>-</u>
Total San Jon Municipal School	<u>\$ 715,108</u>	<u>\$ 2,466,191</u>	<u>\$ (2,605,887)</u>	<u>\$ -</u>

<u>Account Name</u>	<u>Account Type</u>	<u>Bank Name</u>	<u>Bank Amount</u>	
San Jon Municipal School				
Operational	Checking	Citizens Bank	\$ 227,348	585,893
Teacherage	Checking	Citizens Bank	15,874	
Transportation	Checking	Citizens Bank	4,592	
Instructional Materials	Checking	Citizens Bank	2,698	
Food Services	Checking	Citizens Bank	7,845	
Athletics	Checking	First National	4,112	
Federal Flowthrough	Checking	Citizens Bank	4,504	
Federal Direct	Checking	Citizens Bank	4,722	
State Flowthrough	Checking	Citizens Bank	1,332	
Local or State	Checking	Citizens Bank	195,625	
Capital Improvement SB-9	Checking	Citizens Bank	78,927	
Debt Service	Checking	Citizens Bank	42,426	
Student Activities	Checking	Citizens Bank	47,449	
			<u>\$ 637,454</u>	
Total San Jon Municipal School				
Total bank balances			\$ 637,454	
Reconciling items-outstanding checks			<u>(62,042)</u>	
Report balance			<u>\$ 575,412</u>	

<u>Net Cash End of Period</u>	<u>Adjustments to the Report</u>	<u>Total Cash on Report</u>
\$ 174,678	\$ -	\$ 174,678
15,874	-	15,874
4,533	-	4,533
2,698	-	2,698
3,712	-	3,712
4,112	-	4,112
-	-	-
4,446	-	4,446
1,331	-	1,331
195,226	-	195,226
-	-	-
78,927	-	78,927
42,426	-	42,426
<u>527,963</u>	<u>-</u>	<u>527,963</u>
<u>47,449</u>	<u>-</u>	<u>47,449</u>
<u>\$ 575,412</u>	<u>\$ -</u>	<u>\$ 575,412</u>

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Compliance 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*

Mr. Hector H. Balderas
State Auditor of the State of New Mexico
Board Members of the San Jon Municipal School District

Mr. Balderas and Members of the Board

I have audited the financial statements of the governmental activities, each major fund, the aggregate remaining fund information, the budgetary comparisons for the general fund and major special revenue funds, and the combining and individual funds and related budgetary comparisons presented as supplemental information of San Jon Municipal School District (District), as of and for the year ended June 30, 2011, and have issued my report thereon dated September 1, 2011. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

My consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. I did not identify any deficiencies in internal control over financial reporting that I consider to be material weaknesses as defined above. However, I identified one deficiency in internal control over financial reporting, described in the accompanying schedule of findings and responses that I consider to be a significant deficiency in internal control over financial reporting; 2011-1. 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.

Mr. Hector H. Balderas
State Auditor of the State of New Mexico
Board Members of San Jon Municipal School District
Page 2

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed one instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and responses as item 2011-1.

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

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



Sandra Rush, CPA
September 1, 2011

STATE OF NEW MEXICO
San Jon Municipal School

Schedule of Findings and Responses
June 30, 2011

Prior Year Audit Findings

2010-1	Audit report late	<u>Status</u> Resolved
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Current Year Audit Findings

2011-1 Budget Violation-Compliance and Internal Control-Significant Deficiency

Condition

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

Senate Bill Nine - 31700	Budget		<u>Actual</u>	Over <u>Budget</u>
	<u>Original</u>	<u>Final</u>		
Support Services - General Admin	<u>\$ 218</u>	<u>\$ 218</u>	<u>\$ 220</u>	<u>\$ (2)</u>

Criteria

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

Cause

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

Effect

The District is not in compliance with state regulation 6.20.2.9 (A), NMAC and state statutes 22-8-5 through 22-8-12.2, NMSA 1978.

Recommendation

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

Response

Controls will be implemented to avoid this finding in the future.

Financial Statement Preparation

The financial statements were prepared by District personnel with assistance from Sandra Rush, CPA. The financial statements remain the responsibility of the District's management.

Exit Conference

The contents of this report were discussed with, Dale Bone, Board Secretary, Gary Salazar, Superintendent, Lucy Heddlesten, Business Manager, Julie Bryant, Audit Committee Member, and Sandra Rush, CPA, in an exit conference on October 17, 2011.

