

STATE OF NEW MEXICO
 SANTA ROSA CONSOLIDATED SCHOOLS

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JUNE 30, 2008

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STATE OF NEW MEXICO
SANTA ROSA CONSOLIDATED SCHOOLS

JUNE 30, 2008

OFFICIAL ROSTER

BOARD OF EDUCATION

Gilda D.S. Gonzales	President
Pablita S.C. Abeyta	Vice-President
Ernest Chavez	Secretary
Alvin V. Maestas Sr.	Member
Antonio O. Bachicha	Member

SCHOOL OFFICIALS

Daniel B. Flores	Superintendent
Moises Herrera	Assistant Superintendent
Yolette Gallegos	Business Manager

Roy Woodard & Associates

Certified Public Accountants

116 East Grand, P.O. Box 1874, Clovis, New Mexico 88102 Office (575) 762-3811 Fax (575) 762-3866

INDEPENDENT AUDITORS' REPORT

Hector H. Balderas
New Mexico State Auditor
The Board of Education
Santa Rosa Consolidated Schools
Santa Rosa, New Mexico

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Santa Rosa Consolidated Schools (District) as of and for the year ended June 30, 2008, which collectively comprise the District's basic financial statements as listed in the table of contents. We also have audited the financial statements of each of Santa Rosa Consolidated School's non-major governmental and fiduciary funds presented as supplementary information in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2008, as listed in the table of contents. These financial statements are the responsibility of Santa Rosa Consolidated School's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Santa Rosa Consolidated Schools, as of June 30, 2008, and the respective changes in financial position where applicable, thereof and the respective budgetary comparison statements for the General, Medicaid Title XIX, and School Based Health Centers funds for the year then ended in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each non-major governmental fund and the fiduciary funds of Santa Rosa Consolidated Schools, as of June 30, 2008, and the respective changes in financial position thereof and the respective budgetary comparison statements for the Special Capital Outlay-State, Debt Service Fund, and each non-major governmental fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 6, 2009, on our consideration of Santa Rosa Consolidated School's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part

of an audit performed in accordance with *Government Auditing Standards*, and should be considered in assessing the results of our audit.

Santa Rosa Consolidated Schools have not presented the Management Discussion and Analysis that accounting principles generally accepted in the United States of America has determined necessary to supplement, although not required to be part of, the basic financial statements.

Our audit was performed for the purpose of forming opinions on the basic financial statements and the combining and individual fund financial statements and budgetary comparisons of Santa Rosa Consolidated Schools. The accompanying Statement of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. The other supplementary information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements of Santa Rosa Consolidated Schools. This information and the Statement of Expenditures of Federal Awards are not required parts of the basic financial statements of Santa Rosa Consolidated Schools. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly presented in all material respects, in relation to the basic financial statements taken as a whole.

October 6, 2009

Roy Woodward & Associates

STATE OF NEW MEXICO
 SANTA ROSA CONSOLIDATED SCHOOLS

EXHIBIT A

STATEMENT OF NET ASSETS

JUNE 30, 2008

	<u>Governmental Activities</u>
<u>ASSETS</u>	
Cash and cash equivalents	\$ 1,832,477
Due from other governments	187,301
Food Inventory	8,820
Non-current: Capital assets, net	<u>15,242,749</u>
Total assets	<u>17,271,347</u>
<u>LIABILITIES</u>	
Cash deficit	\$ -
Accrued interest payable	62,345
Deferred credits	251,178
Noncurrent liabilities:	
Due within one year	425,000
Due in more than one year	<u>2,190,000</u>
Total liabilities	<u>2,928,523</u>
<u>NET ASSETS</u>	
Invested in capital assets, net of related debt	12,627,749
Restricted:	
Instructional materials	42,137
Cafeteria	8,820
Capital Projects	7,945
Debt Service	720,290
Unrestricted	<u>935,883</u>
Total net assets	<u>\$ 14,342,824</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
SANTA ROSA CONSOLIDATED SCHOOLS

EXHIBIT B

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2008

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenue & Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Governmental Activities
Primary government:					
Governmental activities:					
Instruction	\$ 3,923,456	\$ -	\$ 507,202	\$ -	\$ (3,416,254)
Support Services	-	-	-	-	-
Support Services Students	755,223	-	121,247	-	(633,976)
Support Services Instruction	266,012	-	37,306	-	(228,706)
Support Services General Administration	441,238	48,454	5,774	-	(387,010)
Support Services School Administration	610,881	63,177	365,890	-	(181,814)
Central Services	168,078	-	19,700	-	(148,378)
Operation and Maintenance of Plant	1,031,307	-	-	-	(1,031,307)
Student Transportation	509,374	-	490,135	-	(19,239)
Other Support Services	-	-	-	-	-
Food Services Operations	542,536	-	-	-	(542,536)
Bond interest	123,186	-	-	-	(123,186)
Depreciation-unallocated	627,557	6,848	136,164	140,745	(343,800)
Total governmental activities	\$ 8,998,848	\$ 118,479	\$ 1,683,418	\$ 140,745	(7,056,206)

General revenues:

Property Taxes:	
General purpose	191,458
Debt service	625,452
Capital projects	-
Grant & contributions not restricted	6,449,348
Grants & contributions restricted	133,762
Unrestricted investment earnings	62,375
Loss on disposal of assets	-
Miscellaneous income	36,655
Total general revenues	7,499,050
Change in net assets	442,844
Net assets - beginning	14,210,938
Restatement of net assets	(310,958)
Net assets - beginning restated	13,899,980
Net assets - ending	\$ 14,342,824

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 SANTA ROSA CONSOLIDATED SCHOOLS

BALANCE SHEET-- GOVERNMENTAL FUNDS

JUNE 30, 2008

	<u>GENERAL</u>	<u>MEDICAID TITLE XIX</u>
ASSETS		
Cash on Deposit	\$ 5,258	\$ 35,417
Investments	759,821	-
Accounts Receivable		
Property Taxes	669	-
Interest	1,503	-
State	-	-
Federal	-	-
Inventories	-	-
Due from Other Funds	193,758	70,101
TOTAL ASSETS	<u>\$ 961,009</u>	<u>\$ 105,518</u>
LIABILITIES		
Accrued Interest Payable	\$ -	\$ -
Deferred Revenue	-	105,518
Due to Other Funds	192,794	-
TOTAL LIABILITIES	<u>192,794</u>	<u>105,518</u>
FUND BALANCE		
Fund Balance		
Reserved for Text Books	42,137	-
Reserved for Debt Service	-	-
Reserved for Inventory	-	-
Reserved for Capital Projects	-	-
Undesignated, reported in:		
General Funds	726,078	-
Special Revenue Funds	-	-
TOTAL FUND BALANCE	<u>768,215</u>	<u>-</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 961,009</u>	<u>\$ 105,518</u>

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

EXHIBIT C

<u>SCHOOL BASED HEALTH CENTERS</u>	<u>SPECIAL CAPITAL OUTLAY STATE</u>	<u>DEBT SERVICE</u>	<u>NON MAJOR GOVERNMENTAL FUNDS</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
\$ -	\$ -	\$ 543,896	\$ 79,163	\$ 663,734
-	-	237,487	171,435	1,168,743
-	-	14	3,246	3,929
-	-	486	324	2,313
-	-	-	41,550	41,550
-	-	-	139,509	139,509
-	-	-	8,820	8,820
122,329	-	-	147,839	534,027
<u>\$ 122,329</u>	<u>\$ -</u>	<u>\$ 781,883</u>	<u>\$ 591,886</u>	<u>\$ 2,562,625</u>
\$ -	\$ -	\$ 61,593	\$ 752	\$ 62,345
122,329	-	-	23,331	251,178
-	138,811	-	202,422	534,027
<u>122,329</u>	<u>138,811</u>	<u>61,593</u>	<u>226,505</u>	<u>847,550</u>
-	-	-	-	42,137
-	-	720,290	-	720,290
-	-	-	8,820	8,820
-	(138,811)	-	146,756	7,945
-	-	-	-	726,078
-	-	-	209,805	209,805
-	(138,811)	720,290	365,381	1,715,075
<u>\$ 122,329</u>	<u>\$ -</u>	<u>\$ 781,883</u>	<u>\$ 591,886</u>	<u>\$ 2,562,625</u>

STATE OF NEW MEXICO
SANTA ROSA CONSOLIDATED SCHOOLS

EXHIBIT D

RECONCILIATION OF THE BALANCE SHEET
ALL GOVERNMENTAL FUNDS TO THE
STATEMENT OF NET ASSETS

JUNE 30, 2008

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

Fund Balances - total governmental funds	\$	1,715,075
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds		15,242,749
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds		<u>(2,615,000)</u>
Net assets of governmental activities	\$	<u><u>14,342,824</u></u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
SANTA ROSA CONSOLIDATED SCHOOLS

COMBINED STATEMENT OF REVENUE, EXPENDITURES AND
CHANGES IN FUND BALANCE-- GOVERNMENTAL FUNDS

Year Ended June 30, 2008

	<u>GENERAL</u>	<u>MEDICAID TITLE XIX</u>
REVENUE		
Federal Revenue	\$ 122,378	\$ 34,848
State Revenue	562,885	-
Local Revenue	135,958	-
State Equalization	6,449,348	-
Property Taxes	34,253	-
Service Revenues	736	-
Interest	34,559	-
Other Revenue Sources	298	-
TOTAL REVENUES	<u>7,340,415</u>	<u>34,848</u>
EXPENDITURES		
Current		
Instruction	3,414,974	-
Support Services	-	-
Support Services Students	633,976	33,980
Support Services Instruction	233,070	868
Support Services General Administration	427,567	-
Support Services School Administration	610,302	-
Central Services	148,378	-
Operation and Maintenance of Plant	1,031,307	-
Student Transportation	509,374	-
Other Support Services	-	-
Food Services Operations	87,011	-
Capital Outlay	247,229	-
Debt Service		
Principal	-	-
Interest and Fiscal Charge	-	-
TOTAL EXPENDITURES	<u>7,343,188</u>	<u>34,848</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	(2,773)	-
Other Financing Sources		
Transfers In<Out>	-	-
Total Other Financial Sources	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(2,773)	-
FUND BALANCE		
June 30, 2007	770,988	-
FUND BALANCE		
June 30, 2008	<u>\$ 768,215</u>	<u>\$ -</u>

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

EXHIBIT E

SCHOOL BASED HEALTH CENTERS	SPECIAL CAPITAL OUTLAY STATE	DEBT SERVICE	NON MAJOR GOVERNMENTAL FUNDS	Total GOVERNMENTAL FUNDS
\$ -	\$ -	\$ -	\$ 828,977	\$ 986,203
-	37,340	-	103,307	703,532
68,662	-	-	81,884	286,504
-	-	-	-	6,449,348
-	-	625,452	157,205	816,910
-	-	-	95,678	96,414
-	-	15,338	12,478	62,375
-	-	-	40,108	40,406
<u>68,662</u>	<u>37,340</u>	<u>640,790</u>	<u>1,319,637</u>	<u>9,441,692</u>
61,020	-	-	449,025	3,925,019
-	-	-	-	-
6,652	-	-	80,615	755,223
990	-	-	31,084	266,012
-	-	6,338	7,333	441,238
-	-	-	579	610,881
-	-	-	19,700	168,078
-	-	-	-	1,031,307
-	-	-	-	509,374
-	-	-	-	-
-	-	-	455,525	542,536
-	139,228	-	233,618	620,075
-	-	410,000	-	410,000
-	-	123,186	-	123,186
<u>68,662</u>	<u>139,228</u>	<u>539,524</u>	<u>1,277,479</u>	<u>9,402,929</u>
-	(101,888)	101,266	42,158	38,763
-	-	-	-	-
-	-	-	-	-
-	(101,888)	101,266	42,158	38,763
-	(36,923)	619,024	323,223	1,676,312
<u>\$ -</u>	<u>\$ (138,811)</u>	<u>\$ 720,290</u>	<u>\$ 365,381</u>	<u>\$ 1,715,075</u>

STATE OF NEW MEXICO
 SANTA ROSA CONSOLIDATED SCHOOLS

EXHIBIT F

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

FOR THE YEAR ENDED JUNE 30, 2008

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

Net change in fund balance - total governmental funds	\$ 38,763
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Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. Gains or losses on disposal of capitalizable assets are also reflected in the statement of activities net of depreciation. These are the amounts reported as capital outlay and gains or losses on disposal of depreciable assets

Capital outlay	621,638
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Revenues in the statement of activities that do not provide current financial resources are not reported as revenue in the funds

The issuance of long-term debt (e.g., bonds) provides current financial resources to the governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items

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Expenses in Statement of Activities which do not require use of current financial resources	i.e. Depreciation	(627,557)
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Bond Principal	<u>410,000</u>
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Change in Net Assets	<u>\$ 442,844</u>
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The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
SANTA ROSA CONSOLIDATED SCHOOLS

EXHIBIT G

COMBINED STATEMENT OF REVENUE, EXPENDITURES--BUDGET
(NON-GAAP) AND ACTUAL--GENERAL FUND

Year Ended June 30, 2008

	Original Budget	Adjusted Budget	Actual	Variance Favorable (Unfavorable)
REVENUE				
Federal Revenue	\$ 30,000	\$ 30,000	\$ 122,300	\$ 92,300
State Revenue	6,883,955	6,885,411	7,012,233	126,822
Local Revenue	77,425	77,425	208,615	131,190
TOTAL REVENUE	<u>6,991,380</u>	<u>6,992,836</u>	<u>\$ 7,343,148</u>	<u>\$ 350,312</u>
BUDGETED CASH BALANCE	<u>875,565</u>	<u>875,565</u>		
TOTAL REVENUE & CASH	<u>\$ 7,866,945</u>	<u>\$ 7,868,401</u>		
EXPENDITURES				
Current				
Instruction	\$ 3,433,523	\$ 3,433,523	\$ 3,426,491	\$ 7,032
Support Services	-	-	-	-
Support Services Students	635,016	635,016	633,976	1,040
Support Services Instruction	234,248	234,248	233,070	1,178
Support Services General Administration	430,234	430,234	427,567	2,667
Support Services School Administration	613,082	613,082	610,302	2,780
Central Services	148,468	148,468	148,378	90
Operation and Maintenance of Plant	1,031,307	1,031,307	1,031,307	-
Student Transportation	542,199	543,655	509,375	34,280
Other Support Services	47,793	47,793	-	47,793
Food Services Operations	73,717	73,717	73,717	-
Community Services Operations	13,610	13,610	13,293	317
Capital Outlay	663,748	663,748	247,230	416,518
Debt Service				
Principal	-	-	-	-
Interest and Fiscal Charge	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 7,866,945</u>	<u>\$ 7,868,401</u>	<u>\$ 7,354,706</u>	<u>\$ 513,695</u>

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

STATE OF NEW MEXICO
SANTA ROSA CONSOLIDATED SCHOOLS

EXHIBIT H

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--SPECIAL REVENUE FUND--MEDICAID TITLE XIX

Year Ended June 30, 2008

	Original Budget	Adjusted Budget	Actual	Variance Favorable (Unfavorable)
REVENUE				
Federal Revenue	\$ 58,400	\$ 58,400	\$ 57,145	\$ (1,255)
State Revenue	-	-	-	-
Local Revenue	-	-	-	-
TOTAL REVENUE	<u>58,400</u>	<u>58,400</u>	<u>\$ 57,145</u>	<u>\$ (1,255)</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ 58,400</u>	<u>\$ 58,400</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
Support Services	-	-	-	-
Support Services Students	58,400	56,197	33,980	22,217
Support Services Instruction	-	2,203	868	1,335
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 58,400</u>	<u>\$ 58,400</u>	<u>\$ 34,848</u>	<u>\$ 23,552</u>

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

STATE OF NEW MEXICO
 SANTA ROSA CONSOLIDATED SCHOOLS

EXHIBIT I

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
 AND ACTUAL--SPECIAL REVENUE FUND--SCHOOL BASED HEALTH CENTER

Year Ended June 30, 2008

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Revenue	\$ -	\$ -	\$ -	\$ -
State Revenue	-	-	-	-
Local Revenue	85,000	85,000	85,000	-
TOTAL REVENUE	<u>85,000</u>	<u>85,000</u>	<u>\$ 85,000</u>	<u>\$ -</u>
BUDGETED CASH BALANCE	-	-		
TOTAL REVENUE & CASH	<u>\$ 85,000</u>	<u>\$ 85,000</u>		
EXPENDITURES				
Current				
Instruction	\$ 85,000	\$ 71,000	\$ 61,020	\$ 9,980
Support Services	-	-	-	-
Support Services Students	-	6,652	6,652	-
Support Services Instruction	-	1,190	990	200
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 85,000</u>	<u>\$ 78,842</u>	<u>\$ 68,662</u>	<u>\$ 10,180</u>

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

STATE OF NEW MEXICO
SANTA ROSA CONSOLIDATED SCHOOLS

EXHIBIT J

STATEMENT OF FIDUCIARY ASSETS & LIABILITIES -- AGENCY FUNDS

June 30, 2008

	<u>AGENCY FUNDS</u>
ASSETS	
Cash on Deposit	\$ 45,223
Investments	<u>6,169</u>
TOTAL ASSETS	<u>\$ 51,392</u>
LIABILITIES	
Due To Student Groups	\$ <u>51,392</u>
TOTAL LIABILITIES	<u>\$ 51,392</u>

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

STATE OF NEW MEXICO
SANTA ROSA CONSOLIDATED SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2008

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Implementation of New Accounting Policies

For the fiscal year 2008 the Santa Rosa Consolidated Schools has implemented GASB Statements No. 33 (GASB 33), Accounting and Financial Reporting for Non-exchange Transactions, GASB Statement No. 34 (GASB 34), Basic Financial Statements – Management’s Discussion and Analysis – for State and Local Governments, GASB Statement No. 37 (GASB 37), Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments: Omnibus and GASB Statement No. 38 (GASB 38), Certain Financial Statements Disclosure. At July 1, 2001, there was no effect on fund balance as a result of implementing GASB 33, GASB 34, GASB 37 and GASB 38.

Under GASB Statement 33, property taxes are impressed non-exchange revenue. Assets from impressed non-exchange transactions are reported when the School District has an enforceable legal claim to the asset. The enforceable legal claim date for property taxes is the assessment date. Taxes are payable in two equal installments on November 10 and April 10 following the levy and become delinquent after thirty (30) days.

GASB – 34 creates new basic financial statements for reporting on the School District’s financial activities. The financial statements now include government-wide financial statements prepared on an accrual basis of accounting and fund financial statements which present information for individual major funds rather than by fund type. Non-major funds are presented in total in one column.

B. Reporting Entity

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

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

The District does not have any component units required to be disclosed.

C. Government-wide and fund financial statements

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

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

STATE OF NEW MEXICO
SANTA ROSA CONSOLIDATED SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2008

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Measurement focus, basis of accounting, and financial statement presentation

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

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

Agency Fund -To account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds.

Property taxes and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government. Grant revenues and deferrals are recognized in accordance with GASB 33.

The government reports the following major governmental funds:

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

Medicaid Special Revenue Fund - The fund is used for reimbursement of health-related services of Medicaid eligible students receiving related services, for administrative time study, and for a statement of service costs study. Authorized by the Social Security Act.

School Based Health Centers Special Revenue Fund - To account for monies provided by the state for the purpose of providing a health center on campus for students. Authority for this fund is provided by the grantor and the Des Moines school board.

Special Capital Outlay-State - To account for financing and construction of school improvements funded from a special legislative appropriation from the State of New Mexico.

STATE OF NEW MEXICO
SANTA ROSA CONSOLIDATED SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2008

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Measurement focus, basis of accounting, and financial statement presentation (continued)

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

Similar to private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in the government-wide financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. The government has elected not to follow subsequent private-sector guidance. As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

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

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

E. Assets, liabilities, and net assets or equity

1. Deposits and investments

The government's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments.

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

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

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

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

STATE OF NEW MEXICO
SANTA ROSA CONSOLIDATED SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2008

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. Assets, liabilities, and net assets or equity (continued)

Investments for the District are reported at fair value. The State Treasurer's Investment Pool operates in accordance with appropriate state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares.

2. Receivables and payables

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

The School District's property taxes are levied each year on the assessed valuation of property located in the School District as of the preceding January 1st. The assessed valuation for the 2008 fiscal year was \$ 76,311,912. Mill levy rates are set by the State of New Mexico each year for the General Fund, SB - 9 Capital Improvements Fund, 20% Capital Outlay Fund and Debt Service Fund. Taxes are payable in two equal installments on November 10th and April 10th following the levy and become delinquent after 30 days.

3. Inventories

The food inventories are valued at cost using the first-in/first-out (FIFO) method. USDA Commodities are recorded at estimated costs. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

4. Capital assets

Capital assets, which include property, plant, and equipment, are reported in the applicable governmental-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 two years. The District is capitalizing qualifying software, library books, and assets constructed by district personnel as required. 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.

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

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Property, plant, and equipment of the primary government, as well as the component units, is depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings & Improvements	50
Land Improvements	50
Equipment	10

STATE OF NEW MEXICO
SANTA ROSA CONSOLIDATED SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2008

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. Assets, liabilities, and net assets or equity (continued)

5. Compensated absences

The District does not allow employees to accumulate vacation or annual leave. Thus, there are no compensated absences.

6. Long-term obligations

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

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

7. Fund equity

For the government-wide statement of net assets, net assets are reported as restricted when constraints placed on net asset use is either 1) externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments; 2) imposed by law through constitutional provisions or enabling legislation. Total restricted net assets of \$ 771,247 are comprised of Instructional Materials \$ 42,137, Cafeteria \$ 8,820 and Debt Service \$ 720,290.

8. Comparative data/reclassifications

Certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

9. Indirect Costs

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

10. Salaries and Wages

The School District pays all salaries and wages due teachers on or before June 30th of each year.

11. Estimates

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

STATE OF NEW MEXICO
SANTA ROSA CONSOLIDATED SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2008

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. Assets, liabilities, and net assets or equity (continued)

12. Revenues

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

A school district's program costs are determined through the use of various formulas using 'program units' which take into consideration 1) early childhood education; 2) basic education; 3) special education; 4) bilingual-multicultural education, 5) size, etc. Payment is made from the public school fund under the authority of the Director of Public School Finance. The District received \$6,449,348 in state equalization guarantee distributions during the year ended June 30, 2008.

Transportation Distribution: School districts in the State of New Mexico received student transportation distributions. The transportation distribution is allocated to each school district in accordance with formulas developed by the State Transportation Director and the Director of Public School Finance. The funds shall be used only for the purpose of making payments to each school district for the to and from school transportation costs of students in grades K through twelve attending public school within the school district. The District received \$490,135 in transportation distributions during the year ended June 30, 2008.

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net assets

The governmental fund balance sheet includes reconciliation between fund *balance total governmental funds* and *net assets - governmental activities* as reported in the government-wide statement of net assets. One element of that reconciliation explains that "long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds." The details of the \$2,165,000 difference is as follows:

Bonds Payable	<u>\$ 2,615,000</u>
Net adjustment to reduce fund balance – total governmental funds to arrive at net assets – governmental activities	<u>\$ 2,615,000</u>

Another element of the reconciliation states "capital assets are not financial resources therefore are not reported in the funds." The details of the \$ 15,242,749 difference are as follows:

Capital assets net of accumulated depreciation	<u>\$ 15,242,749</u>
Other assets are not available to pay for current – period expenditures and therefore are deferred in the funds	<u>\$ 15,242,749</u>

STATE OF NEW MEXICO
 SANTA ROSA CONSOLIDATED SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2008

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (continued)

B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities.

The governmental fund statement of revenues, expenditures, and changes in fund balances includes reconciliation between *net changes in fund balances - total governmental funds* and *changes in net assets of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that "Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense." The details of this \$(5,919) differences are as follows:

Capital Outlay	\$ 621,638
Depreciation expense	<u>(627,557)</u>
Net adjustment to increase net changes in fund balances – total government funds to arrive at changes in net assets of governmental activities	<u><u>\$ (5,919)</u></u>

Another element of that reconciliation states that "the issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities." The details of this \$410,000 difference are as follows:

Principal repayments:	
General obligation debt	\$ 410,000
Proceeds of refunding bonds	<u>(-)</u>
Net adjustment to decrease net changes in fund balances- total governmental funds to arrive at changes in net assets of governmental activities	<u><u>\$ 410,000</u></u>

III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary information

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

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

STATE OF NEW MEXICO
SANTA ROSA CONSOLIDATED SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2008

III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY, continued

A. Budgetary information, continued

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

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

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

- In April or May, the superintendent submits to the Board of Education a proposed operating budget of the fiscal year commencing the following July. The operating budget includes proposed expenditures and the means of financing them, and has approval by the Department of Education.
- In May or June, the budget is approved by the Board of Education
- The school board meeting, while not intended for the general public, is open for the general public unless a closed meeting has been called for.
- The superintendent is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the school board and the State of New Mexico Department of Education.
- Budgets for the General, Special Revenue, Capital Projects, and Debt Service Funds are adopted on a basis not consistent with generally accepted accounting principles (GAAP). Encumbrances are treated the same way for GAAP purposes and for Budget purposes.
- The Board of Education may approve amendments to the appropriated budget, which are required when a change is made affecting budgeted ending fund balance. The appropriated budget for the year ended June 30, 2008 was properly amended by the Board through the year. New Mexico state law prohibits a Governmental Agency to exceed an individual line item. These amendments resulted in the following changes:

	<u>Original Budget</u>	<u>Final Budget</u>
General Fund	\$ 7,866,945	\$ 7,868,401
Special Revenue Fund	1,455,152	1,586,858
Debt Service Fund	1,110,712	1,110,712
Capital Projects Fund	328,651	328,651
Totals	<u>\$ 10,661,460</u>	<u>\$ 10,894,622</u>

B. Deficit fund equity

At June 30, 2008 deficit fund balances consisted of: Special Capital Outlay State \$(138,811)

The District is evaluating the need to transfer cash from the operational fund to eliminate the deficit balances.

STATE OF NEW MEXICO
 SANTA ROSA CONSOLIDATED SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2008

IV. DETAILED NOTES ON ALL FUNDS

A. Cash and temporary investments

At June 30, 2008, the carrying amount of the District's deposits was \$715,026 and the bank balance was \$1,218,443. Of this balance \$200,000 was covered by federal depository insurance and \$509,222 was covered by collateral held in joint safekeeping by a third party in the entities name. Collateral requirements are as follows:

Wells Fargo	Cash on deposit at June 30, 2008	\$ 1,218,443
	Less: FDIC coverage	<u>(200,000)</u>
	Uninsured Public Funds	1,018,443
	50% Collateral Requirement	509,222
	Pledged Collateral	<u>747,294</u>
	Uninsured and Un-collateralized	<u>\$ 271,179</u>

NM State Statutes require collateral pledged for deposits in excess of the federal deposit insurance to be delivered, or a joint safekeeping receipt be issued, to the District for at least one half of the amount on deposit with the institution. The collateral pledged is listed on page 92 of this report. The types of collateral allowed are limited to direct obligations of the United States Government and all bonds issued by any agency, district or political subdivision of the State of New Mexico.

According to the Federal Deposit Insurance Authority, public unit deposits are funds owned by the schools. Time deposits, savings deposits and interest bearing Now accounts of a public unit in an institution in the same state will be insured up to \$100,000 in aggregate and separate from the \$100,000 coverage for public unit demand deposits at the same institution.

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

The State Treasurer issues a separate, publicly available audited financial report that includes disclosure of the collateral pledged to secure State Treasurer cash and investments.

B. Custodial Credit Risk – Deposits

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 20, 2008, \$509,222 of the government's bank balance of \$1,218,443 was exposed to custodial credit risk as follows:

Uninsured and un-collateralized	<u>\$271,179</u>
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STATE OF NEW MEXICO
SANTA ROSA CONSOLIDATED SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2008

IV. DETAILED NOTES ON ALL FUNDS (continued)

C. Receivables

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

	General	Debt Service	Other Governmental	TOTAL
Taxes:				
Property	\$ 669	\$ 14	\$ 3,246	\$ 3,929
Intergovernmental				
Grants:				
Federal	-	-	139,509	139,509
State	-	-	41,550	41,550
Interest	1,503	486	324	2,313
	<u>\$ 2,172</u>	<u>\$ 500</u>	<u>\$ 184,629</u>	<u>\$ 187,301</u>

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

	Unavailable
Grant drawdowns prior to meeting all eligibility requirements	\$ 251,178
Total deferred/unearned revenue for governmental funds	<u>\$ 251,178</u>

D. Capital Assets

Capital asset activity for the year ended June 30, 2008, was as follows:

	Audited Balance 6/30/2007	Adjustments	Adjusted Beginning Balance 6/30/2007	Reclass.	Increases	Decreases	Audited Balance 6/30/2008
Governmental Activities:							
Capital assets, not being depreciated:							
Land	\$ 819,873	\$ 2,451	\$ 822,324	\$ -	\$ -	\$ -	\$ 822,324
Capital assets, being depreciated:							
Equipment	2,505,246	(25,067)	2,480,179	201,202	227,883	52,640	2,856,624
Buildings & Improvements	23,401,299	(28)	23,401,271	(201,202)	393,755	3,793	23,590,031
Total Capital Assets being depreciated	25,906,545	(25,095)	25,881,450	-	621,638	56,433	26,446,655
Less accumulated depreciation for:							
Equipment	1,791,553	30,871	1,822,424	(67,862)	149,914	52,640	1,851,836
Buildings & Improvements	9,375,239	257,443	9,632,682	67,862	477,643	3,793	10,174,394
Total accumulated depreciation	11,166,792	288,314	11,455,106	-	627,557	56,433	12,026,230
Total Capital assets, being depreciated,	14,739,753	(313,409)	14,426,344	-	(5,919)	-	14,420,425
Governmental activities capital assets, r	<u>\$ 15,559,626</u>	<u>\$ (310,958)</u>	<u>\$ 15,248,668</u>	<u>\$ -</u>	<u>\$ (5,919)</u>	<u>\$ -</u>	<u>\$ 15,242,749</u>

STATE OF NEW MEXICO
 SANTA ROSA CONSOLIDATED SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2008

IV. DETAILED NOTES ON ALL FUNDS (continued)

D. Capital Assets (continued)

The School District has prepared the capital asset listing for the GASB 34 implementation, and has taken the inventory and adjusted the capital assets to the cost or estimated cost.

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

Depreciation expense was not charged to function/programs of the School District because the detail information was not available.

E. Long-Term Debt

Governmental Activities
 Bonds Payable

	<u>Balance 7/1/2007</u>	<u>Additional Obligations</u>	<u>Current Maturities Retirements & Net Decreases</u>	<u>Balance 6/30/2008</u>	<u>Amounts Due Within One Year</u>
\$2,000,000 2001 Go Building Bonds due in annual installments of \$245,000 to \$330,000 through July 2012, interest at 4.95% to 5.30%	\$ 1,755,000	\$ -	\$ 255,000	\$ 1,500,000	\$ 270,000
\$900,000 2001 Go Building Bonds due in annual installments of \$40,000 to \$55,000 through July 2012, interest at 4% to 4.3%	590,000	-	90,000	500,000	90,000
\$460,000 2002 Go Building Bonds due in annual installments of \$40,000 to \$55,000 through July 2012, interest at 4% to 4.3%	290,000	-	45,000	245,000	45,000
\$440,000 2003 Go Building Bonds due in annual installments of \$90,000 to \$100,000 through July 2015, interest at 1.5% to 4.90%	<u>390,000</u>	<u>-</u>	<u>20,000</u>	<u>370,000</u>	<u>20,000</u>
Total	<u>\$ 3,025,000</u>	<u>\$ -</u>	<u>\$ 410,000</u>	<u>\$ 2,615,000</u>	<u>\$ 425,000</u>

STATE OF NEW MEXICO
SANTA ROSA CONSOLIDATED SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2008

E. Long-Term Debt (continued)

The annual requirements to amortize all bonded debt as of June 30, 2008, including interest of \$123,186 are shown below:

	1/1/2001 G.O.	10/15/2001 G.O.	10/1/2002 G.O.	9/15/2003 G.O.	TOTALS
6/30/2009	\$ 337,376	\$ 110,505	\$ 54,065	\$ 36,018	\$ 537,964
6/30/2010	338,342	111,480	52,265	35,378	537,464
6/30/2011	339,083	112,140	55,365	34,668	541,255
6/30/2012	339,053	112,475	53,365	33,903	538,795
6/30/2013	338,168	112,530	56,183	33,098	539,978
6/30/2014	-	-	-	90,988	90,988
6/30/2015	-	-	-	97,094	97,094
6/30/2016	-	-	-	102,450	102,450
TOTAL	1,692,021	559,130	271,243	463,594	2,985,987
LESS PRINCIPAL	1,500,000	500,000	245,000	370,000	2,615,000
INTEREST	\$ 192,021	\$ 59,130	\$ 26,243	\$ 93,594	\$ 370,987

V. OTHER INFORMATION

A. Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injury to employees; and natural disasters. The New Mexico Public Schools Insurance Authority (NMSIA) was formed on April 5, 1985 under the New Mexico Public Schools Insurance Authority Act, Chapter 22, Section 2 of the New Mexico Statutes Annotated (NMSA 1978), as amended, as an insurance fund to provide health, disability and life insurance coverage (benefits coverage), and property, casualty and workers' compensation insurance coverage (risk coverage) to participating public schools, school board members, public school employees, and retirees within the State of New Mexico. The District is one of 91 members that participate in NMPSIA. Participation in NMPSIA is mandatory for all K-12 public schools except those with enrollment exceeding 60,000 students. Participation is voluntary for other public education institutions. The District pays an annual premium to the pool for its general insurance coverage. The agreement for formation of NMPSIA provides that the pool will be self-sustaining through member premiums. NMPSIA establishes self-insured retentions by line of coverage and procures insurance or reinsurance, where indicated, in excess of the self-insured retention on a per occurrence basis. NMPSIA will publish its own financial report for the year ended June 30, 2008.

B. Contingent liabilities

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

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

STATE OF NEW MEXICO
SANTA ROSA CONSOLIDATED SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2008

V. OTHER INFORMATION (continued)

C. Employee retirement plan

Plan Description - Substantially all of Santa Rosa Consolidated School 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 (ERA) is the administrator of the plan, which is a cost-sharing multiple employer defined benefit retirement plan. The plan provides for retirement, disability benefits and cost-of-living adjustments to plan members and beneficiaries. ERA issues a separate, publicly available financial report that includes the financial statements and required supplementary information. That report may be obtained by writing to ERA, P.O. Box 26129, Santa Fe, New Mexico 87502-6129.

Funding Policy - Plan members are required to contribute 7.825% of their gross salary. Santa Rosa Consolidated School District is required to contribute 10.40% of the gross covered salary. The contribution requirements of plan members and the Santa Rosa Consolidated School District are established in Chapter 22, Article 11, NMSA 1978. The requirements may be amended by acts of legislature. The Santa Rosa Consolidated School District's contributions to the ERA for the years ended June 30, 2008, 2007 and 2006 were: \$ 478,951 \$ 699,685 and \$ 707,789 respectively, equal to the amount of the required contribution for the year.

D. Post-retirement health care benefits

The Retiree Health Care Act (Act) (Chapter 10, Article 7C NMSA 1978) provides comprehensive core group health insurance for persons who have retired from certain public service in New Mexico. The Retiree Health Care Authority is the administrator of the plan. The purpose is to provide eligible retirees, their spouses, dependents, and surviving spouses and dependents with health insurance consisting of a plan, or optional plans, of benefits that can be purchased by funds flowing into the Retiree Health Care Fund and by co-payments or the out-of-pocket payments of eligible retirees.

Monies flow to the Retiree Health Care Fund on a pay-as-you-go basis from eligible employers and eligible retirees. Eligible employers consist of institutions of higher education, school districts, or other entities participating in the Public School Insurance Authority, state agencies, state courts, magistrate courts, municipalities or counties, which are affiliated under or covered by the Educational Retirement Act, Public Employees Retirement Act, Volunteer Firefighters Retirement Act, Judicial Retirement Act or the Magistrate Retirement Act.

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 Retiree Health Care Act on the person's behalf, unless that person retires before the employer's NMRHCA effective date, in which event the time period for contributions becomes the time between the employer's effective date, and the date of retirement; or (2) retirees defined by the Act who retired prior to July 1, 1990; and former legislators who served at least two years.

Each participating employer makes contributions to the fund in the amount of 1.3% of each participating employee's annual salary. Each participating employee contributes to the fund an employee contribution equal to .065% of the employee's annual salary. Each participating retiree pays a monthly premium for the medical plus basic life plan and an additional participation fee of five dollars (\$5.00) if the eligible participant retired prior to the employer's NMRHCA effective date or is a former legislator. Participants may also enroll in optional plans of coverage.

STATE OF NEW MEXICO
SANTA ROSA CONSOLIDATED SCHOOLS

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2008

V. OTHER INFORMATION (continued)

D. Post-retirement health care benefits (continued)

Contributions from participating employers and employees become the property of the Retiree Health Care Fund and are not refundable under any circumstances, including termination of employment or termination of the participating employer's operation or participation in the Retiree Health Care Act. The employer, employee, and retiree contributions are required to be remitted to the Retiree Health Care Authority on a monthly basis.

The Retiree Health Care Authority issues a separate, publicly available audited financial report that includes post employment benefit expenditures of premiums and claims paid, participant contributions (employer, employee, and retiree), and net expenditures for the fiscal year. The report also includes the approximate number of retirees participating in the plan. That report may be obtained in writing by the Retiree Health Care Authority, Albuquerque State Government Center, 4308 Carlisle Blvd. NE, Suite 104, Albuquerque, NM 87107.

The Santa Rosa Consolidated School's contributions to the RGCA for the years ended June 30, 2008, 2007 and 2006 were \$ 50,235 \$ 53,866 and \$ 54,232 respectively, which equal the required contributions for each year.

E. Restatement of Beginning Net Assets for Governmental Funds

	Governmental <u>Activities</u>
Net Assets at June 30, 2007	\$ 14,210,938
Restatement of Net Assets Capital Assets (net)	<u>310,958</u>
Net Assets at July 1, 2007	<u>\$ 13,899,980</u>

F. Prior Period Adjustments

There were no prior period adjustments to fun balances at June 30, 2008.

G. Interfund Transfers

Transfers are used to move revenue from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them. There were no transfers during the fiscal year.

STATE OF NEW MEXICO
 SANTA ROSA CONSOLIDATED SCHOOLS

NOTES TO FINANCIAL STATEMENTS – CONTINUED

JUNE 30, 2008

V. OTHER INFORMATION (continued)

H. Interfund Receivables

Cash overdrafts are interfund receivables and considered to be short-term borrowings from general funds to cover current year operating expenditures and will be paid back within the next year. At June 30, 2006, they consisted of the following:

Due to:		
OPERATIONAL	\$	130,000
	\$	<u>130,000</u>
Due from:		
TITLE 1	\$	53,000
IDEA-B ENTITLEMENT		35,000
PARTNERSHIPS IN CHARACTER ED		700
TITLE V INNOVATIVE ED		4,500
ENGLISH LANGUAGE ACQUISITION		7,200
TEACHER/PRINCIPAL TRAINING		14,200
SAFE AND DRUG FREE SCHOOLS		500
RURAL & LOW INCOME SCHOOLS		14,900
	\$	<u>130,000</u>
Due to:		
TRANSPORTATION		21,621
INSTRUCTIONAL MATERIALS		42,137
SCHOOL BASED HEALTH CENTER		122,329
TECHNOLOGY FOR EDUCATION		6,707
	\$	<u>192,794</u>
Due from OPERATIONAL	\$	<u>192,794</u>

STATE OF NEW MEXICO
SANTA ROSA CONSOLIDATED SCHOOLS

NOTES TO FINANCIAL STATEMENTS – CONTINUED

JUNE 30, 2008

V. OTHER INFORMATION (continued)

H. Interfund Receivables (continued)

Due to MEDICAID TITLE XIX	<u>\$ 70,101</u>
Due from:	
TITLE I	\$ 9,723
PARTNERSHIPS IN CHARACTER ED	10,471
E2T2 - F	1,944
SAFE AND DRUG FREE SCHOOLS	3,017
RURAL & LOW INCOME SCHOOLS	3,396
TRUANCY PREVENTION PROGRAM	26,612
LIBRARY GO BONDS OF 2004	248
LIBRARIES SB-301 GO BONDS	14,690
	<u>\$ 70,101</u>
Due to:	
BOND BUILDING	\$ 263
PSCO	484
ENERGY EFFICIENCY	1,574
	<u>\$ 2,321</u>
Due from SB-9	<u>\$ 2,321</u>
Due to:	
ENERGY EFFICIENCY	\$ 6,949
PSCO-LOCAL	131,862
	<u>\$ 138,811</u>
Due from PSCO-STATE	<u>\$ 13,811</u>

STATE OF NEW MEXICO
 SANTA ROSA CONSOLIDATED SCHOOLS

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2008

V. OTHER INFORMATION (continued)

I. Reconciliation of Budgetary and GAAP Basis Amounts

Major Programs:

	<u>Operational</u>	<u>Transportation</u>
REVENUES		
Budgetary Basis	\$ 6,780,428	\$ 490,135
Add:		
Current Year Receivables & Other Credits	2,172	-
Deduct:		
Prior Year Receivables & Other Debits	<u>4,905</u>	<u>-</u>
REVENUE --GAAP BASIS	<u>\$ 6,777,695</u>	<u>\$ 490,135</u>
EXPENDITURES		
Budgetary Basis	\$ 6,821,856	\$ 474,051
Add:		
Current Year Payables & Other Debits	-	-
Deduct:		
Prior Year Payables & Other Credits	<u>11,517</u>	<u>1</u>
EXPENDITURES --GAAP BASIS	<u>\$ 6,810,339</u>	<u>\$ 474,050</u>

	<u>Instructional Materials</u>	<u>Medicaid Title XIX</u>	<u>School Based Health Centers</u>	<u>Special Capital Outlay State</u>	<u>Debt Service</u>
\$	72,585	\$ 57,145	\$ 85,000	\$ 37,340	\$ 650,027
	-	83,221	105,992	-	500
	<u>-</u>	<u>105,518</u>	<u>122,329</u>	<u>-</u>	<u>9,737</u>
\$	<u><u>72,585</u></u>	\$ <u><u>34,848</u></u>	\$ <u><u>68,663</u></u>	\$ <u><u>37,340</u></u>	\$ <u><u>640,790</u></u>
\$	58,799	\$ 34,848	\$ 68,663	\$ 139,229	\$ 549,193
	-	-	-	-	61,593
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>71,262</u>
\$	<u><u>58,799</u></u>	\$ <u><u>34,848</u></u>	\$ <u><u>68,663</u></u>	\$ <u><u>139,229</u></u>	\$ <u><u>539,524</u></u>

STATE OF NEW MEXICO
 SANTA ROSA CONSOLIDATED SCHOOLS

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2008

V. OTHER INFORMATION (continued)

Note F - Reconciliation of Budgetary and GAAP Basis Amounts (Continued)

Non-Major Funds:

	<u>Cafeteria</u>	<u>Athletics</u>	<u>Title I</u>	<u>IDEA-B Entitlement</u>	<u>Partnerships in Character Ed Pilot</u>
REVENUES					
Budgetary Basis	\$ 413,815	\$ 63,296	\$ 176,304	\$ 123,842	\$ 11,339
Add:					
Current Year Receivables & Other Credits	-	-	62,723	26,070	11,171
Deduct:					
Prior Year Receivables & Other Debits	<u>-</u>	<u>-</u>	<u>30,915</u>	<u>-</u>	<u>11,339</u>
REVENUE --GAAP BASIS	<u>\$ 413,815</u>	<u>\$ 63,296</u>	<u>\$ 208,112</u>	<u>\$ 149,912</u>	<u>\$ 11,171</u>
EXPENDITURES					
Budgetary Basis	\$ 452,084	\$ 57,278	\$ 208,112	\$ 149,912	\$ 11,171
Add:					
Current Year Payables & Other Debits	3,441	-	-	-	-
Deduct:					
Prior Year Payables & Other Credits	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES --GAAP BASIS	<u>\$ 455,525</u>	<u>\$ 57,278</u>	<u>\$ 208,112</u>	<u>\$ 149,912</u>	<u>\$ 11,171</u>

Enhancing Ed thru Tech E2T2-F	Enhancing Ed thru Tech E2T2-C	Title V Innovative Education Program	English Language Acquisiton	Teacher/ Principal Training	Safe & Drug Free Schools & Communities	Rural & Low Income Schools	A+ For Energy
\$ 852	\$ 6,886	\$ 5,071	\$ 13,389	\$ 26,674	\$ 265	\$ 29,965	\$ 5,000
1,944	-	1,440	1,274	14,209	3,517	18,295	-
<u>678</u>	<u>6,886</u>	<u>975</u>	<u>5,054</u>	<u>-</u>	<u>45</u>	<u>15,672</u>	<u>103</u>
<u>\$ 2,118</u>	<u>\$ -</u>	<u>\$ 5,536</u>	<u>\$ 9,609</u>	<u>\$ 40,883</u>	<u>\$ 3,737</u>	<u>\$ 32,588</u>	<u>\$ 4,897</u>
\$ 2,492	\$ -	\$ 6,009	\$ 9,609	\$ 40,883	\$ 3,737	\$ 36,737	\$ 4,897
-	-	-	-	-	-	-	-
<u>375</u>	<u>-</u>	<u>474</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,149</u>	<u>-</u>
<u>\$ 2,117</u>	<u>\$ -</u>	<u>\$ 5,535</u>	<u>\$ 9,609</u>	<u>\$ 40,883</u>	<u>\$ 3,737</u>	<u>\$ 32,588</u>	<u>\$ 4,897</u>

STATE OF NEW MEXICO
 SANTA ROSA CONSOLIDATED SCHOOLS

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2008

V. OTHER INFORMATION (continued)

Note F - Reconciliation of Budgetary and GAAP Basis Amounts (Continued)

Non-Major Funds (continued):

	<u>Technology for Education</u>	<u>Obesity Program</u>	<u>Computerized Learning System</u>	<u>Incentives for School Improvement</u>	<u>Truancy Prevention Program</u>
REVENUES					
Budgetary Basis	\$ 23,634	\$ 7,421	\$ -	\$ 6,737	\$ -
Add:					
Current Year Receivables & Other Credits	417	-	-	784	26,612
Deduct:					
Prior Year Receivables & Other Debits	<u>8,000</u>	<u>7,421</u>	<u>-</u>	<u>7,521</u>	<u>-</u>
REVENUE --GAAP BASIS	<u>\$ 16,051</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 26,612</u>
EXPENDITURES					
Budgetary Basis	\$ 16,051	\$ -	\$ -	\$ 3,186	\$ 26,612
Add:					
Current Year Payables & Other Debits	-	-	-	-	-
Deduct:					
Prior Year Payables & Other Credits	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,186</u>	<u>-</u>
EXPENDITURES --GAAP BASIS	<u>\$ 16,051</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 26,612</u>

<u>Library GO Bonds Laws of 2004</u>	<u>Beginning Teacher Mentoring</u>	<u>Libraries SB-301 GO Bonds</u>	<u>SB-9</u>	<u>Bond Building</u>	<u>Public School Capital Outlay</u>	<u>Special Capital Outlay Local</u>	<u>Energy Efficiency Act</u>	<u>Capital Outlay 20%</u>
\$ -	\$ 3,716	\$ -	\$ 208,977	\$ -	\$ -	\$ 65,931	\$ 37,474	\$ -
-	10	14,670	3,570	-	-	-	-	-
-	143	-	2,922	-	-	-	-	-
<u>\$ -</u>	<u>\$ 3,583</u>	<u>\$ 14,670</u>	<u>\$ 209,625</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 65,931</u>	<u>\$ 37,474</u>	<u>\$ -</u>
\$ -	\$ 3,583	\$ 14,670	\$ 196,947	\$ -	\$ -	\$ -	\$ 38,230	\$ -
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
<u>\$ -</u>	<u>\$ 3,583</u>	<u>\$ 14,670</u>	<u>\$ 196,947</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 38,230</u>	<u>\$ -</u>

GENERAL FUND

To account for resources traditionally associated with governments, which are not required to be accounted for in any other fund.

STATE OF NEW MEXICO
SANTA ROSA CONSOLIDATED SCHOOLS

EXHIBIT A-1

COMBINING BALANCE SHEET -- GENERAL FUND

June 30, 2008

	OPERATIONAL	TRANSPORTATION	INSTRUCTIONAL MATERIALS	TOTALS
ASSETS				
Cash on Deposit	\$ 5,257	\$ 1	\$ -	\$ 5,258
Investments	759,821	-	-	759,821
Accounts Receivable				
Property Taxes	669	-	-	669
Interest	1,503	-	-	1,503
State	-	-	-	-
Federal	-	-	-	-
Inventories	-	-	-	-
Due from Other Funds	130,000	21,621	42,137	193,758
Prepaid expenditures	-	-	-	-
TOTAL ASSETS	\$ 897,250	\$ 21,622	\$ 42,137	\$ 961,009
LIABILITIES AND OTHER CREDITS				
Cash Deficit	\$ -	\$ -	\$ -	\$ -
Accounts Payable	-	-	-	-
Deferred Revenue	-	-	-	-
Due to Other Funds	192,794	-	-	192,794
Due to Student Groups	-	-	-	-
G.O. Bonds Payable	-	-	-	-
TOTAL LIABILITIES	192,794	-	-	192,794
FUND BALANCE				
Fund Balance				
Reserved for Text Books	-	-	42,137	42,137
Reserved for Debt Service	-	-	-	-
Reserved for Inventory	-	-	-	-
Undesignated, reported in:				
General Funds	704,456	21,622	-	726,078
Special Revenue Funds	-	-	-	-
Capital Projects Funds	-	-	-	-
TOTAL FUND BALANCE	704,456	21,622	42,137	768,215
TOTAL LIABILITIES AND FUND BALANCE	\$ 897,250	\$ 21,622	\$ 42,137	\$ 961,009

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

STATE OF NEW MEXICO
SANTA ROSA CONSOLIDATED SCHOOLS

EXHIBIT A-2

COMBINING STATEMENT OF REVENUE, EXPENDITURES AND CHANGES
IN FUND BALANCE -- GENERAL FUND

Year Ended June 30, 2008

	OPERATIONAL	TRANSPORTATION	INSTRUCTIONAL MATERIALS	TOTALS
REVENUE				
Federal Revenue	\$ 122,378	\$ -	\$ -	\$ 122,378
State Revenue	165	490,135	72,585	562,885
Local Revenue	135,958	-	-	135,958
State Equalization	6,449,348	-	-	6,449,348
Property Taxes	34,253	-	-	34,253
Service Revenues	736	-	-	736
Interest	34,559	-	-	34,559
Other Revenue Sources	298	-	-	298
TOTAL REVENUES	6,777,695	490,135	72,585	7,340,415
EXPENDITURES				
Current				
Instruction	3,360,539	-	54,435	3,414,974
Support Services	-	-	-	-
Support Services Students	633,976	-	-	633,976
Support Services Instruction	228,706	-	4,364	233,070
Support Services General Administration	427,567	-	-	427,567
Support Services School Administration	610,302	-	-	610,302
Central Services	148,378	-	-	148,378
Operation and Maintenance of Plant	1,031,307	-	-	1,031,307
Student Transportation	35,324	474,050	-	509,374
Other Support Services	-	-	-	-
Food Services Operations	87,011	-	-	87,011
Capital Outlay	247,229	-	-	247,229
Debt Service				
Principal	-	-	-	-
Interest and Fiscal Charge	-	-	-	-
TOTAL EXPENDITURES	6,810,339	474,050	58,799	7,343,188
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	(32,644)	16,085	13,786	(2,773)
Other Financial Sources (Uses)				
Transfer In/Transfers (Out)	-	-	-	-
Total Other Financial Sources	-	-	-	-
NET CHANGE IN FUND BALANCE	(32,644)	16,085	13,786	(2,773)
FUND BALANCE				
June 30, 2007	737,100	5,537	28,351	770,988
Prior Period Adjustment	-	-	-	-
FUND BALANCE June 30, 2008	\$ 704,456	\$ 21,622	\$ 42,137	\$ 768,215

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

STATE OF NEW MEXICO
SANTA ROSA CONSOLIDATED SCHOOLS

EXHIBIT A-3

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--GENERAL FUND--OPERATIONAL

Year Ended June 30, 2008

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Residential/Non-Residential Taxes	\$ 31,442	\$ 31,442	\$ 33,939	\$ 2,497
Fees - Summer School	-	-	-	-
DOE Los Alamos/ D.O.D.	-	-	78	78
Fees - Educational	2,850	2,850	736	(2,114)
Rent and Leases	2,403	2,403	6,113	3,710
Royalties	5,000	5,000	6,481	1,481
Interest Income	31,380	31,380	37,605	6,225
Refunds	500	500	9,566	9,066
State Equalization	6,325,933	6,325,933	6,449,348	123,415
Miscellaneous Income	-	-	299	299
Sale of Personal Property	-	-	-	-
Insurance Recoveries	1,000	1,000	20,036	19,036
Donations	2,850	2,850	93,762	90,912
Fees-Govt Agencies	6,063	6,063	165	(5,898)
Forrest Reserve	-	-	-	-
Access Board (E-Rate)	30,000	30,000	116,525	86,525
Indirect Cost - (Flow Through Grants)	-	-	5,775	5,775
TOTAL REVENUE	6,439,421	6,439,421	\$ 6,780,428	\$ 341,007
BUDGETED CASH BALANCE	875,565	875,565		
TOTAL REVENUE & CASH	\$ 7,314,986	\$ 7,314,986		
EXPENDITURES				
Current				
Instruction	\$ 3,375,367	\$ 3,375,367	\$ 3,372,056	\$ 3,311
Support Services	-	-	-	-
Support Services Students	635,016	635,016	633,976	1,040
Support Services Instruction	229,124	229,124	228,706	418
Support Services General Administration	430,234	430,234	427,567	2,667
Support Services School Administration	613,082	613,082	610,302	2,780
Central Services	148,468	148,468	148,378	90
Operation and Maintenance of Plant	1,031,307	1,031,307	1,031,307	-
Student Transportation	53,520	53,520	35,324	18,196
Other Support Services	47,793	47,793	-	47,793
Food Services Operations	73,717	73,717	73,717	-
Community Services Operations	13,610	13,610	13,293	317
Capital Outlay	663,748	663,748	247,230	416,518
TOTAL EXPENDITURES	\$ 7,314,986	\$ 7,314,986	\$ 6,821,856	\$ 493,130

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

STATE OF NEW MEXICO
SANTA ROSA CONSOLIDATED SCHOOLS

EXHIBIT A-4

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--GENERAL FUND--TRANSPORTATION

Year Ended June 30, 2008

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Revenue	\$ -	\$ -	\$ -	\$ -
State Revenue	488,679	490,135	490,135	-
Local Revenue	-	-	-	-
TOTAL REVENUE	<u>488,679</u>	<u>490,135</u>	<u>\$ 490,135</u>	<u>\$ -</u>
BUDGETED CASH BALANCE				
	-	-		
TOTAL REVENUE & CASH	<u>\$ 488,679</u>	<u>\$ 490,135</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	488,679	490,135	474,051	16,084
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 488,679</u>	<u>\$ 490,135</u>	<u>\$ 474,051</u>	<u>\$ 16,084</u>

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

STATE OF NEW MEXICO
 SANTA ROSA CONSOLIDATED SCHOOLS

EXHIBIT A-5

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
 AND ACTUAL--GENERAL FUND--INSTRUCTIONAL MATERIALS

Year Ended June 30, 2008

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Revenue	\$ -	\$ -	\$ -	\$ -
State Revenue	63,280	63,280	72,585	9,305
Local Revenue	-	-	-	-
TOTAL REVENUE	<u>63,280</u>	<u>63,280</u>	<u>\$ 72,585</u>	<u>\$ 9,305</u>
BUDGETED CASH BALANCE				
	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ 63,280</u>	<u>\$ 63,280</u>		
EXPENDITURES				
Current				
Instruction	\$ 58,156	\$ 58,156	\$ 54,435	\$ 3,721
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	5,124	5,124	4,364	760
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services Operations	-	-	-	-
Capital Outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL EXPENDITURES	<u>\$ 63,280</u>	<u>\$ 63,280</u>	<u>\$ 58,799</u>	<u>\$ 4,481</u>

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

SPECIAL REVENUE FUNDS

CAFETERIA – to account for financing for school hot lunch program. Funding is provided from fees from patrons and USDA food reimbursements, under the National School Lunch Act of 1946, as amended, New Mexico Statutes Annotated, State Law 22-13-13.

ATHLETICS – to account for revenues received from non-instructional activities for use in the district's athletic and other non-instructional programs. Required by the New Mexico State Department of Education Manual of Procedures for New Mexico School Districts to be accounted for as a separate fund. Authority for this fund is the New Mexico Administrative Code 6.20.2.

TITLE I – provides remedial instruction in language arts for educationally deprived students in low income areas. The project is funded by the Federal Government through the New Mexico State Department of Education, under the elementary and Secondary Education Act of 1965, Title 1, Chapter 1, Part A, 20 U.S.C. 2701 et seq.

IDEA B—ENTITLEMENT BUDGET—P.L. 94-142, Individuals with Disabilities Education Act—to account for a federal grant restricted to the operation and maintenance of meeting the special education need of children with disabilities. Authority for the creation of this fund is Individuals with Disabilities Act, Part B, Sec. 611, as amended; Public Laws 91-230,93-380,94-142,98-199,99-457,100-630 and 101-476; 20 U.S.C. 1401-1419, Public Law 105-17.

PARTNERSHIPS IN CHARACTER EDUCATION PILOT PROJECT – to support nationally significant programs to improve quality of education, assist all students to meet challenging State content standards, and contribute to the achievement of the National Education Goals by supporting pilot projects that design and implement character education programs as a way to address broader objectives. Authority for creation of this fund is Title X, Part A, Section 10103 of the Elementary and Secondary Education Act.

ENHANCING EDUCATION THROUGH EDUCATION E2T2-F – to provide grants to State Education Agencies on a formula basis to improve student academic achievement through the use of technology in schools, assist all students in becoming technologically literate by the end of the eighth grade and encourage the effective integration of technology with teacher training and curriculum development to establish successful research-based instructional methods. The authority for the creation of this fund is the Elementary and Secondary Education Act of 1965, Title II, Part D, Subparts 1 and 2, as amended.

ENHANCING EDUCATION THROUGH TECHNOLOGY E2T2-C – to provide grants to State Education Agencies on a formula basis to improve student academic achievement through the use of technology in schools, assist all students in becoming technologically literate by the end of the eighth grade and encourage the effective integration of technology with teacher training and curriculum development to establish successful research-based instructional methods. The authority for the creation of this fund is the Elementary and Secondary Education Act of 1965, Title II, Part D, Subparts 1 and 2, as amended.

TITLE V – to assist State and local educational agencies in the reform of elementary and secondary education. The authority for the creation of this fund is the Elementary and Secondary Education Act of 1965, Title VI, as amended, 20U.S.C. 7301-7373.

ENGLISH LANGUAGE ACQUISITION – to ensure that limited English proficient children and youth, including immigrant children and youth, attain English proficiency and meet the same challenging State academic content and student academic achievement standards as all children and youth are expected to meet; to provide assistance to Native American, Native Hawaiian, Native American Pacific Islander and Alaska native children with certain modifications relative to the unique status of native American language under Federal Law; to develop to the extent possible, the native language skills of such children. The authority for creation of this fund is the Elementary and Secondary Education Act, as amended, Title III, Part A, Sections 3101,3129.

TEACHER/PRINCIPAL TRAINING – to provide grants to State Education Agencies on a formula basis to increase student academic achievement through strategies such as improving teacher and principal quality and increasing the number of highly qualified teachers in the classroom and highly qualified principals and assistant principals in schools and hold local educational agencies and schools accountable for improvements in student academic achievement. The authority for the creation of this fund is the Elementary and Secondary Education Act of 1965 as amended, Title II, Part A, Public Law 107-110.

SAFE AND DRUG FREE SCHOOLS – to offer a disciplined environment conducive to learning, by preventing violence in and around schools and strengthen programs that prevent the illegal use of alcohol, tobacco and drugs, involve parents, and coordinated with related Federal, State and community efforts and resources. The authority for the creation of this fund is the Elementary and Secondary Education Act, Title IV, Part A, Subpart 1, as amended. 20 U.S.C. 7111-7118.

RURAL & LOW INCOME SCHOOLS – to provide financial assistance to rural districts to carry out activities to help improve the quality of teaching and learning in their schools. The authority for the creation of this fund is the Elementary and Secondary Education Act of 1965 (ESEA), Title VI, Part B, as amended.

AT FOR ENERGY – to account for monies received by pre k-12 teachers in recognition for innovation and excellences in teaching energy and/or energy conservation in the classroom. Authorization for this fund is the grant and the Santa Rosa School Board.

TECHNOLOGY FOR EDUCATION-- to account for distributions received from the Educational Technology fund for the expansion and improvement of technology in education. These funds are restricted to expenditure by New Mexico Statutes and the schools approved long-term technology plan. Authority for the creation of this fund is NMSA 22-15A-1 to 22-15A-10.

OBESITY PROGRAM – to account for revenues used to incorporate an action plan to address nutrition and physical activity in schools (K-12). Authority for creation of this fund is the New Mexico State legislature.

COMPUTERIZED LEARNING – to account for funds designated for computer upgrades, including software. Authority for the creation of this fund is the New Mexico State Legislature.

TRUANCY PREVENTION – to account for monies received for the purpose of determining and implementing successful programs for preventing truancy. The authority for creation of this fund is the grant as provided by New Mexico legislative HB246 and the Santa Rosa School Board.

INCENTIVES FOR SCHOOL IMPROVEMENT – to account for monies received to be used as determined by the school principal and teachers in cooperation with other school employees and the community. It shall not be used for salaries, salary increases or bonuses. Financing and authority is provided by NMSA 22-13A-5.

LIBRARY GO BONDS LAWS 2004 – to account for the revenue and expenditures to acquire supplementary library books, equipment and library resources for public school and juvenile detention libraries statewide.

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

LIBRARIES SB301 G.O. BONDS – to account for funds received to update and to expand library collections in order to circulate and provide access of materials to students and teachers. Funding provided by election of SB301.

SENATE BILL NINE SPECIAL REVENUE FUND – to account for 2.0 mill levy restricted by board resolution for erecting, remodeling, making additions to, providing equipment for, and furnishing school buildings, improving school grounds and maintenance of school buildings and grounds, exclusive of salary expense of employees. Authority for the creation of this fund is NMSA 22-25-1 to 22-25-10.

STATE OF NEW MEXICO
SANTA ROSA CONSOLIDATED SCHOOLS

COMBINING BALANCE SHEET--NON-MAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS

JUNE 30, 2008

	CAFETERIA	ATHLETICS	TITLE I	IDEA-B ENTITLEMENT	PARTNERSHIPS IN CHARACTER ED PILOT	ENHANCING ED THRU TECH (E2T2-F)
ASSETS						
Cash on Deposit	\$ 28,990	\$ 8,131	\$ -	\$ 9,410	\$ -	\$ -
Investments	-	-	-	-	-	-
Accounts Receivable						
Property Taxes	-	-	-	-	-	-
Interest	-	-	-	-	-	-
State	-	-	-	-	-	-
Federal	-	-	62,723	25,590	11,171	1,944
Inventories	8,820	-	-	-	-	-
Due from Other Funds	-	-	-	-	-	-
Prepaid expenditures	-	-	-	-	-	-
TOTAL ASSETS	\$ 37,810	\$ 8,131	\$ 62,723	\$ 35,000	\$ 11,171	\$ 1,944
LIABILITIES						
Cash Deficit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts Payable	-	-	-	-	-	-
Deferred Revenue	-	-	-	-	-	-
Due to Other Funds	-	-	62,723	35,000	11,171	1,944
Due to Student Groups	-	-	-	-	-	-
Due to Other Entities	-	-	-	-	-	-
TOTAL LIABILITIES	-	-	62,723	35,000	11,171	1,944
FUND BALANCE						
Reserved for Text Books	-	-	-	-	-	-
Reserved for Debt Service	-	-	-	-	-	-
Reserved for Inventory	8,820	-	-	-	-	-
Undesignated, reported in:						
General Funds	-	-	-	-	-	-
Special Revenue Funds	28,990	8,131	-	-	-	-
Capital Projects Funds	-	-	-	-	-	-
TOTAL FUND BALANCE	37,810	8,131	-	-	-	-
TOTAL LIABILITIES AND FUND BALANCE	\$ 37,810	\$ 8,131	\$ 62,723	\$ 35,000	\$ 11,171	\$ 1,944

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

EXHIBIT B-1

ENHANCING ED THRU TECH (E2T2-C)	TITLE V INNOVATIVE EDUCATION PROGRAM	ENGLISH LANGUAGE ACQUISITION	TEACHER/ PRINCIPAL TRAINING	SAFE & DRUG FREE SCHOOLS & COMMUNITIES	RURAL & LOW INCOME SCHOOLS	A+ FOR ENERGY	TECHNOLOGY FOR EDUCATION
\$ 490	\$ 3,060	\$ 5,926	\$ 646	\$ -	\$ -	\$ 103	\$ 1,294
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	1,440	1,274	13,554	3,517	18,296	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	6,707
-	-	-	-	-	-	-	-
<u>\$ 490</u>	<u>\$ 4,500</u>	<u>\$ 7,200</u>	<u>\$ 14,200</u>	<u>\$ 3,517</u>	<u>\$ 18,296</u>	<u>\$ 103</u>	<u>\$ 8,001</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	-
-	-	-	-	-	-	-	-
490	-	-	-	-	-	103	8,001
-	4,500	7,200	14,200	3,517	18,296	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>490</u>	<u>4,500</u>	<u>7,200</u>	<u>14,200</u>	<u>3,517</u>	<u>18,296</u>	<u>103</u>	<u>8,001</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>490</u>	<u>4,500</u>	<u>7,200</u>	<u>14,200</u>	<u>3,517</u>	<u>18,296</u>	<u>103</u>	<u>8,001</u>

STATE OF NEW MEXICO
SANTA ROSA CONSOLIDATED SCHOOLS

COMBINING BALANCE SHEET--NON-MAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS

JUNE 30, 2008

	OBESITY PROGRAM	COMPUTERIZED LEARNING SYSTEM	INCENTIVES FOR SCHOOL IMPROVEMENT
ASSETS			
Cash on Deposit	\$ 7,193	\$ 380	\$ 7,773
Investments	-	-	-
Accounts Receivable			
Property Taxes	-	-	-
Interest	-	-	-
State	-	-	-
Federal	-	-	-
Inventories	-	-	-
Due from Other Funds	-	-	-
Prepaid expenditures	-	-	-
TOTAL ASSETS	\$ 7,193	\$ 380	\$ 7,773
LIABILITIES			
Cash Deficit	-	\$ -	-
Accounts Payable	500	-	252
Deferred Revenue	6,693	380	7,521
Due to Other Funds	-	-	-
Due to Student Groups	-	-	-
Due to Other Entities	-	-	-
TOTAL LIABILITIES	7,193	380	7,773
FUND BALANCE			
Reserved for Text Books	-	-	-
Reserved for Debt Service	-	-	-
Reserved for Inventory	-	-	-
Undesignated, reported in:			
General Funds	-	-	-
Special Revenue Funds	-	-	-
Capital Projects Funds	-	-	-
TOTAL FUND BALANCE	-	-	-
TOTAL LIABILITIES AND FUND BALANCE	\$ 7,193	\$ 380	\$ 7,773

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

EXHIBIT B-1
CONTINUED

TRUANCY PREVENTION PROGRAM	LIBRARY GO BONDS LAWS OF 2004	BEGINNING TEACHER MENTORING	LIBRARIES SB-301 GO BONDS	SB-9	TOTAL NONMAJOR SPECIAL REVENUE FUNDS
\$ -	\$ -	\$ 143	\$ -	\$ -	\$ 73,539
-	-	-	-	171,435	171,435
-	-	-	-	3,246	3,246
-	-	-	-	324	324
26,612	248	-	14,690	-	41,550
-	-	-	-	-	139,509
-	-	-	-	-	8,820
-	-	-	-	-	6,707
-	-	-	-	-	-
<u>\$ 26,612</u>	<u>\$ 248</u>	<u>\$ 143</u>	<u>\$ 14,690</u>	<u>\$ 175,005</u>	<u>\$ 445,130</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	752
-	-	143	-	-	23,331
26,612	248	-	14,690	2,321	202,422
-	-	-	-	-	-
-	-	-	-	-	-
<u>26,612</u>	<u>248</u>	<u>143</u>	<u>14,690</u>	<u>2,321</u>	<u>226,505</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	8,820
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	172,684	209,805
-	-	-	-	-	-
-	-	-	-	172,684	218,625
<u>\$ 26,612</u>	<u>\$ 248</u>	<u>\$ 143</u>	<u>\$ 14,690</u>	<u>\$ 175,005</u>	<u>\$ 445,130</u>

STATE OF NEW MEXICO
SANTA ROSA CONSOLIDATED SCHOOLS

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN FUND BALANCE - NON-MAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS

JUNE 30, 2008

	CAFETERIA	ATHLETICS	TITLE I	IDEA-B ENTITLEMENT	PARTNERSHIPS IN CHARACTER ED PILOT	ENHANCING ED THRU TECH (E2T2-F)
REVENUE						
Federal Revenue	\$ 365,311	\$ -	\$ 208,112	\$ 149,912	\$ 11,171	\$ 2,118
State Revenue	-	-	-	-	-	-
Local Revenue	15,953	-	-	-	-	-
State Equalization	-	-	-	-	-	-
Property Taxes	-	-	-	-	-	-
Service Revenues	32,501	63,177	-	-	-	-
Interest	49	10	-	-	-	-
Other Revenue Sources	-	108	-	-	-	-
TOTAL REVENUES	413,814	63,295	208,112	149,912	11,171	2,118
EXPENDITURES						
Current						
Instruction	-	57,278	194,008	85,934	-	2,118
Support Services	-	-	-	-	-	-
Support Services Students	-	-	-	54,003	-	-
Support Services Instruction	-	-	-	-	10,967	-
Support Services General Administration	-	-	3,800	-	204	-
Support Services School Administration	-	-	429	150	-	-
Central Services	-	-	9,875	9,825	-	-
Operation and Maintenance of Plant	-	-	-	-	-	-
Student Transportation	-	-	-	-	-	-
Other Support Services	-	-	-	-	-	-
Food Services Operations	455,525	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Principal	-	-	-	-	-	-
Interest and Fiscal Charge	-	-	-	-	-	-
TOTAL EXPENDITURES	455,525	57,278	208,112	149,912	11,171	2,118
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(41,711)	6,017	-	-	-	-
OTHER FINANCING SOURCES (USES)						
TRANSFERS IN/ TRANSFERS OUT	-	-	-	-	-	-
TOTAL OTHER FINANCIANG SOURCES (USES)	-	-	-	-	-	-
NET CHANGE IN FUND BALANCE	(41,711)	6,017	-	-	-	-
FUND BALANCE						
June 30, 2007	79,521	2,114	-	-	-	-
Prior Period Adjustment	-	-	-	-	-	-
FUND BALANCE	-	-	-	-	-	-
June 30, 2008	\$ 37,810	\$ 8,131	\$ -	\$ -	\$ -	\$ -

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

EXHIBIT B-2

ENHANCING ED THRU TECH (E2T2-C)	TITLE V INNOVATIVE EDUCATION PROGRAM	ENGLISH LANGUAGE ACQUISITION	TEACHER/ PRINCIPAL TRAINING	SAFE & DRUG FREE SCHOOLS & COMMUNITIES	RURAL & LOW INCOME SCHOOLS	A+ FOR ENERGY	TECHNOLOGY FOR EDUCATION
\$ -	\$ 5,536	\$ 9,609	\$ 40,883	\$ 3,737	\$ 32,588	\$ -	\$ -
-	-	-	-	-	-	4,897	16,051
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	5,536	9,609	40,883	3,737	32,588	4,897	16,051
-	-	9,434	40,136	3,669	31,917	4,897	16,051
-	-	-	-	-	-	-	-
-	5,427	-	-	-	-	-	-
-	109	175	747	68	671	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	5,536	9,609	40,883	3,737	32,588	4,897	16,051
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

STATE OF NEW MEXICO
SANTA ROSA CONSOLIDATED SCHOOLS

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN FUND BALANCE - NON-MAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS

JUNE 30, 2008

	<u>OBESITY PROGRAM</u>	<u>COMPUTERIZED LEARNING SYSTEM</u>	<u>INCENTIVES FOR SCHOOL IMPROVEMENT</u>
REVENUE			
Federal Revenue	\$ -	\$ -	\$ -
State Revenue	-	-	-
Local Revenue	-	-	-
State Equalization	-	-	-
Property Taxes	-	-	-
Service Revenues	-	-	-
Interest	-	-	-
Other Revenue Sources	-	-	-
TOTAL REVENUES	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES			
Current			
Instruction	-	-	-
Support Services	-	-	-
Support Services Students	-	-	-
Support Services Instruction	-	-	-
Support Services General Administration	-	-	-
Support Services School Administration	-	-	-
Central Services	-	-	-
Operation and Maintenance of Plant	-	-	-
Student Transportation	-	-	-
Other Support Services	-	-	-
Food Services Operations	-	-	-
Capital Outlay	-	-	-
Debt Service			
Principal	-	-	-
Interest and Fiscal Charge	-	-	-
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-
OTHER FINANCING SOURCES (USES)			
TRANSFERS IN/ TRANSFERS (OUT)	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	-	-	-
FUND BALANCE			
June 30, 2007	-	-	-
Prior Period Adjustment	-	-	-
FUND BALANCE			
June 30, 2008	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

EXHIBIT B-2
CONTINUED

TRUANCY PREVENTION PROGRAM	LIBRARY GO BONDS LAWS OF 2004	BEGINNING TEACHER MENTORING	LIBRARIES SB-301 GO BONDS	SB-9	TOTAL NONMAJOR SPECIAL REVENUE FUNDS
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 828,977
26,612	-	3,583	14,690	-	65,833
-	-	-	-	-	15,953
-	-	-	-	-	-
-	-	-	-	157,205	157,205
-	-	-	-	-	95,678
-	-	-	-	12,419	12,478
-	-	-	-	40,000	40,108
<u>26,612</u>	<u>-</u>	<u>3,583</u>	<u>14,690</u>	<u>209,624</u>	<u>1,216,232</u>
-	-	3,583	-	-	449,025
-	-	-	-	-	-
26,612	-	-	-	-	80,615
-	-	-	14,690	-	31,084
-	-	-	-	1,559	7,333
-	-	-	-	-	579
-	-	-	-	-	19,700
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	455,525
-	-	-	-	195,388	195,388
-	-	-	-	-	-
<u>26,612</u>	<u>-</u>	<u>3,583</u>	<u>14,690</u>	<u>196,947</u>	<u>1,239,249</u>
-	-	-	-	12,677	(23,017)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	12,677	(23,017)
-	-	-	-	160,007	241,642
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 172,684</u>	<u>\$ 218,625</u>

STATE OF NEW MEXICO
SANTA ROSA CONSOLIDATED SCHOOLS

EXHIBIT B-3

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--SPECIAL REVENUE FUND--CAFETERIA

Year Ended June 30, 2008

	Original Budget	Adjusted Budget	Actual	Variance Favorable (Unfavorable)
REVENUE				
Federal Revenue	\$ 359,742	\$ 359,742	\$ 365,311	\$ 5,569
State Revenue	-	-	-	-
Local Revenue	49,321	49,321	48,504	(817)
TOTAL REVENUE	<u>409,063</u>	<u>\$ 409,063</u>	<u>\$ 413,815</u>	<u>\$ 4,752</u>
BUDGETED CASH BALANCE	<u>68,244</u>	<u>68,244</u>		
TOTAL REVENUE & CASH	<u>\$ 477,307</u>	<u>\$ 477,307</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	477,307	477,307	452,084	25,223
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 477,307</u>	<u>\$ 477,307</u>	<u>\$ 452,084</u>	<u>\$ 25,223</u>

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

STATE OF NEW MEXICO
SANTA ROSA CONSOLIDATED SCHOOLS

EXHIBIT B-7

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--SPECIAL REVENUE FUND--PARTNERSHIPS IN CHAR. ED. PILOT

Year Ended June 30, 2008

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Revenue	\$ -	\$ -	\$ -	\$ -
State Revenue	-	-	-	-
Local Revenue	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>13,500</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ 13,500</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ 90	\$ -	\$ 90
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	13,163	10,967	2,196
Support Services General Administration	-	247	204	43
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ 13,500</u>	<u>\$ 11,171</u>	<u>\$ 2,329</u>

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

STATE OF NEW MEXICO
 SANTA ROSA CONSOLIDATED SCHOOLS

EXHIBIT B-8

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP) AND ACTUAL
 --SPECIAL REVENUE FUND--ENHANCING ED THRU TECHNOLOGY - E2T2-F

Year Ended June 30, 2008

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Revenue	\$ -	\$ 2,492	\$ 852	\$ (1,640)
State Revenue	-	-	-	-
Local Revenue	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>2,492</u>	<u>\$ 852</u>	<u>\$ (1,640)</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ 2,492</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ 2,492	\$ 2,492	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ 2,492</u>	<u>\$ 2,492</u>	<u>\$ -</u>

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

STATE OF NEW MEXICO
 SANTA ROSA CONSOLIDATED SCHOOLS

EXHIBIT B-9

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP) AND ACTUAL
 --SPECIAL REVENUE FUND--ENHANCING ED THRU TECHNOLOGY - E2T2-C

Year Ended June 30, 2008

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Revenue	\$ -	\$ -	\$ 6,886	\$ 6,886
State Revenue	-	-	-	-
Local Revenue	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>-</u>	<u>\$ 6,886</u>	<u>\$ 6,886</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ -</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

STATE OF NEW MEXICO
 SANTA ROSA CONSOLIDATED SCHOOLS

EXHIBIT B-10

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
 AND ACTUAL--SPECIAL REVENUE FUND--TITLE V INNOVATION ED PROG STRATEGIES

Year Ended June 30, 2008

	ORIGINAL ACTUAL	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Revenue	\$ 4,907	\$ 6,012	\$ 5,071	\$ (941)
State Revenue	-	-	-	-
Local Revenue	-	-	-	-
TOTAL REVENUE	<u>4,907</u>	<u>6,012</u>	<u>\$ 5,071</u>	<u>\$ (941)</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ 4,907</u>	<u>\$ 6,012</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	4,817	5,902	5,899	3
Support Services General Administration	90	110	110	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 4,907</u>	<u>\$ 6,012</u>	<u>\$ 6,009</u>	<u>\$ 3</u>

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

STATE OF NEW MEXICO
SANTA ROSA CONSOLIDATED SCHOOLS

EXHIBIT B-11

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--SPECIAL REVENUE FUND--ENGLISH LANGUAGE ACQUISITION

Year Ended June 30, 2008

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Revenue	\$ 14,657	\$ 15,076	\$ 13,389	\$ (1,687)
State Revenue	-	-	-	-
Local Revenue	-	-	-	-
TOTAL REVENUE	<u>14,657</u>	<u>15,076</u>	<u>\$ 13,389</u>	<u>\$ (1,687)</u>
BUDGETED CASH BALANCE	-	-		
TOTAL REVENUE & CASH	<u>\$ 14,657</u>	<u>\$ 15,076</u>		
EXPENDITURES				
Current				
Instruction	\$ 14,364	\$ 14,740	\$ 9,434	\$ 5,306
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	293	336	175	161
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 14,657</u>	<u>\$ 15,076</u>	<u>\$ 9,609</u>	<u>\$ 5,467</u>

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

STATE OF NEW MEXICO
 SANTA ROSA CONSOLIDATED SCHOOLS

EXHIBIT B-12

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
 AND ACTUAL--SPECIAL REVENUE FUND--TEACHER/PRINCIPAL TRAINING

Year Ended June 30, 2008

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Revenue	\$ 63,684	\$ 70,498	\$ 26,674	\$ (43,824)
State Revenue	-	-	-	-
Local Revenue	-	-	-	-
TOTAL REVENUE	<u>63,684</u>	<u>70,498</u>	<u>\$ 26,674</u>	<u>\$ (43,824)</u>
 BUDGETED CASH BALANCE	 -	 -		
 TOTAL REVENUE & CASH	 <u>\$ 63,684</u>	 <u>\$ 70,498</u>		
 EXPENDITURES				
Current				
Instruction	\$ 62,521	\$ 69,296	\$ 40,136	\$ 29,160
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	1,163	1,202	747	455
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 63,684</u>	<u>\$ 70,498</u>	<u>\$ 40,883</u>	<u>\$ 29,615</u>

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

STATE OF NEW MEXICO
 SANTA ROSA CONSOLIDATED SCHOOLS

EXHIBIT B-13

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
 AND ACTUAL--SPECIAL REVENUE FUND--SAFE & DRUG FREE SCHOOLS

Year Ended June 30, 2008

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Revenue	\$ 6,070	\$ 5,307	\$ 265	\$ (5,042)
State Revenue	-	-	-	-
Local Revenue	-	-	-	-
TOTAL REVENUE	<u>6,070</u>	<u>5,307</u>	<u>\$ 265</u>	<u>\$ (5,042)</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ 6,070</u>	<u>\$ 5,307</u>		
EXPENDITURES				
Current				
Instruction	\$ 5,962	\$ 5,199	\$ 3,669	\$ 1,530
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	108	108	68	40
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 6,070</u>	<u>\$ 5,307</u>	<u>\$ 3,737</u>	<u>\$ 1,570</u>

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

STATE OF NEW MEXICO
SANTA ROSA CONSOLIDATED SCHOOLS

EXHIBIT B-14

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--SPECIAL REVENUE FUND--RURAL AND LOW-INCOME SCHOOLS

Year Ended June 30, 2008

	ORIGINAL ACTUAL	BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Revenue	\$ 18,285	\$ 37,259	\$ 29,965	\$ (7,294)
State Revenue	-	-	-	-
Local Revenue	-	-	-	-
TOTAL REVENUE	<u>18,285</u>	<u>37,259</u>	<u>\$ 29,965</u>	<u>\$ (7,294)</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ 18,285</u>	<u>\$ 37,259</u>		
EXPENDITURES				
Current				
Instruction	\$ 17,951	\$ 36,578	\$ 36,066	\$ 512
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	334	681	671	10
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 18,285</u>	<u>\$ 37,259</u>	<u>\$ 36,737</u>	<u>\$ 522</u>

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

STATE OF NEW MEXICO
 SANTA ROSA CONSOLIDATED SCHOOLS

EXHIBIT B-15

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
 AND ACTUAL--SPECIAL REVENUE FUND--A+ FOR ENERGY

Year Ended June 30, 2008

	Original Budget	Adjusted Budget	Actual	Variance Favorable (Unfavorable)
REVENUE				
Federal Revenue	\$ -	\$ -	\$ -	\$ -
State Revenue	-	5,000	5,000	-
Local Revenue	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>5,000</u>	<u>\$ 5,000</u>	<u>\$ -</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ 5,000</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ 5,000	\$ 4,897	\$ 103
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ 5,000</u>	<u>\$ 4,897</u>	<u>\$ 103</u>

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

STATE OF NEW MEXICO
SANTA ROSA CONSOLIDATED SCHOOLS

EXHIBIT B-16

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--SPECIAL REVENUE FUND--TECHNOLOGY FOR EDUCATION

Year Ended June 30, 2008

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Revenue	\$ -	\$ -	\$ -	\$ -
State Revenue	-	23,634	23,634	-
Local Revenue	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>23,634</u>	<u>\$ 23,634</u>	<u>\$ -</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ 23,634</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ 23,634	\$ 16,051	\$ 7,583
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ 23,634</u>	<u>\$ 16,051</u>	<u>\$ 7,583</u>

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

STATE OF NEW MEXICO
 SANTA ROSA CONSOLIDATED SCHOOLS

EXHIBIT B-17

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
 AND ACTUAL--SPECIAL REVENUE FUND--OBESITY PROGRAM

Year Ended June 30, 2008

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Revenue	\$ -	\$ -	\$ -	\$ -
State Revenue	-	-	7,421	7,421
Local Revenue	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>-</u>	<u>\$ 7,421</u>	<u>\$ 7,421</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ -</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

STATE OF NEW MEXICO
 SANTA ROSA CONSOLIDATED SCHOOLS

EXHIBIT B-18

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
 AND ACTUAL--SPECIAL REVENUE FUND--COMPUTERIZED LEARNING SYSTEM

Year Ended June 30, 2008

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Revenue	\$ -	\$ -	\$ -	\$ -
State Revenue	-	-	-	-
Local Revenue	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ -</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

STATE OF NEW MEXICO
 SANTA ROSA CONSOLIDATED SCHOOLS

EXHIBIT B-19

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
 AND ACTUAL--SPECIAL REVENUE FUND--INCENTIVES FOR SCHOOL IMPROVEMENT

Year Ended June 30, 2008

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Revenue	\$ -	\$ -	\$ -	\$ -
State Revenue	-	6,737	6,737	-
Local Revenue	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>6,737</u>	<u>\$ 6,737</u>	<u>\$ -</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ 6,737</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ 6,737	\$ 3,186	\$ 3,551
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ 6,737</u>	<u>\$ 3,186</u>	<u>\$ 3,551</u>

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

STATE OF NEW MEXICO
 SANTA ROSA CONSOLIDATED SCHOOLS

EXHIBIT B-20

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
 AND ACTUAL--SPECIAL REVENUE FUND--TRUANCY PREVENTION PROGRAM

Year Ended June 30, 2008

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Revenue	\$ -	\$ -	\$ -	\$ -
State Revenue	-	30,000	-	(30,000)
Local Revenue	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>30,000</u>	<u>\$ -</u>	<u>\$ (30,000)</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ 30,000</u>		

EXPENDITURES

Current

Instruction	\$ -	\$ -	\$ -	\$ -
Support Services	-	-	-	-
Support Services Students	-	30,000	26,612	3,388
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ 30,000</u>	<u>\$ 26,612</u>	<u>\$ 3,388</u>

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

STATE OF NEW MEXICO
 SANTA ROSA CONSOLIDATED SCHOOLS

EXHIBIT B-21

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
 AND ACTUAL--SPECIAL REVENUE FUND--LIBRARY GO BOND LAWS 2004

Year Ended June 30, 2008

	Original Budget	Adjusted Budget	Actual	Variance Favorable (Unfavorable)
REVENUE				
Federal Revenue	\$ -	\$ -	\$ -	\$ -
State Revenue	-	-	-	-
Local Revenue	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ -</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

STATE OF NEW MEXICO
 SANTA ROSA CONSOLIDATED SCHOOLS

EXHIBIT B-22

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
 AND ACTUAL--SPECIAL REVENUE FUND--BEGINNING TEACHER MENTORING

Year Ended June 30, 2008

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Revenue	\$ -	\$ -	\$ -	\$ -
State Revenue	-	3,716	3,716	-
Local Revenue	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>3,716</u>	<u>\$ 3,716</u>	<u>\$ -</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ 3,716</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ 3,716	\$ 3,583	\$ 133
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ 3,716</u>	<u>\$ 3,583</u>	<u>\$ 133</u>

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

STATE OF NEW MEXICO
 SANTA ROSA CONSOLIDATED SCHOOLS

EXHIBIT B-23

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
 AND ACTUAL--SPECIAL REVENUE FUND--LIBRARIES SB 301 GO BONDS

Year Ended June 30, 2008

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Federal Revenue	\$ -	\$ -	\$ -	\$ -
State Revenue	-	16,033	-	(16,033)
Local Revenue	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>16,033</u>	<u>\$ -</u>	<u>\$ (16,033)</u>
BUDGETED CASH BALANCE	<u>-</u>	<u>-</u>		
TOTAL REVENUE & CASH	<u>\$ -</u>	<u>\$ 16,033</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	16,033	14,690	1,343
Support Services General Administration	-	-	-	-
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ 16,033</u>	<u>\$ 14,690</u>	<u>\$ 1,343</u>

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

STATE OF NEW MEXICO
 SANTA ROSA CONSOLIDATED SCHOOLS

EXHIBIT B-24

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
 AND ACTUAL--SPECIAL REVENUE FUND--SB-9

Year Ended June 30, 2008

	Original Budget	Adjusted Budget	Actual	Variance Favorable (Unfavorable)
REVENUE				
Federal Revenue	\$ -	\$ -	\$ -	\$ -
State Revenue	-	-	-	-
Local Revenue	163,785	163,785	208,977	45,192
TOTAL REVENUE	<u>163,785</u>	<u>163,785</u>	<u>\$ 208,977</u>	<u>\$ 45,192</u>
BUDGETED CASH BALANCE				
	<u>97,964</u>	<u>97,964</u>		
TOTAL REVENUE & CASH				
	<u>\$ 261,749</u>	<u>\$ 261,749</u>		
EXPENDITURES				
Current				
Instruction	\$ -	\$ -	\$ -	\$ -
Support Services	-	-	-	-
Support Services Students	-	-	-	-
Support Services Instruction	-	-	-	-
Support Services General Administration	1,739	1,739	1,559	180
Support Services School Administration	-	-	-	-
Central Services	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	260,010	260,010	195,389	64,621
TOTAL EXPENDITURES	<u>\$ 261,749</u>	<u>\$ 261,749</u>	<u>\$ 196,948</u>	<u>\$ 64,801</u>

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

CAPITAL PROJECTS FUND

BOND BUILDING--To account for the costs of capital improvements, such as erecting, remodeling, making additions to, providing equipment for, and furnishing school buildings, purchasing and improving school grounds funded by bond proceeds.

PUBLIC SCHOOL CAPITAL OUTLAY – To account for financing and construction of school improvements funded from appropriations from the State of New Mexico.

ENERGY EFFICIENCY ACT--To account for funds received under the Public Building Efficiency Act, 6-23-1 to 6-23-10, NMSA 1978, which is used for the purchase and installation of energy conservation measures.

SPECIAL CAPITAL OUTLAY LOCAL – To account for financing and construction of school improvements funded from appropriations from local sources.

PUBLIC SCHOOL CAPITAL OUTLAY 20% – To account for monies to be set aside out of Impact Aid, Forest Reserve, and Local taxes for capital improvements in public schools. Authority for the creation of this fund is Section 22-8-5 NMSA 1978.

STATE OF NEW MEXICO
 SANTA ROSA CONSOLIDATED SCHOOLS

COMBINING BALANCE SHEET--NON-MAJOR GOVERNMENTAL FUNDS
 CAPITAL PROJECTS FUNDS

JUNE 30, 2008

	BOND BUILDING	PUBLIC SCHOOL CAPITAL OUTLAY	SPECIAL CAPITAL OUTLAY LOCAL
ASSETS			
Cash on Deposit	\$ 107	\$ -	\$ -
Investments	-	-	-
Accounts Receivable			
Property Taxes	-	-	-
Interest	-	-	-
State	-	-	-
Federal	-	-	-
Inventories	-	-	-
Due from Other Funds	263	484	131,862
Prepaid expenditures	-	-	-
TOTAL ASSETS	<u>\$ 370</u>	<u>\$ 484</u>	<u>\$ 131,862</u>
LIABILITIES AND OTHER CREDITS			
Cash Deficit	\$ -	\$ -	\$ -
Accounts Payable	-	-	-
Deferred Revenue	-	-	-
Due to Other Funds	-	-	-
Due to Student Groups	-	-	-
Due to Other Entities	-	-	-
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE			
Reserved for Text Books	-	-	-
Reserved for Debt Service	-	-	-
Reserved for Inventory	-	-	-
Undesignated, reported in:			
General Funds	-	-	-
Special Revenue Funds	-	-	-
Capital Projects Funds	370	484	131,862
TOTAL FUND BALANCE	<u>370</u>	<u>484</u>	<u>131,862</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 370</u>	<u>\$ 484</u>	<u>\$ 131,862</u>

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

EXHIBIT C-1

ENERGY EFFICIENCY ACT	CAPITAL OULAY 20%	TOTAL NONMAJOR CAPITAL PROJECTS	TOTAL NONMAJOR SPECIAL REVENUE	TOTAL NONMAJOR GOVERNMENTAL FUNDS
\$ 5,237	\$ 280	\$ 5,624	\$ 73,539	\$ 79,163
-	-	-	171,435	171,435
-	-	-	-	-
-	-	-	3,246	3,246
-	-	-	324	324
-	-	-	41,550	41,550
-	-	-	139,509	139,509
-	-	-	8,820	8,820
8,523	-	141,132	6,707	147,839
-	-	-	-	-
<u>\$ 13,760</u>	<u>\$ 280</u>	<u>\$ 146,756</u>	<u>\$ 445,130</u>	<u>\$ 591,886</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	752	752
-	-	-	23,331	23,331
-	-	-	202,422	202,422
-	-	-	-	-
-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>226,505</u>	<u>226,505</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	8,820	8,820
-	-	-	-	-
-	-	-	209,805	209,805
13,760	280	146,756	-	146,756
<u>13,760</u>	<u>280</u>	<u>146,756</u>	<u>218,625</u>	<u>365,381</u>
\$ <u>13,760</u>	\$ <u>280</u>	\$ <u>146,756</u>	\$ <u>445,130</u>	\$ <u>591,886</u>

STATE OF NEW MEXICO
SANTA ROSA CONSOLIDATED SCHOOLS

COMBINING STATEMENT OF REVENUE, EXPENDITURES AND CHANGES
IN FUND BALANCE --NON-MAJOR GOVERNMENTAL FUNDS
CAPITAL PROJECTS FUNDS

JUNE 30, 2008

	BOND BUILDING	PUBLIC SCHOOL CAPITAL OUTLAY	SPECIAL CAPITAL OUTLAY LOCAL
REVENUE			
Federal Revenue	\$ -	\$ -	\$ -
State Revenue	-	-	-
Local Revenue	-	-	65,931
State Equalization	-	-	-
Property Taxes	-	-	-
Service Revenues	-	-	-
Interest	-	-	-
Other Revenue Sources	-	-	-
TOTAL REVENUES	<u>-</u>	<u>-</u>	<u>65,931</u>
EXPENDITURES			
Current			
Instruction	-	-	-
Support Services	-	-	-
Support Services Students	-	-	-
Support Services Instruction	-	-	-
Support Services General Administration	-	-	-
Support Services School Administration	-	-	-
Central Services	-	-	-
Operation and Maintenance of Plant	-	-	-
Student Transportation	-	-	-
Other Support Services	-	-	-
Food Services Operations	-	-	-
Capital Outlay	-	-	-
Debt Service	-	-	-
Principal	-	-	-
Interest and Fiscal Charge	-	-	-
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	65,931
OTHER FINANCING SOURCES (USES)			
Transfers In (Out)	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	-	-	65,931
FUND BALANCE			
June 30, 2007	370	484	65,931
Prior Period Adjustment	-	-	-
FUND BALANCE	<u>-</u>	<u>-</u>	<u>-</u>
June 30, 2008	<u>\$ 370</u>	<u>\$ 484</u>	<u>\$ 131,862</u>

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

EXHIBIT C-2

ENERGY EFFICIENCY ACT	CAPITAL OUTLAY 20%	TOTAL NONMAJOR CAPITAL PROJECTS	TOTAL NONMAJOR SPECIAL REVENUE	TOTAL NONMAJOR GOVERNMENTAL FUNDS
\$ -	\$ -	\$ -	\$ 828,977	\$ 828,977
37,474	-	37,474	65,833	103,307
-	-	65,931	15,953	81,884
-	-	-	-	-
-	-	-	157,205	157,205
-	-	-	95,678	95,678
-	-	-	12,478	12,478
-	-	-	40,108	40,108
<u>37,474</u>	<u>-</u>	<u>103,405</u>	<u>1,216,232</u>	<u>1,319,637</u>
-	-	-	449,025	449,025
-	-	-	-	-
-	-	-	80,615	80,615
-	-	-	31,084	31,084
-	-	-	7,333	7,333
-	-	-	579	579
-	-	-	19,700	19,700
-	-	-	-	-
-	-	-	-	-
-	-	-	455,525	455,525
38,230	-	38,230	195,388	233,618
-	-	-	-	-
-	-	-	-	-
<u>38,230</u>	<u>-</u>	<u>38,230</u>	<u>1,239,249</u>	<u>1,277,479</u>
(756)	-	65,175	(23,017)	42,158
-	-	-	-	-
-	-	-	-	-
(756)	-	65,175	(23,017)	42,158
14,516	280	81,581	241,642	323,223
-	-	-	-	-
<u>\$ 13,760</u>	<u>\$ 280</u>	<u>\$ 146,756</u>	<u>\$ 218,625</u>	<u>\$ 365,381</u>

STATE OF NEW MEXICO
 SANTA ROSA CONSOLIDATED SCHOOLS

EXHIBIT C-3

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
 AND ACTUAL--BOND BUILDING--CAPITAL PROJECTS FUND

Year Ended June 30, 2008

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Bond Proceeds	\$ -	\$ -	\$ -	\$ -
State Sources	-	-	-	
Earnings from Investments	-	-	-	
TOTAL REVENUE	<u>-</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
BUDGETED CASH BALANCE	<u>17,687</u>	<u>17,687</u>		
TOTAL REVENUES & CASH	<u>\$ 17,687</u>	<u>\$ 17,687</u>		
EXPENDITURES				
Capital Outlay	<u>\$ 17,687</u>	<u>\$ 17,687</u>	<u>\$ -</u>	<u>\$ 17,687</u>
TOTAL EXPENDITURES	<u>\$ 17,687</u>	<u>\$ 17,687</u>	<u>\$ -</u>	<u>\$ 17,687</u>

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

STATE OF NEW MEXICO
 SANTA ROSA CONSOLIDATED SCHOOLS

EXHIBIT C-4

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
 AND ACTUAL--SPECIAL CAPITAL OUTLAY --CAPITAL PROJECTS FUND

Year Ended June 30, 2008

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Local Revenue	\$ -	\$ -	\$ -	\$ -
Earnings from Investments	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
 BUDGETED CASH BALANCE	 <u>-</u>	 <u>-</u>		
 TOTAL CASH & REVENUE	 <u>\$ -</u>	 <u>\$ -</u>		
 EXPENDITURES				
Capital Outlay	\$ -	\$ -	\$ -	\$ -
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

STATE OF NEW MEXICO
 SANTA ROSA CONSOLIDATED SCHOOLS

EXHIBIT C-5

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
 AND ACTUAL--SPECIAL CAPITAL OUTLAY LOCAL--CAPITAL PROJECTS FUND

Year Ended June 30, 2008

	<u>ORIGINAL BUDGET</u>	<u>ADJUSTED BUDGET</u>	<u>ACTUAL</u>	VARIANCE Favorable (Unfavorable)
REVENUE				
Local Revenue	\$ 65,931	\$ 65,931	\$ 65,931	\$ -
Earnings from Investments	-	-	-	-
TOTAL REVENUE	<u>65,931</u>	<u>65,931</u>	<u>\$ 65,931</u>	<u>\$ -</u>
 BUDGETED CASH BALANCE	 <u>-</u>	 <u>-</u>		
 TOTAL CASH & REVENUE	 <u>\$ 65,931</u>	 <u>\$ 65,931</u>		
 EXPENDITURES				
Capital Outlay	\$ 65,931	\$ 65,931	-	\$ 65,931
TOTAL EXPENDITURES	<u>\$ 65,931</u>	<u>\$ 65,931</u>	<u>-</u>	<u>\$ 65,931</u>

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

STATE OF NEW MEXICO
 SANTA ROSA CONSOLIDATED SCHOOLS

EXHIBIT C-6

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
 AND ACTUAL- -- ENERGY EFFICIENCY ACT--CAPITAL PROJECTS FUND

Year Ended June 30, 2008

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Local Sources	\$ -	\$ -	\$ -	\$ -
State Sources	<u>37,474</u>	<u>37,474</u>	<u>37,474</u>	<u>-</u>
TOTAL REVENUE	<u>37,474</u>	<u>37,474</u>	<u>\$ 37,474</u>	<u>\$ -</u>
BUDGETED CASH BALANCE	<u>14,515</u>	<u>14,515</u>		
TOTAL REVENUE & CASH	<u>\$ 51,989</u>	<u>\$ 51,989</u>		
EXPENDITURES				
Capital Outlay	<u>\$ 51,989</u>	<u>\$ 51,989</u>	<u>\$ 38,230</u>	<u>\$ 13,759</u>
TOTAL EXPENDITURES	<u>\$ 51,989</u>	<u>\$ 51,989</u>	<u>\$ 38,230</u>	<u>\$ 13,759</u>

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

STATE OF NEW MEXICO
 SANTA ROSA CONSOLIDATED SCHOOLS

EXHIBIT C-7

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
 AND ACTUAL- --PUBLIC SCHOOL CAPITAL OUTLAY 20%--CAPITAL PROJECTS FUND

Year Ended June 30, 2008

	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL	VARIANCE Favorable (Unfavorable)
REVENUE				
Local Taxes	\$ -	\$ -	\$ -	\$ -
State Sources	-	-	-	-
TOTAL REVENUE	<u>-</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
BUDGETED CASH BALANCE	<u>13,780</u>	<u>13,780</u>		
TOTAL REVENUE & CASH	<u>\$ 13,780</u>	<u>\$ 13,780</u>		
EXPENDITURES				
Capital Outlay	\$ 13,780	\$ 13,780	\$ -	\$ 13,780
TOTAL EXPENDITURES	<u>\$ 13,780</u>	<u>\$ 13,780</u>	<u>\$ -</u>	<u>\$ 13,780</u>

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

AGENCY FUNDS

AGENCY FUND--To account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds.

STATE OF NEW MEXICO
 SANTA ROSA CONSOLIDATED SCHOOLS

EXHIBIT D-1

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -- AGENCY FUNDS

Year Ended June 30, 2008

	Balance 6/30/2007	ADDITIONS	DEDUCTIONS	Balance 6/30/2008
High School	\$ 39,837	\$ 73,822	\$ 79,388	\$ 34,271
Anton Chico	1,962	4,471	3,795	2,638
Mid School	11,941	21,984	27,375	6,550
Elementary	4,021	3,395	5,652	1,764
Mid School Interest	6,264	13	108	6,169
Total	<u>\$ 64,025</u>	<u>\$ 103,685</u>	<u>\$ 116,318</u>	<u>\$ 51,392</u>

OTHER MAJOR FUND INFORMATION

STATE OF NEW MEXICO
 SANTA ROSA CONSOLIDATED SCHOOLS

EXHIBIT E-1

STATEMENT OF REVENUE & EXPENDITURES--
 BUDGET (NON-GAAP) AND ACTUAL--
 SPECIAL CAPITAL OUTLAY STATE
 CAPITAL PROJECTS FUND

Year Ended June 30, 2008

	<u>Original Budget</u>	<u>Adjusted Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUE				
State Sources	\$ 135,000	\$ 135,000	\$ 37,340	\$ (97,660)
Earnings from Investments	-	-	-	-
TOTAL REVENUE	<u>135,000</u>	<u>135,000</u>	<u>\$ 37,340</u>	<u>\$ (97,660)</u>
BUDGETED CASH BALANCE	<u>44,264</u>	<u>44,264</u>		
TOTAL CASH & REVENUE	<u>\$ 179,264</u>	<u>\$ 179,264</u>		
EXPENDITURES				
Capital Outlay	\$ 179,264	\$ 179,264	\$ 139,229	\$ 40,035
TOTAL EXPENDITURES	<u>\$ 179,264</u>	<u>\$ 179,264</u>	<u>\$ 139,229</u>	<u>\$ 40,035</u>

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

STATE OF NEW MEXICO
SANTA ROSA CONSOLIDATED SCHOOLS

EXHIBIT E-2

STATEMENT OF REVENUE & EXPENDITURES--BUDGET (NON-GAAP)
AND ACTUAL--DEBT SERVICE FUND

Year Ended June 30, 2008

	Original Budget	Adjusted Budget	Actual	Variance Favorable (Unfavorable)
REVENUE				
Residential/Non-Residential Taxes	\$ 542,856	\$ 542,856	\$ 633,796	\$ 90,940
Interest	45,000	45,000	16,231	(28,769)
TOTAL REVENUE	<u>587,856</u>	<u>\$ 587,856</u>	<u>\$ 650,027</u>	<u>\$ 62,171</u>
BUDGETED CASH BALANCE	<u>522,856</u>	<u>522,856</u>		
TOTAL REVENUE & CASH	<u>\$ 1,110,712</u>	<u>\$ 1,110,712</u>		
EXPENDITURES				
Support Services General Administration	\$ 6,500	\$ 6,500	\$ 6,338	\$ 162
Debt Service - Principal	971,632	971,632	410,000	561,632
Debt Service - Interest	132,580	132,580	132,855	(275)
TOTAL EXPENDITURES	<u>\$ 1,110,712</u>	<u>\$ 1,110,712</u>	<u>\$ 549,193</u>	<u>\$ 561,519</u>

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

SUPPLEMENTARY INFORMATION

STATE OF NEW MEXICO
SANTA ROSA CONSOLIDATED SCHOOLS

SCHEDULE 1

BANK SUMMARY

JUNE 30, 2008

Bank	ACCT TYPE	FUND	BANK BALANCE	OUTSTANDING (CHECKS) DEPOSITS	NET CASH BALANCE
Wells Fargo Bank	Checking	Multi Fund	* \$ 338,750	\$ 186,107	\$ 524,857
	Checking	Cafeteria	* 28,982	-	28,982
	Checking	Athletics	* 7,636	495	8,131
	Checking	Activity	* 45,118	(583)	44,535
	Checking	Multi Fund	102,886	(6,388)	96,498
	Checking	Payroll Clearing	* 618,105	(613,147)	4,958
	Checking	A/P Clearing	70,689	(69,801)	888
	Savings	Activity	* 6,277	-	6,277
Total Wells Fargo Bank			<u>1,218,443</u>	<u>(503,317)</u>	<u>715,126</u>
New Mexico State Treas	C.D.	Multi Fund	* 1,015,308	-	1,015,308
	C.D.	Operational	* 153,435	-	153,435
			<u>1,168,743</u>	<u>-</u>	<u>1,168,743</u>
Total All Accounts			<u>\$ 2,387,186</u>	<u>\$ (503,317)</u>	<u>\$ 1,883,869</u>

* Interest Bearing

The credit rating of the investment pool at the New Mexico State Treasurer is as follows:

New MexiGrow LGIP	AAA _m rated	<u>\$ 1,168,743</u>	24-day WAM
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STATE OF NEW MEXICO
 SANTA ROSA CONSOLIDATED SCHOOLS

SCHEDULE 2

SCHEDULE OF PLEDGED COLLATERAL

JUNE 30, 2008

	Total Deposits	FDIC Insurance	Collateral Required	Collateral Pledged	Uninsured Uncollateralized
Wells Fargo Bank	\$ 1,218,443	\$ 200,000	\$ 509,222	\$ 747,264	\$ 271,179
Collateral					
FNCL 257004	196,031	Matures 10/01/37			
FNCL 891601	551,233	06/01/36			
	<u>\$ 747,264</u>				

Collateral is held at MLPS. MINNESOTA

STATE OF NEW MEXICO
SANTA ROSA CONSOLIDATED SCHOOLS

BANK RECONCILIATION

JUNE 30, 2008

	OPERATIONAL	TRANSPORTATION	INSTRUCTIONAL MATERIALS	FOOD SERVICES	ATHLETICS
Audited Net Cash					
JUNE 30, 2007	\$ 13,739	\$ 5,538	\$ 28,351	\$ 67,260	\$ 2,114
Investments on hand/Loans	729,972	-	-	-	-
TOTAL CASH BALANCE					
JUNE 30, 2007	743,711	5,538	28,351	67,260	2,114
Add: Prior year void checks	-	-	-	-	-
2007-2008 Revenue	6,780,428	490,135	72,585	413,814	63,295
Transfers In & Adjustments	192,794	-	-	-	-
TOTAL AVAILABLE CASH					
Net Change	7,716,933	495,673	100,936	481,074	65,409
2007-2008 Expenditures	6,821,855	474,052	58,799	452,084	57,278
Transfers Out & Adjustments	130,000	21,621	42,137	-	-
	6,951,855	495,673	100,936	452,084	57,278
NET CASH, JUNE 30, 2008					
Cash On hand	765,078	-	-	28,990	8,131
Investments on Hand	(759,820)	-	-	-	-
TOTAL CASH, JUNE 30, 2008	<u>\$ 5,258</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 28,990</u>	<u>\$ 8,131</u>
Balance Per Bank	\$ 5,258	\$ -	\$ -	\$ 28,990	\$ 8,131
Cash Adjustments & Loans	-	-	-	-	-
Add: Deposits in Transit	-	-	-	-	-
Less: Outstanding Checks	-	-	-	-	-
NET CASH, JUNE 30, 2008	<u>\$ 5,258</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 28,990</u>	<u>\$ 8,131</u>

SCHEDULE 3

	NON INSTRUCTIONAL	FEDERAL PROJECTS	LOCAL/STATE ACCOUNT	SB-9	BOND BUILDING	DEBT SERVICE	PUBLIC SCHOOL CAPITAL OUTLAY
\$	57,761	\$ 18,277	\$ 110,544	\$ (6,681)	\$ 107	\$ 459,294	\$ -
	6,264	-	-	164,512	-	221,256	-
	64,025	18,277	110,544	157,831	107	680,550	-
	-	-	-	-	-	-	-
	103,685	451,732	131,508	208,977	-	650,026	-
	-	158,551	41,550	1,574	-	-	-
	167,710	628,560	283,602	368,382	107	1,330,576	-
	116,418	503,510	137,680	196,947	-	549,193	-
	-	70,101	129,036	-	-	-	-
	116,418	573,611	266,716	196,947	-	549,193	-
	51,292	54,949	16,886	171,435	107	781,383	-
	-	-	-	-	-	-	-
	-	-	-	(171,435)	-	(237,487)	-
\$	<u>51,292</u>	<u>\$ 54,949</u>	<u>\$ 16,886</u>	<u>\$ -</u>	<u>\$ 107</u>	<u>\$ 543,896</u>	<u>\$ -</u>
\$	51,292	54,949	16,886	-	107	543,896	-
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
\$	<u>51,292</u>	<u>\$ 54,949</u>	<u>\$ 16,886</u>	<u>\$ -</u>	<u>107</u>	<u>\$ 543,896</u>	<u>\$ -</u>

STATE OF NEW MEXICO
SANTA ROSA CONSOLIDATED SCHOOLS

SCHEDULE 3
CONTINUED

BANK RECONCILIATION

JUNE 30, 2008

	SPECIAL CAPITAL OUTLAY LOCAL	SPECIAL CAPITAL OUTLAY STATE	ENERGY EFFICIENCY	PSCO 20%
Audited Net Cash				
JUNE 30, 2007				
Investments on hand/Loans	\$ 65,931	\$ (36,923)	\$ 14,516	\$ 280
TOTAL CASH BALANCE	-	-	-	-
JUNE 30, 2007	65,931	(36,923)	14,516	280
Add: Prior year void checks	-	-	-	-
2007-2008 Revenue	65,931	37,340	37,474	-
Transfers In & Due From	-	138,811	-	-
TOTAL AVAILABLE CASH	131,862	139,228	51,990	280
Net Change	-	-	-	-
2007-2008 Expenditures	-	139,228	38,230	-
Transfers Out & Due To	131,862	-	8,523	-
	131,862	139,228	46,753	-
NET CASH, JUNE 30, 2008	-	-	5,237	280
Cash On hand	-	-	-	-
Investments on Hand	-	-	-	-
TOTAL CASH, JUNE 30, 2008	\$ -	\$ -	\$ 5,237	\$ 280
Balance Per Bank	\$ -	\$ -	\$ 5,237	\$ 280
Cash Adjustments & Loans	-	-	-	-
Add: Deposits in Transit	-	-	-	-
Less: Outstanding Checks	-	-	-	-
NET CASH, JUNE 30, 2008	\$ -	\$ -	\$ 5,237	\$ 280

SINGLE AUDIT SECTION

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

Hector H. Balderas
New Mexico State Auditor
The Board of Education
Quemado Independent Schools
Estancia, New Mexico

We have audited the financial statements of the governmental activities, each major fund, the budgetary comparisons for the general and major special revenue funds, and the aggregate remaining fund information of Santa Rosa Consolidated Schools, as of and for the year ended June 30, 2008, which collectively comprise the Santa Rosa Consolidated Schools basic financial statements as listed in the table of contents and have issued our report thereon dated October 6, 2009. We also have audited the financial statements of each of the non major governmental funds and fiduciary funds and all the budgetary comparisons presented as supplementary information in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2008, as listed in the table of contents. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Santa Rosa Consolidated Schools ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Santa Rosa Consolidated Schools financial statements is more than inconsequential will not be prevented or detected by the Santa Rosa Consolidated Schools internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Santa Rosa Consolidated Schools internal control.

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

Compliance and Other Matters

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

We noted certain matters that are required to be reported under Government Auditing Standards paragraph 5.14 and 5.16, and Section 12-6-5 NMSA 1978, which are described in the accompanying Schedule of Findings and Questioned Costs as items 2005-1, 2007-2, 2008-1, and 2008-2.

The Santa Rosa Consolidated Schools responses to the findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. We did not audit the Santa Rosa Consolidated Schools responses and , accordingly, we express no opinion on them.

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

Roy Woodward & Associates

October 6, 2009

Roy Woodard & Associates

Certified Public Accountants

116 East Grand, P.O. Box 1874, Clovis, New Mexico 88102 Office (575) 762-3811 Fax (575) 762-3866

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

Mr. Hector H. Balderas
The Board of Education
Santa Rosa Consolidated Schools
Santa Rosa, New Mexico

Compliance

We have audited the compliance of Santa Rosa Consolidated Schools with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2008. Santa Rosa Consolidated School's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Santa Rosa Consolidated School's management. Our responsibility is to express an opinion on Santa Rosa Consolidated School's compliance based on our audit.

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

In our opinion, Santa Rosa Consolidated Schools complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2008. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as items 2007-3.

Internal Control Over Compliance

The management of Santa Rosa Consolidated Schools is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered Santa Rosa Consolidated School's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report internal control over compliance in accordance with OMB circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants caused by error or fraud that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of the school board, management, the Office of The New Mexico State Auditor, New Mexico State Legislature, federal award agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

STATE OF NEW MEXICO
 SANTA ROSA CONSOLIDATED SCHOOLS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

JUNE 30, 2008

I. SUMMARY OF AUDITORS RESULTS:

Report on Financial Statements	Unqualified
Reportable Conditions on GAGAS	Yes
Material weakness involving reportable condition	None
Material Noncompliance	None
Questioned Cost	None
Type A & Type B dollar threshold	\$300,000
Entity Risk	Low Risk
Major Federal Programs	E-Rate Title I CFDA # 54.504 CFDA # 84.010
Reportable Conditions on Internal Control over Major Programs	None
Report on Compliance with Major Programs	Unqualified
Findings reportable under 510(a) of Circular A-133	2007-3

II. PRIOR YEAR AUDIT FINDINGS:

2005-1 Capital Assets	Revised and Repeated
2006-3 Purchase Orders	Resolved
2007-1 Overspent Budget	Resolved
2007-2 Late Audit Report	Repeated
2007-3 Late Federal Report	Repeated

III. FINANCIAL STATEMENT FINDINGS

Control

2005-1 Capital Assets

Condition: Capital Assets were not being updated and reconciled in a timely manner. Some of the capital assets were not properly entered and thus caused transaction listings to not correspond to other documents.

Criteria: Assets are to be safeguarded and GASB 34 requires depreciation schedule to be maintained.

Cause: Errors accumulated over prior periods were not corrected in a manner that allowed software system to produce documents that had corresponding amounts for total assets and supporting schedules.

STATE OF NEW MEXICO
SANTA ROSA CONSOLIDATED SCHOOLS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

June 30, 2008

III. FINANCIAL STATEMENT FINDINGS (continued)

2005-1 Capital Assets (continued)

Effect: Inability to prove value of loss if requested and inability to comply with accounting procedures required by standards.

Recommendation: Update, correct, and balance existing records. Once reconciled, monthly maintenance and reconciliation is needed to provide timely and correct information.

Response: The District agrees with the recommendation and has been using a consultant to help with different issues with the Visions software and will expand the consulting to help with training in the capital assets program.

2008-1 Cash Reconciliation

Condition: Cash balances per general ledger did not tie to bank reconciliation.

Criteria: In order to rely on general ledger balances the cash accounts must reconcile to bank reconciliation.

Cause: Bank accounts are being reconciled but not being tied to general ledger account balances.

Effect: Revenue and expenditures may be misstated and cash balances may not be accurate.

Recommendation: Monthly bank account reconciliations. Balances should tie to general ledger cash balances. Differences should be satisfied and appropriate adjustments made to tie balances.

Response: The District is evaluating controls and job duties to ensure all reconciliations are complete and timely.

2008-2 Debt Service Payment

Condition: Debt service payment was disbursed from both operation fund and debt service fund.

Criteria: Disbursements from bank accounts via wire transfer are not being authorized by purchase order and requisitions.

Cause: Two separate invoices were received for bond principal and interest payments. One was paid thru A/P with approved purchase order signed by Superintendent and paid with operational funds. The second payment was made via wire transfer and paid with debt service funds.

Effect: Expenditures can be duplicated or inappropriate transactions could occur.

Recommendation: Requisitions and purchase orders need to be approved for wire transfers.

Response: The District is evaluating controls over the wire transfer policies and will ensure that a proper approval system is in place.

STATE OF NEW MEXICO
SANTA ROSA CONSOLIDATED SCHOOLS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

June 30, 2008

FINANCIAL STATEMENT FINDINGS (continued)

Compliance

2007-2 Late Audit Report

- Condition: The June 30, 2008 audit report was received by the New Mexico State Auditor's Office on October 20, 2009.
- Criteria: The New Mexico State Auditor's Office has issued 2. NMAC 2.2, Requirements for Contracting and Conducting Audits of Agencies, setting due dates for public school district audits to be submitted by November 15, 2008.95
- Cause: Because the June 30, 2007 report was late, the paperwork for the June 30, 2008 was not submitted and approved early enough to schedule the fieldwork before the due date of the audit. Once fieldwork began, there were again issues in the reconciliation of capital assets which delayed completion.
- Effect: The report was not available for the New Mexico State Auditor and other users to review on a timely basis. Late audit reports could have an effect on future funding.
- Recommendation: The District should file the appropriate paperwork with the state auditor's office in a timely manner in order to have the contract already in place. Also, the District should make changes or provide additional training to those with responsibility over capital assets.
- Response: The District hired an outside consultant to correct the capital assets in the visions program and train the new staff person responsible for capital assets.

IV. FEDERAL PROGRAM FINDINGS

2007-3 Late Federal Report

- Condition: The data collection form and reporting package was not submitted to the federal clearinghouse or to the federal agencies within nine months of the fiscal year end.
- Criteria: OMB Circular A-133.320 requires the data collections form and reporting package to be submitted to the federal clearinghouse and federal agencies nine months after the entity's year end for entities expending \$500,000 or more of federal funds in a fiscal year.
- Cause: The fiscal year 07-08 audit was late being completed, therefore the data collection form could not be completed and copies of the audit submitted with it as required.
- Effect: The data collection form and reporting package was not submitted by the nine month deadline. Failure to comply with federal reporting requirements could effect future federal funding.
- Recommendation: The auditors should be monitored by the District to ensure that the audit is being completed with enough time for submission of the required reports to the federal government.
- Response: Management concurs with the recommendation and will be monitoring the completion of future audits to ensure they are completed with enough time for submission of the data collection form and reporting package.

STATE OF NEW MEXICO
SANTA ROSA CONSOLIDATED SCHOOLS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year Ended June 30, 2008

	FEDERAL CFDA NUMBER	PASS-THROUGH ENTITY IDENTIFYING NUMBER	PROGRAM EXPENDITURES
<u>US DEPARTMENT OF EDUCATION</u>			
Passed through the State Department of Education			
<1> Title I	84.010	24101	\$ 208,112
Enhancing Ed thru Tech E2T2 - F	84.318	24133	2,492
Enhancing Ed thru Tech E2T2 - C	84.318X	24149	-
Partnership in Character Ed Pilot	84.215V	24129	11,171
IDEA-B	84.0270	24106	149,912
Title V	84.298A	24150	6,009
English Language	84.365A	24153	9,609
Teacher/Principal Training	84.367A	24154	40,883
Safe & Drug Free Schools	84.186	24157	3,737
Rural & Low Income	84.358B	24160	36,737
Federal Indirect Costs		11000-44205	5,775
TOTAL DEPARTMENT OF EDUCATION			<u>474,437</u>
<u>FEDERAL COMMUNICATIONS COMMISSION</u>			
<1> E-RATE for Schools and Libraries	54.504	11000-46100	116,525
TOTAL FEDERAL COMMUNICATIONS COMMISSION			<u>116,525</u>
<u>US DEPARTMENT OF AGRICULTURE</u>			
Passed Through State Department of Education			
National School Lunch Program	10.555	8602	365,311
Passed Through NM HSD			
Non-Monetary Assistance	10.565	8904	15,953
TOTAL DEPARTMENT OF AGRICULTURE			<u>381,264</u>
<u>US DEPARTMENT OF DEFENSE</u>			
DOE Los Alamos	102.484	11000-44108	78
TOTAL DEPARTMENT OF DEFENSE			<u>78</u>
<u>US DEPARTMENT OF HEALTH</u>			
Passed Through State Department of Education			
Medicaid Title XIX	93.7780	24253	34,848
TOTAL DEPARTMENT OF HEALTH			<u>34,848</u>
TOTAL FEDERAL AWARDS EXPENDITURES			<u>\$ 1,007,152</u>

<1> Major Program

Note 1 This schedule is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations.

Note 2 Non-Monetary assistance is reported in the schedule at the fair market value of the commodities received.

STATE OF NEW MEXICO
SANTA ROSA CONSOLIDATED SCHOOLS

Year Ended June 30, 2008

OTHER DISCLOSURES

AUDITOR PREPARED FINANCIAL STATEMENTS

We prepared the draft financial statements based on management's chart of accounts and trial balances and any adjusting, correcting, and closing entries have been approved by management. We also have prepared the draft footnotes based on the information determined and approved by management. These services are allowable under SAS 112.

EXIT CONFERENCE

An Exit Conference was held on October 6, 2009. Present for the district were Alvin V. Maestas, Sr., Board Vice President, Ted Hern, Superintendent; Moises Herrera, Assistant Superintendent; Yolette Gallegos, Business Manager; Maria Garcia-Lucero and D. Brent Woodard, CPA, represented our firm.

SUMMARY OF PASSED ADJUSTMENTS

Re: Santa Rosa Consolidated Schools

None