

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS**

**AUDITED FINANCIAL STATEMENTS AND ANNUAL FINANCIAL REPORT
WITH INDEPENDENT AUDITORS' REPORT THEREON
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS**

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WAGON MOUND PUBLIC SCHOOLS**

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**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS**

OFFICIAL ROSTER

JUNE 30, 2012

Board of Education

Don Schutz Chairman
Eldie Cruz Vice Chairman
Fred Muniz Secretary/Treasurer
J.D. Schmidt..... Member
Tony Rubin (Appointed) Member

School Officials

Albert Martinez..... Superintendent
Teresa P. Casias Business Manager

Kubiak & Melton, LLC

CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditors' Report

Hector H. Balderas
New Mexico State Auditor
Santa Fe, New Mexico
and
The Board of Education
Wagon Mound Public Schools
Wagon Mound, New Mexico

We have audited the accompanying financial statements of the governmental activities, each major fund, the aggregate remaining fund information and the budgetary comparisons of the general fund and major special revenue funds of the Wagon Mound School District (District), as of and for the year ended June 30, 2012 which collectively comprises the District's basic financial statements as listed in the table of contents. We have also audited the financial statements of each of the District's nonmajor governmental funds and the budgetary comparisons for the major capital projects fund, debt service fund and all nonmajor funds presented as supplementary information in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2012, as listed in the table of contents. These financial statements are the responsibility of the District'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 the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the 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 Wagon Mound Public Schools as of June 30, 2012, and the respective changes in financial position thereof and the respective budgetary comparisons for the general fund and major funds for the year then ended in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each nonmajor governmental fund of Wagon Mound Public Schools as of June 30, 2012, and the respective changes in financial position thereof and the respective budgetary comparisons for the major capital projects fund, major debt service fund and all nonmajor funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated November 13, 2012 on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provision of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

The District has not presented the Management Discussion and Analysis that accounting principles generally accepted in the United States of America has determined is necessary to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Our audit was conducted for the purpose of forming opinions on the basic financial statements, the combining and individual fund financial statements and the budgetary comparisons. The additional schedules listed as other supplemental information in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is presented fairly in all material respects in relation to the basic financial information taken as a whole.

Kubiak & Melton, LLC

Kubiak & Melton, LLC
Albuquerque, New Mexico
November 13, 2012

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
STATEMENT OF NET ASSETS
JUNE 30, 2012**

	<u>Governmental Activities</u>
ASSETS	
Current Assets	
Cash and Cash Equivalents	\$ 1,261,695
Receivables	67,795
Bond Issuance Costs	34,900
Inventory	<u>1,587</u>
Total Current Assets	1,365,977
Noncurrent Assets	
Land	157,800
Construction in Progress	218,568
Land Improvements	724,429
Buildings and Building Improvements	8,024,018
Furniture, Fixtures and Equipment	714,618
Less: Accumulated Depreciation	<u>(5,038,873)</u>
Total Noncurrent Assets	4,800,560
Total Assets	\$ <u>6,166,537</u>
LIABILITIES	
Current Liabilities	
Accounts Payable	\$ 203,189
Accrued Payroll	133,480
Other Liabilities	(34,505)
Accrued Compensated Absences	28,619
Accrued Interest	
Deferred Revenue	-
Current Portion of Long-Term Debt	<u>50,000</u>
Total Current Liabilities	380,783
Noncurrent Liabilities:	
Bond Due in More than One Year	<u>1,200,000</u>
Total Noncurrent Liabilities	1,200,000
Total Liabilities	<u>1,580,783</u>
NET ASSETS	
Invested in Capital Assets, Net of Related Debt	3,550,560
Restricted for:	
Debt Service	13,037
Capital Projects	941,100
Special Revenue	941
Unrestricted	<u>80,116</u>
Total Net Assets	4,585,754
Total Liabilities and Net Assets	\$ <u>6,166,537</u>

See Independent Auditors' Report and Notes to Financial Statements

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2012**

<u>Functions and Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expenses)</u>
		<u>Charges for</u>	<u>Operating</u>	<u>Revenues and</u>
		<u>Services</u>	<u>Grants and</u>	<u>and Changes</u>
			<u>Contributions</u>	<u>in Net Assets</u>
PRIMARY GOVERNMENT				
Governmental Activities	\$ 1,628,737	\$ 54,993	\$ 129,300	\$ (1,444,444)
Support Services	306,615	-	71,356	(235,259)
Food Services Operation	40,600	-	-	(40,600)
Operation and Maintenance - Plant	360,929	-	-	(360,929)
Compensated Absences	13,916	-	-	(13,916)
Bond Interest Expense	38,644	-	-	(38,644)
Central Services	134,410	-	-	(134,410)
Total Governmental Activities	<u>\$ 2,523,851</u>	<u>\$ 54,993</u>	<u>\$ 200,656</u>	<u>\$ (2,268,202)</u>
General Revenues:				
Property Taxes:				
General Purpose				12,335
Debt Service				95,834
Capital Projects				45,394
State Equalization Guarantee				1,620,058
Total General Revenues				<u>1,773,621</u>
Change in Net Assets				(494,581)
Beginning Net Assets				5,077,541
Restatement				2,794
Ending Net Assets				<u>\$ 4,585,754</u>

See Independent Auditors' Report and Notes to Financial Statements

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2012**

	Operational	Pupil Transportation	Instructional Materials	Title I IASA	21st Century Community Learning Centers	Other Governmental Funds	Total Primary Government
ASSETS							
Cash and Temporary Investments	\$ 203,428	\$ 2,577	\$ 3,563	\$ (44,617)	\$ (23,173)	\$ 1,119,917	\$ 1,261,695
Receivables:							
Due From Other Governments	-	-	-	25,135	22,884	19,776	67,795
Interfund Receivables	-	-	-	-	-	-	-
Delinquent Property Taxes	-	-	-	-	-	-	-
Grants	-	-	-	-	-	-	-
Bond Issuance Costs	-	-	-	-	-	34,900	34,900
Interfund Receivables	115,053	-	-	-	-	-	115,053
Inventory	-	-	-	-	-	1,587	1,587
Total Assets	<u>\$ 318,481</u>	<u>\$ 2,577</u>	<u>\$ 3,563</u>	<u>\$ (19,482)</u>	<u>\$ (289)</u>	<u>\$ 1,176,180</u>	<u>\$ 1,481,030</u>
LIABILITIES AND FUND BALANCES							
Liabilities							
Accounts Payable	\$ 710	\$ 1,000	\$ (1,608)	\$ -	\$ -	\$ 203,087	203,189
Accrued Liabilities	133,489	(3)	-	(6)	-	-	133,480
Interfund Payables	-	-	-	44,617	23,173	47,263	115,053
Other Liabilities	547	(191)	-	(17)	-	(34,844)	(34,505)
Deferred Revenue - Other	-	-	-	-	-	-	-
Bonds Payable - Current	-	-	-	-	-	-	-
Bonds Payable - Noncurrent	-	-	-	-	-	-	-
Total Liabilities	<u>134,746</u>	<u>806</u>	<u>(1,608)</u>	<u>44,594</u>	<u>23,173</u>	<u>215,506</u>	<u>417,217</u>
FUND BALANCES							
Non-Spendable:							
Inventories	-	-	-	-	-	-	-
Restricted for:							
Capital Projects	-	-	-	-	-	941,100	941,100
Debt Service	-	-	-	-	(5,596)	18,633	13,037
Special Revenue	-	-	-	-	-	941	941
Grant Activities	-	-	-	-	-	-	-
Instructional Materials	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-
Assigned to:							
Subsequent Year's Budget	-	-	-	-	-	-	-
Unassigned:	183,735	1,771	5,171	(64,076)	(17,866)	-	108,735
Total Fund Balances	<u>183,735</u>	<u>1,771</u>	<u>5,171</u>	<u>(64,076)</u>	<u>(23,462)</u>	<u>960,674</u>	<u>1,063,813</u>
Total Liabilities and Fund Balances	<u>\$ 318,481</u>	<u>\$ 2,577</u>	<u>\$ 3,563</u>	<u>\$ (19,482)</u>	<u>\$ (289)</u>	<u>\$ 1,176,180</u>	<u>\$ 1,481,030</u>

See Independent Auditors' Report and Notes to Financial Statements

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET ASSETS
JUNE 30, 2012**

	Governmental Fund
Amounts reported for governmental activities in the statement of net assets are different because:	
Fund Balance - Total Governmental Funds	\$ 1,063,813
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:	4,800,560
Long-Term Liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds:	(1,250,000)
Accrued compensated absences	<u>(28,619)</u>
Net Assets per Statement of Net Assets	<u><u>\$ 4,585,754</u></u>

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2012**

	Operational	Pupil Transport- ation	Instruc- ional Materials	Title I IASA	21st Century Community Learning Centers	Other Government- al Funds	Total Primary Government
REVENUES:							
Taxes	\$ 12,335	\$ -	\$ -	\$ -	\$ -	\$ 141,228	\$ 153,563
Charges for Services	52,846	-	-	-	-	2,147	54,993
Local Sources	-	-	-	-	-	-	-
State Sources	1,416,901	136,881	-	-	-	66,276	1,620,058
Federal Sources	1,196	-	-	61,865	50,621	15,618	129,300
Earnings from Investments	14,614	-	-	-	-	495	15,109
Other	3,794	-	3,182	-	-	-	6,976
Donations	26,365	-	-	-	-	22,906	49,271
Total Revenues	<u>1,528,051</u>	<u>136,881</u>	<u>3,182</u>	<u>61,865</u>	<u>50,621</u>	<u>248,670</u>	<u>2,029,270</u>
EXPENDITURES:							
Current:							
Direct Instruction	1,473,413	139,883	71	-	-	-	1,613,367
Instructional Support	-	-	-	125,988	68,487	94,295	288,770
Food Services	-	-	-	-	-	30,705	30,705
Other	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	383,441	383,441
Debt Service:							
Bond Principal	-	-	-	-	-	100,958	100,958
Bond Interest	-	-	-	-	-	38,644	38,644
TOTAL EXPENDITURES	<u>1,473,413</u>	<u>139,883</u>	<u>71</u>	<u>125,988</u>	<u>68,487</u>	<u>648,043</u>	<u>2,455,885</u>
Excess (Deficiency) of Revenues							
Over Expenditures	<u>54,638</u>	<u>(3,002)</u>	<u>3,111</u>	<u>(64,123)</u>	<u>(17,866)</u>	<u>(399,373)</u>	<u>(426,615)</u>
Other Financing Sources and Financing Uses:							
Transfers In	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-
Proceeds from Bond Issues	-	-	-	-	-	-	-
Total Other Financing Sources and Financing Uses:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	54,638	(3,002)	3,111	(64,123)	(17,866)	(399,373)	(426,615)
Fund Balance at Beginning of Year	129,669	7,406	452	-	-	883,646	1,021,173
Restatement	(572)	(2,633)	1,608	47	(5,596)	476,401	469,255
Fund Balance at End of Year	<u>\$ 183,735</u>	<u>\$ 1,771</u>	<u>\$ 5,171</u>	<u>\$ (64,076)</u>	<u>\$ (23,462)</u>	<u>\$ 960,674</u>	<u>\$ 1,063,813</u>

See Independent Auditors' Report and Notes to Financial Statements

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT
OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2012**

**Governmental
Fund**

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

Net Change in Fund Balance - Total Governmental Funds \$ (426,615)

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the statement of net assets and allocated over their estimated useful lives as annual depreciation expenses in the statement of activities. This is the amount by which depreciation exceeds capital outlays for the period:

Depreciation Expense	(422,229)	
Capital Outlays	<u>383,441</u>	(38,788)

Increase in Compensated Absences		(13,916)
Principal Payments on Bonds		100,958
Proceeds from Bond Issuance		<u>(116,220)</u>
Changes in Net Assets - Total Governmental Activities		<u>\$ (494,581)</u>

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
OPERATIONAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
– BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2012**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES:				
Taxes	\$ 10,249	\$ 10,249	\$ 12,335	\$ 2,086
Charges for Services	53,789	53,789	52,846	(943)
Local Sources	-	-	-	-
State Sources	1,562,508	1,646,651	1,416,901	(229,750)
Federal Sources	-	-	1,196	1,196
Earnings from Investments	8,010	8,010	14,614	6,604
Other	-	-	3,794	3,794
Donations	-	-	26,365	26,365
Total Revenues	<u>1,634,556</u>	<u>1,718,699</u>	<u>1,528,051</u>	<u>(190,648)</u>
EXPENDITURES:				
Current:				
Direct Instruction	1,731,859	1,808,874	1,473,413	335,461
Instructional Support	-	-	-	-
Food Services	-	-	-	-
Other	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Bond Principal	-	-	-	-
Bond Interest	-	-	-	-
Total Expenditures	<u>1,731,859</u>	<u>1,808,874</u>	<u>1,473,413</u>	<u>335,461</u>
Excess (Deficiency) of Revenues Over Expenditures				
	<u>(97,303)</u>	<u>(90,175)</u>	<u>54,638</u>	<u>144,813</u>
Other Financing Sources and Financing Uses:				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Cash Balance Budgeted	97,303	90,175	-	(90,175)
Total Other Financing Sources and Financing Uses:	<u>97,303</u>	<u>90,175</u>	<u>-</u>	<u>(90,175)</u>
Net Change in Fund Balance	-	-	54,638	54,638
Fund Balance at Beginning of Year	-	-	129,669	129,669
Restatement	-	-	(572)	(572)
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 183,735</u>	<u>\$ 183,735</u>

See Independent Auditors' Report and Notes to Financial Statements

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
INSTRUCTIONAL MATERIALS FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
– BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2012**

	Original Budget	Final Budget	Actual	Variance
REVENUES:				
Taxes	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	-	-
Local Sources	-	-	-	-
State Sources	125,699	136,806	136,881	75
Federal Sources	-	-	-	-
Earnings from Investments	-	-	-	-
Other	-	-	-	-
Donations	-	-	-	-
Total Revenues	<u>125,699</u>	<u>136,806</u>	<u>136,881</u>	<u>75</u>
EXPENDITURES:				
Current:				
Direct Instruction	125,699	139,940	139,883	57
Instructional Support	-	-	-	-
Food Services	-	-	-	-
Other	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Bond Principal	-	-	-	-
Bond Interest	-	-	-	-
Total Expenditures	<u>125,699</u>	<u>139,940</u>	<u>139,883</u>	<u>57</u>
Excess (Deficiency) of Revenues Over Expenditures				
	<u>-</u>	<u>(3,134)</u>	<u>(3,002)</u>	<u>132</u>
Other Financing Sources and Financing Uses:				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Cash Balance Budgeted	-	3,134	-	(3,134)
Total Other Financing Sources and Financing Uses:	<u>-</u>	<u>3,134</u>	<u>-</u>	<u>(3,134)</u>
Net Change in Fund Balance	-	-	(3,002)	(3,002)
Fund Balance at Beginning of Year	-	-	7,406	7,406
Restatement	-	-	(2,633)	(2,633)
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,771</u>	<u>\$ 1,771</u>

See Independent Auditors' Report and Notes to Financial Statements

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
INSTRUCTIONAL MATERIALS FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
– BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2012**

	Original Budget	Final Budget	Actual	Variance
REVENUES:				
Taxes	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	-	-
Local Sources	-	-	-	-
State Sources	-	-	-	-
Federal Sources	-	-	-	-
Earnings from Investments	-	-	-	-
Other	2,088	3,170	3,182	12
Donations	-	-	-	-
Total Revenues	<u>2,088</u>	<u>3,170</u>	<u>3,182</u>	<u>12</u>
EXPENDITURES:				
Current:				
Direct Instruction	2,088	3,693	71	3,622
Instructional Support	-	-	-	-
Food Services	-	-	-	-
Other	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Bond Principal	-	-	-	-
Bond Interest	-	-	-	-
Total Expenditures	<u>2,088</u>	<u>3,693</u>	<u>71</u>	<u>3,622</u>
Excess (Deficiency) of Revenues Over Expenditures				
	<u>-</u>	<u>(523)</u>	<u>3,111</u>	<u>3,634</u>
Other Financing Sources and Financing Uses:				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Cash Balance Budgeted	-	523	-	(523)
Total Other Financing Sources and Financing Uses:	<u>-</u>	<u>523</u>	<u>-</u>	<u>(523)</u>
Net Change in Fund Balance	-	-	3,111	3,111
Fund Balance at Beginning of Year	-	-	452	452
Restatement	-	-	1,608	1,608
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,171</u>	<u>\$ 5,171</u>

See Independent Auditors' Report and Notes to Financial Statements

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
TITLE I IASA FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
– BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2012**

	Original Budget	Final Budget	Actual	Variance
REVENUES:				
Taxes	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	-	-
Local Sources	-	-	-	-
State Sources	-	-	-	-
Federal Sources	142,600	126,324	61,865	(64,459)
Earnings from Investments	-	-	-	-
Other	-	-	-	-
Donations	-	-	-	-
Total Revenues	<u>142,600</u>	<u>126,324</u>	<u>61,865</u>	<u>(64,459)</u>
EXPENDITURES:				
Current:				
Direct Instruction	-	-	-	-
Instructional Support	142,600	126,324	125,988	336
Food Services	-	-	-	-
Other	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Bond Principal	-	-	-	-
Bond Interest	-	-	-	-
Total Expenditures	<u>142,600</u>	<u>126,324</u>	<u>125,988</u>	<u>336</u>
Excess (Deficiency) of Revenues Over Expenditures				
	<u>-</u>	<u>-</u>	<u>(64,123)</u>	<u>(64,123)</u>
Other Financing Sources and Financing Uses:				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Cash Balance Budgeted	-	-	-	-
Total Other Financing Sources and Financing Uses:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	-	-	(64,123)	(64,123)
Fund Balance at Beginning of Year	-	-	-	-
Restatement	-	-	47	47
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (64,076)</u>	<u>\$ (64,076)</u>

See Independent Auditors' Report and Notes to Financial Statements

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
21ST CENTURY COMMUNITY LEARNING CENTERS FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
– BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2012**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES:				
Taxes	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	-	-
Local Sources	-	-	-	-
State Sources	-	-	-	-
Federal Sources	-	70,546	50,621	(19,925)
Earnings from Investments	-	-	-	-
Other	-	-	-	-
Donations	-	-	-	-
Total Revenues	<u>-</u>	<u>70,546</u>	<u>50,621</u>	<u>(19,925)</u>
EXPENDITURES:				
Current:				
Direct Instruction	-	-	-	-
Instructional Support	-	70,784	68,487	2,297
Food Services	-	-	-	-
Other	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Bond Principal	-	-	-	-
Bond Interest	-	-	-	-
Total Expenditures	<u>-</u>	<u>70,784</u>	<u>68,487</u>	<u>2,297</u>
Excess (Deficiency) of Revenues Over Expenditures				
	<u>-</u>	<u>(238)</u>	<u>(17,866)</u>	<u>(17,628)</u>
Other Financing Sources and Financing Uses:				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Cash Balance Budgeted	-	238	-	(238)
Total Other Financing Sources and Financing Uses:	<u>-</u>	<u>238</u>	<u>-</u>	<u>(238)</u>
Net Change in Fund Balance	-	-	(17,866)	(17,866)
Fund Balance at Beginning of Year	-	-	-	-
Restatement	-	-	(5,596)	(5,596)
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (23,462)</u>	<u>\$ (23,462)</u>

See Independent Auditors' Report and Notes to Financial Statements

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES – AGENCY FUNDS
JUNE 30, 2012**

	Private Purpose Trust Fund	Agency Fund
Assets		
Cash and Short Term Investment	\$ 5,765	\$ 34,195
Unrestricted Investments	24,529	-
Total Assets	\$ 30,294	\$ 34,195
Liabilities		
Due to Student Groups	\$ -	\$ -
Net Assets		
Held in Trust for School Library	30,294	34,195
Total Liabilities and Net Assets	\$ 30,294	\$ 34,195

STATEMENT OF CHANGES IN NET ASSETS

	Private Purpose Trust Fund	Agency Fund
Income		
Donations Recorded	\$ 753	\$ 36,734
Gain on Investments	2,291	2,521
Total Income (loss)	3,044	39,255
Deductions		
Expenditures	-	39,830
Total Deductions	-	39,830
Net Increase (Decrease)	3,044	(575)
Net Assets- Beginning of Year	27,250	34,770
Net Assets- End of Year	\$ 30,294	\$ 34,195

See Independent Auditors' Report and Notes to Financial Statements

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

The Wagon Mound Public School District (District) has been in existence since the early 1900s and is currently operating under the provision of the Public School Code, Chapter 22 of the New Mexico Statutes Annotated, 1978 and is governed by a five member Board (Board) each elected for four year terms by registered voters of the District.

The District's financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (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 GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units. The more significant of the District's accounting policies are described below.

A. Reporting Entity

GASB Statement No. 14 established criteria for determining the government reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the District is considered a primary government since it is a special-purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. As used in GASB Statement No. 14, fiscally independent means that the District may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt. The District also has no component units, as defined by GASB Statement No. 14 and or GASB Statement No. 39, as there are no other legally separate organizations for which the elected School Board members are financially accountable.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the non-fiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012**

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include charges to customers or applicants who purchase, use, or benefit directly from goods, services or privileges provided by a given function or segment, and 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 and fiduciary funds, even though fiduciary funds are excluded from the government-wide financial statements. Major individual governmental funds are reported in separate columns in the fund financial statements.

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

The government-wide financial statements are reported using the economic resources measurement focus, and the accrual basis of accounting, as is the fiduciary fund financial statement. Revenues are recorded when earned and expenses are recorded when a liability has been incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues, net of estimated refunds and estimated uncollectible amounts, in the year in 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 measureable 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 are generally recorded when the related liability is incurred, the same as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses 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. Sales and use taxes are classified as derived tax revenues and recognized as revenue when the underlying exchange takes place and the revenues are measureable and available. Grants and similar items are recognized as revenue as soon as all eligibility requirement imposed by the provider have been met. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All

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WAGON MOUND PUBLIC SCHOOLS
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other revenue items are considered to be measurable and available only when cash is received by the District.

Ad valorem taxes (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. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grants requirements have been met and the susceptible to accrual criteria have been met. All other revenue items are considered to be measurable and available only when cash is received by the government.

Fiduciary funds are used to report assets held in a trustee or agency capacity for others and therefore are not available to support the District's programs. The reporting focus is upon net assets and changes in net assets and employs accounting principles similar to proprietary funds. The fiduciary fund consists of the following two funds:

The Private Purpose Trust Fund accounts for assets held by the District as an agent for the Wagon Mound Public Library Board of Directors. The intent of the donors was that principal and income of stock donated to the District could only be used for the School library.

The Agency Funds account for resources held by the District in a purely custodial capacity (assets equal liabilities). Agency funds typically involve the receipt, temporary investment, and remittance of fiduciary resources to student activity groups.

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

The District reports the following major governmental funds:

General Fund

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

Special Revenue Funds

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

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Capital Projects Funds

The Capital Projects Funds account for the acquisition of fixed assets or construction of major capital projects not being financed by proprietary or nonexpendable trust funds.

Debt Service Funds

The Debt Service Fund accounts for the services of long-term debt not being financed by proprietary or non-expendable trust funds.

Under the requirements of GASB statement No. 34, the District is required to present certain of its governmental funds as major funds based upon certain criteria. The major funds presented in the fund financial statements include the following (in addition to the General Fund), which may include funds that were not required to be presented as major but were at the discretion of management:

The Transportation Fund is used to account for the State Equalization received from the NM Public Education Department (PED), which is used to pay for the costs associated with transporting school-age children. This is considered by PED to be a sub-fund of the General Fund.

Instructional Materials Fund is used to account for the monies received from PED for the purposes of purchasing instructional materials (books, manuals, periodicals, etc.) used in the education of students. This is considered by PED to be a sub-fund of the General Fund.

Title I IASA Special Revenue Fund provides supplemental educational opportunities for academically disadvantaged children residing in the area. Campuses are identified for program participation by the percentage of students on free or reduced price lunch plans. Any school with a free and reduced price lunch percentage that is equal to or greater than the total district percentage becomes eligible for program participation. Any student whose test scores fall below District-established criteria and who is attending a Title I campus is eligible to receive Title I services. Poverty is the criterion that identifies a campus; educational need determines the students to be served. Federal revenues accounted for in this fund are allocated to the District through the PED. Authority for creation of this fund is Part A of the Chapter I of Title I of Elementary and Secondary Education Act (ESEA) of 1965, as amended, Public Law 103-383.

21st Century Community Living Centers is used to account for federal funds used for after school adolescence care, providing the community with responsible Child Care, while providing the children and their families with referral serves, drug prevention education, academic help, and character building (social skills) activities. Funding is provided by the Department of Education under the

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Elementary and Secondary Education Act of 1965, Title X, part I section 10901,
Public Law 103-382 Stat. 3844, 20 U.S.C. 8241.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Program revenues included in the Statement of Activities derive directly from the program itself or from parties outside the District's taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the District's general revenues.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board (GASB). Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The District has elected not to follow subsequent private sector guidance.

Program revenues are categorized as (a) charges for services, which include revenues collected for cafeteria fees and lost books, etc., (b) program-specific operating grants, which include revenues received from state and federal sources such as Title I, IDEA-B, Charter Schools and Magnet School funding to be used as specified within each program grant agreement, and (c) program-specific capital grants and contributions, which include revenues from state sources such as SB-9 and HB-33 funding to be used for capital projects. 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.

The District reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Depreciation expense is specifically identified by function and is included in the direct expenses of each function, except for that portion of depreciation that is identified as unallocated on the Statement of Activities. Interest on long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

New Pronouncement: GASB issued Statement N. 54, Fund Balance Reporting and Governmental Fund Type Definitions effective for reporting periods beginning after June 15, 2010. The statement establishes fund balance classifications, provides for a

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WAGON MOUND PUBLIC SCHOOLS
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012**

hierarchy or spending constraints for spendable resources and requires disclosures of nonspendable and spendable resources.

1. Deposits and Investments

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

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 these investment guidelines.

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 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 financial institutions.

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 100% 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.

Investments for the District are reported at fair value. The State Treasurer's 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".

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Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

The District receives monthly income from a tax levy in Mora County. The funds are collected by the County Treasurer and are remitted to the School District the following month. Under the modified accrual method of accounting, the amount remitted by the Mora County Treasurer in July and August, 2012, is considered measurable and available and, accordingly, is recorded as revenue during the year ended June 30, 2012.

Certain Special Revenue funds are administered on a reimbursement method of funding and other funds are operated on a cash advance method of funding. The funds incur the cost and then submit the necessary request for reimbursement or advance, respectively.

3. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements.

4. Instructional Materials

PED receives federal material leasing funds from which it makes annual allocations to various schools districts for the purchase of educational materials. Of each allocation, fifty percent is restricted to the requisition of material listed in the PED "State Adopted Instructional Manual" list, while the other fifty percent of each allocation is available for purchases directly from vendors, for which the school district receives cash drawdowns or transfers to the other fifty percent account for requisitions of materials from the adopted list.

5. Inventories

Inventory is valued at lower of cost (first in, first out) or market. Inventory in the Special Revenue Funds consists of USDA commodities and other purchased food and non-food supplies. The cost of purchased food is recorded as expenditures at the time individual inventory items are consumed. The USDA commodities are recorded at year-end by audit adjusting entries. Commodities consumed during the year are reported as revenues and expenditures; unused commodities are reported as inventories and deferred revenues. Non-commodity inventories are equally offset by a fund balance reserve, which indicates that they do not constitute available spendable resources even though they are a

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WAGON MOUND PUBLIC SCHOOLS
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component of net current assets. No deferred revenue was recorded for unused commodity inventory as of June 30, 2012.

6. Capital Assets

Capital assets, which include property, plant and equipment (including computer software), are reported in the applicable governmental column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost and estimated historical cost if purchased or constructed. Pursuant to the implementation of GASB Statement No. 34, the historical cost of infrastructure assets (retroactive to 1979) are to be included as part of the governmental capital assets reported in the government-wide statements. Information technology equipment, including software, is being capitalized and included in furniture and equipment as the District did not maintain internally developed software. Library books are also being capitalized and depreciated. Donated capital assets are recorded at estimated fair market value at the date of donation. During the year ended June 30, 2012, the District received no donated capital assets.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's useful life are not capitalized. No interest was included as part of the cost of capital assets under construction during the year ended June 30, 2012.

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

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

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

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WAGON MOUND PUBLIC SCHOOLS
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012**

7. Compensated Absences

All personnel employed by the District are entitled to leave as per the following categories and schedules.

Annual leave – Twelve month employees are entitled to annual leave with full pay computed as follows:

- 1 -4 consecutive years of employment: 10 days
- 5 – 19 consecutive years of employment: 15 days
- 20 plus consecutive years of employment: 20 days

Twelve month employees who have resigned, retired or who have been laid off or dismissed are entitled to and shall be paid for a maximum of 20 days of earned and unused annual leave.

The District's recognition and measurement criteria for compensated absences follow GASB Statement No. 16, which provides that vacation leave and other compensated absences with similar characteristics should be accrued as a liability as the benefits are earned by employees if the employees right to receive compensation is attributable to services already rendered and it is probable that the employer will compensate the employee for the benefits at termination or retirement.

For governmental fund financial statements, the current portion of unpaid compensated absences is the amount expected to be paid using expendable available resources. These amounts, if any, are recorded in the account Compensated Absences Payable in the fund from which the employees who have accumulated unpaid leave are paid. In prior years, substantially all of the related expenditures have been liquidated by the general fund. Amounts of vested or accumulated vacation leave that are not expected to be liquidated with expendable available financial resources are reported in the government-wide Statement of Net Assets.

8. Deferred Revenues

The District recognizes grant revenue at the time the related expense is made if the expenditure of funds is the prime factor for determining eligibility for reimbursement; therefore, amounts received and not expended in the Special Revenue funds are shown as deferred revenues. Amounts receivable from the property taxes levied for the current year that are not considered to be "available" under the current financial resources measurement focus are reported as deferred revenues in the governmental fund financial statements. For the fiscal year ended June 30, 2012, there were no deferred revenues.

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9. 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, statements 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 discount. 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.

10. Fund Balance and Net Assets

In the government-wide financial statements, fund equity is classified as net assets and is displayed in the following components:

Invested in Capital Asset, net of related debt: Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.

In the fund financial statements, governmental funds report aggregate amounts for several classifications of fund balances based on the constraints imposed on the use of these resources. The nonspendable fund balance classification includes amounts that cannot be spent because they are either not in spendable form (prepaid items, inventories) or legally contractually required to be maintained intact. The District has inventories that are considered nonspendable. The District will maintain a fund balance equal to the value of inventory balances and prepaid items (to the extent that such balances are not offset by liabilities and actually result in fund balance. The District does not have any prepaid items or nonspendable funds related to endowments.

In addition to the nonspendable fund balance, GASB 54 has provided a hierarchy of spendable fund balances, based on a hierarchy of spending constraints.

Nonspendable includes amount that are not in spendable form or are legally or contractually required to be maintained intact. This criterion includes items that

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are not expected to be converted to cash such as inventories, prepaid items and long-term notes receivable.

Restricted funds balances are constrained by external parties, constitutional provisions or enabling legislation.

Committed fund balances contain self-imposed constraints of the government from its highest level of decision making authority or the Board of Education. Commitments will only be used for specific purposes pursuant to a formal action by the Board of Education.

Assigned fund balances contain self-imposed constraints of the government to be used for a particular purpose.

Unassigned fund balances of the general fund are not constrained for any particular purpose.

When both restricted and unrestricted resources are available for use, it is the District's policy to use externally restricted resources first, then restricted resources – committed, assigned, and unassigned in that order.

The District has classified its spendable fund balances with the following hierarchy:

Nonspendable refers to inventories totaling \$1,587 that are classified as nonspendable.

Spendable refers to the Districts spendable fund balances as restricted, assigned and unassigned and considers each to have been spent when expenditures are incurred. The District currently has no funds classified as committed.

Restricted for grant activates, food services, instructional materials, debt service, capital projects and pupil transportation means that federal and state statutes require that certain revenues be specifically designed for the purposes of federal and state grant activities, food services, debt service and capital projects. The funds have been included in restricted category of fund balance. The restricted fund balances totaled \$941,100 for capital projects, \$13,037 for debt service and \$941 for non-major special revenue funds, including food services.

Unassigned fund balance is \$108,735.

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11. Interfund Transactions

Quasi-external transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund from expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements are reported as transfers. Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

12. Indirect Costs

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

13. 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. Significant estimates affecting the District's financial statements include management's estimate of the useful lives of capital assets.

14. 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 early childhood education, basic education, special education, bilingual multicultural education, size, etc. Payment is made from the public school fund under the authority of the

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FOR THE YEAR ENDED JUNE 30, 2012**

Director of Public School Finance. The District received \$881,681 in state equalization guarantees during the year ended June 30, 2012.

Tax Revenues: The District receives mill levy and ad valorem tax revenues primarily for debt service and capital outlay purposes. Tax revenues are recognized when they are in the hands of the collecting agency. The District records only the portion of the taxes considered to be measurable and available. The District recognized \$153,563 in tax revenues during the year ended June 30, 2012. Descriptions of the individual debt service and capital outlay funds found in these financial statements include information regarding the authority for the collection and use of these taxes.

Mora County levies and collects the property taxes on real property for Wagon Mound Public Schools on November 10 and April 10 of each year. Taxes become delinquent by December 10 and May 10, respectively and liens are filed by Mora County on property that is delinquent for three years. Property taxes collected and held by the county at year-end on behalf of the District are included in an account called Due From Other Governments.

Transportation Distribution: School districts in the State of New Mexico receive 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 \$136,881 in transportation distributions during the year ended June 30, 2012.

Instructional Materials: The New Mexico Public Education Department (PED) receives federal material leasing funds from which it makes annual allocations to the various school districts for the purchase of educational materials. Of each allocation, fifty percent is restricted to the requisition of materials listed in the State Board of Education "State-Adopted Instructional Material" list, while the other fifty percent of each allocation is available for purchases directly from vendors. Allocations received from the PED for the year ended June 30, 2012 totaled \$3,182.

Public School Capital Outlay: Under the provisions of Chapter 22, Article 24, a public school capital outlay fund was created. The money in the fund may be used only for capital expenditures deemed by the public school capital outlay council necessary for an adequate educational program, and the capital outlay expenditures are limited to the purchase or construction of temporary or permanent classrooms.

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The council shall approve an application for grant assistance from the fund when the council determines that:

- A critical need exists requiring action;
- The residents of the school districts have provided all available resources to the district to meet its capital outlay requirements;
- The School district has used its resources in a prudent manner;
- The District is in a county or counties which have participated in the reappraisal program and the reappraised values are on the tax rolls, or will be used for the tax year as certified by the property tax division; and
- The school district has provided insurance for buildings of the school district in accordance with the provisions of Section 13-5-3 NMSA 1978.

The council shall consider all applications for assistance from the fund and after public hearing shall either approve or deny the application. Applications for grant assistance shall only be accepted by the council after a district has complied with the provisions of this section. The council shall list all applications in order of priority and all allocations shall be made on a priority basis.

Money in the fund shall be disbursed by warrant of the Department of Finance and Administration following certification by the council that the application has been approved.

During the year ended June 30, 2012, the District did not receive any special capital outlay (state) funds.

SB-9 State Match: The Director shall distribute to any school district that has imposed a tax under the Public School Capital Improvements Act (22-25-1 to 22-25-10 NMSA 1978) an amount from the public school capital improvements fund that is equal to the amount by which the revenue estimated to be received from the imposed tax as specified in Subsection B of Section 22-25-3 NMSA 1978, assuming a one hundred percent collection rate, is less than an amount calculated by multiplying the product obtained by the rate imposed in the District under the Public School Capital Improvements Act. The distribution shall be made by December 1 of each year that the tax is imposed in accordance with Section 22-25-3 NMSA 1978. Provided, however, in the event that sufficient funds are not available in the public school capital improvement funds to make the state distribution provided for in this section, the dollar per program unit figure shall be reduced as necessary.

The District received \$0 in state SB-9 matching during the year ended June 30, 2012.

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Federal Grants: The District receives revenues from various Federal departments (both direct and indirect), which are legally restricted to expenditures for specific purposes. These programs are reported in the Special Revenue funds. Each program operates under its own budget, which has been approved by the Federal Department or the flow-through agency (usually PED). The various budgets are approved by the Local School Board and the PED.

The District also receives reimbursement under the National School Lunch and Breakfast Programs for its food services operations, and the distributions of commodities through the New Mexico Human Services Department.

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 and Public School Budget and Planning Unit of the Department of Education. Auxiliary student activity accounts are not budgeted.

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

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

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

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

1. In April or May, the superintendent submits to the Board of Education a proposed operating budget for 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.

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2. In May or June, the budget is approved by the Board of Education.
3. The school board meeting, while not intended for the general public, is open for the general public unless a closed meeting is called.
4. The operating budget will be used by the District until they have been notified that the budget has been approved by the DBPU and the local school board. The budget shall be integrated formally into the accounting system. Encumbrances shall be used as an element of control and shall be integrated into the budget system. The District shall make corrections, revisions and amendments to the estimated budgets fixed by the local school board and the PED.
5. 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 New Mexico Public Education Department.
6. Budget change requests are processed in accordance with Supplement I (Budget Preparation and Maintenance) of the Manual of Procedures Public School Accounting and Budgeting. Such changes are initiated by the school district and approved by the DBPU.
7. Legal budget control for expenditures is by function.
8. Appropriations lapse at fiscal year-end. Funds unused during the fiscal year may be carried over into the next fiscal year by budgeting them in the subsequent fiscal year's budget. The budget of the District has been amended during the current fiscal year in accordance with these procedures. The budget schedules included in the accompanying financial statements reflect the approved budget and amendments thereto.
9. Formal budgetary integration is employed as a management control device during the year for the general fund, special revenues funds, debt service funds and capital projects funds.
10. Budgets for the general, special revenue, debt service and capital projects funds are adopted on a basis not consistent with GAAP. Encumbrances are treated the same way for GAAP purposes and for budget purposes.

The Board may approve amendments to the appropriated budget, which are required when a change is made affecting budgeted ending fund balances. New Mexico State Law prohibits a governmental agency from exceeding an individual line item.

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FOR THE YEAR ENDED JUNE 30, 2012**

The Accompanying Statements of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual present comparisons of the legally adopted budget with actual data on a budgetary basis.

Since accounting principles applied for purposes of developing data on a budgetary basis differ from those used to present financial statements in conformity with generally accepted accounting principles, a reconciliation of resultant basis, perspective, equity, and timing differences in the excess (deficiency) of revenues and other sources of financial resources for the year ended June 30, 2012, is presented.

2. Cash and Temporary Investments

State statutes authorize the investment of District funds in a wide variety of instruments including certificates of deposit and other similar obligations, state investment pool, money market accounts and United States Government Obligations.

Deposits of funds may be made in interest or non-interest bearing checking accounts in one of more banks or savings and loan associations within the geographical boundaries of the 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.

The collateral pledged is listed on Schedule II 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 Corporation, public unit deposits are funds owned by the public unit. Time deposits, savings deposits and interest bearing NOW accounts of a public unit in an institution in the same state will be insured up to \$250,000 in aggregate and separate from the \$250,000 coverage for public unit demand deposits at the same institution. Additionally, all deposits in non-interest bearing transaction accounts (such as non-interest bearing checking accounts) at participating institutions are fully guaranteed, regardless of dollar amount.

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FOR THE YEAR ENDED JUNE 30, 2012**

New Mexico State Statutes require collateral pledged for deposits in excess of federal deposit insurance to be delivered, or a joint safekeeping receipts be issued, to the District for at least one-half of the amount on deposit with the institution. The schedule listed below will meet the State of New Mexico, Office of the State Auditor's requirements in reporting the insured portion of the deposits.

Custodial Credit Risk

Custodial credit risk is the risk that in the vent of a bank failure, the District's deposits may not be returned to it. New Mexico State Statutes require collateral pledged for deposits in excess of the federal deposit insurance to be delivered, or a joint safekeeping receipt be issued to the District for at least one-half of the amount on deposit with the institution. The stated listed below will meet the State of New Mexico Office of the State Auditor's requirement in reporting the uninsured portion of the deposits. As of June 30, 2012, \$1,048,275 of the Districts' bank balance of \$1,301,655 was exposed to custodial risk as follows:

	Wells Fargo Bank	First Community Bank	Total
Total Amount of Deposits	\$ 3,380	\$ 1,298,275	\$ 1,301,655
FDIC Coverage	<u>3,380</u>	<u>250,000</u>	<u>253,380</u>
Total Uninsured Public Funds	\$ -	\$ 1,048,275	\$ 1,048,275
 Pledged Collateral Held by Pledging Bank's Trust or Agent but not in District's Name	 <u>-</u>	 <u>627,627</u>	 <u>627,627</u>
Uninsured and Uncollateralized	-	420,648	420,648
 Collateral requirement (50% of uninsured public funds)	 -	 524,138	 524,138
Pledged Securities	<u>-</u>	<u>627,627</u>	<u>627,627</u>
Total (Over) Under Collateralized	<u><u>\$ -</u></u>	<u><u>\$ (103,490)</u></u>	<u><u>\$ (103,490)</u></u>

The collateral pledged is listed on page 91 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.

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As of June 30, 2012, the District had the following investments and maturities:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities Less Than One Year</u>
Common Stock	\$ 24,529	\$ 24,529

Reconciliation of Cash and Temporary Investments

Governmental Funds - Balance Sheet:	
Cash and Cash Equivalents	\$ 1,261,695
Common Stock - Fiduciary Fund	24,529
Cash - Statement of Fiduciary Net Assets	<u>39,960</u>
	1,326,184
Net Reconciling Items	<u>-</u>
	1,326,184
Less: Common Stock	<u>(24,529)</u>
Bank Balance of Deposits	<u><u>\$ 1,301,655</u></u>

According to the Federal Deposit Insurance Authority, public unit deposits are funds owned by the schools. Time deposits, savings deposits and interest-bearing NOW accounts of a public unit in an institution in the same state will be insured up to \$250,000 in aggregate and separate from the \$250,000 coverage for public unit demand deposits at the same institution.

3. Receivables

Receivables as of June 30, 2012 are as follows:

	<u>Non-Major Funds</u>
Receivables:	
Intergovernmental Grants	\$ 67,795
Other	<u>-</u>
Total Receivables	<u><u>\$ 67,795</u></u>

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The above receivables are deemed 100% collectible. In accordance with the GASB statement No. 33, property tax receivables should be presented net of deferred revenues on the governmental fund financial statements. However, we were unable to obtain the delinquent property tax listing from the District.

4. Interfund Receivables, Payable and Transfers

Interfund balances have been primarily recorded when funds overdraw their share of pooled cash when the District is waiting for grant reimbursements. The composition of interfund balances as of June 30, 2012 is as follows:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
Governmental Activities:		
Major Funds:		
General Fund	\$ 115,053	\$ -
Non-Major Funds		
Title I IASA		44,617
Entitlement IDEA-B		4,106
Discretionary IDEA-B		4,840
21st Century Learning		23,173
Teacher / Principal Training and Recruit		3,119
Title I School Improvement		21,633
IDEA-B Stimulus		2,894
Rural Education Achievement		6,904
GO Bond Library 2008		3,213
GO Bond Library 2010	-	554
	<u>\$ 115,053</u>	<u>\$ 115,053</u>

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5. Capital Assets

Capital asset activity for the year ended June 30, 2012 was as follows:

Governmental Activities	Balance June 30, 2011	Increases	Decreases	Balance June 30, 2012
Capital assets not being depreciated				
Land	\$ 157,800	\$ -	\$ -	\$ 157,800
Construction in Progress	-	218,568	-	218,568
Total Capital Assets not being depreciated	<u>157,800</u>	<u>218,568</u>	<u>-</u>	<u>376,368</u>
Capital assets being depreciated:				
Land Improvements	724,429			724,429
Buildings and Improvements	7,935,812	88,206		8,024,018
Equipment and Vehicles	677,572	37,046	-	714,618
Total Capital Assets being depreciated	<u>9,337,813</u>	<u>125,252</u>	<u>-</u>	<u>9,463,065</u>
Less: Accumulated Depreciation for:				
Land Improvements	437,256	30,864		468,120
Buildings and Improvements	3,777,403	333,907		4,111,310
Furniture, Fixtures and Equipment	401,985	57,458	-	459,443
Total Accumulated Depreciation	<u>4,616,644</u>	<u>422,229</u>	<u>-</u>	<u>5,038,873</u>
Total Capital Assets being Depreciated, Net	<u>4,721,169</u>	<u>(296,977)</u>	<u>-</u>	<u>4,424,192</u>
Capital Assets, Net	<u>\$ 4,878,969</u>	<u>\$ (78,409)</u>	<u>\$ -</u>	<u>\$ 4,800,560</u>

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

Instruction	\$ 15,370
Support Services - General Administration	1,907
Operation and Maintenance of Plant	21,742
Food Services	9,896
Transportation	15,938
Other	18,190
Capital Outlay	339,186
Total	<u>\$ 422,229</u>

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NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012**

6. Long-Term Debt

During the year ended June 30, 2012, the following changes occurred in liabilities reported in the general obligation bonds account group:

	Beginning Balance	Additions	Retirements	Ending Balance	Amount Due Within One Year
Bonds Payable	\$ 806,143	\$ 443,857	\$ -	\$ 1,250,000	\$ 50,000
Compensated Absences	14,703	28,619	14,703	28,619	28,619
Total	\$ 820,846	\$ 472,476	\$ 14,703	\$ 1,278,619	\$ 78,619

	Balance June 30, 2012
Bonds Payable	\$ 1,250,000
Less: Current Maturities	(50,000)
Unamortized Bond Premiums	-
Total Non-Current Liabilities	\$ 1,200,000

General Obligation Bonds

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

General Obligation Bonds	Amount	Interest Rates	June 30, 2012	Within One Year
Series 1996	\$ 3,000,000	4.9% to 6.4%	\$ 745,000	\$ 225,000
Series 2001	4,015,000	4.125% to 5%	1,465,000	470,000
Series 2007	3,000,000	3.75% to 3.95%	2,475,000	575,000
Series 2008	9,900,000	3.5% to 4.5%	9,900,000	-
Total	\$19,915,000		\$ 14,585,000	\$1,270,000

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

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

General Obligation Bonds

Year Ending June 30,	Principal	Interest	Total Requirements
2012	\$ 1,395,000	\$ 465,834	\$ 1,860,834
2013	650,000	423,117	1,073,117
2014	460,000	402,230	862,230
2015			-
2016			-
2017 - 2021			-
2022 - 2026			-
2027 - 2031	-	-	-
Total	\$ 2,505,000	\$ 1,291,181	\$ 3,796,181

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

On December 15, 2009, the District issued an approved bond issue in the amount of \$16,000,000. The bonds mature on September 1, 2029 and have an interest rate between 2.125% and 6%. There is no portion of the principal due as a current liability. The first interest payment is Due December 15, 2010.

7. 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

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the pool for its general insurance coverage. The agreement for formation of NMPSIA provides that the pool will be self-sustaining through member's premiums. NMPSIA establishes self-insured retentions by line of coverage and procures insurance or re-insurance, 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, 2012.

The NMPSIA provides coverage for up to a maximum of \$500 million for each property damage claim with a \$750 deductible for each building. General liability coverage is afforded to all employees, volunteers and school board members and the limit is subject to the NMSA Tort Claims Act on a per-occurrence basis. The automobile and property liability limit is subject to the provisions of the Tort Claims Act. The crime limit is \$250,000 per occurrence for faithful performance. A limit of \$250,000 applies to depositor's forgery, credit card forgery and money orders. A limit of \$100,000 applies to money and security, which includes a \$750 deductible.

8. Pension Plan – Education Retirement Board

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

Funding Policy – Effective July 1, 2009, plan members were required by statute to contribute 7.9% of their gross salary if they earned \$20,000 or less annually, and plan members earnings more than \$20,000 annually were required to contribute 9.4% of their gross salary. Wagon Mound Public Schools was required to contribute 12.4% of the gross covered salary for employees earning \$20,000 or less and 10.9% of the gross covered salary if employees earning more than \$20,000 annually. The employer contribution is increasing by .75% each year until effective July 1, 2011, and the employer contribution will be 13.9% of the gross covered salary. The contribution requirements of plan members and Wagon Mound Public Schools are established in State statute under Chapter 22, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. Wagon Mound' Public School's contributions to ERB for the fiscal years ended June 30, 2012, 2011 and 2010 were \$112,523, \$132,077 and 141,281 respectively, which equal the amount of the required contributions.

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012**

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

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

Eligible retirees are:

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

The RHCA issues a publicly available stand-alone financial report that includes financial statements and required supplementary information for the postemployment healthcare plan. That report and further information can be obtained by writing to:

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

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

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FOR THE YEAR ENDED JUNE 30, 2012**

The Retiree Health Care Act (Section 10-7C-15) NMSA 1978) is the statutory authority that establishes the required contributions of participating employers and their employees. The statute required each participating employer to contribute 1.3% of each participating employee's annual salary; each participating employee is required to contribute .65% of their salary. Employers joining the program after January 1, 1998 are also required to make a surplus-amount contribution to the RHCA based on one two formulas at agreed-upon intervals.

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

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

The District's contributions to the RHCA for the years ended June 30, 2012, 2011 and 2010 were \$21,251, \$19,681 and \$16,534 respectively, which equal the required contributions for each year.

10. Contingent Liabilities

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

The District is involved in various claims and lawsuits arising in the normal course of business. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the District's legal counsel that resolution of these matters will not have a material adverse effect on the financial condition of the District.

11. Deferred Revenue

In accordance with the terms of the various grant agreements within the Special Revenue Funds, revenues received in excess of expenditures carry over to the subsequent years, unless such excess revenues are requested to be returned to the grantor. There were no year-end accruals for deferred revenue for the fiscal year ended June 30, 2012.

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012**

12. Budgeted Activity Funds

The Student Activity Funds, while budgeted under the Non-Instructional Support in the financial statements, are considered for reporting purposes as agency funds and related activity has been reported as such in the Statement of Changes in Assets and Liabilities – All Agency Funds section of the financial statements.

13. Non-Major Special Revenue Funds – Beginning Fund Balances / Cash Reconciliation

The beginning fund balance for the non-major special revenue funds, shown on page 7 is \$883,646. This differs from last year's ending fund balance of \$882,966 by \$680. This is because two funds that were presented in last year's financial statements are no longer used and are no longer on the books.

Also, the beginning cash balance per the Cash Reconciliation Schedule on page 99 is \$1,156,408. This differs from last year's ending cash balance of \$1,155,494, by \$914. This is because of a fund that was shown as having a cash balance of \$914 on the books in the prior year is no longer used and is no longer on the books.

14. Restatements

The client's beginning fund balance in several governmental, special revenue and capital projects funds had to be restated as explained below.

The predecessor auditor make adjusting entries that were not posted by the client, due mainly to the fact the client keeps the books on a cash basis and normally no accruals are made during the fiscal year.

The total effect of these restatements is \$469,255 as shown on the Statement of Revenues, Expenditures and Changes in Fund Balances.

The Statement of Activities shows a net restatement of \$2,794.

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2012**

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Debt Service</u>	<u>Total</u>
<u>ASSETS</u>				
Pooled Cash and Investments	\$ (8,003)	\$ 1,101,350	\$ 26,570	\$ 1,119,917
Receivables:				
Delinquent Property Taxes	-	-	-	-
Grants	-	-	-	-
Due From Other Governments	19,776	-	-	19,776
Bond Issuance Costs	-	34,900	-	34,900
Interfund Receivable				-
Food Inventory	1,587	-	-	1,587
	<u>1,587</u>	<u>-</u>	<u>-</u>	<u>1,587</u>
Total Assets	<u>\$ 13,360</u>	<u>\$ 1,136,250</u>	<u>\$ 26,570</u>	<u>\$ 1,176,180</u>
<u>LIABILITIES AND FUND BALANCE</u>				
Liabilities:				
Accounts Payable	\$ -	\$ 195,150	\$ 7,937	\$ 203,087
Accrued Liabilities	-	-	-	-
Interfund Payables	47,263	-	-	47,263
Other Liabilities	(34,844)	-	-	(34,844)
Deferred Revenue:				
Federal, State and Local Grants	-	-	-	-
Delinquent Property Taxes	-	-	-	-
Bonds Payable - Current		-		-
Bonds Payable - Noncurrent	-	-	-	-
	<u>12,419</u>	<u>195,150</u>	<u>7,937</u>	<u>215,506</u>
Total Liabilities	<u>12,419</u>	<u>195,150</u>	<u>7,937</u>	<u>215,506</u>
Fund Balance:				
Reserved:				
Retirement of Long-Term Debt	-	-	-	-
Inventories	-	-	-	-
Unreserved and Reported in:				
Special Revenue Funds	941	-	-	941
Debt Service Funds			18,633	18,633
Capital Projects Funds	-	941,100	-	941,100
	<u>941</u>	<u>941,100</u>	<u>18,633</u>	<u>960,674</u>
Total Fund Balance	<u>941</u>	<u>941,100</u>	<u>18,633</u>	<u>960,674</u>
Total Liabilities and Fund Balance	<u>\$ 13,360</u>	<u>\$ 1,136,250</u>	<u>\$ 26,570</u>	<u>\$ 1,176,180</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2012**

	Special Revenue	Capital Projects	Debt Service	Total
REVENUES:				
Taxes	\$ -	\$ 45,394	\$ 95,834	\$ 141,228
Charges for Services	2,147	-	-	2,147
Local Sources	-	-	-	-
State Sources	66,276	-	-	66,276
Federal Sources	15,618	-	-	15,618
Earnings From Investments	495	-	-	495
Gifts and Donations	22,906	-	-	22,906
Total Revenue	<u>107,442</u>	<u>45,394</u>	<u>95,834</u>	<u>248,670</u>
EXPENDITURES:				
Current:				
Direct Instruction	-	-	-	-
Instructional Support	94,295	-	-	94,295
Food Services	30,705	-	-	30,705
Other	-	-	-	-
Capital Outlay	-	383,441	-	383,441
Debt Service:				
Bond Principal	-	-	100,958	100,958
Bond Interest	-	-	38,644	38,644
TOTAL EXPENDITURES	<u>125,000</u>	<u>383,441</u>	<u>139,602</u>	<u>648,043</u>
Excess (Deficiency) of Revenues				
Over Expenditures	<u>(17,558)</u>	<u>(338,047)</u>	<u>(43,768)</u>	<u>(399,373)</u>
Other Financing Sources and Financing Uses:				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Proceeds from Bond Issues	-	-	-	-
Total Other Financing Sources and Financing Uses:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	(17,558)	(338,047)	(43,768)	(399,373)
Fund Balance at Beginning of Year	35,955	785,290	62,401	883,646
Restatement	(17,456)	493,857	-	476,401
Fund Balance at End of Year	<u>\$ 941</u>	<u>\$ 941,100</u>	<u>\$ 18,633</u>	<u>\$ 960,674</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2012**

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

FOOD SERVICES (Fund 21000)

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

ATHLETICS (22000)

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

ENTITLEMENT IDEA-B (24106)

The Entitlement IDEA-B program is to provide grants to states that flow through to schools, to assist them in providing a free appropriate public education to all children with disabilities. The program is funded by the United States government, under the Individuals with Disabilities Education Act, Part B, Section 611-617, and part D, Section 619, as amended, 20 U.S.C. 1711-1417 and 1420.

DISCRETIONARY IDEA-B (24107)

To account for a program funded by a Federal Grant to assist the District in providing a free appropriate public education to all children with disabilities. Authorized by Individuals with Disabilities Education Act (IDEA), Part B, Section 611, as amended, 20 U.S.C 1411.

TEACHER PRINCIPAL TRAINING RECRUIT (24154)

To improve the skills of teachers and the quality of instruction in mathematics, and science, and also to increase the accessibility of such instruction to all students.

TITLE I SCHOOL IMPROVEMENT (24162)

Funds provided to improve the mathematical skills of students in secondary programs.

ENTITLEMENT IDEA – B- STIMULUS (24206)

Used in accordance with the IDEA, to help provide the special education and related services needed to make a free appropriate public education available to all eligible children and, in some cases, early intervening services. Authorization: Individuals with Disabilities Education (IDEA), as amended, Part B, Section 611-618, 20 U.S.C 1411-1418; American Recovery and Reinvestment Act of 2009(ARRA), Public Law 111-5.

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2012**

PRESCHOOL IDEA-B STIMULUS (24209)

The Preschool program is for the purpose of enhancing Special Education for handicapped children from ages 3 to 5. The program is funded by the United States government, under the Individuals With Disabilities Act, part B, Section 619, as amended, Public Laws 94-142, 99*457,100-630, 101497, and101-476.

RURAL EDUCATION ACHIEVEMENT (25233)

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

SEG STIMULUS (25250)

Funding for the support of public elementary, secondary, post-secondary, and as applicable, for early childhood programs and services.

EDUCATION JOB FUND (25255)

Funding for the support of public elementary and secondary teaching salaries and benefits.

GO BOND LIBRARY 2008 (27105)

Funding made available to update and expand library collections.

GO BOND LIBRARY 2010 (27105)

Funding made available to update and expand library collections.

SUN SAFETY (28146)

To account for funds administered through the NM Department of Health to promote sun safety education to reduce the risk of developing skin cancer.

PRIVATE DIRECT GRANTS (29102)

Funds provided to the District by Community First Bank to put AEDs in Public Buildings.

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
NON-MAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2012**

	Food Services	Athletics	Entitlement IDEA-B	Discretionary IDEA-B
<u>ASSETS</u>				
Pooled Cash and Investments	\$ 32,635	\$ 5,784	\$ (4,106)	\$ (4,840)
Receivables:				
Delinquent Property Taxes				
Grants				
Due From Other Governments		-	4,993	
Interfund Receivables				
Food Inventory	1,587	-	-	-
Total Assets	\$ 34,222	\$ 5,784	\$ 887	\$ (4,840)
 <u>LIABILITIES AND FUND BALANCE</u>				
Liabilities:				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Accrued Liabilities	-	-	-	-
Interfund Payables			4,106	4,840
Other Liabilities	-	-	-	-
Deferred Revenue:				
Federal, State and Local Grants				
Delinquent Property Taxes	-	-	-	-
Total Liabilities	-	-	4,106	4,840
 Fund Balance:				
Reserved:				
Retirement of Long-Term Debt				
Inventories	-	-	-	-
Unreserved and Reported in:				
Special Revenue Funds	34,222	5,784	(3,219)	(9,680)
Capital Projects Funds	-	-	-	-
Total Fund Balance	34,222	5,784	(3,219)	(9,680)
Total Liabilities and Fund Balance	\$ 34,222	\$ 5,784	\$ 887	\$ (4,840)

See Independent Auditors' Report

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
NON-MAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET (continued)
JUNE 30, 2012**

	Teacher Principal Training & Recruit	Title I School Improvement	IDEA-B Stimulus	Preschool Stimulus
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u>ASSETS</u>				
Pooled Cash and Investments	\$ (3,119)	\$ (21,633)	\$ (2,894)	\$ -
Receivables:				
Delinquent Property Taxes				
Grants				
Due From Other Governments	1,342	5,564		
Interfund Receivables				
Food Inventory	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	<u>\$ (1,777)</u>	<u>\$ (16,069)</u>	<u>\$ (2,894)</u>	<u>\$ -</u>
 <u>LIABILITIES AND FUND BALANCE</u>				
Liabilities:				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Accrued Liabilities	-	-	-	-
Interfund Payables	3,119	21,633	2,894	-
Other Liabilities	-	(34,844)	-	-
Deferred Revenue:				
Federal, State and Local Grants				
Delinquent Property Taxes	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>3,119</u>	<u>(13,211)</u>	<u>2,894</u>	<u>-</u>
 Fund Balance:				
Reserved:				
Retirement of Long-Term Debt				
Inventories	-	-	-	-
Unreserved and Reported in:				
Special Revenue Funds	(4,896)	(2,858)	(5,788)	-
Capital Projects Funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Fund Balance	<u>(4,896)</u>	<u>(2,858)</u>	<u>(5,788)</u>	<u>-</u>
Total Liabilities and Fund Balance	<u>\$ (1,777)</u>	<u>\$ (16,069)</u>	<u>\$ (2,894)</u>	<u>\$ -</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
NON-MAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET (continued)
JUNE 30, 2012**

	Rural Education Achievement	SEG Stimulus	Education Job Fund	GO Bond Library 2008
<u>ASSETS</u>				
Pooled Cash and Investments	\$ (6,904)	\$ -	\$ -	\$ (3,213)
Receivables:				
Delinquent Property Taxes				
Grants				
Due From Other Governments	6,904			419
Interfund Receivables				
Food Inventory	-	-	-	-
	-	-	-	-
Total Assets	\$ -	\$ -	\$ -	\$ (2,794)
 <u>LIABILITIES AND FUND BALANCE</u>				
Liabilities:				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Accrued Liabilities	-	-	-	-
Interfund Payables	6,904			3,213
Other Liabilities	-	-	-	-
Deferred Revenue:				
Federal, State and Local Grants				
Delinquent Property Taxes	-	-	-	-
	-	-	-	-
Total Liabilities	6,904	-	-	3,213
Fund Balance:				
Reserved:				
Retirement of Long-Term Debt				
Inventories	-	-	-	-
Unreserved and Reported in:				
Special Revenue Funds	(6,904)	-	-	(6,007)
Capital Projects Funds	-	-	-	-
	-	-	-	-
Total Fund Balance	(6,904)	-	-	(6,007)
Total Liabilities and Fund Balance	\$ -	\$ -	\$ -	\$ (2,794)

See Independent Auditors' Report

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
NON-MAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET (continued)
JUNE 30, 2012**

	GO Bond Library 2010	Sun Safety	Private Direct Grants	Total
<u>ASSETS</u>				
Pooled Cash and Investments	\$ (554)	\$ 341	\$ 500	\$ (8,003)
Receivables:				
Delinquent Property Taxes				-
Grants				-
Due From Other Governments	554			19,776
Interfund Receivables				-
Food Inventory	-	-	-	1,587
	-	-	-	1,587
Total Assets	\$ -	\$ 341	\$ 500	\$ 13,360
 <u>LIABILITIES AND FUND BALANCE</u>				
Liabilities:				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Accrued Liabilities	-	-	-	-
Interfund Payables	554			47,263
Other Liabilities	-	-	-	(34,844)
Deferred Revenue:				
Federal, State and Local Grants				-
Delinquent Property Taxes	-	-	-	-
	-	-	-	-
Total Liabilities	554	-	-	12,419
 Fund Balance:				
Reserved:				
Retirement of Long-Term Debt				
Inventories	-	-	-	-
Unreserved and Reported in:				
Special Revenue Funds	(554)	341	500	941
Capital Projects Funds	-	-	-	-
	-	-	-	-
Total Fund Balance	(554)	341	500	941
Total Liabilities and Fund Balance	\$ -	\$ 341	\$ 500	\$ 13,360

See Independent Auditors' Report

**STATE OF NEW MEXICO
FOOD SERVICES SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2012**

	<u>Food Services</u>	<u>Athletics</u>	<u>Entitlement IDEA-B</u>	<u>Discretionary IDEA-B</u>
REVENUES:				
Taxes	\$ -	\$ -	\$ -	\$ -
Charges for Services	2,147	-	-	-
Local Sources	-	-	-	-
State Sources	33,672	-	-	-
Federal Sources	-	-	11,599	(4,840)
Earnings From Investments	424	71	-	-
Gifts and Donations	-	22,406	-	-
Total Revenues	<u>36,243</u>	<u>22,477</u>	<u>11,599</u>	<u>(4,840)</u>
EXPENDITURES:				
Current:				
Direct Instruction	-	-	-	-
Instructional Support	-	21,932	13,764	-
Food Services	30,705	-	-	-
Other	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Bond Principal	-	-	-	-
Bond Interest	-	-	-	-
Total Expenditures	<u>30,705</u>	<u>21,932</u>	<u>13,764</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures				
	<u>5,538</u>	<u>545</u>	<u>(2,165)</u>	<u>(4,840)</u>
Other Financing Sources and Financing Uses:				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Proceeds from Bond Issues	-	-	-	-
Total Other Financing Sources and Financing Uses:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	5,538	545	(2,165)	(4,840)
Fund Balance at Beginning of Year	30,888	5,239	-	-
Restatement	(2,204)	-	(1,054)	(4,840)
Fund Balance at End of Year	<u>\$ 34,222</u>	<u>\$ 5,784</u>	<u>\$ (3,219)</u>	<u>\$ (9,680)</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
FOOD SERVICES SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES (continued)
FOR THE YEAR ENDED JUNE 30, 2012**

	Teacher Principal Training & Recruit	Title I School Improvement	IDEA-B Stimulus	Preschool Stimulus
REVENUES:				
Taxes	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	-	-
Local Sources	-	-	-	-
State Sources	-	29,631	-	-
Federal Sources	10,778	-	(2,388)	548
Earnings From Investments	-	-	-	-
Gifts and Donations	-	-	-	-
Total Revenues	<u>10,778</u>	<u>29,631</u>	<u>(2,388)</u>	<u>548</u>
EXPENDITURES:				
Current:				
Direct Instruction	-	-	-	-
Instructional Support	10,581	32,489	-	-
Food Services	-	-	-	-
Other	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Bond Principal	-	-	-	-
Bond Interest	-	-	-	-
Total Expenditures	<u>10,581</u>	<u>32,489</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>197</u>	<u>(2,858)</u>	<u>(2,388)</u>	<u>548</u>
Other Financing Sources and Financing Uses:				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Proceeds from Bond Issues	-	-	-	-
Total Other Financing Sources and Financing Uses:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	197	(2,858)	(2,388)	548
Fund Balance at Beginning of Year	-	-	-	-
Restatement	(5,093)	-	(3,400)	(548)
Fund Balance at End of Year	<u>\$ (4,896)</u>	<u>\$ (2,858)</u>	<u>\$ (5,788)</u>	<u>\$ -</u>

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**STATE OF NEW MEXICO
FOOD SERVICES SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES (continued)
FOR THE YEAR ENDED JUNE 30, 2012**

	Rural Education Achievement	SEG Stimulus	Education Job Fund	GO Bond Library 2008
REVENUES:				
Taxes	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	-	-
Local Sources	-	-	-	-
State Sources	-	-	-	419
Federal Sources	3,274	-	414	(3,213)
Earnings From Investments	-	-	-	-
Gifts and Donations	-	-	-	-
Total Revenues	<u>3,274</u>	<u>-</u>	<u>414</u>	<u>(2,794)</u>
EXPENDITURES:				
Current:				
Direct Instruction	-	-	-	-
Instructional Support	9,627	-	414	3,213
Food Services	-	-	-	-
Other	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Bond Principal	-	-	-	-
Bond Interest	-	-	-	-
Total Expenditures	<u>9,627</u>	<u>-</u>	<u>414</u>	<u>3,213</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(6,353)</u>	<u>-</u>	<u>-</u>	<u>(6,007)</u>
Other Financing Sources and Financing Uses:				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Proceeds from Bond Issues	-	-	-	-
Total Other Financing Sources and Financing Uses:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	(6,353)	-	-	(6,007)
Fund Balance at Beginning of Year	-	-	-	-
Restatement	(551)	-	-	-
Fund Balance at End of Year	<u>\$ (6,904)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (6,007)</u>

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**STATE OF NEW MEXICO
FOOD SERVICES SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES (continued)
FOR THE YEAR ENDED JUNE 30, 2012**

	GO Bond Library 2010	Sun Safety	Private Direct Grants	Total
REVENUES:				
Taxes	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	-	2,147
Local Sources	-	-	-	-
State Sources	554	2,000	-	66,276
Federal Sources	(554)	-	-	15,618
Earnings From Investments	-	-	-	495
Gifts and Donations	-	-	500	22,906
Total Revenues	<u>-</u>	<u>2,000</u>	<u>500</u>	<u>107,442</u>
EXPENDITURES:				
Current:				
Direct Instruction	-	-	-	-
Instructional Support	554	1,721	-	94,295
Food Services	-	-	-	30,705
Other	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Bond Principal	-	-	-	-
Bond Interest	-	-	-	-
Total Expenditures	<u>554</u>	<u>1,721</u>	<u>-</u>	<u>125,000</u>
Excess (Deficiency) of Revenues Over Expenditures				
	<u>(554)</u>	<u>279</u>	<u>500</u>	<u>(17,558)</u>
Other Financing Sources and Financing Uses:				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Proceeds from Bond Issues	-	-	-	-
Total Other Financing Sources and Financing Uses:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	(554)	279	500	(17,558)
Fund Balance at Beginning of Year	-	(172)	-	35,955
Restatement	-	234	-	(17,456)
Fund Balance at End of Year	<u>\$ (554)</u>	<u>\$ 341</u>	<u>\$ 500</u>	<u>\$ 941</u>

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**STATE OF NEW MEXICO
FOOD SERVICES SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2012**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES:				
Taxes	\$ -	\$ -	\$ -	\$ -
Charges for Services	2,000	2,000	2,147	147
Local Sources	-	-	-	-
State Sources	26,500	26,500	33,672	7,172
Federal Sources	-	-	-	-
Earnings from Investments	500	500	424	(76)
Gifts and Donations	-	-	-	-
Total Revenues	<u>29,000</u>	<u>29,000</u>	<u>36,243</u>	<u>7,243</u>
EXPENDITURES:				
Current:				
Direct Instruction	-	-	-	-
Instructional Support	-	-	-	-
Food Services	38,986	57,834	30,705	27,129
Other	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Bond Principal	-	-	-	-
Bond Interest	-	-	-	-
Total Expenditures	<u>38,986</u>	<u>57,834</u>	<u>30,705</u>	<u>27,129</u>
Excess (Deficiency) of Revenues Over Expenditures				
	<u>(9,986)</u>	<u>(28,834)</u>	<u>5,538</u>	<u>34,372</u>
Other Financing Sources and Financing Uses:				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Cash Balance Budgeted	9,986	28,834	-	(28,834)
Total Other Financing Sources and Financing Uses:	<u>9,986</u>	<u>28,834</u>	<u>-</u>	<u>(28,834)</u>
Net Change in Fund Balance	-	-	5,538	5,538
Fund Balance at Beginning of Year	-	-	30,888	30,888
Restatement	-	-	(2,204)	(2,204)
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 34,222</u>	<u>\$ 34,222</u>

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**STATE OF NEW MEXICO
ATHLETICS SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2012**

	Original Budget	Final Budget	Actual	Variance
REVENUES:				
Taxes	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	-	-
Local Sources	-	-	-	-
State Sources	-	-	-	-
Federal Sources	-	-	-	-
Earnings from Investments	200	200	71	(129)
Gifts and Donations	16,000	21,655	22,406	751
Total Revenues	<u>16,200</u>	<u>21,855</u>	<u>22,477</u>	<u>622</u>
EXPENDITURES:				
Current:				
Direct Instruction	-	-	-	-
Instructional Support	17,867	27,094	21,932	5,162
Food Services	-	-	-	-
Other	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Bond Principal	-	-	-	-
Bond Interest	-	-	-	-
Total Expenditures	<u>17,867</u>	<u>27,094</u>	<u>21,932</u>	<u>5,162</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(1,667)</u>	<u>(5,239)</u>	<u>545</u>	<u>5,784</u>
Other Financing Sources and Financing Uses:				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Cash Balance Budgeted	1,667	5,239	-	(5,239)
Total Other Financing Sources and Financing Uses:	<u>1,667</u>	<u>5,239</u>	<u>-</u>	<u>(5,239)</u>
Net Change in Fund Balance	-	-	545	545
Fund Balance at Beginning of Year	-	-	5,239	5,239
Restatement	-	-	-	-
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,784</u>	<u>\$ 5,784</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
ENTITLEMENT IDEA-B SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2012**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES:				
Taxes	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	-	-
Local Sources	-	-	-	-
State Sources	-	-	-	-
Federal Sources	41,042	43,113	11,599	(31,514)
Earnings from Investments	-	-	-	-
Gifts and Donations	-	-	-	-
Total Revenues	<u>41,042</u>	<u>43,113</u>	<u>11,599</u>	<u>(31,514)</u>
EXPENDITURES:				
Current:				
Direct Instruction	-	-	-	-
Instructional Support	13,000	15,071	13,764	1,307
Food Services	-	-	-	-
Other	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Bond Principal	-	-	-	-
Bond Interest	-	-	-	-
Total Expenditures	<u>13,000</u>	<u>15,071</u>	<u>13,764</u>	<u>1,307</u>
Excess (Deficiency) of Revenues Over Expenditures				
	<u>28,042</u>	<u>28,042</u>	<u>(2,165)</u>	<u>(30,207)</u>
Other Financing Sources and Financing Uses:				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Cash balance Budgeted	<u>(28,042)</u>	<u>(28,042)</u>	<u>-</u>	<u>28,042</u>
Total Other Financing Sources and Financing Uses:	<u>(28,042)</u>	<u>(28,042)</u>	<u>-</u>	<u>28,042</u>
Net Change in Fund Balance	-	-	(2,165)	(2,165)
Fund Balance at Beginning of Year	-	-	-	-
Restatement	-	-	(1,054)	(1,054)
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (3,219)</u>	<u>\$ (3,219)</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
DISCRETIONARY IDEA-B SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2012**

	Original Budget	Final Budget	Actual	Variance
REVENUES:				
Taxes	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	-	-
Local Sources	-	-	-	-
State Sources	-	-	-	-
Federal Sources	-	-	(4,840)	(4,840)
Earnings from Investments	-	-	-	-
Gifts and Donations	-	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>(4,840)</u>	<u>(4,840)</u>
EXPENDITURES:				
Current:				
Direct Instruction	-	-	-	-
Instructional Support	-	-	-	-
Food Services	-	-	-	-
Other	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Bond Principal	-	-	-	-
Bond Interest	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>-</u>	<u>-</u>	<u>(4,840)</u>	<u>(4,840)</u>
Other Financing Sources and Financing Uses:				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Cash Balance Budgeted	-	-	-	-
Total Other Financing Sources and Financing Uses:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	-	-	(4,840)	(4,840)
Fund Balance at Beginning of Year	-	-	-	-
Restatement	-	-	(4,840)	(4,840)
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (9,680)</u>	<u>\$ (9,680)</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
TEACHER PRINCIPAL TRAINING RECRUIT SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2012**

	Original Budget	Final Budget	Actual	Variance
REVENUES:				
Taxes	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	-	-
Local Sources	-	-	-	-
State Sources	-	-	-	-
Federal Sources	12,248	12,248	10,778	(1,470)
Earnings from Investments	-	-	-	-
Gifts and Donations	-	-	-	-
Total Revenues	<u>12,248</u>	<u>12,248</u>	<u>10,778</u>	<u>(1,470)</u>
EXPENDITURES:				
Current:				
Direct Instruction	-	-	-	-
Instructional Support	12,248	12,248	10,581	1,667
Food Services	-	-	-	-
Other	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Bond Principal	-	-	-	-
Bond Interest	-	-	-	-
Total Expenditures	<u>12,248</u>	<u>12,248</u>	<u>10,581</u>	<u>1,667</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>-</u>	<u>-</u>	<u>197</u>	<u>197</u>
Other Financing Sources and Financing Uses:				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Cash Balance Budgeted	-	-	-	-
Total Other Financing Sources and Financing Uses:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	-	-	197	197
Fund Balance at Beginning of Year	-	-	-	-
Restatement	-	-	(5,093)	(5,093)
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (4,896)</u>	<u>\$ (4,896)</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
TITLE I SCHOOL IMPROVEMENT SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2012**

	Original Budget	Final Budget	Actual	Variance
REVENUES:				
Taxes	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	-	-
Local Sources	-	-	-	-
State Sources	35,900	40,156	29,631	(10,525)
Federal Sources	-	-	-	-
Earnings from Investments	-	-	-	-
Gifts and Donations	-	-	-	-
Total Revenues	<u>35,900</u>	<u>40,156</u>	<u>29,631</u>	<u>(10,525)</u>
EXPENDITURES:				
Current:				
Direct Instruction	-	-	-	-
Instructional Support	35,900	40,156	32,489	7,667
Food Services	-	-	-	-
Other	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Bond Principal	-	-	-	-
Bond Interest	-	-	-	-
Total Expenditures	<u>35,900</u>	<u>40,156</u>	<u>32,489</u>	<u>7,667</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>-</u>	<u>-</u>	<u>(2,858)</u>	<u>(2,858)</u>
Other Financing Sources and Financing Uses:				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Cash Balance Budgeted	-	-	-	-
Total Other Financing Sources and Financing Uses:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	-	-	(2,858)	(2,858)
Fund Balance at Beginning of Year	-	-	-	-
Restatement	-	-	-	-
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (2,858)</u>	<u>\$ (2,858)</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
PRESCHOOL STIMULUS SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2012**

	Original Budget	Final Budget	Actual	Variance
REVENUES:				
Taxes	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	-	-
Local Sources	-	-	-	-
State Sources	-	-	-	-
Federal Sources	-	-	(2,388)	(2,388)
Earnings from Investments	-	-	-	-
Gifts and Donations	-	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>(2,388)</u>	<u>(2,388)</u>
EXPENDITURES:				
Current:				
Direct Instruction	-	-	-	-
Instructional Support	-	-	-	-
Food Services	-	-	-	-
Other	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Bond Principal	-	-	-	-
Bond Interest	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>-</u>	<u>-</u>	<u>(2,388)</u>	<u>(2,388)</u>
Other Financing Sources and Financing Uses:				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Cash Balance Budgeted	-	-	-	-
Total Other Financing Sources and Financing Uses:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	-	-	(2,388)	(2,388)
Fund Balance at Beginning of Year	-	-	-	-
Restatement	-	-	(3,400)	(3,400)
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (5,788)</u>	<u>\$ (5,788)</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
PRESCHOOL STIMULUS SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2012**

	Original Budget	Final Budget	Actual	Variance
REVENUES:				
Taxes	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	-	-
Local Sources	-	-	-	-
State Sources	-	-	-	-
Federal Sources	-	-	548	548
Earnings from Investments	-	-	-	-
Gifts and Donations	-	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>548</u>	<u>548</u>
EXPENDITURES:				
Current:				
Direct Instruction	-	-	-	-
Instructional Support	-	-	-	-
Food Services	-	-	-	-
Other	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Bond Principal	-	-	-	-
Bond Interest	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>-</u>	<u>-</u>	<u>548</u>	<u>548</u>
Other Financing Sources and Financing Uses:				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Cash Balance Budgeted	-	-	-	-
Total Other Financing Sources and Financing Uses:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	-	-	548	548
Fund Balance at Beginning of Year	-	-	-	-
Restatement	-	-	(548)	(548)
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
RURAL EDUCATION ACHIEVEMENT PROGRAM SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2012**

	Original Budget	Final Budget	Actual	Variance
REVENUES:				
Taxes	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	-	-
Local Sources	-	-	-	-
State Sources	-	-	-	-
Federal Sources	-	10,055	3,274	(6,781)
Earnings from Investments	-	-	-	-
Gifts and Donations	-	-	-	-
Total Revenues	<u>-</u>	<u>10,055</u>	<u>3,274</u>	<u>(6,781)</u>
EXPENDITURES:				
Current:				
Direct Instruction	-	-	-	-
Instructional Support	-	10,055	9,627	428
Food Services	-	-	-	-
Other	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Bond Principal	-	-	-	-
Bond Interest	-	-	-	-
Total Expenditures	<u>-</u>	<u>10,055</u>	<u>9,627</u>	<u>428</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>-</u>	<u>-</u>	<u>(6,353)</u>	<u>(6,353)</u>
Other Financing Sources and Financing Uses:				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Cash Balance Budgeted	-	-	-	-
Total Other Financing Sources and Financing Uses:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	-	-	(6,353)	(6,353)
Fund Balance at Beginning of Year	-	-	-	-
Restatement	-	-	(551)	(551)
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (6,904)</u>	<u>\$ (6,904)</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
 SEG STIMULUS SPECIAL REVENUE FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2012**

	Original Budget	Final Budget	Actual	Variance
REVENUES:				
Taxes	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	-	-
Local Sources	-	-	-	-
State Sources	-	-	-	-
Federal Sources	-	-	-	-
Earnings from Investments	-	-	-	-
Gifts and Donations	-	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES:				
Current:				
Direct Instruction	-	-	-	-
Instructional Support	-	-	-	-
Food Services	-	-	-	-
Other	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Bond Principal	-	-	-	-
Bond Interest	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other Financing Sources and Financing Uses:				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Cash Balance Budgeted	-	-	-	-
Total Other Financing Sources and Financing Uses:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	-	-	-	-
Fund Balance at Beginning of Year	-	-	-	-
Restatement				
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
EDUCATION JOB SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2012**

	Original Budget	Final Budget	Actual	Variance
REVENUES:				
Taxes	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	-	-
Local Sources	-	-	-	-
State Sources	-	-	-	-
Federal Sources	-	414	414	-
Earnings from Investments	-	-	-	-
Gifts and Donations	-	-	-	-
Total Revenues	<u>-</u>	<u>414</u>	<u>414</u>	<u>-</u>
EXPENDITURES:				
Current:				
Direct Instruction	-	-	-	-
Instructional Support	-	414	414	-
Food Services	-	-	-	-
Other	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Bond Principal	-	-	-	-
Bond Interest	-	-	-	-
Total Expenditures	<u>-</u>	<u>414</u>	<u>414</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other Financing Sources and Financing Uses:				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Cash Balance Budgeted	-	-	-	-
Total Other Financing Sources and Financing Uses:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	-	-	-	-
Fund Balance at Beginning of Year	-	-	-	-
Restatement	-	-	-	-
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
GO BOND LIBRARY 2008 SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2012**

	Original Budget	Final Budget	Actual	Variance
REVENUES:				
Taxes	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	-	-
Local Sources	-	-	-	-
State Sources	-	3,213	419	(2,794)
Federal Sources	-	-	(3,213)	(3,213)
Earnings from Investments	-	-	-	-
Gifts and Donations	-	-	-	-
Total Revenues	<u>-</u>	<u>3,213</u>	<u>(2,794)</u>	<u>(6,007)</u>
EXPENDITURES:				
Current:				
Direct Instruction	-	-	-	-
Instructional Support	-	3,213	3,213	-
Food Services	-	-	-	-
Other	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Bond Principal	-	-	-	-
Bond Interest	-	-	-	-
Total Expenditures	<u>-</u>	<u>3,213</u>	<u>3,213</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>-</u>	<u>-</u>	<u>(6,007)</u>	<u>(6,007)</u>
Other Financing Sources and Financing Uses:				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Cash Balance Budgeted	-	-	-	-
Total Other Financing Sources and Financing Uses:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	-	-	(6,007)	(6,007)
Fund Balance at Beginning of Year	-	-	-	-
Restatement	-	-	-	-
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (6,007)</u>	<u>\$ (6,007)</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
GO BOND LIBRARY 2010 SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2012**

	Original Budget	Final Budget	Actual	Variance
REVENUES:				
Taxes	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	-	-
Local Sources	-	-	-	-
State Sources	6,056	6,056	554	(5,502)
Federal Sources	-	-	(554)	(554)
Earnings from Investments	-	-	-	-
Gifts and Donations	-	-	-	-
Total Revenues	<u>6,056</u>	<u>6,056</u>	<u>-</u>	<u>(6,056)</u>
EXPENDITURES:				
Current:				
Direct Instruction	-	-	-	-
Instructional Support	6,056	6,056	554	5,502
Food Services	-	-	-	-
Other	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Bond Principal	-	-	-	-
Bond Interest	-	-	-	-
Total Expenditures	<u>6,056</u>	<u>6,056</u>	<u>554</u>	<u>5,502</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>-</u>	<u>-</u>	<u>(554)</u>	<u>(554)</u>
Other Financing Sources and Financing Uses:				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Cash Balance Budgeted	-	-	-	-
Total Other Financing Sources and Financing Uses:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	-	-	(554)	(554)
Fund Balance at Beginning of Year	-	-	-	-
Restatement	-	-	-	-
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (554)</u>	<u>\$ (554)</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
SUN SAFETY SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2012**

	Original Budget	Final Budget	Actual	Variance
REVENUES:				
Taxes	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	-	-
Local Sources	-	-	-	-
State Sources	-	2,000	2,000	-
Federal Sources	-	-	-	-
Earnings from Investments	-	-	-	-
Gifts and Donations	-	-	-	-
Total Revenues	<u>-</u>	<u>2,000</u>	<u>2,000</u>	<u>-</u>
EXPENDITURES:				
Current:				
Direct Instruction	-	-	-	-
Instructional Support	-	2,048	1,721	327
Food Services	-	-	-	-
Other	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Bond Principal	-	-	-	-
Bond Interest	-	-	-	-
Total Expenditures	<u>-</u>	<u>2,048</u>	<u>1,721</u>	<u>327</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>-</u>	<u>(48)</u>	<u>279</u>	<u>327</u>
Other Financing Sources and Financing Uses:				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Cash Balance Budgeted	-	48	-	(48)
Total Other Financing Sources and Financing Uses:	<u>-</u>	<u>48</u>	<u>-</u>	<u>(48)</u>
Net Change in Fund Balance	-	-	279	279
Fund Balance at Beginning of Year	-	-	(172)	(172)
Restatement	-	-	234	234
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 341</u>	<u>\$ 341</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
PRIVATE DIRECT GRANTS SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2012**

	Original Budget	Final Budget	Actual	Variance
REVENUES:				
Taxes	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	-	-
Local Sources	-	-	-	-
State Sources	-	-	-	-
Federal Sources	-	-	-	-
Earnings from Investments	-	-	-	-
Gifts and Donations	-	500	500	-
Total Revenues	<u>-</u>	<u>500</u>	<u>500</u>	<u>-</u>
EXPENDITURES:				
Current:				
Direct Instruction	-	-	-	-
Instructional Support	-	500	-	500
Food Services	-	-	-	-
Other	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Bond Principal	-	-	-	-
Bond Interest	-	-	-	-
Total Expenditures	<u>-</u>	<u>500</u>	<u>-</u>	<u>500</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>-</u>	<u>-</u>	<u>500</u>	<u>500</u>
Other Financing Sources and Financing Uses:				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Cash Balance Budgeted	-	-	-	-
Total Other Financing Sources and Financing Uses:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	-	-	500	500
Fund Balance at Beginning of Year	-	-	-	-
Restatement	-	-	-	-
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 500</u>	<u>\$ 500</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
TOTAL SPECIAL REVENUE FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2012**

	Original Budget	Final Budget	Actual	Variance
REVENUES:				
Taxes	\$ -	\$ -	\$ -	\$ -
Charges for Services	2,000	2,000	2,147	147
Local Sources	-	-	-	-
State Sources	68,456	77,925	66,276	(11,649)
Federal Sources	53,290	65,830	15,618	(50,212)
Earnings from Investments	700	700	495	(205)
Gifts and Donations	16,000	22,155	22,906	751
Total Revenues	<u>140,446</u>	<u>168,610</u>	<u>107,442</u>	<u>(61,168)</u>
EXPENDITURES:				
Current:				
Direct Instruction	-	-	-	-
Instructional Support	85,071	116,855	94,295	22,560
Food Services	38,986	57,834	30,705	27,129
Other	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Bond Principal	-	-	-	-
Bond Interest	-	-	-	-
Total Expenditures	<u>124,057</u>	<u>174,689</u>	<u>125,000</u>	<u>49,689</u>
Excess (Deficiency) of Revenues Over Expenditures				
	<u>16,389</u>	<u>(6,079)</u>	<u>(17,558)</u>	<u>(11,479)</u>
Other Financing Sources and Financing Uses:				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Cash Balance Budgeted	(16,389)	6,079	-	(6,079)
Total Other Financing Sources and Financing Uses:	<u>(16,389)</u>	<u>6,079</u>	<u>-</u>	<u>(6,079)</u>
Net Change in Fund Balance	-	-	(17,558)	(17,558)
Fund Balance at Beginning of Year	-	-	35,955	35,955
Restatement	-	-	(17,456)	(17,456)
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 941</u>	<u>\$ 941</u>

See Independent Auditors' Report

STATE OF NEW MEXICO CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities. The District has the following separate funds classified as Capital Projects Funds:

Bond Building Fund (Fund 31100)

Public School Capital Outlay (31200)

To account for the Critical Capital Outlay funds and other special capital outlay funds received from the State of New Mexico. The funds are restricted for the purposes outlined in the applicable legislation under which the funds were approved. This generally includes construction of new schools or improvements to existing schools.

Special Capital Outlay - Local (31300)

To account for revenues that are derived from local sources such as the sale of a building.

Special Capital Outlay - State (31400)

To account for special appropriation monies received from the State of New Mexico under Chapter 4, Laws of 1996 for the purpose of upgrading Wagon Mound Public School facilities.

Capital Improvements SB-9 (31700)

To account for erecting, remodeling, making additions to and furnishing of school buildings, or purchasing or improving school grounds or any combination thereof as identified by the local school board. Financing is provided by the State of New Mexico's State Equalization Matching and a special levy tax levy as authorized by the Public School District Capital Improvements Act (22-25-1 to 22-25-10 NMSA 1978).

Educational Technology Equipment Act (31900)

To account for purchases of computer equipment and computer software. The authority for the creation of this fund is the Federal Property and Administrative Services Act of 1949, Ch. 288, 63 Stat 377, and the National Defense Authorization Act for the Fiscal Year 1996, Public Law 104-106.

Public School Capital Outlay – 20%

To account for 20 percent of the operational property tax revenues that have been set aside for capital outlay projects.

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
COMBINING BALANCE SHEET
NON-MAJOR CAPITAL PROJECTS FUNDS
JUNE 30, 2012**

	Bond Building Fund	Public School Capital Outlay	Special Capital Outlay Local	Special Capital Outlay State
<u>ASSETS</u>				
Pooled Cash and Investments	\$ 1,089,008	\$ 18,339	\$ 23,628	\$ 44,858
Receivables:				
Delinquent Property Taxes				
Grants				
Due From Other Governments				
Bond Issuance Costs	34,900			
Interfund Receivables				
Food Inventory	-	-	-	-
Total Assets	\$ 1,123,908	\$ 18,339	\$ 23,628	\$ 44,858
 <u>LIABILITIES AND FUND BALANCE</u>				
Liabilities:				
Accounts Payable	\$ 195,150	\$ -	\$ -	\$ -
Interfund Payables				
Deferred Revenue:				
Federal, State and Local Grants	-	-	-	-
Delinquent Property Taxes	-	-	-	-
Bonds Payable - Current	-	-	-	-
Bonds Payable - Noncurrent	-	-	-	-
Total Liabilities	195,150	-	-	-
 Fund Balance:				
Reserved:				
Retirement of Long-Term Debt				
Inventories				
Unreserved and Reported in:				
Special Revenue Funds				
Capital Projects Funds	928,758	18,339	23,628	44,858
Total Fund Balance	928,758	18,339	23,628	44,858
Total Liabilities and Fund Balance	\$ 1,123,908	\$ 18,339	\$ 23,628	\$ 44,858

See Independent Auditors' Report

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
COMBINING BALANCE SHEET
NON-MAJOR CAPITAL PROJECTS FUNDS (continued)
JUNE 30, 2012**

	<u>Capital Improvements SB-9</u>	<u>Ed. Technology Equipment Act</u>	<u>Public School Capital Outlay 20%</u>	<u>Total</u>
<u>ASSETS</u>				
Pooled Cash and Investments	\$ 34,949	\$ (109,432)	\$ -	\$ 1,101,350
Receivables:				
Delinquent Property Taxes				-
Grants				-
Due From Other Governments				-
Bond Issuance Costs				34,900
Interfund Receivables				-
Food Inventory	-	-	-	-
Total Assets	<u>\$ 34,949</u>	<u>\$ (109,432)</u>	<u>\$ -</u>	<u>\$ 1,136,250</u>
<u>LIABILITIES AND FUND BALANCE</u>				
Liabilities:				
Accounts Payable	\$ -	\$ -	\$ -	\$ 195,150
Interfund Payables				-
Deferred Revenue:				
Federal, State and Local Grants				-
Delinquent Property Taxes	-	-	-	-
Bonds Payable - Current				-
Bonds Payable - Noncurrent	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>195,150</u>
Fund Balance:				
Reserved:				
Retirement of Long-Term Debt				-
Inventories				-
Unreserved and Reported in:				
Special Revenue Funds				-
Capital Projects Funds	34,949	(109,432)	-	941,100
Total Fund Balance	<u>34,949</u>	<u>(109,432)</u>	<u>-</u>	<u>941,100</u>
Total Liabilities and Fund Balance	<u>\$ 34,949</u>	<u>\$ (109,432)</u>	<u>\$ -</u>	<u>\$ 1,136,250</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES
NON-MAJOR CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED JUNE 30, 2012**

	Bond Building Fund	Public School Capital Outlay	Special Capital Outlay Local	Special Capital Outlay State
REVENUES:				
Taxes	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	-	-
Local Sources	-	-	-	-
State Sources	-	-	-	-
Federal Sources	-	-	-	-
Earnings From Investments	-	-	-	-
Gifts and Donations	-	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES:				
Current:				
Direct Instruction	-	-	-	-
Instructional Support	-	-	-	-
Food Services	-	-	-	-
Other	-	-	-	-
Capital Outlay	321,242	-	-	-
Debt Service:				
Bond Principal	-	-	-	-
Bond Interest	-	-	-	-
Total Expenditures	<u>321,242</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(321,242)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other Financing Sources and Financing Uses:				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Proceeds from Bond Issues	-	-	-	-
Total Other Financing Sources and Financing Uses:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	(321,242)	-	-	-
Fund Balance at Beginning of Year	756,143	18,339	23,628	44,858
Restatement	493,857	-	-	-
Fund Balance at End of Year	<u>\$ 928,758</u>	<u>\$ 18,339</u>	<u>\$ 23,628</u>	<u>\$ 44,858</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES
NON-MAJOR CAPITAL PROJECTS FUNDS (continued)
FOR THE YEAR ENDED JUNE 30, 2012**

	Capital Improvements SB-9	Ed. Technology Equipment Act	Public School Capital Outlay 20%	Total
REVENUES:				
Taxes	\$ 45,394	\$ -	\$ -	\$ 45,394
Charges for Services	-	-	-	-
Local Sources	-	-	-	-
State Sources	-	-	-	-
Federal Sources	-	-	-	-
Earnings From Investments	-	-	-	-
Gifts and Donations	-	-	-	-
Total Revenues	<u>45,394</u>	<u>-</u>	<u>-</u>	<u>45,394</u>
EXPENDITURES:				
Current:				
Direct Instruction	-	-	-	-
Instructional Support	-	-	-	-
Food Services	-	-	-	-
Other	-	-	-	-
Capital Outlay	60,868	-	1,331	383,441
Debt Service:				
Bond Principal	-	-	-	-
Bond Interest	-	-	-	-
Total Expenditures	<u>60,868</u>	<u>-</u>	<u>1,331</u>	<u>383,441</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(15,474)</u>	<u>-</u>	<u>(1,331)</u>	<u>(338,047)</u>
Other Financing Sources and Financing Uses:				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Proceeds from Bond Issues	-	-	-	-
Total Other Financing Sources and Financing Uses:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	(15,474)	-	(1,331)	(338,047)
Fund Balance at Beginning of Year	50,423	(109,432)	1,331	785,290
Restatement	-	-	-	493,857
Fund Balance at End of Year	<u>\$ 34,949</u>	<u>\$ (109,432)</u>	<u>\$ -</u>	<u>\$ 941,100</u>

See Independent Auditors' Report

STATE OF NEW MEXICO
BOND BUILDING NON-MAJOR CAPITAL PROJECTS FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2012

	Original Budget	Final Budget	Actual	Variance
REVENUES:				
Taxes	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	-	-
Local Sources	-	-	-	-
State Sources	-	-	-	-
Federal Sources	-	-	-	-
Earnings from Investments	-	448,958	-	(448,958)
Gifts and Donations	-	-	-	-
Total Revenues	<u>-</u>	<u>448,958</u>	<u>-</u>	<u>(448,958)</u>
EXPENDITURES:				
Current:				
Direct Instruction	-	-	-	-
Instructional Support	-	-	-	-
Food Services	-	-	-	-
Other	-	-	-	-
Capital Outlay	750,107	1,199,065	321,242	877,823
Debt Service:				
Bond Principal	-	-	-	-
Bond Interest	-	-	-	-
Total Expenditures	<u>750,107</u>	<u>1,199,065</u>	<u>321,242</u>	<u>877,823</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(750,107)</u>	<u>(750,107)</u>	<u>(321,242)</u>	<u>428,865</u>
Other Financing Sources and Financing Uses:				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Cash Balance Budgeted	750,107	750,107	-	(750,107)
Total Other Financing Sources and Financing Uses:	<u>750,107</u>	<u>750,107</u>	<u>-</u>	<u>(750,107)</u>
Net Change in Fund Balance	-	-	(321,242)	(321,242)
Fund Balance at Beginning of Year	-	-	756,143	756,143
Restatement	-	-	493,857	493,857
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 928,758</u>	<u>\$ 928,758</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
PUBLIC SCHOOL CAPITAL OUTLAY NON-MAJOR CAPITAL PROJECTS FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2012**

	Original Budget	Final Budget	Actual	Variance
REVENUES:				
Taxes	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	-	-
Local Sources	-	-	-	-
State Sources	-	-	-	-
Federal Sources	-	-	-	-
Earnings from Investments	-	-	-	-
Gifts and Donations	-	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES:				
Current:				
Direct Instruction	-	-	-	-
Instructional Support	-	-	-	-
Food Services	-	-	-	-
Other	-	-	-	-
Capital Outlay	18,338	18,338	-	18,338
Debt Service:				
Bond Principal	-	-	-	-
Bond Interest	-	-	-	-
Total Expenditures	<u>18,338</u>	<u>18,338</u>	<u>-</u>	<u>18,338</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(18,338)</u>	<u>(18,338)</u>	<u>-</u>	<u>18,338</u>
Other Financing Sources and Financing Uses:				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Cash Balance Budgeted	18,338	18,338	-	(18,338)
Total Other Financing Sources and Financing Uses:	<u>18,338</u>	<u>18,338</u>	<u>-</u>	<u>(18,338)</u>
Net Change in Fund Balance	-	-	-	-
Fund Balance at Beginning of Year	-	-	18,339	18,339
Restatement	-	-	-	-
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18,339</u>	<u>\$ 18,339</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
SPECIAL CAPITAL OUTLAY – LOCAL NON-MAJOR CAPITAL PROJECTS FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2012**

	Original Budget	Final Budget	Actual	Variance
REVENUES:				
Taxes	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	-	-
Local Sources	-	-	-	-
State Sources	-	-	-	-
Federal Sources	-	-	-	-
Earnings from Investments	-	-	-	-
Gifts and Donations	-	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES:				
Current:				
Direct Instruction	-	-	-	-
Instructional Support	-	-	-	-
Food Services	-	-	-	-
Other	-	-	-	-
Capital Outlay	23,628	23,628	-	23,628
Debt Service:				
Bond Principal	-	-	-	-
Bond Interest	-	-	-	-
Total Expenditures	<u>23,628</u>	<u>23,628</u>	<u>-</u>	<u>23,628</u>
Excess (Deficiency) of Revenues Over Expenditures				
	<u>(23,628)</u>	<u>(23,628)</u>	<u>-</u>	<u>23,628</u>
Other Financing Sources and Financing Uses:				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Cash Balance Budgeted	23,628	23,628	-	(23,628)
Total Other Financing Sources and Financing Uses:	<u>23,628</u>	<u>23,628</u>	<u>-</u>	<u>(23,628)</u>
Net Change in Fund Balance	-	-	-	-
Fund Balance at Beginning of Year	-	-	23,628	23,628
Restatement	-	-	-	-
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 23,628</u>	<u>\$ 23,628</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
SPECIAL CAPITAL OUTLAY – STATE NON-MAJOR CAPITAL PROJECTS FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2012**

	Original Budget	Final Budget	Actual	Variance
REVENUES:				
Taxes	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	-	-
Local Sources	-	-	-	-
State Sources	-	-	-	-
Federal Sources	-	-	-	-
Earnings from Investments	-	-	-	-
Gifts and Donations	-	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES:				
Current:				
Direct Instruction	-	-	-	-
Instructional Support	-	-	-	-
Food Services	-	-	-	-
Other	-	-	-	-
Capital Outlay	44,858	44,858	-	44,858
Debt Service:				
Bond Principal	-	-	-	-
Bond Interest	-	-	-	-
Total Expenditures	<u>44,858</u>	<u>44,858</u>	<u>-</u>	<u>44,858</u>
Excess (Deficiency) of Revenues Over Expenditures				
	<u>(44,858)</u>	<u>(44,858)</u>	<u>-</u>	<u>44,858</u>
Other Financing Sources and Financing Uses:				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Cash Balance Budgeted	44,858	44,858	-	(44,858)
Total Other Financing Sources and Financing Uses:	<u>44,858</u>	<u>44,858</u>	<u>-</u>	<u>(44,858)</u>
Net Change in Fund Balance	-	-	-	-
Fund Balance at Beginning of Year	-	-	44,858	44,858
Restatement	-	-	-	-
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 44,858</u>	<u>\$ 44,858</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
CAPITAL IMPROVEMENTS SB-9 NON-MAJOR CAPITAL PROJECTS FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2012**

	Original Budget	Final Budget	Actual	Variance
REVENUES:				
Taxes	\$ 46,428	\$ 46,428	\$ 45,394	\$ (1,034)
Charges for Services	-	-	-	-
Local Sources	-	-	-	-
State Sources	5,572	5,572	-	(5,572)
Federal Sources	-	-	-	-
Earnings from Investments	-	-	-	-
Gifts and Donations	-	-	-	-
Total Revenues	<u>52,000</u>	<u>52,000</u>	<u>45,394</u>	<u>(6,606)</u>
EXPENDITURES:				
Current:				
Direct Instruction	-	-	-	-
Instructional Support	-	-	-	-
Food Services	-	-	-	-
Other	-	-	-	-
Capital Outlay	87,917	102,423	60,868	41,555
Debt Service:				
Bond Principal	-	-	-	-
Bond Interest	-	-	-	-
Total Expenditures	<u>87,917</u>	<u>102,423</u>	<u>60,868</u>	<u>41,555</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(35,917)</u>	<u>(50,423)</u>	<u>(15,474)</u>	<u>34,949</u>
Other Financing Sources and Financing Uses:				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Cash Balance Budgeted	35,917	50,423	-	(50,423)
Total Other Financing Sources and Financing Uses:	<u>35,917</u>	<u>50,423</u>	<u>-</u>	<u>(50,423)</u>
Net Change in Fund Balance	-	-	(15,474)	(15,474)
Fund Balance at Beginning of Year	-	-	50,423	50,423
Restatement	-	-	-	-
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 34,949</u>	<u>\$ 34,949</u>

See Independent Auditors' Report

STATE OF NEW MEXICO
ED. TECHNOLOGY EQUIPMENT ACT NON-MAJOR CAPITAL PROJECTS FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2012

	Original Budget	Final Budget	Actual	Variance
REVENUES:				
Taxes	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	-	-
Local Sources	-	-	-	-
State Sources	-	-	-	-
Federal Sources	-	-	-	-
Earnings from Investments	-	-	-	-
Gifts and Donations	-	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES:				
Current:				
Direct Instruction	-	-	-	-
Instructional Support	-	-	-	-
Food Services	-	-	-	-
Other	-	-	-	-
Capital Outlay	9,143	9,143	-	9,143
Debt Service:				
Bond Principal	-	-	-	-
Bond Interest	-	-	-	-
Total Expenditures	<u>9,143</u>	<u>9,143</u>	<u>-</u>	<u>9,143</u>
Excess (Deficiency) of Revenues				
Over Expenditures	<u>(9,143)</u>	<u>(9,143)</u>	<u>-</u>	<u>9,143</u>
Other Financing Sources and Financing Uses:				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Cash Balance Budgeted	9,143	9,143	-	(9,143)
Total Other Financing Sources and Financing Uses:	<u>9,143</u>	<u>9,143</u>	<u>-</u>	<u>(9,143)</u>
Net Change in Fund Balance	-	-	-	-
Fund Balance at Beginning of Year	-	-	(109,432)	(109,432)
Restatement	-	-	-	-
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (109,432)</u>	<u>\$ (109,432)</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
PUBLIC SCHOOL CAPITAL OUTLAY 20%
NON-MAJOR CAPITAL PROJECTS FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2012**

	Original Budget	Final Budget	Actual	Variance
REVENUES:				
Taxes	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	-	-
Local Sources	-	-	-	-
State Sources	-	-	-	-
Federal Sources	-	-	-	-
Earnings from Investments	-	-	-	-
Gifts and Donations	-	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES:				
Current:				
Direct Instruction	-	-	-	-
Instructional Support	-	-	-	-
Food Services	-	-	-	-
Other	-	-	-	-
Capital Outlay	1,331	1,331	1,331	-
Debt Service:				
Bond Principal	-	-	-	-
Bond Interest	-	-	-	-
Total Expenditures	<u>1,331</u>	<u>1,331</u>	<u>1,331</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(1,331)</u>	<u>(1,331)</u>	<u>(1,331)</u>	<u>-</u>
Other Financing Sources and Financing Uses:				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Cash Balance Budgeted	1,331	1,331	-	(1,331)
Total Other Financing Sources and Financing Uses:	<u>1,331</u>	<u>1,331</u>	<u>-</u>	<u>(1,331)</u>
Net Change in Fund Balance	-	-	(1,331)	(1,331)
Fund Balance at Beginning of Year	-	-	1,331	1,331
Restatement	-	-	-	-
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
TOTAL NON-MAJOR CAPITAL PROJECTS FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2012**

	Original Budget	Final Budget	Actual	Variance
REVENUES:				
Taxes	\$ 46,428	\$ 46,428	\$ 45,394	\$ (1,034)
Charges for Services	-	-	-	-
Local Sources	-	-	-	-
State Sources	5,572	5,572	-	(5,572)
Federal Sources	-	-	-	-
Earnings from Investments	-	448,958	-	(448,958)
Gifts and Donations	-	-	-	-
Total Revenues	<u>52,000</u>	<u>500,958</u>	<u>45,394</u>	<u>(455,564)</u>
EXPENDITURES:				
Current:				
Direct Instruction	-	-	-	-
Instructional Support	-	-	-	-
Food Services	-	-	-	-
Other	-	-	-	-
Capital Outlay	935,322	1,398,786	383,441	1,015,345
Debt Service:				
Bond Principal	-	-	-	-
Bond Interest	-	-	-	-
Total Expenditures	<u>935,322</u>	<u>1,398,786</u>	<u>383,441</u>	<u>1,015,345</u>
Excess (Deficiency) of Revenues Over Expenditures				
	<u>(883,322)</u>	<u>(897,828)</u>	<u>(338,047)</u>	<u>559,781</u>
Other Financing Sources and Financing Uses:				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Cash Balance Budgeted	883,322	897,828	-	(897,828)
Total Other Financing Sources and Financing Uses:	<u>883,322</u>	<u>897,828</u>	<u>-</u>	<u>(897,828)</u>
Net Change in Fund Balance	-	-	(338,047)	(338,047)
Fund Balance at Beginning of Year	-	-	785,290	785,290
Restatement	-	-	493,857	493,857
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 941,100</u>	<u>\$ 941,100</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
DEBT SERVICE FUNDS**

Debt Service Fund (Fund 41000)

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

Education Technology Debt Service Fund (43000)

This fund was established to receive revenue for the payment of interest and principal on outstanding general obligation school bond issues.

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
COMBINING BALANCE SHEET
NON-MAJOR DEBT SERVICE FUNDS
JUNE 30, 2012**

	Debt Services Fund	Ed Tech Debt Service Fund	Total Debt Services Funds
<u>ASSETS</u>			
Pooled Cash and Investments	\$ 15,587	\$ 10,983	\$ 26,570
Receivables:			
Delinquent Property Taxes			-
Grants			-
Due From Other Governments			-
Food Inventory	-	-	-
Total Assets	\$ 15,587	\$ 10,983	\$ 26,570
 <u>LIABILITIES AND FUND BALANCE</u>			
Liabilities:			
Accounts Payable	\$ 7,937	\$ -	\$ 7,937
Accrued Liabilities	-	-	-
Other Liabilities	-	-	-
Deferred Revenue:			
Federal, State and Local Grants			-
Delinquent Property Taxes	-	-	-
Total Liabilities	7,937	-	7,937
 Fund Balance:			
Reserved:			
Retirement of Long-Term Debt			-
Inventories	-	-	-
Unreserved and Reported in:			
Debt Service Funds	7,650	10,983	18,633
Capital Projects Funds	-	-	-
Total Fund Balance	7,650	10,983	18,633
Total Liabilities and Fund Balance	\$ 15,587	\$ 10,983	\$ 26,570

See Independent Auditors' Report

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES
NON-MAJOR DEBT SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2012**

	Debt Services	Ed. Tech Subfund	Total
REVENUES:			
Taxes	\$ 95,834	\$ -	\$ 95,834
Charges for Services	-	-	-
Local Sources	-	-	-
State Sources	-	-	-
Federal Sources	-	-	-
Earnings From Investments	-	-	-
Gifts and Donations	-	-	-
Total Revenues	95,834	-	95,834
EXPENDITURES:			
Current:			
Direct Instruction	-	-	-
Instructional Support	-	-	-
Food Services	-	-	-
Other	-	-	-
Capital Outlay	-	-	-
Debt Service:			
Bond Principal	100,958	-	100,958
Bond Interest	38,644	-	38,644
Total Expenditures	139,602	-	139,602
Excess (Deficiency) of Revenues Over Expenditures	(43,768)	-	(43,768)
Other Financing Sources and Financing Uses:			
Transfers In	-	-	-
Transfers Out	-	-	-
Proceeds from Bond Issues	-	-	-
Total Other Financing Sources and Financing Uses:	-	-	-
Net Change in Fund Balance	(43,768)	-	(43,768)
Fund Balance at Beginning of Year	51,418	10,983	62,401
Restatement	-	-	-
Fund Balance at End of Year	\$ 7,650	\$ 10,983	\$ 18,633

See Independent Auditors' Report

**STATE OF NEW MEXICO
DEBT SERVICES FUND NON-MAJOR DEBT SERVICE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2012**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES:				
Taxes	\$ 130,708	\$ 130,708	\$ 95,834	\$ (34,874)
Charges for Services	-	-	-	-
Local Sources	-	-	-	-
State Sources	-	-	-	-
Federal Sources	-	-	-	-
Earnings from Investments	-	-	-	-
Gifts and Donations	-	-	-	-
Total Revenues	<u>130,708</u>	<u>130,708</u>	<u>95,834</u>	<u>(34,874)</u>
EXPENDITURES:				
Current:				
Direct Instruction	-	-	-	-
Instructional Support	-	-	-	-
Food Services	-	-	-	-
Other	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Bond Principal	202,386	202,386	100,958	101,428
Bond Interest	-	-	38,644	(38,644)
Total Expenditures	<u>202,386</u>	<u>202,386</u>	<u>139,602</u>	<u>62,784</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(71,678)</u>	<u>(71,678)</u>	<u>(43,768)</u>	<u>27,910</u>
Other Financing Sources and Financing Uses:				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Cash Balance Budgeted	71,678	71,678	-	(71,678)
Total Other Financing Sources and Financing Uses:	<u>71,678</u>	<u>71,678</u>	<u>-</u>	<u>(71,678)</u>
Net Change in Fund Balance	-	-	(43,768)	(43,768)
Fund Balance at Beginning of Year	-	-	51,418	51,418
Restatement	-	-	-	-
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,650</u>	<u>\$ 7,650</u>

See Independent Auditors' Report

STATE OF NEW MEXICO
ED. TECH DEBT SERVICE NON-MAJOR DEBT SERVICE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2012

	Original Budget	Final Budget	Actual	Variance
REVENUES:				
Taxes	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	-	-
Local Sources	-	-	-	-
State Sources	-	-	-	-
Federal Sources	-	-	-	-
Earnings from Investments	-	-	-	-
Gifts and Donations	-	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES:				
Current:				
Direct Instruction	-	-	-	-
Instructional Support	-	-	-	-
Food Services	-	-	-	-
Other	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Bond Principal	-	-	-	-
Bond Interest	10,983	10,983	-	10,983
Total Expenditures	<u>10,983</u>	<u>10,983</u>	<u>-</u>	<u>10,983</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(10,983)</u>	<u>(10,983)</u>	<u>-</u>	<u>10,983</u>
Other Financing Sources and Financing Uses:				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Cash Balance Budgeted	10,983	10,983	-	(10,983)
Total Other Financing Sources and Financing Uses:	<u>10,983</u>	<u>10,983</u>	<u>-</u>	<u>(10,983)</u>
Net Change in Fund Balance	-	-	-	-
Fund Balance at Beginning of Year	-	-	10,983	10,983
Restatement	-	-	-	-
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,983</u>	<u>\$ 10,983</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
TOTAL NON-MAJOR DEBT SERVICE FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2012**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES:				
Taxes	\$ 130,708	\$ 130,708	\$ 95,834	\$ (34,874)
Charges for Services	-	-	-	-
Local Sources	-	-	-	-
State Sources	-	-	-	-
Federal Sources	-	-	-	-
Earnings from Investments	-	-	-	-
Gifts and Donations	-	-	-	-
Total Revenues	<u>130,708</u>	<u>130,708</u>	<u>95,834</u>	<u>(34,874)</u>
EXPENDITURES:				
Current:				
Direct Instruction	-	-	-	-
Instructional Support	-	-	-	-
Food Services	-	-	-	-
Other	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Bond Principal	202,386	202,386	100,958	101,428
Bond Interest	10,983	10,983	38,644	(27,661)
Total Expenditures	<u>213,369</u>	<u>213,369</u>	<u>139,602</u>	<u>73,767</u>
Excess (Deficiency) of Revenues Over Expenditures				
	<u>(82,661)</u>	<u>(82,661)</u>	<u>(43,768)</u>	<u>38,893</u>
Other Financing Sources and Financing Uses:				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Cash Balance Budgeted	82,661	82,661	-	(82,661)
Total Other Financing Sources and Financing Uses:	<u>82,661</u>	<u>82,661</u>	<u>-</u>	<u>(82,661)</u>
Net Change in Fund Balance	-	-	(43,768)	(43,768)
Fund Balance at Beginning of Year	-	-	62,401	62,401
Restatement	-	-	-	-
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18,633</u>	<u>\$ 18,633</u>

See Independent Auditors' Report

SUPPLEMENTARY SCHEDULES

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
AGENCY FUNDS
SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2012**

	Balance June 30, 2011	Additions	Deletions	Balance June 30, 2012
Administration Fund	\$ 3,556	\$ 331	\$ -	\$ 3,887
Act II Fund	807		663	144
Art Fund	208			208
Act II Book Club	108			108
Cheerleaders	193		50	143
Booster	1			1
Drama	177			177
Mecha	107			107
NHS	170			170
Elementary Field Trip	184			184
Pre-Vocational	1,198			1,198
Ski Club	393			393
Student Council	332	208		540
Girls Sports	176		35	141
Raffle Fund	120			120
Summer Athletic Program	-	200		200
Class of 2011	-	1		1
Class of 2012	7,100		7,062	38
Class of 2013	2,421	2,274		4,695
Class of 2014	213	349		562
Class of 2015	84	437		521
Class of 2017	-	356		356
Activity I	13,843	3,079		16,922
Certificates of Deposit	3,379	-	-	3,379
Total All Schools	\$ 34,770	\$ 7,235	\$ 7,810	\$ 34,195

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
SCHEDULE OF COLLATERAL PLEDGED BY DEPOSITORY
FOR PUBLIC FUNDS
JUNE 30, 2012**

Name of Depository	Description of Pledged Collateral	Fair / Par Market Value at June 30, 2012	Name and Location of Safekeeper
Community First Bank	CUSIP 31294KBR5 7% Due 2/1/2016	\$ 588	Federal Reserve Bank
Community First Bank	CUSIP 31336RTZ3 2.779% Due 8/1/2031	22,532	Federal Reserve Bank
Community First Bank	CUSIP 31336RVK3 2.658% Due 8/1/2031	5,644	Federal Reserve Bank
Community First Bank	CUSIP 31389SAUB 2.375% Due 3/1/2032	35,652	Federal Reserve Bank
Community First Bank	CUSIP 31144LHZ5 7% Due 9/1/2018	100,000	Federal Reserve Bank
Community First Bank	CUSIP 31404JUT0 2.136% Due 3/1/2018	134,359	Federal Reserve Bank
Community First Bank	CUSIP 31294KQ65 4.5% Due 3/1/2034	197,311	Federal Reserve Bank
Community First Bank	CUSIP 31294KQ65 4.5% Due 5/18/2018	<u>131,541</u>	Federal Reserve Bank
Total		<u>\$ 627,627</u>	

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
SCHEDULE OF CASH AND TEMPORARY INVESTMENT ACCOUNTS
JUNE 30, 2012**

<u>Bank Account Type</u>	<u>Wells Fargo Bank</u>	<u>First Community Bank</u>	<u>Total</u>
Certificate of Deposit	\$ 3,380	\$ -	\$ 3,380
Checking - General Fund		1,223,546	1,223,546
Checking - Athletic Fund		5,786	5,786
Checking - Hot Lunch Fund		32,635	32,635
Checking - Activities II		13,692	13,692
Checking - Activities I	<u>-</u>	<u>22,616</u>	<u>22,616</u>
Total on Deposit	3,380	1,298,275	1,301,655
Reconciling Items	<u>-</u>	<u>-</u>	<u>-</u>
Reconciled Balance, June 30, 2012	<u>\$ 3,380</u>	<u>\$ 1,298,275</u>	1,301,655
Less: Fiduciary Funds Cash			<u>(39,960)</u>
Cash per Statement of Net Assets			<u>\$ 1,261,695</u>

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
CASH RECONCILIATION
JUNE 30, 2012**

	<u>Operational</u>	<u>Pupil Transportation</u>	<u>Instructional Materials</u>	<u>Title I IASA</u>	<u>21st Century Community Learning Centers</u>
Cash, June 30, 2011	\$ 117,636	\$ 7,406	\$ 452	\$ 24	\$ -
Add:					
FY 2012 Revenues	1,528,051	136,881	3,182	106,482	73,794
Permanent Cash Transfers In Loans From Other Funds	-	-	-	-	-
Total Cash Available	<u>1,645,687</u>	<u>144,287</u>	<u>3,634</u>	<u>106,506</u>	<u>73,794</u>
Less:					
FY 2012 Expenditures	1,327,206	141,710	71	151,123	96,967
Permanent Cash Transfers Out Loans to Other Funds	-	-	-	-	-
Total Disbursements	<u>1,327,206</u>	<u>141,710</u>	<u>71</u>	<u>151,123</u>	<u>96,967</u>
Cash, June 30, 2012	<u>\$ 318,481</u>	<u>\$ 2,577</u>	<u>\$ 3,563</u>	<u>\$ (44,617)</u>	<u>\$ (23,173)</u>

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
CASH RECONCILIATION (continued)
JUNE 30, 2012**

	<u>Food Services</u>	<u>Athletics</u>	<u>Entitlement IDEA-B</u>	<u>Discretionary IDEA-B</u>
Cash, June 30, 2011	\$ 28,684	\$ 5,239	\$ -	\$ -
Add:				
FY 2012 Revenues	36,243	22,477	11,599	(4,840)
Permanent Cash Transfers In				
Loans From Other Funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Cash Available	64,927	27,716	11,599	(4,840)
Less:				
FY 2012 Expenditures	32,292	21,932	19,811	4,840
Permanent Cash Transfers Out				
Loans to Other Funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Disbursements	<u>32,292</u>	<u>21,932</u>	<u>19,811</u>	<u>4,840</u>
Cash, June 30, 2012	<u>\$ 32,635</u>	<u>\$ 5,784</u>	<u>\$ (8,212)</u>	<u>\$ (9,680)</u>

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
CASH RECONCILIATION (continued)
JUNE 30, 2012**

	<u>Teacher Principal Training & Recruit</u>	<u>Title I School Improvement</u>	<u>IDEA-B Stimulus</u>	<u>Rural Education Achievement</u>
Cash, June 30, 2011	\$ -	\$ -	\$ -	\$ -
Add:				
FY 2012 Revenues	13,897	51,264	506	10,178
Permanent Cash Transfers In				
Loans From Other Funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Cash Available	13,897	51,264	506	10,178
Less:				
FY 2012 Expenditures	17,016	72,897	3,400	17,082
Permanent Cash Transfers Out				
Loans to Other Funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Disbursements	<u>17,016</u>	<u>72,897</u>	<u>3,400</u>	<u>17,082</u>
Cash, June 30, 2012	<u><u>\$ (3,119)</u></u>	<u><u>\$ (21,633)</u></u>	<u><u>\$ (2,894)</u></u>	<u><u>\$ (6,904)</u></u>

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
CASH RECONCILIATION (continued)
JUNE 30, 2012**

	<u>GO Bond Library 2008</u>	<u>GO Bond Library 2010</u>	<u>Sun Safety</u>	<u>Private Direct Grants</u>
Cash, June 30, 2011	\$ -	\$ -	\$ 62	\$ -
Add:				
FY 2012 Revenues	419	554	2,000	500
Permanent Cash Transfers In				
Loans From Other Funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Cash Available	419	554	2,062	500
Less:				
FY 2012 Expenditures	3,632	1,108	1,721	-
Permanent Cash Transfers Out				
Loans to Other Funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Disbursements	<u>3,632</u>	<u>1,108</u>	<u>1,721</u>	<u>-</u>
Cash, June 30, 2012	<u>\$ (3,213)</u>	<u>\$ (554)</u>	<u>\$ 341</u>	<u>\$ 500</u>

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
CASH RECONCILIATION (continued)
JUNE 30, 2012**

	<u>Bond Building Fund</u>	<u>Public School Capital Outlay</u>	<u>Special Capital Outlay Local</u>	<u>Special Capital Outlay State</u>
Cash, June 30, 2011	\$ 756,143	\$ 18,339	\$ 23,628	\$ 44,858
Add:				
FY 2012 Revenues	654,107	-	-	-
Permanent Cash Transfers In				
Loans From Other Funds	-	-	-	-
Total Cash Available	<u>1,410,250</u>	<u>18,339</u>	<u>23,628</u>	<u>44,858</u>
Less:				
FY 2012 Expenditures	321,242	-	-	-
Permanent Cash Transfers Out				
Loans to Other Funds	-	-	-	-
Total Disbursements	<u>321,242</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash, June 30, 2012	<u><u>\$ 1,089,008</u></u>	<u><u>\$ 18,339</u></u>	<u><u>\$ 23,628</u></u>	<u><u>\$ 44,858</u></u>

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
CASH RECONCILIATION (continued)
JUNE 30, 2012**

	Capital Improvements SB-9	Ed. Technology Equipment Act	Public School Capital Outlay 20%	Debt Service
Cash, June 30, 2011	\$ 50,423	\$ -	\$ 1,331	\$ 51,418
Add:				
FY 2012 Revenues	45,394	-	-	95,834
Permanent Cash Transfers In				
Loans From Other Funds	-	-	-	-
Total Cash Available	<u>95,817</u>	<u>-</u>	<u>1,331</u>	<u>147,252</u>
Less:				
FY 2012 Expenditures	60,868	109,432	1,331	131,665
Permanent Cash Transfers Out				
Loans to Other Funds	-	-	-	-
Total Disbursements	<u>60,868</u>	<u>109,432</u>	<u>1,331</u>	<u>131,665</u>
Cash, June 30, 2012	<u><u>\$ 34,949</u></u>	<u><u>\$ (109,432)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 15,587</u></u>

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
CASH RECONCILIATION (continued)
JUNE 30, 2012**

	Ed Tech Debt Service Fund	Student Activities	Total
Cash, June 30, 2011	\$ 10,983	\$ 39,782	\$ 1,156,408
Add:			
FY 2012 Revenues	-	42,299	2,830,821
Permanent Cash Transfers In			-
Loans From Other Funds	-	-	-
Total Cash Available	10,983	82,081	3,987,229
Less:			
FY 2012 Expenditures	-	42,121	2,579,467
Permanent Cash Transfers Out			-
Loans to Other Funds	-	-	-
Total Disbursements	-	42,121	2,579,467
Cash, June 30, 2012	\$ 10,983	\$ 39,960	\$ 1,407,762

Kubiak & Melton, LLC

CERTIFIED PUBLIC ACCOUNTANTS

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
Santa Fe, New Mexico

and

Dr. Stanley Hordes, Ph.D., Chairman
Commission of Public Records
Santa Fe, New Mexico

We have audited the financial statements of the governmental activities, each major fund and the budgetary comparisons of the General Fund of the Wagon Mound Municipal School District (District), as of and for the year ended June 30, 2012, which collectively comprise the Commission's basic financial statements and have issued our report thereon dated November 13, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

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

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

internal control over financial reporting that we consider to be material weaknesses as defined above. However, we identified certain deficiencies in internal control over financial reporting, described in the accompanying schedule of findings and responses that we consider to be significant deficiencies in internal control over financial reporting. (FS 09-01, FS 09-03 and FS-11-01) A significant deficiency is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Compliance and other matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under Government Auditing Standards, which are described in the accompanying schedule of findings and responses as items FS 09-01, FS 09-03 and FS 11-01.

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

This report is intended solely for the information and use of management, the Board of Education, others within the organization, the audit committee, the Office of the State Auditor, New Mexico State Legislature, New Mexico Public Education Department, 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.

Kubiak & Melton, LLC

Kubiak & Melton, LLC
Albuquerque, New Mexico
November 13, 2012

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND RESPONSES
JUNE 30, 2012**

Section I – Financial Statement Findings

FS 09-01 – Payroll Documentation - Repeated and Revised (Significant Deficiency)

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

Condition: During our test work of personnel files, we noted that five out of twelve employees tested did not have a background check on file.

Cause: The District was unaware that these employees did not have background check on file.

Effect: The District is not in compliance with New Mexico State Statutes. The School could be subject to penalties or possibly legal action.

Auditors' Recommendations: We recommend the District audit all personnel files to make sure that all employees subject to the requirement have a current background check on file.

Management's Response: District management will work on the issue to ensure that all employees applicable have background check conducted, and all personnel files are complete.

FS 09-03 – Per Diem and Mileage Act – Repeated and Revised (Significant Deficiency)

Criteria: According to NMAC 2.42.2.10, an employee may be advanced up to 80 percent of per diem rates and mileage cost. According to NMAC 2.42.2.11, Mileage accrued in the use of a private conveyance shall be paid only in accordance with the provisions of this section. Rate: Public officers and employees of state agencies shall be reimbursed for mileage accrued in the use of a private automobile or aircraft in the discharge of official duties as follows: unless the secretary has reduced the rates set for mileage for any class of public officials and for employees of state agencies pursuant to Section 10-8-5 (D) NMSA 1978, 80% of the internal revenue service standard mileage rate set January 1 of the previous year for each mile traveled in a privately owned vehicle.

Condition: During our testwork of the District's compliance with the per diem and mileage act, we noted the following that eight out of ten instances a District employee was advanced 100% of per diem rates.

Cause: The District was unaware that they were not allowed to reimburse both per diem and actual. The District was also unaware of the NMAC mileage rate.

Effect: The District is in not in compliance with New Mexico law, and has potentially over / under reimbursed some employees.

Auditor's Recommendation: We recommend that the District change their travel and per diem policies to match the policies provided by NMAC 2.42.2.

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND RESPONSES
JUNE 30, 2012**

Management's Response: The district has policy in place that is in alignment with NMAC 2.42.2 and 10-8 NMSA 1978. The District will continue working on general procedures for the calculation of per diem and employee travel.

FS 11-01 – Annual Capital Assets Inventory – Repeated (Significant Deficiency)

Criteria: Section 12-6-10, NMSA 1978 requires each agency to conduct an annual physical inventory of movable chattels and equipment on the inventory list at the end of each fiscal year.

Condition: The District did not perform an annual physical inventory of capital assets.

Cause: Lack of awareness of the State requirements.

Effect: The District may not be accounting for the fixed assets accurately. Not taking physical inventory count may lead to asset misappropriation.

Auditor's Recommendation: The District should perform a yearly physical capital asset inventory.

Management's Response: District Management is aware of annual physical inventory requirements. Business Office procedures require that teaching staff report twice annually of fixed assets in their classrooms. Items not in the custody of teachers are reported by other staff once annually. District management will work with the auditor to ensure that the procedures in place are adequate or if the procedures need to be reviewed and updated to ensure compliance with New Mexico Law.

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND RESPONSES
JUNE 30, 2012**

Section II – Status of Prior Year Audit Findings

FS 06-05 - Cash Reconciliation Report Prepared does not agree with Books of account – Resolved
FS 08-02 – Budgetary Conditions – Resolved
FS 09-01- Payroll Documentation – Repeated & Revised
FS 09-03- Per Diem and Mileage Act – Repeated & Revised
FS 10-01 – Credit Card – Resolved
FS 10-05 – Budgeted Cash – Resolved
FS 10-06 – Inactive Funds – Resolved
FS 11-01 – Annual Capital Assets Inventory – Repeated
FS 11-02 – Disaster Recovery Plan – Resolved
FS 11-03 – Late Audit Report– Resolved

**STATE OF NEW MEXICO
WAGON MOUND PUBLIC SCHOOLS
EXIT CONFERENCE
JUNE 30, 2012**

The contents of this report were discussed at an exit conference held November 13, 2012. The firm of Kubiak & Melton, LLC was represented by Daniel O. Trujillo, CPA, CFE. The District was represented by:

Don Schutz
Camille Cornell
Albert Martinez
Teresa P. Casias
Claudia Martinez

Preparation of Financial Statements

The financial statements in this report were prepared substantially by the Independent Audit firm of Kubiak & Melton, LLC, with the assistance of District management.