

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOL DISTRICT
ANNUAL FINANCIAL REPORT
JUNE 30, 2013



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INTRODUCTORY SECTION

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ANNUAL FINANCIAL REPORT
YEAR ENDED JUNE 30, 2013
TABLE OF CONTENTS

	<u>Exhibit</u>	<u>Page</u>
INTRODUCTORY SECTION		
Table of Contents		i
Official Roster		iv
FINANCIAL SECTION		
Independent Auditors' Report		1
Management's Discussion and Analysis		3
Basic Financial Statements		
Government-wide Financial Statements		
Statement of Net Position	A-1	12
Statement of Activities	A-2	13
Fund Financial Statements		
Balance Sheet – Governmental Funds	B-1	15
Reconciliation of the Balance Sheet to the Statement of Net Position		17
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	B-2	18
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities		20
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual		
General Fund	B-3	21
Teacherage Fund	B-4	22
Transportation Fund	B-5	23
Instructional Materials Fund	B-6	24
Food Services Special Revenue Fund	B-7	25
Statement of Fiduciary Assets and Liabilities	C-1	26
Notes to the Financial Statements		27
SUPPLEMENTARY INFORMATION		
Combining and Individual Fund Statements and Schedules:		
Combining Balance Sheet – Nonmajor Governmental Funds	D-1	46
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds	D-2	47
Special Revenue Fund Descriptions		
Combining Balance Sheet – Nonmajor Special Revenue Funds	E-1	52
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Special Revenue Funds	E-2	60
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual		
Athletics Special Revenue Fund	E-3	67
Skolnick Foundation Special Revenue Fund	E-4	68
Title I – IASA Special Revenue Fund	E-5	69
IDEA-B Entitlement Special Revenue Fund	E-6	70
IDEA-B Preschool Special Revenue Fund	E-7	71
IDEA-B Early Intervention Services Special Revenue Fund	E-8	72
Fresh Fruits & Vegetables Special Revenue Fund	E-9	73
English Language Acquisition Special Revenue Fund	E-10	74
Teacher/Principal Training & Recruitment Special Revenue Fund	E-11	75
Safe & Drug Free Schools & Community Special Revenue Fund	E-12	76
Rural & Low Income Schools Special Revenue Fund	E-13	77
Carl D Perkins – Special Projects – Current Special Revenue Fund	E-14	78

ANNUAL FINANCIAL REPORT
YEAR ENDED JUNE 30, 2013
TABLE OF CONTENTS

Bilingual Education/Comprehensive School Grants Special Revenue Fund	E-1	79
Johnson O'Malley Special Revenue Fund	E-16	80
Impact Aid Special Education Special Revenue Fund	E-17	81
Impact Aid Indian Education Special Revenue Fund	E-18	82
GRADS Childcare CYFD Special Revenue Fund	E-19	83
Title XIX Medicaid Special Revenue Fund	E-20	84
Indian Education Formula Grant Special Revenue Fund	E-21	85
Save the Children Special Revenue Fund	E-22	86
ARRA Impact Aid Construction Special Revenue Fund	E-23	87
Dual Credit Instructional Materials Special Revenue Fund	E-24	88
Library GO Bonds Special Revenue Fund	E-25	89
2010 GO Bonds Stud. Lib. Fund (SB1) Special Revenue Fund	E-26	90
Technology for Education PED Special Revenue Fund	E-27	91
Pre-K Initiative Special Revenue Fund	E-28	92
Indian Education Act Special Revenue Fund	E-29	93
Beginning Teacher Mentoring Program Special Revenue Fund	E-30	94
Breakfast for Elementary Students Special Revenue Fund	E-31	95
Kindergarten – Three Plus Special Revenue Fund	E-32	96
Pre-Kindergarten – Special State Special Revenue Fund	E-33	97
Nutrition Grant Special Revenue Fund	E-34	98
Community Health Prom DOH Special Revenue Fund	E-35	99
GEAR-UP CHE Special Revenue Fund	E-36	100
Private Direct Grants Special Revenue Fund	E-37	101
Capital Project Fund Descriptions		102
Combing Balance Sheet – Nonmajor Capital Project Funds	F-1	103
Combing Statement of Revenues, Expenditures, and Changes in Fund Balance – Nonmajor Capital Project Funds	F-2	105
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual		
Bond Building Capital Projects Fund	F-3	107
Special Capital Outlay - Local Capital Projects Fund	F-4	108
Special Capital Outlay – State Capital Projects Fund	F-5	109
Special Capital Outlay – Federal Projects Fund	F-6	110
Capital Improvements HB-33 Capital Projects Fund	F-7	111
Capital Improvements SB-9 Capital Projects Fund	F-8	112
Education Technology Equipment Act Capital Projects Fund	F-9	113
Public School Capital Outlay 20% Capital Projects Fund	F-10	114
Debt Service Fund Descriptions		115
Combing Balance Sheet – Nonmajor Debt Service Fund	G-1	116
Combing Statement of Revenues, Expenditures, and Changes in Fund Balance – Nonmajor Debt Service Fund	G-2	117
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual		
Debt Service Fund	G-3	118
Education Technology Debt Service Fund	G-4	119
 SUPPLEMENTAL INFORMATION		
Schedule of Changes in Fiduciary Assets and Liabilities	I	120
Schedule of Cash and Temporary Investment Accounts	II	121
Schedule of Pledge Collateral by Depository	III	122
Schedule of Cash Reconciliation	IV	123

ANNUAL FINANCIAL REPORT
YEAR ENDED JUNE 30, 2013
TABLE OF CONTENTS

COMPLIANCE SECTION

Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	127
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FEDERAL FINANCIAL ASSISTANCE

Report on Compliance for Each Major Federal Program, Report on Internal Control over Compliance, and Report on the Schedule of Expenditures of Federal Awards Required by OMB Circular A-133	129
Schedule of Expenditures of Federal Awards	V 131
Schedule of Findings and Questioned Costs	VI 133

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**OFFICIAL ROSTER
JUNE 30, 2013**

BOARD OF EDUCATION

Carmelita Sanchez	President
Virginia Chavez	Vice President
Audrey Simplicio	Secretary
Tyler Lastiyano	Member
Margaret Eriacho	Member

SCHOOL OFFICIALS

Hayes Lewis	Superintendent
Martin Romine	Chief Finance Officer
Karen Dixon	Director of Federal Programs
Tammy Gerrard	Director of Human Resources
Paul Meyer	Director of Support Services

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FINANCIAL SECTION

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Griego Professional Services, LLC

Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

Hector Balderas, New Mexico State Auditor
The Office of Management and Budget
To the Board of Education
Zuni Public Schools, Zuni, New Mexico

Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, the aggregate remaining fund information, and the budgetary comparisons for the general fund and major special revenue funds of Zuni Public Schools (the District), as of and for the year ended June 30, 2013, and the related notes to the financial statements which collectively comprise the District's basic financial statements as listed in the table of contents. We also have audited the financial statements of each of the District's nonmajor governmental and the budgetary comparisons for the major capital project funds, debt service funds, and all nonmajor funds presented as supplementary information, as defined by the Government Accounting Standards Board, in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2013, as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2013, and the respective changes in financial position thereof and the respective budgetary comparisons for the general fund and major special revenue funds for the year then ended in accordance with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each nonmajor governmental fund of the District as of June 30, 2013, and the respective changes in financial position thereof and the respective budgetary comparisons for the major capital project funds, debt service funds, and all nonmajor funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 - 11 be presented to supplement the basic financial statements. Such 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. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the District's financial statements, the combining and individual fund financial statements, and the budgetary comparisons. The Schedule of Expenditures of Federal Awards as required by Office of Management and Budget *Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations* and the other schedules required by 2.2.2.NMAC are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Schedule of Expenditures of Federal Awards and other schedules required by 2.2.2 NMAC are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with the auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards and other schedules required by 2.2.2 NMAC are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 8, 2013 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



Albuquerque, New Mexico
November 8, 2013

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ZUNI PUBLIC SCHOOL DISTRICT

Hayes A. Lewis Superintendent

Management Discussion and Analysis
For the Fiscal Year Ending June 30, 2013

This Management Discussion and Analysis of the fiscal performance of the ZUNI PUBLIC SCHOOLS (District) for the period ending June 30, 2013 represents the District's eighth year implementation of the Governmental Accounting Standards Board Statement No. 34 (GASB 34). This is the ninth year implementation of the GASB 34 rules, the reader will be able to make comparisons.

This discussion and analysis provides a review of the District's overall financial activities, using the accrual basis of accounting, for the year ending June 30, 2013. Fund Financial statements are reported on a modified accrual basis of accounting. Rather than looking at specific areas of performance, this discussion and analysis focuses on the financial performance of the District as a whole. Whenever possible, this discussion and analysis will provide the reader multi-year pictures of financial performance and other pertinent information through the use of tables and other graphical information.

In addition to the new reporting, this annual report consists of a series of detailed, audited financial statements and the notes to those statements. Also included is the Independent Auditor's Report, The Independent Auditor's Report on Compliance on Internal Control (Governmental Accounting Standards), and a schedule of Findings and Responses. These statements and information were included in past audit reports.

About ZUNI PUBLIC SCHOOLS

To completely understand the financial discussion of ZUNI PUBLIC SCHOOLS, it is important to understand the nature of the District.

For parents choosing a public education for their children, Zuni Public Schools offer pre-school, full day Kindergarten, elementary, and secondary education for approximately 1,300 students at the present. After a number of years of declining enrollment, the district enrollment has stabilized and is showing signs of future growth.

The Zuni Public School District is located approximately 160 miles west of Albuquerque, New Mexico. Zuni Public Schools is one of the largest employers in our community. During the past few years, our enrollment has hovered just under 1,300 students approximately equal in gender distribution. Our students are virtually 100% Native American as the school district encompasses the Zuni Indian Reservation.

This goal of our school district is to provide safe, quality educational opportunities to all students to empower them to become all that they can be. The vision of the Zuni Public School District is:

"The district and community shall work together to create a thoughtful and nurturing environment that meets the needs of all students in traditional and contemporary cultures."

Given this vision statement from the Board, and with the guidance of the New Mexico Public Education Department (PED) with their expectations outlined in the Standards for Excellence, and through varied input from district administration, teachers, and parents; ZPSD established the goal of increasing student proficiency by varying degrees based on grade level and to encourage and improve parental involvement at all grade levels. Our focus areas are defined in the district's Educational Plan for Students Success.

Significant Financial Highlights for the Year Ended June 30, 2013

- The district began to implement the new financial reporting and processes as required by the Governmental Accounting Standards Board Statement No. 34. The implementation includes both the current year reporting of depreciation on Capital Assets and accumulated depreciation to date.
- As part of the implementation of GASB 34 requirements, accumulated depreciation of \$24,011,089 as of June 30, 2012 increased to \$25,582,842 ending accumulated depreciation as of June 30, 2013, for a difference totaling \$1,691,947. Capital Asset values increased by \$322,151 which included \$363,476 in additions and \$41,325 in dispositions.
- The overall adjusted Fund Balance decreased from \$3,328,516 for the year ending June 30, 2012 to \$2,951,947 for the year ending June 30, 2013. This represents an decrease in the fund balance of \$376,569.
- Total revenues decreased from \$18,516,483 for the year ending June 30, 2012 to \$18,117,120 in the year ending June 30, 2013. The revenue totals do not include the revenue raised from refinancing the Zuni High School teacherage in the amount of \$5,300,000 as this revenue is not available to budget for district wide expenditures. This change is a decrease of \$399,363 reflecting an overall revenue decrease of 2.16%. This revenue decrease reflects the continued problems at the federal government level as the district only received 85% of the awarded federal impact aid dollars for the school year. At year end the State of New Mexico owed the district approximately \$735,200 in reimbursements.
- Total expenditures decreased from \$20,278,103 for the year ending June 30, 2012 to \$18,230,445 for the year ending June 30, 2013. This decrease does not include refinancing of the school teacherage debt during the past two school years. The decrease in expenditures equates to \$2,047,658 or 10.1%. The district expenditures decreased due a decline in student enrollment which led to decreases in both revenues and resultant expenditures.

DISTRICT WIDE FINANCIAL STATEMENTS

Statement of Net Assets

This is the eighth year of implementation for the GASB 34 Statement of Net Assets. The ZUNI PUBLIC SCHOOLS has utilized the accrual method of accounting. This statement shows that the District has total assets of \$23,809,408. The District has \$2,080,929 of cash and cash equivalents on hand as of June 30, 2013 compared to \$1,676,898 in accounts payable and other current liabilities.

Assets	<u>June 30, 2011</u>	<u>June 30, 2012</u>	<u>June 30, 2013</u>
Cash Assets	2,158,970	2,808,913	2,779,693
Other Current Assets	1,442,907	1,533,275	1,557,006
Capital Assets	44,318,077	45,432,164	45,754,315
Less Accumulated Depreciation	<u>(22,319,872)</u>	<u>(24,011,819)</u>	<u>(25,582,842)</u>
Total Assets	<u>25,599,272</u>	<u>25,751,533</u>	<u>24,508,172</u>
Liabilities			
Accounts Payable	288,452	115,142	185,949
Other Current Liabilities	731,916	1,854,353	1,490,949
Long Term Liabilities	<u>7,515,400</u>	<u>8,256,300</u>	<u>7,925,000</u>
Total Liabilities	<u>8,505,768</u>	<u>10,225,795</u>	<u>9,601,898</u>
Net Assets			
Invested in Capital Assets	(680,906)	12,419,181	11,251,836
Restricted	17,320,929	1,455,987	2,037,568
Unrestricted	<u>433,307</u>	<u>1,650,570</u>	<u>1,616,870</u>
Total Net Assets	<u>17,073,330</u>	<u>15,525,738</u>	<u>14,237,510</u>

ZUNI PUBLIC SCHOOLS financial statements, prior years' information is included. The Management Discussion and Analysis has included three years of information in the presentation of this table.

GASB 34 rules now require public entities to depreciate capital assets. The District utilized a "straight line" depreciation method in all cases and standardized lifetime tables in calculating this depreciation.

Statement of Activities

The Statement of Governmental Activities is a statement required by GASB 34 and is prepared using the accrual method of accounting. This report compliments the Statement of Net Assets by showing the overall change in the District's net assets for the fiscal year ending June 30, 2013. As of June 30, 2013 the District had net assets of \$14,207,510. The Adjusted beginning year total net assets is \$15,525,738 reflecting a decrease in total net assets of \$1,318,228 for the year ending June 30, 2013. This decrease is the result of decreased general revenues.

	<u>June 30, 2012</u>	<u>June 30, 2013</u>
Expenses for Governmental Activities	19,994,034	19,612,286
Less Charges for Services	397,229	438,277
Less Operating Grants and Contributions	10,998,972	11,624,764
Less Capital Grants and Contributions	<u>573,235</u>	<u>621,721</u>
Net (Expenses) Revenues and Changes in Net Assets	8,024,598	6,927,524
General Revenues		
Taxes – general, debt service, capital projects	71,681	19,602
Federal and State Aid not restricted to specific purposes	17,826,734	15,043,443
Interest Earned	2,971	989
Miscellaneous	<u>615,097</u>	<u>164,926</u>
Subtotal, General Revenues	18,516,483	15,228,960
Changes in Net Assets	(1,547,592)	(1,362,189)
Net Assets Beginning	17,073,330	15,569,699
Prior Period Adjustment	<u>-0-</u>	<u>-0-</u>
Net Assets – Ending	<u>15,525,738</u>	<u>14,207,510</u>

FUND FINANCIAL STATEMENTS

Fund financial statements are based on a modified accrual basis of accounting. The Statement of Revenues and Expenditures and Changes in Fund Balances, is *not* new to the District's annual financial reports. This report guides the reader to a meaningful overall view for the District revenue, expenditures and changes to the fund balance. Total revenues from state, local and federal sources were \$18,117,120. Total expenditures for the District were \$18,230,445. The total ending fund balance was \$2,951,947 a decrease of \$376,569 from the prior year.

Multi-Year District Revenues and Expenditures

A multi-year view of overall District revenues and expenditures indicates growth and declines in both areas. The growth and decline of revenues and expenditures are commensurate with student enrollment decline, legislative initiatives to improve funding for teacher salaries, student needs and other educational programs as well as state and local increase in revenues for capital outlay purposes.

Year	Total Revenues*	%age Change	Total Expenses*	Increase %
2005-2006	29,609,280	36%	23,909,559	8.4%
2006-2007	25,612,438	(13.5%)	28,604,408	19.6%
2007-2008	22,565,196	(11.9%)	25,025,718	(12.5%)
2008-2009	21,228,059	(3.3%)	22,341,587	(10.7%)
2009-2010	20,252,802	(3.5%)	21,012,450	(6%)
2010-2011	20,123,035	(0.64%)	20,974,523	(0.2%)
2011-2012	18,516,483	(7.98%)	22,055,729	5.15%
2012-2013	18,117,120	(2.16%)	18,230,445	(17.34%)

*Note: Revenues do not include proceeds from General Obligation Bonds, and exclude cash carryovers; Expenditures include Capital Outlays.

The Budget

District budgets reflect the same change as seen in the revenue and expenditures of the District. The State of New Mexico school budget process is defined under state law and regulation. To enhance the process of developing a budget at the school district level, the District utilizes goals and objectives defined by the District's Board, community input meetings, long term plans and input from various staff groups to develop the District's budget. District priorities are well defined through this process.

GASB 34 does not require a statement presenting the overall result of the budget for the year, however, all major budgetary funds are required to be reported as a separate statement.

Major budgetary funds in these reports are; The Operational Fund (General Fund, Transportation Fund and Instructional Materials Fund), various Federal Funds (Title I, IDEA B, Impact Aid categorical), Private Grants, Public School Capital Outlay and Debt Service. Included in this total are thirty one (31) non-major Special Revenue Funds and two (2) non-major Capital Projects Funds which are reported for budgetary performance.

The reader will note that the General Fund represents 62% of the total fund dollar amount. This fund provides the salary and benefits for the significant majority of the Direct Instruction, Instructional Support, Administration, Business Support, and Maintenance staff as well as classroom materials, special education consulting staff and fixed utility costs.

Revenue from this fund is substantially derived from the State Equalization Guarantee and Federal Impact Aid Funds, which is the funding formula appropriated for education by the State Legislature less a 75% credit for Federal Impact Aid funds received by ZPSD. The General Fund is explored later in the Management Discussion and Analysis.

The following table examines the summary budget performance of the major and combined non-major funds for the fiscal year ending June 30, 2013. Detailed budget performance is examined through the Budgetary Comparison Statement for each major fund and the Schedule of Revenues and Expenditure Budget and Actual for the combined Special Revenue Funds, Capital Projects Funds, and Debt Service.

MAJOR FUNDS EXPENDITURE BUDGET PERFORMANCE

Fund Type	Final Budget	Actual	Variance
GENERAL	11,645,264	11,124,005	521,259
TRANSPORTATION	444,721	412,808	31,913
INSTRUCTIONAL MATERIALS	92,747	0	92,747
FOOD SERVICE	796,475	791,082	5,393
PUBLIC SCHOOL CAPITAL OUTLAY	1,899,047	433,597	1,465,450
DEBT SERVICE	709,372	648,066	21,029

COMBINED NON-MAJOR FUNDS EXPENDITURE BUDGET

Fund Type	Final Combined Budget	Actual	Variance
Special Funds	6,810,637	5,246,142	1,564,495

All funds fell within the regulatory criteria set by the Public Education Department and New Mexico Statute. Both the Manual of Procedures for Public School Account and NMSA 8-22-5, Annotated require that budget expenditures be within the authorization of the approved budget.

The General Fund

The General Fund revenues, which include Impact Aid revenues, represent \$11,151,399 of the total \$18,117,120 in overall District revenues. The impact of this fund must be kept in context. The General Fund began the year with an initial budget of \$11,664,315 and had a final budget of \$11,645,264. This change represents an decrease of \$19,051. This decrease was due to a combination of an increase in the student unit value in January 2013 as well as a negative adjustment to the budgeted cash balance. The projected cash balance that was budgeted was decreased by \$36,972, the SEG was increased by \$1,827, and the Forest Reserve was increased by \$16,094.

The General Fund is predominately funded by revenues from the State of New Mexico Equalization Guarantee Formula and from Federal Impact Aid payments. The fund pays for teaching staff, teaching support staff, special education support staff, maintenance staff and administration staff. The General Fund provides the predominant funding for athletics and transportation. Because of the student enrollment variances experienced by the School District, an emphasis on schools by the New Mexico Legislature, and because the State Equalization Guarantee Formula is based upon student populations, the Operational Fund (combined General, Transportation and Instructional Materials Funds) has seen a decline in revenues as student enrollment has decreased.

The General Fund is the main fund whose expenditures are significantly related to the educational process; \$11,124,005 was expended in the year ending June 30, 2013. The most significant inter-fund expenditure was for the function noted as "Instruction", which includes direct instruction as well as student and instructional support. This expenditure was \$6,846,954 and represents 62% of all General expenditures. Expenditures included in this function are regular and special education teachers and assistants, benefits, payroll taxes, school supplies, training and miscellaneous instructional related contract services, including special education ancillary staff. Approximately 78% of all General Fund expenditures are made for employee salaries, payroll taxes and benefits.

Support services represents 7% of General Fund expenditures and account for expenditures for school principals and related school site administrative costs.

The Office of the Superintendent and the Business Office (general and school administration and technology) represent the overhead support of the entire operations of the District; these programs combined represent 11% of the total General Fund. Maintenance accounts for 20% of the General Fund expenditures. Included in the Operation of the Plant expenditures are salaries and benefits for maintenance staff, school custodians, fixed utility costs, maintenance and repairs, maintenance supplies, school custodial supplies, and various equipment maintenance agreements. Additional support for maintenance supplies and projects comes from the voter approved SB9 Fund. The General Fund also supports expenditures for Athletics, Food Services and Transportation.

Capital Assets

Because of aging facilities, the District is committed to maintaining existing facilities.

Asset Type	Balance June 30, 2012	Balance June 30, 2013
Land Improvements	54,684	54,684
Furniture, Fixtures & Equipment	3,183,459	5,382,877
Building and Building Improvements	39,835,599	40,316,754
Total Capital Assets	43,073,742	45,754,315
Less Accumulated Depreciation	(24,011,819)	(25,582,842)
Capital Assets-Net	21,420,345	20,171,473

During fiscal year 2013, the District expended \$433,597 for all capital outlays, the majority of which was for maintenance of district assets. Depreciation expense totaled \$1,571,023 for the year.

General Long Term Debt

Article IX, Section 11 of the New Mexico Constitution limits the power of a school district to incur general obligation debt beyond a school year unless such debt is for "the purpose of erecting, remodeling, making additions, and furnishing buildings or purchasing or improving school grounds for purchasing computer software or hardware for student use in public classrooms or any combination of these purposes." The approval of debt is subject to a vote of the local elector and may not exceed 6% of the assessed valuation of the taxable property within the District.

The School District has never defaulted on any of its debts or other obligations. Listed below are the District's annual amounts to amortize the General Obligation Bonds, including interest payments, as of June 30, 2013. In June 2012 the district refinanced a portion of the teacherage bond debt at a lower interest rate in order to reduce the interest due on the debt. The old debt to New Mexico Finance Authority was paid off and new debt was issued with Bank of Albuquerque being the holder of the bonds.

Year Ended June 30	Principal	Interest	Totals
2014	455,000	281,481	736,481
2015	425,000	269,100	694,100
2016	440,000	256,913	696,913
2017	455,000	244,300	699,300
2018	465,000	230,713	695,713
2019-2023	2,530,000	923,916	3,453,916
2024-29	3,590,000	459,245	4,049,245
Total	8,360,000	2,665,667	11,025,667

During the year ended June 30, 2013, the District made principal payments of \$541,003.

Agency Funds

The District, as a custodian, maintains and monitors special funds on the behalf of school activity groups. Agency funds maintained by the District are to benefit a specific activity or interest and are generally raised by students for student use. The custody and use of these funds are in accordance with State Department of Education Regulations and School District Policy. The Statement of Fiduciary Net Assets has a cash balance of \$151,300 as of June 30, 2013 held on behalf of the students. This amount represents total fundraiser student support by the community.

Contacting Zuni Public Schools

This financial report is designed to provide our community, taxpayers, investors and creditors with an overview of the Zuni Public Schools District's financial condition and to provide accountability for the funds the School District receives. If you have questions about our report or about the operations of the Zuni Public School District, please visit our web site at <http://www.zpsd.org>, or contact us at:

Zuni Public Schools Central Office
P O Drawer A
Zuni, NM 87327
PHONE: 505-782-5511
FAX: 505-782-5870

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**BASIC
FINANCIAL STATEMENTS**

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STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
STATEMENT OF NET POSITION
JUNE 30, 2013

Exhibit A-1

	Governmental Activities
ASSETS	
Cash and cash equivalents	\$ 2,779,693
Receivables (Note 4)	1,385,110
Inventory	173,544
Capital assets, net (Note 6)	19,969,670
Total assets	24,308,017
 LIABILITIES	
Accounts payable	185,949
Accrued payroll liabilities	490,358
Accrued interest	119,948
Noncurrent liabilities (Note 7)	
Due within one year	582,925
Due in more than one year	7,925,000
Total liabilities	9,304,180
 DEFERRED INFLOW OF RESOURCES	
Unearned grant revenue	179,395
 NET POSITION	
Net investment in capital assets	11,261,670
Restricted for	
Debt service	439,833
Capital projects	1,597,735
Unrestricted	1,525,204
Total net position	\$ 14,824,442

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2013

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Charges for Service</u>
Primary Government		
Governmental activities		
Instruction	\$ 8,116,921	\$ 67,379
Support services		
Students	1,359,338	-
Instruction	457,431	-
General administration	936,169	-
School administration	911,603	-
Other support services	11,826	-
Central services	1,179,056	-
Operation and maintenance of plant	2,572,353	309,623
Student transportation	449,577	-
Food services operations	974,790	61,275
Community services	-	-
Facilities materials, supplies and other services	1	-
Interest on long-term debt	265,975	-
Bond issuance costs	99,671	-
Depreciation - unallocated	1,616,693	-
Total Primary Government	<u>\$ 18,951,404</u>	<u>\$ 438,277</u>

The accompanying notes are an integral part of these financial statements

Program Revenues			Net (Expenses)
Operating Grants and Contributions	Capital Grants and Contributions		Revenues and Changes in Net Position
\$ 10,021,488	\$ -		\$ 1,971,946
97,297	-		(1,262,041)
-	-		(457,431)
-	-		(936,169)
-	-		(911,603)
-	-		(11,826)
-	-		(1,179,056)
-	621,721		(1,641,009)
378,985	-		(70,592)
916,404	-		2,889
-	-		-
-	-		(1)
-	-		(265,975)
-	-		(99,671)
-	-		(1,616,693)
<u>\$ 11,414,174</u>	<u>\$ 621,721</u>		<u>(6,477,232)</u>

General Revenues:

Property taxes	
Levied for general purposes	1,239
Levied for debt service	12,845
Levied for capital projects	4,978
State equalization guarantee	5,380,358
Return of cash to PED	-
Unrestricted investment earnings	989
Miscellaneous	133,429
Loss on disposal of fixed assets	85
Total general revenues	<u>5,533,923</u>
Change in net assets	<u>(943,309)</u>
Net position - beginning	15,569,699
Prior period adjustment	198,052
Net position - beginning restated	<u>15,767,751</u>
Net position - ending	<u>\$ 14,824,442</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2013

	Operational Fund			
	General 11000	Teachergage 12000	Transportation 13000	Instructional Materials 14000
ASSETS				
Current assets				
Cash and temporary investments	\$ 757,222	\$ 119,654	\$ 31,157	\$ 93,651
Accounts receivable				
Taxes	277	-	-	-
Due from other governments	15,991	-	-	13,093
Interfund receivables	314,799	254	-	-
Inventory	141,393	-	-	-
Total assets	<u>\$ 1,229,682</u>	<u>\$ 119,908</u>	<u>\$ 31,157</u>	<u>\$ 106,744</u>
LIABILITIES AND FUND BALANCES				
Current liabilities				
Accounts payable	\$ 129,150	\$ -	\$ -	\$ -
Accrued payroll liabilities	490,358	-	-	-
Interfund payables	-	4,281	-	-
Deferred revenue - property taxes	273	-	-	-
Deferred revenue - other	-	-	-	-
Total liabilities	<u>619,781</u>	<u>4,281</u>	<u>-</u>	<u>-</u>
Fund balances				
Nonspendable	141,393	-	-	-
Restricted for				
General fund	-	-	31,157	106,744
Special revenue	-	-	-	-
Capital projects	-	-	-	-
Debt service	-	-	-	-
Assigned	703,822	157,285	-	-
Unassigned	(235,314)	(41,658)	-	-
Total fund balances	<u>609,901</u>	<u>115,627</u>	<u>31,157</u>	<u>106,744</u>
Total liabilities and fund balances	<u>\$ 1,229,682</u>	<u>\$ 119,908</u>	<u>\$ 31,157</u>	<u>\$ 106,744</u>

The accompanying notes are an integral part of these financial statements

<u>Special Revenue</u>	<u>Capital Projects</u>			
Food Services 21000	Bond Building 31100	Debt Service 41000	Other Governmental Funds	Total Governmental Funds
\$ 91,889	\$ 70,642	\$ 378,060	\$ 1,237,418	\$ 2,779,693
-	-	1,976	7,484	9,737
21,852	-	-	1,324,437	1,375,373
-	1,064,944	-	-	1,379,997
32,151	-	-	-	173,544
<u>\$ 145,892</u>	<u>\$ 1,135,586</u>	<u>\$ 380,036</u>	<u>\$ 2,569,339</u>	<u>\$ 5,718,344</u>
\$ 11,699	\$ 28,626	\$ -	\$ 16,474	\$ 185,949
-	-	-	-	490,358
102,000	-	-	1,273,716	1,379,997
-	-	1,940	7,468	9,681
-	-	-	179,395	179,395
<u>113,699</u>	<u>28,626</u>	<u>1,940</u>	<u>1,477,053</u>	<u>2,245,380</u>
32,151	-	-	-	173,544
-	-	-	-	137,901
42	-	-	228,108	228,150
-	1,106,960	-	161,999	1,268,959
-	-	259,173	-	259,173
-	-	118,923	707,215	1,687,245
-	-	-	(5,036)	(282,008)
<u>32,193</u>	<u>1,106,960</u>	<u>378,096</u>	<u>1,092,286</u>	<u>3,472,964</u>
<u>\$ 145,892</u>	<u>\$ 1,135,586</u>	<u>\$ 380,036</u>	<u>\$ 2,569,339</u>	<u>\$ 5,718,344</u>

The accompanying notes are an integral part of these financial statements

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**STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
GOVERNMENTAL FUNDS**

Exhibit B-1
(Page 2 of 2)

RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET POSITION
JUNE 30, 2013

	Governmental Funds
Amounts reported for governmental activities in the statement of net position are different because:	
Total fund balances - total primary government	\$ 3,472,964
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	19,969,670
Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the fund statements:	
Delinquent property taxes not collected within sixty days after year end are not considered "available" revenues and are considered to be deferred revenue in the fund financial statements, but are considered revenue in the Statement of Activities	9,681
Long-term liabilities, including bonds payable, are not due and payable in	
Accrued interest	(119,948)
Accrued compensated absences	(117,925)
General obligation bond payments	(8,390,000)
Net position - total governmental activities	\$ 14,824,442

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2013

	Operational Fund			
	General 11000	Teacherage 12000	Transportation 13000	Instructional Materials 14000
Revenues				
Property taxes	\$ 1,240	\$ -	\$ -	\$ -
State grants	5,491,681	-	378,985	96,555
Federal grants	5,584,501	-	-	-
Miscellaneous	35,684	-	-	-
Charges for services	12,949	309,623	-	-
Investment income	13	-	-	-
Total revenues	<u>11,126,068</u>	<u>309,623</u>	<u>378,985</u>	<u>96,555</u>
Expenditures				
Current				
Instruction	5,440,752	-	-	-
Support Services				
Students	963,284	-	-	-
Instruction	260,428	-	-	-
General administration	382,600	-	-	-
School administration	724,959	-	-	-
Central services	871,275	-	-	-
Operation and maintenance of plant	2,172,399	218,384	-	-
Student transportation	25,824	-	410,169	-
Other support services	11,826	-	-	-
Food services operations	60,383	-	-	-
Community services	-	-	-	-
Capital outlay	36,650	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
Total expenditures	<u>10,950,380</u>	<u>218,384</u>	<u>410,169</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>175,688</u>	<u>91,239</u>	<u>(31,184)</u>	<u>96,555</u>
Other financing sources (uses)				
Operating transfers	(276,477)	(50,000)	-	-
Proceeds from bond issues	-	-	-	-
Bond underwriter premium	-	-	-	-
Total other financing sources (uses)	<u>(276,477)</u>	<u>(50,000)</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	(100,789)	41,239	(31,184)	96,555
Fund balances - beginning of year	710,690	74,388	62,341	10,189
Fund balances - end of year	<u>\$ 609,901</u>	<u>\$ 115,627</u>	<u>\$ 31,157</u>	<u>\$ 106,744</u>

The accompanying notes are an integral part of these financial statements

Special Revenue	Capital Projects			
Food Services 21000	Bond Building 31100	Debt Service 41000	Other Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ 11,247	\$ 6,854	\$ 19,341
-	221,174	-	957,500	7,145,895
857,186	-	-	3,805,767	10,247,454
-	-	-	120,734	156,418
61,275	-	-	54,430	438,277
-	56	920	-	989
<u>918,461</u>	<u>221,230</u>	<u>12,167</u>	<u>4,945,285</u>	<u>18,008,374</u>
-	-	-	2,665,037	8,105,789
-	-	-	396,054	1,359,338
-	-	-	197,003	457,431
-	-	111	553,458	936,169
-	-	-	186,644	911,603
-	-	-	307,781	1,179,056
-	-	-	181,570	2,572,353
-	-	-	13,584	449,577
-	-	-	-	11,826
855,189	-	-	59,218	974,790
-	-	-	-	-
-	76,107	-	172,596	285,353
-	-	5,423,778	-	5,423,778
-	-	271,153	-	271,153
-	-	99,671	-	99,671
<u>855,189</u>	<u>76,107</u>	<u>5,794,713</u>	<u>4,732,945</u>	<u>23,037,887</u>
<u>63,272</u>	<u>145,123</u>	<u>(5,782,546)</u>	<u>212,340</u>	<u>(5,029,513)</u>
-	(105,534)	941,360	(509,349)	-
-	-	5,130,000	-	5,130,000
-	-	-	-	-
<u>-</u>	<u>(105,534)</u>	<u>6,071,360</u>	<u>(509,349)</u>	<u>5,130,000</u>
63,272	39,589	288,814	(297,009)	100,487
(31,079)	1,067,371	89,282	1,389,295	3,372,477
<u>\$ 32,193</u>	<u>\$ 1,106,960</u>	<u>\$ 378,096</u>	<u>\$ 1,092,286</u>	<u>\$ 3,472,964</u>

The accompanying notes are an integral part of these financial statements

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STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS

Exhibit B-2
(Page 2 of 2)

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, 2013

	<u>Governmental Funds</u>
Amounts reported for governmental activities in the statement of activities are different because:	
Net change in fund balances - total governmental funds	\$ 100,487
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 position 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	(1,616,693)
Capital outlays	285,352
Loss on disposal of capital assets	-
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds	
Change in deferred revenue related to the property taxes receivable	(279)
The issuance of long-term debt (e.g., bonds, notes, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.	
Decrease in accrued interest payable	5,178
Decrease in accrued compensated absences	(11,132)
Principal payments on bonds	5,423,778
Proceeds from bond sale	<u>(5,130,000)</u>
Change in net position - total governmental activities	<u>\$ (943,309)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
GENERAL FUND (11000)

Exhibit B-3

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2013

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
Revenues				
Property taxes	\$ 1,165	\$ 1,165	\$ 1,241	\$ 76
State grants	5,321,129	5,322,956	5,516,983	194,027
Federal grants	5,700,286	5,716,380	5,584,501	(131,879)
Miscellaneous	66,062	66,062	48,633	(17,429)
Interest	-	-	13	13
Total revenues	<u>11,088,642</u>	<u>11,106,563</u>	<u>11,151,371</u>	<u>44,808</u>
Expenditures				
Current				
Instruction	5,913,495	5,688,308	5,630,087	58,221
Support services				
Students	979,074	979,074	963,284	15,790
Instruction	293,746	293,746	260,428	33,318
General administration	429,117	429,117	382,600	46,517
School administration	688,637	688,637	724,959	(36,322)
Central services	879,795	944,795	884,516	60,279
Operation and maintenance of plant	2,425,451	2,496,224	2,192,387	303,837
Student transportation	30,000	30,000	25,824	4,176
Other support services	25,000	25,000	6,380	18,620
Food services operations	-	70,363	60,383	9,980
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>11,664,315</u>	<u>11,645,264</u>	<u>11,130,848</u>	<u>514,416</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(575,673)</u>	<u>(538,701)</u>	<u>20,523</u>	<u>559,224</u>
Other financing sources (uses):				
Designated cash	575,673	815,181	-	(815,181)
Operating transfers	-	(276,480)	(276,477)	3
Proceeds from bond issues	-	-	-	-
Total other financing sources (uses)	<u>575,673</u>	<u>538,701</u>	<u>(276,477)</u>	<u>(815,178)</u>
Net changes in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>(255,954)</u>	<u>\$ (255,954)</u>
Fund balances - beginning of year			<u>1,327,975</u>	
Fund balances - end of year			<u>\$ 1,072,021</u>	
Reconciliation to GAAP Basis:				
Net change in fund balances			\$ (255,954)	
Adjustments to revenues			(25,303)	
Adjustments to expenditures			<u>180,468</u>	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ (100,789)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
TEACHERAGE FUND (12000)

Exhibit B-4

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDING JUNE 30, 2013

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
Revenues				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	267,500	267,500	309,623	42,123
Interest	-	-	-	-
Total revenues	<u>267,500</u>	<u>267,500</u>	<u>309,623</u>	<u>42,123</u>
Expenditures				
Current				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	246,256	246,256	218,384	27,872
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	40,000	40,000	-	40,000
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>286,256</u>	<u>286,256</u>	<u>218,384</u>	<u>67,872</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(18,756)</u>	<u>(18,756)</u>	<u>91,239</u>	<u>109,995</u>
Other financing sources (uses):				
Designated cash	18,756	(31,244)	-	31,244
Operating transfers	-	50,000	(50,000)	(100,000)
Proceeds from bond issues	-	-	-	-
Total other financing sources (uses)	<u>18,756</u>	<u>18,756</u>	<u>(50,000)</u>	<u>(68,756)</u>
Net changes in fund balances	<u>\$ -</u>	<u>\$ -</u>	41,239	<u>\$ 41,239</u>
Fund balances - beginning of year			<u>74,388</u>	
Fund balances - end of year			<u>\$ 115,627</u>	
Reconciliation to GAAP Basis:				
Net change in fund balances			\$ 41,239	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 41,239</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Exhibit B-5

ZUNI PUBLIC SCHOOLS

TRANSPORTATION FUND (13000)

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2013

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
Revenues				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	384,733	411,828	378,985	(32,843)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
Total revenues	<u>384,733</u>	<u>411,828</u>	<u>378,985</u>	<u>(32,843)</u>
Expenditures				
Current				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	384,733	444,721	413,514	31,207
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>384,733</u>	<u>444,721</u>	<u>413,514</u>	<u>31,207</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(32,893)</u>	<u>(34,529)</u>	<u>(1,636)</u>
Other financing sources (uses):				
Designated cash	-	32,893	-	(32,893)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>32,893</u>	<u>-</u>	<u>(32,893)</u>
Net changes in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>(34,529)</u>	<u>\$ (34,529)</u>
Fund balances - beginning of year			<u>65,686</u>	
Fund balances - end of year			<u>\$ 31,157</u>	
Reconciliation to GAAP Basis:				
Net change in fund balances			\$ (34,529)	
Adjustments to revenues			-	
Adjustments to expenditures			<u>3,345</u>	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ (31,184)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS

Exhibit B-6

INSTRUCTIONAL MATERIALS FUND (14000)
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2013

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
Revenues				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	82,558	82,558	83,462	904
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
Total revenues	<u>82,558</u>	<u>82,558</u>	<u>83,462</u>	<u>904</u>
Expenditures				
Current				
Instruction	82,558	92,747	-	92,747
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>82,558</u>	<u>92,747</u>	<u>-</u>	<u>92,747</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(10,189)</u>	<u>83,462</u>	<u>93,651</u>
Other financing sources (uses):				
Designated cash	-	10,189	-	(10,189)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>10,189</u>	<u>-</u>	<u>(10,189)</u>
Net changes in fund balances	<u>\$ -</u>	<u>\$ -</u>	83,462	<u>\$ 83,462</u>
Fund balances - beginning of year			<u>10,189</u>	
Fund balances - end of year			<u>\$ 93,651</u>	
Reconciliation to GAAP Basis:				
Net change in fund balances			\$ 83,462	
Adjustments to revenues			13,093	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 96,555</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS

Exhibit B-7

FOOD SERVICE SPECIAL REVENUE FUND (21000)
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2013

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
Revenues				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	753,000	753,000	779,378	26,378
Miscellaneous	-	-	61,275	61,275
Interest	-	-	-	-
Total revenues	<u>753,000</u>	<u>753,000</u>	<u>840,653</u>	<u>87,653</u>
Expenditures				
Current				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	796,475	796,475	793,608	2,867
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>796,475</u>	<u>796,475</u>	<u>793,608</u>	<u>2,867</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(43,475)</u>	<u>(43,475)</u>	<u>47,045</u>	<u>84,786</u>
Other financing sources (uses):				
Designated cash	43,475	43,475	-	(11,985)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
Total other financing sources (uses)	<u>43,475</u>	<u>43,475</u>	<u>-</u>	<u>(11,985)</u>
Net changes in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>47,045</u>	<u>\$ 72,801</u>
Fund balances - beginning of year			<u>(57,156)</u>	
Fund balances - end of year			<u>\$ (10,111)</u>	
Reconciliation to GAAP Basis:				
Net change in fund balances			\$ 47,045	
Adjustments to revenues			77,808	
Adjustments to expenditures			<u>(61,581)</u>	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 63,272</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
AGENCY FUNDS
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
JUNE 30, 2013

Exhibit C-1

ASSETS

Current assets

Cash

\$ 151,300

Total assets

151,300

LIABILITIES

Current liabilities

Deposits held in trust for others

151,300

Total liabilities

\$ 151,300

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

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013

NOTE 1. Summary of Significant Accounting Policies

The Zuni Public School District (ZPSD) was created under the provision of Chapter 22 Article 5, Paragraph 4, New Mexico Statutes 1978 to provide public education for the children within the district. The School Board is authorized to establish policies and regulations for its own government consistent with the laws of the state of New Mexico and the regulations of the State Board of Education and the Legislative Finance Committee. The School Board is comprised of five members who are elected for terms of four years.

The School Board operates five schools within the district with a total enrollment of approximately 1,300 pupils. In conjunction with the regular educational programs, some of these schools offer special education. In addition, the School Board provides transportation and school food services for the students.

The financial statements of ZPSD (the "District") 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 Standard 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. There are no other primary governments with which the School Board Members are financially accountable. There are no other primary governments with which the District has a significant relationship.

B. Government-wide and fund financial statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities and changes in net position) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are 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.

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

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013

NOTE 1. Summary of Significant Accounting Policies (Continued)

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 is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are billed. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

GASB No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, and GASB No. 65, *Items Previously Reported as Assets and Liabilities*, amend GASB No. 34, *Basic Financial Statements – and Management’s Discussion and Analysis for State and Local Governments*, to incorporate deferred outflows of resources and deferred inflows of resources in the financial reporting model.

Deferred outflows of resources – a consumption of net assets by the government that is applicable to a future reporting period. It has a positive effect on net position, similar to assets.

Deferred inflows of resources – an acquisition of net assets by the government that is applicable to a future reporting period. It has a negative effect on net position, similar to liabilities.

Net position – the residual of the net effects of assets, deferred outflows of resources, liabilities, and deferred inflows of resources.

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

Property taxes, 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 are recognized as revenue when the underlying exchange takes place and the revenues are measurable and available. Grants and similar items are recognized as revenue as soon as all eligibility requirements 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 other revenue items are considered to be measurable and available only when cash is received by the government.

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 grant 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.

The *agency funds* are custodial in nature (assets equal liabilities) and do not present results of operations or have a measurement focus. Agency funds are accounted for using the accrual basis of accounting. These funds are used to account for assets that the District holds for others in an agency capacity.

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013

NOTE 1. Summary of Significant Accounting Policies (Continued)

C. *Measurement focus, basis of accounting, and financial statement presentation (Continued)*

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. Governmental funds include:

The *General Fund* is the primary operating fund of the District, and accounts for all financial resources, except those required to be accounted for in other funds.

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

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.

The *Debt Service Funds* account for the services of long-term debt not being financed by proprietary or nonexpendable trust funds.

Under the requirements of GASB #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 include funds that were not required to be presented as major but were at the discretion of management:

Operational Funds:

The *Teacherage Fund* is used to account for the on-campus housing for teachers and staff. This is considered by PED to be a sub-fund of the General Fund.

The *Transportation Fund* is used to account for the State Equalization received from the State Department of Education which is used to pay for the costs associated with transporting school age children.

The *Instructional Materials Fund* is used to account for the monies received from the State Department of Education for the purposes of purchasing instructional materials (books, manuals, periodicals, etc.) used in the education of students.

The *Food Services Special Revenue Fund* is used to account for the cost of operating a student breakfast, lunch and summer lunch program and is financed with federal grants and fees paid by program users. The funding is authorized by CFR, Title VII, Subtitle B, Sections 210, 215 and 220.

The *Bond Building Capital Projects Fund* is used to account for bond proceeds and any income earned thereon. The proceeds are restricted for the purpose of making additions to and furnishing of school buildings, or purchasing or improving school grounds or any combination thereof, as approved by the voters of the District.

The *Capital Improvements SB-9 Capital Projects Fund* is used 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

The *Debt Service Fund* is used to account for the accumulation of resources for the payment of Long-Term Debt principal and interest.

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

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013

NOTE 1. Summary of Significant Accounting Policies (Continued)

C. Measurement focus, basis of accounting, and financial statement presentation (Continued)

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

Private-sector standards of accounting and financial reporting issued prior to November 30, 1989, generally are followed in both the government-wide financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. 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 includes 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. The District does not currently employ indirect cost allocation systems. Depreciation expense is specifically identified by function and is included in the direct expense 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.

D. Assets, Liabilities and Net Position

Cash and Temporary 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 District to invest in Certificates of Deposit, obligations of the U.S. Government, and the State Treasurer's Investment Pool.

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.

Receivables and Payables: Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as "internal balances."

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.

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013

NOTE 1. Summary of Significant Accounting Policies (Continued)

D. *Assets, Liabilities and Net Position (Continued)*

The District receives monthly income from a tax levy in McKinley 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 McKinley County Treasurer in July and August 2013 is considered 'measurable and available' and, accordingly, is recorded as revenue during the year ended June 30, 2013.

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

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.

Instructional Materials: The New Mexico State Department of Education 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 material 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, for which the school district receives cash draw-downs, or transfer to the seventy percent account for requisition of material from the adopted list.

Inventory: Inventory is valued at lower of cost (first-in, first-out) or market. Inventory in the General Fund consists of expendable supplies held for consumption. Inventory in the Special Revenue Funds consists of U.S.D.A. commodities and other purchased food and non-food supplies. The cost of purchased food is recorded as an expenditure at the time individual inventory items are consumed. The U.S.D.A. 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 revenue. 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 component of net current assets. No deferred revenue was recorded for unused commodity inventory as of June 30, 2013. Inventories in the General Fund consisted of related supplies.

Capital Assets: Capital assets, which include property, plant, and equipment, are reported in the applicable governmental column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. 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. However, infrastructure assets have not been included in the June 30, 2013 financial statements of the District because no infrastructure assets were owned as of the date. Information technology equipment, including software, is being capitalized and included in furniture and equipment. The District did not maintain internally developed software. In addition, the District expenses the cost of library books when purchased. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. No interest was included as part of the cost of capital assets under construction during the year ended June 30, 2013. Construction projects financed by allocations by the NM Public School Facilities Authority have been recorded as both revenue and expenditure in the fund financial statements, and have been included as capital assets in the District's government-wide financial statements.

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013

NOTE 1. Summary of Significant Accounting Policies - (Continued)

D. Assets, Liabilities and Net Position (Continued)

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

Land Improvements	30 years
Buildings/building improvements	10-50 years
Furniture and equipment	5-15 years
Vehicles	10 years

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.

Compensated Absences: Qualified employees are entitled to accumulate annual leave according to a graduated leave schedule of 15 days per year, depending on length of service, the employee’s hire date and the employee’s employment status (administrator or classified). All earned vacation must be taken within one year after it is earned. Upon termination, employees will be paid for up to twenty days of accrued annual leave.

Qualified employees are entitled to accumulate sick leave according to a graduated leave schedule 1 day per month, depending on the employee’s annual contract length. There is no limit to the amount of sick leave an employee may accumulate.

Vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. 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 district-wide statement of net assets.

Long-term Obligations: In the government-wide fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method.

For fund financial reporting, bond premiums and discounts, as well as issuance costs are recognized in the period the bonds are issued. Bond proceeds are reported as another financing source net of the applicable premium or discount. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

Net Position: Governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The detail of these classifications is presented in Note 18.

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

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

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013

NOTE 1. Summary of Significant Accounting Policies - (Continued)

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

Restricted Net Position: Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulation of other governments; or (2) law through constitutional provisions or enabling legislation.

Unrestricted Net Position: Residual balance of net position that does not meet the definition of “restricted” or “investment in capital assets.”

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 non-routine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

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.

E. Revenues

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

A school district’s program costs are determined through the use of various formulas using ‘program units’ which take into consideration 1) early childhood education; 2) basic education; 3) special education; 4) bilingual-multicultural education; 5) size, etc. Payment is made from the public school fund under the authority of the Director of Public School Finance. The District received \$5,436,310 in state equalization guarantee distributions during the year ended June 30, 2013.

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 \$9,325 in tax revenues during the year ended June 30, 2013. Descriptions of the individual debt service and capital outlay funds contained in these financial statements include information regarding the authority for the collection and use of these taxes.

Property taxes attach an enforceable lien on property as of January 1. Tax notices are sent to property owners by November 1st of each year to be paid in whole or in two installments by November 10th and April 10th of each year. McKinley County collects County, City and School taxes and distributes them to each fund once per month except in June when the taxes are distributed twice to close out the fiscal year.

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

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013

NOTE 1. Summary of Significant Accounting Policies - (Continued)

E. Revenues (Continued)

school transportation costs of students in grades K through twelve attending public school within the school district. The District received \$411,828 in transportation distributions during the year ended June 30, 2013.

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. Capital outlay expenditures are limited to the purchase, or construction of temporary or permanent classrooms.

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

1. A critical need exists requiring action;
2. The residents of the school districts have provided all available resources to the district to meet its capital outlay requirements;
3. The school district has used its resources in a prudent manner;
4. 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 1979 as certified by the property tax division; and
5. 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 on vouchers signed by the Secretary of Finance and Administration following certification by the council that the application has been approved. During the year ended June 30, 2013, the District did not receive funding.

SB-9 State Match: The Director shall distribute to any school district that has imposed a tax under the Public School Capital Outlay 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 \$555,646 in state SB-9 matching during the year end June 30, 2013.

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 as Special Revenue Funds. Each program operated under its own budget, which has been approved by the Federal Department or the flow through agency (usually the New Mexico Department of Education). The various budgets are approved by the Local School Board and the New Mexico Public Education Department.

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013

NOTE 1. Summary of Significant Accounting Policies - (Continued)

E. Revenues (Continued)

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.

NOTE 2. Stewardship, Compliance and Accountability

Budgetary Information

Budgets for the General, Special Revenue, Capital Projects, and Debt Service Funds are prepared by management and are approved by the local Board of Education and the School Budget and Planning Unit of the Public Education Department. 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.

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

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

1. In April or May, the local school board submits to the District Budget Planning Unit (DBPU) of the New Mexico Public Education Department a proposed operating budget for the ensuing fiscal year commencing July 1. The operating budget includes proposed expenditures and the means of financing them. All budgets submitted to the State of New Mexico Public Education Department (PED) by the District shall contain headings and details as described by law and have been approved by the Public Education Department.
2. In May or June of each year, the proposed "operating" budget will be reviewed and approved by the DBPU and certified and approved by the local school board at a public hearing of which notice has been published. The objective of the hearing is to adjust the estimated budget for the school district for the ensuing fiscal year.
3. The school board meeting, while not intended for the general public, is open for the general public unless a closed meeting has been called.
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 to recognize actual cash balances and carryover funds, if any. These adjustments shall be reviewed and approved by the DBPU.
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 State of New Mexico Public Education Department.
6. Budget change requests are processed in accordance with Supplement 1 (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 SBPU.
7. Legal budget control for expenditures is by function.

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013

NOTE 2. Stewardship, Compliance and Accountability - (Continued)

Budgetary Information (Continued)

8. Appropriations lapse at fiscal year end. Funds unused during the fiscal year may be carried over into the next fiscal year by budgeting those in the subsequent fiscal year's budget. The budget of Zuni Public Schools 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 Revenue Funds, Debt Service Fund, and Capital Projects Funds.
10. Budgets for the General, Special Revenue, Capital Projects, and Debt Service Funds are adopted on a basis not consistent with generally accepted accounting principles (GAAP). Encumbrances are treated the same way for GAAP purposes and for budget purposes.

The Board of Education may approve amendments to the appropriated budget, which are required when a change is made affecting budgeted ending fund balance. New Mexico state law prohibits a Governmental Agency from exceeding budget for an individual line item.

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

NOTE 3. 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. All invested funds of the District properly followed State investment requirements as of June 30, 2013.

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 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.

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013

NOTE 3. Cash and Temporary Investments - (Continued)

Deposits

NM State Statutes require collateral pledged for deposits in excess of the federal deposit insurance to be delivered, or a joint safekeeping receipt be issued, to the Schools for a 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.

	<u>Bank of America</u>	<u>Wells Fargo</u>	<u>Total</u>
Total amounts of deposits	\$ 1,983,390	\$ 1,296,407	\$ 3,279,797
FDIC coverage	<u>(250,000)</u>	<u>(436,404)</u>	<u>(686,404)</u>
Total uninsured public funds	<u>\$ 1,733,390</u>	<u>\$ 860,003</u>	<u>\$ 2,593,393</u>
Pledged collateral held by pledging bank's trust department or agent but not in agency's name	<u>----</u>	<u>463,595</u>	<u>463,595</u>
Uninsured and uncollateralized	<u>\$ 1,733,390</u>	<u>\$ 396,408</u>	<u>\$ 2,129,798</u>
Collateral requirement (50% of uninsured public funds)	\$ 866,695	\$ 430,001	\$ 1,296,696
Pledged security	<u>----</u>	<u>(463,595)</u>	<u>(463,595)</u>
Total under (over) collateralized	<u>\$ 866,695</u>	<u>\$ (33,594)</u>	<u>\$ 833,101</u>

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The government does not have a deposit policy for custodial credit risk, other than following state statutes as put forth in the Public Money Act (Section 6-10-1 to 6-10-63, NMSA 1978). At June 30, 2013, \$2,593,393 of the District's bank balance of \$3,279,797 was exposed to custodial credit risk as it was insured and the collateral was held by the pledging bank's trust department, not in the District's name. At June 30, 2013, the carrying amount of these deposits was \$2,930,993.

Reconciliation of Cash and Temporary Investments

Governmental Funds – Balance Sheet

Cash and cash equivalents (Exhibit A-1)	\$ 2,779,693
Statement of Fiduciary Net Assets (Exhibit D-1)	<u>151,300</u>
	2,930,993
Add: Reconciling items	<u>348,803</u>
Bank balance of deposits	<u>\$ 3,279,796</u>

NOTE 4. Receivables

Receivables as of June 30, 2013, are as follows:

	<u>General Funds</u>	<u>Food Services</u>	<u>Debt Service</u>	<u>Other Governmental</u>	<u>Total</u>
Property Taxes	\$ 277	\$ 0	\$ 1,976	\$ 7,484	\$ 9,737
Intergovernmental	<u>29,084</u>	<u>21,852</u>	<u>0</u>	<u>1,324,437</u>	<u>1,375,373</u>
Total	<u>\$ 29,361</u>	<u>\$ 21,852</u>	<u>\$ 1,976</u>	<u>\$ 1,331,921</u>	<u>\$ 1,385,110</u>

The above receivables are deemed 100% collectible. In accordance with GASB #33, property tax receivables are presented net of deferred revenues in the amount of \$9,737 on the governmental fund financial statements.

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013

NOTE 5. Interfund Receivables, Payables, and Transfers

Operating transfers, made to provide funds for debt service payments, were as follows:

	<u>Transfers Out</u>	<u>Transfers In</u>
Major Funds:		
Teacherage	\$ 50,000	\$ 0
Bond Building	105,534	0
Debt Service	0	941,360
Nonmajor Funds:		
Impact Aid Indian Education	<u>785,826</u>	<u>0</u>
Total Governmental Activities	<u>\$ 941,360</u>	<u>\$ 941,360</u>

Operating transfers, made to provide funds for daily operations, were as follows:

	<u>Transfers Out</u>	<u>Transfers In</u>
Major Funds:		
Bond Building	\$ 276,477	\$ 0
Nonmajor Funds:		
Title I – IASA	0	180,192
Entitlement IDEA-B	0	17,597
English Language Acquisition	0	1,001
Teacher/Principal Training & Recruiting	0	260
Safe & Drug Free Schools & Communities	0	38
Rural & Low Income Schools	0	4,091
Carl D Perkins	0	3,815
Johnson O’Malley	0	49
Save the Children	0	20,762
Dual Credit Instructional Materials	0	991
2010 GO Bonds Student Library	0	2,504
Pre-K Initiative	0	41,735
Kindergarten 3 Plus	0	3,298
Pre-Kindergarten Special State	<u>0</u>	<u>144</u>
Total Governmental Activities	<u>\$ 276,477</u>	<u>\$ 276,477</u>

“Interfund balances” have primarily been 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, 2013 is as follows:

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Major Funds:		
General	\$ 314,799	\$ 0
Teacherage	254	4,281
Food Services	0	102,000
Bond Building	<u>1,064,944</u>	<u>0</u>
Total Major Funds	<u>1,379,997</u>	<u>106,281</u>

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013

NOTE 5. Interfund Receivables, Payables, and Transfers (Continued)

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Nonmajor Funds:		
Title I – IASA	0	286,103
Entitlement IDEA-B	0	102,133
Preschool IDEA-B	0	8,526
English Language Acquisition	0	18,943
Teacher/Principal Training & Recruiting	0	116,531
Carl D Perkins	0	17,258
Breakfast for Elementary Students	0	26,845
Kindergarten 3 Plus	4,027	136,460
Capital Improvements SB-9	<u>0</u>	<u>564,944</u>
Total Nonmajor Funds	<u>4,027</u>	<u>1,277,743</u>
 Total Governmental Activities	 <u>\$ 1,384,024</u>	 <u>\$ 1,384,024</u>

NOTE 6. Capital Assets

A summary of capital assets and changes occurring during the year ended June 30, 2013, including those changes pursuant to the implementation of GASB Statement No. 34, follows. Land is not subject to depreciation.

	<u>Balance June 30, 2012</u>	<u>Additions</u>	<u>Adjustments</u>	<u>Deletions</u>	<u>Balance June 30, 2013</u>
Capital Assets used in Governmental Activities:					
Land and land improvements	\$ 54,684	\$ 0	\$ 0	\$ 0	\$ 54,684
Buildings and building improvements	39,835,599	0	0	0	39,835,599
Furniture, fixtures & equipment	3,183,459	0	6,000	(4,345)	3,185,115
Construction in progress	0	279,352	0	0	279,352
Vehicles	<u>2,239,088</u>	<u>0</u>	<u>0</u>	<u>(41,325)</u>	<u>2,197,763</u>
Total Capital Assets, being depreciated:	<u>45,312,830</u>	<u>279,352</u>	<u>6,000</u>	<u>(45,670)</u>	<u>45,552,513</u>
Less Accumulated Depreciation for:					
Land and land improvements	5,349	4,897	0	0	10,246
Buildings and building improvements	19,912,106	1,214,442	0	0	21,126,548
Furniture, fixtures & equipment	2,242,858	257,252	0	(4,345)	2,495,766
Vehicles	<u>1,851,506</u>	<u>140,102</u>	<u>0</u>	<u>(41,325)</u>	<u>1,950,283</u>
Total Accumulated Depreciation:	<u>24,011,819</u>	<u>1,616,693</u>	<u>0</u>	<u>(45,670)</u>	<u>25,582,843</u>
Governmental activities capital assets, net:	<u>\$ 21,301,011</u>	<u>\$ (1,337,341)</u>	<u>\$ 6,000</u>	<u>\$ 0</u>	<u>\$ 19,969,670</u>

Capital assets, net of accumulated depreciation, at June 30, 2013 appear in the Statement of Net Assets and total \$19,941,044. Depreciation expense for the year ended June 30, 2013 was unallocated.

NOTE 7. Long-term Debt

During the year ended June 30, 2013, the following changes occurred in the liabilities reported in the government-wide statement of net assets:

	<u>Balance June 30, 2012</u>	<u>Additions</u>	<u>- Deletions</u>	<u>Balance June 30, 2013</u>	<u>Due Within One Year</u>
2003 GO Bonds	\$ 40,000	\$ 0	\$ 10,000	\$ 30,000	\$ 10,000
2006 Housing Revenue Bond	5,268,778	0	5,268,778	0	0
2012 Teacher Housing Rev. Bond	3,375,000	0	145,000	3,230,000	110,000
2012A Teacher Housing Rev. Bond	0	5,130,000	0	5,130,000	345,000
Deferred Gain on Refunding	317,386	0	317,386	0	0
Compensated Absences	<u>106,793</u>	<u>119,461</u>	<u>108,329</u>	<u>117,925</u>	<u>117,925</u>
Total	<u>\$ 9,107,957</u>	<u>\$ 5,249,461</u>	<u>\$ 5,849,493</u>	<u>\$ 8,507,925</u>	<u>\$ 582,925</u>

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013

NOTE 7. Long-term Debt (Continued)

The annual requirements to amortize the 2003 General Obligation Bond as of June 30, 2013, including interest payments, are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2014	\$ 10,000	\$ 995	\$ 10,995
2015	10,000	598	10,598
2016	10,000	200	10,200
Totals	<u>\$ 30,000</u>	<u>\$ 1,793</u>	<u>\$ 31,793</u>

The annual requirements to amortize the 2012 Teacher Housing Revenue Bond as of June 30, 2013, including interest payments, are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2014	\$ 110,000	\$ 145,150	\$ 255,150
2015	115,000	141,775	256,775
2016	120,000	138,250	258,250
2017	125,000	134,575	259,575
2018	125,000	130,200	255,200
2019-2023	705,000	567,450	1,272,450
2024-2028	1,300,000	365,000	1,665,000
2029	630,000	15,750	645,750
Totals	<u>\$ 3,230,000</u>	<u>\$ 1,638,150</u>	<u>\$ 4,868,150</u>

The annual requirements to amortize the 2012A Teacher Housing Revenue Bond as of June 30, 2013, including interest payments, are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2014	\$ 345,000	\$ 136,331	\$ 481,331
2015	310,000	127,325	437,325
2016	320,000	118,663	438,663
2017	330,000	109,725	439,725
2018	340,000	100,513	440,513
2019-2023	1,825,000	356,469	2,181,469
2024-2028	1,660,000	92,675	1,752,675
Totals	<u>\$ 5,130,000</u>	<u>\$ 1,041,701</u>	<u>\$ 6,171,701</u>

In prior years, the general fund was typically used to liquidate long-term liabilities other than debt. Interest expense paid on long-term debt totaled \$265,975 on the Statement of Activities for the year ended June 30, 2013.

Gain on Refunding and Bond Issuance Costs

During the year ended June 30, 2013, the District issued a revenue bond for housing which was used to refund one bond and provide additional funds for work on the teacherage units. The refunding resulted in a premium of \$317,879 that is being expensed in the current year. In addition, the District also incurred \$99,671 in bond issuance costs at June 30, 2013 which will be expensed during the current year.

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013

NOTE 7. Long-term Debt (Continued)

Compensated Absences – Administrative employees of the District are able to accrue a limited amount of vacation and other compensatory time during the year. During fiscal year June 30, 2013, compensated absences decreased \$11,132 over the prior year accrual. See Note 1 for more details

Operating Leases – The District leases buildings and office equipment under short-term cancelable operating leases. Rental cost for the year ended June 30, 2013 was \$57,610.

NOTE 8. Risk Management

The District is a member of the New Mexico Public Schools Insurance Authority (NMPSIA). The Authority was created to provide comprehensive core insurance programs by expanding the pool of subscribers to maximize cost containment opportunities for required insurance coverage. The District pays an annual premium to the NMPSIA based on claim experience and the status of the pool. The Risk Management Program includes Workers Compensation, General and Automobile Liability, Automobile Physical Damage, and Property and Crime coverage. Also included under the risk management program are Boiler, Machinery and Student Accident Insurance.

The NMPSIA provides coverage for up to a maximum of \$500,000,000 for each property damage claim with a \$750 deductible to 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. In case the NMPSIA’s assets are not sufficient to meet its liability claims, the agreement provides that subscribers, including the District, cannot be assessed additional premiums to cover the shortfall. As of June 30, 2013, there have been no claims that have exceeded insurance coverage.

NOTE 9. Other Required Individual Fund Disclosures

Generally accepted accounting principles require disclosures as part of the Combined Statements of certain information concerning individual funds including:

A. Excess of budgeted expenditures over appropriations

The following funds exceeded approved budgetary authority for the year ended June 30, 2013:

Nonmajor Funds:	
Debt Service Fund – Reserve	\$ 103,071
Debt Service Fund - Principal	5,032,352
Education Technology	<u>22</u>
Total Funds	<u>\$ 5,135,445</u>

B. Excess of designated cash over available cash

The following budgets exceeded beginning cash for the year ended June 30, 2013.

Major Funds:	
Food Services	<u>\$ 69,141</u>
Nonmajor Funds:	
Johnson O’Malley	64,952
Special Capital Outlay – Local Capital Projects	<u>59,076</u>
Total Nonmajor Funds	<u>124,028</u>
Total All Funds	<u>\$ 193,169</u>

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013

NOTE 10. Pension Plan – Educational Retirement Board

Plan Description. Substantially all of the Zuni 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 at www.nmerb.org.

Funding Policy.

Member Contributions

Plan members whose annual salary is \$20,000 or less are required by statute to contribute 7.9% of their gross salary. Plan members whose annual salary is over \$20,000 are required to make the following contributions to the Plan: 9.40% of their gross salary in fiscal year 2013; 10.1% of their gross salary in fiscal year 2014; and 10.7% of their gross salary in fiscal year 2015 and thereafter.

Employer Contributions

In fiscal year 2013, the (name of employer) was required to contribute 12.4% of the gross covered salary for employees whose annual salary is \$20,000 or less, and 10.9% of the gross covered salary for employees whose annual salary is more than \$20,000. In the future, (name of employer) will contribute the following percentages of the gross covered salary of employees: 13.15% of gross covered salary in fiscal year 2014; and 13.9% of gross covered salary in fiscal year 2015. The contribution requirements of plan members and the District are established in State statute under Chapter 22, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. The District’s contributions to ERB for the fiscal years ending June 30, 2013, 2012, and 2011, were \$1,065,011, \$1,009,470, and \$1,211,855, respectively, which equal the amount of the required contributions for each fiscal year.

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

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

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

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013

NOTE 11. Post-Employment Benefits – State Retiree Health Care Plan

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

The employer, employee and retiree contributions are required to be remitted to the RHCA on a monthly basis. The statutory requirements for the employer and employee contributions can be changed by the New Mexico State Legislature. Employers that choose to become participating employers after January 1, 1998, are required to make contributions to the RHCA fund in the amount determined to be appropriate by the board.

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. For employees that were members of an enhanced retirement plan (state police and adult correctional officer member coverage plan 1; municipal police member coverage plans 3, 4 or 5; municipal fire member coverage plan 3, 4 or 5; municipal detention officer member coverage plan 1; and members pursuant to the Judicial Retirement Act) during the fiscal year ended June 30, 2013, the statute required each participating employer to contribute 2.5% of each participating employee's annual salary; and each participating employee was required to contribute 1.25% of their salary. For employees that were not members of an enhanced retirement plan during the fiscal year ended June 30, 2013, the statute required each participating employer to contribute 2.0% of each participating employee's annual salary; each participating employee was required to contribute 1.0% of their salary. In addition, pursuant to Section 10-7C-15(G) NMSA 1978, at the first session of the Legislature following July 1, 2013, the legislature shall review and adjust the distributions pursuant to Section 7-1-6.1 NMSA 1978 and the employer and employee contributions to the authority in order to ensure the actuarial soundness of the benefits provided under the Retiree Health Care Act.

Zuni Public School's contributions to the RHCA for the years ended June 30, 2013, 2012, and 2011 were \$192,894, \$196,651, and \$179,660, respectively, which equal the required contributions for each year.

NOTE 12. 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.

NOTE 13. 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.

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013

NOTE 14. Subsequent Accounting Standard Pronouncements

In December 2009, the GASB issued Statement No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plan*, which is effective for financial statement periods beginning after June 15, 2012. The objective of this Statement is to address issues related to the use of the alternative measurement method and the frequency and timing of measurements by employers that participate in agent multiple-employer other postemployment benefit (OPEB) plans (that is, agent employers).

In November 2010, the GASB issued Statement No. 61, *The Financial Reporting Entity: Omnibus—an amendment of GASB Statements No. 14 and No. 34*, which is effective for financial statement periods beginning after June 15, 2012. The objective of this Statement is to improve financial reporting for a governmental financial reporting entity. The requirements of Statement No. 14, *The Financial Reporting Entity*, and the related financial reporting requirements of Statement No. 34, *Basic Financial Statements—and Management’s Discussion and Analysis—for State and Local Governments*, were amended to better meet user needs and to address reporting entity issues that have arisen since the issuance of those Statements. This Statement modifies certain requirements for inclusion of component units in the financial reporting entity and amends the criteria for reporting component units as if they were part of the primary government in certain circumstances.

In December of 2010, the GASB issued Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, which is effective for financial statements for periods beginning after December 15, 2012. The objective of this Statement is to incorporate into the GASB’s authoritative literature certain accounting and financial reporting guidance that is included in the following pronouncements issued on or before November 30, 1989, which does not conflict with or contradict GASB pronouncements:

1. Financial Accounting Standards Board (FASB) Statements and Interpretations
2. Accounting Principles Board Opinions
3. Accounting Research Bulletins of the American Institute of Certified Public Accountants’ (AICPA) Committee on Accounting Procedure.

The requirements in this Statement will improve financial reporting by contributing to the GASB’s efforts to codify all sources of generally accepted accounting principles for state and local governments so that they derive from a single source.

In June 2011, the GASB issued Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, which is effective for financial statement for periods beginning after December 15, 2011. The objective of this Statement is to provide guidance for reporting deferred outflows of resources, deferred inflows of resources, and net position in a statement of financial position and related disclosures.

NOTE 16. Governmental Fund Balance

Fund Balance: In the fund financial statements, governmental funds are reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Some governments may not have policies or procedures that are comparable to those policies that underlie the classifications and therefore would not report amounts in all possible fund balance classifications.

In the governmental financial statements, fund balance is classified and is displayed in five components:

Nonspendable: Consists of amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted: Consists of amounts that are restricted to specific purposes as a result of a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or b) imposed by law through constitutional provisions or enabling legislation.

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013

NOTE 16. Governmental Fund Balance (Continued)

Committed: Consist of amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority. Those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of action (for example, legislation, resolution, ordinance) it employed to previously commit those amounts.

Assigned: Consist of amounts that are constrained by the government's *intent* to be used for specific purposes, but are neither restricted nor committed. Intent should be expressed by (a) the governing body itself or (b) a body (a budget or finance committee, for example) or official to which the governing body has delegated the authority to assign amounts to be used for specific purposes.

Unassigned: Represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund.

Detail relating to the fund balance classifications is displayed below:

	General Fund				Special Revenue
	General Fund 11000	Teacherege Fund 12000	Transportation Fund 13000	Instructional Materials Fund 14000	Food Services Fund 21000
Fund Balances:					
Nonspendable:					
Inventory	\$ 141,393	\$ -	\$ -	\$ -	\$ 32,151
Restricted for:					
General fund	-	-	31,157	106,744	-
Education	-	-	-	-	42
School construction	-	-	-	-	-
Debt service	-	-	-	-	-
Assigned to:					
Other purposes	703,822	157,285	-	-	-
Unassigned:	(235,314)	(41,658)	-	-	-
Total fund balances	\$ 609,901	\$ 115,627	\$ 31,157	\$ 106,744	\$ 32,193
		Capital Project Bond Building Fund 31100	Debt Service Fund 41000	Other Governmental Funds	Total Governmental Funds
Fund Balances:					
Nonspendable:					
Inventory		\$ -	\$ -	\$ -	\$ 173,544
Restricted for:					
General fund		-	-	-	137,901
Education		-	-	228,108	228,150
School construction		1,106,960	-	161,999	1,268,959
Debt service		-	259,173	-	259,173
Assigned to:					
Other purposes		-	118,923	707,215	1,687,245
Unassigned:		-	-	(5,036)	(282,008)
Total fund balances		\$ 1,106,960	\$ 378,096	\$ 1,092,286	\$ 3,472,964

NOTE 17. Prior Period Adjustment

A prior period adjustment in the amount of \$198,052 was made to the Statement of Activities to implement GASB Statement No. 63 (see Note 14), a change in accounting principle. In prior years, costs associated with the issuance of debt were amortized over the life of the bonds. However, GASB No. 63 changed the way these costs were reported. Under this new standard, these types of costs will be expensed in the year the debt is issued. In order to implement this standard, the District had to remove unamortized bond issue costs, net, in the amount of \$119,334 (costs of \$171,600 and accumulated amortization of \$52,266) and unamortized bond premiums, net, in the amount of \$317,386 (premium of \$317,879 and accumulated amortization of \$493), which pertain to long-term debt issued in prior years.

SUPPLEMENTARY INFORMATION

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NONMAJOR GOVERNMENTAL FUNDS

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STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2013

Exhibit D-1

	SPECIAL REVENUE	CAPITAL PROJECTS	DEBT SERVICE	TOTAL
ASSETS				
Current assets				
Cash and temporary investments	\$ 702,605	\$ 475,414	\$ 59,399	\$ 1,237,418
Accounts receivable				
Taxes	-	1,132	6,352	7,484
Due from other governments	733,365	591,072	-	1,324,437
Interfund receivables	-	-	-	-
Other	-	-	-	-
Inventory	-	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total assets	<u>\$ 1,435,970</u>	<u>\$ 1,067,618</u>	<u>\$ 65,751</u>	<u>\$ 2,569,339</u>
LIABILITIES AND FUND BALANCES				
Current liabilities				
Accounts payable	\$ 4,575	\$ 11,899	\$ -	\$ 16,474
Accrued payroll liabilities	-	-	-	-
Accrued compensated absences	-	-	-	-
Interfund payables	708,772	564,944	-	1,273,716
Deferred revenue - property taxes	-	1,116	6,352	7,468
Deferred revenue - other	179,395	-	-	179,395
Total liabilities	<u>892,742</u>	<u>577,959</u>	<u>6,352</u>	<u>1,477,053</u>
Fund balances				
Nonspendable	-	-	-	-
Restricted for				
General fund	-	-	-	-
Special revenue	228,108	-	-	228,108
Capital projects	-	161,999	-	161,999
Debt service	-	-	-	-
Assigned	315,120	327,660	64,435	707,215
Unassigned	-	-	(5,036)	(5,036)
Total fund balances	<u>543,228</u>	<u>489,659</u>	<u>59,399</u>	<u>1,092,286</u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total liabilities and fund balances	<u>\$ 1,435,970</u>	<u>\$ 1,067,618</u>	<u>\$ 65,751</u>	<u>\$ 2,569,339</u>

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

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STATE OF NEW MEXICO

Exhibit D-2

ZUNI PUBLIC SCHOOLS

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDING JUNE 30, 2013

	SPECIAL REVENUE	CAPITAL PROJECTS	DEBT SERVICE	TOTAL
Revenues				
Property taxes	\$ -	\$ 4,952	\$ 1,902	\$ 6,854
State grants	288,056	669,444	-	957,500
Federal grants	3,805,767	-	-	3,805,767
Miscellaneous	120,734	-	-	120,734
Charges for services	54,430	-	-	54,430
Investment Income	-	-	-	-
<i>Total revenues</i>	<u>4,268,987</u>	<u>674,396</u>	<u>1,902</u>	<u>4,945,285</u>
Expenditures				
Current				
Instruction	2,665,037	-	-	2,665,037
Support services				
Students	396,054	-	-	396,054
Instruction	197,003	-	-	197,003
General administration	508,513	50	22	508,585
School administration	186,644	-	-	186,644
Central services	307,781	-	-	307,781
Operation and maintenance of plant	1,074	180,496	-	181,570
Student transportation	13,584	-	-	13,584
Other support services	-	-	-	-
Food services operations	59,218	-	-	59,218
Community services	-	-	-	-
Capital outlay	-	217,469	-	217,469
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>4,334,908</u>	<u>398,015</u>	<u>22</u>	<u>4,732,945</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(65,921)</u>	<u>276,381</u>	<u>1,880</u>	<u>212,340</u>
Other financing sources (uses)				
Operating transfers	(509,349)	-	-	(509,349)
Proceeds from bond issues	-	-	-	-
Total other financing sources (uses)	<u>(509,349)</u>	<u>-</u>	<u>-</u>	<u>(509,349)</u>
Net changes in fund balances	(575,270)	276,381	1,880	(297,009)
Fund balances - beginning of year	1,118,498	213,278	57,519	1,389,295
Fund balances - end of year	<u>\$ 543,228</u>	<u>\$ 489,659</u>	<u>\$ 59,399</u>	<u>\$ 1,092,286</u>

The accompanying notes are an integral part of these financial statements.5

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SPECIAL REVENUE FUNDS

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SPECIAL REVENUE FUNDS

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

Athletics (22000) – This fund is used to account for fees generated at athletic activities throughout the School District. The gate receipts are obtained from the general public and are expended in this fund. The authority for creation of this fund is 6.20.2 NMAC.

Skolnick Foundation (23000) – Accounts for a private donation to be used for scholarships and other projects.

Title I – IASA (24101) - provides supplemental educational opportunity for academically disadvantaged children in the area of residing. Campuses are identified for program participation by the percentage of students on free or reduced price lunches. 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 New Mexico Public Education Department. Authority for creation of this fund is Part A of Chapter I of Title I of Elementary and Secondary Education Act (ESEA) of 1965, as amended, Public Law 103-383.

IDEA-B (Entitlement – 24106, Early Intervention Services – 24112) – To account for a program funded by a Federal grant to assist the District in providing free appropriate public education to all handicapped children. Funding authorized by Individuals with Disabilities Education Act, Part B, Section 611-620, as amended, Public Laws 91-230, 93-380, 94-142, 98-199, 99-457, 100,639, and 101-476, 20 U.S.C. 1411-1420.

Preschool IDEA-B (24109) – The objective of the Assistance to States for the Education of Handicapped Children Program is to assist in providing free, appropriate public education to all handicapped children from ages three to five. Federal revenues accounted for in this fund are allocated to the District through the New Mexico Department of Children, Youth and Families. Authority for creation of this fund is Public Law 105-17.

Fresh Fruits & Vegetables USDA (24118) – Assist states, through cash grants, in providing free fresh fruits and vegetables to school children in designated participating schools beginning in school year 2004/2005; authorized by National School Lunch Act, as amended, 42 U.S.C. 1769.

English Language Acquisition (24153) – To provide funds to improve the educational performance of limited English proficient students by assisting the children to learn English and meet State academic content standards.

Teacher / Principal Training & Recruiting (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.

Safe & Drug Free Schools & Community (24157) – To establish a local program of alcohol and drug abuse education and prevention coordinated with related community efforts and resources.

Rural and Low Income Schools (24160) – To account for funds used to provide financial assistance to rural districts to carry out activities to help improve the quality of teaching and learning in their schools. Elementary and Secondary Education Act of 1965 (ESEA), Title VI, Part B, as amended.

Carl D Perkins Special Projects – Current (24171) - The objective of this grant is to provide secondary and post-secondary educational institutions the opportunity to develop, implement, and operate programs using different models of curricula that integrate vocational and academic learning. Funds are acquired from federal sources through the New Mexico Department of Education. Authority for creation of this fund is Carl D. Perkins Vocational and Applied Technology Education Act of 1990, as amended, Public Law 105-332.

Bilingual Ed / Comprehensive School Grants USDE (25109) – To develop school wide programs for limited English proficient students that reform, restructure, and upgrade all relevant and operations within an individual school that has a concentration of limited English proficient students. Elementary and Secondary Education Act of 1965, as amended, Title VII, Part A, Subpart I.

Johnson O'Malley (25131) – To account for revenues and expenditures funded by the Department of Interior, Bureau of Indian Affairs, through the Navajo Tribe provided to supplement programs in special education and other special needs for New Mexico public schools where eligible Indian children are enrolled. The fund was created by the authority of federal grant provisions. (PL 103-382).

SPECIAL REVENUE FUNDS

Impact Aid – Special Education (25145) – Accounts for funding of a Federal program to provide financial assistance to local educational agencies (LEA’s) where enrollments or availability of revenue are adversely affected by Federal activities, i.e. where the tax base of a district is reduced through the Federal acquisition of real property (Section 2), or where there are a significant number of children who reside on Federal (including Indian) lands and/or children whose parents are employed on Federal property or in the Uniformed Services (Section 3(a) and 3(b)): where there is a significant decrease (Section 3(c)) or a sudden and substantial increase (Section 4) in school enrollment as the result of Federal activities; to provide disaster assistance for reduced or increased operating costs (Section 7(a)), for replacing or repairing damaged or destroyed supplies, equipment, and books, and for repairing minor damage to facilities. Funding authorized by Public Law 81-874.

Impact Aid Indian Education (25147) – Accounts for funding of a Federal program to provide financial assistance to local educational agencies where enrollments or availability of revenue are adversely affected by Federal activities, i.e. where the tax base of a district is reduced through the Federal acquisition of real property (Section 2), or where there are a significant number of children who reside on Federal (including Indian) lands and/or children whose parents are employed on Federal property or in the Uniformed Services (Section 3(a) and 3(b)): where there is a significant decrease (Section 3(c)) or a sudden and substantial increase (Section 4) in school enrollment as the result of Federal activities; to provide disaster assistance for reduced or increased operating costs (Section 7(a)), for replacing or repairing damaged or destroyed supplies, equipment, and books, and for repairing minor damage to facilities. Funding authorized by Public Law 81-874.

GRADS Child Care CYFD (25149) –To account for an agreement to provide child care services in conjunction with the Graduation, Reality and Dual Role Skills Program. Funding is provided by State of New Mexico Children Youth and Families Department.

Title XIX MEDICAID 3/21 Years (25153) – To account for a program providing school-based screening, diagnostic services and other related health services and administrative activities in conformance with the approved Medicaid State Plan in order to improve health and developmental outcomes for children.

Indian Education Formula Grant (25184) – To account for a program funded by a Federal grant to develop and carry out supplementary elementary and secondary school programs designed to meet the special educational and culturally related academic needs of Indian children, for example to: 1) Improve academic performance, 2) Reduce school dropout rates and improve attendance, and 3) Integrate the value of cultural education into the school curriculum for Indian children. Funding authorized by Indian Education Act of 1988, Title V, Part C, Subpart 1, as amended, Public Law 100-297 and 93-638, 25 U.S.C. 2601-2606.

Save the Children (26143) – To account for a grant received by save the children, which provide funding to different school programs around New Mexico.

Dual Credit Instructional Materials (27103) – Reimburses the district for textbooks for courses that award both high school and college credit (Dual Enrollment)

Library GO Bonds 2009-2010 (27105) – Allows for the acquisition of library books, equipment, and library resources for public school and state supported school libraries statewide

2010 GO Bonds – Student Library Fund (SB1) (27106) – Funds used to purchase library books and library supplies for all school sites. Program is authorized by state statute.

Technology for Education PED (27117) - The purpose of this grant is to assist the District to develop and implement a strategic, long-term plan for utilizing educational technology in the school system. Funds accounted for in this fund are received from the State of New Mexico. The authority for creation of this fund is NMSA 22-15A-1 to 22-15A-10.

Pre K Initiative (27149) – To account for monies received from the State of New Mexico to be used to provide direct services to 20 4 year old children in Pre-Kindergarten programs.

Indian Education Act (27150) – To account for funds to help support the educational reform initiatives outlined in the schools’ Educational Plan for Student Success (EPSS). The grant expenditures must support how the identified EPSS focus areas/ activities/ strategies will be deployed for addressing the needs of American Indian students to ensure improved academic performance and closing of the achievement gap.

SPECIAL REVENUE FUNDS

Beginning Teacher Mentoring Program (27154) – The objective of this program is to provide beginning teachers an effective transition into the teaching profession, retain capable teachers, improve the achievement of students and improve the overall success of the school. Funding is provided by the New Mexico Board of Education. Authority for creation of this fund is NMSA 22-2-8-10.

Breakfast for Elementary Students (27155) – The 2005 Legislative General Appropriations Act allocated \$475,000 to implement Breakfast in the Classroom for elementary schools in need of improvement based on 2004-2005 AYP designation.

Kindergarten – Three Plus (27166) – To account for funding provided by the State of New Mexico supporting the extended school year for children in Kindergarten through the 3rd grade. This program is managed by the New Mexico Public Education Early Childhood Bureau.

Pre-Kindergarten - Special State (27169) – To provide Pre K program services for learning materials, transportation, start up and safety improvements for 20 (children).

Nutrition Grant (28127) – To provide funds for nutritional education of students provided through state grants.

Community Health Prom. DOH (28149) – To account for revenues received for a counselor for health counseling and sexuality education and for high risk students who do not qualify for special education services and standardize school based health assessments.

GEAR-UP CHE (28178) – To account for funds used to encourage eligible entities to provide or maintain a guarantee to eligible low-income students who obtain a secondary diploma (or its recognized equivalent), of the financial assistance necessary to permit the students to attend an institution of higher education, and supports eligible entities in providing additional counseling, mentoring, academic support, outreach and supportive services to elementary and middle schools, and secondary school students who are at risk of dropping out of school, and information to students and their parents about the advantages of obtaining a postsecondary education and the college financing options for the students and their parents. Higher Education Act, Title IV, Part A, Subpart 2, Chapter 2, 20 U.S.C. 1070a-21-1070a-28.

Private Dir Grants (Categorical) (29102) – To account for local grants awarded to provide additional funding for specific projects. AEL was awarded to provide training for the LLHS Administration. Milken was used for beautification purposes at a school site.

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2013

	Athletics 22000	Skolnick Foundation 23000	Title I - IASA 24101	Entitlement IDEA-B 24106
ASSETS				
Current assets				
Cash and temporary investments	\$ 16,881	\$ 27,085	\$ -	\$ -
Accounts receivable				
Taxes	-	-	-	-
Due from other governments	-	-	289,858	102,133
Interfund receivables	-	-	-	-
Other	-	-	-	-
Inventory	-	-	-	-
	<u>16,881</u>	<u>27,085</u>	<u>289,858</u>	<u>102,133</u>
Total assets	<u>\$ 16,881</u>	<u>\$ 27,085</u>	<u>\$ 289,858</u>	<u>\$ 102,133</u>
LIABILITIES AND FUND BALANCES				
Current liabilities				
Accounts payable	\$ -	\$ -	\$ 3,755	\$ -
Accrued payroll liabilities	-	-	-	-
Accrued compensated absences	-	-	-	-
Interfund payables	-	-	286,103	102,133
Deferred revenue - property taxes	-	-	-	-
Deferred revenue - other	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>289,858</u>	<u>102,133</u>
Fund balances				
Nonspendable	-	-	-	-
Restricted for				
General fund	-	-	-	-
Special revenue	6,204	21,750	-	-
Capital projects	-	-	-	-
Debt service	-	-	-	-
Assigned	10,677	5,335	-	-
Unassigned	-	-	-	-
Total fund balances	<u>16,881</u>	<u>27,085</u>	<u>-</u>	<u>-</u>
Total liabilities and fund balance:	<u>\$ 16,881</u>	<u>\$ 27,085</u>	<u>\$ 289,858</u>	<u>\$ 102,133</u>

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

Preschool IDEA-B 24109	IDEA-B Early Intervention Services 24112	Fresh Fruits & Vegetables 24118	English Language Acquisition 24153	Teacher/Principal Training & Recruiting 24154
\$ -	\$ 300	\$ 1,561	\$ -	\$ -
-	-	-	-	-
8,526	-	-	18,943	117,351
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>\$ 8,526</u>	<u>\$ 300</u>	<u>\$ 1,561</u>	<u>\$ 18,943</u>	<u>\$ 117,351</u>
\$ -	\$ -	\$ -	\$ -	\$ 820
-	-	-	-	-
-	-	-	-	-
8,526	-	-	18,943	116,531
-	-	-	-	-
-	300	1,561	-	-
<u>8,526</u>	<u>300</u>	<u>1,561</u>	<u>18,943</u>	<u>117,351</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>\$ 8,526</u>	<u>\$ 300</u>	<u>\$ 1,561</u>	<u>\$ 18,943</u>	<u>\$ 117,351</u>

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

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2013

	Safe & Drug Free Schools & Community 24157	Rural & Low-Income Schools 24160	Carl D Perkins Special Projects Current 24171	Bilingual Ed/ Comp School Grants 25109
ASSETS				
Current assets				
Cash and temporary investments	\$ -	\$ -	\$ -	\$ 51,589
Accounts receivable				
Taxes	-	-	-	-
Due from other governments	-	-	17,258	-
Interfund receivables	-	-	-	-
Other	-	-	-	-
Inventory	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,258</u>	<u>\$ 51,589</u>
LIABILITIES AND FUND BALANCES				
Current liabilities				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued payroll liabilities	-	-	-	-
Accrued compensated absences	-	-	-	-
Interfund payables	-	-	17,258	-
Deferred revenue - property taxes	-	-	-	-
Deferred revenue - other	-	-	-	51,589
Total liabilities	<u>-</u>	<u>-</u>	<u>17,258</u>	<u>51,589</u>
Fund balances				
Nonspendable	-	-	-	-
Restricted for				
General fund	-	-	-	-
Special revenue	-	-	-	-
Capital projects	-	-	-	-
Debt service	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities and fund balance:	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,258</u>	<u>\$ 51,589</u>

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

Johnson O'Malley 25131	Impact Aid Special Education 25145	Impact Aid Indian Education 25147	GRADS Child Care CYFD 25149	Title XIX Medicaid 3/21 Years 25153
\$ -	\$ 330,783	\$ 57,831	\$ 19,935	\$ 72,894
-	-	-	-	-
-	-	-	-	15,991
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>\$ -</u>	<u>\$ 330,783</u>	<u>\$ 57,831</u>	<u>\$ 19,935</u>	<u>\$ 88,885</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	57,831	19,935	-
-	-	<u>57,831</u>	<u>19,935</u>	-
-	-	-	-	-
-	-	-	-	-
-	94,809	-	-	25,751
-	-	-	-	-
-	-	-	-	-
-	235,974	-	-	63,134
-	-	-	-	-
-	<u>330,783</u>	-	-	<u>88,885</u>
<u>\$ -</u>	<u>\$ 330,783</u>	<u>\$ 57,831</u>	<u>\$ 19,935</u>	<u>\$ 88,885</u>

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

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2013

	Indian Ed Formula Grant 25184	Save the Children 26143	Dual Credit Instructional Materials 27103	Library G.O. Bonds 2009 - 2010 27105
ASSETS				
Current assets				
Cash and temporary investments	\$ 48,179	\$ -	\$ -	\$ -
Accounts receivable				
Taxes	-	-	-	-
Due from other governments	-	-	-	-
Interfund receivables	-	-	-	-
Other	-	-	-	-
Inventory	-	-	-	-
	<u>48,179</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 48,179</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
LIABILITIES AND FUND BALANCES				
Current liabilities				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued payroll liabilities	-	-	-	-
Accrued compensated absences	-	-	-	-
Interfund payables	-	-	-	-
Deferred revenue - property taxes	-	-	-	-
Deferred revenue - other	48,179	-	-	-
Total liabilities	<u>48,179</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances				
Nonspendable	-	-	-	-
Restricted for				
General fund	-	-	-	-
Special revenue	-	-	-	-
Capital projects	-	-	-	-
Debt service	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities and fund balance:	<u>\$ 48,179</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

2010 GO Bonds Student Library Fund (SB1) 27106	Technology for Education PED 27117	PreK Initiative 27149	Indian Education Act 27150	Beginning Teacher Mentoring Program 27154
\$ -	\$ 6,758	\$ -	\$ 7,767	\$ 36,636
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>\$ -</u>	<u>\$ 6,758</u>	<u>\$ -</u>	<u>\$ 7,767</u>	<u>\$ 36,636</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	6,758	-	7,767	36,636
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>-</u>	<u>6,758</u>	<u>-</u>	<u>7,767</u>	<u>36,636</u>
<u>\$ -</u>	<u>\$ 6,758</u>	<u>\$ -</u>	<u>\$ 7,767</u>	<u>\$ 36,636</u>

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

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2013

	Breakfast for Elementary Students 27155	Kindergarten - Three Plus 27166	Pre-Kindergarten Special State 27169	Nutrition Grant 28127
ASSETS				
Current assets				
Cash and temporary investments	\$ -	\$ -	\$ -	\$ 1,965
Accounts receivable				
Taxes	-	-	-	-
Due from other governments	26,845	136,460	-	-
Interfund receivables	-	-	-	-
Other	-	-	-	-
Inventory	-	-	-	-
	<u>26,845</u>	<u>136,460</u>	<u>-</u>	<u>1,965</u>
Total assets	<u>\$ 26,845</u>	<u>\$ 136,460</u>	<u>\$ -</u>	<u>\$ 1,965</u>
LIABILITIES AND FUND BALANCES				
Current liabilities				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued payroll liabilities	-	-	-	-
Accrued compensated absences	-	-	-	-
Interfund payables	26,845	132,433	-	-
Deferred revenue - property taxes	-	-	-	-
Deferred revenue - other	-	-	-	-
Total liabilities	<u>26,845</u>	<u>132,433</u>	<u>-</u>	<u>-</u>
Fund balances				
Nonspendable	-	-	-	-
Restricted for				
General fund	-	-	-	-
Special revenue	-	4,027	-	1,965
Capital projects	-	-	-	-
Debt service	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	<u>-</u>	<u>4,027</u>	<u>-</u>	<u>1,965</u>
Total liabilities and fund balance:	<u>\$ 26,845</u>	<u>\$ 136,460</u>	<u>\$ -</u>	<u>\$ 1,965</u>

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

Community Health Prom. DOH 28149	GEAR-UP CHE 28178	Private Direct Grants 29102	Total
\$ -	\$ 560	\$ 21,881	\$ 702,605
-	-	-	-
-	-	-	733,365
-	-	-	-
-	-	-	-
-	-	-	-
<u>\$ -</u>	<u>\$ 560</u>	<u>\$ 21,881</u>	<u>\$ 1,435,970</u>
\$ -	\$ -	\$ -	\$ 4,575
-	-	-	-
-	-	-	-
-	-	-	708,772
-	-	-	-
-	-	-	179,395
-	-	-	892,742
-	-	-	-
-	-	-	-
-	560	21,881	228,108
-	-	-	-
-	-	-	-
-	-	-	315,120
-	-	-	-
<u>-</u>	<u>560</u>	<u>21,881</u>	<u>543,228</u>
<u>\$ -</u>	<u>\$ 560</u>	<u>\$ 21,881</u>	<u>\$ 1,435,970</u>

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

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDING JUNE 30, 2013

	Athletics 22000	Skolnick Foundation 23000	Title I - IASA 24101	Entitlement IDEA-B 24106
Revenues				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	25	-	-	-
Federal grants	-	-	1,261,753	327,326
Miscellaneous	-	50,000	-	-
Charges for services	54,430	-	-	-
Investment income	-	-	-	-
Total revenues	<u>54,455</u>	<u>50,000</u>	<u>1,261,753</u>	<u>327,326</u>
Expenditures				
Current				
Instruction	62,013	38,322	1,024,624	269,665
Support services				
Students	-	-	142,029	50,786
Instruction	-	-	153,054	3,262
General administration	-	-	91,652	20,648
School administration	-	-	30,586	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	562
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>62,013</u>	<u>38,322</u>	<u>1,441,945</u>	<u>344,923</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(7,558)</u>	<u>11,678</u>	<u>(180,192)</u>	<u>(17,597)</u>
Other financing sources (uses)				
Operating transfers	-	-	180,192	17,597
Proceeds from bond issues	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>180,192</u>	<u>17,597</u>
Net changes in fund balances	(7,558)	11,678	-	-
Fund balances - beginning of year	24,439	15,407	-	-
Fund balances - end of year	<u>\$ 16,881</u>	<u>\$ 27,085</u>	<u>\$ -</u>	<u>\$ -</u>

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

Preschool IDEA-B 24109	IDEA-B Early Intervention Services 24112	Fresh Fruits & Vegetables 24118	English Language Acquisition 24153	Teacher/Principal Training & Recruiting 24154
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
16,038	-	32,372	32,127	142,462
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>16,038</u>	<u>-</u>	<u>32,372</u>	<u>32,127</u>	<u>142,462</u>
14,526	-	-	26,738	117,966
811	-	-	-	-
-	-	-	2,520	8,424
701	-	-	3,870	13,681
-	-	-	-	2,651
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	32,372	-	-
-	-	-	-	-
-	-	-	-	-
<u>16,038</u>	<u>-</u>	<u>32,372</u>	<u>33,128</u>	<u>142,722</u>
-	-	-	(1,001)	(260)
-	-	-	1,001	260
-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>1,001</u>	<u>260</u>
-	-	-	-	-
-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDING JUNE 30, 2013

	Safe & Drug Free Schools & Community 24157	Rural & Low-Income Schools 24160	Carl D Perkins Special Projects Current 24171	Bilingual Ed Comp School Grants 25109
Revenues				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	(38)	(299)	41,787	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Total revenues	<u>(38)</u>	<u>(299)</u>	<u>41,787</u>	<u>-</u>
Expenditures				
Current				
Instruction	-	3,792	45,602	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Cental services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>-</u>	<u>3,792</u>	<u>45,602</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(38)</u>	<u>(4,091)</u>	<u>(3,815)</u>	<u>-</u>
Other financing sources (uses)				
Operating transfers	38	4,091	3,815	-
Proceeds from bond issues	-	-	-	-
Total other financing sources (uses)	<u>38</u>	<u>4,091</u>	<u>3,815</u>	<u>-</u>
Net changes in fund balances	-	-	-	-
Fund balances - beginning of year	-	-	-	-
Fund balances - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

Johnson O'Malley 25131	Impact Aid Special Education 25145	Impact Aid Indian Education 25147	GRADS Child Care CYFD 25149	Title XIX Medicaid 3/21 Years 25153
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
118,918	199,087	1,301,672	-	95,307
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>118,918</u>	<u>199,087</u>	<u>1,301,672</u>	<u>-</u>	<u>95,307</u>
77,506	10,316	439,304	-	-
10,288	11,678	75,590	-	104,576
20	-	29,105	-	-
31,112	104,426	220,325	-	-
41	-	79,714	-	-
-	-	307,781	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>118,967</u>	<u>126,420</u>	<u>1,151,819</u>	<u>-</u>	<u>104,576</u>
(49)	72,667	149,853	-	(9,269)
49	-	(785,826)	-	-
-	-	-	-	-
<u>49</u>	<u>-</u>	<u>(785,826)</u>	<u>-</u>	<u>-</u>
-	72,667	(635,973)	-	(9,269)
-	258,116	635,973	-	98,154
<u>\$ -</u>	<u>\$ 330,783</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 88,885</u>

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

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDING JUNE 30, 2013

	Indian Ed Formula Grant 25184	Save The Children 26143	Dual Credit Instructional Materials 27103	Library G.O. Bonds 2009 - 2010 27105
Revenues				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	2,488	-
Federal grants	237,255	-	-	-
Miscellaneous	-	92,546	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Total revenues	<u>237,255</u>	<u>92,546</u>	<u>2,488</u>	<u>-</u>
Expenditures				
Current				
Instruction	221,224	30,530	3,479	-
Support services				
Students	-	296	-	-
Instruction	618	-	-	-
General administration	15,413	-	-	-
School administration	-	69,512	-	-
Cental services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	8,226	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>237,255</u>	<u>108,564</u>	<u>3,479</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(16,018)</u>	<u>(991)</u>	<u>-</u>
Other financing sources (uses)				
Operating transfers	-	20,762	991	-
Proceeds from bond issues	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>20,762</u>	<u>991</u>	<u>-</u>
Net changes in fund balances	-	4,744	-	-
Fund balances - beginning of year	-	(4,744)	-	-
Fund balances - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

2010 GO Bonds Student Library Fund (SB1) 27106	Technology for Education PED 27117	PreK Initiative 27149	Indian Education Act 27150	Beginning Teacher Monitoring Program 27154
\$ -	\$ -	\$ -	\$ -	\$ -
(2,504)	-	40,894	3,536	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>(2,504)</u>	<u>-</u>	<u>40,894</u>	<u>3,536</u>	<u>-</u>
-	-	53,162	21,127	-
-	-	-	-	-
-	-	643	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>-</u>	<u>-</u>	<u>53,805</u>	<u>21,127</u>	<u>-</u>
<u>(2,504)</u>	<u>-</u>	<u>(12,911)</u>	<u>(17,591)</u>	<u>-</u>
2,504	-	41,735	-	-
-	-	-	-	-
<u>2,504</u>	<u>-</u>	<u>41,735</u>	<u>-</u>	<u>-</u>
-	-	28,824	(17,591)	-
-	6,758	(28,824)	25,358	36,636
<u>\$ -</u>	<u>\$ 6,758</u>	<u>\$ -</u>	<u>\$ 7,767</u>	<u>\$ 36,636</u>

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

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDING JUNE 30, 2013

	Breakfast for Elementary Students 27155	Kindergarten - Three Plus 27166	Pre-Kindergarten Special State 27169	Nutrition Grant 28127
Revenues				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	26,846	214,806	-	1,965
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Total revenues	<u>26,846</u>	<u>214,806</u>	<u>-</u>	<u>1,965</u>
Expenditures				
Current				
Instruction	-	205,141	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	4,140	-	-
Cental services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	4,796	-	-
Other support services	-	-	-	-
Food services operations	26,846	-	-	-
Community service	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>26,846</u>	<u>214,077</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>729</u>	<u>-</u>	<u>1,965</u>
Other financing sources (uses)				
Operating transfers	-	3,298	144	-
Proceeds from bond issues	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>3,298</u>	<u>144</u>	<u>-</u>
Net changes in fund balances	-	4,027	144	1,965
Fund balances - beginning of year	-	-	(144)	-
Fund balances - end of year	<u>\$ -</u>	<u>\$ 4,027</u>	<u>\$ -</u>	<u>\$ 1,965</u>

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

Community Health Prom. DOH 28149	GEAR-UP CHE 28178	Private Direct Grants 29102	Total
\$ -	\$ -	\$ -	\$ -
-	-	-	288,056
-	-	-	3,805,767
(31,412)	-	9,600	120,734
-	-	-	54,430
-	-	-	-
<u>(31,412)</u>	<u>-</u>	<u>9,600</u>	<u>4,268,987</u>
-	-	-	2,665,037
-	-	-	396,054
-	-	-	197,003
-	-	6,042	508,513
-	-	-	186,644
-	-	-	307,781
-	-	1,074	1,074
-	-	-	13,584
-	-	-	-
-	-	-	59,218
-	-	-	-
-	-	-	-
<u>-</u>	<u>-</u>	<u>7,116</u>	<u>4,334,908</u>
<u>(31,412)</u>	<u>-</u>	<u>2,484</u>	<u>(65,921)</u>
-	-	-	(509,349)
-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>(509,349)</u>
(31,412)	-	2,484	(575,270)
31,412	560	19,397	1,118,498
<u>\$ -</u>	<u>\$ 560</u>	<u>\$ 21,881</u>	<u>\$ 543,228</u>

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

ZUNI PUBLIC SCHOOLS

ATHLETICS SPECIAL REVENUE FUND (22000)

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2013

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
Revenues				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	25	25
Federal grants	-	-	-	-
Miscellaneous	50,000	50,000	54,430	4,430
Interest	-	-	-	-
Total revenues	<u>50,000</u>	<u>50,000</u>	<u>54,455</u>	<u>4,455</u>
Expenditures				
Current				
Instruction	71,755	71,755	62,013	9,742
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>71,755</u>	<u>71,755</u>	<u>62,013</u>	<u>9,742</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(21,755)</u>	<u>(21,755)</u>	<u>(7,558)</u>	<u>14,197</u>
Other financing sources (uses)				
Designated cash	21,755	21,755	-	(21,755)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
Total other financing sources (uses)	<u>21,755</u>	<u>21,755</u>	<u>-</u>	<u>(21,755)</u>
Net changes in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>(7,558)</u>	<u>\$ (7,558)</u>
Fund balances - beginning of year			<u>24,439</u>	
Fund balances - end of year			<u>\$ 16,881</u>	
Reconciliation to GAAP Basis:				
Net change in fund balances			\$ (7,558)	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ (7,558)</u>	

The accompanying notes are an integral part of these financial statements

ZUNI PUBLIC SCHOOLS

SKOLNICK FOUNDATION SPECIAL REVENUE FUND (23000)
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDING JUNE 30, 2013

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
Revenues				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	50,000	50,000	-
Interest	-	-	-	-
Total revenues	<u>-</u>	<u>50,000</u>	<u>50,000</u>	<u>-</u>
Expenditures				
Current				
Instruction	27,192	65,407	38,322	27,085
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>27,192</u>	<u>65,407</u>	<u>38,322</u>	<u>27,085</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(27,192)</u>	<u>(15,407)</u>	<u>11,678</u>	<u>27,085</u>
Other financing sources (uses)				
Designated cash	27,192	15,407	-	(15,407)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
Total other financing sources (uses)	<u>27,192</u>	<u>15,407</u>	<u>-</u>	<u>(15,407)</u>
Net changes in fund balances	<u>\$ -</u>	<u>\$ -</u>	11,678	<u>\$ 11,678</u>
Fund balances - beginning of year			<u>15,407</u>	
Fund balances - end of year			<u>\$ 27,085</u>	
Reconciliation to GAAP Basis:				
Net change in fund balances			\$ 11,678	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 11,678</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Exhibit E-5

ZUNI PUBLIC SCHOOLS

TITLE I - IASA SPECIAL REVENUE FUND (24101)

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2013

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
Revenues				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	1,088,639	1,976,148	1,551,735	(424,413)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
Total revenues	<u>1,088,639</u>	<u>1,976,148</u>	<u>1,551,735</u>	<u>(424,413)</u>
Expenditures				
Current				
Instruction	725,653	1,530,474	1,024,624	505,850
Support services				
Students	149,775	153,275	142,029	11,246
Instruction	116,603	159,703	152,939	6,764
General administration	83,608	83,608	91,518	(7,910)
School administration	1,000	37,088	30,586	6,502
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	12,000	12,000	-	12,000
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>1,088,639</u>	<u>1,976,148</u>	<u>1,441,696</u>	<u>534,452</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>110,039</u>	<u>110,039</u>
Other financing sources (uses)				
Designated cash	-	-	-	-
Operating transfers	-	-	180,192	180,192
Proceeds from bond issues	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>180,192</u>	<u>180,192</u>
Net changes in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>290,231</u>	<u>\$ 290,231</u>
Fund balances - beginning of year			<u>(576,334)</u>	
Fund balances - end of year			<u>\$ (286,103)</u>	
Reconciliation to GAAP Basis:				
Net change in fund balances			\$ 290,231	
Adjustments to revenues			(289,982)	
Adjustments to expenditures			(249)	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS

Exhibit E-6

ENTITLEMENT IDEA-B SPECIAL REVENUE FUND (24106)
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2013

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
Revenues				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	357,084	638,482	401,045	(237,437)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
Total revenues	<u>357,084</u>	<u>638,482</u>	<u>401,045</u>	<u>(237,437)</u>
Expenditures				
Current				
Instruction	277,408	491,030	269,665	221,365
Support services				
Students	55,179	87,179	50,786	36,393
Instruction	-	-	3,262	(3,262)
General administration	24,497	55,273	20,648	34,625
School administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	5,000	562	4,438
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>357,084</u>	<u>638,482</u>	<u>344,923</u>	<u>293,559</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>56,122</u>	<u>56,122</u>
Other financing sources (uses)				
Designated cash	-	-	-	-
Operating transfers	-	-	17,597	17,597
Proceeds from bond issues	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>17,597</u>	<u>17,597</u>
Net changes in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>73,719</u>	<u>\$ 73,719</u>
Fund balances - beginning of year			(175,852)	
Fund balances - end of year			<u>\$ (102,133)</u>	
Reconciliation to GAAP Basis:				
Net change in fund balances			\$ 73,719	
Adjustments to revenues			(73,719)	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS**

Exhibit E-7

**PRESCHOOL IDEA-B SPECIAL REVENUE FUND (24109)
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2013**

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
Revenues				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	9,427	19,924	12,350	(7,574)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
Total revenues	<u>9,427</u>	<u>19,924</u>	<u>12,350</u>	<u>(7,574)</u>
Expenditures				
Current				
Instruction	7,719	15,877	14,526	1,351
Support services				
Students	1,100	1,100	811	289
Instruction	-	-	-	-
General administration	608	1,252	701	551
School administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	1,695	-	1,695
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>9,427</u>	<u>19,924</u>	<u>16,038</u>	<u>3,886</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>(3,688)</u>	<u>(3,688)</u>
Other financing sources (uses)				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>(3,688)</u>	<u>\$ (3,688)</u>
Fund balances - beginning of year			<u>(4,838)</u>	
Fund balances - end of year			<u>\$ (8,526)</u>	
Reconciliation to GAAP Basis:				
Net change in fund balances			\$ (3,688)	
Adjustments to revenues			3,688	
Adjustments to expenditures			<u>-</u>	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS

Exhibit E-8

IDEA-B EARLY INTERVENTION SERVICES SPECIAL REVENUE FUND (24112)
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2013

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
Revenues				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	41,179	41,179
Miscellaneous	-	-	-	-
Interest	-	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>41,179</u>	<u>41,179</u>
Expenditures				
Current				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>41,179</u>	<u>41,179</u>
Other financing sources (uses)				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	<u>\$ -</u>	<u>\$ -</u>	41,179	<u>\$ 41,179</u>
Fund balances - beginning of year			<u>(40,879)</u>	
Fund balances - end of year			<u>\$ 300</u>	
Reconciliation to GAAP Basis:				
Net change in fund balances			\$ 41,179	
Adjustments to revenues			(41,179)	
Adjustments to expenditures			<u>-</u>	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

ZUNI PUBLIC SCHOOLS

FRESH FRUITS AND VEGETABLES SPECIAL REVENUE FUND (24118)
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDING JUNE 30, 2013

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
Revenues				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	33,864	33,864	32,193	(1,671)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
Total revenues	<u>33,864</u>	<u>33,864</u>	<u>32,193</u>	<u>(1,671)</u>
Expenditures				
Current				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	33,864	33,864	32,372	1,492
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>33,864</u>	<u>33,864</u>	<u>32,372</u>	<u>1,492</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>(179)</u>	<u>(179)</u>
Other financing sources (uses)				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>(179)</u>	<u>\$ (179)</u>
Fund balances - beginning of year			<u>1,740</u>	
Fund balances - end of year			<u>\$ 1,561</u>	
Reconciliation to GAAP Basis:				
Net change in fund balances			\$ (179)	
Adjustments to revenues			179	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

ZUNI PUBLIC SCHOOLS

ENGLISH LANGUAGE ACQUISITION SPECIAL REVENUE FUND (24153)
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDING JUNE 30, 2013

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
Revenues				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	37,347	52,971	46,098	(6,873)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
Total revenues	<u>37,347</u>	<u>52,971</u>	<u>46,098</u>	<u>(6,873)</u>
Expenditures				
Current				
Instruction	22,191	41,815	26,738	15,077
Support services				
Students	-	-	-	-
Instruction	9,410	5,410	2,520	2,890
General administration	5,746	5,746	3,870	1,876
School administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>37,347</u>	<u>52,971</u>	<u>33,128</u>	<u>19,843</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>12,970</u>	<u>12,970</u>
Other financing sources (uses)				
Designated cash	-	-	-	-
Operating transfers	-	-	1,001	1,001
Proceeds from bond issues	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>1,001</u>	<u>1,001</u>
Net changes in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>13,971</u>	<u>\$ 13,971</u>
Fund balances - beginning of year			<u>(32,914)</u>	
Fund balances - end of year			<u>\$ (18,943)</u>	
Reconciliation to GAAP Basis:				
Net change in fund balances			\$ 13,971	
Adjustments to revenues			(13,971)	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

ZUNI PUBLIC SCHOOLS

TEACHER/PRINCIPAL TRAINING & RECRUITING SPECIAL REVENUE FUND (24154)

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2013

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
Revenues				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	147,209	342,291	137,378	(204,913)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
Total revenues	<u>147,209</u>	<u>342,291</u>	<u>137,378</u>	<u>(204,913)</u>
Expenditures				
Current				
Instruction	125,229	297,048	117,966	179,082
Support services				
Students	-	-	-	-
Instruction	12,500	12,500	8,424	4,076
General administration	9,480	22,043	12,861	9,182
School administration	-	10,700	2,651	8,049
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>147,209</u>	<u>342,291</u>	<u>141,902</u>	<u>200,389</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>(4,524)</u>	<u>(4,524)</u>
Other financing sources (uses)				
Designated cash	-	-	-	-
Operating transfers	-	-	260	260
Proceeds from bond issues	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>260</u>	<u>260</u>
Net changes in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>(4,264)</u>	<u>\$ (4,264)</u>
Fund balances - beginning of year			<u>(112,267)</u>	
Fund balances - end of year			<u>\$ (116,531)</u>	
Reconciliation to GAAP Basis:				
Net change in fund balances			\$ (4,264)	
Adjustments to revenues			5,084	
Adjustments to expenditures			(820)	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

ZUNI PUBLIC SCHOOLS

SAFE & DRUG FREE SCHOOLS & COMMUNITY SPECIAL REVENUE FUND (24157)

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2013

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
Revenues				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures				
Current				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other financing sources (uses)				
Designated cash	-	-	-	-
Operating transfers	-	-	38	38
Proceeds from bond issues	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>38</u>	<u>38</u>
Net changes in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>38</u>	<u>\$ 38</u>
Fund balances - beginning of year			<u>(38)</u>	
Fund balances - end of year			<u>\$ -</u>	
Reconciliation to GAAP Basis:				
Net change in fund balances			\$ 38	
Adjustments to revenues			(38)	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

ZUNI PUBLIC SCHOOLS

RURAL & LOW-INCOME SCHOOLS SPECIAL REVENUE FUND (24160)
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDING JUNE 30, 2013

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
Revenues				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	20,835	32,720	23,498	(9,222)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
Total revenues	<u>20,835</u>	<u>32,720</u>	<u>23,498</u>	<u>(9,222)</u>
Expenditures				
Current				
Instruction	19,493	31,378	3,792	27,586
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	1,342	1,342	-	1,342
School administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>20,835</u>	<u>32,720</u>	<u>3,792</u>	<u>28,928</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>19,706</u>	<u>19,706</u>
Other financing sources (uses)				
Designated cash	-	-	-	-
Operating transfers	-	-	4,091	4,091
Proceeds from bond issues	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>4,091</u>	<u>4,091</u>
Net changes in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>23,797</u>	<u>\$ 23,797</u>
Fund balances - beginning of year			<u>(23,797)</u>	
Fund balances - end of year			<u>\$ -</u>	
Reconciliation to GAAP Basis:				
Net change in fund balances			\$ 23,797	
Adjustments to revenues			(23,797)	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS

Exhibit E-14

CARL D PERKINS - SPECIAL PROJECTS - CURRENT SPECIAL REVENUE FUND (24171)
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2013

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
Revenues				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	41,043	45,603	44,642	(961)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
Total revenues	41,043	45,603	44,642	(961)
Expenditures				
Current				
Instruction	41,043	45,603	45,602	1
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	41,043	45,603	45,602	1
Excess (deficiency) of revenues over (under) expenditures	-	-	(960)	(960)
Other financing sources (uses)				
Designated cash	-	-	-	-
Operating transfers	-	-	3,815	3,815
Proceeds from bond issues	-	-	-	-
Total other financing sources (uses)	-	-	3,815	3,815
Net changes in fund balances	\$ -	\$ -	2,855	\$ 2,855
Fund balances - beginning of year			(20,113)	
Fund balances - end of year			\$ (17,258)	
Reconciliation to GAAP Basis:				
Net change in fund balances			\$ 2,855	
Adjustments to revenues			(2,855)	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS

Exhibit E-15

BILINGUAL EDUCATION/COMPREHENSIVE SCHOOL GRANTS SPECIAL REVENUE FUND (25109)
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
Revenues				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures				
Current				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other financing sources (uses)				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund balances - beginning of year			<u>51,589</u>	
Fund balances - end of year			<u>\$ 51,589</u>	
Reconciliation to GAAP Basis:				
Net change in fund balances			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

ZUNI PUBLIC SCHOOLS

JOHNSON O'MALLEY SPECIAL REVENUE FUND (25131)

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2013

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
Revenues				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	90,473	120,060	148,715	28,655
Miscellaneous	-	-	-	-
Interest	-	-	-	-
Total revenues	<u>90,473</u>	<u>120,060</u>	<u>148,715</u>	<u>28,655</u>
Expenditures				
Current				
Instruction	93,228	105,823	77,506	28,317
Support services				
Students	3,000	15,293	10,288	5,005
Instruction	-	-	20	(20)
General administration	29,400	34,099	31,112	2,987
School administration	-	-	41	(41)
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>125,628</u>	<u>155,215</u>	<u>118,967</u>	<u>36,248</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(35,155)</u>	<u>(35,155)</u>	<u>29,748</u>	<u>64,903</u>
Other financing sources (uses)				
Designated cash	35,155	35,155	-	(35,155)
Operating transfers	-	-	49	49
Proceeds from bond issues	-	-	-	-
Total other financing sources (uses)	<u>35,155</u>	<u>35,155</u>	<u>49</u>	<u>(35,106)</u>
Net changes in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>29,797</u>	<u>\$ 29,797</u>
Fund balances - beginning of year			<u>(29,797)</u>	
Fund balances - end of year			<u>\$ -</u>	
Reconciliation to GAAP Basis:				
Net change in fund balances			\$ 29,797	
Adjustments to revenues			(29,797)	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

ZUNI PUBLIC SCHOOLS

IMPACT AID SPECIAL EDUCATION SPECIAL REVENUE FUND (25145)
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDING JUNE 30, 2013

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
Revenues				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	173,057	173,057	199,087	26,030
Miscellaneous	-	-	-	-
Interest	-	-	-	-
Total revenues	<u>173,057</u>	<u>173,057</u>	<u>199,087</u>	<u>26,030</u>
Expenditures				
Current				
Instruction	20,252	20,252	10,316	9,936
Support services				
Students	25,017	25,017	11,678	13,339
Instruction	-	-	-	-
General administration	157,926	157,926	104,426	53,500
School administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>203,195</u>	<u>203,195</u>	<u>126,420</u>	<u>76,775</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(30,138)</u>	<u>(30,138)</u>	<u>72,667</u>	<u>102,805</u>
Other financing sources (uses)				
Designated cash	30,138	30,138	-	(30,138)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
Total other financing sources (uses)	<u>30,138</u>	<u>30,138</u>	<u>-</u>	<u>(30,138)</u>
Net changes in fund balances	<u>\$ -</u>	<u>\$ -</u>	72,667	<u>\$ 72,667</u>
Fund balances - beginning of year			<u>258,116</u>	
Fund balances - end of year			<u>\$ 330,783</u>	
Reconciliation to GAAP Basis:				
Net change in fund balances			\$ 72,667	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 72,667</u>	

The accompanying notes are an integral part of these financial statements

ZUNI PUBLIC SCHOOLS

IMPACT AID INDIAN EDUCATION SPECIAL REVENUE FUND (25147)
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDING JUNE 30, 2013

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
Revenues				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	1,401,544	1,401,544	1,359,503	(42,041)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
Total revenues	<u>1,401,544</u>	<u>1,401,544</u>	<u>1,359,503</u>	<u>(42,041)</u>
Expenditures				
Current				
Instruction	413,171	438,171	439,304	(1,133)
Support services				
Students	98,171	98,171	75,590	22,581
Instruction	29,171	29,171	29,105	66
General administration	246,605	246,605	220,325	26,280
School administration	80,083	80,083	79,714	369
Central services	308,090	308,090	307,781	309
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	550,000	525,000	-	525,000
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>1,725,291</u>	<u>1,725,291</u>	<u>1,151,819</u>	<u>573,472</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(323,747)</u>	<u>(323,747)</u>	<u>207,684</u>	<u>531,431</u>
Other financing sources (uses)				
Designated cash	323,747	323,747	-	(323,747)
Operating transfers	-	-	(785,826)	(785,826)
Proceeds from bond issues	-	-	-	-
Total other financing sources (uses)	<u>323,747</u>	<u>323,747</u>	<u>(785,826)</u>	<u>(1,109,573)</u>
Net changes in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>(578,142)</u>	<u>\$ (578,142)</u>
Fund balances - beginning of year			<u>635,973</u>	
Fund balances - end of year			<u>\$ 57,831</u>	
Reconciliation to GAAP Basis:				
Net change in fund balances			\$ (578,142)	
Adjustments to revenues			(57,831)	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ (635,973)</u>	

The accompanying notes are an integral part of these financial statements

ZUNI PUBLIC SCHOOLS

GRADS CHILDCARE CYFD SPECIAL REVENUE FUND (25149)
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDING JUNE 30, 2013

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
Revenues				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures				
Current				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other financing sources (uses)				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
Fund balances - beginning of year			19,935	
Fund balances - end of year			<u>\$ 19,935</u>	
Reconciliation to GAAP Basis:				
Net change in fund balances			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

ZUNI PUBLIC SCHOOLS

TITLE XIX MEDICAID 3 / 21 YEARS SPECIAL REVENUE FUND (25153)
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDING JUNE 30, 2013

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
Revenues				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	75,000	75,000	79,316	4,316
Miscellaneous	-	-	-	-
Interest	-	-	-	-
Total revenues	<u>75,000</u>	<u>75,000</u>	<u>79,316</u>	<u>4,316</u>
Expenditures				
Current				
Instruction	-	-	-	-
Support services				
Students	156,654	156,654	104,576	52,078
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>156,654</u>	<u>156,654</u>	<u>104,576</u>	<u>52,078</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(81,654)</u>	<u>(81,654)</u>	<u>(25,260)</u>	<u>56,394</u>
Other financing sources (uses)				
Designated cash	81,654	81,654	-	(81,654)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
Total other financing sources (uses)	<u>81,654</u>	<u>81,654</u>	<u>-</u>	<u>(81,654)</u>
Net changes in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>(25,260)</u>	<u>\$ (25,260)</u>
Fund balances - beginning of year			<u>98,154</u>	
Fund balances - end of year			<u>\$ 72,894</u>	
Reconciliation to GAAP Basis:				
Net change in fund balances			\$ (25,260)	
Adjustments to revenues			15,991	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ (9,269)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS

Exhibit E-21

INDIAN EDUCATION FORMULA GRANT SPECIAL REVENUE FUND (25184)
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2013

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
Revenues				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	258,055	258,055	251,858	(6,197)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
Total revenues	<u>258,055</u>	<u>258,055</u>	<u>251,858</u>	<u>(6,197)</u>
Expenditures				
Current				
Instruction	238,286	238,286	221,224	17,062
Support services				
Students	-	-	-	-
Instruction	-	-	618	(618)
General administration	19,769	19,769	15,413	4,356
School administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>258,055</u>	<u>258,055</u>	<u>237,255</u>	<u>20,800</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>14,603</u>	<u>14,603</u>
Other financing sources (uses)				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>14,603</u>	<u>\$ 14,603</u>
Fund balances - beginning of year			<u>33,576</u>	
Fund balances - end of year			<u>\$ 48,179</u>	
Reconciliation to GAAP Basis:				
Net change in fund balances			\$ 14,603	
Adjustments to revenues			(14,603)	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS

Exhibit E-22

ARRA IMPACT AID CONSTRUCTION SPECIAL REVENUE FUND (25252)
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2013

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
Revenues				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	(223)	(223)
Miscellaneous	-	-	-	-
Interest	-	-	-	-
Total revenues	-	-	(223)	(223)
Expenditures				
Current				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	-	-	(223)	(223)
Other financing sources (uses)				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net changes in fund balances	\$ -	\$ -	(223)	\$ (223)
Fund balances - beginning of year			223	
Fund balances - end of year			\$ -	
Reconciliation to GAAP Basis:				
Net change in fund balances			\$ (223)	
Adjustments to revenues			223	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			\$ -	

The accompanying notes are an integral part of these financial statements

ZUNI PUBLIC SCHOOLS

SAVE THE CHILDREN SPECIAL REVENUE FUND (26143)
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDING JUNE 30, 2013

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
Revenues				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	117,043	123,343	6,300
Interest	-	-	-	-
Total revenues	-	117,043	123,343	6,300
Expenditures				
Current				
Instruction	-	31,787	30,530	1,257
Support services				
Students	-	4,890	296	4,594
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	72,116	69,512	2,604
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	8,250	8,226	24
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	-	117,043	108,564	8,479
Excess (deficiency) of revenues over (under) expenditures	-	-	14,779	14,779
Other financing sources (uses)				
Designated cash	-	-	-	-
Operating transfers	-	-	20,762	20,762
Proceeds from bond issues	-	-	-	-
Total other financing sources (uses)	-	-	20,762	20,762
Net changes in fund balances	\$ -	\$ -	35,541	\$ 35,541
Fund balances - beginning of year			(35,541)	
Fund balances - end of year			\$ -	
Reconciliation to GAAP Basis:				
Net change in fund balances			\$ 35,541	
Adjustments to revenues			(30,797)	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			\$ 4,744	

The accompanying notes are an integral part of these financial statements

ZUNI PUBLIC SCHOOLS

DUAL CREDIT INSTRUCTIONAL MATERIALS SPECIAL REVENUE FUND (27103)

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN

FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL

FOR THE YEAR ENDING JUNE 30, 2013

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
Revenues				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	3,480	2,488	(992)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
Total revenues	-	3,480	2,488	(992)
Expenditures				
Current				
Instruction	-	3,480	3,479	1
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	-	3,480	3,479	1
Excess (deficiency) of revenues over (under) expenditures	-	-	(991)	(991)
Other financing sources (uses)				
Designated cash	-	-	-	-
Operating transfers	-	-	991	991
Proceeds from bond issues	-	-	-	-
Total other financing sources (uses)	-	-	991	991
Net changes in fund balances	\$ -	\$ -	-	\$ -
Fund balances - beginning of year			-	
Fund balances - end of year			\$ -	
Reconciliation to GAAP Basis:				
Net change in fund balances			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			\$ -	

The accompanying notes are an integral part of these financial statements

ZUNI PUBLIC SCHOOLS

LIBRARY GO BONDS SPECIAL REVENUE FUND (27105)

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2013

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
Revenues				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	5,167	5,167
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>5,167</u>	<u>5,167</u>
Expenditures				
Current				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>5,167</u>	<u>5,167</u>
Other financing sources (uses)				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>5,167</u>	<u>\$ 5,167</u>
Fund balances - beginning of year			<u>(5,167)</u>	
Fund balances - end of year			<u>\$ -</u>	
Reconciliation to GAAP Basis:				
Net change in fund balances			\$ 5,167	
Adjustments to revenues			(5,167)	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

ZUNI PUBLIC SCHOOLS

2010 GO BONDS STUDENT LIBRARY FUND (SB1) SPECIAL REVENUE FUND (27106)

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2013

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
Revenues				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	11,175	11,175	8,631	(2,544)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
Total revenues	<u>11,175</u>	<u>11,175</u>	<u>8,631</u>	<u>(2,544)</u>
Expenditures				
Current				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	11,175	11,175	-	11,175
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>11,175</u>	<u>11,175</u>	<u>-</u>	<u>11,175</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>8,631</u>	<u>8,631</u>
Other financing sources (uses)				
Designated cash	-	-	-	-
Operating transfers	-	-	2,504	2,504
Proceeds from bond issues	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>2,504</u>	<u>2,504</u>
Net changes in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>11,135</u>	<u>\$ 11,135</u>
Fund balances - beginning of year			<u>(11,135)</u>	
Fund balances - end of year			<u>\$ -</u>	
Reconciliation to GAAP Basis:				
Net change in fund balances			\$ 11,135	
Adjustments to revenues			(11,135)	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS

Exhibit E-27

TECHNOLOGY FOR EDUCATION PED SPECIAL REVENUE FUND (27117)
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2013

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
Revenues				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures				
Current				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other financing sources (uses)				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
Fund balances - beginning of year			<u>6,758</u>	
Fund balances - end of year			<u>\$ 6,758</u>	
Reconciliation to GAAP Basis:				
Net change in fund balances			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			<u>-</u>	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

ZUNI PUBLIC SCHOOLS

PRE K INITIATIVE SPECIAL REVENUE FUND (27149)

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2013

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
Revenues				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	57,960	57,960	53,812	(4,148)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
Total revenues	<u>57,960</u>	<u>57,960</u>	<u>53,812</u>	<u>(4,148)</u>
Expenditures				
Current				
Instruction	57,380	56,812	53,162	3,650
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	580	1,148	643	505
School administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>57,960</u>	<u>57,960</u>	<u>53,805</u>	<u>4,155</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>7</u>	<u>7</u>
Other financing sources (uses)				
Designated cash	-	-	-	-
Operating transfers	-	-	41,735	41,735
Proceeds from bond issues	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>41,735</u>	<u>41,735</u>
Net changes in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>41,742</u>	<u>\$ 41,742</u>
Fund balances - beginning of year			<u>(41,742)</u>	
Fund balances - end of year			<u>\$ -</u>	
Reconciliation to GAAP Basis:				
Net change in fund balances			\$ 41,742	
Adjustments to revenues			(12,918)	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 28,824</u>	

The accompanying notes are an integral part of these financial statements

ZUNI PUBLIC SCHOOLS

INDIAN EDUCATION ACT SPECIAL REVENUE FUND (27150)
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDING JUNE 30, 2013

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
Revenues				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	25,000	24,791	(209)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
Total revenues	<u>-</u>	<u>25,000</u>	<u>24,791</u>	<u>(209)</u>
Expenditures				
Current				
Instruction	-	25,000	21,127	3,873
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>-</u>	<u>25,000</u>	<u>21,127</u>	<u>3,873</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>3,664</u>	<u>3,664</u>
Other financing sources (uses)				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	<u>\$ -</u>	<u>\$ -</u>	3,664	<u>\$ 3,664</u>
Fund balances - beginning of year			<u>4,103</u>	
Fund balances - end of year			<u>\$ 7,767</u>	
Reconciliation to GAAP Basis:				
Net change in fund balances			\$ 3,664	
Adjustments to revenues			(21,255)	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ (17,591)</u>	

The accompanying notes are an integral part of these financial statements

ZUNI PUBLIC SCHOOLS

BEGINNING TEACHER MENTORING PROGRAM SPECIAL REVENUE FUND (27154)

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2013

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
Revenues				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures				
Current				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other financing sources (uses)				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund balances - beginning of year			<u>36,636</u>	
Fund balances - end of year			<u>\$ 36,636</u>	
Reconciliation to GAAP Basis:				
Net change in fund balances			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

ZUNI PUBLIC SCHOOLS

BREAKFAST FOR ELEMENTARY STUDENTS SPECIAL REVENUE FUND (27155)

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2013

	<u>Budgeted Amounts</u>			
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	26,845	26,807	(38)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
Total revenues	<u>-</u>	<u>26,845</u>	<u>26,807</u>	<u>(38)</u>
Expenditures				
Current				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	26,845	26,846	(1)
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>-</u>	<u>26,845</u>	<u>26,846</u>	<u>(1)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>(39)</u>	<u>(39)</u>
Other financing sources (uses)				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>(39)</u>	<u>\$ (39)</u>
Fund balances - beginning of year			<u>(26,806)</u>	
Fund balances - end of year			<u>\$ (26,845)</u>	
Reconciliation to GAAP Basis:				
Net change in fund balances			\$ (39)	
Adjustments to revenues			39	
Adjustments to expenditures			<u>-</u>	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

ZUNI PUBLIC SCHOOLS

KINDERGARTEN - THREE PLUS SPECIAL REVENUE FUND (27166)
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDING JUNE 30, 2013

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
Revenues				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	84,480	374,727	160,686	(214,041)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
Total revenues	<u>84,480</u>	<u>374,727</u>	<u>160,686</u>	<u>(214,041)</u>
Expenditures				
Current				
Instruction	78,920	360,026	205,141	154,885
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	4,141	4,140	1
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	5,560	10,560	4,796	5,764
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>84,480</u>	<u>374,727</u>	<u>214,077</u>	<u>160,650</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>(53,391)</u>	<u>(53,391)</u>
Other financing sources (uses)				
Designated cash	-	-	-	-
Operating transfers	-	-	3,298	3,298
Proceeds from bond issues	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>3,298</u>	<u>3,298</u>
Net changes in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>(50,093)</u>	<u>\$ (50,093)</u>
Fund balances - beginning of year			<u>(82,340)</u>	
Fund balances - end of year			<u>\$ (132,433)</u>	
Reconciliation to GAAP Basis:				
Net change in fund balances			\$ (50,093)	
Adjustments to revenues			54,120	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 4,027</u>	

The accompanying notes are an integral part of these financial statements

ZUNI PUBLIC SCHOOLS

PRE-KINDERGARTEN - SPECIAL STATE SPECIAL REVENUE FUND (27169)
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDING JUNE 30, 2013

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
Revenues				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
Total revenues	-	-	-	-
Expenditures				
Current				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-
Other financing sources (uses)				
Designated cash	-	-	-	-
Operating transfers	-	-	144	144
Proceeds from bond issues	-	-	-	-
Total other financing sources (uses)	-	-	144	144
Net changes in fund balances	\$ -	\$ -	144	\$ 144
Fund balances - beginning of year			(144)	
Fund balances - end of year			\$ -	
Reconciliation to GAAP Basis:				
Net change in fund balances			\$ 144	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			\$ 144	

The accompanying notes are an integral part of these financial statements

ZUNI PUBLIC SCHOOLS

NUTRITION GRANT SPECIAL REVENUE FUND (28127)

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2013

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
Revenues				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
Total revenues	-	-	-	-
Expenditures				
Current				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-
Other financing sources (uses)				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net changes in fund balances	\$ -	\$ -	-	\$ -
Fund balances - beginning of year			1,965	
Fund balances - end of year			\$ 1,965	
Reconciliation to GAAP Basis:				
Net change in fund balances			\$ -	
Adjustments to revenues			1,965	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			\$ 1,965	

The accompanying notes are an integral part of these financial statements

ZUNI PUBLIC SCHOOLS

COMMUNITY HEALTH PROM DOH SPECIAL REVENUE FUND (28149)
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDING JUNE 30, 2013

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
Revenues				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	(31,412)	(31,412)
Interest	-	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>(31,412)</u>	<u>(31,412)</u>
Expenditures				
Current				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>(31,412)</u>	<u>(31,412)</u>
Other financing sources (uses)				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>(31,412)</u>	<u>\$ (31,412)</u>
Fund balances - beginning of year			<u>31,412</u>	
Fund balances - end of year			<u>\$ -</u>	
Reconciliation to GAAP Basis:				
Net change in fund balances			\$ (31,412)	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ (31,412)</u>	

The accompanying notes are an integral part of these financial statements

ZUNI PUBLIC SCHOOLS

GEAR-UP CHE SPECIAL REVENUE FUND (28178)

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2013

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
Revenues				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures				
Current				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other financing sources (uses)				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund balances - beginning of year			<u>560</u>	
Fund balances - end of year			<u>\$ 560</u>	
Reconciliation to GAAP Basis:				
Net change in fund balances			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

ZUNI PUBLIC SCHOOLS

PRIVATE DIRECT GRANTS SPECIAL REVENUE FUND (29102)
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDING JUNE 30, 2013

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
Revenues				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	33,296	9,600	(23,696)
Interest	-	-	-	-
Total revenues	<u>-</u>	<u>33,296</u>	<u>9,600</u>	<u>(23,696)</u>
Expenditures				
Current				
Instruction	-	17,488	-	17,488
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	9,600	6,042	3,558
School administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	1,909	1,074	835
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>-</u>	<u>28,997</u>	<u>7,116</u>	<u>21,881</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>4,299</u>	<u>2,484</u>	<u>(1,815)</u>
Other financing sources (uses)				
Designated cash	-	(4,299)	-	4,299
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>(4,299)</u>	<u>-</u>	<u>4,299</u>
Net changes in fund balances	<u>\$ -</u>	<u>\$ -</u>	2,484	<u>\$ 2,484</u>
Fund balances - beginning of year			<u>19,397</u>	
Fund balances - end of year			<u>\$ 21,881</u>	
Reconciliation to GAAP Basis:				
Net change in fund balances			\$ 2,484	
Adjustments to revenues			-	
Adjustments to expenditures			<u>-</u>	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 2,484</u>	

The accompanying notes are an integral part of these financial statements

CAPITAL PROJECTS FUNDS

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CAPITAL PROJECTS FUNDS

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

Special Capital Outlay – Local (31300) – Fund accounts for revenues that are derived from local sources such as the sale of a building.

Special Capital Outlay State (31400) – Fund accounts for special appropriations monies received from the State of New Mexico under Chapter 4, Laws of 1996 for the purpose of upgrading the school facilities.

Special Capital Outlay Federal – 20% (31500) – Fund is used to accumulate the 20 percent of the operational property tax revenues that have been set aside for capital outlay projects.

Capital Improvements HB-33 (31600) – Accounts 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 HB-33 Mill Levy approved by voters in February 2010. Authorized by the Public School District Capital Improvements Act (22-25-1 to 22-25-10 NMSA 1978).

Capital Improvements SB-9 (31700) – Accounts 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 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) – Fund ensures that American children have skills they need to succeed in the information-intensive 21st century, the federal Government is committed to working with the private sector to promote four major developments in American education: making modern computer technology an integral part of every classroom; providing teachers with the professional development they need to use new technologies effectively; connecting classrooms to the National information infrastructure; and encouraging the creation of excellent educational 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 Schools Capital Outlay 20% (32100) – Fund is used to account for the 20 percent of the operational property tax revenues that have been set aside for capital outlay projects.

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECT FUNDS
JUNE 30, 2013

	Special Capital Outlay - Local 31300	Special Capital Outlay State 31400	Special Capital Outlay - Federal 31500
ASSETS			
Current assets			
Cash and temporary investments	\$ 56,607	\$ 49,965	\$ 176,823
Accounts receivable			
Taxes	-	-	-
Due from other governments	-	-	-
Interfund receivables	-	-	-
Other	-	-	-
Inventory	-	-	-
	<u>56,607</u>	<u>49,965</u>	<u>176,823</u>
Total assets	<u>\$ 56,607</u>	<u>\$ 49,965</u>	<u>\$ 176,823</u>
LIABILITIES AND FUND BALANCES			
Current liabilities			
Accounts payable	\$ -	\$ -	\$ -
Accrued payroll liabilities	-	-	-
Accrued compensated absences	-	-	-
Interfund payables	-	-	-
Deferred revenue - property taxes	-	-	-
Deferred revenue - other	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances			
Nonspendable	-	-	-
Restricted for			
General fund	-	-	-
Special revenue	-	-	-
Capital projects	45,379	49,965	5,161
Debt service	-	-	-
Assigned	11,228	-	171,662
Unassigned	-	-	-
Total fund balances	<u>56,607</u>	<u>49,965</u>	<u>176,823</u>
Total liabilities and fund balances	<u>\$ 56,607</u>	<u>\$ 49,965</u>	<u>\$ 176,823</u>

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

Capital Improvements HB-33 31600	Capital Improvements SB-9 31700	Ed. Technology Equipment Act 31900	Public School Capital Outlay 20% 32100	Total
\$ -	\$ -	\$ -	\$ 192,019	\$ 475,414
1,132	-	-	-	1,132
-	591,072	-	-	591,072
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>\$ 1,132</u>	<u>\$ 591,072</u>	<u>\$ -</u>	<u>\$ 192,019</u>	<u>\$ 1,067,618</u>
\$ -	\$ 11,899	\$ -	\$ -	\$ 11,899
-	-	-	-	-
-	-	-	-	-
-	564,944	-	-	564,944
1,116	-	-	-	1,116
-	-	-	-	-
<u>1,116</u>	<u>576,843</u>	<u>-</u>	<u>-</u>	<u>577,959</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
16	14,229	-	47,249	161,999
-	-	-	-	-
-	-	-	144,770	327,660
-	-	-	-	-
<u>16</u>	<u>14,229</u>	<u>-</u>	<u>192,019</u>	<u>489,659</u>
<u>\$ 1,132</u>	<u>\$ 591,072</u>	<u>\$ -</u>	<u>\$ 192,019</u>	<u>\$ 1,067,618</u>

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

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECT FUNDS
FOR THE YEAR ENDING JUNE 30, 2013

	Special Capital Outlay - Local 31300	Special Capital Outlay State 31400	Special Capital Outlay - Federal I 31500
Revenues			
Property taxes	\$ -	\$ -	\$ -
State grants	104,455	-	-
Federal grants	-	-	-
Miscellaneous	-	-	-
Interest	-	-	-
<i>Total revenues</i>	104,455	-	-
Expenditures			
Current			
Instruction	-	-	-
Support services			
Students	-	-	-
Instruction	-	-	-
General administration	-	-	-
School administration	-	-	-
Central services	-	-	-
Operation and maintenance of plant	-	-	-
Student transportation	-	-	-
Other support services	-	-	-
Food services operations	-	-	-
Community service	-	-	-
Capital outlay	97,855	-	54,679
Debt service			
Principal	-	-	-
Interest	-	-	-
<i>Total expenditures</i>	97,855	-	54,679
Excess (deficiency) of revenues over (under) expenditures	6,600	-	(54,679)
Other financing sources (uses)			
Operating transfers	-	-	-
Proceeds from bond issues	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-
Net changes in fund balances	6,600	-	(54,679)
Fund balances - beginning of year	50,007	49,965	231,502
Fund balances - end of year	\$ 56,607	\$ 49,965	\$ 176,823

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

Capital Improvement HB-33 31600	Capital Improvement SB-9 31700	Ed. Technology Equipment Act 31900	Public School Capital Outlay 20% 32100	Total
\$ 16	\$ 4,936	\$ -	\$ -	\$ 4,952
-	564,989	-	-	669,444
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>16</u>	<u>569,925</u>	<u>-</u>	<u>-</u>	<u>674,396</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	50	-	-	50
-	-	-	-	-
-	-	-	-	-
-	171,240	210	9,046	180,496
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	54,406	-	10,529	217,469
-	-	-	-	-
-	-	-	-	-
<u>-</u>	<u>225,696</u>	<u>210</u>	<u>19,575</u>	<u>398,015</u>
<u>16</u>	<u>344,229</u>	<u>(210)</u>	<u>(19,575)</u>	<u>276,381</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
16	344,229	(210)	(19,575)	276,381
-	(330,000)	210	211,594	213,278
<u>\$ 16</u>	<u>\$ 14,229</u>	<u>\$ -</u>	<u>\$ 192,019</u>	<u>\$ 489,659</u>

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

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS

Exhibit F-3

BOND BUILDING CAPITAL PROJECTS FUND (31100)
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
Revenues				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	221,174	221,174
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	56	56
Total revenues	<u>-</u>	<u>-</u>	<u>221,230</u>	<u>221,230</u>
Expenditures				
Current				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	1,422,690	47,481	1,375,209
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>-</u>	<u>1,422,690</u>	<u>47,481</u>	<u>1,375,209</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(1,422,690)</u>	<u>173,749</u>	<u>1,596,439</u>
Other financing sources (uses)				
Designated cash	-	115,634	-	(115,634)
Operating transfers	-	105,540	(105,534)	(211,074)
Proceeds from bond issues	-	1,201,516	-	(1,201,516)
Total other financing sources (uses)	<u>-</u>	<u>1,422,690</u>	<u>(105,534)</u>	<u>(1,528,224)</u>
Net changes in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>68,215</u>	<u>\$ 68,215</u>
Fund balances - beginning of year			<u>1,067,371</u>	
Fund balances - end of year			<u>\$ 1,135,586</u>	
Reconciliation to GAAP Basis:				
Net change in fund balances			\$ 68,215	
Adjustments to revenues			-	
Adjustments to expenditures			<u>(28,626)</u>	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 39,589</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS

Exhibit F-4

SPECIAL CAPITAL OUTLAY-LOCAL CAPITAL PROJECTS FUND (31300)
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDING JUNE 30, 2013

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
Revenues				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	104,455	104,455
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>104,455</u>	<u>104,455</u>
Expenditures				
Current				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	50,006	109,083	97,855	11,228
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>50,006</u>	<u>109,083</u>	<u>97,855</u>	<u>11,228</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(50,006)</u>	<u>(109,083)</u>	<u>6,600</u>	<u>115,683</u>
Other financing sources (uses)				
Designated cash	50,006	109,083	-	(109,083)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
Total other financing sources (uses)	<u>50,006</u>	<u>109,083</u>	<u>-</u>	<u>(109,083)</u>
Net changes in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>6,600</u>	<u>\$ 6,600</u>
Fund balances - beginning of year			<u>50,007</u>	
Fund balances - end of year			<u>\$ 56,607</u>	
Reconciliation to GAAP Basis:				
Net change in fund balances			\$ 6,600	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 6,600</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS

Exhibit F-5

SPECIAL CAPITAL OUTLAY - STATE CAPITAL PROJECTS FUND (31400)
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDING JUNE 30, 2013

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
Revenues				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures				
Current				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other financing sources (uses)				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund balances - beginning of year			49,965	
Fund balances - end of year			<u>\$ 49,965</u>	
Reconciliation to GAAP Basis:				
Net change in fund balances			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS

Exhibit F-6

SPECIAL CAPITAL OUTLAY - FEDERAL CAPITAL PROJECTS FUND (31500)
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDING JUNE 30, 2013

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
Revenues				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	24,166	24,166	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
Total revenues	-	24,166	24,166	-
Expenditures				
Current				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	50,353	74,519	54,679	19,840
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	50,353	74,519	54,679	19,840
Excess (deficiency) of revenues over (under) expenditures	(50,353)	(50,353)	(30,513)	19,840
Other financing sources (uses)				
Designated cash	50,353	50,353	-	(50,353)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
Total other financing sources (uses)	50,353	50,353	-	(50,353)
Net changes in fund balances	\$ -	\$ -	(30,513)	\$ (30,513)
Fund balances - beginning of year			207,336	
Fund balances - end of year			\$ 176,823	
Reconciliation to GAAP Basis:				
Net change in fund balances			\$ (30,513)	
Adjustments to revenues			(24,166)	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			\$ (54,679)	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS

Exhibit F-7

CAPITAL IMPROVEMENTS HB-33 CAPITAL PROJECTS FUND (31600)
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2013

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
Revenues				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
Total revenues	-	-	-	-
Expenditures				
Current				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-
Other financing sources (uses)				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net changes in fund balances	\$ -	\$ -	-	\$ -
Fund balances - beginning of year			-	
Fund balances - end of year			\$ -	
Reconciliation to GAAP Basis:				
Net change in fund balances			\$ -	
Adjustments to revenues			16	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			\$ 16	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS

Exhibit F-8

CAPITAL IMPROVEMENTS SB-9 CAPITAL PROJECTS FUND (31700)
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDING JUNE 30, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
Revenues				
Property taxes	\$ 4,659	\$ 4,659	\$ 4,962	\$ 303
State grants	953,466	1,337,987	9,343	(1,328,644)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
Total revenues	<u>958,125</u>	<u>1,342,646</u>	<u>14,305</u>	<u>(1,328,341)</u>
Expenditures				
Current				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	50	50	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenace of plant	95,000	195,000	159,341	35,659
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	863,125	1,147,596	54,406	1,093,190
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>958,125</u>	<u>1,342,646</u>	<u>213,797</u>	<u>1,128,849</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>(199,492)</u>	<u>(199,492)</u>
Other financing sources (uses)				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>(199,492)</u>	<u>\$ (199,492)</u>
Fund balances - beginning of year			<u>(365,452)</u>	
Fund balances - end of year			<u>\$ (564,944)</u>	
Reconciliation to GAAP Basis:				
Net change in fund balances			\$ (199,492)	
Adjustments to revenues			555,620	
Adjustments to expenditures			<u>(11,899)</u>	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 344,229</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS

Exhibit F-9

EDUCATION TECHNOLOGY EQUIPMENT ACT CAPITAL PROJECTS FUND (31900)
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDING JUNE 30, 2013

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
Revenues				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures				
Current				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenace of plant	210	210	210	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>210</u>	<u>210</u>	<u>210</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(210)</u>	<u>(210)</u>	<u>(210)</u>	<u>-</u>
Other financing sources (uses)				
Designated cash	210	210	-	(210)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
Total other financing sources (uses)	<u>210</u>	<u>210</u>	<u>-</u>	<u>(210)</u>
Net changes in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>(210)</u>	<u>\$ (210)</u>
Fund balances - beginning of year			210	
Fund balances - end of year			<u>\$ -</u>	
Reconciliation to GAAP Basis:				
Net change in fund balances			\$ (210)	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ (210)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS

Exhibit F-10

PUBLIC SCHOOL CAPITAL OUTLAY 20% CAPITAL PROJECTS FUND (32100)
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDING JUNE 30, 2013

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
Revenues				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
Total revenues	-	-	-	-
Expenditures				
Current				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation and maintenace of plant	51,415	51,415	9,046	42,369
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	100,000	100,000	10,529	89,471
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	151,415	151,415	19,575	131,840
Excess (deficiency) of revenues over (under) expenditures	(151,415)	(151,415)	(19,575)	131,840
Other financing sources (uses)				
Designated cash	151,415	151,415	-	(151,415)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
Total other financing sources (uses)	151,415	151,415	-	(151,415)
Net changes in fund balances	\$ -	\$ -	(19,575)	\$ (19,575)
Fund balances - beginning of year			211,594	
Fund balances - end of year			\$ 192,019	
Reconciliation to GAAP Basis:				
Net change in fund balances			\$ (19,575)	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			\$ (19,575)	

The accompanying notes are an integral part of these financial statements

DEBT SERVICE FUND

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DEBT SERVICE FUND

Debt service funds account for the services of general long-term debt not being financed by proprietary or nonexpendable trust funds. The District has the following separate funds classified as Debt Service Funds:

ED Tech Debt Service (43000) – This fund is established to receive revenue for the payment of interest and principal on outstanding general obligation school bond issues.

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
COMBINING BALANCE SHEET
NONMAJOR DEBT SERVICE FUNDS
JUNE 30, 2013

Exhibit G-1

		Ed. Technology Debt Service 43000
ASSETS		
Current assets		
Cash and temporary investments	\$	59,399
Accounts receivable		
Taxes		6,352
Due from other governments		-
Interfund receivables		-
Other		-
Inventory		-
		-
Total assets	\$	65,751
 LIABILITIES AND FUND BALANCES		
Current liabilities		
Accounts payable	\$	-
Accrued payroll liabilities		-
Accrued compensated absences		-
Interfund payables		-
Deferred revenue - property taxes		6,352
Deferred revenue - other		-
Total liabilities		6,352
 Fund balances		
Nonspendable		-
Restricted for		
General fund		-
Special revenue		-
Capital projects		-
Debt service		
Assigned		64,435
Unassigned		(5,036)
Total fund balances		59,399
Total liabilities and fund balances	\$	65,751

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

STATE OF NEW MEXICO

Exhibit G-2

ZUNI PUBLIC SCHOOLS

COMBINING STATEMENT OF REVENUES, EXPENDITURES

AND CHANGES IN FUND BALANCES

NONMAJOR DEBT SERVICE FUNDS

FOR THE YEAR ENDING JUNE 30, 2013

	Ed. Technology Debt Service 43000
Revenues	
Property taxes	\$ 1,902
State grants	-
Federal grants	-
Miscellaneous	-
Interest	-
Total revenues	<u>1,902</u>
Expenditures	
Current	
Instruction	-
Support services	
Students	-
Instruction	-
General administration	22
School administration	-
Central services	-
Operation and maintenance of plant	-
Student transportation	-
Other support services	-
Food services operation	-
Community service	-
Capital outlay	-
Debt service:	
Principal	-
Interest	-
Total expenditures	<u>22</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,880</u>
Other financing sources (uses)	
Operating transfers	-
Proceeds from bond issues	-
Total other financing sources (uses)	<u>-</u>
Net changes in fund balances	1,880
Fund balances - beginning of year	<u>57,519</u>
Fund balances - end of year	<u>\$ 59,399</u>

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

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
DEBT SERVICE FUND (41000)

Exhibit G-3

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDING JUNE 30, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
Revenues				
Property taxes	\$ 11,511	\$ 11,511	\$ 11,247	\$ (264)
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	526	526
Total revenues	<u>11,511</u>	<u>11,511</u>	<u>11,773</u>	<u>262</u>
Expenditures				
Current				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	116	116	111	5
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Reserve	-	-	103,071	(103,071)
Principal	391,426	391,426	5,423,778	(5,032,352)
Interest	284,454	284,454	267,753	16,701
Total expenditures	<u>675,996</u>	<u>675,996</u>	<u>5,794,713</u>	<u>(5,118,717)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(664,485)</u>	<u>(664,485)</u>	<u>(5,782,940)</u>	<u>(5,118,455)</u>
Other financing sources (uses)				
Designated cash	-	432,020	-	(432,020)
Operating transfers	-	(432,020)	941,360	1,373,380
Proceeds from bond issues	664,485	664,485	5,130,394	4,465,909
Total other financing sources (uses)	<u>664,485</u>	<u>664,485</u>	<u>6,071,754</u>	<u>5,407,269</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>288,814</u>	<u>\$ 288,814</u>
Fund balances - beginning of year			<u>89,246</u>	
Fund balances - end of year			<u>\$ 378,060</u>	
Reconciliation to GAAP Basis:				
Net change in fund balances			\$ 288,814	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 288,814</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Exhibit G-4

ZUNI PUBLIC SCHOOLS

EDUCATION TECHNOLOGY DEBT SERVICE FUND (43000)
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDING JUNE 30, 2013

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
Revenues				
Property taxes	\$ -	\$ -	\$ 2,146	\$ 2,146
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Interest	-	-	-	-
Total revenues	-	-	2,146	2,146
Expenditures				
Current				
Instruction	-	-	-	-
Support Services				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	22	(22)
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services	-	-	-	-
Food Services Operations	-	-	-	-
Community Services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Reserve	33,376	33,376	-	33,376
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	33,376	33,376	22	33,354
Excess (deficiency) of revenues over (under) expenditures	(33,376)	(33,376)	2,124	35,500
Other financing sources (uses):				
Designated cash	33,376	33,376	-	(33,376)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
Total other financing sources (uses)	33,376	33,376	-	(33,376)
Net changes in fund balances	\$ -	\$ -	2,124	\$ 2,124
Fund balances - beginning of year			57,275	
Fund balances - end of year			\$ 59,399	
Reconciliation to GAAP Basis:				
Net change in fund balances			\$ 2,124	
Adjustments to revenues			(244)	
Adjustments to expenditures			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			\$ 1,880	

The accompanying notes are an integral part of these financial statements

OTHER SUPPLEMENTAL INFORMATION

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STATE OF NEW MEXICO

Schedule I

ZUNI PUBLIC SCHOOLS

AGENCY FUNDS

SCHEDULE OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2013

	Balance June 30, 2012	Additions	Reductions	Adjustments	Balance June 30, 2013
Dowa Yalanne Elementary	\$ 11,684	\$ 10,284	\$ 10,274	\$ 1,505	\$ 13,199
A-Shiwi Elementary	10,695	19,199	15,265	60	14,689
Zuni Middle School	9,166	12,248	9,390	-	12,024
Zuni High School	36,535	100,726	103,640	35	33,656
Twin Buttes High School	7,863	5,171	5,821	719	7,932
Stephanie Anton Memorial Scholarship	52,675	14,113	4,440	-	62,348
Stephanie Anton Memorial Fund	6,486	1,076	110	-	7,452
Total All Schools	<u>\$ 135,104</u>	<u>\$ 162,817</u>	<u>\$ 148,940</u>	<u>\$ 2,319</u>	<u>\$ 151,300</u>

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

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
SCHEDULE OF CASH AND TEMPORARY INVESTMENT ACCOUNTS
JUNE 30, 2013

Schedule II

Bank Account Type	
<i>BALANCE PER BANK</i>	
<i>Wells Fargo</i>	
Checking - Federal	\$ 30,951
Checking - Teacherage	123,153
Checking - Athletics	18,924
Checking - Food Service	90,601
Checking - Payroll	557,961
Checking - Operational	288,412
Savings	26,153
Checking - Dowa Yalanne Elem School	14,536
Checking - A:Shiwi Elem School	14,912
Checking - Zuni Middle School	12,265
Checking - Zuni High School	38,664
Checking - Twin Buttes High School	10,075
Corporate Bonds - SAM Scholarship Fund	62,348
Checking - Stephanie Anton Mem Fund	7,451
<i>Bank of Albuquerque</i>	
Checking - NMFA	1,983,390
TOTAL DEPOSITS	3,279,796
Less: Reconciling items	(348,803)
Reconciled Balance, June 30, 2013	2,930,993
Less: Fiduciary fund cash	(151,300)
Cash and Cash Equivalents per Government-wide Financial Statements	\$ 2,779,693

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

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
SCHEDULE OF COLLATERAL PLEDGED BY DEPOSITORY
FOR PUBLIC FUNDS
JUNE 30, 2013

Schedule III

Name of Depository	Description of Pledged Collateral	Fair Market Value June 30, 2013	Name and Location of Safekeeper
Wells Fargo Bank	FN AI8345 CUSIP # 3138ANHX4 2.902%, Due 08/01/2041	\$ 14,890	Bank of New York Mellon, New York, NY
Wells Fargo Bank	FN AQ9991 CUSIP# 3138MSC56 3.000%, Due 02/01/2043	159,270	Bank of New York Mellon, New York, NY
Wells Fargo Bank	FN AR9199 CUSIP# 3138W7GHI 3.000%, Due 03/01/2043	4,860	Bank of New York Mellon, New York, NY
Wells Fargo Bank	FN 953927 CUSIP# 31413SHCI 6.000%, Due 12/01/2037	29,020	Bank of New York Mellon, New York, NY
Wells Fargo Bank	FN AB6498 CUSIP# 314170GG2 3.000%, Due 10/01/2042	<u>255,555</u>	Bank of New York Mellon, New York, NY
	TOTAL Pledged Collateral	<u>\$ 463,595</u>	

The accompanying notes are and integral part of these financial statements

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
CASH RECONCILIATION
JUNE 30, 2013

	Operational Account 11000	Teacherage Account 12000	Transportation Account 13000	Instructional Materials 14000	Food Services Account 21000
Cash, June 30, 2012	\$ -	\$ 74,388	\$ 65,686	\$ 10,189	\$ 9,844
Add:					
FY 2013 revenues	11,151,371	309,623	378,985	83,462	840,653
Change in loans FROM other fun	1,013,176	4,027	-	-	35,000
Transfers IN	-	-	-	-	-
Total cash available	<u>12,164,547</u>	<u>388,038</u>	<u>444,671</u>	<u>93,651</u>	<u>885,497</u>
Less:					
FY 2013 expenditures	(11,130,848)	(218,384)	(413,514)	-	(793,608)
Change in loans TO other funds	-	-	-	-	-
Transfers OUT	(276,477)	(50,000)	-	-	-
Total cash uses	<u>(11,407,325)</u>	<u>(268,384)</u>	<u>(413,514)</u>	<u>-</u>	<u>(793,608)</u>
Cash, June 30, 2013	<u>\$ 757,222</u>	<u>\$ 119,654</u>	<u>\$ 31,157</u>	<u>\$ 93,651</u>	<u>\$ 91,889</u>

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

Athletics Account 22000	Non- Instructional 23000	Fiduciary 23999	Federal Flowthrough 24000	Federal Direct 25000	Local Grants 26000	State Flowthrough 27000
\$ 24,439	\$ 15,407	\$ 135,104	\$ 1,740	\$ 773,385	\$ -	\$ 47,497
54,455	50,000	165,136	2,290,118	2,038,256	123,343	282,382
-	-	-	-	294,384	-	-
-	-	-	206,994	-	-	-
<u>78,894</u>	<u>65,407</u>	<u>300,240</u>	<u>2,498,852</u>	<u>3,106,025</u>	<u>123,343</u>	<u>329,879</u>
(62,013)	(38,322)	(148,940)	(2,059,453)	(1,739,037)	(108,564)	(319,334)
-	-	-	(437,538)	-	(35,541)	(8,056)
-	-	-	-	(785,777)	20,762	48,672
<u>(62,013)</u>	<u>(38,322)</u>	<u>(148,940)</u>	<u>(2,496,991)</u>	<u>(2,524,814)</u>	<u>(123,343)</u>	<u>(278,718)</u>
<u>\$ 16,881</u>	<u>\$ 27,085</u>	<u>\$ 151,300</u>	<u>\$ 1,861</u>	<u>\$ 581,211</u>	<u>\$ -</u>	<u>\$ 51,161</u>

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

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
CASH RECONCILIATION
JUNE 30, 2013

	State Direct 28000	Local / State 29000	Bond Building 31100	Special Capital Outlay - Local 31300	Special Capital Outlay-State 31400
Cash, June 30, 2012	\$ 33,937	\$ 19,397	\$ 1,067,371	\$ 50,007	\$ 49,965
Add:					
FY 2013 revenues	(31,412)	9,600	221,230	104,455	-
Change in loans FROM other f	-	-	-	-	-
Transfers IN	-	-	-	-	-
Total cash available	<u>2,525</u>	<u>28,997</u>	<u>1,288,601</u>	<u>154,462</u>	<u>49,965</u>
Less:					
FY 2013 expenditures	-	(7,116)	(47,481)	(97,855)	-
Change in loans TO other fund	-	-	(1,064,944)	-	-
Transfers OUT	-	-	(105,534)	-	-
Total cash uses	<u>-</u>	<u>(7,116)</u>	<u>(1,217,959)</u>	<u>(97,855)</u>	<u>-</u>
Cash, June 30, 2013	<u>\$ 2,525</u>	<u>\$ 21,881</u>	<u>\$ 70,642</u>	<u>\$ 56,607</u>	<u>\$ 49,965</u>

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

Special Capital Outlay-Federal 31500	Capital Improve SB-9 31700	Ed Tech Equip Act 31900	Public School Cap. Outlay 20% 32100	Debt Service Fund 41000	Ed Tech Debt Service Fund 43000	Total
\$ 207,336	\$ -	\$ 210	\$ 211,594	\$ 89,246	\$ 57,275	\$ 2,944,017
24,166	14,305	-	-	5,142,167	2,146	23,254,441
-	199,492	-	-	-	-	1,546,079
-	-	-	-	941,360	-	1,148,354
<u>231,502</u>	<u>213,797</u>	<u>210</u>	<u>211,594</u>	<u>6,172,773</u>	<u>59,421</u>	<u>28,892,891</u>
(54,679)	(213,797)	(210)	(19,575)	(5,794,713)	(22)	(23,267,465)
-	-	-	-	-	-	(1,546,079)
-	-	-	-	-	-	(1,148,354)
<u>(54,679)</u>	<u>(213,797)</u>	<u>(210)</u>	<u>(19,575)</u>	<u>(5,794,713)</u>	<u>(22)</u>	<u>(25,961,898)</u>
<u>\$ 176,823</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 192,019</u>	<u>\$ 378,060</u>	<u>\$ 59,399</u>	<u>\$ 2,930,993</u>

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

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COMPLIANCE SECTION

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Griego Professional Services, 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

INDEPENDENT AUDITOR'S REPORT

Hector Balderas, New Mexico State Auditor
The Office of Management and Budget
To the Board of Education
Zuni Public Schools, Zuni, New Mexico

We have audited, in accordance with the 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, the 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 Zuni Public Schools (the District), as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and the combining and individual funds and related budgetary comparison of the District, presented as supplemental information, and have issued our report thereon dated October 23, 2013.

Internal Control over Financial Reporting

In planning and performing our audit, of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances 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 District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs, which we consider to significant deficiencies as item FS 2013-01 and FS 2013-05.

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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 questioned costs as item FS 2012-03, FS 2012-05, FS 2013-02, FS 2013-03, FS 2013-04 and FS 2013-05.

The District's Responses to Findings

The District's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The District's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Grigo Professional Services, LLC

Albuquerque, New Mexico
November 8, 2013

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FEDERAL FINANCIAL ASSISTANCE

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Griego Professional Services, LLC

Certified Public Accountants

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY OMB CIRCULAR A-133

INDEPENDENT AUDITOR'S REPORT

Hector Balderas, New Mexico State Auditor
The Office of Management and Budget
To the Board of Education
Zuni Public Schools, Zuni, New Mexico

Report on Compliance for Each Major Federal Program

We have audited Zuni Public Schools' (the District) compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2013. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its major federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the District's compliance.

Opinion on Each Major Federal Program

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2013.

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Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as item FA 2013-01. Our opinion on each major federal program is not modified with respect to these matters.

The District's response to the noncompliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The District's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control over Compliance

Management of Zuni Public Schools is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified certain deficiencies in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as item FA 2013-01, that we consider to be a significant deficiency.

The District's response to the internal control over compliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The District's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.



Albuquerque, New Mexico
November 8, 2013

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2013

Schedule V
(Page 1 of 2)

Federal Grantor or Pass-Through Grantor / Program Title	Passthrough Number	Federal CFDA	Federal Expenditures
U.S. DEPARTMENT OF EDUCATION			
<i>Passthrough State of New Mexico Department of Education</i>			
Title I (1)	24101	84.010	\$ 1,441,945
IDEA B - Entitlement	24106	84.027	344,923
IDEA B - Pre School	24109	84.173	16,038
Title III English Language Acquisition	24153	84.365A	33,128
Title IIA Teacher / Principal Training & Recruitment (1)	24154	84.367A	142,722
Rural & Low-Income Schools	24160	84.358B	3,792
Carl D Perkins Special Projects - Current	24171	84.048	45,602
Subtotal - Passthrough State of New Mexico Department of Education			<u>2,028,150</u>
<i>Direct U.S. Department of Education</i>			
Impact Aid (1)	11000	84.041	5,434,252
Impact Aid - Special Education (1)	25145	84.041	126,420
Impact Aid - Indian Education (1)	25147	84.041	1,151,819
Indian Education Formula Grant (1)	25184	84.060A	237,255
Native American School Repair and Renovation Grants	31500	84.352B	54,679
Subtotal - Direct U.S. Department of Education			<u>7,004,425</u>
Total U.S. Department of Education			<u>9,032,575</u>
U.S. DEPARTMENT OF AGRICULTURE			
<i>Direct U.S. Department of Agriculture</i>			
Forest Reserve	11000	10.672	<u>16,094</u>
<i>Passthrough State of New Mexico Department of Education</i>			
Fresh Fruit and Vegetables	24118	10.555	32,372
School Lunch Program	21000	10.555	801,230
Subtotal - Passthrough State of New Mexico Department of Education			<u>833,602</u>
<i>Passthrough State of New Mexico Department of Health and Human Services</i>			
Food Distribution (Commodities)	21000	10.550	<u>55,956</u>
Total U.S. Department of Agriculture			<u>905,652</u>
U.S. DEPARTMENT OF INTERIOR			
Johnson O'Malley	25131	15.130	<u>118,967</u>
Total Federal Financial Assistance			<u>\$ 10,057,194</u>

(1) Denotes Major Federal Financial Assistance Program

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

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2013

Schedule V
(Page 2 of 2)

Notes to Schedule of Expenditures of Federal Awards

1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the federal grant activity of the Zuni Public Schools (District) and is presented on the modified accrual basis of accounting, which is the same basis as was used to prepare the fund financial statements. The information in this Schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the financial statements.

2. Subrecipients

The District did not provide any federal awards to subrecipients during the year.

3. Non Cash Federal Assistance

The District receives USDA Commodities for use in sponsoring the National School Lunch and Breakfast programs. The value of commodities received for the year ended June 30, 2013 was \$55,956 and is reported in the Schedule of Expenditures of Federal Awards under the Department of Agriculture Commodities program, CFDA number 10.550. Commodities are recorded as revenues and expenditures in the food service fund.

Reconciliation of Schedule of Expenditures of Federal Awards to Financial Statements:

Total federal awards expended per Schedule of Expenditures of Federal Awards	\$ 10,057,194
Total expenditures funded by other sources	<u>12,980,693</u>
Total expenditures	<u><u>\$ 23,037,887</u></u>

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

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2013

Schedule VI

Section I – Summary of Audit Results

Financial Statements:

- | | |
|---|------------|
| 1. Type of auditors' report issued | Unmodified |
| 2. Internal control over financial reporting: | |
| a. Material weakness identified? | No |
| b. Significant deficiencies identified not considered to be material weaknesses? | Yes |
| c. Control deficiencies identified not considered to be significant deficiencies? | Yes |
| d. Noncompliance material to financial statements noted? | No |

Federal Awards:

- | | |
|---|------------|
| 1. Internal control over major programs: | |
| a. Material weakness identified? | No |
| b. Significant deficiencies identified not considered to be material weaknesses? | Yes |
| c. Control deficiencies identified not considered to be significant deficiencies? | No |
| 2. Type of auditors' report issued on compliance for major programs | Unmodified |
| 3. Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133? | Yes |

3. Identification of major programs:

CFDA Number	Federal Program
84.010	Title I
84.367A	Title IIA – Teacher/Principal Training & Recruitment
84.041	Impact Aid
84.041	Impact Aid – Indian Education
84.041	Impact Aid – Special Education
84.060A	Indian Education Formula Grant

- | | |
|---|-----------|
| 5. Dollar threshold used to distinguish between type A and type B programs: | \$300,000 |
| 6. Auditee qualified as low-risk auditee? | Yes |

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2013

Section II – Financial Statement Findings

FS 2012-03 Audit Committee – Other Matter – Repeated and Revised

Criteria: Each local school board shall appoint an audit committee that consists of two board members, one volunteer member who is a parent of a student attending that school District and one volunteer member who has experience in accounting or financial matters. The superintendent and the school district business manager shall serve as ex-officio members of the committee, 22-8-12.3 NMSBA 1978.

Condition: The Zuni Board of Education is not in compliance with the above statute which requires each school District to establish an audit committee which shall:

- Evaluate the request for proposal for annual financial audit services;
- Recommend the selection of the financial auditor;
- Attend the entrance and exit conferences for annual and special audits;
- Meet with external financial auditors at least monthly after audit field work begins until the conclusion of the audit;
- Be accessible to the external financial auditors as requested to facilitate communication with the board and the superintendent;
- Track and report progress on the status of the most recent audit findings and advise the local school board on policy changes needed to address audit findings;
- Provide other advice and assistance as requested by the local school board; and
- Be subject to the same requirements regarding the confidentiality of audit information as those imposed upon the local school board by The Audit Act [Section 12-6-1, NMSA 1978] and rules of the state auditor [2.2.2, NMAC].

Cause: The District has established an audit committee but is lacking a volunteer who is a parent of a student attending the school district.

Effect: Internal control over the District’s financial operations may not be properly reviewed, assessed, evaluated, and modified to meet risks associated with the District. This creates the possibility that controls to avoid fraud or misappropriation of District assets may not be implemented.

Auditor Recommendation: We recommend that the District identify at least one volunteer member who is a parent of a student attending the school district who would be willing to serve on the audit committee.

Responsible Official’s Views: The District will continue to invite community members to serve on the audit committee.

FS 2012-05 Budgetary Controls – Compliance

Criteria: Sections 6-3-1 through 6-3-25 NMSA 1978 require, in part, that expenditures not exceed budgetary authority.

Condition: The District incurred expenditures in excess of budgetary authority in the following funds and functions:

Fund & Function	Amount
Debt Service - Reserve	\$ 103,071
Debt Service – Principal	5,032,352
Ed. Tech. Debt Services – Support Services – General Admin.	<u>22</u>
Total	<u>\$ 5,135,445</u>

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2013

Cause: The District did not request the budget adjustments at year end to alleviate these budget overruns in the respective functions and allowed one fund to be overspent in total.

Effect: The internal controls established by adherence to budgets have been compromised, and excess spending could, and did, result. In addition, New Mexico statutes have been violated.

Auditor's Recommendation: We recommend that the District adhere to their policy of reviewing year end expenditures and requesting budget adjustments where necessary.

Responsible Official's Views: The Director of Finance will more closely monitor expenditures at the function level to assure compliance with sections 6-3-1 through 6-3-25 NMSA 1978.

FS 2013-01 Bank Reconciliations – Significant Deficiency

Criteria: NMAC 6.20.2.14K states that all bank accounts shall be reconciled on a monthly basis. Reconciled bank statements are to be reviewed by the business manager and/or assistant superintendent for business administration. The District is not completing some bank reconciliations in a timely manner and there is no indication of a review. PSAB Supplement 7 also requires that school districts perform bank reconciliations timely.

Condition: During the performance of audit procedures relating to bank reconciliations, we reviewed sixteen (16) bank reconciliations from various months and accounts. The following are the results of our test work:

- 1 out of 16 bank reconciliations was did not tie to the general ledger balance
- 14 out of 16 bank reconciliations were not signed off and dated by the preparer
- 14 out of 16 bank reconciliations did not have any indication that someone other than the preparer reviewed the reconciliation

Effect: Without performing bank reconciliations timely, incorrect posting to the general ledger will not be recognized. In addition, it is often difficult to detect fraudulent activity if bank reconciliations are not prepared timely or reviewed by someone other than the preparer. Fraudulent transactions can take place and not be detected.

Cause: During the year some of the staff was absent and no one else is cross trained in order to insure that reconciliations are completed timely. As for the review, bank reconciliations were not forwarded to Superintendent for review.

Auditors' Recommendation: We recommend that the District perform bank reconciliations on a monthly basis and be reviewed by the Superintendent.

Responsible Official's View: The Director of Finance will meet with the Superintendent monthly to review all bank reconciliations.

FS 2013-02 Cash Disbursements – Other Matter

Criteria: According to NMSA 1978 Section 6-6-3, the school is expected to conform to the rules and regulations that they have adopted relating to internal controls.

Condition: It is the District's policy and procedure to obtain approved purchase orders before the purchase of goods or services are made. During our cash disbursements test work, GPS noted the following:

- 5 out of 37 instances in which the vendor invoice predated the purchase order, check amounts totaled \$270,068
- 1 out of 37 instances in which the invoice was posted to the wrong general ledger account

Effect: The lack of enforcing the District's policies and procedures may result in the non-authorized or incorrect calculations of invoices.

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2013

Cause: Policies and procedures that the District has adopted for cash disbursement transactions are not being enforced.

Auditors' Recommendation: The District must enforce policies and procedures that are set in place for the purchase of goods and/or services and ensure the vendor invoices are being checked for accuracy prior to payment.

Responsible Official's View: The District continues to remind all parties with expenditure authority of the legal responsibility to create the proper documentation prior to making a purchase.

FS 2013-03 Payroll – Other Matter

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.

Condition: During our test work of payroll we noted the following instance:

- 1 out of 25 instances where Form I-9 was missing from the personnel file

Cause: District, State, and Federal policies are not being followed or reviewed to ensure proper execution.

Effect: The District is in a violation of NMAC 6.20.2.18 and the Immigration Reform and Control Act of 1986 and ZPSD's policies and procedures.

Auditor's Recommendation: We recommend that the District follow the corrective action plan set forth in the Immigration Reform and control Act of 1986 and request that the employee complete section 1 of the Form I-9 immediately and submit documentation as required in Section 2. The new form should be dated when completed-never post dated.

Responsible Official's View: The District is in the process of reviewing all personnel files to assess compliance with all federal and state regulations regarding proper hiring. When required, missing documents will be prepared and filed.

FS 2013-04 – Cash Appropriations in Excess of Available Cash Balances – Compliance – Repeated and Revised

Criteria: All District funds, with the exception of agency funds, are to be budgeted by the local governing body and submitted to the Public Education Department for approval. Cash balances re-budgeted to make up for deficit budgeted revenues that do not cover the budgeted expenditures, cannot exceed the actual cash balance available at the end of the prior year.

Condition: The District re-budgeted “cash balance” in excess of available cash balances in the following funds:

	<u>Available Cash</u>	<u>Designated Cash</u>	<u>Excess Designate Cash over Available Cash</u>
Major Fund			
Food Services	\$ (57,156)	\$ 11,985	\$ (69,141)
Nonmajor Funds			
Johnson O'Malley	(29,797)	35,155	(64,952)
Special Capital Outlay	50,007	109,083	(59,076)
Total	<u>\$ (36,946)</u>	<u>\$ 156,223</u>	<u>\$ (193,169)</u>

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2013

Cause: Inadequate monitoring of ending cash balances and budgeting are the cause of this problem.

Effect: The District has budgeted cash balance that does not exist. If the District expends all budgeted expenditures it could incur debt if the budgeted designated cash does not exist. However, in no instance did actual expenditures exceed budget.

Auditor's Recommendation: Budget for future years should be reviewed to insure all funds have adequate budget authority for budgeted expenditures. Greater attention should be given to the budget monitoring process of year-end cash balance estimates.

Responsible Official's View: The Director of Finance will more closely monitor Cash Balances in order to not budget unavailable cash balances.

FS 2013-05 Pledged Collateral – Significant Deficiency

Criteria: Section 6-10-17, NMSA 1978 requires that pledged collateral for deposits in banks, savings and loan associations, or credit unions be at least one half of the amount of public money in each account. No security is required for the deposit of money that is insured by the Federal Deposit Insurance Corporation (FDIC) or the National Credit Union Share Insurance.

Condition: At June 30, 2013, the District did not maintain pledged collateral as requirement in the Bank of America accounts. Pledged collateral was not maintained in the amount of \$866,695.

Cause: The District personnel were unaware of the of the lack of pledged collateral at year end.

Effect: The District was not in compliance with the pledged collateral requirements of Section 6-10-17, NMSA 1978 at June 30, 2013.

Auditor's Recommendation: The District should monitor its bank account balances on a regular basis to ensure that the proper pledged collateral is in place.

Responsible Official's Views: Management has worked with the financial institution to correct the situation and will be in compliance moving forward.

Section III – Federal Award Findings

FA 2013-01 – Indirect Cost Allocation – Other Matter

Federal program information:

Funding agency:	U.S. Department of Education
Title:	Title IIA – Teacher/Principal Training and Recruitment
CFDA number:	84.367A
Award Year:	2013
Award Number:	24154

Criteria: OMB Circular A-87 Cost Principles for State, Local and Indian Tribal Governments establishes principles and standards for determining allowable direct and indirect costs for Federal Awards. The cognizant agency for school districts in New Mexico is NM PED who annually establishes indirect cost rates for each school district.

Condition: During our test work of single audit compliance we noted the following instance:

- The indirect cost rate of Title IIA – Teacher/Principal Training & Recruitment Special Revenue Fund was calculated at 6.87%, which is over NM PED's allowable rate of 6.29%

Cause: NM PED underwent a federal audit and changed the indirect cost rates of school districts in April 2013.

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2013

However, they did not inform the school districts until October 2013. By this time there was no way that ZPSD could adjust indirect costs.

Effect: The District is in a violation of OMB Circular A-87 Cost Principles for State, Local, and Indian Tribal Governments and NM PED's allowable cost rate.

Auditor's Recommendation: We recommend that the District comply with NM PED's indirect cost rate and maybe even double check before year-end to insure that the rate did not change.

Responsible Official's View: The District will monitor changes in indirect cost rates in order to assure compliance with reimbursements to the Operational account.

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2013

Section IV – Prior Year Audit Findings

FS 2009-01 – Inactive Funds – Resolved
FS 2011-01 – Lack of Supporting Documentation – Procurement Card Purchase – Resolved
FS 2012-01 – Improper Disposition of Obsolete Property – Resolved
FS 2012-02 – Improper Recording of Fringe Benefits - Resolved
FS 2012 -03 – Audit Committee – Repeated and Revised
FS 2012-04 – Internal Control Structure Standards – Revised
FS 2012-05 – Budgetary Controls – Repeated and Revised
FA 2012-01 – Monitoring Wages of Laborers - Resolved

Section V – Other Disclosures

Auditor Prepared Financials

Griego Professional Services, LLC assisted in the preparation of the financial statements presented in this report. The District's management has reviewed and approved the financial statements and related notes and they believe that their records adequately support the financial statements.

Exit Conference

The contents of this report were discussed on November 14, 2013. The following individuals were in attendance.

Zuni Public Schools

Virginia Chavez, Board Vice President
Hayes Lewis, Superintendent
Martin Romine, Director of Finance

Griego Professional Services, LLC

JJ Griego, CPA