

New Mexico State University

Annual Financial Report



Live, Learn and Thrive.™

2007-2008

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Director of Budget

D'Anne Stuart
*Assistant Vice President for
Human Resource Services*

November 12, 2008

Members of the Board of Regents
New Mexico State University

We are pleased to submit the annual financial report of New Mexico State University (NMSU) for the fiscal year ended June 30, 2008. The accompanying financial statements of the University include a separate column entitled Discrete Component Unit representing the New Mexico State University Foundation, Inc. Moss Adams, LLP, independent auditors, have examined the financial statements and their unqualified opinion is displayed on page 3 and 4 of the report.



The University again ended its fiscal year at June 30, 2008, in a strong financial condition as evidenced by the accompanying financial statements. The total net assets increased by \$19 million, which includes a \$4 million increase in current unrestricted funds, many of which are designated for a particular unit or program but fall under the Board of Regents' discretionary control. We have recently completed, or are scheduled to complete, within the current fiscal year almost \$34 million in capital projects designed to improve our delivery of services in the furtherance of our mission, including renovation of O'Donnell Hall and the expansion of the Dona Ana Community College East Mesa Campus and Technical Studies Building.

Our continued focus upon student recruitment and retention and the successful implementation of a strategic budgeting model with specific performance funding incentives once again resulted in the NMSU system being one of the most successful in the State during the year in terms of enrollment, performance, and funding. We continue to pursue development of our research and public service clusters in a challenging federal funding environment and remain committed to keeping tuition affordable in a climate of increasing operating costs and potential contraction of state support.

NMSU remains committed to serving as a leader, both within the State and on a national and international stage, in achievement of our mission of instruction, research and public service. With the combined expertise, dedication and support of our Regents, sponsors, friends, faculty, and staff, even amid uncertain macroeconomic conditions at the federal, state and local level, we believe that we can continue to make a positive difference in higher education and beyond.

Sincerely,

A handwritten signature in black ink, appearing to read "Waded Cruzado". The signature is fluid and cursive.

Waded Cruzado
Interim President

Independent Auditors' Report

The Board of Regents
New Mexico State University and
Mr. Hector Balderas
New Mexico State Auditor

We have audited the accompanying financial statements of the business-type activities and the discretely component unit of New Mexico State University ("University") as of and for the year ended June 30, 2008. We have also audited the combining statements of net assets – primary institution as of June 30, 2008, and the combining statements of revenues expenses and changes in net assets – primary institution for the year then ended, and the budget comparison for the year ended June 30, 2008, as listed in the table of contents. These basic financial statements are the responsibility of the University's management. Our responsibility is to express opinions on these financial statements based on our audit. The 2007 financial statements of New Mexico State University were audited by other auditors whose report, dated November 14, 2007, expressed an unqualified opinion on those statements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the University's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed in Note 2 to the financial statements, the financial statements of New Mexico State University are intended to present the financial position, and the changes in net assets and cash flows for only that portion of the business-type activities of the State of New Mexico which are attributable to the transactions of New Mexico State University. They do not purport to, and do not, present fairly the financial position of the State of New Mexico as of June 30, 2008, or the changes in its financial position or its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the discretely presented component unit of the University at June 30, 2008, and the respective changes in financial position and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the budget comparisons referred to above present fairly, in all material respects, the budgetary comparison for the year ended June 30, 2008 in conformity with the budgetary basis of accounting prescribed by the New Mexico Administrative Code, and more fully described in the budgetary schedules, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

The Board of Regents
New Mexico State University and
Mr. Hector Balderas
New Mexico State Auditor

As discussed in Note 2 to the financial statements, on July 1, 2007, the University adopted Governmental Accounting Standards Board (GASB) Statement No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions. GASB Statement No. 45 requires the University to recognize and match other postemployment benefit costs with related services received and disclose additional information.

In accordance with Government Auditing Standards, we have also issued our report dated November 12, 2008, on our consideration of internal control over financial reporting and our tests of compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

The management's discussion and analysis on pages 5 through 15 and the required supplemental information presented in Schedule 5 is not a required part of the financial statements, but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was performed for the purpose of forming opinions on the basic financial, the aggregate discretely presented component units, and the combining statements and budgetary comparison presented as supplemental information. The accompanying schedule of expenditures of federal awards (Schedule 6), as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and the accompanying supplemental information in Schedule 4 as required by the New Mexico State Audit Rule are presented for the purpose of additional analysis and are not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in our audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Moss Adams LLP

Albuquerque, New Mexico
November 12, 2008

Annual Financial Statements

New Mexico State University

Management's Discussion and Analysis

For the Year Ended June 30, 2008

(Unaudited)

Overview of Financial Statements and Financial Analysis

The Management's Discussion and Analysis is designed to provide an easily readable analysis of New Mexico State University's (the University's) financial activities for the fiscal years ended June 30, 2008, 2007 and 2006. This overview is based on facts, decisions and conditions known as of the date of the independent auditors' report. There are three financial statements presented: the Statement of Net Assets; the Statement of Revenues, Expenses, and Changes in Net Assets; and the Statement of Cash Flows. Please read this analysis in conjunction with the University's financial statements and accompanying notes, which begin on page 22. Separately issued component unit financial statements are available as detailed in Note 12.

Using This Annual Report

The Statement of Net Assets provides information about the University's financial condition at fiscal year end. It presents both a current year synopsis and a longer-term view of the University's assets, liabilities and net assets.

The Statement of Revenues, Expenses, and Changes in Net Assets should be used to review the results of the current year's operations. Changes in total net assets, as presented in the Statement of Net Assets, are based on the activities presented in this statement. The purpose of the statement is to present the revenues earned by the University and the expenses incurred by the University and any other revenues, expenses, gains and losses earned or incurred by the University. Non-operating revenues include state appropriations revenue, gift revenue and interest earned on operating balances. The line item entitled "Income (Loss) Before Other Revenues, Expenses, Gains or Losses" may give a more complete picture of the results of the University's operations during the year, including income resulting from non-exchange transactions. A non-exchange transaction is one in which the University receives value or benefit from a third party without directly providing equal value in exchange, such as in receipt of a donation.

The final statement presented is the Statement of Cash Flows. The Statement of Cash Flows presents detailed information about the cash activity of the University during the fiscal year.

Footnote information provides additional detail on the University's overall accounting practices and individual statement line items, including a natural classification report of operating expenses.

Additional information may be obtained by contacting the Office of the Senior Vice President for Business, Finance and Human Resources at 505-646-2431 or boffice@nmsu.edu.

Financial Highlights

For the years ended June 30, 2008, 2007, and 2006, the University's financial position was as follows (in thousands):

Condensed Statement of Net Assets

	June 30, 2008	June 30, 2007	June 30, 2006
Assets			
Current Assets	\$ 108,191	\$ 118,111	\$ 104,899
Non-Current Assets	<u>572,767</u>	<u>560,763</u>	<u>511,178</u>
Total Assets	680,958	678,874	616,077
Liabilities			
Current Liabilities	76,338	89,129	59,667
Non-Current Liabilities	<u>112,277</u>	<u>116,646</u>	<u>123,636</u>
Total Liabilities	188,615	205,775	183,303
Net Assets			
Invested In Capital Assets, net of related debt	262,490	258,516	248,588
Restricted	120,109	111,564	96,469
Unrestricted	<u>109,744</u>	<u>103,019</u>	<u>87,717</u>
Total Net Assets	\$ 492,343	\$ 473,099	\$ 432,774

Condensed Statement of Revenues, Expenses, and Changes in Net Assets

Operating Revenues			
Federal Appropriations, Grants, and Contracts	\$ 142,063	\$ 151,429	\$ 148,891
Student Tuition and Fees (net)	49,512	46,272	44,522
Other Operating Revenues	<u>107,436</u>	<u>101,388</u>	<u>96,287</u>
Total Operating Revenues	299,011	299,089	289,700
Operating Expenses			
Instruction	124,242	114,902	109,603
Research	110,430	123,544	122,436
Other Operating Expenses	<u>275,989</u>	<u>260,773</u>	<u>235,910</u>
Total Operating Expenses	510,661	499,219	467,949
Net Operating Loss	(211,650)	(200,130)	(178,249)
Non-Operating Revenues and Expenses	202,259	187,001	167,798
Loss Before Other Revenue, Expenses, Gains or Losses	(9,391)	(13,129)	(10,451)
Other Revenues, Expenses, Gains or Losses	28,635	53,454	34,175
Increase in Net Assets	19,244	40,325	23,724
Net Assets at Beginning of Year	473,099	432,774	409,050
Net Assets at End of Year	\$ 492,343	\$ 473,099	\$ 432,774

General Overview for 2008 and 2007

In fiscal year 2008, the total assets of the institution increased by \$2.1 million and liabilities decreased by \$17.2 million. Changes in the Statement of Net Assets include:

- A shift from Other Long-Term Investments to Cash Equivalents due to market volatility and interest rates.
- Decrease in Accounts Receivable related to increased collection efforts on grants and contracts.
- Decrease in value of Investments Held by Others due primarily to a decrease in the State Land Grant Endowment Allocation.
- Ongoing increases in Capital Assets and related decreases in Long-Term Investments, as several major construction and infrastructure projects were completed and others are progressing.

The operations discussed below resulted in an increase in net assets of \$19.2 million; while the University had an Operating Loss of \$211.7 million. This was offset by net Non-Operating Revenues of \$202.3 million resulting in a Loss Before Other Revenues, Expenses, Gains or Losses of \$9.4 million. Primary components of this change in Net Assets include:

- Net Operating Loss for 2008 increased over 2007 by 5.8% due to increases in operating expenses with the operating revenue remaining constant.
- The resulting Net Operating Loss was offset in part by an 13.3% increase in State Appropriations.
- Decreases in the Gain on Permanent Endowments related to the Land Grant Endowment and Permanent Endowment contributions were the primary factors responsible for the 52.3% decline in Increase in Net Assets. In addition, decreases in Capital Grants and Appropriations, offset by an increase in State Appropriations, contributed to the decline.

Accordingly, the Statement of Cash Flows indicates a net increase in cash. The largest source of cash from operating activities was from Grant and Contract revenues followed by Tuition and Fees while the largest source of cash from non-operating activities was from State Appropriations. The most significant uses of cash were for payments to employees and for employee benefits.

General Overview for 2007 and 2006

In fiscal year 2007, the total assets of the institution increased by \$62.8 million and liabilities increased by \$22.5 million. Changes in the Statement of Net Assets include:

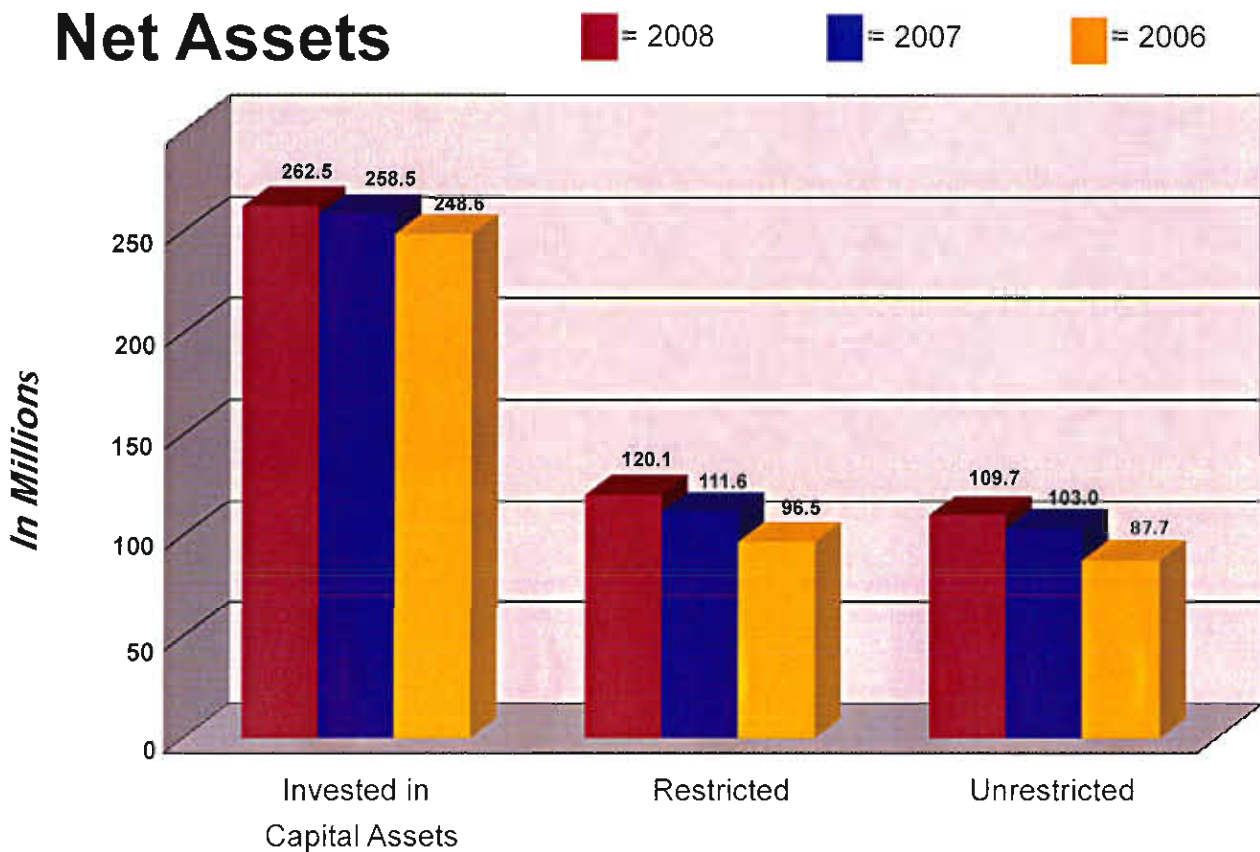
- A shift from Other Long-Term Investments to Cash Equivalents to meet operating needs.
- An increase in Accounts Receivable and Deferred Income related to increased grants and contracts revenue.
- Increase in value of Investments Held by Others due primarily to an increase in the State Land Grant Endowment Allocation.
- Ongoing increases in Capital Assets and related decreases in Long-Term Investments, as several major construction and infrastructure projects were completed and others are progressing.
- Accounts Payable and Accrued Liabilities increased from the prior year due to timing differences.

The operations discussed below resulted in an increase in net assets of \$40.3 million; while the University had an Operating Loss of \$200.1 million. This was offset by net Non-operating Revenues of \$187.0 million resulting in a Loss Before Other Revenues, Expenses, Gains or Losses of \$13.1 million. Primary components of this change in Net Assets include:

- Operating revenues increased by 3.2%, primarily as a result of increases in Tuition and Fees, Federal Appropriations, Grants and Contracts, and Sales and Services.
- The overall gain was reduced by a 6.7% increase in operating expenses, with the largest dollar increases being in Instruction, Public Service, and Independent Operations.
- The resulting net operating loss was offset in part by an 8.0% increase in State Appropriations.
- The primary contributors to the 70.0% growth in the Increase in Net Assets were the increase in State Appropriations, and a 19.8% increase in Gain in Permanent Endowments from the State Land Grant Endowment.

Accordingly, the Statement of Cash Flows indicates a net increase in cash. The largest source of cash from operating activities was from grant and contract revenues followed by Tuition and Fees while the largest source of cash from non-operating activities was from State Appropriations. The most significant uses of cash were for payments to employees and for employee benefits.

The following graph illustrates the comparison of net assets by category for fiscal years 2008, 2007 and 2006.



Operating Revenues for 2008 and 2007

All Operating Revenue sources increased, with the sole exception of Federal Appropriations, Grants and Contracts; the decrease in this line item was sufficient to leave total 2008 Operating Revenue close to the 2007 level.

The operating loss for fiscal year 2008 of \$211.7 million increased \$11.5 million from the \$200.1 million loss in fiscal year 2007. While operating expenses increased by \$11.4 million, operating revenues decreased by \$.78 million. The most significant changes in operating revenue were as follows:

- Decrease in Federal Appropriations, Grants and Contracts of \$9.4 million (6.2%) with significant decreases in Department of Defense funding, USDA-Joe Skeen funding for Rangeland Restoration and Extension and the conclusion of the USDA Forage Loss Program.
- Increase in Student Tuition and Fees, net of Scholarship Allowances, of \$3.2 million (7.0%), due to a combination of increased tuition and fee rates and increased scholarship allowances.
- Increase of \$2.1 million (10.0%) in State Grants and Contracts, related primarily to State funded student scholarships.

Operating Revenues for 2007 and 2006

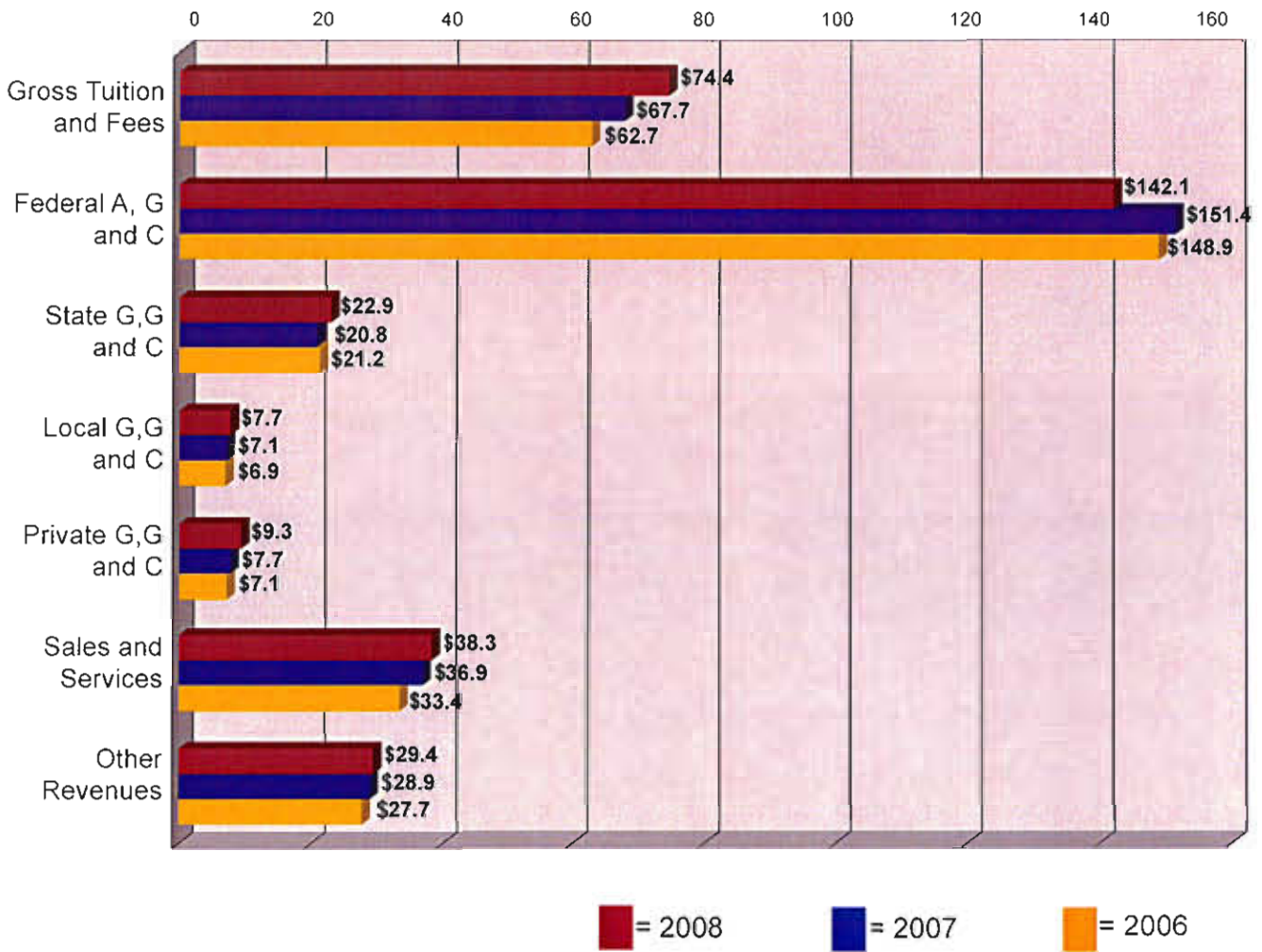
The operating loss for fiscal year 2007 of \$200.1 million increased \$21.9 million from the \$178.2 million loss in fiscal year 2006. While operating expenses increased by \$31.3 million, operating revenues increased by only \$9.4 million. The most significant changes in operating revenue were as follows:

- Increase in Federal Appropriations, Grants and Contracts of \$2.5 million (1.7%) with significant increases in the NM Works and USDA Food Stamp Programs.
- Increase in Student Tuition and Fees, net of Scholarship Allowances, of \$1.7 million (3.9%), due to a combination of increased tuition and fee rates and increased scholarship allowances.
- Increase of \$3.4 million (10.4%) in Sales and Services, related primarily to Auxiliary Enterprises.

The following graph illustrates a comparison of operating revenues by type for fiscal years 2008, 2007 and 2006.

Operating Revenues

In Millions



Operating Expense for 2008 and 2007

The largest dollar increases in operating expense were as follows:

- Increase in Instruction expenses of \$9.3 million (8.1%). This reflects, in part, additional State funding of \$1.6 million and NMCYFD grant funding of \$2.8 million.
- Increase in Public Service expenses of \$4.7 million (9.4%) related, in part, to the increased federal amounts received for the New Mexico Works Program.
- These increases were offset by a decrease in Research expenditures of \$13.1 million (10.6%). This was primarily due to decreases in the programs discussed in the Operating Revenues for 2008 and 2007 section.

Operating Expense for 2007 and 2006

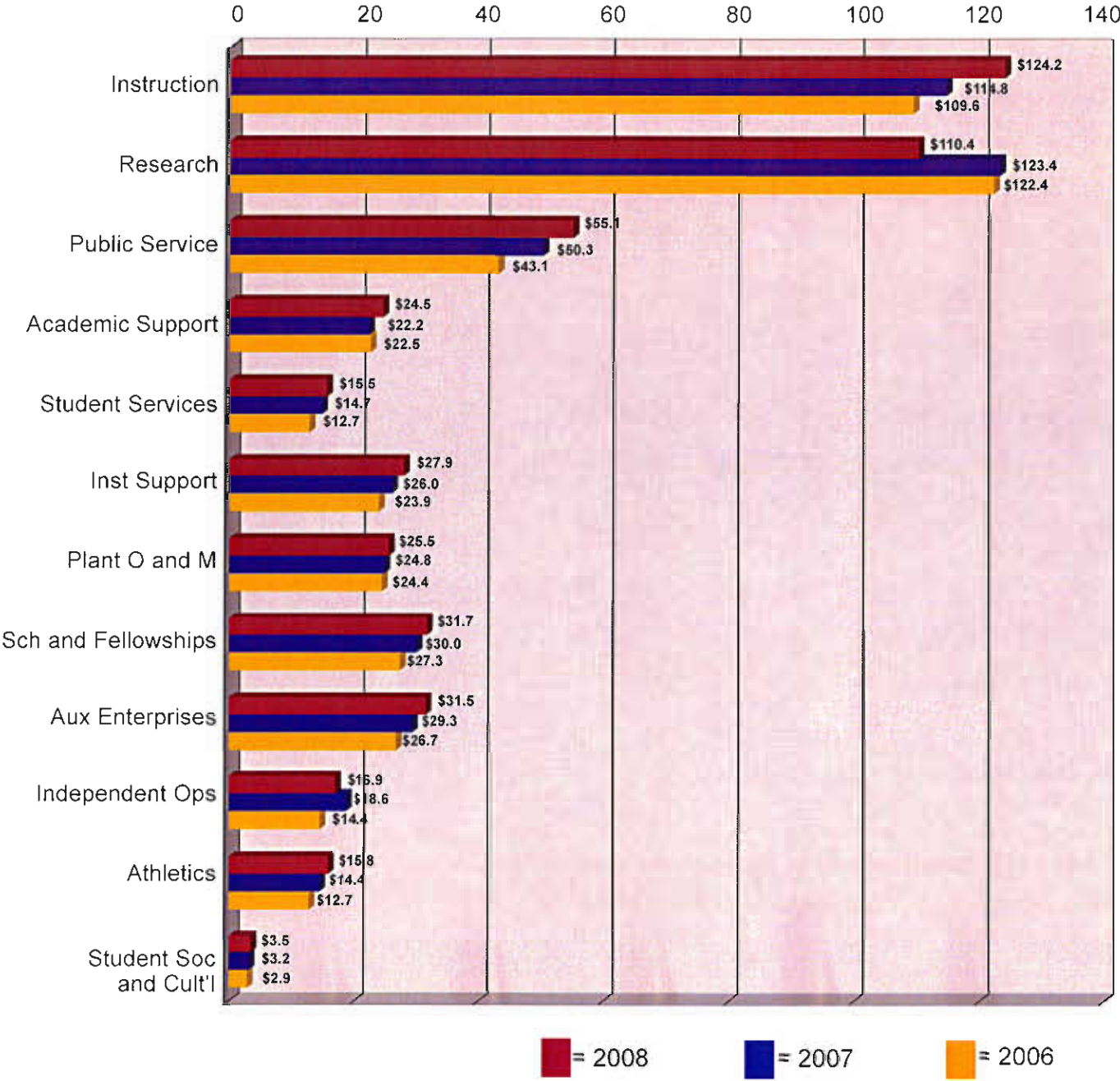
The largest dollar increases in operating expense were as follows:

- Increase in Public Service expenditures of \$7.3 million (16.9%) related to the increased federal awards discussed in the Operating Revenues for 2007 and 2006 section.
- Increase in Instruction expenditures of \$5.3 million (4.8%). This reflects, in part, additional Federal awards of \$1.0 million, State funding of \$3.1 million and Nursing Program funding of \$0.7 million.
- Increase in Independent Operations expenses of \$4.3 million (29.8%), related primarily to the Forage Loss Assistance Program.

The following graph illustrates a comparison of operating expenses by function (excluding depreciation and loan administration) for fiscal years 2008, 2007 and 2006.

Operating Expenses

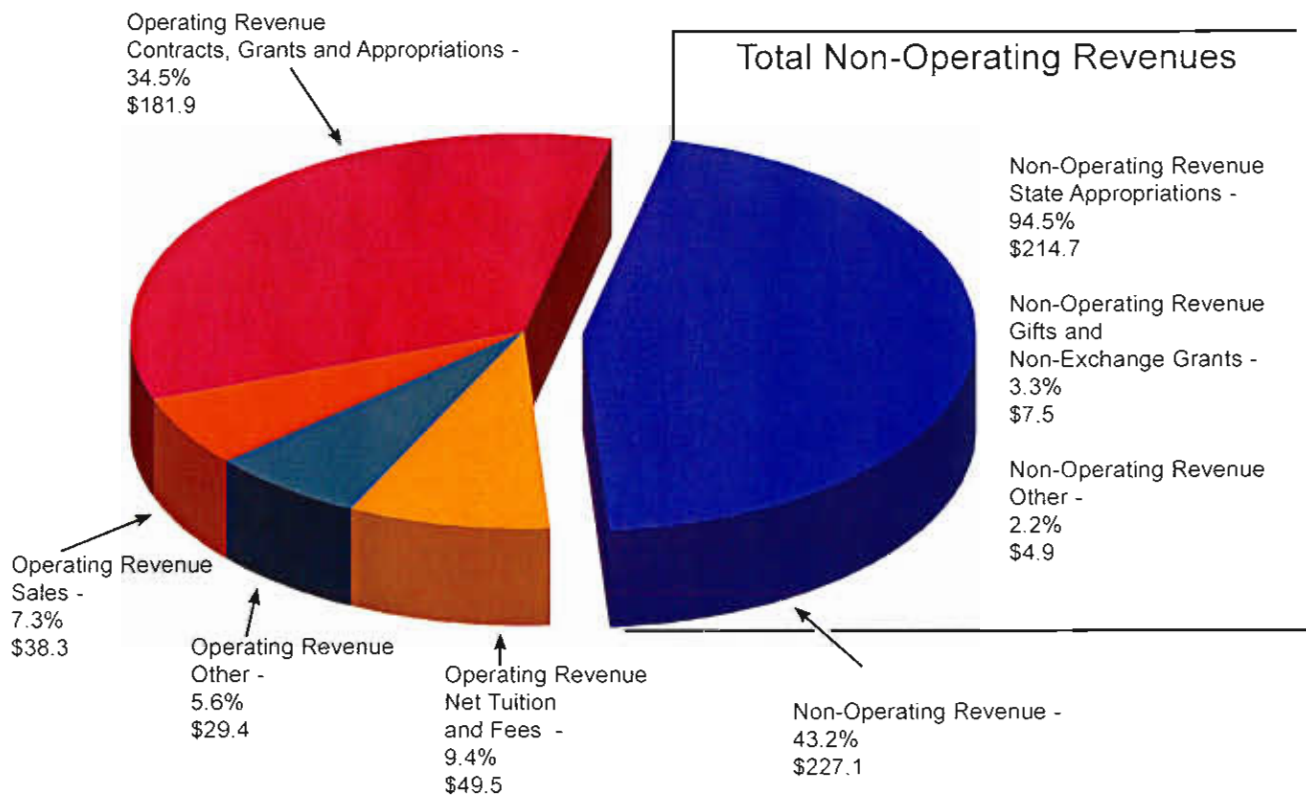
In Millions



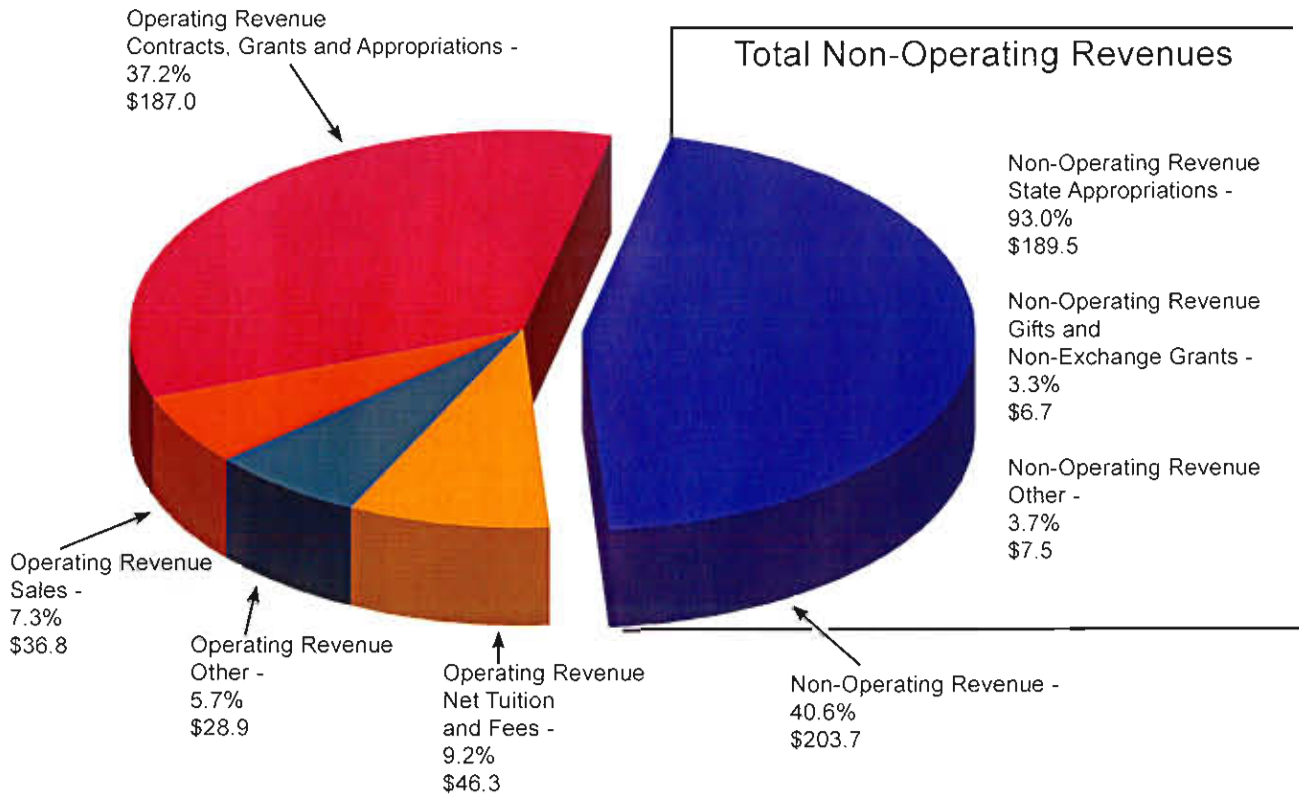
The Statement of Revenues, Expenses, and Changes in Net Assets reflects a Loss Before Other Revenues, Expenses, Gains or Losses of \$9.4 million, \$13.1 million, \$10.5 million in 2008, 2007 and 2006, respectively.

The following graphs reflect the University's sources of revenue available to meet current operating costs for fiscal years 2008, 2007 and 2006.

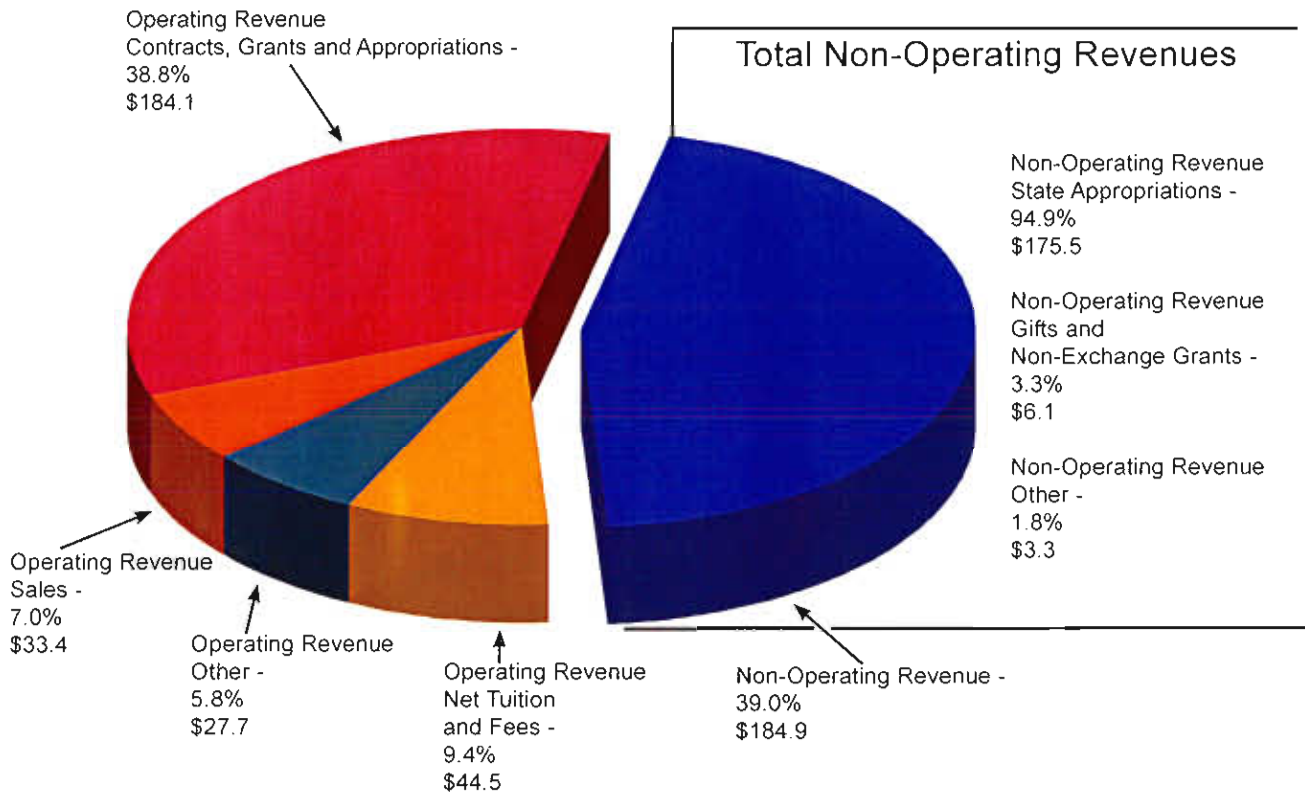
2008 Total Operating and Non-Operating Revenues



2007 Total Operating and Non-Operating Revenues



2006 Total Operating and Non-Operating Revenues



Capital Asset and Debt Administration

The University finalized several projects during fiscal years 2008 and 2007 that were funded by Revenue Bonds issued in prior periods. The proceeds of these bonds are used to purchase, erect, alter, remodel, expand, improve, repair, furnish and equip University buildings, improvements and facilities.

The increase in Net Capital Assets of \$12.9 million recognized in fiscal year 2008 was primarily the result of capitalizing costs associated with O'Donnell Hall (Education Building) in the amount of \$15.1 million. The Work Force Center of the Dona Ana Community College increased by \$3.5 million and final construction costs for the student apartments in the amount of \$2.1 million also added to this change. These increases were offset by the disposal of approximately 2,200 units of equipment due to technological and functional obsolescence, having a net book value of \$7.8 million.

For the fiscal year ended June 30, 2007, the net increase in Capital Assets of \$22.5 million resulted from the final capitalized construction costs for the Pan American Center and the Student Housing Projects of \$9.4 million and \$7.1 million, respectively, and the construction in progress expenditures for O'Donnell Hall (Education Building) of \$7.7 million. These increases were offset by the disposal of approximately 600 units of equipment due to technological and functional obsolescence having a net book value of \$1.1 million.

Budget Comparison

In comparing the total original budgeted revenue to the revised budgeted revenue for fiscal year 2008, there was an increase of approximately \$23.3 million, and a corresponding increase of approximately \$16.1 million in the revised budgeted expenditures. The most significant changes were anticipated increases in sources and uses related to capital funding, and anticipated increases in expenditures related to student aid, grants and stipends.

Actual revenues earned in fiscal year 2008 were higher than budgeted by \$5.3 million and actual expenditures were less than budgeted by \$21.9 million. Increases in research funding of \$6.8 million, increases in public service expenses of \$8.3 million and a \$10.6 million increase in capital funds for current projects were major components of budget to actual variances. Because the University budgets capital projects in their entirety, multi-year projects may result in mismatches of budget to actual revenues and expenses in any one year. Total operating expense increases were within operating revenue increases, and all capital projects were within their respective multi-year budgets.

Factors Impacting Future Periods

The State of New Mexico is anticipating a revenue budget shortfall in fiscal year 2009. This will likely result in a funding contraction for fiscal year 2010. The University is prepared to adjust internal budgetary allocation decisions to absorb the impact of this potential action, with the goal of minimizing its impact upon the core mission of the institution: instruction, research and public service.

The University is not aware of any additional facts, decisions, or conditions that are expected to have a significant effect on the financial position or results of operations during the 2008-2009 fiscal year beyond those unknown variations having a global effect on virtually all types of business operations.

The University's overall financial position is strong. Enrollment statistics for Fall 2008 indicate another increase and the University continues to support a large sponsored awards base. The University will maintain a close watch over resources to ensure the University's ability to react to unknown internal and external issues.

New Mexico State University

Statement of Net Assets

As of June 30, 2008

	Primary Institution	Discrete Component Unit
ASSETS		
Current Assets		
Cash and Cash Equivalents	\$ 2,289,117	\$ 8,113,558
Cash and Cash Equivalents Held in Trust by Component Unit for NMSU	2,307,239	2,307,239
Short-Term Investments	511,100	376,029
Accounts Receivable, net	91,596,665	1,621,916
Due from Component Unit	600,036	-
Inventories	4,949,014	33,187
Prepaid Expenses	4,343,398	83,303
Student Loans Receivable - Current Portion	1,594,621	-
Total Current Assets	108,191,190	12,535,232
Non-Current Assets		
Restricted Cash and Cash Equivalents	55,748,333	3,998,939
Investments Held by Others	50,548,777	2,316,439
Investments Held in Trust by Component Unit for NMSU	37,841,605	37,841,605
Investments Held in Trust for Others	-	637,726
Other Long-Term Investments	42,427,573	80,832,811
Student Loans Receivable	14,351,585	-
Prepaid Expenses and Other Assets	528,837	238,110
Capital Assets, net	371,319,756	167,452
Total Non-Current Assets	572,766,466	126,033,082
TOTAL ASSETS	680,957,656	138,568,314
LIABILITIES		
Current Liabilities		
Accounts Payable	19,231,950	2,001,591
Due to NMSU	-	600,036
Other Accrued Liabilities	19,018,788	-
Accrued Interest Payable	1,280,978	-
Held in Trust for NMSU	-	2,307,239
Deferred Revenue	27,343,990	-
Long-Term Liabilities - Current Portion	9,462,299	190,859
Total Current Liabilities	76,338,005	5,099,725
Non-Current Liabilities		
Accrued Benefit Reserves	771,627	-
Held in Trust for NMSU	-	37,841,605
Other Long-Term Liabilities	111,504,857	1,865,674
Total Non-Current Liabilities	112,276,484	39,707,279
TOTAL LIABILITIES	188,614,489	44,807,004
NET ASSETS		
Invested in Capital Assets, net of related debt	262,490,125	167,452
Restricted for:		
Non-Expendable:		
Endowments	75,101,734	62,138,933
Expendable:		
General Activities	5,450,126	25,368,856
Federal Student Loans	16,745,779	-
Capital Projects	22,161,628	-
Related Entity Activities	650,304	-
Unrestricted	109,743,471	6,086,069
TOTAL NET ASSETS	\$ 492,343,167	\$ 93,761,310

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

New Mexico State University

Statement of Net Assets

As of June 30, 2007

	Primary Institution	Discrete Component Unit
ASSETS		
Current Assets		
Cash and Cash Equivalents	\$ 1,175,210	\$ 6,739,689
Cash and Cash Equivalents Held in Trust by Component Unit for NMSU	1,932,771	1,932,771
Short-Term Investments	111,100	450,423
Accounts Receivable, net	104,939,102	450,029
Due from Component Unit	2,728,934	-
Inventories	3,984,953	32,847
Prepaid Expenses	1,656,788	107,395
Student Loans Receivable - Current Portion	1,581,995	-
Total Current Assets	118,110,853	9,713,154
Non-Current Assets		
Restricted Cash and Cash Equivalents	30,906,454	2,417,416
Investments Held by Others	51,984,086	1,917,790
Investments Held in Trust by Component Unit for NMSU	38,256,084	38,256,084
Investments Held in Trust for Others	-	524,141
Other Long-Term Investments	66,383,417	83,213,023
Student Loans Receivable	14,237,960	-
Prepaid Expenses and Other Assets	600,425	208,610
Capital Assets, net	358,394,872	496,943
Total Non-Current Assets	560,763,298	127,034,007
TOTAL ASSETS	678,874,151	136,747,161
LIABILITIES		
Current Liabilities		
Accounts Payable	25,430,509	428,907
Due to NMSU	-	2,728,934
Other Accrued Liabilities	18,223,397	1,439
Accrued Interest Payable	-	-
Held in Trust for NMSU	-	1,932,771
Deferred Revenue	36,422,135	-
Long-Term Liabilities - Current Portion	9,053,230	186,947
Total Current Liabilities	89,129,271	5,278,998
Non-Current Liabilities		
Accrued Benefit Reserves	1,453,740	-
Held in Trust for NMSU	5,667,401	38,256,084
Other Long-Term Liabilities	109,524,586	1,682,503
Total Non-Current Liabilities	116,645,727	39,938,587
TOTAL LIABILITIES	205,774,998	45,217,585
NET ASSETS		
Invested in Capital Assets, net of related debt	258,516,159	496,944
Restricted for:		
Non-Expendable:		
Endowments	74,309,313	61,588,767
Expendable:		
General Activities	3,819,003	24,205,604
Federal Student Loans	16,884,776	-
Capital Projects	14,802,396	-
Related Entity Activities	1,748,918	-
Unrestricted	103,018,588	5,238,261
TOTAL NET ASSETS	\$ 473,099,153	\$ 91,529,576

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

New Mexico State University

Statement of Revenues, Expenses, and Changes in Net Assets For the Year Ended June 30, 2008

	Primary Institution	Discrete Component Unit
REVENUES		
Operating Revenues:		
Student Tuition and Fees (Gross)	\$ 74,439,626	\$ -
Less: Scholarship Allowances	(24,927,363)	-
Student Tuition and Fees (Net)	49,512,263	-
Federal Appropriations, Grants and Contracts	142,063,080	-
State Grants and Contracts	22,905,645	-
Local Appropriations, Grants and Contracts	7,651,293	-
Non-Governmental Grants and Contracts	9,258,299	9,922,528
Sales and Services	38,255,295	6,434,410
Other Operating Revenues	29,365,250	-
Total Operating Revenues	299,011,125	16,356,938
EXPENSES		
Operating Expenses:		
Instruction	124,242,312	-
Research	110,430,343	-
Public Service	55,124,551	-
Academic Support	24,509,471	-
Student Services	15,497,962	-
Institutional Support	27,856,422	-
Operation and Maintenance of Plant	25,549,164	-
Scholarships and Fellowships	31,707,875	-
Auxiliary Enterprises	31,538,619	-
Independent Operations	16,879,383	-
Intercollegiate Athletics	15,817,054	-
Student Social and Cultural	3,459,901	-
Loan Administration	479,878	-
Depreciation	27,568,376	51,131
Other Operating Expenses	-	12,719,472
Total Operating Expenses	510,661,311	12,770,603
Net Operating (Loss) Income	(211,650,186)	3,586,335
Non-Operating Revenues (Expenses):		
State Appropriations	214,681,502	-
Gifts and Non-Exchange Grants	7,480,347	-
Investment Income (Loss)	4,938,113	(1,558,608)
Interest and Other Expenses on Capital Asset-Related Debt	(4,041,251)	-
Gain on Sale of Land	37,000	-
Loss on Disposal of Plant	(1,228,742)	-
Other Non-Operating Revenues (Expenses)	(19,608,003)	204,007
Net Non-Operating Revenues	202,258,966	(1,354,601)
Income (Loss) Before Other Revenues, Expenses, Gains or Losses:	(9,391,220)	2,231,734
Capital Appropriations	13,503,925	-
Capital Grants, Gifts and Other Income	9,488,557	-
Building Fees	4,952,221	-
Gain on Permanent Endowments	690,531	-
Increase in Net Assets	19,244,014	2,231,734
NET ASSETS		
Beginning of Year	473,099,153	91,529,576
End of Year	\$ 492,343,167	\$ 93,761,310

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

New Mexico State University

Statement of Revenues, Expenses, and Changes in Net Assets For the Year Ended June 30, 2007

	Primary Institution	Discrete Component Unit
REVENUES		
Operating Revenues:		
Student Tuition and Fees (Gross)	\$ 67,702,728	\$ -
Less: Scholarship Allowances	(21,430,920)	-
Student Tuition and Fees (Net)	46,271,808	-
Federal Appropriations, Grants and Contracts	151,429,269	-
State Grants and Contracts	20,830,011	-
Local Appropriations, Grants and Contracts	7,081,334	-
Non-Governmental Grants and Contracts	7,744,927	11,173,872
Sales and Services	36,860,300	4,336,606
Other Operating Revenues	28,871,076	-
Total Operating Revenues	299,088,725	15,510,478
EXPENSES		
Operating Expenses:		
Instruction	114,902,279	-
Research	123,543,668	-
Public Service	50,408,728	-
Academic Support	22,196,985	-
Student Services	14,693,173	-
Institutional Support	26,055,749	-
Operation and Maintenance of Plant	24,853,250	-
Scholarships and Fellowships	29,992,186	-
Auxiliary Enterprises	29,297,941	-
Independent Operations	18,647,704	-
Intercollegiate Athletics	14,433,637	-
Student Social and Cultural	3,233,008	-
Loan Administration	62,176	-
Depreciation	26,898,610	121,675
Other Operating Expenses	-	12,503,466
Total Operating Expenses	499,219,094	12,625,141
Net Operating (Loss) Income	(200,130,369)	2,885,337
Non-Operating Revenues (Expenses):		
State Appropriations	189,521,402	-
Gifts and Non-Exchange Grants	6,687,539	-
Investment Income	7,479,939	6,157,014
Interest and Other Expenses on Capital Asset-Related Debt	(2,221,370)	-
Gain on Sale of Land	-	-
Loss on Disposal of Plant	(1,359,559)	-
Other Non-Operating Revenues (Expenses)	(13,106,452)	(60,822)
Net Non-Operating Revenues	187,001,499	6,096,192
Income (Loss) Before Other Revenues, Expenses, Gains or Losses	(13,128,870)	8,981,529
Capital Appropriations	15,081,606	-
Capital Grants, Gifts and Other Income	13,327,559	-
Building Fees	6,439,981	-
Gain on Permanent Endowments	18,605,300	4,336,748
Increase in Net Assets	40,325,576	13,318,277
NET ASSETS		
Beginning of Year	432,773,577	78,211,299
End of Year	\$ 473,099,153	\$ 91,529,576

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

New Mexico State University

Statement of Cash Flows

For the Year Ended June 30, 2008

	Primary Institution
Cash Flows from Operating Activities	
Tuition and Fees and Other Student Payments Received	\$ 69,779,528
Grants and Contracts Received	184,947,831
Payments to Suppliers	(115,882,352)
Payments for Travel	(14,841,928)
Payments to Employees and for Employee Benefits	(327,032,441)
Disbursement of Net Aid to Students	(51,762,775)
Receipts from Sales and Services	38,255,295
Other Operating Revenues	29,365,250
Net Cash Used by Operating Activities	(187,171,592)
Cash Flows from Non-Capital Financing Activities	
State Appropriations	212,645,955
Gifts for Other than Capital Purposes	9,810,400
Private Gifts for Endowment	609,925
Other Non-Operating Expense	(12,409,401)
Net Cash Provided by Non-Capital Financing Activities	210,656,879
Cash Flows from Capital and Related Financing Activities	
Proceeds from Capital Debt	206,945
Capital Gifts, Grants and Contracts	25,499,924
Purchases/Construction/Renovation of Capital Assets	(42,649,516)
Principal Paid on Capital Debt and Leases	(14,062,385)
Interest and Fees Paid on Capital Debt and Leases	(4,115,632)
Building Fees Received from Students	4,952,221
Net Cash Used by Capital and Related Financing Activities	(30,168,443)
Cash Flows from Investing Activities	
Proceeds from Sales and Maturities of Investments	62,300,843
Interest on Investments	12,425,180
Purchase of Investments	(40,806,637)
Realized Gain on Investments	(1,280,444)
Net Cash Provided by Investing Activities	32,638,942
Net Increase in Cash and Cash Equivalents	25,955,786
Cash and Cash Equivalents - Beginning of Year	32,081,664
Cash and Cash Equivalents - End of Year	\$ 58,037,450
Reconciliation of Operating Loss to Net Cash Used by Operating Activities:	
Operating Loss	\$ (211,650,186)
Adjustments to Reconcile Operating Loss to Net Cash Used by Operating Activities:	
Depreciation Expense	27,568,376
Change in Assets and Liabilities:	
Decrease in Accounts Receivable	15,096,868
Increase in Prepaid Expenses	(2,615,024)
Increase in Inventory	(964,061)
Increase in Loans Receivable	(126,251)
Decrease in Accounts Payable	(6,198,559)
Increase in Other Accrued Liabilities	795,390
Decrease in Deferred Revenue	(9,078,145)
Net Cash Used by Operating Activities	\$ (187,171,592)

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

New Mexico State University

Statement of Cash Flows

For the Year Ended June 30, 2007

	Primary Institution
Cash Flows from Operating Activities	
Tuition and Fees and Other Student Payments Received	\$ 64,905,804
Grants and Contracts Received	172,308,691
Payments to Suppliers	(104,486,763)
Payments for Travel	(14,131,353)
Payments to Employees and for Employee Benefits	(309,421,777)
Disbursement of Net Aid to Students	(54,696,651)
Receipts from Sales and Services	36,860,300
Other Operating Revenues	28,871,076
Net Cash Used by Operating Activities	(179,790,673)
Cash Flows from Non-Capital Financing Activities	
State Appropriations	189,521,403
Gifts for Other than Capital Purposes	6,255,459
Private Gifts for Endowment	19,913,581
Other Non-Operating Expense	(12,851,094)
Net Cash Provided by Non-Capital Financing Activities	202,839,349
Cash Flows from Capital and Related Financing Activities	
Proceeds from Capital Debt	89,566
Capital Gifts, Grants and Contracts	25,841,882
Purchases/Construction/Renovation of Capital Assets	(35,202,410)
Principal Paid on Capital Debt and Leases	(13,874,780)
Interest and Fees Paid on Capital Debt and Leases	(1,945,060)
Building Fees Received from Students	6,439,981
Net Cash Used by Capital and Related Financing Activities	(18,650,821)
Cash Flows from Investing Activities	
Proceeds from Sales and Maturities of Investments	18,447,222
Interest on Investments	6,251,147
Purchase of Investments	(16,929,523)
Realized Gain on Investments	(589,225)
Net Cash Provided by Investing Activities	7,179,621
Net Increase in Cash and Cash Equivalents	11,577,476
Cash and Cash Equivalents - Beginning of Year	20,504,188
Cash and Cash Equivalents - End of Year	<u>\$ 32,081,664</u>
Reconciliation of Operating Loss to Net Cash Used by Operating Activities:	
Operating Loss	\$ (200,130,369)
Adjustments to Reconcile Operating Loss to Net Cash Used by Operating Activities:	
Depreciation Expense	26,898,610
Change in Assets and Liabilities:	
Increase in Accounts Receivable	(28,616,014)
Increase in Prepaid Expenses	(297,027)
Decrease in Inventory	39,633
Increase in Loans Receivable	(157,038)
Increase in Accounts Payable	8,697,343
Decrease in Other Accrued Liabilities	(7,802,762)
Increase in Deferred Revenue	21,576,951
Net Cash Used by Operating Activities	<u>\$ (179,790,673)</u>

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

Note 1 – Organization

The New Mexico State University (the University or Primary Institution) was created under Section 21-8-1 New Mexico Statutes Annotated (NMSA), Article XII, Section 11, of the New Mexico State Constitution. Under Article XII, Section 13 of the New Mexico Constitution, the University is governed by a five-member Board of Regents appointed by the Governor, with the advice and consent of the Senate, for six-year terms, with the exception of the student member who serves for two years. Members may serve more than one term. The President of the University acts as Chief Executive Officer.

The University was originally founded in 1888, and in 1889 was established as a land-grant college in accordance with the provisions of the Morrill Act of 1862. As such, the University continues to provide a liberal and practical education for students and to sustain programs of research, extension education, and public service. The University offers a broad program of instruction at the undergraduate and advanced degree levels in Agriculture and Home Economics, Arts and Sciences, Business, Education, Engineering, and Health and Social Services. Other programs include Intercollegiate Athletics, Centers for Basic Research, the Agricultural Experiment Stations, the Physical Science Laboratory for contract research, the Cooperative Extension Service, the New Mexico Department of Agriculture and community colleges at Alamogordo, Carlsbad, Doña Ana County, and Grants.

The “Discrete Component Unit” referred to throughout this document represents the New Mexico State University Foundation, Inc. (Foundation). The Foundation is a not-for-profit corporation established to acquire and manage charitable gifts, including endowed funds, to be used solely for the benefit of the University.

Note 2 – Summary of Significant Accounting Policies

Basis of Presentation. The Governmental Accounting Standards Board’s (GASB) Statement No. 39, *Determining Whether Certain Organizations are Component Units*, provides additional guidance to determine whether certain organizations for which the primary government is not financially accountable should be reported as component units, based on the nature and significance of their relationship with the primary government.

Under GASB 39 criteria, the Foundation is an affiliated organization that meets the criteria for discrete component unit presentation. Arrowhead Center, Inc. is a component unit which meets the criteria for blended presentation. The University and its blended component unit are shown as the primary institution column in the financial statements. The component units have separately audited financial statements, which can be obtained at their administrative offices. Addresses for the component units are in Note 12.

The University adopted GASB 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. This Statement establishes standards for the measurement, recognition, and display of OPEB expense and related liabilities (assets), note disclosures, required supplementary information (RSI) in the financial reports of state and local governmental employers. This Statement generally provides for prospective implementation—that is, that employers set the beginning net OPEB obligation at zero as of the beginning of the initial year. This Statement is effective for periods beginning after December 15, 2006, for phase 1 governments (those with total annual revenues of \$100 million or more), and therefore applicable for the University’s 2008 fiscal year.

Basis of Accounting. The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as prescribed by the Government Accounting Standards Board (GASB), the American Institute of Certified Public Accountants' (AICPA) guide, and the New Mexico Higher Education Department's Financial Reporting for Public Institutions in New Mexico.

For financial reporting purposes, the University is considered a special-purpose government engaged only in business-type activities. Accordingly, the University's primary institution financial statements have been presented in a single column using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis, revenues are recognized when earned and expenses are recorded when an obligation has been incurred. All significant inter-agency transactions have been eliminated. Eliminations are not performed between the Primary Institution and the Discrete Component Unit. The University is an agency of the State of New Mexico and, as such, is included in the State of New Mexico's Comprehensive Annual Financial Report.

The University has the option of applying Financial Accounting Standards Board (FASB) pronouncements issued after November 30, 1989, unless the FASB pronouncement conflicts with GASB guidance. The University has elected to not apply FASB pronouncements issued after the applicable date.

Statement of Net Assets. Current Assets consist of unrestricted assets which are available for current operations or which will be available within one year and restricted assets that will be used in current operations. All other assets are included as Non-Current Assets. Current Liabilities consist of those liabilities that are due within one year including the current portion of any long-term liabilities.

Cash and Investments. Cash and Cash Equivalents consist of cash on hand and current investments, which are defined as investments that are readily convertible to cash or which have an original maturity date of three months or less.

The University accounts for its investments at fair value. Changes in the unrealized gain (loss) on the carrying value of investments are reported as a component of Investment Income (Loss) in the Statement of Revenues, Expenses, and Changes in Net Assets.

The Foundation records purchased marketable securities at cost; marketable securities received by gift are recorded at estimated fair value at the date of donation. Marketable securities are carried by the Foundation at fair value based on quoted market prices, except for certain alternative investments for which quoted market prices are not available. The estimated fair value of these alternative investments is based on the most recent valuations provided by the external investment managers. The Foundation believes the carrying amount of these financial instruments is a reasonable estimate of the fair value. Because alternative investments are not readily marketable, their estimated value is subject to uncertainty and therefore may differ from the value that would have been used had a ready market for such investments existed. Third-party investment managers administer substantially all marketable securities of the Foundation. Gains and losses resulting from securities transactions are recorded in Investment Income.

The Foundation manages a Common Endowment Pool (Pool), consisting of assets invested to support programs of the University. A portion of these assets belongs to the University and is included in Investments Held in Trust by Component Unit for NMSU in the primary institution financial statements. The Foundation owns the remainder which consists of endowments and charitable gift annuities. These are included in Other Long-Term Investments in the component unit financial statements. The liabilities

related to the charitable gift annuities are included in Other Long-Term Liabilities of the Component Unit.

Donor restricted endowment disbursements of the net appreciation of investments are permitted in accordance with the Uniform Management of Institutional Funds Act [46-9-1 to 46-9-12 NMSA], except where a donor has specified otherwise. The Investment Committee of the Foundation establishes a target investment allocation designed to support distributions from the Pool and to protect the purchasing power of the endowment principal. Distributions from the Pool are made available to the University entities that benefit from each individual endowment. The annual spending distribution is computed quarterly based on the average market value of a unit in the Pool for the preceding twelve quarters (three years). The Investment Committee of the Foundation sets the annual distribution rate, which must be, in accordance with agreements with endowment donors, between four and six percent of the average market value. The distributions for the years ended June 30, 2008 and 2007, were four percent of the average market value.

Accounts Receivable. Accounts Receivable includes the following two primary categories: tuition and fee charges to students and auxiliary enterprise services provided to students, faculty and staff, and amounts due from the federal government, state and local governments, or private sources, in connection with reimbursement of allowable expenditures made pursuant to the University's sponsored awards. Accounts Receivable are recorded net of estimated uncollectible amounts.

Inventories. Inventories are generally stated at the lower of cost or market. Cost is determined by using the retail method for bookstore items and the average cost method, which approximates the first-in-first-out method, for most other items. Inventories consist of items which are available for resale to individuals and/or other University departments, including research supplies, livestock and bookstore items. Departmental inventories comprised of such items as classroom and laboratory supplies, teaching materials and office supply items, which are consumed in the teaching and administrative process, are expensed when purchased.

Investments Held in Trust for Others. The Foundation holds several irrevocable charitable remainder trusts and a pooled income fund. Together, these are reflected in the accompanying financial statements as Investments Held in Trust for Others.

The charitable remainder trusts designate the Foundation as both trustee and remainder beneficiary. The Foundation is required to pay to the donor (or another donor-designated income beneficiary) either a fixed amount or the lesser of a fixed percentage of the fair market value of the trust's assets or the trust's income during the beneficiary's life.

Trust assets are measured at fair value when received. A corresponding trust liability, included in Other Long-Term Liabilities, is measured at the present value of expected future cash flows to be paid to the beneficiary. Upon death of the income beneficiary, substantially all of the principal balance passes to the Foundation to be used in accordance with the donor's wishes.

The pooled income fund was formed with contributions from several donors. The contributed assets are invested and managed by the Foundation. Each donor (or designated beneficiary) periodically receives, during his or her life, a share of the income earned on the fund proportionate to the value of the contribution to the fund. Upon death of the income beneficiary, substantially all of the principal balance passes to the Foundation to be used in accordance with the donor's wishes. Contribution revenue is measured at the fair value of the assets received, discounted for a term equal to the life expectancy of the beneficiary.

Capital Assets. Capital Assets are recorded at cost at the date of acquisition, or fair market value at the date of donation in the case of gifts. For equipment, the University's capitalization policy includes all items with a unit cost of \$5,000 or greater for all equipment acquired beginning July 1, 2005 and \$1,000 or greater for all equipment acquired prior to July 1, 2005. Software is capitalized in two categories, minor (\$5,000 to \$9,999) or major (\$10,000 or greater). Renovations to buildings (\$100,000 or greater), infrastructure (\$50,000 or greater), or land improvements (\$50,000 or greater) that significantly increase the value, increase the productivity, or extend the useful life of the structure are capitalized. Routine repairs and maintenance are charged to operating expense in the year in which the expense was incurred.

Depreciation for the primary institution is computed using the straight-line method over the estimated useful lives of the assets. Certain buildings are componentized and depreciated based on the useful life of each individual component, such as flooring, structure, or roof with the depreciable lives ranging from 12 to 50 years. Infrastructure is depreciated over 10 or 20 years; 6 or 15 years for equipment; 15 years for library books; 5 or 10 years for software; and 5 years for leasehold improvements. Land and land improvements are not depreciated.

Capital Assets of the Foundation are stated at cost, except for works of art the Foundation intends to hold indefinitely, which are recorded at fair value on the date of donation. Additions and major improvements are capitalized in the appropriate asset accounts. Repairs and maintenance are charged to expense as incurred.

Straight-line depreciation is recorded for the Component Unit's capital assets over the following periods approximating the useful lives of each class of asset: computer equipment and software, 5 years; furniture and equipment, 7 years; and automobiles, 5 years. Other items may be depreciated based on the useful life, ranging from 10 to 15 years.

Accrued Liabilities. Accrued Liabilities include accrued current payroll and fringe benefits. These benefits consist of the employee and employer portions of taxes, insurance, retirement and other compensation related withholdings.

Non-Current Liabilities. Non-Current Liabilities include (1) principal amounts of revenue bonds payable and contracts payable; and (2) estimated amounts of accrued compensated absences and other liabilities.

Annual and Sick Leave Policies. Regular full-time exempt and non-exempt employees earn annual leave at a rate of 22 working days per year and sick leave at a rate of 12 working days per year. Leave is prorated for regular employees working at least half-time. University policy allows employees to accumulate a maximum of 30 unused annual leave days. Accumulated annual leave for non-exempt individuals employed by the University for over six months and for exempt individuals is paid upon termination. Accumulated sick leave over 75 days is paid upon termination at one-half the employee's hourly rate, to a maximum of 25 days.

Net Assets. The University's net assets are classified as follows:

Invested in Capital Assets, net of related debt: This represents the University's total capital assets, net of accumulated depreciation and outstanding debt obligations related to those capital assets. To the extent that debt has been incurred but not yet expended for capital assets, amounts are not included as a component of invested in capital assets, net of related debt.

Restricted Net Assets - Expendable: Restricted expendable net assets include resources which the University is legally or contractually obligated to spend in accordance with restrictions imposed by external third parties.

Restricted Net Assets – Non-Expendable: Non-expendable restricted net assets consist of endowment and similar type assets for which donors or other outside sources have stipulated, as a condition of the gift instrument, that the principal is to be maintained inviolate and in perpetuity, and invested for the purpose of producing present and future income, which may either be expended or added to principal.

Unrestricted Net Assets: Unrestricted net assets represent all other resources, including those derived from student tuition and fees, state appropriations, and sales and services. These resources are used for transactions relating to the educational and general operations of the University, and may be used at the discretion of the governing board to meet current expenses for any purpose. These resources also include auxiliary enterprises, which are substantially self-supporting activities that provide services for students, faculty, and staff. Unrestricted net assets of the component units represent resources that may be used at the discretion of the governing boards of the component units to meet current expenses for any purpose.

When an expense is incurred that can be paid using either restricted or unrestricted resources, the University's policy is to first apply the expense towards restricted resources, and then towards unrestricted resources.

Elimination Entries. Eliminations have been made in the Statement of Revenues, Expenses, and Changes in Net Assets to remove the effect of internal charges incurred for service activities in excess of the cost of providing those services and for revenue recognized by the Auxiliary Service departments for sales to other university departments. The effects of assets due from and liabilities due to the University from its blended component unit are eliminated from the Statement of Net Assets. Elimination entries are not recorded between the Primary Institution and the Discrete Component Unit.

Income Taxes. The income generated by the University, as an instrumentality of the State of New Mexico, generally is excluded from federal income taxes under section 115(a) of the Internal Revenue Code. However, taxes will be assessed at the normal corporate rates on income derived from business activities not substantially related to the University's exempt function (unrelated business income under Internal Revenue Code Section 511). Contributions to the University are deductible by donors as provided under Section 170 of the Internal Revenue Code.

The Foundation is exempt from federal income taxes under Internal Revenue Code section 501(c)(3).

Classification of Revenues. The University has classified its revenues as either operating or non-operating revenues according to the following criteria:

Operating Revenues: Operating revenues of the Primary Institution include activities that have the characteristics of exchange transactions, such as (1) student tuition and fees, net of scholarship discounts and allowances; (2) sales and services of auxiliary enterprises; (3) most federal, state and local grants and contracts and federal appropriations; and (4) interest on institutional student loans. Operating revenues of the Discrete Component Unit consists of gifts, grants, and fundraising activities in support of Foundation and University programs.

Non-Operating Revenues: Non-operating revenues include activities that have the characteristics of non-exchange transactions, such as gifts and contributions, state appropriations, investment income, and other revenue sources that are defined as non-operating revenues by GASB 9, *Reporting Cash Flows Proprietary and Non-expendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting*, and GASB 34. These revenue streams are recognized under GASB Statement No. 33, *Accounting and Financial Reporting for Non-exchange Transactions*. Revenues are recognized when all applicable eligibility requirements have been met.

Classification of Expenses. The University has classified its expenses as either operating or non-operating expenses according to the following criteria:

Operating Expenses: Operating expenses include activities that have the characteristics of exchange transactions, such as (1) employee salaries, benefits, and related expenses; (2) scholarships and fellowships, net of scholarship discounts and allowances; (3) utilities, supplies, and other services; (4) professional fees; and (5) depreciation expenses related to property, plant, and equipment.

Non-Operating Expenses: Non-operating expenses include activities that have the characteristics of non-exchange transactions, such as interest on capital asset-related debt and other expenses that are defined as non-operating expenses by GASB 9, *Reporting Cash Flows of Proprietary and Non-expendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting*, and GASB 34.

Scholarship Discounts and Allowances. Student tuition and fee revenues and certain other revenues from students are reported net of scholarship discounts and allowances in the Statements of Revenues, Expenses, and Changes in Net Assets. Scholarship discounts and allowances are the difference between the stated charge for goods and services provided by the University and the amount that is paid by students and/or third parties making payments on the student's behalf. Certain governmental grants, such as Pell grants and other federal, state or non-governmental programs, are recorded as either operating or non-operating revenues in the University's financial statements. These determinations are made based on definitions in GASB 9 and GASB 34. To the extent that revenues from such programs are used to satisfy tuition and fees and other student charges, the University has recorded scholarship discount and allowance as a contra-revenue.

Budgetary Process. Operating budgets are submitted for approval to the Board of Regents, the New Mexico Higher Education Department (HED), and the New Mexico Department of Finance and Administration-State Budget Division (DFA). Similarly, budget requests are submitted to and approved by the Board of Regents, then forwarded to the HED and DFA. These state-level agencies develop consolidated funding recommendations for all higher education institutions which are considered for appropriation during the annual legislative sessions. The legal level of budgetary control is at the functional level, in accordance with NMAC 5.3.4.10. For fiscal years 2008 and 2007, NMAC 5.3.4.10 was violated, resulting in line item unfavorable budget variances totaling \$8,335,980 and \$8,975,582, respectively. Cash basis of accounting is used for budgetary comparison. If total expenditures by branch are expected to exceed the approved budget, the University is required to submit a Board of Regents approved budget adjustment request to the HED which is subsequently forwarded to the DFA. In accordance with House Bill 2, in general, unexpended state appropriations to the University do not revert at the end of each fiscal year. All state appropriations are accounted for separately in the accounting system.

Joint Powers Agreements (JPA).

1. The Regents of New Mexico State University, the Regents of the University of New Mexico and the Regents of the New Mexico Institute of Mining and Technology entered into an agreement to form the New Mexico University Research Consortium (NMURC), effective May 4, 2006. The purpose of the Research Consortium is to promote statewide cooperation in attracting research resources to New Mexico, managing them for the State's higher education research facilities, other New Mexico research facilities and for the benefit of New Mexico economic development. The agreement remains in force indefinitely. Any party may choose to withdraw with sixty days written notice. At such time, the remaining parties have forty-five days to agree to maintain the NMURC or the JPA will terminate on the date of withdrawal. The agreement does not create any obligation for the parties to transfer funds to the NMURC. As the agreement is primarily to grant the power to establish non-profit corporations to carry on this work, there is not a total estimated cost of the project available at this time, and the University has not committed to any funding. In fiscal year 2008, the University contributed no funds to the project. NMURC is the fiscal agent for the project, reporting revenues and expenses of the consortium, and accepting audit responsibility.
2. The Regents of New Mexico State University have entered into Memorandums of Understanding with two local school districts, Las Cruces Public Schools and Gadsden Independent Schools, to provide leadership coursework curriculum for district staff. The University oversees the program, which is currently in effect from August 1, 2007 through August 30, 2008, and is renewable for future years. NMSU acts as fiscal agent, reporting revenues and expenses, and accepting audit responsibility. The total expenses recorded for the current year's agreements are \$170,000.
3. The Regents of New Mexico State University and the New Mexico Public Education Department have entered into a Joint Powers Agreement to support NMSU's Regional Educational Technology Assistance program. The current agreements are in effect between July 1, 2007 and June 30, 2008. NMSU acts as fiscal agent, reporting revenues and expenses, and accepting audit responsibility. The total expenses recorded for the current year's agreements are \$352,356.
4. The Regents of New Mexico State University, the Regents of the New Mexico Institute of Mining and Technology and the State of New Mexico General Services Department Communications Division entered into an agreement to cooperate, jointly manage and share telecommunications facilities namely, fiber optic infrastructure located between El Paso, Texas and Santa Fe, New Mexico, effective on September 1, 2005. The project establishes a foundation to create a self provisioned statewide fiber optic network to be utilized by agencies and universities within the State of New Mexico. The agreement continues in effect until the termination of the NMSU/FiberCo contract, which is September 30, 2025, or upon the parties' written agreement to terminate this agreement. The total estimated cost of the project is \$3,003,240, and the University's estimated portion is \$750,810. In fiscal year 2008, the University contributed \$134,927 to the project. Each party to the agreement acts as its own fiscal agent, reporting its own revenues and expenses, and accepting audit responsibility.
5. The Regents of New Mexico State University and the Department of Finance and Administration have entered into a Memorandum of Understanding to transfer an appropriation for soil conservation districts to match federal funds for water conservation and resource restoration technical assistance, pursuant to an agreement with the United States Department of Agriculture Resources Conservation Services. The University oversees the program, which is

currently in effect from July 1, 2007 through June 30, 2008. The University acts as fiscal agent, reporting revenues and expenses, and accepting audit responsibility. The total expenses for the current year's agreement are \$500,000.

Use of Estimates. The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Other Significant Accounting Policies. Other significant accounting policies are set forth in the following notes.

Note 3 - Cash and Investments

The University is authorized by the Board of Regents to invest all available University cash. The classification "Cash and Cash Equivalents" includes cash in banks (deposits), cash on hand, petty cash change funds, and funds invested in overnight repurchase agreements.

The Foundation (see Note 12) invests endowment and similar funds for the benefit of the University under the terms of a revocable agreement. These assets are invested in a common pool and as of June 30, 2008 and 2007, the University owned 17,288,615 and 16,230,760 shares which represented 30.99% and 31.02% of the total shares in the pool, respectively. The fair value per share as of June 30, 2008 and 2007, was \$2.19 and \$2.36, respectively.

Cash. The University's deposits are in demand and time deposit accounts at local financial institutions. The University requires a minimum of 50 percent collateralization of all uninsured funds deposited with a financial institution, with the exception of overnight repurchase agreements, which require 102 percent collateralization. All collateral is held in third-party safekeeping in the name of the University. The majority of the total deposits were invested in interest bearing accounts at June 30, 2008 and 2007.

Investments. The Senior Vice President for Business, Finance and Human Resource Services, the Associate Vice President, the Controller and the Director of Treasury Services are authorized to purchase and to sell investments of the University. Investments are required to be made in a prudent manner so as to ensure an acceptable yield with a minimum risk within the guidelines of the University's investment policy, which requires investment in securities or other financial instruments which are not contrary to Section 6-10-10 and 46-9-1 through 46-9-12 NMSA 1978, existing bond covenants or other externally placed restrictions. At June 30, 2008 and 2007, certificates of deposit are categorized as described in the collateralization of deposits section of this note with all remaining investments being held in the name of the University by its agent, or held by the University. The investments not related to the Foundation consisted of certificates of deposit and U.S. Agency Securities at June 30, 2008 and 2007. The Foundation's short-term investments in marketable securities consisted entirely of domestic stocks and bonds at June 30, 2008 and 2007.

Endowment investments of \$88,960,169 and \$92,106,900 at June 30, 2008 and 2007, respectively, represent longer term investments in debt and equity securities, including, but not limited to, pooled or common trust funds holding such types of securities, subject to any specific limitation set forth in the applicable gift instrument.

At June 30, 2008 and 2007, the investments of the University and its component unit consisted of the following:

	2008 Weighted Average Maturity (Years)	Fair Value	2007 Weighted Average Maturity (Years)	Fair Value
U.S. Agency Securities	3.50	\$ 42,228,749	1.67	\$ 66,192,118
Certificates of Deposit	1.00	511,100	1.00	111,100
Corporate Stocks and Bonds		198,825		191,298
Pooled Cash and Investments Held by Others		88,390,381		90,240,171
Total Investments		<u>\$ 131,329,055</u>		<u>\$ 156,734,687</u>
Foundation:				
U.S Government and Agency Securities		\$ 4,026,252		\$ 4,657,629
Corporate Stocks and Bonds		58,826,680		62,943,291
Alternative Investments		16,623,563		14,310,068
Other Investments		1,356,316		2,098,104
Cash and Investments Held by Others		376,029		1,932,771
Total Investments		<u>\$ 81,208,840</u>		<u>\$ 85,941,863</u>

Investments held in trust by the Foundation for the University are reflected in the Primary Institution section of the table above and not the Component Unit section. Investments Held in Trust for Others by the Foundation are not included in this note.

In accordance with State Statutes, the Land Grant Permanent Fund is held by the State of New Mexico for the benefit of the University.

Pooled Cash and Investments Held by the Discrete Component Unit for the Primary Institution were composed of the following at June 30, 2008 and 2007:

	2008	2007
Primary Institution:		
Equities	74%	78%
Fixed Income	20%	19%
Cash and Cash Equivalents	1%	3%
Investments not securities	5%	0%
	<u>100%</u>	<u>100%</u>

Collateralization of Deposits. At June 30, 2008 and 2007, the recorded values of the Primary Institution's cash and time deposits with financial institutions were \$5,866,749 and \$14,193,671, respectively. Bank balances (which differ from the reported values due to reconciling items) are categorized as follows:

	2008	2007
Primary Institution		
Amount insured by the Federal Deposit Insurance Corporation	\$ 725,150	\$ 519,647
Amount collateralized with securities held by the pledging Financial Institution	12,032,155	17,853,334
Uncollateralized	35,000	-
Total Cash and Time Deposit Bank Balances	<u>12,792,305</u>	<u>18,372,981</u>
Time Deposits	(511,100)	(111,100)
Cash Equivalents	52,036,558	17,922,374
Other Reconciling Items	(6,280,313)	(4,102,591)
Total Reported Cash Balance	<u>\$ 58,037,450</u>	<u>\$ 32,081,664</u>
Foundation		
Amount insured by the Federal Deposit Insurance Corporation	\$ 190,958	\$ 187,578
Amount in excess of FDIC coverage	9,655	-
Amount at Merrill Lynch insured by Security Investor Protection Corporation (SIPC) and the Federal Deposit Insurance Corporation	11,911,884	8,969,527
Total Reported Cash Balance	<u>\$ 12,112,497</u>	<u>\$ 9,157,105</u>

At June 30, 2008, the Primary Institution's cash and cash equivalents with reconciling items are detailed as follows:

Account	Type of Account	Bank Balance	Reconciling Items	Book Balance
Bank of America				
Operational	General	\$ 3,613	\$ -	\$ 3,613
First National Bank of Alamogordo				
Operational	Checking	81,941	(5,941)	76,000
Operational	Debt Service	264,054	-	264,054
First New Mexico Bank				
Certificate of Deposit	Investment	100,000	(100,000)	-
East Texas National Bank				
Operational	Checking	49,343	(8,175)	41,168
Grants State Bank				
Operational	Checking	61,094	-	61,094
Wells Fargo Bank of New Mexico				
Operational	Checking	-	(5,970,955)	(5,970,955)
Operational	Student ACH	-	6,151	6,151
Operational	General	-	83,369	83,369
Operational	Payroll	-	(595,804)	(595,804)
Operational	Credit Card	-	83,248	83,248
Operational	Debt Service	3,222,150	-	3,222,150
Operational	Deposit	-	6,117	6,117
Operational	Cash Management	1,348,505	-	1,348,505
Repurchase Agreement	Repurchase	7,034,296	308	7,034,604
Western Commerce Bank of Carlsbad				
Operational	Checking	197,676	(2,910)	194,766
Operational	Deposit	18,533	1,236	19,769
Mesilla Valley Bank				
Certificate of Deposit	Investment	100,000	(100,000)	-
Bank of the Rio Grande				
Certificate of Deposit	Investment	300,000	(300,000)	-
Citizen's Bank of Las Cruces				
Certificate of Deposit	Investment	11,100	(11,100)	-
Cash on Hand				
Cash on Hand	Cash	-	123,043	123,043
Federated Investment Manager				
Dividend Reinvestment	Money Market	52,036,558	-	52,036,558
Total Cash and Cash Equivalents		<u>\$ 64,828,863</u>	<u>\$ (6,791,413)</u>	<u>\$ 58,037,450</u>

At June 30, 2008, the Primary Institution's deposit accounts and investments with reconciling items are detailed as follows:

Account	Type of Account	Bank Balance	Reconciling Items	Book Balance
Morgan Keegan				
U.S. Agency Securities	Investment	\$ 18,948,040	\$ -	\$ 18,948,040
A.G. Edwards				
Corporate Stocks and Bonds	Investment	23,269	-	23,269
FTN Financial				
U.S. Agency Securities	Investment	23,175,740	-	23,175,740
Forensic Testing and Laboratory				
Corporate Stocks and Bonds	Investment	30,000	-	30,000
Eberhardt Memorial				
Corporate Stocks and Bonds	Investment	5,915	-	5,915
Principal Funds				
Corporate Stocks and Bonds	Investment	102,685	-	102,685
Franklin Templeton				
Corporate Stocks and Bonds	Investment	36,956	-	36,956
First New Mexico Bank				
Certificate of Deposit	Investment	100,000	-	100,000
Mesilla Valley Bank				
Certificate of Deposit	Investment	100,000	-	100,000
Bank of the Rio Grande				
Certificate of Deposit	Investment	300,000	-	300,000
Citizen's Bank of Las Cruces				
Certificate of Deposit	Investment	11,100	-	11,100
Department of the Treasury Bureau of the Public Debt				
U.S. Agency Securities	Investment	59,238	-	59,238
First Tennessee National Bank Association				
U.S. Agency Securities	Investment	45,731	-	45,731
New Mexico State Investment Council				
Permanent Land Fund	Investment	50,548,004	-	50,548,004
New Mexico State University Foundation, Inc.				
NMSU Endowments	Investment	37,842,377	-	37,842,377
Total Investments		<u>\$ 131,329,055</u>	<u>\$ -</u>	<u>\$ 131,329,055</u>

At June 30, 2008, the Foundation's cash and cash equivalents and deposit accounts and investments with reconciling items are detailed as follows:

Account	Type of Account	Bank Balance	Reconciling Items	Book Balance
Wells Fargo Bank of New Mexico				
Operational	Checking	\$ 33,579	\$ (16,734)	\$ 16,845
Operational	Money Market	16,215	-	16,215
Program	ACH	30,122	-	30,122
Citizens Bank of Las Cruces				
Program	Checking	93,909	(66,133)	27,776
Program	Money Market	97,302	12,353	109,655
Merrill Lynch				
Operational	Checking	247,292	-	247,292
Operational	Money Market	72,243	-	72,243
Program	Checking	317,848	-	317,848
Program	Money Market	9,622,029	-	9,622,029
Reconciling year-end adjustment		-	587,963	587,963
Investments - Merrill Lynch				
Managers				
Hedge Access	Money Market	1,781,107	-	1,781,107
Eagle	Money Market	782,185	-	782,185
McDonnell	Money Market	552,807	-	552,807
Tradewinds NWQ	Money Market	428,092	-	428,092
Earnest	Money Market	253,723	-	253,723
NWQ	Money Market	239,680	-	239,680
Insight	Money Market	189,970	-	189,970
Fred Alger	Money Market	174,950	-	174,950
Oppenheimer	Money Market	155,919	-	155,919
Venture Capital	Money Market	135,781	-	135,781
Alliance Bernstein	Money Market	112,990	-	112,990
Managed Futures	Money Market	104,518	-	104,518
Invesco REITS	Money Market	95,373	-	95,373
Altheia (Large Cap Value)	Money Market	84,608	-	84,608
Chase	Money Market	50,869	-	50,869
Altheia (Large Cap Growth)	Money Market	21,559	-	21,559
NMSU Business College	Money Market	3,878	-	3,878
Less Cash allocated to NMSU for Assets	Money Market	(4,103,500)	-	(4,103,500)
Total Cash and Cash Equivalents		<u>\$ 11,595,048</u>	<u>\$ 517,449</u>	<u>\$ 12,112,497</u>
Merrill Lynch				
U.S. Government and Agency Securities	Investment	\$ 4,026,252	\$ -	\$ 4,026,252
Corporate Stocks and Bonds	Investment	48,152,774	-	48,152,774
Mortgage-backed Securities	Investment	10,673,906	-	10,673,906
Limited Partnerships				
Alternative Investments	Investment	16,623,563	-	16,623,563
Real Estate Holdings				
Other Investments	Investment	1,356,316	-	1,356,316
Various Financial Institutions				
Other Investments	Investment	376,029	-	376,029
Total Investments		<u>\$ 81,208,840</u>	<u>\$ -</u>	<u>\$ 81,208,840</u>

Interest Rate Risk. In accordance with the University's investment policy, investment maturities are scheduled to coincide with projected cash flow based on the needs of the University. The University does not commit any discretionary funds to maturities longer than ten years from the date of purchase. Funds are only committed to maturities longer than five years from date of purchase if directly related to a specific capital or other long-term project. Investment of non-discretionary funds reflect maturity dates not to exceed the final maturity dates established within the funds' restrictive purposes. At least 50% of all cash and investment balances are invested in maturities under two years.

A summary of the investments at June 30, 2008 and their exposure to interest rate risk are as follows:

	Short/Long Term	Fair Value	Less than 1 Year	1 -5 Years	6 - 10 Years	Greater than 10 Years
Primary Institution:						
Agency Securities	Long-Term	\$ 42,228,749	\$ -	\$ 42,228,749	\$ -	\$ -
Certificates of Deposits	Short-Term	511,100	511,100			
Corporate Stocks and Bonds	Short-Term	198,825	198,825			
Pooled Cash and Investments Held by others	Long-Term	88,390,381	-	88,390,381		
Total Investments		\$ 131,329,055	\$ 709,925	\$ 130,619,130		
Foundation:						
U.S. Government and Agency Securities	Long-Term	\$ 4,026,252	\$ -	\$ 2,778,114	\$ 1,248,138	\$ -
Corporate and Foreign Bonds	Short/Long- Term	2,873,048	66,080	1,241,157	1,565,811	
Foreign Stocks	Long-Term	10,673,906	32,022	597,738	1,152,782	8,891,364
Cash and Investments Held by Others	Long-Term	376,029	376,029			
Items not subject to interest rate risk:						
Corporate and Foreign Stocks	Not Aged	45,279,726	45,279,726			
Mortgage-backed Securities	Not Aged	16,623,563	16,623,563			
Other Investments	Not Aged	1,356,316	1,356,316			
Total Investments		\$ 81,208,840	\$63,733,736	\$ 4,617,009	\$ 3,966,731	\$ 8,891,364

Credit Risk. The University's investment policy limits investment in money market instruments and other securities of commercial banks, broker-dealers or recognized financial institutions to those rated in the highest Rating Category by any nationally recognized statistical rating organization (NRSROs) or which are guaranteed by a person or entity whose long-term debt obligations are rated in the highest Rating Category by any NRSRO, including, without limitation, securities of, or other interests in, any open-end or closed-end management type investment company or investment trust registered under the provisions of 15 USC Sections 80(a)-1 et. seq., which invest only in, or whose securities are secured by obligations of the government of the United States of America.

A summary of the investments at June 30, 2008 and their exposure to credit risk are as follows:

	Rating	Fair Value
Primary Institution:		
US Agency Securities	Moody's—Aaa	\$ 42,228,749
Certificates of Deposits	Federally Insured	511,100
Corporate Stocks and Bonds	Moody's—B3/B	6,104
	Moody's—BBA1/BBB	10,177
	Not Rated	6,988
	Morning Star—5	5,915
	Not Rated	132,685
	Not Rated	36,956
Pooled Cash and Investments Held by Others	N/A	88,390,381
Total Investments		\$ 131,329,055
Foundation:		
U.S. Government and Agency Securities	AAA	\$ 4,026,252
Corporate Bonds	AAA+	105,728
Corporate Bonds	AAA	2,193,285
Corporate Bonds	A3	51,715
Corporate Bonds	A2	450,494
Corporate Bonds	A1	56,886
Corporate Bonds	BBB2	14,940
Corporate Stocks	Not Rated	28,973,685
Foreign Stocks	Not Rated	16,306,041
Mortgage-backed Securities	AAA+	10,673,906
Alternative Investments	Not Rated	16,623,563
Cash and Investments Held by Others	Not Rated	376,029
Other Investments (Real Estate and Investment Interest)	N/A	1,356,316
Total Investments		\$ 81,208,840

Concentration of Credit Risk. The University diversifies its use of investment instruments to avoid incurring unreasonable risks inherent in over-investing in specific instruments, individual financial institutions or maturities. With the exception of U.S. Treasury securities and authorized pools, no more than 50% of the total investment portfolio is invested in a single security type or with a single financial institution or at a single maturity. The University holds no investments with any issuer that represents 5% or more of total investments.

Custodial Credit Risk-Deposits. In the case of deposits, this is the risk that in the event of a bank failure, the University's deposits may not be returned to it. Neither the University, nor its discretely presented component unit, the Foundation, has a deposit policy for custodial credit risk. As of June 30, 2008 and 2007, total bank balances of the University were \$12,792,306 and \$18,261,881, respectively. A portion of the balances were subject to custodial credit risk in Category 2, uninsured and collateralized with securities held by the pledging financial institution, and Category 3, uninsured and uncollateralized, as follows:

	June 30, 2008	June 30, 2007
Category 2	\$ 12,032,155	\$ 17,853,334
Category 3	\$ 35,000	-

Custodial Credit Risk-Investments. For an investment, this is the risk that, in the event of the failure of the counterparty, the University will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. As of June 30, 2008 and 2007, the University's certificate of deposit balances were \$511,100 and \$111,100, respectively. There were no balances that were subject to custodial credit risk in Category 2, uninsured and collateralized with securities held by the pledging financial institution, and Category 3, uninsured and uncollateralized.

Note 4 – Accounts Receivable

Accounts Receivable consists of the following at June 30, 2008 and 2007:

	2008	2007
Primary Institution:		
Student Tuition and Fees	\$ 21,356,083	\$ 19,959,856
Federal, State, and Private Grants and Contracts	79,248,103	94,479,709
Other	3,236,483	2,168,630
Cash and Cash Equivalents Held in Trust for NMSU	2,307,239	1,932,771
Due from Component Units	600,036	2,728,934
Less: Allowance for Doubtful Accounts	(12,244,004)	(11,669,093)
Net Accounts Receivable	<u>\$ 94,503,940</u>	<u>\$ 109,600,807</u>
Foundation:		
Net Miscellaneous Accounts Receivable	<u>\$ 1,621,916</u>	<u>\$ 450,029</u>

The allowance for doubtful accounts includes consideration for the credit risk associated with the various receivables.

Note 5 – Capital Assets

Capital Assets as detailed below are stated at cost or if contributed, at fair market value at the date of gift. Net interest expense incurred during the construction period on revenue bond funded projects is capitalized as an asset.

Changes in capital asset balances for the year ended June 30, 2008, were as follows:

	Balance July 1 2007	Additions	Transfers	Retirements	Balance June 30 2008
Primary Institution:					
Capital Assets Not Being Depreciated:					
Land and Land					
Improvements	\$ 9,948,079	\$ 748,000	\$ -	\$ -	\$ 10,696,079
Construction in Progress	16,990,801	8,743,383	(14,977,739)	(15,701)	10,740,744
Software Implementation in Progress	1,142,446	-	(10,000)	-	1,132,446
Total Capital Assets Not Being Depreciated	\$ 28,081,326	\$ 9,491,383	\$ (14,987,739)	\$ (15,701)	\$ 22,569,269
Other Capital Assets:					
Buildings	\$ 457,943,014	\$ 16,305,674	\$ 14,525,488	\$ (2,044,787)	\$ 486,729,389
Infrastructure	39,556,949	2,308,764	452,251	-	42,317,964
Equipment	117,554,528	8,653,479	(43,947)	(7,374,661)	118,789,399
Software	12,440,333	523,216	53,947	-	13,017,496
Library Books	51,628,873	4,439,487	-	(12,628)	56,055,732
Total Other Capital Assets	679,123,697	32,230,620	14,987,739	(9,432,076)	716,909,980
Less Accumulated Depreciation for:					
Buildings	(197,060,440)	(14,567,388)	-	1,778,435	(209,849,393)
Infrastructure	(25,360,605)	(1,497,228)	-	-	(26,857,833)
Equipment	(85,903,241)	(8,044,743)	7,664	6,427,971	(87,512,349)
Software	(3,553,089)	(1,152,031)	(7,664)	-	(4,712,784)
Library Books	(36,932,776)	(2,306,986)	-	12,628	(39,227,134)
Total Accumulated Depreciation	(348,810,151)	(27,568,376)	-	8,219,034	(368,159,493)
Other Capital Assets, Net	\$ 330,313,546	\$ 4,662,244	\$ 14,987,739	\$ (1,213,042)	\$ 348,750,487
Capital Asset Summary:					
Capital Assets Not Being Depreciated	\$ 28,081,326	\$ 9,491,383	\$ (14,987,739)	\$ (15,701)	\$ 22,569,269
Other capital assets, at cost	679,123,697	32,230,620	14,987,739	(9,432,076)	716,909,980
Total Cost of Capital Assets	707,205,023	41,722,003	-	(9,447,777)	739,479,249
Less Accumulated Depreciation	(348,810,151)	(27,568,376)	-	8,219,034	(368,159,493)
Capital Assets, Net	\$ 358,394,872	\$ 14,153,627	\$ -	\$ (1,228,743)	\$ 371,319,756
Foundation, Capital Assets					
Capital Assets	\$ 1,003,628	\$ 49,017	\$ -	\$ (664,458)	\$ 388,187
Less Accumulated Depreciation	(506,685)	(51,132)	-	337,082	(220,735)
Capital Assets, Net	\$ 496,943	\$ (2,115)	\$ -	\$ (327,376)	\$ 167,452

Changes in capital asset balances for the year ended June 30, 2007, were as follows:

	Balance July 1 2006	Additions	Transfers	Retirements	Balance June 30 2007
Primary Institution:					
Capital Assets Not Being Depreciated:					
Land and Land Improvements	\$ 9,948,079	\$ -	\$ -	\$ -	\$ 9,948,079
Construction in Progress	52,161,402	13,066,986	(48,237,587)	-	16,990,801
Software Implementation in Progress	4,682,583	-	(3,540,137)	-	1,142,446
Total Capital Assets Not Being Depreciated	\$ 66,792,064	\$ 13,066,986	\$ (51,777,724)	\$ -	\$ 28,081,326
Other Capital Assets:					
Buildings	\$383,690,240	\$ 27,393,858	\$ 46,950,816	\$ (91,900)	\$457,943,014
Infrastructure	35,784,914	2,485,264	1,286,771	-	39,556,949
Equipment	118,989,462	5,629,757	-	(7,064,691)	117,554,528
Software	8,552,161	348,035	3,540,137	-	12,440,333
Library Books	49,764,295	1,871,690	-	(7,112)	51,628,873
Total Other Capital Assets	596,781,072	37,728,604	51,777,724	(7,163,703)	679,123,697
Less Accumulated Depreciation for:					
Buildings	(183,304,733)	(13,778,682)	-	22,975	(197,060,440)
Infrastructure	(23,954,727)	(1,405,878)	-	-	(25,360,605)
Equipment	(83,344,796)	(8,332,502)	-	5,774,057	(85,903,241)
Software	(2,305,102)	(1,247,987)	-	-	(3,553,089)
Library Books	(34,806,327)	(2,133,561)	-	7,112	(36,932,776)
Total Accumulated Depreciation	(327,715,685)	(26,898,610)	-	5,804,144	(348,810,151)
Other Capital Assets, Net	\$269,065,387	\$ 10,829,994	\$ 51,777,724	\$ (1,359,559)	\$330,313,546
Capital Asset Summary:					
Capital Assets Not Being Depreciated	\$ 66,792,064	\$ 13,066,986	\$ (51,777,724)	\$ -	\$ 28,081,326
Other Capital Assets, at Cost	596,781,072	37,728,604	51,777,724	(7,163,703)	679,123,697
Total Cost of Capital Assets	663,573,136	50,795,590	-	(7,163,703)	707,205,023
Less Accumulated Depreciation	(327,715,685)	(26,898,610)	-	5,804,144	(348,810,151)
Capital Assets, Net	\$335,857,451	\$ 23,896,980	\$ -	\$ (1,359,559)	\$358,394,872
Foundation, Capital Assets					
Capital Assets	\$ 982,159	\$ 102,554	\$ -	\$ (81,085)	\$ 1,003,628
Less Accumulated Depreciation	(430,728)	(121,675)	-	45,718	(506,685)
Capital Assets, Net	\$ 551,431	\$ (19,121)	\$ -	\$ (35,367)	\$ 496,943

The University's main campus water wells have permitted water rights equaling 11,454 acre feet per annum. Neither these water rights nor the livestock bred by the University are presented in the accompanying Statement of Net Assets, as there is no clear guidance from the GASB on their presentation. The State of New Mexico Land Office holds 193,272 surface and 254,627 sub-surface acres in trust for the University and manages the commercial use of this property including various leases and oil and gas exploration. The value of the land is recorded at the State of New Mexico Land Office; therefore this amount is not presented in the accompanying Statement of Net Assets.

On November 14, 2004, water damage in the electrical and mechanical room for television broadcasting transmitters occurred from a roof leak during a rain storm. This resulted in permanent damage to the television transmitter, pulser, electronic filter, surge protector, and other related assets. The original cost of these assets were recorded at \$625,120, with accumulated depreciation of \$623,589 and a net book value of \$1,531 at the time of the impairment. The damaged assets were removed from the University's books in accordance with University policies and procedures. These items were insured under the blanket property insurance carried by the State of New Mexico. A \$200,000 insurance advance was received in April 2005, and subsequent payments of \$99,000 and \$472,844 were received in March 2006 and January 2008, respectively. As of June 30, 2008, the total insurance proceeds received total \$771,844. The cost incurred as of June 30, 2008, to replace the assets total \$815,254. The University had no other significant asset impairments during the fiscal year ended June 30, 2008.

In March 2006, the University was selected to participate in Partners for the Advancement of Collaborative Engineering (PACE) to integrate 3-D solid modeling and other parametric-based applications into design, engineering, and manufacturing curricula. As a participant in this partnership, the University was given a non-exclusive, non-transferable license to install and use, solely for academic and educational purposes, CAD/CAM/CAE products and services in an aggregate amount of \$135,534,390. The University is required to return all copies of the software and the associated documentation at the expiration, cancellation, or termination, of the agreement. PACE has made similar donations to many universities and some software licenses donated by PACE are already available to education institutions essentially free of charge; therefore, this transaction was not recorded in the financial statements of the University.

Note 6 – Long-Term Liabilities

The University did not have any outstanding short-term debt for the years ended June 30, 2008 and 2007.

The balance of other long-term liabilities of the Foundation consists of the liabilities related to charitable gift annuities and charitable remainder unitrusts for which the Foundation serves as trustee. These liabilities are recorded at the present value of anticipated payments to the income beneficiaries. These are computed using the estimated life of each income beneficiary at June 30 each year and the applicable IRS discount interest rates.

Long-Term Liability activity for the Primary Institution and Discrete Component Unit for the year ended June 30, 2008, as follows:

	Balance July 1 2007	Additions	Reductions	Balance June 30 2008	Current Portion (due in 2009)
Primary Institution:					
Bonds and Contracts Payable:					
Revenue Bonds Payable	\$101,017,217	\$ -	\$ (5,591,503)	\$ 95,425,714	\$5,710,000
Contracts Payable	578,671	206,945	(244,293)	541,323	219,040
Total Bonds, Contracts	101,595,888	206,945	(5,835,796)	95,967,037	5,929,040
Other Liabilities:					
Accrued Compensated Absences	16,672,709	3,990,779	(1,814,842)	18,848,646	3,523,899
Other Post Employment Benefits	-	5,415,850	-	5,415,850	-
Other	309,219	426,494	(90)	735,623	9,360
Total Other Liabilities	16,981,928	9,833,123	(1,814,932)	25,000,119	3,533,259
Total Long-Term Liabilities	\$ 118,577,816	\$ 10,040,068	\$ (7,650,728)	\$ 120,967,156	\$ 9,462,299
	Balance July 1 2007	Additions	Reductions	Balance June 30 2008	Current Portion (due in 2009)
Foundation:					
Gift Annuities Payable	\$ 1,612,174	\$ 123,982	\$ (204,721)	\$ 1,826,830	\$ 160,476
Payable Under Unitrusts	257,276	-	(9,474)	229,703	30,383
Total Long-Term Liabilities	\$ 1,869,450	\$ 123,982	\$ (214,195)	\$ 2,056,533	\$ 190,859

Long-Term Liability activity for the Primary Institution and Discrete Component Unit for the year ended June 30, 2007, as follows:

	Balance July 1 2006	Additions	Reductions	Balance June 30 2007	Current Portion (due in 2008)
Primary Institution:					
Bonds and Contracts Payable:					
Revenue Bonds Payable	\$ 106,481,181	\$ -	\$ (5,463,964)	\$ 101,017,217	\$ 5,485,000
Contracts Payable	737,563	89,566	(248,458)	578,671	233,577
Total Bonds, Contracts	107,218,744	89,566	(5,712,422)	101,595,888	5,718,577
Other liabilities:					
Accrued Compensated Absences	16,960,917	4,740,356	(5,028,564)	16,672,709	3,334,653
Other Post Employment Benefits	-	-	-	-	-
Other	242,278	78,500	(11,559)	309,219	-
Total Other Liabilities	17,203,195	4,818,856	(5,040,123)	16,981,928	3,334,653
Total Long-Term Liabilities	\$ 124,421,939	\$ 4,908,422	\$ (10,752,545)	\$ 118,577,816	\$ 9,053,230
	Balance July 1 2006	Additions	Reductions	Balance June 30 2007	Current Portion (due in 2008)
Foundation:					
Gift Annuities Payable	\$ 1,450,639	\$ 116,206	\$ (140,952)	\$ 1,612,174	\$ 148,557
Notes Payable	143,395	-	(133,921)	9,474	7,016
Payable Under unitrusts	243,113	-	(14,155)	247,802	31,374
Total Long-Term Liabilities	\$ 1,837,147	\$ 116,206	\$ (289,028)	\$ 1,869,450	\$ 186,947

Bonds Payable. The University's outstanding parity revenue bonds, all tax-exempt, are payable solely from, and secured by, a pledge of and a non-exclusive first lien on, certain pledged revenues; the revenues pledged to meet these debt obligations are student tuition and fees, sales and services, other operating income, investment income and building fees. Interest payments are made twice a year, on October 1 and April 1 while principal is paid on April 1 only. All outstanding University revenue bonds as of June 30, 2008 and 2007, were issued as parity bonds. Bond issuance costs, premiums, and discounts on bonds payable are recorded in total and amortized according to the bonds outstanding method, which approximates the effective interest method.

Total University issued bonds and those outstanding on June 30, 2008 and 2007, excluding bonds issued by local governments on behalf of certain community colleges (See Note 13), consisted of:

	Total Issued	Outstanding	
		2008	2007
Revenue and Improvement Revenue Bond Series 1998, (3.95% - 5.00%) Final Maturity 2020	\$ 21,010,000	\$ 7,915,000	\$ 8,415,000
Revenue and Improvement Revenue Bond Series 2001, (3.95% - 5.00%) Final Maturity 2021	9,210,000	6,550,000	6,990,000
Revenue and Improvement Revenue Bond Series 2002, (2.00% - 5.00%) Final Maturity 2022	15,495,000	9,965,000	11,155,000
Refunding and Improvement Revenue Bonds Series 2003 (2.00% - 5.00%) Final Maturity 2023	28,495,000	22,775,000	24,520,000
Improvement Revenue Bonds Bond Series 2004B, (2.00% - 5.00%) Final Maturity 2025	42,275,000	37,935,000	39,205,000
Improvement Revenue Bonds Bond Series 2006, (4.00% - 5.25%) Final Maturity 2026	10,245,000	9,500,000	9,840,000
Total Bonds Payable	126,730,000	94,640,000	100,125,000
Plus: Unamortized Net Premium	1,452,123	853,178	968,113
Less: Unamortized Loss on Refunding	(169,759)	(67,464)	(75,896)
Bonds Payable, net	<u>\$ 128,012,364</u>	<u>\$ 95,425,714</u>	<u>\$ 101,017,217</u>

The reserve requirement for each bond issue is an amount at least equal to the maximum debt service payment, 125% of the annual debt service on the bond or 10% of the principal amounts of the bonds. University administration believes that all bond covenants, as specified in the official statements of each bond issue, have been complied with at June 30, 2008 and 2007.

The bond interest expense incurred for the fiscal years 2008 and 2007, totals \$4,027,019 and \$4,023,982, respectively, net of interest income. Of these amounts, \$177,879 and \$1,651,621 were capitalized during fiscal years 2008 and 2007, respectively.

Maturity requirements at June 30, 2008, on University bonds payable were as follows:

Year Ending	Principal	Interest
June 30		
2009	\$ 5,710,000	\$ 4,329,288
2010	5,940,000	4,087,214
2011	6,180,000	3,847,156
2012	6,350,000	3,586,081
2013	6,425,000	3,299,068
2014-2018	26,825,000	12,708,277
2019-2023	27,455,000	6,460,558
2024-2028	9,755,000	753,363
Total	<u>\$ 94,640,000</u>	<u>\$ 39,071,005</u>

Contracts Payable. The University has acquired various types of equipment under capital lease agreements. All lease agreements contain a fiscal funding clause, which allows the lease agreements to be canceled if funding for future periods is not appropriated. University administration believes that the likelihood of this occurrence is remote. The following tables detail the carrying value of assets acquired under these arrangements, the future minimum lease payments, the portion of the lease payments representing interest and the present value of the net minimum lease payments at June 30, 2008.

Type of Property	Asset Carrying Value	Net Present Value of Minimum Lease Payments
Office Equipment	\$1,008,074	\$423,532
Computer Equipment	10,710	1,260
Laboratory, Video and Other Equipment	222,076	116,531
Total	<u>\$ 1,240,860</u>	<u>\$ 541,323</u>

Future minimum payments required under capital leases and the net present value of the future payments are as follows:

Year Ending June 30	Principal	Interest	Minimum Payments
2009	\$ 300,000	\$ 28,143	\$ 328,143
2010	185,730	15,633	201,363
2011	72,786	6,820	79,606
2012	63,767	3,351	67,118
2013	-	-	-
Total Minimum Lease Payments	<u>\$ 622,283</u>	<u>\$ 53,947</u>	<u>\$ 676,230</u>

Note 7 – Health Insurance

The University provides group health insurance coverage for all regular employees working 20 hours per week or more. Coverage is optional and is available from the date of employment. The University and employees co-contribute to the monthly premiums based on the employee's annual salary level. Staff member contributions are required for personal, as well as dependent coverage.

Eligible retirees who have been enrolled in health insurance for a minimum of ten consecutive years prior to retirement may elect to continue health insurance coverage through the University's program. The University contributes 60% of the premiums until the retiree reaches age 70 for retirees and their dependents, after which the retiree contributes 75%.

Effective July 1, 2005, the University entered into a self-insurance health care program. The University was responsible for all claims with individual stop loss at \$250,000 per person. In addition, the University was responsible for paying an administrative fee to the insurance administrator. This plan included participating active employees and eligible retirees. Transactions related to the self-insurance plan are accounted for in a separate account in the unrestricted net assets amounts.

Estimates of claims payable and of claims incurred from the self-insured plan, but not reported at June 30, 2008 and 2007, are reflected as accounts and claims payable. The plan is funded to discharge liabilities of the program as they become due. These liabilities are based on requirements of GASB Statement No. 10, which requires that a liability for claims is reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred as of the date of the financial statements and the amount of loss can be reasonably estimated.

Changes in the balances of claims liabilities during the fiscal years 2008 and 2007 are as follows:

Fiscal year	Beginning of Fiscal Year Liability	Current Year Claims and Changes in Estimates	Claim Payment	End of Fiscal Year Liability
2008	\$ -	\$ -	\$ -	\$ -
2007	\$ 532,406	\$ 4,236,567	\$ 4,768,973	\$ -

As shown above, there was no direct claim liability or benefit reserve at June 30, 2008. Although, there was no direct liability, there was a benefit reserve of \$4,376,346, representing at least two months of claims, at June 30, 2007.

Effective July 1, 2006, the University enrolled in a fully insured plan for the eligible active retirees. Premiums are paid to the insurance carrier. The insurance carrier assumes full responsibility for all claims. All participating active employees remained on the self-insurance program.

Effective September 1, 2006, the University elected to participate in the state insurance program. Premiums are paid to the State of New Mexico. The state program assumes full responsibility for all claims.

Note 8 – Retirement Programs

The University offers three retirement plans. All eligible employees (working more than 25% full-time equivalent) are required to participate in one of the first two plans described below. Student employees do not participate in these plans.

A. Educational Retirement Act

Plan Description Substantially all of the University's eligible employees, except those who participate in the Alternative Retirement Plan described below, participate in a public employee retirement system authorized under the Educational Retirement Act (ERA) of the State of New Mexico (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, survivor benefits, disability 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, New Mexico 87502. The report is also available on ERB's website at www.nmerb.org.

Funding Policy Plan Members are required to contribute 7.825% of their gross salary. The University is required to contribute 10.9% of the gross covered salary. Effective July 1, 2008, plan members are required to contribute 7.9% of their gross salary. The employer contribution will increase .75% each year until July 1, 2011, when the employer contribution will be 13.9%. The contribution requirements of plan members and the University are established in State statute under Chapter 22, Article 11 NMSA 1978. The requirements may be amended by acts of the legislature. The University's contributions to the ERB for the years ended June 30, 2008, 2007 and 2006, were \$19,923,444, \$18,602,871 and \$16,367,663, respectively, which equal the amount of the required contributions for each fiscal year.

Return to Work Program Effective January 1, 2002, the ERB implemented a retiree Return-To-Work (RTW) program whereby the University is required to make regular (10.9%) employer contributions on eligible retiree wages. No contribution is required by the retiree. The University's contribution to the ERB for RTW program participants for the years ended June 30, 2008, 2007, and 2006 were \$193,937, \$180,251, and \$123,977, respectively, which equal the amount of the required contributions for each year.

B. Alternative Retirement Program

Plan Description The New Mexico Alternative Retirement Plan was established by amendment to Chapter 22, Article 11, Section 47-52. Certain faculty and professional staff hired on or after July 1, 1991, may elect to participate in an alternative defined contribution retirement plan in lieu of participation in the ERA in accordance with policies stipulated by the Board of Regents. The two carriers approved by the ERB are the Teachers Insurance and Annuity Association/College Retirement Equities Fund and the Variable Annuity Life Insurance Company. Employees are allowed to transfer between carriers once each year.

Contributions Required Total payroll expenses covered by the Alternative Retirement Program (ARP) for the years ended June 30, 2008, 2007 and 2006, were \$28,354,154, \$26,872,405 and \$25,567,543, respectively. Employees under this plan contribute 7.825% of their gross salaries. The University is required to contribute 7.9% to the carrier and 3% to the ERB as an administrative fee. The 3% fee does not provide retirement benefits. Benefits are determined strictly by contributions made and earnings on contributions.

Vesting is immediate and benefits are distributed only as an annuity. The University's contributions for the years ended June 30, 2008, 2007, and 2006, were \$2,238,147, \$1,916,063, and \$1,630,399, respectively, for employees participating in the ARP. Additionally, \$850,624, \$806,172, and \$768,461, were paid as administrative fees to the ERB for the years ended June 30, 2008, 2007 and 2006, respectively; employees participating in the ARP made contributions totaling \$2,219,829, \$2,079,459, and \$1,959,090, respectively, for the same periods.

C. Federal Retirement Program

Plan Description Certain employees of the University working under the auspices of the United States Department of Agriculture (through various University sponsored extension programs) are covered under the Civil Service Retirement System (CSRS) or the Federal Employees Retirement System (FERS), established with the passage of Public Law 99-335. Both are defined benefit retirement plans. FERS is a three-tiered retirement plan (covering substantially all Federal employees hired subsequent to December 31, 1986) combining Social Security benefits with a basic benefit plan and a thrift savings plan. Employees hired prior to 1984 do not participate in Social Security, but have the ability to transfer

to FERS at their own discretion. The CSRS and FERS are administered by the U.S. Office of Personnel Management, Retirement Operations Center, P.O. Box 45, Boyers, Pennsylvania 16017.

Contributions Required Employees covered by CSRS and FERS are considered Federal Employees and as such are obligated to contribute according to the guidelines of the Federal Government. For the years ended June 30, 2008 and 2007, there were 16 and 19 employees, respectively, enrolled under CSRS and 18 and 20 employees, respectively, enrolled under FERS. The University contributes 7.0% and employees contribute 7.0% under CSRS. The University contributes 10.7% and employees contribute 0.8% under FERS. For the fiscal years ended June 30, 2008, 2007, and 2006, the University contributed \$239,083, \$245,611, and \$265,450, respectively; employees contributed \$98,761, \$101,024, and \$124,451, respectively, under both plans.

Note 9 – Other Postemployment Benefits Plan

The University implemented GASB Statement No. 45 - *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions* as of July 1, 2007.

Plan Description New Mexico State University is a single employer that offers employees and their eligible dependents retiree benefits. The authority to establish and amend the benefit provisions rests with the Board of Regents.

Retirees, who have had 10 consecutive years of health insurance coverage with NMSU at the time of retirement, are offered the opportunity to participate in a fully-insured PPO medical plan, including prescription drugs. Medicare retirees (for retirees 65 years of age and over) are offered the opportunity to participate in a Medicare carve-out medical plan, including prescription drugs. Eligible retired employees may select a Life Insurance benefit up to \$10,000.

The University currently pays 60% of the monthly medical and prescription premium for retirees and their eligible dependents to age 70. When the retiree reaches age 70, NMSU reduces its contribution to 25%. The premium for the first \$2,000 of the life insurance benefit is paid by NMSU, while the premium for the additional benefit selected of the remaining \$8,000 is paid by the retiree. Effective July 1, 2008, NMSU will pay 30% of the premium for retirees over age 70 and their eligible dependents; NMSU will not pay for any life insurance premium for retirees.

At the valuation date of January 1, 2008, there were 838 retirees, 2,316 not fully eligible active employees, and 1,415 fully eligible employees. At June 30, 2008, 920 retirees met the eligibility requirements for health insurance and 1,259 for life insurance.

Funding Policy The University does not use a trust fund to administer the financing and payment of benefits. The retired employees that elect to participate in post employment benefits are required to make contributions in the form of monthly premiums based on current rates established under the medical and life plans.

The University funds the plan on a pay-as-you-go basis. The pay-as-you-go expense is the net expected cost of providing retiree benefits, and includes all expected claims and related expenses and is offset by retiree contributions. The pay-as-you-go expense for fiscal year 2008 was \$2,502,150, net of retiree contributions.

Actuarial Methods and Assumptions Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in **actuarial accrued liabilities and the actuarial value of assets**, consistent with the long-term perspective of the calculations.

In the January 1, 2008, actuarial valuation, the unit credit actuarial cost method was used. The actuarial assumptions included a 5.0% annual discount rate assuming NMSU funds the retirement benefit on a pay-as-you go basis. Currently, the plans are considered to be unfunded as there are no assets and retiree benefits are expected to be paid annually on a cash basis. The actuarial valuation assumes an annual health care cost trend on a select and ultimate basis: medical and prescription benefits on a select basis at 11% and on an ultimate basis at 6%. The select trend rates are reduced .5% each year until reaching the ultimate trend. The Unfunded Actuarial Accrued Liability is amortized over the maximum acceptable period of 30 years and is calculated assuming a level percentage of projected payroll. Payroll is projected to increase 4% per year.

Annual OPEB Cost and Net OPEB Obligation NMSU's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years. The following table shows the components of NMSU's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in NMSU's net OPEB obligation:

Annual required contribution	\$ 7,918,000
Interest on net OPEB obligation	-
Adjustment to annual required contribution	-
Annual OPEB cost (expense)	<u>7,918,000</u>
Contributions made	<u>2,502,150</u>
Increase in net OPEB obligation	<u>5,415,850</u>
Net OPEB obligation beginning of year	-
Net OPEB obligation end of year	<u><u>\$ 5,415,850</u></u>

NMSU's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the OPEB obligation for fiscal year 2008 is as follows:

Annual OPEB Cost	\$ 7,918,000
% of Annual OPEB Cost Contributed	31.6%
Net OPEB Obligation	\$ 5,415,850

Funded Status and Funding Progress As of January 1, 2008, the initial actuarial valuation date, the plan was not funded. NMSU's actuarial accrued liability (AAL), the present value of all future expected post-retirement health payments and administrative costs attributable to past service, was \$93,256,000, and the actuarial value of assets was zero, resulting in an unfunded actuarial accrued liability (UAAL) of the full \$93,256,000, or a funded ratio of 0%. The covered payroll (annual payroll of active employees covered by the plan) was \$261,060,597, and the ratio of the UAAL to the covered payroll was 36%.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The Schedule of Funding Progress and Employee Contributions (Schedule 5), presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Note 10 – Commitments

Capitalizable Project Commitments and Financing. Contracts have been entered into for the construction and renovation of various facilities. These projects are in various stages of completion. At June 30, 2008, the estimated remaining cost to complete these and other in-house construction and renovation projects was approximately \$84 million with an estimated completion date of August 2011. The remaining cost will be financed as follows:

Funding Sources	Amount
Revenue Bonds	\$ 7,348,351
General Obligation Bonds	31,951,678
Severance Tax Bonds	2,109,152
University Funds	20,451,605
State Funds	22,463,966
Gifts, Grants and Contracts	114,348
Total	\$ 84,439,100

Operating Leases. The University is obligated under certain lease (rental) agreements which are accounted for as operating leases. The items being leased are primarily office and storage facilities and office equipment. Incorporated into each lease agreement is a fiscal funding clause which allows the University to cancel the operating lease if funding for future periods is not appropriated. As with contracts payable, the likelihood of such an occurrence is considered to be remote by University administration.

Future minimum rental payments required under operating leases are as follows:

Year Ending June 30	Minimum Payments
2009	\$ 1,327,644
2010	730,519
2011	399,549
2012	104,504
2013	9,200
Years After	128,033
Total Minimum Lease Payments	\$ 2,699,449

Operating lease payments made in fiscal years 2008 and 2007 are as follows.

	2008	2007
Minimum Rentals	\$ 1,588,074	\$ 1,600,303
Contingent Rentals	77,135	40,853
Total Lease Payments	\$ 1,665,209	\$ 1,641,156

Contingent rentals are determined based on usage clauses in certain contracts.

Other Commitments. At June 30, 2008, the University had issued purchase orders for materials and services which were not received, and thus are not reflected liabilities in the accompanying Statement of Net Assets. The approximate amount of such commitments is \$25 million.

Note 11 – Contingent Liabilities

The University currently is a party to various litigation and other claims in the ordinary course of business. The University participates in the State of New Mexico Risk Management Program (Risk Management) which provides liability, medical malpractice, and physical damage insurance. The Risk Management program liability insurance coverage includes most employee liability claims; those claims falling outside this state program are covered under the University's liability self-insurance program. During the fiscal years ended June 30, 2008 and 2007, the University paid Risk Management \$4,299,694, and \$3,524,337 in insurance premiums, respectively. After conferring with legal counsel concerning pending litigation and claims, the University administration believes that the outcome of pending litigation should not have a material adverse effect on the financial position or operations of the University.

The University receives grants and other forms of reimbursement from various federal and state agencies. These activities are subject to audit by agents of the funding authority, the purpose of which is to ensure compliance with conditions precedent to providing such funds. University administration believes that the liability, if any, for reimbursement which may arise as the result of audits, would not be material.

Note 12 – Component Units

The following entities support the University in accomplishing its various missions. These entities were selected for inclusion based on criteria as set forth in GASB 14 and GASB 39. Complete financial statements for these component units can be obtained from each respective administrative office at the addresses listed below.

The Foundation is discretely presented on the face of the financial statements, as prescribed by the Governmental Accounting Standards board (GASB) Statement No. 14, The Reporting Entity, as amended by Statement No. 39, *Determining Whether Certain Organizations Are Components Units*. The entity qualifies as discretely presented according to Statement 14, paragraph 40a, because of the nature and significance of its relationship with the University. This relationship meets the direct benefit, access to economic resources and significance of resources criteria. The Aggie Athletics Fund, Inc. was merged into the Foundation on May 1, 2008. Both Component Units were previously reported separately. The affect of the merger requires the Foundation to present its financial statements as though the merger took place on July 1, 2006. Therefore, the previously reported combining schedules are no longer reported. All of the other component units are blended with the primary institution because NMSU either completely controls their activities or the entities provide services entirely, or almost entirely to NMSU.

The New Mexico State University Foundation, Inc. is a non-profit corporation formed for the purpose of obtaining and disbursing funds for the sole benefit of the University. It is a discrete component unit of the University with financial information presented in a column combined with the Aggie Athletics Fund, Inc. in the primary institution's financial statements. Separate audited financial statements are prepared in accordance with the Financial Accounting Standards Board (FASB). The Foundation's address is: New Mexico State University Foundation, Inc., P.O. Box 3590, Las Cruces, NM 88003.

	2008	2007
Capital Assets	\$ 167,452	\$ 496,943
Other Assets	138,400,862	136,250,218
Total Assets	<u>138,568,314</u>	<u>136,747,161</u>
Long-Term Liabilities	39,707,279	39,938,587
Other Liabilities	5,099,725	5,278,998
Total Liabilities	<u>44,807,004</u>	<u>45,217,585</u>
Invested in Capital Assets, net of related debt	167,452	496,944
Restricted for Endowments	62,138,933	61,588,767
Restricted for General Activities	25,368,856	24,205,604
Unrestricted	6,086,069	5,238,261
Total Net Assets	<u>\$ 93,761,310</u>	<u>\$ 91,529,576</u>
Operating Revenues	\$ 16,356,938	\$ 15,510,478
Depreciation	(51,131)	(121,675)
Other Operating Expense	(12,719,472)	(12,503,466)
Non-Operating Revenue (Expense)	204,007	6,096,192
Gain (Loss) on Endowments	(1,558,608)	4,336,748
Increase in Net Assets	<u>\$ 2,231,734</u>	<u>\$ 13,318,277</u>

The New Mexico State University Research Park Corporation (RPC) was organized pursuant to the provisions of the State of New Mexico University Research Park Act of 1989 and merged with Arrowhead in fiscal year 2007, see Note 15 for full discussion. Its purpose is to develop facilities, research institutes, testing laboratories, offices, light manufacturing, and related businesses, which are suitable or necessary to promote the social welfare of the State of New Mexico, through the advancement of education, science, economic development, and related purposes. On August 16, 1995, RPC issued Lease Revenue Bonds (Carlsbad Environmental Monitoring and Research Center), Series 1995, which the University has guaranteed as subordinate lien debt. The proceeds of the bonds funded the construction of a building located on land owned by the University adjacent to the community college in Carlsbad, New Mexico. Summary financial information as of June 30, 2008 and 2007, and for the fiscal years then ended follows:

	2008	2007
Total Assets	\$ -	\$ -
Total Net Assets	\$ -	\$ -
Total Revenues and Other Additions	\$ -	\$ 10,083
Total Expenditures	\$ -	\$ 41,816

Arrowhead Center, Inc. previously the New Mexico State University Technology Transfer Corporation, was organized pursuant to the provisions of the State of New Mexico University Research Park Act of 1989. Its purpose is to protect, license, and market intellectual property developed by faculty, staff, and students of the University, as well as members of the community, in order to further research and economic development for the State of New Mexico. Summary financial information as of June 30, 2008 and 2007, and for the fiscal years then ended follows:

	2008	2007
Total Assets	\$ 581,677	\$ 47,546
Total Net Assets	\$ 495,226	\$ 4,066
Total Revenues and Other Additions	\$ 916,135	\$ 425,416
Total Expenditures	\$ 424,975	\$ 342,709

Arrowhead Center, Inc.'s address is: Arrowhead Center, Inc., MSC 3CR, P.O. Box 30001, Las Cruces, NM 88003.

The Physical Science Institute, Inc. (PSI) is a not-for-profit corporation that was incorporated under the New Mexico Research Park Act of 1989 in fiscal year 2001 and dissolved as of June 30, 2006, see Note 15 for full discussion. The mission of PSI is to partner with the Physical Science Laboratory and other units of the University for the purpose of actualizing the University's goal of being a catalyst for economic development in Southern New Mexico. Summary financial information as of June 30, 2008 and 2007, and for the fiscal years then ended follows:

	2008	2007
Total Assets	\$ -	\$ -
Total Net Assets	\$ -	\$ -
Total Revenues and Other Additions	\$ -	\$ 15,435
Total Expenditures	\$ -	\$ 850,834

Note 13 – Community College General Obligation Bonds

General Obligation bonds are issued by the community colleges of the University for the purpose of community college facilities. The bonds are general obligations of the school districts in which the community colleges reside and are payable solely out of general (ad valorem) taxes which are levied against all taxable property in each respective district. Taxes collected by the respective district's tax assessor are deposited in bank accounts for the purpose of servicing the debt and are reflected as cash in the University's Statement of Net Assets. At June 30, 2008 and 2007, the cash balances available to make the next semi-annual payments were \$264,053 and \$436,805, respectively for the Alamogordo Community College and \$3,220,150 and \$3,233,208, respectively for the Dona Ana Community College. The following table shows the future scheduled debt payments by community college (due semi-annually in August and February):

Year Ending June 30	Alamogordo Community College			Dona Ana Community College		
	Principal	Interest	Total	Principal	Interest	Total
2009	\$ 200,000	\$ 4,200	\$ 204,200	\$ 2,365,000	\$ 420,083	\$ 2,785,083
2010	-	-	-	2,610,000	319,895	2,929,895
2011	-	-	-	1,600,000	236,195	1,836,195
2012	-	-	-	1,200,000	180,133	1,380,133
2013	-	-	-	900,000	138,308	1,038,308
2014-2018	-	-	-	3,210,000	258,454	3,468,454
2019-2023	-	-	-	-	-	-
Total	\$ 200,000	\$ 4,200	\$ 204,200	\$ 11,885,000	\$ 1,553,068	\$ 13,438,068

Note 14 – Natural Classification Operating Expenses

The University's operating expenses by natural classification were as follows:

	2008		2007	
	Primary Institution	Component Units	Primary Institution	Component Units
Salaries:				
Faculty	\$ 78,210,221	\$ -	\$ 71,568,952	\$ -
Exempt Staff	104,886,338	1,241,450	97,877,512	1,352,233
Non-exempt Staff	43,367,336	191,595	42,997,565	259,788
Student/Graduate Assistant	28,293,892	55,962	27,090,769	55,299
Other Compensation	5,202,749	41,639	4,660,498	70,492
Total Salaries	<u>259,960,536</u>	<u>1,530,646</u>	<u>244,195,296</u>	<u>1,737,812</u>
Benefits	65,709,514	-	63,055,692	150,485
Travel	15,649,291	158,660	14,132,695	360,289
Scholarship and Fellow ships	36,642,995	10,046,881	33,274,289	6,560
Utilities	14,987,337	5,013	14,956,029	138,054
Professional Fees	20,915,061	192,552	14,911,552	918,119
Supplies and Other Services	69,228,201	785,719	87,794,931	9,192,147
Depreciation	27,568,376	51,132	26,898,610	121,675
Total Operating Expenses	<u>\$ 510,661,311</u>	<u>\$ 12,770,603</u>	<u>\$ 499,219,094</u>	<u>\$ 12,625,141</u>

Note 15 – Dissolution of Component Units

In a Physical Science Institute, Inc (PSI) board meeting in June 2006, the board of directors approved a plan of dissolution for PSI. Under the Plan of Dissolution, PSI ceased providing services as of June 30, 2006, and commenced ending its operations, with final legal dissolution effective February 6, 2007. PSI management together with NMSU management oversaw these matters.

The transactions necessary to end business operations for PSI were completed by January 31, 2007. All cash and non-cash assets of PSI were distributed at book value. There was no ownership of any intellectual property, resulting in the absence of any need for technology transfer at dissolution. All debtors, obligations and liabilities have been satisfied and discharged.

In fiscal year 2007, Arrowhead Center Inc. (Arrowhead) and Research Park Corporation (RPC) agreed to merge as one entity. On March 2, 2007, all cash, non-cash assets, any liabilities and remaining net assets of RPC were assumed by Arrowhead. Arrowhead continues to operate as a blended component unit of New Mexico State University.

Note 16 – Subsequent Events

Subsequent to year end there have been significant fluctuations in investment market values. The ultimate impact of these fluctuations on the value of investments reported in the accompanying financial statements cannot reasonably be determined.

Combining Statement of Net Assets
Primary Institution

	New Mexico State University		Research Park Corporation		Arrowhead Center, Inc	
	2008	2007	2008	2007	2008	2007
ASSETS						
Current Assets:						
Cash and Cash Equivalents	\$ 1,759,379	\$ 1,127,664	\$ -	\$ -	\$ 529,738	\$ 47,546
Cash and Cash Equivalents Held in Trust by Component Unit for NMSU	2,307,239	1,932,771	-	-	-	-
Short-Term Investments	11,100	111,100	-	-	-	-
Accounts Receivable, net	91,574,726	104,939,102	-	-	21,939	-
Due from Component Unit	600,036	2,728,934	-	-	-	-
Inventories	4,949,014	3,984,953	-	-	-	-
Prepaid Expenses	4,343,398	1,656,788	-	-	-	-
Loans Receivable, net	15,946,206	15,819,955	-	-	-	-
Total Current Assets	121,491,098	132,301,267	-	-	551,677	47,546
Non-Current Assets:						
Restricted Cash and Cash Equivalents	55,748,333	30,906,454	-	-	-	-
Investments Held by Others	50,548,777	51,984,086	-	-	-	-
Investments Held in Trust by Component Unit for NMSU	37,841,605	38,256,084	-	-	-	-
Other Long-Term Investments	42,897,573	66,383,417	-	-	30,000	-
Prepaid Expenses	528,837	600,425	-	-	-	-
Capital Assets, net	371,319,756	358,394,872	-	-	-	-
Total Non-Current Assets	558,884,881	546,525,338	-	-	30,000	-
TOTAL ASSETS	680,375,979	678,826,605	-	-	581,677	47,546
LIABILITIES						
Current Liabilities:						
Accounts Payable	19,178,304	25,387,029	-	-	53,646	43,480
Other Accrued Liabilities	19,084,718	18,204,023	-	-	-	-
Deferred Income	27,341,814	36,422,135	-	-	2,176	-
Contracts Payable	(30,629)	-	-	-	30,629	-
Long-Term Liabilities - Current Portion	9,462,299	9,053,230	-	-	-	-
Total Current Liabilities	75,036,506	89,066,417	-	-	86,451	43,480
Non-Current Liabilities:						
Accrued Interest Payable	1,280,978	1,453,740	-	-	-	-
Accrued Benefit Reserves	771,627	5,667,401	-	-	-	-
Other Long-Term Liabilities	111,504,857	109,524,586	-	-	-	-
Total Non-Current Liabilities	113,557,462	116,645,727	-	-	-	-
TOTAL LIABILITIES	188,593,968	205,712,144	-	-	86,451	43,480
NET ASSETS						
Invested in Capital Assets, net of related debt	262,490,125	258,516,159	-	-	-	-
Restricted for:						
Non-Expendable						
Endowments	75,101,734	74,262,793	-	-	-	46,520
Expendable						
General Activities	5,450,126	3,819,003	-	-	-	-
Federal Student Loans	16,745,779	16,884,776	-	-	-	-
Capital Projects	22,161,628	14,802,396	-	-	-	-
Related Entity Activities	89,148	1,725,838	-	-	-	-
Unrestricted	109,743,471	103,103,496	-	-	495,226	(42,454)
TOTAL NET ASSETS	\$ 491,782,011	\$ 473,114,461	\$ -	\$ -	\$ 495,226	\$ 4,066

Combining Statement of Net Assets
Primary Institution

	Physical Science Institute		Elimination Adjustments		Total Primary Institution	
	2008	2007	2008	2007	2008	2007
ASSETS						
Current Assets:						
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -	\$ 2,289,117	\$ 1,175,210
Cash and Cash Equivalents Held in Trust by Component Unit for NMSU	-	-	-	-	2,307,239	1,932,771
Short-Term Investments	-	-	-	-	11,100	111,100
Accounts Receivable, net	-	-	-	-	91,596,665	104,939,102
Due from Component Unit	-	-	-	-	600,036	2,728,934
Inventories	-	-	-	-	4,949,014	3,984,953
Prepaid Expenses	-	-	-	-	4,343,398	1,656,788
Loans Receivable, net	-	-	-	-	15,946,206	15,819,955
Total Current Assets	-	-	-	-	122,042,775	132,348,813
Non-Current Assets:						
Restricted Cash and Cash Equivalents	-	-	-	-	55,748,333	30,906,454
Investments Held by Others	-	-	-	-	50,548,777	51,984,086
Investments Held in Trust by Component Unit for NMSU	-	-	-	-	37,841,605	38,256,084
Other Long-Term Investments	-	-	-	-	42,927,573	66,383,417
Prepaid Expenses	-	-	-	-	528,837	600,425
Capital Assets, net	-	-	-	-	371,319,756	358,394,872
Total Non-Current Assets	-	-	-	-	558,914,881	546,525,338
TOTAL ASSETS	-	-	-	-	680,957,656	678,874,151
LIABILITIES						
Current Liabilities:						
Accounts Payable	-	-	-	-	19,231,950	25,430,509
Other Accrued Liabilities	-	-	(65,930)	19,374	19,018,788	18,223,397
Deferred Income	-	-	-	-	27,343,990	36,422,135
Contracts Payable	-	-	-	-	-	-
Long-Term Liabilities - Current Portion	-	-	-	-	9,462,299	9,053,230
Total Current Liabilities	-	-	(65,930)	19,374	75,057,027	89,129,271
Non-Current Liabilities:						
Accrued Interest Payable	-	-	-	-	1,280,978	1,453,740
Accrued Benefit Reserves	-	-	-	-	771,627	5,667,401
Other Long-Term Liabilities	-	-	-	-	111,504,857	109,524,586
Total Non-Current Liabilities	-	-	-	-	113,557,462	116,645,727
TOTAL LIABILITIES	-	-	(65,930)	19,374	188,614,489	205,774,998
NET ASSETS						
Invested in Capital Assets, net of related debt	-	-	-	-	262,490,125	258,516,159
Restricted for:						
Non-Expendable:						
Endowments	-	-	-	-	75,101,734	74,309,313
Expendable:						
General Activities	-	-	-	-	5,450,126	3,819,003
Federal Student Loans	-	-	-	-	16,745,779	16,884,776
Capital Projects	-	-	-	-	22,161,628	14,802,396
Related Entity Activities	-	-	561,156	23,080	650,304	1,748,918
Unrestricted	-	-	(495,226)	(42,454)	109,743,471	103,018,588
TOTAL NET ASSETS	\$ -	\$ -	\$ 65,930	\$ (19,374)	\$ 492,343,167	\$ 473,099,153

Note: Balances remaining in the Elimination Adjustments columns represent General Obligation Bond Activity for the period

Combining Statement of Revenues, Expenses, and Changes in Net Assets Primary Institution

	New Mexico State University		Research Park Corporation		Arrowhead Center, Inc.	
	2008	2007	2008	2007	2008	2007
REVENUES						
Operating Revenues						
Student Tuition and Fees (Gross)	\$ 74,439,626	\$ 67,702,728	\$ -	\$ -	\$ -	\$ -
Less: Scholarship Allowances	(24,927,363)	(21,430,920)	-	-	-	-
Student Tuition and Fees (Net)	49,512,263	46,271,808	-	-	-	-
Federal Appropriations, Grants and Contracts	142,063,080	151,429,269	-	-	-	-
State Grants and Contracts	22,905,645	20,830,011	-	-	-	-
Local Appropriations, Grants and Contracts	7,651,293	7,081,334	-	-	-	-
Non-Governmental Grants and Contracts	9,258,299	7,744,927	-	-	-	-
Sales and Services	38,255,295	36,860,300	-	-	409,693	392,992
Other Operating Revenues	29,365,250	28,871,076	-	10,083	-	-
Total Operating Revenues	299,011,125	299,088,725	-	10,083	409,693	392,992
EXPENSES						
Operating Expenses:						
Instruction	124,932,826	115,514,188	-	-	-	-
Research	111,108,600	124,201,597	-	-	-	-
Public Service	55,445,808	50,677,178	-	-	-	-
Academic Support	24,645,738	22,315,194	-	-	-	-
Student Services	15,584,030	14,771,422	-	-	-	-
Institutional Support	28,053,603	26,160,406	-	-	-	-
Operation and Maintenance of Plant	25,690,043	24,985,605	-	-	-	-
Scholarships and Fellowships	32,021,671	30,151,909	-	-	-	-
Auxiliary Enterprises	31,737,213	29,453,966	-	-	-	-
Independent Operations	16,972,800	18,747,012	-	-	-	-
Intercollegiate Athletics	15,904,934	14,510,503	-	-	-	-
Student Social and Cultural	3,479,313	3,250,225	-	-	-	-
Loan Administration	479,878	62,177	-	-	-	-
Depreciation	27,568,376	26,898,610	-	-	-	-
Other Operating Expense	-	-	-	9,392	424,975	342,709
Total Operating Expenses	513,624,833	501,699,992	-	9,392	424,975	342,709
Net Operating Income / (Expense)	(214,613,708)	(202,611,267)	-	691	(15,282)	50,283
Non-Operating Revenues / (Expenses):						
State Appropriations	214,681,502	189,521,402	-	-	-	-
Gifts and Non-Exchange Grants	7,480,347	6,687,539	-	-	-	-
Investment Income	4,938,113	7,479,939	-	-	-	-
Interest and Other Expenses on Capital Asset-Related Debt	(4,459,896)	(2,810,834)	-	-	-	-
Other Non-Operating Revenues / (Expenses)	(20,074,639)	(11,910,185)	-	(32,424)	506,442	32,424
Net Non-Operating Revenues / (Expenses)	202,565,427	188,967,861	-	(32,424)	506,442	32,424
Income Before Other Revenues, Expenses, Gains or Losses	(12,048,281)	(13,643,406)	-	(31,733)	491,160	82,707
Capital Appropriations	16,776,264	18,200,518	-	-	-	-
Capital Grants, Gifts and Other Income	9,488,557	13,327,559	-	-	-	-
Building Fees	4,952,221	6,439,981	-	-	-	-
Gain on Sale of Land	37,000	-	-	-	-	-
Loss on Disposal of Plant	(1,228,742)	(1,359,559)	-	-	-	-
Gain/(Loss) on Permanent Endowments	690,531	18,605,300	-	-	-	-
Increase / (Decrease) in Net Assets	\$ 18,667,550	\$ 41,570,393	\$ -	\$ (31,733)	\$ 491,160	\$ 82,707
NET ASSETS						
Beginning of Year	473,114,461	431,544,068	-	31,733	4,066	(78,641)
End of Year	\$ 491,782,011	\$ 473,114,461	\$ -	\$ -	\$ 495,226	\$ 4,066

Combining Statement of Revenues, Expenses, and Changes in Net Asset
Primary Institution

	Physical Science Institute		Elimination Adjustments		Total Primary Institution	
	2008	2007	2008	2007	2008	2007
REVENUES						
Operating Revenues.						
Student Tuition and Fees (Gross)	\$ -	\$ -	\$ -	\$ -	\$ 74,439,626	\$ 67,702,728
Less: Scholarship Allowances	-	-	-	-	(24,927,363)	(21,430,920)
Student Tuition and Fees (Net)	-	-	-	-	49,512,263	46,271,808
Federal Appropriations, Grants and Contracts	-	-	-	-	142,063,080	151,429,269
State Grants and Contracts	-	-	-	-	22,905,645	20,830,011
Local Appropriations, Grants and Contracts	-	-	-	-	7,651,293	7,081,334
Non-Governmental Grants and Contracts	-	-	-	-	9,258,299	7,744,927
Sales and Services	-	-	(409,693)	(392,992)	38,255,295	36,860,300
Other Operating Revenues	-	11,086	-	(21,169)	29,365,250	28,871,076
Total Operating Revenues	-	11,086	(409,693)	(414,161)	299,011,125	299,088,725
EXPENSES						
Operating Expenses.						
Instruction	-	-	(690,514)	(611,909)	124,242,312	114,902,279
Research	-	-	(678,257)	(657,929)	110,430,343	123,543,668
Public Service	-	-	(321,257)	(268,450)	55,124,551	50,408,728
Academic Support	-	-	(136,267)	(118,209)	24,509,471	22,196,985
Student Services	-	-	(86,068)	(78,248)	15,497,962	14,693,173
Institutional Support	-	-	(197,181)	(104,657)	27,856,422	26,055,749
Operation and Maintenance of Plant	-	-	(140,879)	(132,355)	25,549,164	24,853,250
Scholarships and Fellowships	-	-	(313,796)	(159,723)	31,707,875	29,992,186
Auxiliary Enterprises	-	-	(198,594)	(156,025)	31,538,619	29,297,941
Independent Operations	-	-	(93,417)	(99,308)	16,879,383	18,647,704
Intercollegiate Athletics	-	-	(87,880)	(76,866)	15,817,054	14,433,637
Student Social and Cultural	-	-	(19,412)	(17,219)	3,459,901	3,233,008
Loan Administration	-	-	-	-	479,878	62,176
Depreciation	-	-	-	-	27,568,376	26,898,610
Other Operating Expense	-	2,738	(424,975)	(354,839)	-	-
Total Operating Expenses	-	2,738	(3,388,497)	(2,835,737)	510,661,311	499,219,094
Net Operating Income / (Expense)	-	8,348	2,978,804	2,421,576	(211,650,186)	(200,130,369)
Non-Operating Revenues / (Expenses):						
State Appropriations	-	-	-	-	214,681,502	189,521,402
Gifts and Non-Exchange Grants	-	-	-	-	7,480,347	6,687,539
Investment Income	-	-	-	-	4,938,113	7,479,939
Interest and Other Expenses on Capital Asset-Related Debt	-	4,349	418,645	585,115	(4,041,251)	(2,221,370)
Other Non-Operating Revenues / (Expenses)	-	(848,096)	(39,806)	(348,171)	(19,608,003)	(13,106,452)
Net Non-Operating Revenues / (Expenses)	-	(843,747)	378,839	236,944	203,450,708	188,361,058
Income Before Other Revenues, Expenses, Gains or Losses	-	(835,399)	3,357,643	2,658,520	(8,199,478)	(11,769,311)
Capital Appropriations	-	-	(3,272,339)	(3,118,912)	13,503,925	15,081,606
Capital Grants, Gifts and Other Income	-	-	-	-	9,488,557	13,327,559
Building Fees	-	-	-	-	4,952,221	6,439,981
Gain on Sale of Land	-	-	-	-	37,000	-
Loss on Disposal of Plant	-	-	-	-	(1,228,742)	(1,359,559)
Gain/(Loss) on Permanent Endowments	-	-	-	-	690,531	18,605,300
Increase / (Decrease) in Net Assets	\$ -	\$ (835,399)	\$ 85,304	\$ (460,392)	\$ 19,244,014	\$ 40,325,576
NET ASSETS						
Beginning of Year	-	835,399	(19,374)	441,018	473,099,153	432,773,577
End of Year	\$ -	\$ -	\$ 65,930	\$ (19,374)	\$ 492,343,167	\$ 473,099,153

Note: Balances remaining in the Elimination Adjustments columns represent General Obligation Bond Activity for the period.

Budgetary Comparison Schedules - Combined Campuses
Fiscal Year Ended June 30, 2008

Schedule 3A

Unrestricted and Restricted - All Operations

Revised Budget vs
 Actuals - Variance
 Favorable
 (Unfavorable)

	Original Budget	Revised Budget	Actuals	
Unrestricted and Restricted Beginning Fund Balance	\$ 65,415,414	\$ 88,310,487	\$ 103,541,342	\$ 15,230,855
Unrestricted and Restricted Revenues:				
Tuition and Fees Income	70,936,362	73,673,177	74,893,240	1,220,063
Federal Government Appropriations	7,200,000	6,218,000	5,804,617	(413,383)
State Government Appropriations	212,860,897	214,412,232	214,681,503	269,271
Local Government Appropriations	7,154,000	7,684,000	7,624,878	(59,122)
Federal Government Grants and Contracts	140,520,690	143,758,256	150,578,322	6,820,066
State Government Grants and Contracts	27,435,204	29,345,176	23,749,997	(5,595,179)
Local Government Grants and Contracts	2,617,576	1,523,185	63,226	(1,459,959)
Private Gifts, Grants and Contracts	13,917,996	12,689,512	14,671,861	1,982,349
Endowment, Land and Permanent Fund Income	4,107,641	3,301,602	4,165,364	863,762
Sales and Services	42,111,915	44,448,630	42,243,517	(2,205,113)
Other Sources	54,287,157	69,405,315	73,309,477	3,904,162
Total Unrestricted and Restricted Revenues	583,149,438	606,459,085	611,786,002	5,326,917
Unrestricted and Restricted Expenditures:				
Instruction	129,878,402	130,918,681	125,168,446	5,750,235
Academic Support	26,032,466	26,697,224	25,033,849	1,663,375
Student Services	15,927,443	16,270,486	15,860,209	410,277
Institutional Support	26,717,023	27,524,480	28,148,027	(623,547)
Operation and Maintenance	28,182,099	26,637,449	25,867,705	769,744
Subtotal Instruction and General	226,737,433	228,048,320	220,078,236	7,970,084
Student Social and Cultural Activities	3,482,739	3,627,187	3,515,548	111,639
Research	126,929,257	127,523,621	124,317,390	3,206,231
Public Service	50,166,475	51,185,179	59,510,554	(8,325,375)
Internal Services	124,472	2,258,058	473,591	1,784,467
Student Aid, Grants and Stipends	56,382,277	58,702,101	57,572,851	1,129,250
Auxiliary Services	36,189,636	36,973,669	36,501,160	472,509
Intercollegiate Athletics	15,764,016	16,600,000	16,062,405	537,595
Independent Operations	17,322,825	17,868,800	17,674,600	194,200
Capital Outlay	31,989,500	41,192,500	36,931,234	4,261,266
Renewal and Replacement	22,310,000	19,610,000	8,999,197	10,610,803
Retirement of Indebtedness	9,990,542	9,990,542	10,001,147	(10,605)
Total Unrestricted and Restricted Expenditures	597,389,172	613,579,977	591,637,913	21,942,064
Net Transfers To (From)	-	(44,792)	-	(44,792)
Change in Fund Balance (Budgetary Basis)	(14,239,734)	(7,076,100)	20,148,089	27,224,189
Ending Fund Balance	\$ 51,175,680	\$ 81,234,387	\$ 123,689,431	\$ 42,455,044

Under title 5 of the New Mexico Administrative Code, chapter 3, part 4, paragraph 10 - Items of Budgetary Control: The total expenditures in each of the following budgetary functions will be used as the items of budgetary control. Total expenditures or transfers in each of these items of budgetary control may not exceed the amounts shown in the approved budget: A. Unrestricted expenditures and restricted expenditures. B. Instruction and general. C. Each budget function in current funds other than instruction and general. D. Within the plant funds budget: major projects, library bonds, equipment bonds, minor capital outlay, renewals and replacements, and debt service. E. Each individual item of transfer between funds and/or functions.

Budgetary Comparison Schedules - Combined Campuses
Fiscal Year Ended June 30, 2008

Schedule 3B

Unrestricted - Non-Instruction and General

	Original Budget	Revised Budget	Actuals	Revised Budget vs Actuals - Variance Favorable (Unfavorable)
Unrestricted Beginning Fund Balance	\$ 51,671,318	\$ 73,099,868	\$ 88,218,844	\$ 15,118,976
Unrestricted Revenues:				
Tuition and Fees Income	10,006,341	10,123,297	10,573,320	450,023
Federal Government Appropriations	-	-	-	-
State Government Appropriations	51,535,900	51,660,900	51,954,249	293,349
Local Government Appropriations	-	-	-	-
Federal Government Grants and Contracts	-	-	(250,662)	(250,662)
State Government Grants and Contracts	-	-	500,000	500,000
Local Government Grants and Contracts	-	-	-	-
Private Gifts, Grants and Contracts	31,000	23,630	(11,418)	(35,048)
Endowment, Land and Permanent Fund Income	-	-	-	-
Sales and Services	41,793,438	44,120,731	41,552,630	(2,568,101)
Other Sources	36,668,064	50,691,412	55,028,725	4,337,313
Total Unrestricted Revenues	140,034,743	156,619,970	159,346,844	2,726,874
Unrestricted Expenditures:				
Student Social and Cultural Activities	3,423,403	3,554,651	3,479,572	75,079
Research	35,205,636	35,800,000	32,689,583	3,110,417
Public Service	19,911,430	20,186,833	19,945,651	241,182
Internal Services	(1,054)	2,124,132	415,200	1,708,932
Student Aid, Grants and Stipends	5,100,446	6,017,970	5,627,403	390,567
Auxiliary Services	35,892,476	36,635,809	36,340,008	295,801
Intercollegiate Athletics	12,764,016	15,600,000	15,535,383	64,617
Independent Operations	15,654,025	16,200,000	15,930,696	269,304
Capital Outlay	31,989,500	41,192,500	36,931,234	4,261,266
Renewal and Replacement	22,310,000	19,610,000	8,999,197	10,610,803
Retirement of Indebtedness	9,990,542	9,990,542	10,001,147	(10,605)
Total Unrestricted Expenditures	192,240,420	206,912,437	185,895,074	21,017,363
Net Transfers To (From)	(37,915,522)	(43,053,720)	(42,141,011)	(912,709)
Change in Fund Balance (Budgetary Basis)	(14,290,155)	(7,238,747)	15,592,781	22,831,528
Ending Fund Balance	\$ 37,381,163	\$ 65,861,121	\$ 103,811,625	\$ 37,950,504

Budgetary Comparison Schedules - Combined Campuses
Fiscal Year Ended June 30, 2008

Schedule 3C

Restricted - Non-Instruction and General

	Original Budget	Revised Budget	Actuals	Revised Budget vs Actuals - Variance Favorable (Unfavorable)
Restricted Beginning Fund Balance	\$ -	\$ -	\$ -	\$ -
Restricted Revenues:				
Tuition and Fees Income	-	-	-	-
Federal Government Appropriations	7,200,000	6,218,000	5,804,617	(413,383)
State Government Appropriations	-	-	-	-
Local Government Appropriations	2,800,000	2,900,000	2,681,100	(218,900)
Federal Government Grants and Contracts	127,848,769	130,731,212	142,783,979	12,052,767
State Government Grants and Contracts	23,672,631	25,447,580	21,101,972	(4,345,608)
Local Government Grants and Contracts	2,617,576	1,523,185	60,967	(1,462,218)
Private Gifts, Grants and Contracts	12,137,376	10,843,282	11,639,310	796,028
Endowment, Land and Permanent Fund Income	1,607,041	332,702	1,592,658	1,259,956
Sales and Services	21,626	31,048	-	(31,048)
Other Sources	506,300	592,211	-	(592,211)
Total Restricted Revenues	<u>178,411,319</u>	<u>178,619,220</u>	<u>185,664,603</u>	<u>7,045,383</u>
Restricted Expenditures:				
Student Social and Cultural Activities	59,336	72,536	35,976	36,560
Research	91,723,621	91,723,621	91,627,807	95,814
Public Service	30,255,045	30,998,346	39,564,903	(8,566,557)
Internal Services	125,526	133,926	58,391	75,535
Student Aid, Grants and Stipends	51,281,831	52,684,131	51,945,448	738,683
Auxiliary Services	297,160	337,860	161,152	176,708
Intercollegiate Athletics	3,000,000	1,000,000	527,022	472,978
Independent Operations	1,668,800	1,668,800	1,743,904	(75,104)
Capital Outlay	-	-	-	-
Renewal and Replacement	-	-	-	-
Retirement of Indebtedness	-	-	-	-
Total Restricted Expenditures	<u>178,411,319</u>	<u>178,619,220</u>	<u>185,664,603</u>	<u>(7,045,383)</u>
Net Transfers To (From)	-	-	-	-
Change in Fund Balance (Budgetary Basis)	-	-	-	-
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Budgetary Comparison Schedules - Combined Campuses
Fiscal Year Ended June 30, 2008**

Schedule 3D

Unrestricted - Instruction and General

Revised Budget vs
Actuals - Variance
Favorable
(Unfavorable)

	Original Budget	Revised Budget	Actuals	
Unrestricted Beginning Fund Balance	\$ 13,744,096	\$ 15,210,619	\$ 15,322,498	\$ 111,879
Unrestricted Revenues:				
Tuition and Fees Income	60,930,021	63,549,880	64,319,920	770,040
Federal Government Appropriations	-	-	-	-
State Government Appropriations	161,324,997	162,751,332	162,727,254	(24,078)
Local Government Appropriations	4,354,000	4,784,000	4,943,778	159,778
Federal Government Grants and Contracts	304,520	304,520	373,560	69,040
State Government Grants and Contracts	4,974	25,000	53,718	28,718
Local Government Grants and Contracts	-	-	-	-
Private Gifts, Grants and Contracts	178,800	178,800	4,815	(173,985)
Endowment, Land and Permanent Fund Income	2,131,700	2,600,000	2,572,706	(27,294)
Sales and Services	296,851	296,851	690,887	394,036
Other Sources	17,112,793	18,121,692	18,280,752	159,060
Total Unrestricted Revenues	<u>246,638,656</u>	<u>252,612,075</u>	<u>253,967,390</u>	<u>1,355,315</u>
Unrestricted Expenditures:				
Instruction	114,777,334	115,476,789	114,772,528	704,261
Academic Support	24,714,725	25,291,947	24,047,861	1,244,086
Student Services	14,655,082	14,875,085	14,697,528	177,557
Institutional Support	26,378,306	27,190,463	27,910,057	(719,594)
Operation and Maintenance	28,147,266	26,606,216	25,843,097	763,119
Total Unrestricted Expenditures	<u>208,672,713</u>	<u>209,440,500</u>	<u>207,271,071</u>	<u>2,169,429</u>
Net Transfers To (From)	<u>37,915,522</u>	<u>43,008,928</u>	<u>42,141,011</u>	<u>867,917</u>
Change in Fund Balance (Budgetary Basis)	<u>50,421</u>	<u>162,647</u>	<u>4,555,308</u>	<u>4,392,661</u>
Ending Fund Balance	<u>\$ 13,794,517</u>	<u>\$ 15,373,266</u>	<u>\$ 19,877,806</u>	<u>\$ 4,504,540</u>

**Budgetary Comparison Schedules - Combined Campuses
Fiscal Year Ended June 30, 2008**

Schedule 3E

Restricted - Instruction and General

Revised Budget vs
Actuals - Variance
Favorable
(Unfavorable)

	Original Budget	Revised Budget	Actuals	
Restricted Beginning Fund Balance	\$ -	\$ -	\$ -	\$ -
Restricted Revenues:				
Tuition and Fees Income	-	-	-	-
Federal Government Appropriations	-	-	-	-
State Government Appropriations	-	-	-	-
Local Government Appropriations	-	-	-	-
Federal Government Grants and Contracts	12,367,401	12,722,524	7,671,445	(5,051,079)
State Government Grants and Contracts	3,757,599	3,872,596	2,094,307	(1,778,289)
Local Government Grants and Contracts	-	-	2,259	2,259
Private Gifts, Grants and Contracts	1,570,820	1,643,800	3,039,154	1,395,354
Endowment, Land and Permanent Fund Income	368,900	368,900	-	(368,900)
Sales and Services	-	-	-	-
Other Sources	-	-	-	-
Total Restricted Revenues	<u>18,064,720</u>	<u>18,607,820</u>	<u>12,807,165</u>	<u>(5,800,655)</u>
Restricted Expenditures:				
Instruction	15,101,068	15,441,892	10,395,918	5,045,974
Academic Support	1,317,741	1,405,277	985,988	419,289
Student Services	1,272,361	1,395,401	1,162,681	232,720
Institutional Support	338,717	334,017	237,970	96,047
Operation and Maintenance	34,833	31,233	24,608	6,625
Total Restricted Expenditures	<u>18,064,720</u>	<u>18,607,820</u>	<u>12,807,165</u>	<u>5,800,655</u>
Net Transfers To (From)	-	-	-	-
Change in Fund Balance (Budgetary Basis)	-	-	-	-
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Budgetary Comparison Schedules - Combined Campuses
Fiscal Year Ended June 30, 2008

Change in Fund Balance (Budgetary Basis) as Presented in Schedule 3A	20,148,089
Financial Statement Net Operating Loss	<u>(211,650,186)</u>
Difference	<u><u>\$ (231,798,275)</u></u>
Reconciling Items:	
State Appropriations Classified as Non-Operating Revenues	214,681,502
Gifts Classified as Non-Operating Revenue	7,396,401
Current Fund Investment Income Shown as Non-Operating	4,932,816
Interest and Other Expenses on Capital Assets - Non-Operating	(4,041,251)
Other Expenses Classified as Non-Operating	(15,060,711)
Capital Appropriations, Gifts, Grants and Contracts - Non-Operating	22,992,482
Building Fees Classified as Non-Operating	4,952,221
Net Loan Fund Operating Activity	(479,259)
Depreciation Expense included in Operating Expense	(27,568,376)
Net Plant Fund Non-Operating Activity	(1,415,210)
Financial Statement Operating Adjustments not Reflected in Schedule 3A	<u>25,407,660</u>
Total Statement - Only Adjustments	<u><u>\$ 231,798,275</u></u>

Notes

- 1) The final State Budget Adjustment Request for Restricted Funds may not reflect all restricted revenue for the year due to timing differences; all restricted expenses were within restricted revenues earned as of June 30, 2008.
- 2) Although line item titles may be similar to line items on the Statement of Revenues, Expenditures and Changes in Net Assets, reconciling amounts may not include activity for certain fund types and/or functional classifications.

**Pledged Collateral Requirements
As of June 30, 2008**

Pledged Collateral By Financial Institution

Account	Type of Security	CUSIP No./ Security #	Maturity Date	Fair Value of Collateral
BANK OF AMERICA				
<i>Cash</i>	FNMA Pool 555424	31385XAZ0	5/1/2033	\$ 761,608
CITIZEN'S BANK OF LAS CRUCES				
<i>Certificate of Deposit</i>				
<i>Endowment</i>	None			
BANK OF THE RIO GRANDE				
<i>Certificates of Deposit</i>	Spur, TX ISD	852155BK5	2/15/2015	\$ 165,000
FIRST NATIONAL BANK OF ALAMOGORDO				
<i>Cash</i>	FHLMC Bond	31335HYJ6	9/1/2023	\$ 493,079
FIRST NEW MEXICO BANK				
<i>Certificate of Deposit</i>	None			
MESILLA VALLEY BANK				
<i>Certificate of Deposit</i>	None			
EAST TEXAS NATIONAL BANK - PALESTINE				
<i>Cash</i>	None			
GRANTS STATE BANK				
<i>Cash</i>	None			
WELLS FARGO BANK OF NEW MEXICO				
<i>Cash</i>	FNCL	31407H3H7	7/1/2036	\$ 2,866,723
	FNCL	31407H3T1	6/1/2036	\$ 641,261
	FNCL	31406YBS8	2/1/2036	\$ 302,030
	FNCL	31409BV38	2/1/2036	\$ 94,329
	FNCL	31409T5X2	12/1/2035	\$ 1,346,557
	GNSF	36225BEV6	6/15/2029	\$ 193,025
WESTERN COMMERCE BANK, CARLSBAD				
<i>Cash</i>	GNMA	876947	11/20/2029	\$ 51,319
	GNMA	80581	2/20/2032	\$ 27,428
	GNMA	8919	2/20/2022	\$ 117,765
	GNMA	8121	1/20/2023	\$ 141,924
WELLS FARGO BANK OF NEW MEXICO				
<i>Repurchase Agreement</i>	FNCL	871101	11/1/2036	\$ 7,447,072
Foundation:				
WELLS FARGO BANK OF NEW MEXICO				
<i>Cash</i>				
CITIZEN'S BANK OF LAS CRUCES				
<i>Cash</i>				
MERRILL-LYNCH				
<i>Cash</i>				

Note: The Foundation is not subject to the State of New Mexico Pledged Collateral requirement.

Pledged Collateral Requirements
As of June 30, 2008

Account	Deposit Amount	FDIC/SPIC Insurance	Uninsured Public Funds	Pledged Collateral held by the pledging Federal Institution	Over/ (Under) 50% Collateral Requirement
BANK OF AMERICA					
<i>Cash</i>	\$ 3,614	\$ 3,614	\$ -	\$ 761,608	\$ 761,608
CITIZEN'S BANK OF LAS CRUCES					
<i>Certificate of Deposit</i>					
<i>Endowment</i>	\$ 11,100	\$ 11,100	\$ -	\$ -	\$ -
BANK OF THE RIO GRANDE					
<i>Certificates of Deposit</i>	\$ 300,000	\$ 100,000	\$ 200,000	\$ 165,000	\$ 65,000
FIRST NATIONAL BANK OF ALAMOGORDO					
<i>Cash</i>	\$ 345,994	\$ 100,000	\$ 245,994	\$ 493,079	\$ 370,082
FIRST NEW MEXICO BANK					
<i>Certificate of Deposit</i>	\$ 100,000	\$ 100,000	\$ -	\$ -	\$ -
MESILLA VALLEY BANK					
<i>Certificate of Deposit</i>	\$ 100,000	\$ 100,000	\$ -	\$ -	\$ -
EAST TEXAS NATIONAL BANK - PALESTINE					
<i>Cash</i>	\$ 49,343	\$ 49,343	\$ -	\$ -	\$ -
GRANTS STATE BANK					
<i>Cash</i>	\$ 61,094	\$ 61,094	\$ -	\$ -	\$ -
WELLS FARGO BANK OF NEW MEXICO					
<i>Cash</i>	\$ 4,570,655	\$ 100,000	\$ 4,470,655	\$ 5,443,925	\$ 3,208,598
WESTERN COMMERCE BANK, CARLSBAD					
<i>Cash</i>	\$ 216,209	\$ 100,000	\$ 116,209	\$ 338,436	\$ 280,332
WELLS FARGO BANK OF NEW MEXICO					
<i>Repurchase Agreement</i>	\$ 7,034,296	\$ -	\$ 7,034,296	\$ 7,447,072	\$ 272,090
Foundation:					
WELLS FARGO BANK OF NEW MEXICO					
<i>Cash</i>	\$ 79,816	\$ -	\$ -	\$ -	\$ -
CITIZEN'S BANK OF LAS CRUCES					
<i>Cash</i>	\$ 191,211	\$ -	\$ -	\$ -	\$ -
MERRILL-LYNCH					
<i>Cash</i>	\$ 10,259,412	\$ -	\$ -	\$ -	\$ -

Note. The Foundation is not subject to the State of New Mexico Pledged Collateral requirement.

Schedule of Funding Progress and Employer Contributions As of June 30, 2008

The Schedule of Funding Progress and the Schedule of Employer Contributions present multi-year trend information comparing the actuarial value of plan assets to the actuarial accrued liability, and the actual contributions of NMSU to the annual required contributions. The plan received its first actuarial valuation as of January 1, 2008, and therefore, this information is presented for one year.

Schedule of Funding Progress

Fiscal Year Ending	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a % of Covered Payroll
6/30/2008	\$ -	\$ 93,256,000	\$ 93,256,000	0%	\$ 261,060,597	36%

Schedule of Employer Contributions

Fiscal Year Ending	Annual Required Contributions (ARC)	Actual Contributions	% Contributed
6/30/2008	\$ 7,918,000	\$ 2,502,150	31.6%

Summary of Key Actuarial Methods and Assumptions

Valuation Year	January 1, 2008 to December 31, 2008
Actuarial Cost Method	Unit Credit Actuarial Cost Method
Amortization Method	30 Years
Discount Rate	5%
Projected Payroll Growth Rate	4%
Health Care Cost Trend Rate	Medical and prescription benefits on a select basis at 11% and on an ultimate basis at 6%. The select trend rates are reduced .5% each year until reaching the ultimate trend.

New Mexico State University
 Schedule of Expenditures of Federal Awards
 For the Fiscal Year Ended June 30, 2008

Schedule 6

NAME OF PROGRAM/ AGENCY NAME	Award Number	CFDA Number	Grant Code	Fund Number	Subrecipient Expenditures	Total Expenditures
RESEARCH AND DEVELOPMENT CLUSTER						
DEPT OF DEFENSE(DOD)						
	W81XWH0420011 USMRAA	12.rd	GR0000091	600081	(8)	\$ 1,175
	DAAD19-03-1-0104 DOD	12.431	GR0000120	600144	-	(11)
	DAAD19-03-1-0341ARMY	12.431	GR0000122	650318	75.000	75.000
	FA95500410197AFOS	12.800	GR0000150	602164	-	6,214
	FA95500510267 USAF	12.800	GR0000152	600386	-	(7,665)
	FA 95500510234 WFU	12.800	GR0000222	600821	-	5,648
	FA9550-04-1-0392USAF	12.800	GR0000273	602235	-	157,866
	HM1582-04-1-2029 NGA	12.630	GR0001116	600334	-	(239)
	ARO W911NF-06-1-0007 RECNRSTRCT FLDS	12.431	GR0001423	601879	-	169,163
	N00014-05-2-0001 ONR	12.rd	GR0001497	600968	-	1,364
	ARO W911WF-06-1-0005	12.431	GR0001653	601934	-	37,758
	ACE W913E5-06-C-0008	12.rd	GR0001765	602470	-	57,721
	W911NF-06-1-0200/49455 CH H	12.431	GR0001865	602642	-	97,617
	PROJECT EMITS-W74V8H06C0042	12.431	GR0001969	602816	(28,150)	39,955
	ARMY RO W911NF-06-1-0441	12.431	GR0002034	602895	-	58,891
	W911NF-06-1-0492 Army	12.431	GR0002053	602917	-	(657)
	DOD W911NF-06-1-0487	12.431	GR0002057	602923	-	164,167
	W81XWH-06-2-0062	12.420	GR0002073	602945	-	69,027
	NATL GEO INTELL AGENCY HM15820612036	12.630	GR0002082	602957	-	75,308
	SAIC SUBCONT #4400143909	12.rd	GR0002254	603229	-	41,933
	ONR N00014-07-1-0552 NOZZLE TECH	12.300	GR0002348	603392	-	358,362
	DOD W911NF-07-1-0609	12.431	GR0002428	603500	-	4,479
	DOD-W911WAW-07-C-0078 EMITS PH. II	12.rd	GR0002451	603529	313,289	764,076
	USARMY WAR COLLEGE W911QF0-07-P-0139	12.rd	GR0002490	603589	-	58,047
	ONR N00014-08-1-0304 DESALINATION	12.300	GR0002568	603710	-	3,199
	W9113M05D0001 ARMY	12.431	GRP000507	800495	1,500,000	2,555,121
	HC 1047-05-C-4045 DISA	12.rd	GRP000529	800004	-	(172)
	53301 PREDICTIVE TECH	12.431	GRP000533	800393	393,197	728,493
	536 DYNMCL MDL TECH ONR HM15820512C	12.630	GRP000536	602617	-	42,242
	NGA HM157105C0004	12.rd	GRP000541	800505	-	81,610
	545 USOVP PHASE II FA9200-06-D-0020	12.rd	GRP000545	800436	533,543	3,402,034
	MCCULLOUGH IPA 230 AIR FORCE	12.rd	GRP000552	800448	-	137,146
	US GOVT 06 C 3052	12.rd	GRP000563	800470	-	180,492
	US ARMY 07-574	12.rd	GRP000574	800507	-	9,634
	ARL W9124Q06C0156	12.rd	GRP000578	801293	-	190,970
	AFIOT F4F5AL7031M001	12.rd	GRP000585	801329	-	(42,299)
	W912HZ-07-P-0076	12.rd	GRP000587	801337	-	6,000
	W15QKN-07-D-0006	12.rd	GRP000592	801358	-	10,988
	DAAE30-99-D-1013	12.431	GRP000719	800016	-	9,731
	DAAB07-00-D-G504 DOD	12.431	GRP000747	800037	-	(1,275)
	DAAD07-00-C-0210	12.431	GRP000767	800045	180,392	1,260,995
	NMA100-00C-0002 DOD	12.910	GRP000777	800229	-	(1,207)
	DAAE30-01-C-1075ARMY	12.431	GRP000820	800047	-	395,604
	DATM05-01-C-0026 DOD	12.431	GRP000832	800474	358,181	7,813,863
	N63394-03-D-1126 DOD	12.300	GRP000916	801360	659,622	1,916,554
	F08635-03-C-0146	12.431	GRP000939	800087	12,308	57,364
	DAAD19-03-2-0038	12.431	GRP000942	801366	59,258	2,565,694
	000-04-C-0172 US GOV	12.rd	GRP000972	801301	-	297,254
	00004C0217 U S. GOV	12.rd	GRP000990	800135	-	1,985
	SAIC PO4400145587	12.rd	GRP001082	801379	-	114,458
	FA8650-07-16847	12.rd	GRP001083	801377	-	55,451
	NGIA HM1582-07-1-203	12.rd	GRP001085	801390	-	59,741
	SARA NAVY28.SC1 COLLISION AVOI	12.rd	GRP001093	801414	-	21,681
	HONEYWELL PO#C0907Q107	12.rd	GRP001094	801420	-	82,203
	DOD/ACA/WSMR W9124Q-08-D-0800	12.431	GRP001099	801452	-	1,883
	NGA HM157105C0004	12.rd	GRP001541	800506	-	129,881
	ARL W9124Q06C0156	12.rd	GRP001578	801294	-	230,189
	SAIC 4400141163	12.rd	GRP001589	801342	-	333
	W15QKN-07-D-0006 FFP	12.rd	GRP001592	801397	-	394,602
Pass Through DOD						
Battelle Memorial Institute	TCN 35061 BATTELLE	12.rd	GR0000118	600261	-	14,784
Southern Research Institute	S-04001 STHRN RESRCH	12.431	GR0000136	602159	-	95,111
Micro Analysis & Design Inc.	MICRO ANALY & DESIGN	12.rd	GR0000473	801353	36,700	456,170
ICI,LLC	5000-001-TASK 4 ICI	12.rd	GR0000946	601489	-	(19)

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RESEARCH AND DEVELOPMENT CLUSTER						
University of New Mexicc	798096-8745 UNM PO#R0024446	12.002	GR0000963	601492	-	75,709
University of New Mexicc	EP027958-8745 UNM SCIENTIST	12.rd	GR0001084	603685	-	181,488
University of New Mexicc	798027-8745 UNM	12.rd	GR0001473	600849	-	(3,007)
Nukove Scientific Consulting	04-01 NSC	12.rd	GR0001559	601113	-	(15,535)
Nukove Scientific Consulting	05-01 NSC	12.rd	GR0001664	602224	-	(3,701)
University of New Mexicc	UNM DTRA 798108-8745 WAIVER	12.rd	GR0001781	602620	-	94
University of Dayton Research Institute	RSC06005	12.rd	GR0001821	602596	-	(32)
Texas A&M University	RIVER COORDNT DATABASE TO12	12.rd	GR0001898	602847	-	91
TMC Design Corporation	GEO-BAND TMC SUBC0605	12.rd	GR0001940	602774	-	(5,140)
MicroSat Systems Inc	MICROSAT 06M-279	12.rd	GR0002061	602929	-	145,073
Continuum Dynamics Inc	CD PO 06-930	12.rd	GR0002107	602986	-	16,890
MC Fuhrman and Associates LLC (MCFA)	MCFA URS0006-3-1	12.rd	GR0002164	603067	-	7,891
Academy of Applied Science	US ARO 07-31	12.431	GR0002230	603163	-	2,553
Academy of Applied Science	US ARO 07-32	12.431	GR0002231	603164	-	2,600
Blythe & Trousil Inc.	BLYTHE & TROUSIL SUB NO 0601	12.rd	GR0002233	603167	-	101,446
Micro Analysis & Design Inc.	ALION MA&D SUB1187400 #35	12.rd	GR0002274	603272	-	24,873
High Performance Technologies, Inc (HPTi)	AHPCRC - HPTi	12.rd	GR0002275	603275	-	342,722
Battelle Memorial Institute	BATTELLE TCN 07142	12.rd	GR0002390	603452	-	73,019
Northrop Grumman	NORTHROP GRUMMANN PO#7500013451	12.rd	GR0002503	603620	-	10,058
Sarnoff Corporation	SARNOFF RTVGN-06-223#89PO4900000304	12.rd	GR0002505	603622	-	73,796
Texas A&M University	TAMU MOA 06/00 TASK ORDER #14	12.114	GR0002591	603766	-	10,520
Space Vector	PO 046697 MDA	12.rd	GRP000515	800279	-	1,399
Raytheon	RAYTHEON LC3016405REV A	12.rd	GRP000555	800461	-	126,043
SRI International	SRI INTRNL NO. RTVGN-06-223	12.rd	GRP000557	800466	-	74,011
Mit-Lincoln Laboratory	MIT PO#3105882	12.rd	GRP000575	800503	-	7,397
Newtec New Mexico Technology Group	NEWTEC S51156	12.rd	GRP000586	801339	-	43,133
CSA Engineering Inc.	CSA ENG PO 50105	12.rd	GRP000588	801341	-	8,256
Newtec New Mexico Technology Group	NEWTEC S52749	12.rd	GRP000593	801359	-	167,156
University of New Mexicc	UNM 798124-8745 DTRA	12.431	GRP000595	801371	-	44,772
CSA Engineering Inc.	CSA ENG SUB No 2007-C-103	12 rd	GRP000596	801375	-	89,383
Northrop Grumman	SSES-SC-01-079 NGIT	12.431	GRP000855	800502	-	252,280
Northrop Grumman	24215JM2S TRW SYSTEM	12.800	GRP000884	800300	-	1
Science Applications International Corporation	4400077896 SC APP	12.rd	GRP000946	801330	-	202,798
Mit-Lincoln Laboratory	PO3011141 MIT.LL	12.800	GRP000957	800250	-	20,866
Mit-Lincoln Laboratory	PO 3025791 MIT.LL	12.800	GRP000969	800119	-	29,432
Defense Research Associates, Inc	DRA 1084 PO2007088 SSAASY	12.rd	GRP001084	801385	13,125	39,943
New Mexico Tech	CACTUS SUBCON NM TECH	12 rd	GRP001095	801418	5,049	36,950
General Dynamics Armament & Technical Products	GENERAL DYNAMICS PO#90473	12 rd	GRP001098	801425	-	101,573
ITT Corporation	LTCD-012 ITT AES CORP LAUNCH DESIGN	12.rd	GRP001100	801447	-	6,822
Sarnoff Corporation	SARNOFF NO. RTVGN-06-223 TASK#2	12.rd	GRP001557	801415	-	82,229
			Total DOD		4,111,506	27,889,539
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION (NASA)						
	NAG9-1477	43.001	GR0000144	600168	-	111
	NNG05GE97H NASA	43.001	GR0000182	650382	75,920	496,426
	RTA# 1781 SATOP/NASA	43.001	GR0000234	600692	-	(396)
	NAG5-13189 NASA	43.001	GR0000364	600388	-	(7,402)
	NAG3-2864 NASA	43.001	GR0000366	600390	-	(1,183)
	CK#020090NASSMC/NASA	43 rd	GR0000919	600295	-	(313)
	NNG05GB45G NASA	43.001	GR0001532	601063	-	7,889
	NNG05GB86G NASA	43.001	GR0001554	601108	-	447,968
	NASA NNG06G126G	43.rd	GR0001849	602615	-	11,765
	NASA DML 06/08 NNG05GK56G	43.001	GR0001975	602822	-	130,142
	NASA NNX06AH09G	43 rd	GR0002045	602908	-	9,607
	NASA NNX07AV25H FELLOWSHIP 07-08	43 rd	GR0002457	603542	-	18,138
	NASA NNX07AO42A EPSCoR-RID	43.rd	GR0002485	650445	-	17,482
	NASA NNX07AT64A EPSCoR	43.rd	GR0002488	603607	91,197	166,749

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RESEARCH AND DEVELOPMENT CLUSTER						
	540 SCE MOBILE LAB NASA NNG05GQ84G	43.rd	GRP000540	800417	-	250,025
	NASA NAG5-5351 849 SUBORBTL COE	43.rd	GRP000849	800433	-	61,247
	NAS5-02087 NASA/GSFC	43.rd	GRP000864	800221	-	14
	NAS5-03003 NASA	43.rd	GRP000904	800223	5,847,007	21,917,469
Pass Through NASA						
California Institute of Technology-JPL	1257395 JPL	43.rd	GR0000153	602166	-	8,661
Satop Regional Development Corporation	RTA 1870 SATOP NASA	43.001	GR0000443	601317	-	(17)
Space Telescope Science Institute	HST-GO-10610.03-A STSCI	43.001	GR0000842	601467	-	27,685
Honeywell JSC White Sands Test Facility	PO#851445 HONEYWELL	43.001	GR0000851	600908	-	(886)
Space Telescope Science Institute	HST-GO 10190.02A STSI	43.001	GR0001523	601036	-	19,483
California Institute of Technology-JPL	JPL 1290219	43.rd	GR0002075	602947	-	1,264
Enterprise Advisory Services Inc	EASI PO 451081	43.rd	GR0002098	602977	-	(209)
Enterprise Advisory Services Inc	EASI PO 451007	43.rd	GR0002104	602983	-	3,849
California Institute of Technology-JPL	JPL 1293638	43.rd	GR0002170	603078	-	38,537
Texas Tech University	TEXAS TECH UNI 1314/C846-01	43.rd	GR0002237	603178	-	10,650
Jacobs Technology Inc.	JACOBS TECH INC. INTERN. W/S	43.rd	GR0002276	603279	-	6,888
California Institute of Technology-JPL	JPL #1309082 STAR FORMATION	43.rd	GR0002324	603364	-	17,177
California Institute of Technology-JPL	JPL #1309074 CYCLOTRON/SYNCHROTRON	43 rd	GR0002325	603365	-	18,161
Space Telescope Science Institute	STScI HST-GO-11210.04-A	43.rd	GR0002360	603414	-	12,319
Space Telescope Science Institute	STScI HST-GO-11211.07-A	43.rd	GR0002361	603415	-	167
Jacobs Technology Inc.	JACOBS TECH PO 900850	43.rd	GR0002391	603453	-	14,344
California Institute of Technology-JPL	CAL INST OF TECH JPL #1330975	43.rd	GR0002549	603684	-	2,989
Enterprise Advisory Services Inc	EASI PO 453539	43.rd	GR0002596	603777	-	21,073
Northrop Grumman	PRC 024053-SC-99-003	43.002	GRP000687	800171	-	1,095,820
Lockheed Martin Shared Svcs	LOCKHEED MARTIN U730701084	43.rd	GRP001086	801395	-	286,234
			Total NASA		6,014,124	25,109,927
DEPT OF HEALTH AND HUMAN SERVICES (HHS)						
	2-P20-RR016480-04HHS	93.389	GR0000046	800000	1,912	1,912
	GM08136-31 NIH	93.375	GR0000205	600486	-	(10,108)
	GM08136-30 NIH/SCORE	93.375	GR0000731	602115	-	(10)
	DC003292-06 NIH	93.173	GR0000886	600270	-	91,488
	1P20NRO8352-01 HHS	93.361	GR0000947	601336	-	158,426
	1 K22 AI064193-01 NIH	93.856	GR0001001	601546	-	81,837
	FD-U-001941 FDA	93.103	GR0001140	601687	-	1,054
	1HOCMS300043/01 HHS	93.779	GR0001309	601822	-	85,492
	FD-U-001941-05 HHS	93.103	GR0001566	601155	-	(4,097)
	GM08136-32 NIH SCORE	93.375	GR0001794	602511	(11,963)	7,084
	GM08136-31 S NIH	93.375	GR0001804	602536	-	3,395
	5U56CA096286-05 NIH NCI	93.397	GR0001857	650340	-	37,276
	GM08136-32S1 NIH SCORE	93.375	GR0001917	602724	-	6,936
	NIH BRE RR016480-06	93.389	GR0001919	602730	(45,313)	(52,023)
	GM08136-32S2 NIH SCORE	93.859	GR0001948	602786	-	(1,546)
	DHHS 5U01FD001941-07	93.103	GR0002051	602914	-	16,484
	NIH BRE 5-P20 RR016480-07	93.389	GR0002234	603169	2,170,347	3,034,139
	DHHS 211-2007-M-20235	93.rd	GR0002244	603188	-	2,480
	GM008136-33 NIH SCORE	93.375	GR0002259	603235	31,442	2,935,034
	DHHS 5U01FD001941-08	93.103	GR0002450	603528	-	300,353
	1U54CA132383-01 NCI ADV CANCER RESE	93.397	GR0002491	603590	-	450,340
	NIH BRE 5-P20 RR016480-08	93.389	GR0002581	603746	-	199,499
Pass Through HHS						
Awwa Research Foundation	2986 AWWA RES FOUND	93.283	GR0000155	600179	-	(897)

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RESEARCH AND DEVELOPMENT CLUSTER						
Lovelace Respiratory Research Institute	JK040662 LOVELAC RRI	93.106	GR0000246	602221	-	23,290
Central State University	03-12-156 FCVP	93.910	GR0001093	601646	-	(1,490)
California State La University Aux. Serv. Inc	NMSU SLOVACEK 230060 YEAR 2	93.859	GR0001395	601857	-	1
University of New Mexicc	UNM/NIMH 326T0/01/NMSU/JA	93.242	GR0001600	602814	-	57,455
Native American Botanics Corporation	NTV AM BTNCS CRPFY05	93.213	GR0001614	601281	-	(543)
New Mexico Human Services Department	GSA0563080000003A1SNM	93.779	GR0001640	600885	215.066	215.066
University of New Mexicc	OGAWA PASSIVE SAMP. BADGES	93.113	GR0001854	602622	-	8,225
California State La University Aux. Serv. Inc	NMSU-SLOVACEK-230060	93.859	GR0002099	602976	-	28,007
Children Youth And Families Dept	CYFD 08-690-5457	93.596	GR0002383	603444	-	40,436
California State La University Aux. Serv. Inc	CSU LA - NMSU-SLOVACEK-230060	93.859	GR0002447	603520	-	25,282
Total HHS					2,361,491	7,740,277
NATIONAL SCIENCE FOUNDATION (NSF)						
	HRD-0420407 NSF	47.076	GR0000053	600115	18,650	713,050
	AST-0349155 NSF	47.049	GR0000163	602169	-	64,916
	CCF-0306457 NSF	47.070	GR0000168	600192	-	3,523
	AST-0335665 NSF	47.049	GR0000170	600194	-	5,936
	EAR-0207495 NSF	47.050	GR0000175	600199	-	270
	90DAYWAIWER DUE-0341333 NSF	47.076	GR0000180	602173	-	7,689
	CHE-0348956 NSF	47.075	GR0000181	602174	-	112,802
	CCF-0306457NSF AMD 2	47.070	GR0000189	600201	-	1,007
	DMS-0305448 NSF	47.049	GR0000192	600216	-	(1)
	AST-0307393 NSF	47.049	GR0000193	600217	-	41,719
	EAR-0335802 NSF	47.050	GR0000196	600220	-	79,313
	DEB-0108568 NSF	47.074	GR0000218	600242	-	492
	DEB-0316194 NSF	47.074	GR0000221	600245	-	45,539
	EAR-9614616	47.050	GR0000225	600249	-	(192)
	DMS-0201944 NSF	47.049	GR0000230	600254	-	2,749
	DEB-0316516 NSF	47.074	GR0000231	600255	-	(32)
	CCR-0133115 NSF	47.070	GR0000320	600344	-	123,741
	OPP-0229605 NSF	47.078	GR0000404	600428	-	(2,288)
	ECS-0410092 NSF	47.041	GR0000425	600449	-	54,110
	DMR 0505270 NSF	47.049	GR0000437	601314	-	103,399
	IIS-0326553 NSF	47.070	GR0000483	600507	(65,934)	(65,934)
	CHE0540843 NSF	47.049	GR0000629	601371	-	76,600
	AST-0507558 NSF SATURN	47.049	GR0000689	601427	(3,364)	58,821
	AST-0407072 NSF	47.049	GR0000717	600110	-	63,759
	DMS0406608 NSF	47.049	GR0000721	600129	-	5,512
	CNS-0421502 NSF	47.070	GR0000887	600271	-	12,728
	DEB-0080412 NSF	47.074	GR0000903	603293	-	170,164
	HRD-0124198NSF/RASEM	47.076	GR0000907	601164	(73,519)	200,486
	SBE-0123690 NSF	47.075	GR0000908	601171	-	221,762
	EEC-0230709 NSF	47.041	GR0000913	602223	-	14,988
	EIA-0220590 NSF	47.070	GR0000914	601211	-	364,926
	AST-0519398 NSF	47.049	GR0001019	601589	-	231,645
	DMR-0423907 NSF MICRO DEVICE	47.041	GR0001082	601623	-	36,231
	EEC-0354094 NSF	47.041	GR0001112	600328	-	1,966
	DBI-0501249 NSF	47.074	GR0001130	601684	-	244
	NSF HARVESON FELLOW	47.041	GR0001154	601707	-	677
	DUE-0443533 NSF	47.076	GR0001446	600729	-	6,757
	SBE-0123690 NSF	47.075	GR0001623	601292	-	(56)
	NSF EF-0542228	47.074	GR0001698	602378	-	42,594
	NSF DBI-0552131 REU	47.074	GR0001709	602396	-	68,311
	NSF DUE-0536210 CCLI GRASP	47.076	GR0001759	602465	-	39,422
	NSF CCF-0541075	47.070	GR0001763	602468	-	87,112
	NSF CNS-0551734	47.070	GR0001772	602479	-	70,008
	NSF AST0628919	47.049	GR0001847	602610	-	131,924
	NSF BES-0607175	47.041	GR0001905	602709	-	131,818
	NSF DEB0080412 016	47.074	GR0001920	602737	-	(41)

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RESEARCH AND DEVELOPMENT CLUSTER						
	PROBLEM SOLVING DUE-0618765	47.076	GR0001929	602751	-	113.715
	TERMED GRANT	47 rd	GR0001937	602771	-	120
	HRD - 0331446 NSF	47.076	GR0001939	602773	-	231.802
	AMP PH III YR 3 BRDG TO FR ADMIN	47.rd	GR0001944	602781	-	1.931
	AMP PH III YR 3 BRDG TO DR	47.rd	GR0001945	602782	-	394.323
	NSF DMS 0604843	47.049	GR0001961	602807	-	26.274
	NSF AST-0607752	47.049	GR0001968	602815	-	37.318
	REACHING PINNACLE NSF HRD	47.076	GR0001980	602827	36.322	355.093
	NSF ECS0636512	47.041	GR0001990	602844	-	43.851
	NSF DBI0619747 EQPT	47.074	GR0002031	602890	-	2.702
	NSF FELLOWHSIP S GIBSON	47.rd	GR0002049	602912	-	32.066
	NSF DUE-0633746	47.076	GR0002136	603029	-	25.873
	NSF EAR-0634903	47.050	GR0002141	603035	-	10.759
	NSF LTER V DEB-0618210	47.074	GR0002158	603056	-	700.507
	NFS EAR-0636075	47.050	GR0002178	603089	-	23.117
	NSF INDEPTH IV EAR-0409870	47.050	GR0002189	603101	50.727	71.641
	NSF 0633736	47.076	GR0002210	603132	-	37.266
	NSF ECCS-0702208	47.041	GR0002225	603155	-	22.897
	NSF DUE-0633010	47.076	GR0002329	603369	-	20.164
	NSF OISE-0738090	47.041	GR0002335	603377	-	16.693
	NSF IOS-0725032 RIG/CAA	47.074	GR0002343	603384	-	70.843
	NSF HRD0331446 MOD# 9 & 10	47.rd	GR0002347	603391	-	348.800
	NSF DUE 0717752 LEARN MATH & CS	47.076	GR0002355	603406	-	82.471
	NSF DMS-0710228 THETA LIFTS	47.049	GR0002373	603433	-	37.170
	NSF MCB-0718735	47.074	GR0002378	603439	-	62.836
	NSF ECCS-0741977	47.041	GR0002379	603440	-	4.202
	NSF DRL-0733690 SUMA	47.076	GR0002394	603457	51.226	203.933
	NSF AST-0708185	47.049	GR0002395	603460	-	11.137
	NSF AST-0708210	47.049	GR0002414	603479	-	51.142
	NFS DUE-0652968	47.076	GR0002418	603487	-	192.535
	NSF DUE-0715694 OPEN-SOURCE PHYSICS	47.076	GR0002425	603496	-	19
	NSF HRD0331446	47.rd	GR0002470	603557	-	245.407
	NSF #IOS 0744498 SIGNIF OF RADIAT	47.074	GR0002539	603670	-	34.904
	NSF CBET 0808335 ELECT WORKSHOP	47.041	GR0002566	603708	-	10.000
	NSF DMR-0804032	47.049	GR0002611	603792	-	6.426
Pass Through NSF						
University of New Mexicc	PO892433 UNM	47.074	GR0000206	600230	-	18.831
University of New Mexicc	EPS 0447691 UNM	47.076	GR0000340	600960	-	239.005
University of New Mexicc	3-21301-7840 UNM/NSF	47.076	GR0000910	601201	-	(143.722)
University of Texas	UTEP/NSF 26-1006-9261	47.070	GR0001825	602587	-	44.346
University of New Mexicc	UNM NSF LTER 048663-8745	47.074	GR0001833	602601	-	(27.762)
Mesa Analytics & Computing LLC	MESA ANALYTICS & COMPUTING	47.070	GR0001957	602798	-	19.083
University of Michigan	UofM 3000615888	47.050	GR0002088	602964	-	12.306
Colorado State University	CRC G-3189-1	47.049	GR0002106	602985	-	8.994
University of Washington	UNIV OF WASHINGTON #235964	47.070	GR0002206	603124	-	9.633
University of Tennessee	UNIV OF TN OR6408-001.02	47.074	GR0002357	603411	-	11.213
Invertix Corporation	INVERTIX CORP ANTENNA STRUCTURES	47.041	GR0002370	603429	-	84.966
University of New Mexicc	UNM 048805-8745 SEVILLETA	47.074	GR0002571	603715	-	58.287
Claremont Graduate University	CLAREMONT GRAD UNVI 08-002	10.070	GRP001089	603653	-	24.939
			Total NSF		14,108	7,220,222
DEPT OF AGRICULTURE (USDA)						
	QLTY RESRCH/HATCH	10.200	GR0000054	600006	-	529
	03-JV-1121615-094USD	10.rd	GR0000359	600383	-	1,067
	20053435815583 USDA	10.200	GR0000365	600958	-	78.215
	58-6235-5-0022 USDA-ARS	10.001	GR0000390	602077	-	98.259
	20053425315623 USDA CSREES	10.200	GR0000396	601298	-	138.085
	2005-34410-15637 USDA	10.200	GR0000406	601542	-	6.828
	HATCH FED APPROPRIATIONS	10.203	GR0000447	601715	-	(25.531)
	2001-36201-11449USDA	10.224	GR0000015	600639	-	1.214
	2004-34387-14452USDA	10.200	GR0000016	602036	-	(4.712)
	2004-35400-14194USDA	10.206	GR0000018	600642	5.944	(3.443)
	2005-04756 USDA	10.200	GR0000025	602037	(11.863)	62.734
	2003-34358-13129USDA	10.200	GR0000633	600657	-	(811)

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RESEARCH AND DEVELOPMENT CLUSTER						
2004-38415-14556USDA		10.200	GR0000634	602038	(43,372)	(165,417)
58-1907-3-360 USDA		10.001	GR0000659	650183	-	(155)
03PA11030802033 USDA		10.652	GR0000661	600685	-	18,065
58-6235-3-010 USDA		10.001	GR0000695	600719	-	832,651
2003-34331-13117USDA		10.200	GR0000707	600731	-	(564)
2003-34410-13096USDA		10.200	GR0000819	600843	-	(274)
58-6606-0-201 USDA		10.001	GR0000824	600852	(38,190)	(37,833)
2004-35203-14717USDA		10.206	GR0000828	600205	-	3,737
58-6235-1-002 USDA		10.001	GR0000831	600859	-	(1)
2002-34186-12385USDA		10.200	GR0000832	600209	(25,384)	(42,980)
59-5428-1-327 USDA		10.001	GR0000838	600870	-	7,144
2004-34250-14732USDA		10.200	GR0000840	600219	-	173
2003-38415-13979USDA		10.200	GR0000922	601225	-	50
58-6606-5-246 USDA		10.001	GR0000966	650266	-	36,519
2005-38422-15960 CSREES-NRI		10.223	GR0001004	601548	41,914	165,792
2005-35102-16346 CSREES		10.206	GR0001007	601551	-	147,796
2005-35100-16268 USDA		10.206	GR0001052	601653	(4,439)	87,654
58-6235-5-0024 USDA-ARS		10.001	GR0001090	650279	-	80,213
43-3AEK-5-80075 USDA		10.475	GR0001133	601682	-	3,563
2005-38415-16506 USDACSREES		10.200	GR0001139	601686	(57,664)	218,453
ANIMAL HEALTH FED APPRTN USDA		10.rd	GR0001159	601714	-	46
MCINTIRRE STENNIS FED APP USDA		10.rd	GR0001161	601716	-	2,571
MULTI-STATE FEDERAL APPROPRIATIONS		10.rd	GR0001163	601717	-	1,970
4303AEK-480068 USDA		10.475	GR0001311	600470	-	(1,938)
USDA ARS 5862012005 T662351120		10.001	GR0001424	601888	-	10
68-8C30-7-974 SCS		10.903	GR0001433	600659	-	13
58-6201-2-005 USDA		10.001	GR0001480	600876	-	8,627
Y410375 IALC 04R-22		10.200	GR0001536	601068	-	(1,695)
012317-02 UNIV CAL		10.200	GR0001548	601102	-	(3,099)
2005-35101-15366USDA		10.rd	GR0001564	601118	-	(16,172)
AMPHIBIAN REPRODUCTION		10.rd	GR0001788	602496	-	56,692
CSREES 2006-34387-16885		10.200	GR0001836	602599	-	210,138
TWO STREAM SYSTEMS		10.652	GR0001841	602606	-	22,601
USDA/CSREES 2006-34381-16959		10.rd	GR0001878	602657	-	45,777
USDA-ARS 58-6235-6-029		10.001	GR0001884	602666	-	79,105
USDA/CRESS 2006-34186-16976		10.200	GR0001885	602667	21,312	(39,392)
OIL RESOURCES		10.200	GR0001887	602669	-	399
USDA 06-C-11330144-092		10.rd	GR0001889	602676	-	11,067
PATHWAYS TO SUCCESS USDA 2006-38422		10.223	GR0001902	602699	(85,000)	(72,146)
NEMATODE RESISTANCE 2006-34250-1717		10.200	GR0001907	602713	-	16,606
RANGELAND USDA 2006-34410-17411		10.200	GR0001914	602720	-	126,383
USDA/CSREES 2006-38422-17071		10.223	GR0001915	602721	(10,733)	59,405
LM USDA ARS 59 5428 6 342		10.001	GR0001952	602790	-	77,695
USDA ERS 58300060049		10.250	GR0001972	602819	-	4,233
USDA APHIS PPQ 06-8100-1140-CA		10.rd	GR0001981	602834	-	34
USDA 06-JV-11221617-229		10.652	GR0002013	602872	-	689
ANIMAL HEALTH FED APPN USDA		10.rd	GR0002014	602873	-	16,470
HATCH FED APPROP FY 07 USDA		10.203	GR0002015	602874	-	750,837
MCINTIRRE STENNIS FED APPROP		10.rd	GR0002016	602875	-	73,106
MULTI STATE FED APPROP FY07		10.rd	GR0002017	602876	-	460,487
FY07 68 8C30-7-974 SCS		10.903	GR0002046	602909	-	87,458
CSREES 2006-38415-17701		10.200	GR0002054	602918	(396,382)	(125,618)
USDA 58-6235-7-031		10.001	GR0002071	602952	-	3,517
USDA 07-PA-11030802-007		10.652	GR0002109	602990	-	3,880
59-3620-7-607 USDA		10.206	GR0002220	603149	-	32,019
USDA APHIS PPQ 07-8100-1140-CA		10.rd	GR0002258	603234	-	84,507
USDA-ARS 58-6235-7-040		10.001	GR0002296	603309	-	330,948
USDA 58-6235-7-041		10.001	GR0002297	603310	-	15,529
USDA/CSREES 2007-35101-18134 IRRIG		10.206	GR0002321	603359	-	49,914
USDA/CSREES 2007-35102-18120 WATER		10.206	GR0002322	603360	-	50,647
CSREES/USDA 2007-38422-18027		10.223	GR0002333	603374	-	36,070
2007-55204-18259		10.206	GR0002341	603382	-	35,335
USDA/CSREES 2007-34186-18312		10.200	GR0002358	603412	-	3,421
ANIMAL HEALTH FED APPN USDA		10.rd	GR0002406	603473	-	6,203
HATCH FED APPROP FY 08 USDA		10.203	GR0002407	603474	-	882,518
MCINTIRRE STENNIS FED APPROP		10.rd	GR0002408	603475	-	126,943
MULTI STATE FED APPROP FY08		10.rd	GR0002409	603476	-	209,932

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RESEARCH AND DEVELOPMENT CLUSTER						
	USDA 69-8C30-7-0016	10 rd	GR0002410	650423	-	23,341
	USDA AMS#12-25-G-0560 MKTG ANALYSIS	10.156	GR0002427	650425	-	16,777
	NFWF 2006-0088-009 WILDFIRE EFFECTS	15.608	GR0002430	650426	-	5,214
	SCS FY08 68 8C30-7-974	10.903	GR0002435	603507	-	175,542
	USDA/CSREES 2007-35318-18483	10.206	GR0002442	603515	-	7,525
	USDA 58-6209-7-040	10 rd	GR0002446	650428	-	5,047
	USDA 58-5348-7-610	10 rd	GR0002479	650438	-	10,121
	USDA/CSREES 2008-35320-18684	10.206	GR0002511	603629	-	25,472
	USDA/CSREES 2008-35205-18751	10.206	GR0002518	603636	-	18,195
	USDA FS 08-JV-11051670-022	10 rd	GR0002570	603714	-	67,867
	USDA/CSREES 2008-55215-18837	10.206	GR0002574	603720	-	216
	USDA/APHIS/PPQ 08-810-1140-CA	10.025	GR0002603	603784	-	9,438
	USDA/ARS 58-6235-8-044 RANGELND MGT	10.001	GR0002616	603801	-	404
	USDA/REGNL BDGT CNTR	10.200	GREVEN006	600012	-	240
	QLTY RESRCH/HATCH	10.200	GRODD0001	600001	-	5,512
	USDA/REGNL BDGT CNTR	10.200	GRODD0006	600011	-	2,263
Pass Through USDA						
State of Arizona	Y414465 UA	10.200	GR0000316	600822	-	22,997
Texas A&M University	TAMU 450010 TX A & M	10.350	GR0000330	603311	-	2,880
State of Arizona	KEYSTONE INDICATOR - TOOL FOR SEMID	10.200	GR0000452	601321	-	36,922
Texas A&M University	570179 TEXAS A&M	10.200	GR0000729	600753	-	18,855
La Jicanta Enterprise Community	MORA WTRSHD 2002-01	10.852	GR0000738	600762	-	(1,678)
University Of California	K007797-09 UNIV CALF	10 rd	GR0000753	600777	-	2,027
Texas A&M University	570176 TX AG EXP STN	10.200	GR0000821	600845	-	(13,535)
Texas A&M University	628001 TX A M	10.500	GR0001008	601557	-	3,031
Texas A&M University	570262 TAES	10.500	GR0001015	601578	-	380,163
Risk Management Agency	05IE08310214 USDA FCIC RISK MNGMNT	10.450	GR0001374	601848	-	70,956
University of Connecticut	U CONN SUB AGRMNT	10.206	GR0001468	600824	-	6,619
University Of California	WESTERN REGION IR-4	10.200	GR0001726	602422	-	18,406
University Of California	UCSB KK6123	10.206	GR0001818	602577	-	43,205
Texas A&M University	TAMU TAEX 570346	10.200	GR0002004	602863	-	115,557
University Of California	UC DAVIS 06002102-01	10.200	GR0002029	602888	-	(3,167)
La Jicanta Enterprise Community	LA JICARITA UPPER MORA H2OSHED	10.679	GR0002084	602960	-	26,797
State of Arizona	U OF A Y452456	10 rd	GR0002085	602961	-	18,467
University Of California	UNIV OF CALIF 016758-02	10.200	GR0002267	603263	-	5,161
State of Arizona	UNI OF ARIZONA Y453380 IALC	10 rd	GR0002287	603298	-	1,950
University of Connecticut	UNIV OF CONNECT #5828 AGR1 FIELD EM	10.206	GR0002294	603307	-	19,201
University Of California	UC DAVIS SUB0700264	10.200	GR0002424	603495	-	25,499
Texas A&M University	TAMU AGRILIFE #450039 CANOLA PROD	10.200	GR0002600	603781	-	5,120
			Total USDA		(603,857)	6,609,369
DEPT OF ENERGY (DOE)						
	DE-FG02-96ER40965DOE	81.049	GR0000060	600085	-	94,743
	DEFC0401AL67403NMSAG	81.104	GR0000773	600143	(439)	(771)
	DE-FC0401AL67403NMSU	81.104	GR0000855	600939	(138,032)	(50,487)
	DE-FC04-00AL66794	81.087	GR0000856	600962	-	(818)
	DE-FG29-91AL74167	81 rd	GR0000858	600984	-	886,147
	05-521-0300-0025MNRC	81 rd	GR0001435	600672	-	24,870
	DEFC3605GO15149 DOE	81.087	GR0001588	602762	-	872,441
	DOEnergy DE-FG02-94ER40847	81.049	GR0001783	602489	-	351,958
	US DOE DE-FC36-07GO 17034	81.117	GR0002420	603490	763,692	957,567
Pass Through DOE						
Washington Tru Solutions Llc	WIPP1-PO403138 WTS	81.106	GR0000056	600114	-	(38,027)
Awwa Research Foundation	#03068AWWA RSRCH FND	81.049	GR0000057	602227	-	375,351
Los Alamos National Lab	91683 001 04 8C LANL	81 rd	GR0000119	602156	-	74,568
Los Alamos National Lab	13218-001-05 LANL	81 rd	GR0000165	600389	-	19,783
Sandia National Laboratories	SNL FELW/SHP TILLERY	81 rd	GR0000171	603599	-	23,077
Sandia National Laboratories	SNL FELLOWSHIP	81 rd	GR0000249	602226	-	2,841
Sandia National Laboratories	PO#30215 SANDIA	81 rd	GR0000324	600348	-	87
Sandia National Laboratories	PO#30519 SANDIA	81 rd	GR0000328	600352	-	(12,501)
Sandia National Laboratories	PO 212432 SNL	81 rd	GR0000412	600436	-	154,826
National Renewable Energy Laboratory	XAM3-33204-01 NREL	81.087	GR0000435	600459	(4,083)	9,935
Sandia National Laboratories	PO 192117 SANDIA	81 rd	GR0000438	600462	-	(454)

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RESEARCH AND DEVELOPMENT CLUSTER						
Los Alamos National Lab	19883-001-05-213 DOE	81.rd	GR0000719	601431	-	406
Los Alamos National Lab	9XP1442E1	81.rd	GR0000864	600999	-	(3,445)
Sandia National Laboratories	251853 SANDIA NATIONAL LAB	81 rd	GR0000866	601006	-	15
Los Alamos National Lab	LANL 25498-001-05 2A	81.rd	GR0001046	601597	-	(3,856)
Sandia National Laboratories	PO336876SURP/SNL	81.rd	GR0001123	600345	-	(134)
Oak Ridge Associated Universities Inc.	NLM FY04-05 ORISE	81.rd	GR0001458	600772	-	2,667
Los Alamos National Lab	97102-001-04 3P LANL	81.rd	GR0001475	600851	-	602,437
Sandia National Laboratories	P0380387 SNL	81.rd	GR0001527	601040	-	32,043
Los Alamos National Lab	09589-001-05 LANL	81.rd	GR0001590	603141	-	266
Sandia National Laboratories	SNL RUSSIAN LIGHTHOUSE DATA	81.rd	GR0001707	602393	-	1,748
Carnegie Institution of Washington	CARNEGIE 4-3327-42	81.rd	GR0001826	602588	-	38,719
University of Missouri	STABILIZING POWER SYSTEMS	81.rd	GR0001864	602641	-	(5,425)
Sandia National Laboratories	SNL SURP 616622 OPTIMAL RESOURCE DE	81.rd	GR0001959	602805	-	2,950
Sandia National Laboratories	SNL SURP 614907	81.rd	GR0001960	602806	-	10,903
Washington Tru Solutions Llc	SCIENTIFIC & TECHNICAL SUPPORT	81.rd	GR0001962	602808	-	(7,669)
Washington Tru Solutions Llc	CONSTRUCTION OF VOC LAB WTS 405959	81.rd	GR0001963	602809	-	288,516
Sandia National Laboratories	SNL PO 614849 SURP	81.rd	GR0001978	602825	-	35,344
KSL Services JV	KSL 06-PS042	81.rd	GR0001983	602831	-	20,919
SM Stoller Corporation	STOLLER CORP P3166	81.rd	GR0001992	602846	(3,210)	2,379
Los Alamos National Lab	LANG 43517 001 06	81.rd	GR0001994	602849	-	58,199
Los Alamos National Lab	LANL 41982-001-07	81.rd	GR0002058	602925	-	(7,496)
Sandia National Laboratories	658420 SANDIA NATL	81.rd	GR0002144	603039	-	41,612
Washington Tru Solutions Llc	WTS LLC #406873	81.rd	GR0002187	603099	-	7,927
Los Alamos National Security LLC	LANSLLC/IAS	81.rd	GR0002216	603139	-	27,084
Los Alamos National Security LLC	LANSLLC/IAS/NSO	81.rd	GR0002217	603145	-	54,287
Los Alamos National Lab	LANL 51636-REQ-07	81.rd	GR0002227	603159	-	19,833
Washington Tru Solutions Llc	WIPP1-PO408094	81.rd	GR0002369	603428	-	506,121
Sandia National Laboratories	SNL 727140 PO 536578	81.rd	GR0002386	603447	-	20,119
Sandia National Laboratories	SNL 734668 PO536578	81.rd	GR0002415	603484	-	3,045
Sandia National Laboratories	SNL 734646 PO536578	81.rd	GR0002416	603485	-	20,501
Sandia National Laboratories	SNL PO 747067	81.rd	GR0002433	603505	-	4,337
Sandia National Laboratories	SNL DOC# 739570	81.rd	GR0002436	603509	-	16,271
Sandia National Laboratories	SNL 739569 PO 536578	81.rd	GR0002438	603510	-	28,376
Sandia National Laboratories	SNL PO#739571	81.rd	GR0002445	603518	-	19,747
Los Alamos National Lab	LANL/LANSCE 57248-001-07	81.rd	GR0002452	603530	-	75,546
Sandia National Laboratories	SNL #757194 PO#536578	81.rd	GR0002471	603560	-	4,772
Los Alamos National Lab	LANL 56155-001-08	81.rd	GR0002489	603583	-	137,291
Sandia National Laboratories	SNL #768080 PO#536578	81.rd	GR0002498	603610	-	42,745
University of New Mexicc	UNM PO#P0064343 RAYSON	81 rd	GR0002500	603614	-	1,607
University of New Mexicc	IAS-LANS JOHNSON PO#0064343	81.rd	GR0002501	603615	-	1,337
Sandia National Laboratories	SNL 783004 PO 536578	81 rd	GR0002540	603671	-	26,403
Sandia National Laboratories	SANDIA HILLS 796867	81 rd	GR0002564	603706	-	63,228
Washington Tru Solutions Llc	WTS WIPP - MTO 408664	81 rd	GR0002593	603770	-	47,668
Sandia National Laboratories	SANDIA PO 798225	81 rd	GR0002609	603790	-	3,983
Sandia National Laboratories	SNL 640823 PO536578	81 rd	GRP000584	801328	-	2,079
Institute Of Advanced Study	594 MUON TOMOGRAPHY IAS	81 rd	GRP000594	801367	-	19,809
Sandia National Laboratories	377443(A0256) SNL	81 rd	GRP000989	800238	-	(25,575)
Los Alamos National Lab	04386-001-053F LANL	81 rd	GRP000994	800244	-	4,528
Sandia National Laboratories	SNL 768288 PO#536578	81 rd	GRP001096	801419	-	28,950
				Total DOE	6,179,928	6,018,253
DEPT OF INTERIOR (DOI)						
	CA9-FG-81-0143; MOD5-FC-40-2346 DOI	15.rd	GR0000132	600364	-	55
	J717005A001 NPS	15.921	GR0000148	600108	-	99,370
	KAA051003 BLM	15.rd	GR0000254	600480	-	(1)
	GDA030020 BLM/DOI	15.rd	GR0000370	650131	-	8,702
	GDA030009 TSK#1 BLM	15.rd	GR0000391	600415	-	46,830
	01HQURU1572 RWO48 DOI	15.808	GR0000613	600637	-	48,856
	01HQURU1572 RWO51 DOI	15.rd	GR0000636	602041	-	92,673
	1434-01HQURU1572 WO44	15.308	GR0000672	600696	-	(1)
	1434-01HQURU1572RWO45	15.808	GR0000674	600698	-	(4)
	1434-HQ97-RU-01572	15.808	GR0000680	600704	-	(7)
	CA1200-99-0099NMSU-3	15.rd	GR0000696	600720	-	(3,891)
	CA-1200-99-009 NMSU-04 NPS	15 rd	GR0000697	600721	-	(1,363)
	03-FG-40-2077 USDO/BOR	15 rd	GR0000701	650172	2,332	9,462
	CA-1248-00-002 NPS	15 rd	GR0000716	600740	-	(3,114)

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RESEARCH AND DEVELOPMENT CLUSTER						
	J1242050305 DOI NPS	15.rd	GR0000735	601434	-	3,585
	05-FG-40-2276 BOR/DOI	15 rd	GR0000829	600091	-	13,664
	04-FG-40-2186 DOI/BOR	15.rd	GR0000833	650179	-	8,929
	01HQGR0094 DOI/USGS	15.805	GR0000892	601085	-	(25,443)
	GDA 050012 BLM/DOI	15.225	GR0001006	601550	-	3,383
	CA-1248-00-002 NPS	15.rd	GR0001051	601602	-	6,171
	CA 9-FG-81-0143 BOR/DOI	15.805	GR0001054	601604	-	103,589
	05-FG-40-2419 BOR SALT CEDAR	15 rd	GR0001057	601615	-	6,890
	01HQUR1572 R/WO 52 USGS	15.808	GR0001128	601667	-	41,854
	BLM PROJ LRNG TREE	15 rd	GR0001132	600360	-	(8)
	2005-2006 PLT BOR DOI	15.225	GR0001325	601833	-	(19)
	201814J863 DOI/USFG	15.rd	GR0001335	600495	-	4,057
	USDOI BOR 06-FG-40-2450	15.rd	GR0001407	601869	-	23,640
	04-CS-40-8082 DOI	15.rd	GR0001443	600715	-	83,989
	201814J887 DOI 05/09	15.rd	GR0001466	600814	-	53,838
	J2115040016 DOI/NPS	15.rd	GR0001580	601231	-	37,874
	USGS 06HQGR0101	15.805	GR0001731	602430	10,000	81,324
	USDOI MAMMALIAN CARNIVORE	15.916	GR0001737	602495	-	1,938
	NPS H1200060003 NMSUDS-26	15.rd	GR0001886	602668	-	(8)
	SW REGIONAL GAP DOI 06HQAG0132	15.811	GR0001894	602684	-	(5,451)
	LAND STEWARDSHIP DOI 06HQAG0133	15.811	GR0001912	602718	-	67,089
	NCGP 2006 NMT	15.805	GR0001950	602789	(34,286)	(34,286)
	USDI MMS 0106CT39790	15rd	GR0001974	602821	-	10,566
	USGS 1434-01HQUR1572	15.812	GR0002056	602922	-	150,010
	USGS 06CRSA0733	15.rd	GR0002190	603104	-	2,247
	USDOI/NPS J124070015	15.912	GR0002249	603222	-	10,497
	USGS 07HQAG0048	15.810	GR0002256	650397	-	14,822
	NPS J2124070023	15.rd	GR0002334	603375	-	26,102
	USDOI/NPS J2120070112	15.rd	GR0002342	603383	-	18,000
	USGS 1434-01HQUR1572 R/WO#057	15.812	GR0002421	603491	-	102,354
	USDOI/USGS 08HQAG01117	15.805	GR0002587	603761	-	20,960
Pass Through DOI						
Acoma Game and Fish Enterprise	ACOMA GF ENT.	15.rd	GR0000848	601469	-	(3,055)
Texas A&M University	BOR CHALL MOA 06/00 TO#10 TX A&M	15.rd	GR0001735	602438	-	14,059
Montana State University	MSU G294-06-W1033	15.808	GR0001910	602716	-	46,339
Oregon State University	OSU L0117A-B	15.rd	GR0002119	603004	-	4,123
Jewish National Fund	CHECK #1732	15.rd	GR0002336	603378	-	2,850
			Total DOI		(21,454)	1,193,840
DEPT OF TRANSPORTATION (DOT)						
	DTFH61-04-H-00004DOT	20 rd	GR0000243	650105	-	28,721
	CO4343 NMSHTD	20 rd	GR0000322	600346	-	(17,055)
Pass Through DOT						
New Mexico Department of Transportation	CO4416 NMSHTD	20.rd	GR0000176	600185	-	(18)
New Mexico Department of Transportation	CO4417 NMSHTD	20.rd	GR0000289	602244	-	(25,602)
New Mexico Department of Transportation	CO4417 NMSHTD	20 rd	GR0000290	602245	-	(14,274)
New Mexico Department of Transportation	CO4417 NMSHTD	20.rd	GR0000291	602246	-	(2,605)
New Mexico Department of Transportation	CO4527 NMSHTD	20.205	GR0000304	602251	-	61,396
New Mexico Department of Transportation	CO4285 NMSHTD	20.205	GR0000305	600329	-	(353)
New Mexico Department of Transportation	CO4416 NMSHTD	20 rd	GR0000348	600372	-	(43)
New Mexico Department of Transportation	CO4451 NMSHTD	20.205	GR0000361	600385	-	(1,281)
New Mexico Department of Transportation	CO4416 NMSHTD	20.rd	GR0000373	600397	-	(1,226)

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RESEARCH AND DEVELOPMENT CLUSTER						
Federal Aviation Administration	FAA S&T 06-G-030	97.069	GR0002080	602955	-	196,121
Federal Aviation Administration	DOT/FAA 07-G-002	20.108	GR0002159	603062	31,680	49,484
New Mexico Department of Transportation	NMDOT M00657	20.801	GR0002172	603080	-	64,159
Texas Transportation Institute	TTI PO# P760030	20.700	GR0002245	603189	-	142,703
New Mexico Department of Transportation	NM DOT M00669 - STP-5910(1)	20.rd	GR0002270	603266	-	67,597
Washington State University	WSU #108634_G002243	20.700	GR0002464	650429	-	3,576
New Mexico Department of Transportation	M00455 WEIGH IN MOTION NMDOT	20.rd	GRP000530	800388	(366,333)	(357,585)
Embry-Riddle Aeronautical University	ERAU 61049-NMSU	20.109	GRP000567	850001	-	5,039
Lockheed Martin Shared Svcs	LM PO 06K0121	20.rd	GRP000999	801346	1,059	3,006
			Total DOT		(333,594)	201,760
ENVIRONMENTAL PROTECTION AGENCY (EPA)						
	MA-91636201-0 EPA	66 rd	GR0000874	600260	-	(639)
	NP-96604801-0 EPA	66.708	GR0001302	601813	-	(2,054)
	EP05C000012 EPA	66.rd	GR0001444	600723	-	35
	NP-97681401 EPA	66.708	GR0001472	650111	-	1,440
	X4-97674401-0 EPA	66.rd	GR0001499	600971	-	(4,475)
	DISTRIBUTION MODELS EPA EP06000162	66.rd	GR0001934	602761	-	(257)
	EPA FELLOWSHIP MA 91670701-0	66.513	GR0001984	602829	-	10,605
	US EPA SU-83317701-0	66.516	GR0002064	602935	-	(886)
	EPA X8-96643001-0	66.716	GR0002205	603122	-	68,254
	EPA X3-83379701-0	66.510	GR0002578	603739	-	10,000
Pass Through EPA						
City of Las Cruces	03/28/05 CITY OF LC -	66.606	GR0000109	650421	-	70,109
Anzona State University	05-591	66.001	GR0000377	602841	(255)	272,595
University of Utah	2301012-S2 UNIV UTAH	66.rd	GR0000879	601044	-	(524)
University of Texas	26-3506-91-61 UTEP	66.001	GR0001305	601819	-	(24)
Shaw Environmental & Infrastructure Inc	SHAW ENVIRONMENT PO 214319	66.rd	GR0001985	602833	-	(3,978)
New Mexico Environment Department	JPA #3827	66.708	GR0002131	603022	-	20,050
New Mexico Environment Department	NMED (2) JPA 08 667 POLLUTION PREV	66.708	GR0002493	603598	-	25,381
Tetra Tech Inc.	TETRA TECH #1029077	66.rd	GR0002548	603683	-	8,184
			Total EPA		(255)	473,816
DEPT OF EDUCATION (EDUC)						
	EDUC P120A060058 - MESH	84.120	GR0002165	603069	-	225,463
Pass Through EDUC						
Las Cruces Public Schools	PEP LCPS/NMSU SUB	84.215	GR0001463	600798	-	84,189
National Council for Economic Education	TEACHER LEARNING AVE CURRICULUM	84.rd	GR0001719	650302	-	(1,776)
National Council for Economic Education	NCEE GR-0600107	84.215	GR0002194	650392	-	23,065
University Of South Florida	UNIV S FLORIDA LASER CARE MENTOR	84.326	GR0002303	603317	-	30,000
University Of South Florida	UNIV S. FLORIDA MOU	84.326	GR0002377	603438	-	23,781
Ohio Board of Regents	OHIO REGENTS MATRIX	84.203	GRP001091	850004	-	61,181
			Total EDUC		-	445,903
NUCLEAR REGULATORY COMMISSION (NRC)						
	NRC-38-07-373 NUCLEAR EDUCATION	77.006	GR0002307	603324	-	89,342
			Total NRC		-	89,342
DEPT OF JUSTICE (DOJ)						

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RESEARCH AND DEVELOPMENT CLUSTER						
Pass Through DOJ						
CSR Incorporated	CSR INC YOUTH GANG ATTITUDES	16.rd	GR0002000	602859	-	10,339
State of New Mexico	NM DPS 08-790-6000-0023	16.rd	GR0002351	603402	-	16,544
State of New Mexico	NM DPS MOU 08	16.rd	GR0002576	603735	-	17,350
			Total DOJ		-	44,233
DEPT OF HOMELAND SECURITY (DHS) Pass Through DHS						
University of Minnesota	UM R9106000115	12.300	GRP000591	801352	-	24,997
			Total DHS		-	24,997
DEPARTMENT OF COMMERCE (DOC) Pass Through DOC						
South Central Council of Governments	08-69-04024 CHILE R&D	11.307	GR0000666	601404	-	4,174
South Central Council of Governments	SCCG CHILE R&D STRATEGY	11.312	GR0001662	602218	-	946
			Total DOC		-	5,120
DEPT OF STATE (DOS) Pass Through DOS						
American Council of Learned Societies	ACLS POST FELLOWSHIP	19.300	GR0000086	600077	-	12
			Total DOS		-	12
NATIONAL ENDOWMENT FOR HUMANITIES (NEH)						
	HR 50093-04 NEH	45.160	GR0000458	601325	-	1
	NEH HR 50294-06	45.160	GR0001946	602783	-	4
			Total NEH		-	5
US TRADE DEVELOPMENT AGENCY (AID) Pass Through AID						
	RC710-013/3582547AID	10.001	GR0000718	650390	-	(4,721)
Winrock International Institute Of Agricultural Dev.	5464-03-01 WINROCK	11.110	GR0000367	602541	-	(2,009)
			Total AID		-	(6,730)
	TOTAL RESEARCH AND DEVELOPMENT CLUSTER			5	12,159,997	5 83,059,885

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STUDENT FINANCIAL AID CLUSTER							
DEPARTMENT OF EDUCATION (EDUC)							
	WS FED APP	84.033	GR0000870		601013	\$ -	\$ 1,093,731
	FEDERAL ACG GRANT	84.063	GRB000032		603348	-	557,009
	FEDERAL SMART	84.063	GRB000033		603349	-	456,087
	FEDERAL PELL	84.063	GRB000036		240094	-	29,449,195
	FEDERAL SEOG	84.063	GRB000037		240095	-	565,362
	PERKINS REPAY	84.037	-		-	-	<u>333,645</u>
						-	<u>32,455,029</u>
	TOTAL STUDENT FINANCIAL AID					\$ -	\$ 32,455,029

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INDIVIDUAL AWARDS - OTHER						
DEPARTMENT OF HEALTH & HUMAN SERVICES (HHS)						
	HHS 90FR0057/01	93.086	GR0002062	602932	-	133,709
	DHHS 90FE0135/01	93.086	GR0002068	602940	-	209,777
	HHS 90FR0057/02	93.086	GR0002497	603605	-	142,618
	DHHS 90FE0135/02	93.086	GR0002545	603678	-	409,777
	D09HP02743-01-00 HHS	93.178	GR0000212	602193	-	123,475
	1D40HP02593-01-00HHS	93.191	GR0000235	602209	-	13,865
	90DAY WAIVER 1D40HP0259300HHS	93.191	GR0002527	603648	-	48,460
	05.665.0300.0025	93.283	GR0001503	600976	-	(7,783)
	23320052216 HHS CENTER	93.290	GR0001097	601651	-	52,722
	NURSING TRAINEESHIPS	93.358	GR0001903	602700	-	10
	DHHS/HRSA A10HP00281-08-00	93.358	GR0002309	603326	-	33,678
	1D65HP03147-01-00HHS	93.359	GR0000215	602194	-	161,747
	WVVR-1 D11 HP 00440-01HHS	93.359	GR0000240	600264	-	305,000
	06CH0224/22 HHS	93.600	GR0001498	600969	-	(6,439)
	1D68HP04158-01-00HHS	93.822	GR0001460	600792	-	(2)
	Total HHS Direct				-	1,620,614
Pass Through HHS						
CCDF Cluster						
New Mexico State Department of Education	03-690-7027-03 CYFD	93.575	GR0000730	602206	-	(418)
Children Youth And Families Dept	06-690-7000-7055	93.575	GR0000503	601344	-	(1,953)
Children Youth And Families Dept	CYFD 0587	93.575	GR0001820	602580	-	19,092
	CCDF Cluster Total				-	16,721
National Institutes Of Health	U10_CCU619259-04 HHS	93.065	GR0000186	600210	-	(93)
Children Youth And Families Dept	NMCFYD 08-690-5147TITLE IV-B	93.556	GR0002323	650409	-	74,798
Administration For Children & Families	90EV0351/01 DHHS	93.592	GR0001293	601810	-	118,815
Children Youth And Families Dept	TITLE IVE NMCFYD FY 2006	93.658	GR0000415	601302	-	(141)
Children Youth And Families Dept	05-6905000-5018 CYFD	93.658	GR0000748	650084	-	7
Children Youth And Families Dept	TITLE IV-E NM CYFD 06-07 0978	93.658	GR0001861	602635	-	167
Children Youth And Families Dept	NMCFYD 08-690-5177TITLE IV-E	93.658	GR0002310	650403	-	1,045,482
National Institutes Of Health	2 R25 GM48998-05 NIH	93.859	GR0000184	600208	-	19
National Institutes Of Health	GM07667 28 NIH	93.859	GR0000191	600469	-	(7,034)
National Institutes Of Health	NIGMS GM061222-05A1 RISE 06	93.859	GR0000677	601410	-	(478)
National Institutes Of Health	NIGMS BRIDGES GM48998-06	93.859	GR0001723	602419	-	(120)
National Institutes Of Health	NIH MARC GM07667-29	93.859	GR0001817	602572	-	853
National Institutes Of Health	NIGMS 5 R25 GM061222-06 RISE	93.859	GR0001931	602757	-	77,542
National Institutes Of Health	NIGMS 3 R25 GM061222-06S1	93.859	GR0002048	602911	-	89,586
National Institutes Of Health	NIH 2 R25 GM048998-08	93.859	GR0002201	603118	-	119,379
National Institutes Of Health	NIH MARC GM07667	93.859	GR0002247	603197	-	614,781
National Institutes Of Health	NMSU RISE 5R25GM061222-07	93.859	GR0002367	603422	-	959,142
National Institutes Of Health	NIH 5R25 GM048998-09	93.859	GR0002541	603672	-	87,929
University of New Mexicc	4-31311 UNM	93.969	GR0001439	601655	-	(106)
University of New Mexicc	UNMHSC GERIATRIC EDUC CENTER	93.969	GR0002504	603621	-	10,631
Camino De Vida Center For Hiv Services	BBCMP041007010 CDV	93.105	GR0001560	601114	-	(648)
University of New Mexicc	3R471 FY2005 UNMHSC	93.107	GR0001441	600702	-	(8)
University of New Mexicc	FEDERAL AHEC 3R471	93.107	GR0001672	602979	-	71,975
University of New Mexicc	3R518 FY05 BHETC UNM	93.189	GR0000308	600699	-	(3,881)
University of New Mexicc	BHETC 3R518/35183	93.189	GR0001671	602266	-	(754)
Community Action Agency of S New Mexico	HCAP-CAA	93.252	GR0001795	602520	-	(46,523)
University of New Mexicc	UNM 3R47G/347G	93.262	GR0002255	603231	-	20,227
University of New Mexicc	UNM 3R47G/347G1	93.262	GR0002537	603668	-	63,118
Children Youth And Families Dept	NM CYFD 0982	93.556	GR0001399	602695	-	1,660
New Mexico Human Services Department	GSA 06-630-900-0001 TANF 05-06 LC	93.558	GR0000650	601398	(70,147)	(69,894)
New Mexico Human Services Department	0363096340327A2 SNM	93.553	GR0000711	602086	-	(4,520)
New Mexico Human Services Department	GSA 05-0008 NM WORKS	93.558	GR0000754	602367	(129,715)	(127,662)

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INDIVIDUAL AWARDS - OTHER						
New Mexico Human Services Department	GSA076309000-0005 E&T FP	93.558	GR0001870	602930	20.502	37.350
Eastern Area Workforce Development Board	T06-07/NMSU -LC	93.558	GR0001874	602653	-	4.696
New Mexico Human Services Department	GSA-07-630-9000-0005	93.558	GR0001891	602682	(55,729)	36.518
New Mexico Human Services Department	NM HSS GSA 07-630-9000-0008	93.558	GR0002147	603043	-	(9,863)
Eastern Area Workforce Development Board	T06-07/NMSU -LC	93.558	GR0002188	603100	-	338
New Mexico Human Services Department	NMHSD GSA-08-630-9000-0005 TANF	93.558	GR0002316	440188	550,893	8,745,560
New Mexico Human Services Department	NMHSD GSA-08-630-9000-0005 FSP/E&T	93.558	GR0002317	603342	49,535	1,084,992
Eastern Area Workforce Development Board	EA/WDB TC07-08/NMSU -LC TANF ALAMO	93.558	GR0002319	603355	-	118,268
Eastern Area Workforce Development Board	EA/WDB TC07-08/NMSU -LC E&T ALAMO	93.558	GR0002320	603357	-	14,979
Eastern New Mexico University	09-04-00007	93.558	GR0020006	240006	-	(38)
Eastern Area Workforce Development Board	T04-05E&T EAW/DB	93.558	GR0020053	240015	-	(130)
Eastern Area Workforce Development Board	TANF T06-07/NMSU-C EAW/DB	93.558	GR0030018	340077	-	2,131
Eastern Area Workforce Development Board	EA/WDB T07-08/NMSU-C TANF	93.558	GR0030025	340100	-	396,096
Eastern Area Workforce Development Board	EA/WDB T07-08/NMSU-C E&T	93.558	GR0030026	340101	-	22,066
Eastern Area Workforce Development Board	EA/WDB TANF HHS WAIVR	93.559	GR0020057	240065	-	(32,140)
Administration For Children & Families	06CH0224/23 2006HEAD START	93.600	GR0001452	601900	-	14,519
Children Youth And Families Dept Administration For Children & Families	SNMICYFD 769070003031 DHHS 90YP0030/03	93.600 93.600	GR0001966 GR0002059	602813 602927	- -	(62) 48,421
Administration For Children & Families	HHS US ADMIN CHLDRN FAMILIES	93.600	GR0002097	602973	-	789,273
New Mexico Human Services Department	SNM/HSD 08-630-9000-0001	93.600	GR0002308	603325	-	565,639
Administration For Children & Families	DHHS 90YP0030/04	93.600	GR0002478	603572	-	99,362
Administration For Children & Families	HHS US ACF #06CH0224/25	93.600	GR0002502	603618	-	1,044,485
Children Youth And Families Dept	NM CYFD 08-690-7057 CAREER LATTICE	93.600	GR0002590	603765	-	22,381
Children Youth And Families Dept	NM CYFD 08-690-5211	93.669	GR0002396	603461	-	43,194
Children Youth And Families Dept	NM CYFD 08-690-5095	93.674	GR0002365	603419	-	29,962
Memorial Medical Center	101205 PHC/MMC	93.884	GR0001176	601724	-	(96)
University of New Mexicc	UNM 3R885/38852/38853	93.996	GR0001647	602938	-	35,465
University of New Mexicc	UNM 3R885/38854	93.996	GR0002458	603543	-	42,676
Camino De Vida Center For Hiv Services	5 H97 HA 00186-05CDV	93.xxx	GR0000211	602192	-	(3)
McFarland & Associates Inc	MCFARLAND & ASSOCIATE INC.	93.xxx	GR0002175	603083	-	39,194
Children Youth And Families Dept	NMICYFD 08-690-5414	93.xxx	GR0002393	603521	-	697,769
McFarland & Associates Inc	MCFARLAND & ASSOCIATE INC. YR02	93.xxx	GR0002495	603601	-	59,912
	Total HHS Pass Through				365,339	17,063,884
	Total HHS				365,339	18,684,498
DEPARTMENT OF AGRICULTURE (USDA)						
	USDA ARS 58-6235-7-033	10.001	GR0002069	602941	-	10,000
	05/06 USDA CSF SURVEILLANCE	10.025	GR0001648	602172	-	75
	USDA/APHIS 07/08 07-9419-0094-CA	10.025	GR0002356	603410	-	11,652
	07-8580-0609-CA	10.156	GR0002328	603368	-	52,290
	USDA 12-25-G-0485	10.156	GR0002030	650372	-	7,436
	USDA 12-25-G-0559	10.156	GR0002474	650437	-	49,834

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INDIVIDUAL AWARDS - OTHER						
USDA/AMS 12-25-G-0534 07/08		10.156	GR0002260	603254	-	80,562
USDA 12-25-A-4722		10.163	GR0002124	603014	-	15,530
USDA 12-25-A-4877		10.163	GR0002529	603650	-	26,774
CSRS S-274 ARTHROPOD		10.200	GR0000048	600025	-	(27,730)
FARM SAFETY		10.200	GR0001350	601842	-	1,090
PESTICIDE SAFETY EDUCATION PROGRAM		10.200	GR0001386	601850	-	4,810
RENEWABLE RESOURCES (RREA)		10.200	GR0001651	601849	-	(970)
RENEWAL RESOURCES RREA FY07 FED APP		10.200	GR0002025	602884	-	46,992
PSEP FY07 FED APPROP SMITH LEVER		10.200	GR0002026	602885	-	12,269
FARM SAFETY FY08 FED APPROP		10.200	GR0002400	603467	-	5,107
RENEWAL RESOURCES RREA FY08 FED APP		10.200	GR0002404	603471	-	45,141
PSEP FY08 FED APPROP SMITH LEVER		10.200	GR0002405	603472	-	18,579
2004-38411-14737USDA		10.217	GR0000830	600211	-	(321)
2004-38422-14616USDA		10.223	GR0000857	440004	(2,405)	96,186
2005-38422-15934 USDA		10.223	GR0000877	601475	32,722	83,064
2003-38422-13317USDA		10.223	GR0000612	600636	(14,437)	146,282
2003-51110-01718USDA		10.303	GR0000783	600807	11,942	139,441
USDA/CSREES 2007-51110-03813		10.303	GR0002338	603380	22,443	28,054
CSREES 2005-37620-16393		10.304	GR0002138	603031	-	63,910
FMHA AG MEDIAT. FY97		10.435	GR0000836	650174	-	58,849
2003-51200-01686USDA		10.443	GR0000749	600773	-	236,533
USDA/CSREES 2007-51200-03800		10.443	GR0002304	603319	-	111,033
STATE OPS/SL-3B		10.500	GR0000002	600002	-	189,505
SMITH-LEVER EFNEP		10.500	GR0000007	600028	-	26,956
SMITH-LEVER 3(B)&(C)		10.500	GR0000078	600022	-	98,392
05 45030 03217 USDA		10.500	GR0000606	601361	-	32,977
2004-48540-01877USDA		10.500	GR0000705	602084	-	4,930
2002-41580-01357USDA		10.500	GR0000812	600836	-	(11,254)
2002-41580-01359USDA		10.500	GR0000813	600837	-	(1,606)
2001-45030-01120USDA		10.500	GR0000841	600873	-	(30)
2004-45040-03005USDA		10.500	GR0000859	600240	-	73,852
STATE OPS/SL-3B		10.500	GR0001339	601836	-	55,194
USDA STATE EFNEP YOUTH SERVICES BY		10.500	GR0001344	601841	-	5,990
USDA SPECIAL NEEDS		10.500	GR0001351	601843	-	(37,135)
IMPROVING DIABETES CARE		10.500	GR0001729	602427	-	62,080
JUST BE IT!		10.500	GR0001803	650325	-	124,331
CSREES 2006-41581-02410		10.500	GR0001838	602602	-	82,812
STATE OPERATION FED SMITH LEVR 3B&C		10.500	GR0002018	602877	-	453,682
STATE EFNEP FY 07 FED APPROP		10.500	GR0002020	602879	-	81,195
SPCL NEEDS SMITH LVR 3B FED AP FY07		10.500	GR0002022	602881	-	(46,388)
IPM SMITH LEVER FY07		10.500	GR0002023	602882	-	12,319
USDA CSREES 2007-41580-03786		10.500	GR0002282	603286	-	77,467
STATE OPERATION FED SMITH LEVR 3B&C		10.500	GR0002397	603464	-	1,360,316
STATE EFNEP FY 08 FED APPROP		10.500	GR0002399	603466	-	319,659
SPCL NEEDS SMITH LVR 3B FED AP FY08		10.500	GR0002401	603468	-	60,391
05JV 11221615 163 USFS		10.652	GR0000504	601353	-	81,153
04JV11221615266 USDA		10.652	GR0001330	600491	-	100,844
05199000450 SNM		10.664	GR0001203	601743	-	21,959
06 199 000456 SNM		10.664	GR0001217	601747	-	55,862
05-199-000456 SNM		10.664	GR0001582	601243	-	(19,485)
USDA NRCS68-3A75-6-158		10.912	GR0002007	602866	-	19,687
USDA-NRCS #67-8C30-7-0017		10.912	GR0002467	650450	746,418	1,004,688
58-3148-3-003USDAFAS		10.960	GR0000787	600811	-	94,948
USDA FAS 58-3148-4-005		10.960	GR0000805	600829	-	325,456
58-3148-3-087 USDA		10.960	GR0000809	600833	-	139,901
58-3148-6-001 USDA FAS		10.960	GR0001129	601681	-	193,022
58-3148-6-004 USDA		10.960	GR0001295	601812	-	41,676
58-3148-5-008 USDA		10.960	GR0001577	601226	-	178,948
58-3148-5-11 USDA		10.960	GR0001620	601287	-	187,313
USDA FAS 58-3148-8-024		10.960	GR0002515	603633	-	109,776
USDA 58-3148-7-183		10.962	GR0002444	603517	-	107,926
01-JV-11221615-233FS		10.xxx	GR0000751	600775	-	(1,084)
2001-51110-11425USDA		10.xxx	GR0000756	600780	-	(60)
00-51110-9720 USDA		10.xxx	GR0000807	600831	-	(60)
68-8C30-03-961 USDA		10.xxx	GR0000601	600625	(723,822)	(552,696)
C6/07 USDA FORAGE LOSS		10.xxx	GR0002070	602942	-	4,472
Total USDA Direct					72,861	6,442,353

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NAME OF PROGRAM/ AGENCY NAME	Award Number	CFDA Number	Grant Code	Fund Number	Subrecipient Expenditures	Total Expenditures
INDIVIDUAL AWARDS - OTHER						
Pass Through to USDA						
Animal/Plant Health Insp	2006 USDA GYPSY MOTH PROJ	10.025	GR0001812	602546	-	(4)
Animal/Plant Health Insp	USDA-APHIS 07-8580-0814-CA	10.025	GR0002314	603332	-	29,174
Animal/Plant Health Insp	USDA-APHIS 07-8580-1100-CA	10.025	GR0002315	650406	-	21,060
Animal/Plant Health Insp	WAIVER USDA-APHIS 08-8580-0814-CA	10.025	GR0002583	650464	-	881
Animal/Plant Health Insp	USDA/APHIS/PPQ 08-8580-0609-CA CORE	10.025	GR0002584	603756	-	29,170
Animal/Plant Health Insp	USDA/APHIS/PPQ 08-8580-1100-CA	10.025	GR0002589	650467	-	15
Animal/Plant Health Insp	USDA/APHIS 07-7100-0123-CA	10.028	GR0002441	603514	-	12,000
Farm to Table	04-1535013 FARM2TBL	10.200	GR0000069	600362	-	28,103
Utah State University	DYE PLANTS USDA 051687037	10.200	GR0001893	602685	-	303
Purdue University	591-0559-01 PURDUE	10.206	GR0000673	602073	-	161,522
North Carolina State University	2003-1293-01 NCSU	10.221	GR0000758	600782	-	107,225
Economic Research Services	USDA ERS 58-3000-7-0093	10.250	GR0002423	603493	-	15,610
Purdue University	90 DAY WAIVER PU 598-0479-01	10.304	GR0002133	603025	-	69
University Of California	USDA-CSREES07-002558-08	10.304	GR0002486	603580	-	22,878
Texas A&M University	TAMU 450010 TX A & M	10.350	GR0000330	600874	-	68,022
University of Texas	510840-01 UTPA	10.443	GR0001573	601221	-	(70)
AgForce Inc	AgFORCE Inc. EDUCATION & TRAINING PRO	10.455	GR0002560	603701	-	19,799
State of Arizona	Y542283 U OF ARIZONA	10.500	GR0000815	600839	-	84,983
Texas A&M University	X428113 TX AG EXT	10.500	GR0000843	600875	-	582
Texas A&M University	628001 TX A M	10.500	GR0001008	601557	6,940	311,462
Washington State University	WSU G002016 (OGRD #11838)-90	10.500	GR0001892	602683	-	30,017
University of Wyoming	UTSTUNV46460NM	10.500	GR0002128	603019	-	3,897
Texas A&M University	TAMU TCE IRAQ-3	10.500	GR0002208	603130	-	205,631
North Carolina State University	NCSU 2007-0376-28	10.500	GR0002330	603370	-	3,944
University of Wyoming	UTSTUNV46465NM FY2007	10.500	GR0002434	603506	-	345
Regents of the University of California	UC SUB 0600105	10.500	GR0002516	603634	-	20,551
Kansas State University	KSU S08061 2008 4-H MILITARY	10.500	GR0002522	603640	-	7,778
New Mexico Human Services Department	0463094600417SNM	10.550	GR0000146	650241	(277,769)	(265,348)
New Mexico Human Services Department	FY 2005 NMHSD WAIVER	10.550	GR0001459	600778	(385,809)	(401,633)
New Mexico Human Services Department	SNM 04-630-9460-04-17 A-3	10.550	GR0001842	650336	(44,235)	(35,210)
New Mexico Human Services Department	SNM 04-630-9460-04-17 A4	10.550	GR0002292	650402	89,925	419,821
New Mexico Human Services Department	SNM 04-630-9460-04-17 A5	10.550	GR0002468	650431	458,131	1,319,944
Children Youth And Families Dept	0169 NMCYFD	10.558	GR0001215	601751	-	92,583
Children Youth And Families Dept	3070 NMCYFD SUMMER FOOD PROGR 07	10.559	GR0002265	603261	-	7,042
Children Youth And Families Dept	NM CYFD SUMMER FOOD PROG 07	10.559	GR0002271	603268	-	2,601
Children Youth And Families Dept	NM CYFD#3180 SUMMER FOOD 07	10.559	GR0002273	603271	-	1,076
Children Youth And Families Dept	SNM CYFD 3143 SUMMER FOOD PROG 2007	10.559	GR0002453	603532	-	9,998
American Distance Education Consortium	PX2003-06237 ADEC	10.855	GR0000775	600799	-	240
State of Arizona	Y701619 UNIV ARIZ	10.xxx	GR0000761	600785	-	(1)
University of Wyoming	UTSTUNV46453 SARE UWV	10 xxx	GR0001599	601267	-	7,915
Valles Caldera Trust	VALLES CALDERAS TRUST	10 xxx	GR0001862	602637	-	(53,576)
Animal/Plant Health Insp	USDA APHIS 07-9135-1143-CA NAI SYS	10.xxx	GR0002429	603501	-	56,399
	Total USDA Pass Through				(152,817)	2,346,798
	Total USDA				(79,956)	8,789,151
DEPARTMENT OF EDUCATION (EDUC)						
TRIO Cluster	PO42A020987 EDUC	84.042	GR0000463	600487	-	(66,895)
	PO42A060738 DEPT OF EDUC	84.042	GR0002052	602916	-	381,665
	EDUC P044A060889	84.044	GR0001976	602823	-	227,078
	P047A030840 EDUC	84.047	GR0000465	600489	-	74,566
	P047A070631	84.047	GR0002331	603371	-	277,024
	PO47A030840A US EDUC	84.047	GR0000255	600280	-	(17,112)
	TRIO Cluster Total				-	876,326
	P031S000105A EDUC	84.031	GR0040028	440039	-	(7,336)

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INDIVIDUAL AWARDS - OTHER						
	P031S020014 EDUC	84.031	GR0050004	540006	-	206,436
	P031S040005 DEV EDUC	84.031	GR0020058	240066	-	509,225
	P031S040005ADMN EDUC	84.031	GR0020059	240067	-	32,307
	P031S040040 EDUC	84.031	GR0030058	240044	-	686,741
	S149A020006 EDUC	84.149	GR0000076	600100	-	24,843
	USDE S149A070006	84.149	GR0002387	603449	-	265,556
	T195N020061 EDUC	84.195	GR0000276	600300	-	(83)
	P200A030118 EDUC	84.200	GR0000075	600099	-	99,967
	P217A030217 EDUC	84.217	GR0000930	650427	-	125,537
	E299B040048 EDUC	84.299	GR0000918	600297	-	724
	EDUC H325K060537 TRNG SCHOOL PSYCH	84.325	GR0002121	603006	-	124,197
	Total EDUC Direct				-	2,943,940
Pass Through EDUC						
New Mexico Higher Education Department	ABE FY07 HED	84.002	GR0020028	240079	-	(1,887)
New Mexico Higher Education Department	EL CIVICS NMHED FY08	84.002	GR0020063	240098	-	4,592
New Mexico Higher Education Department	NM HED ABE 06/07	84.002	GR0030021	340075	-	1,586
New Mexico Higher Education Department	NMHED ABE FY08 EL CIVICS	84.002	GR0040050	440146	-	61,864
New Mexico Higher Education Department	NM HED ABE FY 08	84.002	GR0040051	440147	-	244,999
New Mexico Higher Education Department	ABE FED FY08 HED	84.002	GRF020064	240099	-	69,736
New Mexico Higher Education Department	NM HED ABE 07/08 FEDERAL	84.002	GRF030030	340106	-	91,413
New Mexico Public Education Department	06-07 CARL PERKINS CARLSBAD	84.002	GR0030023	340089	-	(2,128)
New Mexico Public Education Department	07-08 CARL PERKINS CARLSBAD	84.002	GR0030032	340109	-	59,192
New Mexico Public Education Department	NMPED CPERKINS FY07	84.002	GR0040033	440079	-	50,130
New Mexico Public Education Department	NMPED CPERKINS FY08	84.002	GR0040052	440152	-	578,340
New Mexico Public Education Department	NM PED CARL PERKINS 06/07	84.002	GR0050015	540056	-	(227)
New Mexico Public Education Department	NM HED ABE 07/08	84.002	GR0050017	540059	-	153,312
New Mexico Public Education Department	NM PED CARL PERKINS 07/08 #94581	84.002	GR0050019	540073	-	29,048
New Mexico Public Education Department	NM PED CARL PERKINS 07/08	84.002	GR0020066	240103	-	83,058
New Mexico State Department of Education	ABE 2004-2005 FED	84.002	GR0020050	240063	-	7,050
New Mexico State Department of Education	NMHED ABE FY07 EL CIVICS	84.002	GR0040030	440066	-	(924)
New Mexico State Department of Education	NM HED ABE FY 07 DABCC	84.002	GR0040031	440071	-	20,932
New Mexico State Department of Education	ABE04-05-FEDERAL	84.002	GR0040032	440110	-	(918)
New Mexico State Department of Education	ABE FED FY05	84.002	GR0050035	540043	-	(242)
National Writing Project	03-NM05 NWP CORP	84.033	GR0000275	600299	-	15,707
New Mexico Public Education Department	TIA - RETA 05/06	84.048	GR0001674	602295	-	15,062
Mdc Inc.	MDC	84.116	GR0030048	340062	-	2,328
University of Central Arkansas	UCA 420314---210509	84.116	GR0002507	603624	-	2,050
Los Angeles County Office of Education ET and T	027069-05-06 LACOE	84.203	GR0001023	601591	-	(188)
Los Angeles County Office of Education ET and T	MATH STAR 0607 0378470607	84.203	GR0001965	602812	-	(2,186)
Ohio Board of Regents	OHIO REGENTS MATRIX #U203G050022	84.203	GR0001319	601829	-	4,251
Ohio Board of Regents	OHIO REGENTS MATRIX #U203G050022	84.203	GR0002169	603073	-	45,110
Alamogordo Public Schools	ALAMO PS PRG 1776	84.215	GR0002043	602906	-	464

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INDIVIDUAL AWARDS - OTHER						
Alamogordo Public Schools	APS PROJECT 1776	84.215	GR0002437	603508	-	65,305
National Council for Economic Education	NCEE MD-0600076	84.215	GR0002193	603108	-	1,879
Las Cruces Public Schools	MOU MC2 LCPS	84.283	GR0000768	600139	-	92,850
New Mexico State Department of Education	04-924-P52700159SNM	84.300	GR0000102	602204	-	(25,471)
New Mexico Public Education Department	JPA #07-924-P527-0096	84.366	GR0002252	603225	(65,277)	780,292
New Mexico Public Education Department	NM PED IGA 08-924-0252 MC2	84.366	GR0002586	603758	-	11,173
New Mexico Higher Education Department	OTEC 05/06	84.367	GR0001808	602542	-	267
New Mexico Higher Education Department	MOU 2007	84.367	GR0002248	603221	-	48,737
Bureau of Reclamation	04-CS-40-8082 DOI	84.xxx	GR0001443	601240	-	32
Eastern New Mexico University	GTPE4-NMSU ENMU	84.xxx	GR0000967	650088	-	(6)
New Mexico Public Education Department	EC FACULTY INST.	84.xxx	GR0001643	601943	-	(86)
Total EDUC Pass Through					<u>(65,277)</u>	<u>2,506,496</u>
Total EDUC					<u>(65,277)</u>	<u>5,450,436</u>
DEPARTMENT OF HOMELAND SECURITY (DHS) Pass Through DHS						
Department Of Homeland Security	SNM NM-OEM 2005-GE-T5-0012-NMSU	20.215	GR0002236	603177	-	123,562
Department Of Homeland Security	SNM NMDHSEM 2004-GE-T4-0005 FY08	97.004	GR0002572	603718	25,224	1,706,775
University of Tennessee	007456-003 U OF TENN	97.068	GR0001646	601945	-	4,817
State of New Mexico	SNM DPS 2003-TE-TX-0193-AG-EXC	97.xxx	GR0002353	603404	-	195,861
Total DHS Pass Through					<u>25,224</u>	<u>2,031,015</u>
Total DHS					<u>25,224</u>	<u>2,031,015</u>
NATIONAL SCIENCE FOUNDATION (NSF)						
	NSF EEC-0438715	47.041	GR0001432	601890	(12,633)	178,327
	DMS-033789 NSF	47.049	GR0000190	600214	-	(5)
	DMR-0444225 NSF	47.049	GR0001613	601280	-	23,738
	ATM-0404944 NSF	47.050	GR0000271	602233	-	36,025
	DBI-0451557 NSF	47.074	GR0000869	600121	-	25
	SBE-0123690 NSF	47.075	GR0001623	650312	-	15,804
	NSF SBE-0620112	47.075	GR0002117	602998	(119,648)	(31,542)
	DUE-0422518 NSF	47.076	GR0000045	600069	-	116,073
	DUE-0211314 NSF	47.076	GR0000269	600293	(7)	(7)
	HRD-9802223 NSF/SUPP	47.076	GR0000901	601133	(2,982)	(2,982)
	HRD-0331446 **REPLACED GR1939**	47.076	GR0001316	601937	-	(307)
	HRD-0436071 NSF	47.076	GR0001478	601064	16,336	37,235
	NSF DUE-0536210 CCLI GRASP	47.076	GR0001759	440141	-	39,566
	DUE-0402572 NSF ATE	47.076	GR0000356	602282	34,224	82,238
	NSF ESI-0639269	47.076	GR0002177	603088	40,578	222,771
	NSF HRD0331446	47.xxx	GR0001995	650365	33,250	36,547
	NSF HRD0331446	47.xxx	GR0001996	602853	19,103	279,786
Total NSF Direct					<u>8,221</u>	<u>1,033,292</u>
Pass Through NSF						
Institute Of Advanced Study	9900969-05 IAS	47.049	GR0000888	600272	-	4,390
Institute Of Advanced Study	IAS 7445-2307	47.049	GR0002140	603033	-	106,760
Institute For Global Environmental Strategies	IGES 071020 RITESONLINE II	47.050	GR0002285	603296	-	13,138
Iowa State University	420-40-50 ISU	47.076	GR0001035	601595	-	116,216
Brevard Community College	BCC SPACETEC	47.076	GR0040046	440182	-	11,696
Northern New Mexico Network	019-06 NNMNETWORK	47.076	GR0000607	601362	-	(4,181)

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INDIVIDUAL AWARDS - OTHER						
Northern New Mexico Network	011-05 NORTHN NM NET	47.076	GR0000766	600136	-	56
	Total NSF Pass Through				-	248,075
	Total NSF				8,221	1,281,367
SMALL BUSINESS ADMINISTRATION (SBA)						
	SBAHQ-06-I-0094	59.037	GR0002155	603052	-	310,416
	Total SBA Direct				-	310,416
Pass Through SBA						
New Mexico Small Business Development Center	SBDC 06-07 6-63001-Z-0032-18	59.037	GR0020062	240082	-	1,057
New Mexico Small Business Development Center	SBDC 07-603001-Z-0032-19	59.037	GR0020065	240101	-	161,992
New Mexico Small Business Development Center	FEDERAL SBDC 06/07	59.037	GR0030015	340045	-	275
New Mexico Small Business Development Center	SBDC 07/08	59.037	GR0030030	340105	-	212,028
New Mexico Small Business Development Center	6-603001-Z-0032-18 SNM SBDC	59.037	GR0040034	440090	-	10,392
New Mexico Small Business Development Center	7-603001-Z-0032-19 SNM SBDC FY08	59.037	GR0040055	440179	-	250,756
New Mexico Small Business Development Center	7-603001-Z-0032-19 SBDC FY08	59.037	GR0050039	540071	-	221,260
	Total SBA Pass Through				-	857,760
	Total SBA				-	1,168,176
DEPARTMENT OF ENERGY (DOE)						
	DOE/NNSA DE-FG52-07NA28084	81.123	GR0002439	603511	-	237,246
	Total SBA Direct				-	237,246
Pass Through DOE						
Los Alamos National Lab	LANL 220293000053C MBA	81.xxx	GR0001970	602836	-	197,505
Sandia National Laboratories	SNL 695009	81.xxx	GR0002306	603323	-	76,832
Carlsbad Community Development Corporation	CCDC BUILDING TRADES PROG	81.xxx	GR0030031	340108	-	102,607
	Total DOE Pass Through				-	376,944
	Total DOE				-	614,190
AGENCY FOR INTERNATIONAL DEVELOPMENT (USAID)						
	USAID 306-A-00-08-00506 AWATT	98.012	GR0002569	603713	-	120,058
	Total USAID Direct				-	120,058
Pass Through USAID						
Winrock International Institute Of Agricultural Development State of Arizona	5517-04-02WNRCK INTL	98.001	GR0000699	602082	-	28,295
Association Liaison Office	Y404192 UNIV ARIZONA 2005 ALO-TIES	98.001	GR0000728	600752	97,000	381,539
Development Alternatives Inc (DAI)	DAI PO 6586	98.012	GR0001594	603024	-	54,750
		98 xxx	GR0002555	603692	-	23,421
	Total USAID Pass Through				97,000	488,005
	Total USAID				97,000	608,063
ENVIRONMENTAL PROTECTION AGENCY (EPA)						
	T-966318 WASTEWATER 06/07 EPA	66.467	GR0040038	440120	-	8,874

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INDIVIDUAL AWARDS - OTHER						
	T-96664101 WASTEWATER 07/08 EPA	66.467	GRC040066	440196	-	17,814
	T-97668901 EPA	66.467	GR0040022	440105	-	(844)
	T-97669001 EPA	66.467	GR0040023	440106	-	(408)
	05/06 EPA E006653-06-1	66.700	GR0000742	601440	-	(222)
	E-00665307 0607 EPA AWARD	66.700	GR0001958	602799	-	105,577
	EPA E-006653-08-1 07/08 AWARD	66.700	GR0002349	603393	-	267,702
	X4-96604501-0 EPA	66.930	GR0001151	650285	-	1,279
	68-C-02-069 EPA	66.951	GR0000055	600173	-	1
	EPA EP 076000127 ON-SITE WASTEWATER	66 xxx	GR0002345	603386	-	32,516
	Total EPA Direct				-	432,289
Pass Through EPA						
New Mexico Environment Department	05 667 5000 0017 EPA	66.419	GR0040012	440089	-	110,872
Department of Finance and Administration	06/07 WATERSHED (319)	66.700	GR0001871	602649	-	27,580
Border Environmental Health Coalition Inc	2004-05 BEHC	66 xxx	GR0001537	601069	-	(163)
New Mexico Environment Department	SNM ENVIR DEPT ITA 3634	66 xxx	GR0002167	603071	-	20,509
New Mexico Environment Department	SNM ENVIR DEPT PSC 08-667-1000-0003	66.xxx	GR0002508	603625	-	6,157
	Total EPA Pass Through				-	164,955
	Total EPA				-	597,244
DEPARTMENT OF LABOR (DOL)						
	AN-11053-01-60 DOL	17.246	GR0040001	440001	-	32
	US DOL CB-17323-08-60-A-35	17.262	GR0030035	340120	-	864
	Total DOL Direct				-	896
Pass Through DOL						
WIA Cluster						
Family And Youth Inc Americorp	DONA ANA/WIA/SWRPY06/Y001/PSADABCC	17.259	GR0040049	440143	-	1,209
Family And Youth Inc Americorp	FYI PROF SERVICE CON	17.259	GR0040057	440189	-	57,934
	WIA Cluster Total				-	59,143
Eastern Area Workforce Development Board	EAWDB OSC 05-06 NMSU ALAMO	93.558	GR0002003	602862	-	15,962
Eastern Area Workforce Development Board	EAWDB OSC 07-08-NMSU-LC WIA	93.558	GR0002318	603354	-	102,256
Eastern Area Workforce Development Board	EAWDB OSC-05/06-NMSU-A	93.558	GR0020027	240069	-	484
Eastern Area Workforce Development Board	WIA OSC 06/07 NMSU-C	93.558	GR0030016	340069	-	2,077
Eastern Area Workforce Development Board	EAWDB OSC 07/08 NMSU-C WIA	93.558	GR0030028	340102	-	164,337
	Total DOL Pass Through				-	344,259
	Total DOL				-	345,155
DEPARTMENT OF JUSTICE (DOJ)						
	FY2004BYP/DOJ	16.001	GR0000800	600181	-	(1,794)
	2003-JS-FX-0074 DOJ	16.541	GR0000723	602366	-	84,229
	2002-SI-FX-0001 DOJ	16.542	GR0000962	601437	-	(434)
	OJP-DOJ 2007-WR-AX-0084	16.589	GR0002469	603556	-	92,911
	DEA/HIDTA MS050072DOJ	16.592	GR0000617	601366	-	6,552
	DEA HIDTA MS-03-0173	16.592	GR0000619	601368	-	(475)
	02-40269#05-447265 DEA	16.592	GR0001121	601665	-	20,581
	DEA/HIDTA US DOJ OVERTIME REIMBURSEM	16.592	GR0001323	603147	-	(1,692)
	03-DEA-425271 DOJ	16.592	GR0001576	601224	-	(2)
	DEA/HIDTA MK-05-0074 DOJ	16.592	GR0001758	602646	-	27,689
	DEA/HIDTA FY2007 FUNDS RECEIVED	16.592	GR0001947	602784	-	12,909
	DEA FORFEITURE FUNDING FY08	16.592	GR0002344	603385	-	265

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INDIVIDUAL AWARDS - OTHER						
	Total DOJ Direct				-	240,739
	Total DOJ				-	240,739

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INDIVIDUAL AWARDS - OTHER						
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION (NASA)						
	NNG04GN55H NASA	43.001	GR0000101	600104	-	2,214
	NING05GE97H NASA	43.001	GR0000182	450011	-	18,955
	NASA GRANT NNJ05JL46G	43.001	GR0001762	602467	-	19,972
	Total NASA Direct				-	41,141
Pass Through NASA						
Paragon TEC	NAS3-02123-SNM	43.001	GR0000849	600904	-	138,330
American Institute of Physics	SPS AIP STUDENT SCHOLARS PROG	43.001	GR0002422	603492	-	8,256
JACOBS TECHNOLOGY INC	JACOBS TECH COOP ED	43.001	GR0040054	440168	-	67,298
Satop Regional Development Corporation	RTA 1891 SATOP/NASA	43.001	GR0000693	601428	-	(17)
Satop Regional Development Corporation	RTA 1881 SATOP NASA	43.001	GR0000712	601429	-	(100)
Satop Regional Development Corporation	RTA 2005 SATOP/NASA	43.001	GR0001197	601732	-	(273)
Satop Regional Development Corporation	SATOP #2072 GRAPHITE DUST /DENG	43.001	GR0001451	601899	-	(17)
Satop Regional Development Corporation	RTA#1602 SATOP/NASA	43.001	GR0001569	601165	-	(17)
Smithsonian Institute	05CNT1900000056855Si	43.001	GR0001601	601268	-	26
Satop Regional Development Corporation	SATOP #1827 HURRICANE SHUTTERS	43.001	GR0001695	602375	-	(14)
Satop Regional Development Corporation	RTA 2259 SATOP	43.001	GR0001739	602445	-	408
Satop Regional Development Corporation	RTA2189 NOSE FILTER	43.001	GR0001744	602450	-	(1)
Satop Regional Development Corporation	SATOP RTA ID 2272	43.001	GR0001746	602452	-	75
Satop Regional Development Corporation	RTA #2298 VACUUM INSULATION	43.001	GR0001748	602454	-	34
Satop Regional Development Corporation	RTA 2139 COMPUTER ACTUATOR	43.001	GR0001757	602463	-	(1)
Satop Regional Development Corporation	SATOP #2644	43.001	GR0002011	602871	-	4
Satop Regional Development Corporation	SATOP #2574	43.001	GR0002038	602899	-	497
Satop Regional Development Corporation	SATOP #2654	43.001	GR0002041	602903	-	1
Satop Regional Development Corporation	SATOP #2673	43.001	GR0002091	602967	-	1,322
Satop Regional Development Corporation	SATOP #2692	43.001	GR0002092	602968	-	45
Satop Regional Development Corporation	SATOP #2801	43.001	GR0002160	603063	-	(41)
Satop Regional Development Corporation	SATOP #2857	43.001	GR0002163	603066	-	(11)
Satop Regional Development Corporation	SATOP #2895	43.001	GR0002174	603082	-	2,000
Satop Regional Development Corporation	SATOP #2903	43.001	GR0002179	603090	-	2,000
Satop Regional Development Corporation	SATOP #2900	43.001	GR0002204	603121	-	2,000
Satop Regional Development Corporation	SATOP #2963	43.001	GR0002209	603131	-	2,000
Satop Regional Development Corporation	SATOP #2949	43.001	GR0002215	603138	-	(11)
Satop Regional Development Corporation	SATOP #2951	43.001	GR0002226	603156	-	(11)
Satop Regional Development Corporation	SATOP #2975	43.001	GR0002243	603187	-	997
Satop Regional Development Corporation	SATOP #2941	43.001	GR0002261	603256	-	2,000

New Mexico State University
 Schedule of Expenditures of Federal Awards
 For the Fiscal Year Ended June 30, 2008

Schedule 6

NAME OF PROGRAM/ AGENCY NAME	Award Number	CFDA Number	Grant Code	Fund Number	Subrecipient Expenditures	Total Expenditures
INDIVIDUAL AWARDS - OTHER						
Satop Regional Development Corporation	SATOP #2781	43.001	GR0002298	603312	-	1,997
Satop Regional Development Corporation	SATOP #3060	43.001	GR0002340	603381	-	1,949
Satop Regional Development Corporation	SATOP #3029	43.001	GR0002388	603450	-	1,983
Oklahoma State University	NASA OSU AESP 07	43.001	GR0002431	603503	-	6,702
Satop Regional Development Corporation	SATOP RTA 3022	43.001	GR0002476	603565	-	2,000
Satop Regional Development Corporation	SATOP #3067	43.001	GR0002477	603569	-	1,936
	Total NASA Pass Through				-	<u>243,346</u>
	Total NASA				-	<u>284,487</u>
DEPT OF HOUSING AND URBAN DEVELOPMENT(HUD)						
	HSIAC-04-NM-18	14.513	GR0040078	440013	-	122,739
	Total HUD Direct				-	<u>122,739</u>
Pass Through HUD City of Las Cruces	B-02-SP-NM0442 CLC	14.246	GR0000814	600838	-	133
	Total HUD Pass Through				-	<u>133</u>
	Total HUD				-	<u>122,872</u>
DEPARTMENT OF COMMERCE (DOC)						
	NOAA NA07OAR4310407	11.431	GR0002372	603432	-	92,867
	Total DOC Direct				-	<u>92,867</u>
	Total DOC				-	<u>92,867</u>
DEPARTMENT OF THE INTERIOR (DOI)						
	BIA SMK00070115 WATER RES 07	15.037	GR0002264	603260	-	41,272
	BIA CMK16080003 WATER RES 07	15.037	GR0002604	603785	-	13,176
	JSA041005 Task 1 BLM/DOI	15.224	GR0001456	600662	-	(36,496)
	04-FG-40-2188 DOI/BO	15.504	GR0001109	600319	-	1,561
	973104J008 FVLS/DOI	15.617	GR0001328	600488	-	18,909
	CA-1248-00-002 NMSU 11 NPS	15.916	GR0000743	600767	-	(606)
	Total DOI Direct				-	<u>37,816</u>
Pass Through DOI America View, Inc.	AMERICA VIEW, INC. 07/08	15.xxx	GR0002371	603430	-	4,227
	Total DOI Pass Through				-	<u>4,227</u>
	Total DOI				-	<u>42,043</u>
DEPT OF DEFENSE (DOD)						
	AFROTC UNIFORM	12.002	GR0000515	600539	-	21,121
	2005 REAP AAS	12.431	GR0000381	601126	-	479
	SJC TASK 1 NNJ05JB02A	43.002	GR0001135	600268	-	5,485
	Total DOD Direct				-	<u>27,085</u>
Pass Through DOD Academy of Applied Science	AASc 08-12 REAP 2008	12.431	GR0002607	603788	-	882
Academy of Applied Science	AASc 08-13 REAP 2008	12.431	GR0002608	603789	-	777
	Total DOD Pass Through				-	<u>1,659</u>
	Total DOD				-	<u>28,744</u>
DEPARTMENT OF TRANSPORTATION (DOT)						
	2006 EISENHOWER FELLOWSHIPS	20.215	GR0002036	603001	-	(68)

New Mexico State University
 Schedule of Expenditures of Federal Awards
 For the Fiscal Year Ended June 30, 2008

Schedule 6

NAME OF PROGRAM/ AGENCY NAME	Award Number	CFDA Number	Grant Code	Fund Number	Subrecipient Expenditures	Total Expenditures
INDIVIDUAL AWARDS - OTHER						
	DOT-DDEGRD-07-X-00463	20.215	GR0002281	603285	-	1,500
	DOD FHA DDEHSI-07-X-00203	20.215	GR0002284	603294	-	12,704
	Total DOT Direct				-	14,136
Pass Through DOT New Mexico Department of Transportation	NMDOT 07-PT-DS-072	20.600	GR0002286	603297	-	3,191
	Total DOT Pass Through				-	3,191
	Total DOT				-	17,327
NATIONAL ENDOWMENT FOR THE ARTS (NEA)						
Pass Through NEA Arts Midwest	ARTS MIDWEST #21077 THE BIG READ	45.024	GR0002384	650420	-	9,834
	Total NEA Pass Through				-	9,834
	Total NEA				-	9,834
CORPORATION FOR NATIONAL AND COMMUNITY SERVICE (CNCS)						
Pass Through CNCS American Association of Community Colleges	AACC Letter 02_12_08	94.005	GR0002543	603675	-	5,204
Central New Mexico Community College	CNM 2136-8224C	94.005	GR0050013	550007	-	44,761
	Total CNCS Pass Through				-	49,965
	Total CNCS				-	49,965
DEPARTMENT OF VETERANS ADMINISTRATION (VA)						
	REPORTING OF VETERANS					(14,342)
	Total VA				-	(14,342)
	TOTAL INDIVIDUAL AWARDS - OTHER				350,551	40,443,832
	TOTAL EXPENDITURES - FEDERAL AWARDS				115,865,465	155,958,746

New Mexico State University
 Schedule of Expenditures of Federal Awards
 For the Fiscal Year Ended June 30, 2008

Schedule 6

Reconciliation to Statement of Revenues, Expenditures and Changes in Net Assets

Federal Awards:	
Federal Appropriations, Grants and Contracts	\$ 142,063,080
Portion of Capital Grants, Gifts and other Income related to Federal Awards	222,447
	<u>142,285,527</u>
Plus reconciling items:	
Indirect cost recovered	13,954,065
Net excess expenditures incurred over revenues recognized	(280,846)
Federal Expenditures per Schedule 5	<u>\$ 155,958,746</u>

Notes to Schedule of Expenditures of Federal Awards

- Note A: Significant Accounting Policies:
 The accompanying Schedule of Expenditures of Federal Awards follows the accounting policies presented in Note 2 of the Notes to Financial Statements
- Note B: Guaranteed Student Loan Program, CFDA # 84.032. During the fiscal year ending June 30, 2008, the University processed \$66,035,325 in new loans under the Guaranteed Student Loan Program (which includes Stafford Loans and Parents' Plus Loans):
- Note C: During the fiscal year ending June 30, 2008, the value of federal funds made available in the form of non-cash assistance totaled \$84,744.
- Note D: Federal Perkins Loan Program, CFDA # 84.038. Perkins loans awarded for the year ending June 30, 2008 totaled \$2,325,300. As of June 30, 2008, the outstanding student loan balances under the Federal Perkins Loan Program was \$15,915,926.

**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**

To the Board of Regents
New Mexico State University and
Mr. Hector Balderas
New Mexico State Auditor

We have audited the financial statements of the business-type activities and the discretely presented component unit of New Mexico State University ("University") as of and for the year ended June 30, 2008. We have also audited the combining statements of net assets – primary institution as of June 30, 2008, and the combining statements of revenues, expenses and changes in net assets – primary institution for the year then ended, and the budget comparison for the year ended June 30, 2008, and have issued our report thereon dated November 12, 2008. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

A *control deficiency* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the University's internal control.

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

To the Board of Regents
New Mexico State University and
Mr. Hector Balderas
New Mexico State Auditor

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

Compliance And Other Matters

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

However, we noted other matters involving the internal control over financial reporting that are required to be reported per section 12-6-5 NMSA 1978 that we have described in the accompanying schedule of findings and questioned costs as items 07-02 and 07-04.

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

This report is intended solely for the information and use of the Board of Regents, management, the New Mexico State Auditor, and applicable federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Moss Adams LLP

Albuquerque, New Mexico
November 12, 2008

**Report on Compliance With
Requirements Applicable to Each Major Program
And on Internal Control over Compliance in
Accordance with OMB Circular A-133**

To the Board of Regents
New Mexico State University and
Mr. Hector Balderas
New Mexico State Auditor

Compliance

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

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

In our opinion, New Mexico State University complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2008.

Internal Control Over Compliance

The management of the University is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the University's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in

To the Board of Regents
New Mexico State University and
Mr. Hector Balderas
New Mexico State Auditor

order to determine our auditing procedures for the purpose of expressing our opinion on compliance, 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 University's internal control over compliance.

A *control deficiency* in an entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

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

This report is intended solely for the information and use of the Board of Regents, management, the New Mexico State Auditor and applicable federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Moss Adams LLP

Albuquerque, New Mexico
November 12, 2008

**NEW MEXICO STATE UNIVERSITY
STATUS OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2008**

07-01 CFDA 84.042. Office of Assistant Secretary For Postsecondary Education, Department of Education; TRIO Student Support Services, Award Numbers PO42A020987 and PO42A060738, Award Year 2004.

Current Status: Resolved.

07-02 Lack of Controls over Office of Facilities and Services (OFS)

Current Status: Revised and repeated.

07-03 Access to Core Banner Server

Current Status: Resolved.

07-04 Budget Overages

Current Status: Revised and repeated.

06-04 Segregation of Information Technology Duties

Current Status: Resolved.

06-06 Documentation of Information Technology Standards, Policies and Procedures

Current Status: Resolved.

**NEW MEXICO STATE UNIVERSITY
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 FOR THE YEAR ENDED JUNE 30, 2008**

Part I - Summary of Auditors' Results

Financial Statements

Type of auditors' report issued	Unqualified	
Internal control over financial reporting:		
• Material weakness(es) identified?	___ Yes	_X_ No
• Significant deficiencies identified that are not considered to be material weakness(es)?	___ Yes	_X_ None Reported
Non-compliance material to financial statements noted?	___ Yes	_X_ No

Federal Awards

Internal control over major programs:		
• Material weakness(es) identified?	___ Yes	_X_ No
• Significant deficiencies identified that are not considered to be material weakness(es)	___ Yes	_X_ None reported

Type of auditors' report issued on compliance for major programs	Unqualified	
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133?	___ Yes	_X_ No

Identification of Major Program:

CFDA Number	Name of Federal Program or Cluster
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Various	Research and Development Cluster
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Dollar threshold used to distinguish between type A and type B programs	<u>\$ 3,000,000</u>
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Auditee qualified as low-risk auditee?	_X_ Yes	___ No
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**NEW MEXICO STATE UNIVERSITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2008**

Part II—Financial Statement Findings Section

The audit disclosed no findings required to be reported.

Part III—Federal Award Findings and Questioned Costs Section

The audit disclosed no findings required to be reported.

Part IV—Other Findings and Recommendations

07-02 Lack of Controls over Office of Facilities and Services (OFS)

Condition: Pursuant to allegations made during the 2007 fiscal year that certain employees were engaging in fraudulent activities, the Office of Audit Services completed a special audit of OFS. This report was released to the Board of Regents and the Office of the New Mexico State Auditor on December 20, 2007. Sixteen findings were noted, resulting in 78 recommendations for improvement. Given the magnitude and seriousness of the issues encountered, the report indicated that ".....it could take up to two years to fully implement an effective internal control system....."

Management of the University has put together an action plan and allocated resources to first correct those areas of greatest internal control risk to the University. Many of the findings were quickly resolved. However, as of the end of the 2008 fiscal year, certain improvements were still needed in internal controls over:

Transportation resources
Internal construction projects

Cause: The control environment in place during fiscal year 2008 at OFS was not yet sufficient to support a system of internal controls over the two areas noted above.

Criteria: Management is responsible for the control environment of any organization and, when this investigation began, it appears that "tone at the top" was deficient. Although many improvements in the internal control structure at OFS have been made in fiscal year 2008, there was still need for implementation of controls in areas noted above.

Effect: Lack of controls over transportation resources could result in non-compliance with University, State, and Federal requirements. Inadequate controls over internal construction projects could lead to fraud, waste or abuse; as well as unjustified costs to the University, inconsistencies in costs, and process inefficiencies.

Recommendation: Management should continue implementation processes as defined in its plan as presented to the Office of Audit Services and ensure that controls are in place entity-wide to avoid similar areas wherein lack of adequate controls might result in or provide opportunity for fraudulent activity.

**NEW MEXICO STATE UNIVERSITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2008**

Management's Response: As of the current date, management believes that all critical control processes have now been implemented in these two remaining areas and we consider this finding resolved. We will continue to address best practices recommendations from the Audit Services report throughout fiscal year 2009.

07-04 Budget Overages

Condition: The University exceeded its approved budget for Public Service (by \$8,325,375) and Retirement of Indebtedness (by \$10,605).

Criteria: Per Title 5 of the New Mexico Administrative Code, Chapter 3, part 4, paragraph 10, total expenditures of certain budgetary totals may not exceed the amount in the approved budget.

Cause: Retirement of Indebtedness over the budget amount is due to certain fees that were more than expected. Public Service over the budget amount is due to late arriving revenues that caused more expenditures than anticipated.

Effect: The University has not complied with budgetary compliance requirements for the "Public Service" and "Retirement of Indebtedness" budget categories as presented in the Budget Comparison – Unrestricted and Restricted - All Operations schedule in the financial statements.

Recommendation: We recommend that budget and actual expenditures be monitored regularly to avoid over expenditures.

Management's Response: In accordance with the Higher Education Department (HED) – Institutional Operating Budget Instructions for FY08, budgeted revenues and expenditures were adjusted to approximate estimated actuals for submission to HED. The University will ensure estimates are more precise on a functional line item level and that no unfavorable budget variances result in future years.

New Mexico State University
Exit Conference
For the Year Ended June 30, 2008

A closing conference was held on October 31, 2008, to discuss the current audit report and current and prior year auditors' comments. The parties agreed to the factual accuracy of the comments contained herein. In attendance were the following individuals:

Representing the Board of Regents for New Mexico State University

Robert Gallagher	Chair
Laura Conniff	Member

Representing New Mexico State University

Waded Cruzado	Interim President
Jennifer Taylor	Senior Vice President for Business, Finance and Human Resources
Angela Throneberry	Associate Vice President for Business, Finance and Human Resources
Lorin Gobble	Controller
Brenda Shannon	Director of Audit Services
Robert N. Franklin	Vice President for University Advancement
Tina Byford	Assistant Vice President for University Advancement
Minerva Rivera	Senior Financial Officer for Arrowhead Center Inc.
Bruce Kite	General Counsel

Representing Moss Adams LLP

Wayne Brown	Managing Partner
Scott Eliason	Partner
Marlena Torres	Manager

The University's management prepared the Financial Statements. The University is responsible for the Financial Statements and its contents.