

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

COMPREHENSIVE FINANCIAL ANNUAL REPORT
AND
SUPPLEMENTAL INFORMATION
YEAR ENDED JUNE 30, 2009
WITH
REPORT OF CERTIFIED PUBLIC ACCOUNTANTS

 KEYSTONE ACCOUNTING, LLC
CERTIFIED PUBLIC ACCOUNTANTS

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INTRODUCTORY SECTION

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STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

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STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

OFFICIAL ROSTER
June 30, 2009

Board of Education

Marty Vigil	Board President
Marcellino Crespín	Board Vice President
Happy Martínez	Board Secretary
Marlene Waukazoo	Board Member
Darlene Chiquito	Board Member

School Officials

Victor V. Velarde	Superintendent
Higinia Cordova	Business Manager

Cuba Independent



School District No. 62

FINANCIAL SECTION

FISCAL YEAR 2009

JULY 1, 2008 THROUGH JUNE 30, 2009

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Fax (505) 566-1911

INDEPENDENT AUDITORS' REPORT

Hector H. Balderas, State Auditor
And the Board of Education of
Cuba Independent School District No. 62

We have audited the accompanying financial statements of the governmental activities, each major fund, the aggregate remaining fund information, and the budgetary comparisons for the general fund and major special revenue fund of the Cuba Independent School District No. 62, as of and for the year ended June 30, 2009, which collectively comprise Cuba Independent School District No. 62's basic financial statements as listed in the table of contents. We also have audited the financial statements of each of the Cuba Independent School District No. 62's nonmajor governmental funds and the budgetary comparisons for the major capital projects funds, debt service funds, and all nonmajor funds presented as supplementary information in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2009, as listed in the table of contents. These financial statements are the responsibility of the agency's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Cuba Independent School District No. 62, as of June 30, 2009, and the respective changes in financial position thereof and the respective budgetary comparisons of the general fund and major special revenue fund for the year then ended in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each nonmajor governmental fund of the Cuba Independent School District No. 62, as of June 30, 2009, and the respective changes in financial position thereof and the respective budgetary comparisons for the major capital projects funds, debt service fund, and all nonmajor governmental funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated April 9, 2010, on our consideration of the Cuba Independent School District No. 62's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in conjunction with this report in assessing the results of our audit.

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Hector H. Balderas, State Auditor
And the Board of Education of
Cuba Independent School District No. 62

The District has not presented the Management's Discussion and Analysis that accounting principles generally accepted in the United States has determined is necessary to supplement, although not a required part of, the basic financial statements.

Our audit was conducted for the purpose of forming opinions on the basic financial statements, and the combining and individual fund financial statements and budgetary comparisons. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A- 133, Audits of States, Local Governments, and Non-Profit Organizations, and is not a required part of the financial statements. The additional schedules listed as "other supplemental information" in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Keystone Accounting, LLC

April 9, 2010

BASIC FINANCIAL STATEMENTS

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

STATEMENT OF NET ASSETS
June 30, 2009

	<u>Governmental Activities</u>
 <u>ASSETS</u>	
Cash and cash equivalents	\$ 2,803,027
Receivables:	
Delinquent property taxes receivable	91,628
Grant	1,039,195
Due from other governments	10,355
Deferred bond issuance costs	131,349
 Non-current:	
Non-depreciable assets	1,608,857
Depreciable capital assets, net	<u>19,975,374</u>
 Total assets	 <u>25,659,785</u>
 <u>LIABILITIES</u>	
Accounts payable	185,242
Accrued interest	48,630
Deferred grant revenue	452,004
Compensated absences	78,577
Noncurrent liabilities:	
Due within one year	535,000
Due in more than one year	<u>3,785,000</u>
 Total liabilities	 <u>5,084,453</u>
 <u>NET ASSETS</u>	
Invested in capital assets, net of related debt	17,346,950
Restricted:	
Debt service	804,124
Capital projects	1,191,909
Unrestricted	<u>1,232,349</u>
 Total net assets	 <u>\$ 20,575,332</u>

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

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

STATEMENT OF ACTIVITIES
Year Ended June 30, 2009

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Changes in Net Assets</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Primary Governmental Activities</u>
Primary government:					
Governmental activities:					
Instruction	\$ 5,748,182	\$ 42,330	\$ 1,913,130	\$ 11,367	\$ (3,781,355)
Support Services - Students	1,510,029	49,599	502,573	2,985	(954,872)
Support Services - Instruction	254,516	-	84,709	503	(169,304)
Support Services - General Administration	488,329	-	162,527	966	(324,836)
Support Services - School Administration	696,190	-	231,708	1,377	(463,105)
Central Services	714,070	-	237,659	-	(476,411)
Operations & Maintenance of Plant	1,473,215	-	490,320	-	(982,895)
Student Transportation	830,055	-	823,056	-	(6,999)
Food Services	468,298	56,742	267,216	-	(144,340)
Community Services	21,384	-	7,117	-	(14,267)
Bond interest paid	162,671	-	-	-	(162,671)
	<u>\$ 12,366,939</u>	<u>\$ 148,671</u>	<u>\$ 4,720,015</u>	<u>\$ 17,198</u>	<u>(7,481,055)</u>
Total governmental activities					
General revenues:					
Property Taxes:					
General purposes					
					24,634
Debt service					
					565,595
Capital projects					
					349,315
Grants and contributions not restricted					
					7,706,533
Unrestricted investment earnings					
					15,898
Total general revenues					8,661,975
Change in net assets					1,180,920
Net assets - beginning					19,394,412
Net assets - ending					\$ 20,575,332

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

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

GOVERNMENTAL FUNDS
Balance Sheet
June 30, 2009

	General Fund	Impact Aid Indian Education Fund	Debt Services Fund	Bond Building Fund	Other Governmental Funds	Total Governmental Funds
<u>ASSETS</u>						
Pooled cash and investments	\$ 1,006,538	\$ 241,456	\$ 658,384	\$ 1,011,137	\$ (114,488)	\$ 2,803,027
Receivables:						
Delinquent property taxes	2,562	-	70,645	-	18,421	91,628
Grant	-	-	-	-	1,039,195	1,039,195
Due from other governments	327	-	8,378	-	1,650	10,355
Due from other funds	<u>475,729</u>	<u>-</u>	<u>30,481</u>	<u>-</u>	<u>27,558</u>	<u>533,768</u>
 Total assets	 <u>\$ 1,485,156</u>	 <u>\$ 241,456</u>	 <u>\$ 767,888</u>	 <u>\$ 1,011,137</u>	 <u>\$ 972,336</u>	 <u>\$ 4,477,973</u>
<u>LIABILITIES AND FUND BALANCE</u>						
Liabilities:						
Accounts payable	\$ 18,562	\$ 44,824	\$ -	\$ 5,285	\$ 116,571	\$ 185,242
Due to other funds	176,840	51,189	-	-	305,739	533,768
Deferred revenue:						
Federal, state, and local grants	-	145,443	-	-	306,561	452,004
Delinquent property taxes	<u>2,084</u>	<u>-</u>	<u>57,115</u>	<u>-</u>	<u>15,701</u>	<u>74,900</u>
 Total liabilities	 <u>197,486</u>	 <u>241,456</u>	 <u>57,115</u>	 <u>5,285</u>	 <u>744,572</u>	 <u>1,245,914</u>
Fund balance:						
Reserved:						
Retirement of long-term debt	-	-	710,773	-	32,732	743,505
Unreserved reported in:						
General fund	1,287,670	-	-	-	-	1,287,670
Special revenue funds	-	-	-	-	21,172	21,172
Capital projects funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,005,852</u>	<u>173,860</u>	<u>1,179,712</u>
 Total fund balance	 <u>1,287,670</u>	 <u>-</u>	 <u>710,773</u>	 <u>1,005,852</u>	 <u>227,764</u>	 <u>3,232,059</u>
 Total liabilities and fund balance	 <u>\$ 1,485,156</u>	 <u>\$ 241,456</u>	 <u>\$ 767,888</u>	 <u>\$ 1,011,137</u>	 <u>\$ 972,336</u>	 <u>\$ 4,477,973</u>

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

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

RECONCILIATION OF THE BALANCE SHEET - ALL
GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET ASSETS
June 30, 2009

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

Fund balances - total governmental funds	\$	3,232,059
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		
Capital assets		29,060,236
Accumulated depreciation		(7,476,005)
Other assets are not available to pay for current-period expenditures and therefore are deferred in the funds.		
Deferred property taxes		74,900
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds		
Bonds payable		(4,320,000)
Accrued interest payable		(48,630)
Accrued vacation payable		(78,577)
Bond issue costs		<u>131,349</u>
Net assets of governmental activities	\$	<u>20,575,332</u>

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

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

GOVERNMENTAL FUNDS
Statement of Revenues, Expenditures, and
Changes in Fund Balance
Year Ended June 30, 2009

	General Fund	Impact Aid Indian Education Fund	Debt Services Fund	Bond Building Fund	Other Governmental Funds	Total Governmental Funds
Revenues:						
Federal sources:						
Public Law 874	\$ 1,867,501	\$ 548,701	\$ -	\$ -	\$ 156,462	\$ 2,572,664
Forest reserve	8,074	-	-	-	-	8,074
Federal flowthrough grants	90,667	-	-	-	1,636,873	1,727,540
Federal direct grants	-	-	-	-	336,618	336,618
Food and milk reimbursements	-	-	-	-	246,585	246,585
USDA Commodities	-	-	-	-	20,631	20,631
	<u>1,966,242</u>	<u>548,701</u>	<u>-</u>	<u>-</u>	<u>2,397,169</u>	<u>4,912,112</u>
Total federal revenues						
State sources:						
State equalization guarantee	5,125,795	-	-	-	-	5,125,795
Transportation	823,056	-	-	-	-	823,056
State grant	50,187	-	-	-	1,492,100	1,542,287
	<u>5,999,038</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,492,100</u>	<u>7,491,138</u>
Total state revenues						
Local sources:						
Grant	-	-	-	-	58,083	58,083
District school tax levy	24,565	-	563,748	-	349,882	938,195
Fees and activities	42,330	-	-	-	106,341	148,671
Earnings from investments	15,611	-	1,757	7,978	5,662	31,008
	<u>82,506</u>	<u>-</u>	<u>565,505</u>	<u>7,978</u>	<u>519,968</u>	<u>1,175,957</u>
Total local revenues						
Total revenue	<u>8,047,786</u>	<u>548,701</u>	<u>565,505</u>	<u>7,978</u>	<u>4,409,237</u>	<u>13,579,207</u>

(continued)

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

	General Fund	Impact Aid Indian Education Fund	Debt Services Fund	Bond Building Fund	Other Governmental Funds	Total Governmental Funds
Expenditures:						
Current:						
Instruction	\$ 3,263,184	\$ 365,952	\$ -	\$ -	\$ 1,604,578	\$ 5,233,714
Support Services - Students	945,969	7,622	-	-	421,289	1,374,880
Support Services - Instruction	215,656	23,725	-	-	2,897	242,278
Support Services - General Administration	336,336	7,661	4,840	-	95,786	444,623
Support Services - School Administration	536,144	2,034	-	-	95,702	633,880
Central Services	555,541	64,041	-	-	30,578	650,160
Operations & Maintenance of Plant	1,145,536	1,537	-	8	194,280	1,341,361
Student Transportation	755,764	-	-	-	-	755,764
Food Services	7,653	44,824	-	-	373,908	426,385
Community Services	19,470	-	-	-	-	19,470
Capital outlay	18,306	31,305	-	435,511	1,482,823	1,967,945
Debt service:						
Principal retirement	-	-	437,000	-	-	437,000
Bond interest paid	-	-	146,818	-	-	146,818
Bond issuance costs	-	-	-	46,941	-	46,941
Total expenditures	<u>7,799,559</u>	<u>548,701</u>	<u>588,658</u>	<u>482,460</u>	<u>4,301,841</u>	<u>13,721,219</u>
Excess (deficiency) of revenues over expenditures	<u>248,227</u>	<u>-</u>	<u>(23,153)</u>	<u>(474,482)</u>	<u>107,396</u>	<u>(142,012)</u>
Other financing sources and financing uses:						
Sale of bonds	-	-	-	900,000	-	900,000
Transfers in	17,645	-	188,833	-	16,264	222,742
Transfers out	(222,742)	-	-	-	-	(222,742)
Refunds	-	-	-	-	(32,697)	(32,697)
Total other financing sources and financing	<u>(205,097)</u>	<u>-</u>	<u>188,833</u>	<u>900,000</u>	<u>(16,433)</u>	<u>867,303</u>
Net change in fund balance	43,130	-	165,680	425,518	90,963	725,291
Fund balance at beginning of the year	<u>1,244,540</u>	<u>-</u>	<u>545,093</u>	<u>580,334</u>	<u>136,801</u>	<u>2,506,768</u>
Fund balance at end of the year	<u>\$ 1,287,670</u>	<u>\$ -</u>	<u>\$ 710,773</u>	<u>\$ 1,005,852</u>	<u>\$ 227,764</u>	<u>\$ 3,232,059</u>

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

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

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

Year Ended June 30, 2009

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

Net change in fund balance - total governmental funds	\$	725,291
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current year</p>		
Capital outlay		1,967,945
Depreciation		(1,092,294)
<p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.</p>		
Deferred property taxes at:		
June 30, 2008		(73,551)
June 30, 2009		74,900
<p>The issuance of long-term debt (e.g., bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transactions, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, and similar, items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of differences in the treatment of long-term debt and related items.</p>		
Principal payments:		
General obligation debt		437,000
Proceeds from bonds		(900,000)
Bond issuance costs		46,941
Issuance cost amortization		(11,975)
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.</p>		
Compensated absences at:		
June 30, 2008		89,118
June 30, 2009		(78,577)
Accrued interest at:		
June 30, 2008		44,752
June 30, 2009		(48,630)
Change in net assets of governmental activities	\$	<u>1,180,920</u>

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

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

GENERAL FUND
Statement of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		Actual Amounts <u>(Budgetary Basis)</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Federal sources:				
Public Law 874	\$ 1,263,813	\$ 1,263,813	\$ 1,867,501	\$ 603,688
Forest reserve	1,890	1,890	8,074	6,184
Federal grant	10,000	10,000	90,667	80,667
Federal direct grant	<u>5,000</u>	<u>5,000</u>	<u>-</u>	<u>(5,000)</u>
Total federal revenues	<u>1,280,703</u>	<u>1,280,703</u>	<u>1,966,242</u>	<u>685,539</u>
State sources:				
State equalization guarantee	5,614,817	5,698,690	5,125,795	(572,895)
Transportation	795,963	737,134	737,217	83
State instructional material	60,226	60,226	85,839	25,613
State grant	<u>13,817</u>	<u>59,826</u>	<u>50,187</u>	<u>(9,639)</u>
Total state revenues	<u>6,484,823</u>	<u>6,555,876</u>	<u>5,999,038</u>	<u>(556,838)</u>
Local sources:				
District school tax levy	20,773	20,773	24,826	4,053
Fees and activities	20,700	20,700	42,331	21,631
Earnings from investments	<u>31,000</u>	<u>31,000</u>	<u>15,611</u>	<u>(15,389)</u>
Total local revenues	<u>72,473</u>	<u>72,473</u>	<u>82,768</u>	<u>10,295</u>
Total revenues	<u>\$ 7,837,999</u>	<u>\$ 7,909,052</u>	<u>\$ 8,048,048</u>	<u>\$ 138,996</u>

(continued)

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

GENERAL FUND
Statement of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	Final Budget Positive <u>(Negative)</u>
Expenditures:				
Current:				
Instruction	\$ 3,439,194	\$ 3,536,871	\$ 3,263,454	\$ 273,417
Support Services - Students	892,042	964,848	946,635	18,213
Support Services - Instruction	224,654	221,354	215,656	5,698
Support Services - General Administration	345,356	368,342	340,895	27,447
Support Services - School Administration	588,712	541,230	536,144	5,086
Central Services	575,493	577,932	555,579	22,353
Operation & Maintenance of Plant	1,147,695	1,170,137	1,147,027	23,110
Student Transportation	788,963	776,957	755,785	21,172
Other Support Services	2,802	2,802	-	2,802
Food Services Operations	-	9,000	7,653	1,347
Community Services Operations	32,913	29,913	19,470	10,443
	<u>8,037,824</u>	<u>8,199,386</u>	<u>7,788,298</u>	<u>411,088</u>
Capital outlay:				
Buildings and improvements	6,605	6,605	-	6,605
Equipment	43,000	43,000	18,306	24,694
Construction in progress	5,000	1,000	-	1,000
	<u>54,605</u>	<u>50,605</u>	<u>18,306</u>	<u>32,299</u>
Total expenditures	<u>8,092,429</u>	<u>8,249,991</u>	<u>7,806,604</u>	<u>443,387</u>
Excess (deficiency) of revenues over expenditures	<u>(254,430)</u>	<u>(340,939)</u>	<u>241,444</u>	<u>582,383</u>
Other financing sources and financing uses:				
Transfers in	-	-	17,645	17,645
Transfers out	-	-	(222,742)	(222,742)
	<u>-</u>	<u>-</u>	<u>(205,097)</u>	<u>(205,097)</u>
Net change in fund balance	<u>(254,430)</u>	<u>(340,939)</u>	<u>36,347</u>	<u>377,286</u>
Beginning cash balance budgeted	<u>254,430</u>	<u>340,939</u>	<u>-</u>	<u>(340,939)</u>
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>1,244,540</u>	<u>1,244,540</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>1,280,887</u>	<u>\$ 1,280,887</u>
RECONCILIATION TO GAAP BASIS:				
Change in property tax receivable			(19)	
Change in due from other governments			(174)	
Change in payables			7,045	
Change in deferred property taxes			(69)	
			<u>1,287,670</u>	

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

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

IMPACT AID INDIAN EDUCATION SPECIAL REVENUE FUND
Statement of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget Positive (Negative)
Revenues:				
Federal sources:				
Public Law 874	\$ -	\$ 326,290	\$ 465,103	\$ 138,813
Expenditures:				
Current:				
Instruction	-	407,020	365,952	41,068
Support Services - Students	-	3,000	7,622	(4,622)
Support Services - Instruction	-	33,000	23,725	9,275
Support Services - General Administration	-	5,500	7,661	(2,161)
Support Services - School Administration	-	18,000	2,034	15,966
Central Services	-	40,000	64,041	(24,041)
Operation & Maintenance of Plant	-	-	1,537	(1,537)
	-	506,520	472,572	33,948
Total current expenses				
Capital outlay:				
Construction in progress	-	100,000	31,305	68,695
	-	606,520	503,877	102,643
Total expenditures				
Excess (deficiency) of revenues over expenditures	-	(280,230)	(38,774)	241,456
Beginning cash balance budgeted	-	280,230	-	(280,230)
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	\$ -	\$ -	(38,774)	\$ (38,774)
RECONCILIATION TO GAAP BASIS:				
Change in payables			(44,824)	
Change in deferred revenue			83,598	
			\$ -	

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

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

AGENCY FUNDS
Statement of Fiduciary Assets and Liabilities
June 30, 2009

ASSETS

Pooled cash and investments	\$ <u>80,653</u>
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LIABILITIES

Deposits held for others	\$ <u>80,653</u>
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The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

NOTES TO THE FINANCIAL STATEMENTS
June 30, 2009

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STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

NOTES TO THE FINANCIAL STATEMENTS
June 30, 2009

I. SUMMARY OF ALL SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

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

The District's financial statements include all entities over which the Board of Education exercises oversight responsibility. Oversight responsibility includes such aspects as appointment of governing body members, designation of management, the ability to significantly influence operations, and accountability for fiscal matters. Based upon the application of these criteria, no component units or fiduciary units were included in the financial statements.

GAAP requires that financial statements present the District (primary government) and its component units. The district does not have any component units that are required to be presented in accordance with Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity* and GASB Statement No. 39, *Determining Whether Certain Organizations Are Component Units, an amendment of GASB Statement No. 14*.

1. Blended Component Units

The District does not have any component units reported as blended component units.

2. Discretely Presented Component Units

The District does not have any component units reported as discretely presented component units.

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

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

NOTES TO THE FINANCIAL STATEMENTS
June 30, 2009

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Government-Wide and Fund Financial Statements

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

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

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

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

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

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

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

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

NOTES TO THE FINANCIAL STATEMENTS
June 30, 2009

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

The government reports the following major governmental funds:

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

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

Debt Service Fund – To account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

Bond Building Capital Projects Fund – This fund provides financing for the construction of buildings, the purchase of equipment, and the acquisition and improvement of land. Funding is provided by the sale of general obligation bonds, which have been approved by the voters of the district.

Additionally, the government reports the following fund types:

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

Capital Projects Funds – To account for financial resources to be used for the acquisition or construction of major capital facilities.

Debt Service Funds – To account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

Fiduciary Funds – Agency funds used to account for financial resources used by the student activity groups for which the District has stewardship

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

NOTES TO THE FINANCIAL STATEMENTS
June 30, 2009

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Assets, Liabilities, and Net Assets or Equity

Similar to private-sector standards of accounting and financial reporting issued prior to November 30, 1989, generally are followed in the government-wide financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. The government has elected not to follow subsequent private-sector guidance.

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

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

1. *Deposits and investments*

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

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

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

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

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

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

NOTES TO THE FINANCIAL STATEMENTS
June 30, 2009

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

2. *Receivables and payables*

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

The District’s property taxes are levied each year on the assessed valuation of property located in the school district as of the preceding January 1st. Mill levy rates are set by the State of New Mexico each year for the General Fund, SB – 9 Capital Improvements Fund, Debt Service Fund and Ed Tech Debt Service Fund. Taxes are payable in two equal installments on November 10th and April 10th following the levy and become delinquent after 30 days.

Under GASB Statement 33, property taxes are impressed non-exchange revenue. Assets from impressed non-exchange transactions are reported when the District has an enforceable legal claim to the asset. The enforceable legal claim date for property taxes is the assessment date. Taxes are payable in two equal installments on November 10 and April 10th following the levy and become delinquent after 30 days. Therefore, the District has recorded a delinquent tax receivable and revenue for taxes received within the sixty days following year-end. A receivable and deferred revenue have been recorded for uncollected delinquent taxes. On the government-wide financial statements, the district has recorded delinquent property taxes receivable and revenue for taxes assessed as of year-end that have not be collected, as prescribed in GASB 34. An allowance for refunds and uncollectibles has not been recorded.

3. *Inventories*

USDA commodities are recorded at estimated costs. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

4. *Capital assets*

Capital assets, which include property, plant, and equipment (software), are reported in the applicable governmental-wide financial statements. Beginning July 1, 2005, the threshold for defining Capital assets by the government was raised from \$1,000 to assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

NOTES TO THE FINANCIAL STATEMENTS
June 30, 2009

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. The costs of library books are not depreciated unless the individual cost is in excess of \$5,000. Software costs have been included with the cost of computer equipment and are capitalized with that equipment. The District does not develop software for internal use or any other use.

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

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

<u>Assets</u>	<u>Years</u>
Buildings and improvements	20-50
Land Improvements	10-20
Vehicles	5-7
Office equipment	5
Computer equipment	3-5

5. *Compensated absences*

It is the District's policy to permit employees to accumulate 30 days of earned but unused vacation, which no more than 20 days will be paid to employees upon separation from the District's service. Twelve-month employees that are full time are entitled to two weeks paid vacation per year that is accrued when incurred in the government-wide financial statements.

Sick pay does not vest and is recorded as expenditures when it is paid.

6. *Long-term obligations*

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

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

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

NOTES TO THE FINANCIAL STATEMENTS
June 30, 2009

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

7. *Fund balance*

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

8. *Net assets*

Net assets are presented on the statement of net assets and may be presented in any of three components.

a. Invested in capital assets, net of related debt

This component of net assets consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. The portion of the debt attributable to the unspent proceeds is not included in the calculation of invested in capital assets, net of related debt. That portion of the debt is included in restricted for capital projects.

b. Restricted net assets

Net assets are reported as being restricted when the restriction is either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation. Enabling legislation authorizes the government to assess, levy, charge, or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation.

c. Unrestricted net assets

Unrestricted net assets consist of net assets that do not meet the definition of “invested in capital assets, net of related debt” or “restricted.”

In the governmental environment, net assets often are designated to indicate that management does not consider them to be available for general operations. In contrast to restricted net assets, these types of constraints on resources are internal and management can remove or modify them. However, enabling legislation established by the reporting government should not be construed as an internal constraint.

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

NOTES TO THE FINANCIAL STATEMENTS
June 30, 2009

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

9. *Indirect Costs*

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

10. *Estimates*

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

11. *Revenues*

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

A school district's program costs are determined through the use of various formulas using 'program units' which take into consideration 1) early childhood education; 2) basic education; 3) special education; 4) bilingual-multicultural education, 5) size, etc. Payment is made from the public school fund under the authority of the Director of Public School Finance. The District received \$5,125,795 in state equalization guarantee distributions during the year ended June 30, 2009.

School districts in the State of New Mexico received student transportation distributions. The transportation distribution is allocated to each school district in accordance with formulas developed by the State Transportation Director and the Director of Public School Finance. The funds shall be used only for the purpose of making payments to each school district for the to-and-from school transportation costs of students in grades K through twelve attending public school within the school district. The District received \$823,056 in transportation distributions during the year ended June 30, 2009.

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

NOTES TO THE FINANCIAL STATEMENTS
June 30, 2009

II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

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

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

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

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

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

1. In April or May, the superintendent submits to the Board of Education a proposed operating budget of the fiscal year commencing the following July. The operating budget includes proposed expenditures and the means of financing them, and has approval by the Department of Education.
2. In May or June, the budget is approved by the Board of Education.
3. The school board meeting, while not intended for the general public, is open for the general public unless a closed meeting has been called for.
4. The superintendent is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the school board and the State of New Mexico Department of Education.
5. Formal budgetary integration is employed as a management control device during the year for the General Fund, Special Revenue Funds, Debt Service Funds and Capital Projects Funds.

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

NOTES TO THE FINANCIAL STATEMENTS
June 30, 2009

II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (continued)

A. Budgetary Information (continued)

6. Budgets for the General, Special Revenue, Capital Projects, and Debt Service Funds are adopted on a basis not consistent with generally accepted accounting principles (GAAP). Encumbrances are treated the same way for GAAP purposes and for Budget purposes.

The Board of Education may approve amendments to the appropriated budget, which are required when a change is made affecting budgeted ending fund balance. The appropriated budget for the year ended June 30, 2009 was properly amended by the Board through the year. New Mexico state law prohibits a Governmental Agency to exceed an individual line item. These amendments resulted in the following changes:

	<u>Original Budget</u>	<u>Final Budget</u>
General Fund	\$ 8,092,429	\$ 8,249,991
Special Revenue Fund	2,253,579	4,900,268
Debt Service Fund	966,336	966,336
Capital Projects Fund	1,328,911	1,586,167
Totals	\$ 12,641,255	\$ 15,702,762

B. Budgetary Violations

The District exceeded its legal budget in individual funds as referenced in Finding 2009-3 on page 155. The District is aware of legal binding of budgets and has implemented a system of checks that will help prevent any further violations of budgetary control.

C. Deficit fund equity

There were four funds that had deficit fund balances as of June 30, 2009 as follows:

<u>Fund</u>	<u>Deficit Fund Balance</u>
Transportation	\$ 1,533
Public School Capital Outlay	129,557
Special Capital Outlay - State	24,505
	\$ 155,595

These deficit balances are to be covered by the General Fund.

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

NOTES TO THE FINANCIAL STATEMENTS
June 30, 2009

II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (continued)

D. Budgetary Schedules Not Presented

Due to no budgetary information, a Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) is not presented for the year ended June 30, 2009 for the following funds:

Migrant Children Education Special Revenue Fund
Title I Program Improvement Special Revenue Fund
Competitive IDEA-B Special Revenue Fund
Title VI Special Revenue Fund
Title IV Drug Free Schools Special Revenue Fund
Reading Excellence Special Revenue Fund
Enhancing Education Through Technology Special Revenue Fund
Headstart Special Revenue Fund
Child & Adult Food Program Special Revenue Fund
Title V Indian Health Improvement Special Revenue Fund
Workforce Investment Act Special Revenue Fund
Literacy through School Libraries Special Revenue Fund
Indian Health Services Special Revenue Fund
Physical Educatino Classes Special Revenue Fund
Statewide Computer Language Special Revenue Fund
Libraries GO Bond 2004 Special Revenue Fund
AP New Mexico Incentive Funding Special Revenue Fund
Children's Medical Services Special Revenue Fund
Life Link Special Revenue Fund
Substance Abuse Ed Special Revenue Fund

III. DETAILED NOTES ON ALL FUNDS

A. Cash and Temporary Investments

At June 30, 2009, the carrying amount of the District's deposits was \$2,883,680 and the bank balance was \$3,532,867 with difference consisting of outstanding checks and reconciling errors. Of this balance \$581,145 was covered by federal depository insurance and \$2,426,054 was covered by collateral held in joint safekeeping by a third party. The remaining \$525,668 was not covered by pledged collateral is comprised of amounts in excess of those required to be collateralized under State law.

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

NOTES TO THE FINANCIAL STATEMENTS
June 30, 2009

III. DETAILED NOTES ON ALL FUNDS (continued)

A. Cash and Temporary Investments (continued)

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. New Mexico State Statutes require collateral pledged for deposits in excess of the federal deposit insurance to be delivered, or a joint safekeeping receipt be issued, to the District for at least one half of the amount on deposit with the institution. The statement listed below will meet the State of New Mexico Office of the State Auditor's requirement in reporting the uninsured portion of the deposits. As of June 30, 2009, \$525,668 of the District's bank balance of \$3,532,867 was exposed to custodial risk as follows:

Uninsured and uncollateralized	\$	525,668
Uninsured and collateral held by pledging bank's trust dept not in the District's name		2,426,054
Total uninsured		2,951,722
Insured (FDIC)		581,145
Total deposits	\$	3,532,867
State of New Mexico collateral requirement:		
Pledged security	\$	2,426,054
Less: 50% of uninsured public fund bank deposits		882,764
Less: 102% of uninsured public fund bank deposits		1,186,193
Over collateralization	\$	357,097

The collateral pledged is listed on Page 138 of this report. The types of collateral allowed are limited to direct obligations of the United States Government and all bonds issued by any agency, district or political subdivision of the State of New Mexico.

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

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

NOTES TO THE FINANCIAL STATEMENTS
June 30, 2009

III. DETAILED NOTES ON ALL FUNDS (continued)

B. Receivables

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

	<u>General</u>	Impact Aid Indian <u>Education</u>	Debt <u>Services</u>	Bond <u>Building</u>	Other Governmental <u>Funds</u>
Receivables:					
Delinquent property taxes	\$ 2,562	\$ -	\$ 70,645	\$ -	\$ 18,421
Grant	-	-	-	-	1,039,195
Due from other:					
Governments	327	-	8,378	-	1,650
Funds	<u>475,729</u>	<u>-</u>	<u>30,481</u>	<u>-</u>	<u>27,558</u>
Total	<u>\$ 478,618</u>	<u>\$ -</u>	<u>\$ 109,504</u>	<u>\$ -</u>	<u>\$ 1,086,824</u>

An allowance for doubtful accounts has not been established. All receivables are expected to be collectible.

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

	<u>Unavailable</u>	<u>Unearned</u>
Grant drawdowns prior to meeting all eligibility requirements		
Impact Aid Indian Education	\$ -	\$ 145,443
Other Governmental Funds	-	306,561
Delinquent property taxes		
General Fund	2,084	-
Debt Service	57,115	-
Other Governmental Funds	<u>15,701</u>	<u>-</u>
Total deferred/unearned revenue for governmental funds	<u>\$ 74,900</u>	<u>\$ 452,004</u>

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

NOTES TO THE FINANCIAL STATEMENTS
June 30, 2009

III. DETAILED NOTES ON ALL FUNDS (continued)

C. Capital Assets

Capital asset activity for the year ended June 30, 2009 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Adjustments</u>	<u>Ending Balance</u>
Governmental activities:					
Capital assets, not being depreciated:					
Land	\$ 63,000	\$ -	\$ -	\$ -	\$ 63,000
Construction in progress	<u>6,626,889</u>	<u>1,545,857</u>	<u>-</u>	<u>(6,626,889)</u>	<u>1,545,857</u>
Total capital assets, not being depreciated	<u>6,689,889</u>	<u>1,545,857</u>	<u>-</u>	<u>(6,626,889)</u>	<u>1,608,857</u>
Capital assets, being depreciated:					
Land improvements	389,431	-	-	-	389,431
Buildings and improvements	14,821,668	100,158	-	6,626,889	21,548,715
Furniture, fixtures, and equipment	<u>5,191,303</u>	<u>321,930</u>	<u>-</u>	<u>-</u>	<u>5,513,233</u>
Total capital assets being depreciated	<u>20,402,402</u>	<u>422,088</u>	<u>-</u>	<u>6,626,889</u>	<u>27,451,379</u>
Less accumulated depreciation for:					
Land improvements	(102,973)	(17,012)	-	-	(119,985)
Buildings and improvements	(3,841,381)	(486,436)	-	-	(4,327,817)
Furniture, fixtures, and equipment	<u>(2,439,357)</u>	<u>(588,846)</u>	<u>-</u>	<u>-</u>	<u>(3,028,203)</u>
Total accumulated depreciation	<u>(6,383,711)</u>	<u>(1,092,294)</u>	<u>-</u>	<u>-</u>	<u>(7,476,005)</u>
Total capital assets being depreciated, net	<u>14,018,691</u>	<u>(670,206)</u>	<u>-</u>	<u>6,626,889</u>	<u>19,975,374</u>
Total capital assets, net	<u>\$ 20,708,580</u>	<u>\$ 875,651</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 21,584,231</u>

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

Instruction	\$ 513,982
Support Services - Students	135,021
Support Services - Instruction	23,793
Support Services - General Administration	43,664
Support Services - School Administration	62,251
Central Services	63,849
Operations & Maintenance of Plant	131,729
Student Transportation	74,220
Food Services	41,873
Community Services	<u>1,912</u>
Total Depreciation Expense	<u>\$ 1,092,294</u>

STATE OF NEW MEXICO
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NOTES TO THE FINANCIAL STATEMENTS
June 30, 2009

III. DETAILED NOTES ON ALL FUNDS (continued)

C. Capital Assets (continued)

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

Construction commitments

The Cuba Independent School District No. 62 received \$1,140,091 of funding from the State of New Mexico Public School Facilities Authority for the year ended June 30, 2009.

The District is involved in several long-term construction projects as part of their master plan for upgrading the district buildings. The amount of \$1,191,889 in the capital projects fund designated for subsequent years expenditures are committed for funding these projects. Interest on construction projects is not capitalized.

D. Inter-Fund Receivables and Payables

The inter-fund receivables and payables at June 30, 2009 were:

	<u>Receivables</u>	<u>Payables</u>
General Fund	\$ 475,729	\$ 176,840
Impact Aid Indian Education	-	51,189
Debt Service Fund	30,481	-
Other Governmental Funds	<u>27,558</u>	<u>305,739</u>
Total deferred/unearned revenue for governmental funds	<u>\$ 533,768</u>	<u>\$ 533,768</u>

The inter-fund loans were made for the purposes of cash shortfalls within the individual funds. All loans are expected to be repaid within the next fiscal year.

**STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62**

**NOTES TO THE FINANCIAL STATEMENTS
June 30, 2009**

III. DETAILED NOTES ON ALL FUNDS (continued)

E. Inter-Fund Transfers

There were nine inter-fund transfers in Cuba Independent School District made during the year ended June 30, 2009 for the purpose of covering deficit cash balances.

	<u>From</u>	<u>To</u>
General Funds:		
Operating	\$ 205,097	\$ 17,645
Teachergage	17,645	-
Debt Service	-	188,833
Other governmental funds:		
Reading First	-	16,264
Total	<u>\$ 222,742</u>	<u>\$ 222,742</u>

F. Long-Term Debt

General Obligation Bonds

General Obligation Bonds – The District issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. Bonds are direct obligations and pledge the full faith and credit of the District. The bonds will be paid from taxes levied against property owners living within the School District boundaries. The details of the bonds and notes as of June 30, 2009 are as follows:

		<u>Original Amount</u>	<u>Interest Rates</u>	<u>Balance June 30, 2008</u>	<u>Amount Due Within One Year</u>
<u>General Obligations Bonds</u>					
Series 2003	\$	1,030,000	1.00% to 3.28%	\$ 865,000	\$ 100,000
Series 2004		450,000	0.71% to 2.17%	290,000	40,000
Series 2005		310,000	1.19% to 1.48%	225,000	30,000
Series 2006		1,125,000	2.54% to 3.75%	990,000	45,000
Series 2006B		725,000	2.63% to 2.99%	565,000	80,000
Series 2007		580,000	2.51% to 2.82%	485,000	50,000
Series 2008		900,000	1.31% to 3.38%	900,000	190,000
Total	\$	<u>5,120,000</u>		<u>\$ 4,320,000</u>	<u>\$ 535,000</u>

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

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

NOTES TO THE FINANCIAL STATEMENTS
June 30, 2009

III. DETAILED NOTES ON ALL FUNDS (continued)

F. Long-Term Debt (continued)

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

General Obligation Bonds			
Year Ending June 30.	Principal	Interest	Total Requirements
2010	\$ 535,000	\$ 111,488	\$ 646,488
2011	425,000	1,492	426,492
2012	390,000	92,127	482,127
2013	350,000	83,157	433,157
2014	350,000	74,285	424,285
2015 - 2019	1,510,000	229,472	1,739,472
2020 - 2024	615,000	68,490	683,490
2025 - 2029	145,000	5,514	150,514
Total	\$ 4,320,000	\$ 666,025	\$ 4,986,025

Changes in long term debt – During the year ended June 30, 2009 the following changes occurred in liabilities reported in the general obligation bonds account group:

	Beginning Balance	Additions	Retirements	Ending Balance	Amount Due Within One Year
Compensated absences:					
Compensated vacation	\$ 89,118	\$ 577,603	\$ 588,144	\$ 78,577	\$ 78,577
Bonds payable	3,857,000	900,000	437,000	4,320,000	535,000
	\$ 3,946,118	\$ 1,477,603	\$ 1,025,144	\$ 4,398,577	\$ 613,577

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

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

NOTES TO THE FINANCIAL STATEMENTS
June 30, 2009

IV. OTHER INFORMATION

A. Contingent Liabilities

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

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

B. Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injury to employees; and natural disasters. The New Mexico Public Schools Insurance Authority (NMSIA) was formed on April 5, 1985 under the New Mexico Public Schools Insurance Authority Act, Chapter 22, Section 2 of the New Mexico Statutes Annotated (NMSA 1978), as amended, as an insurance fund to provide health, disability and life insurance coverage (benefits coverage), and property, casualty and workers' compensation insurance coverage (risk coverage) to participating public schools, school board members, public school employees, and retirees within the State of New Mexico. The District is one of 91 members that participate in NMPSIA. Participation in NMPSIA is mandatory for all K-12 public schools except those with enrollment exceeding 60,000 students. Participation is voluntary for other public education institutions. The District pays an annual premium to the pool for its general insurance coverage. The agreement for formation of NMPSIA provides that the pool will be self-sustaining through member premiums. NMPSIA establishes self insured retentions by line of coverage and procures insurance or reinsurance, where indicated, in excess of the self insured retention on a per occurrence basis. NMPSIA will publish its own financial report for the year ended June 30, 2009.

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

NOTES TO THE FINANCIAL STATEMENTS
June 30, 2009

IV. OTHER INFORMATION (continued)

C. Employee Retirement Plan

Plan Description - Substantially all of the District's full-time employees participate in a public employee retirement system authorized under the Educational Retirement Act (Chapter 22, Article 11, NMSA 1978). The Educational Retirement Board (ERB) is the administrator of the plan, which is a cost-sharing multiple-employer defined benefit retirement plan. The plan provides for retirement benefits, disability benefits, survivor benefits and cost-of-living adjustments to plan members (certified teachers, and other employees of State public school districts, colleges and universities) and beneficiaries. ERB issues a separate, publicly available financial report that includes the 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 87502-6129
www.nmerb.org

Funding Policy - Plan members are required to contribute 7.90% of their gross salary. Bloomfield Municipal School District is required to contribute 11.65% of the gross covered 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 District are established in Chapter 22, Article 11, NMSA 1978. The requirements may be amended by acts of legislature. The District's contributions to the ERB for the years ended June 30, 2009, 2008 and 2007 were \$647,624, \$581,455, and \$513,145, respectively, equal to the amount of the required contribution for the year. The contribution rates will increase each year as follows:

<u>Fiscal Year</u>	<u>Employer Contribution</u>	<u>Employee Contribution</u>
2009-2010	12.460%	7.900%
2010-2011	13.150%	7.900%
2011-2012	13.900%	7.900%

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

NOTES TO THE FINANCIAL STATEMENTS
June 30, 2009

IV. OTHER INFORMATION (continued)

D. Post-Retirement Health Care Benefits

Plan Description – Cuba Independent School District No. 62’s contributes to the New Mexico Retiree Health Care Fund, a cost-sharing multiple-employer defined benefit postemployment healthcare plan administered by the New Mexico Retiree Health Care Authority (RHCA). The RHCA provides health care insurance and prescription drug benefits to retired employees of participating New Mexico government agencies, their spouses, dependents, and surviving spouses and dependents. The RHCA Board was established by the Retiree Health Care Act (Chapter 10, Article 7C, NMSA 1978). The Board is responsible for establishing and amending benefit provisions of the healthcare plan and is also authorized to designate optional and/or voluntary benefits like dental, vision, supplemental life insurance, and long-term care policies.

Eligible retirees are:

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

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

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

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

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

NOTES TO THE FINANCIAL STATEMENTS
June 30, 2009

IV. OTHER INFORMATION (continued)

D. Post-Retirement Health Care Benefits (continued)

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

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

Cuba Independent School District No. 62's contributions to the RHCA for the years ended June 30, 2009, 2008 and 2007 were \$72,249, \$69,260, and \$65,682, respectively, which equal the required contributions for each year.

E. School District Cash Flows

The District operates on primarily on reimbursement grants. The District must support the expenditures of these grants with monies from the unrestricted operating monies. Operating on a reimbursement basis for these grants in its self does not adversely affect the District's ability to operate effectively. However, the time it takes to receive reimbursement, if extensive, does significantly affect the District cash flows and the ability to deliver educational services to the community in an effective manner. The delay in receiving reimbursements has been progressively increasing through this and the previous two years. The current trend will adversely affect the District in subsequent years.

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

GENERAL FUNDS
Year Ended June 30, 2009

OPERATING FUND

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

TEACHERAGE FUND

Accounts for all financial resources used in the housing of teachers.

TRANSPORTATION FUND

Accounts for all the Transportation funds received through the state that are used in the maintaining and operating vehicles used to transport students.

INSTRUCTIONAL MATERIALS FUND

Accounts for all the Instructional Materials funds received through the state for the purpose of acquiring study materials for the students.

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

GENERAL FUND
Combining Balance Sheet
June 30, 2009

	General Funds				Total General <u>Fund</u>
	Operational <u>Fund</u>	Teacherage <u>Fund</u>	Transportation <u>Fund</u>	Instructional Materials <u>Fund</u>	
<u>ASSETS</u>					
Pooled cash and investments	\$ 854,295	\$ 38,246	\$ 29,370	\$ 84,627	\$ 1,006,538
Receivables:					
Delinquent property taxes	2,562	-	-	-	2,562
Due from other governments	327	-	-	-	327
Due from other funds	475,729	-	-	-	475,729
Total assets	\$ 1,332,913	\$ 38,246	\$ 29,370	\$ 84,627	\$ 1,485,156
<u>LIABILITIES AND FUND BALANCE</u>					
Liabilities:					
Accounts payable	\$ 18,259	\$ 256	\$ 47	\$ -	\$ 18,562
Due to other funds	145,984	-	30,856	-	176,840
Deferred revenue:					
Delinquent property taxes	2,084	-	-	-	2,084
Total liabilities	166,327	256	30,903	-	197,486
Fund balance:					
Unreserved and reported in:					
Undesignated	1,166,586	37,990	(1,533)	84,627	1,287,670
Total liabilities and fund balance	\$ 1,332,913	\$ 38,246	\$ 29,370	\$ 84,627	\$ 1,485,156

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

GENERAL FUND
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balance
Year Ended June 30, 2009

	General Funds				Total General Fund
	Operational Fund	Teacherage Fund	Transportation Fund	Instructional Materials Fund	
Revenues:					
Federal sources:					
Public Law 874	\$ 1,867,501	\$ -	\$ -	\$ -	\$ 1,867,501
Forest reserve	8,074	-	-	-	8,074
Federal flowthrough grants	90,667	-	-	-	90,667
Total federal revenues	<u>1,966,242</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,966,242</u>
State sources:					
State equalization guarantee	5,125,795	-	-	-	5,125,795
Transportation	-	-	737,217	85,839	823,056
State grant	-	-	46,009	4,178	50,187
Total state revenues	<u>5,125,795</u>	<u>-</u>	<u>783,226</u>	<u>90,017</u>	<u>5,999,038</u>
Local sources:					
District school tax levy	24,565	-	-	-	24,565
Fees and activities	3,476	38,854	-	-	42,330
Earnings from investments	13,280	217	1,105	1,009	15,611
Total local revenues	<u>41,321</u>	<u>39,071</u>	<u>1,105</u>	<u>1,009</u>	<u>82,506</u>
Total revenue	<u>7,133,358</u>	<u>39,071</u>	<u>784,331</u>	<u>91,026</u>	<u>8,047,786</u>
Expenditures:					
Current:					
Instruction	3,175,510	-	-	87,674	3,263,184
Support Services - Students	945,969	-	-	-	945,969
Support Services - Instruction	210,692	-	-	4,964	215,656
Support Services - General Administration	336,336	-	-	-	336,336
Support Services - School Administration	536,144	-	-	-	536,144
Central Services	555,541	-	-	-	555,541
Operations & Maintenance of Plant	1,129,140	16,396	-	-	1,145,536
Student Transportation	-	-	755,764	-	755,764
Food Services	7,653	-	-	-	7,653
Community Services	19,470	-	-	-	19,470
Capital outlay	18,306	-	-	-	18,306
Total expenditures	<u>6,934,761</u>	<u>16,396</u>	<u>755,764</u>	<u>92,638</u>	<u>7,799,559</u>
Excess of revenues over expenditures	<u>198,597</u>	<u>22,675</u>	<u>28,567</u>	<u>(1,612)</u>	<u>248,227</u>
Other financing sources and financing uses:					
Transfers in	17,645	-	-	-	17,645
Transfers out	(205,097)	(17,645)	-	-	(222,742)
Total other financing sources and financing use	<u>(187,452)</u>	<u>(17,645)</u>	<u>-</u>	<u>-</u>	<u>(205,097)</u>
Net change in fund balance	<u>11,145</u>	<u>5,030</u>	<u>28,567</u>	<u>(1,612)</u>	<u>43,130</u>
Fund balance at beginning of the year	<u>1,155,441</u>	<u>32,960</u>	<u>(30,100)</u>	<u>86,239</u>	<u>1,244,540</u>
Fund balance at end of the year	<u>\$ 1,166,586</u>	<u>\$ 37,990</u>	<u>\$ (1,533)</u>	<u>\$ 84,627</u>	<u>\$ 1,287,670</u>

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

OPERATIONAL FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2009

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Federal sources:				
Public Law 874	\$ 1,263,813	\$ 1,263,813	\$ 1,867,501	\$ 603,688
Forest reserve	1,890	1,890	8,074	6,184
Federal grant	10,000	10,000	90,667	80,667
Federal direct grant	<u>5,000</u>	<u>5,000</u>	<u>-</u>	<u>(5,000)</u>
Total federal revenues	<u>1,280,703</u>	<u>1,280,703</u>	<u>1,966,242</u>	<u>685,539</u>
State sources:				
State equalization guarantee	5,614,817	5,698,690	5,125,795	(572,895)
State grant	<u>10,000</u>	<u>10,000</u>	<u>-</u>	<u>(10,000)</u>
Total state revenues	<u>5,624,817</u>	<u>5,708,690</u>	<u>5,125,795</u>	<u>(582,895)</u>
Local sources:				
District school tax levy	20,773	20,773	24,826	4,053
Fees and activities	700	700	3,477	2,777
Earnings from investments	<u>30,000</u>	<u>30,000</u>	<u>13,280</u>	<u>(16,720)</u>
Total local revenues	<u>51,473</u>	<u>51,473</u>	<u>41,583</u>	<u>(9,890)</u>
Total revenues	<u>\$ 6,956,993</u>	<u>\$ 7,040,866</u>	<u>\$ 7,133,620</u>	<u>\$ 92,754</u>

(continued)

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

OPERATIONAL FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2009

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures:				
Current:				
Instruction	\$ 3,378,968	\$ 3,392,636	\$ 3,175,510	\$ 217,126
Support Services - Students	892,042	964,848	946,635	18,213
Support Services - Instruction	220,837	215,037	210,692	4,345
Support Services - General Administration	345,356	368,342	340,895	27,447
Support Services - School Administration	588,712	541,230	536,144	5,086
Central Services	575,493	577,932	555,579	22,353
Operation & Maintenance of Plant	1,129,695	1,148,137	1,130,745	17,392
Student Transportation	-	814	-	814
Other Support Services	2,802	2,802	-	2,802
Food Services Operations	-	9,000	7,653	1,347
Community Services Operations	32,913	29,913	19,470	10,443
	7,166,818	7,250,691	6,923,323	327,368
Capital outlay:				
Equipment	36,000	36,000	18,306	17,694
Total expenditures	7,202,818	7,286,691	6,941,629	345,062
Excess (deficiency) of revenues over expenditures	(245,825)	(245,825)	191,991	437,816
Other financing sources and financing uses:				
Transfers in	-	-	17,645	17,645
Transfers out	-	-	(205,097)	(205,097)
Total other financing sources and financing uses	-	-	(187,452)	(187,452)
Net change in fund balance	(245,825)	(245,825)	4,539	250,364
Beginning cash balance budgeted	245,825	245,825	-	(245,825)
Fund balance at beginning of the year	-	-	1,155,441	1,155,441
Fund balance at end of the year	\$ -	\$ -	1,159,980	\$ 1,159,980
RECONCILIATION TO GAAP BASIS:				
Change in property tax receivable			(19)	
Change in due from other governments			(174)	
Change in payables			6,868	
Change in deferred property taxes			(69)	
			\$ 1,166,586	

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

TEACHERAGE FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	<u>Variance with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Local sources:				
Fees and activities	\$ 20,000	\$ 20,000	\$ 38,854	\$ 18,854
Earnings from investments	<u>1,000</u>	<u>1,000</u>	<u>217</u>	<u>(783)</u>
Total revenues	<u>21,000</u>	<u>21,000</u>	<u>39,071</u>	<u>18,071</u>
Expenditures:				
Current:				
Operation & Maintenance of Plant	<u>18,000</u>	<u>22,000</u>	<u>16,282</u>	<u>5,718</u>
Capital outlay:				
Buildings and improvements	6,605	6,605	-	6,605
Construction in progress	<u>5,000</u>	<u>1,000</u>	<u>-</u>	<u>1,000</u>
Total capital outlay	<u>11,605</u>	<u>7,605</u>	<u>-</u>	<u>7,605</u>
Total expenditures	<u>29,605</u>	<u>29,605</u>	<u>16,282</u>	<u>13,323</u>
Excess (deficiency) of revenues over expenditures	(8,605)	(8,605)	22,789	31,394
Other financing uses:				
Transfers out	<u>-</u>	<u>-</u>	<u>(17,645)</u>	<u>(17,645)</u>
Net change in fund balance	(8,605)	(8,605)	5,144	13,749
Beginning cash balance budgeted	8,605	8,605	-	(8,605)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>32,960</u>	<u>32,960</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>38,104</u>	<u>\$ 38,104</u>
RECONCILIATION TO GAAP BASIS:				
Change in payables			<u>(114)</u>	
			<u>\$ 37,990</u>	

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

TRANSPORTATION FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
State sources:				
Transportation	\$ 795,963	\$ 737,134	\$ 737,217	\$ 83
State grant	<u> -</u>	<u> 46,009</u>	<u> 46,009</u>	<u> -</u>
Total state revenues	795,963	783,143	783,226	83
Local sources:				
Earnings from investments	<u> -</u>	<u> -</u>	<u> 1,105</u>	<u> 1,105</u>
Total revenues	<u>795,963</u>	<u>783,143</u>	<u>784,331</u>	<u>1,188</u>
Expenditures:				
Current:				
Student Transportation	788,963	776,143	755,785	20,358
Capital outlay:				
Equipment	<u> 7,000</u>	<u> 7,000</u>	<u> -</u>	<u> 7,000</u>
Total expenditures	<u>795,963</u>	<u>783,143</u>	<u>755,785</u>	<u>27,358</u>
Excess of revenues over expenditures	-	-	28,546	28,546
Fund balance (deficit) at beginning of the year	<u> -</u>	<u> -</u>	<u> (30,100)</u>	<u> (30,100)</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	<u> (1,554)</u>	<u>\$ (1,554)</u>
RECONCILIATION TO GAAP BASIS:				
Change in payables			<u> 21</u>	
			<u>\$ (1,533)</u>	

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

INSTRUCTIONAL MATERIALS FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
State sources:				
State instructional material	\$ 60,226	\$ 60,226	\$ 85,839	\$ 25,613
State grant	<u>3,817</u>	<u>3,817</u>	<u>4,178</u>	<u>361</u>
Total state revenues	64,043	64,043	90,017	25,974
Local sources:				
Earnings from investments	<u>-</u>	<u>-</u>	<u>1,009</u>	<u>1,009</u>
Total revenues	<u>64,043</u>	<u>64,043</u>	<u>91,026</u>	<u>26,983</u>
Expenditures:				
Current:				
Instruction	60,226	144,235	87,944	56,291
Support Services - Instruction	<u>3,817</u>	<u>6,317</u>	<u>4,964</u>	<u>1,353</u>
Total expenditures	<u>64,043</u>	<u>150,552</u>	<u>92,908</u>	<u>57,644</u>
Excess (deficiency) of revenues over expenditures	-	(86,509)	(1,882)	84,627
Beginning cash balance budgeted	-	86,509	-	(86,509)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>86,239</u>	<u>86,239</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	84,357	<u>\$ 84,357</u>
RECONCILIATION TO GAAP BASIS:				
Change in payables			<u>270</u>	
			<u>\$ 84,627</u>	

NONMAJOR GOVERNMENTAL FUNDS

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

NON-MAJOR GOVERNMENTAL FUNDS
Combining Balance Sheet
June 30, 2009

Special Revenue Funds

	Food Service Fund	Athletics Fund	Title I Fund	Migrant Children Education Fund	Title I Program Improvement Fund	Entitlement IDEA-B Fund	Discretionary IDEA-B Fund	Competitive IDEA-B Fund	Preschool IDEA-B Fund	Title VI Fund	IDEA-B "Risk Pool" Fund
<u>ASSETS</u>											
Pooled cash and investments	\$ 20,502	\$ 1,373	\$ (421,525)	\$ 7	\$ 9,472	\$ (37,918)	\$ 6,028	\$ 16,078	\$ 13,810	\$ 4,902	\$ -
Receivables:											
Delinquent property taxes	-	-	-	-	-	-	-	-	-	-	-
Grant	-	-	485,029	-	-	37,918	-	-	-	-	-
Due from other governments	-	-	-	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-	-	-	-	-
Total assets	\$ 20,502	\$ 1,373	\$ 63,504	\$ 7	\$ 9,472	\$ -	\$ 6,028	\$ 16,078	\$ 13,810	\$ 4,902	\$ -
<u>LIABILITIES AND FUND BALANCE</u>											
Liabilities:											
Accounts payable	\$ -	\$ -	\$ 1,242	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	531	172	62,262	-	-	-	-	-	-	-	-
Deferred revenue:											
Federal, state, and local grants	-	-	-	7	9,472	-	6,028	16,078	13,810	4,902	-
Delinquent property taxes	-	-	-	-	-	-	-	-	-	-	-
Total liabilities	531	172	63,504	7	9,472	-	6,028	16,078	13,810	4,902	-
Fund balance:											
Reserved:											
Retirement of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Unreserved and reported in:											
Special revenues funds	19,971	1,201	-	-	-	-	-	-	-	-	-
Capital projects funds	-	-	-	-	-	-	-	-	-	-	-
Total fund balance	19,971	1,201	-	-	-	-	-	-	-	-	-
Total liabilities and fund balance	\$ 20,502	\$ 1,373	\$ 63,504	\$ 7	\$ 9,472	\$ -	\$ 6,028	\$ 16,078	\$ 13,810	\$ 4,902	\$ -

(continued)

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

NON-MAJOR GOVERNMENTAL FUNDS
Combining Balance Sheet
June 30, 2009

	Special Revenue Funds									
	Title IV Drug Free Schools Fund	Partnerships in Character Fund	Enhancing Education Fund	Reading Excellence Fund	Enhancing Education Through Technology Fund	Title V Fund	Title III English Language Fund	Title II Teacher Quality Fund	Safe & Drug Free Schools Fund	21st Century Community Living Centers Fund
<u>ASSETS</u>										
Pooled cash and investments	\$ 3,707	\$ -	\$ 49,560	\$ 13,122	\$ (10,326)	\$ 2,531	\$ (14,272)	\$ (52,778)	\$ (9,167)	\$ (11,294)
Receivables:										
Delinquent property taxes	-	-	-	-	-	-	-	-	-	-
Grant	-	-	-	-	39,978	-	15,906	67,724	10,012	15,904
Due from other governments	-	-	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 3,707</u>	<u>\$ -</u>	<u>\$ 49,560</u>	<u>\$ 13,122</u>	<u>\$ 29,652</u>	<u>\$ 2,531</u>	<u>\$ 1,634</u>	<u>\$ 14,946</u>	<u>\$ 845</u>	<u>\$ 4,610</u>
<u>LIABILITIES AND FUND BALANCE</u>										
Liabilities:										
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,342	\$ -	\$ -
Due to other funds	-	-	-	-	29,652	2,531	1,634	11,604	845	4,610
Deferred revenue:										
Federal, state, and local grants	3,707	-	49,560	13,122	-	-	-	-	-	-
Delinquent property taxes	-	-	-	-	-	-	-	-	-	-
	<u>3,707</u>	<u>-</u>	<u>49,560</u>	<u>13,122</u>	<u>29,652</u>	<u>2,531</u>	<u>1,634</u>	<u>14,946</u>	<u>845</u>	<u>4,610</u>
Total liabilities	<u>3,707</u>	<u>-</u>	<u>49,560</u>	<u>13,122</u>	<u>29,652</u>	<u>2,531</u>	<u>1,634</u>	<u>14,946</u>	<u>845</u>	<u>4,610</u>
Fund balance:										
Reserved:										
Retirement of long-term debt	-	-	-	-	-	-	-	-	-	-
Unreserved and reported in:										
Special revenues funds	-	-	-	-	-	-	-	-	-	-
Capital projects funds	-	-	-	-	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities and fund balance	<u>\$ 3,707</u>	<u>\$ -</u>	<u>\$ 49,560</u>	<u>\$ 13,122</u>	<u>\$ 29,652</u>	<u>\$ 2,531</u>	<u>\$ 1,634</u>	<u>\$ 14,946</u>	<u>\$ 845</u>	<u>\$ 4,610</u>

(continued)

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

NON-MAJOR GOVERNMENTAL FUNDS
Combining Balance Sheet
June 30, 2009

	<u>Special Revenue Funds</u>									
	Rural & Low- Income Schools Fund	Title I School Improvement Fund	Reading First Fund	Title I - Stimulus Fund	Headstart Fund	Johnson O'Malley Fund	Impact Aid Special Education Fund	Title XIX Medicaid Fund	Child & Adult Food Program Fund	Indian Ed Formula Grant Fund
<u>ASSETS</u>										
Pooled cash and investments	\$ (8,300)	\$ (31,806)	\$ -	\$ (72,595)	\$ 24,731	\$ 755	\$ 41,947	\$ 32,848	\$ 28,878	\$ 3,525
Receivables:										
Delinquent property taxes	-	-	-	-	-	-	-	-	-	-
Grant	8,300	32,563	-	72,595	-	860	-	-	-	-
Due from other governments	-	-	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ -</u>	<u>\$ 757</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 24,731</u>	<u>\$ 1,615</u>	<u>\$ 41,947</u>	<u>\$ 32,848</u>	<u>\$ 28,878</u>	<u>\$ 3,525</u>
<u>LIABILITIES AND FUND BALANCE</u>										
Liabilities:										
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 432	\$ 7,118	\$ -	\$ -	\$ -
Due to other funds	-	757	-	-	-	1,183	-	-	-	2,739
Deferred revenue:										
Federal, state, and local grants	-	-	-	-	24,731	-	34,829	32,848	28,878	786
Delinquent property taxes	-	-	-	-	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>-</u>	<u>757</u>	<u>-</u>	<u>-</u>	<u>24,731</u>	<u>1,615</u>	<u>41,947</u>	<u>32,848</u>	<u>28,878</u>	<u>3,525</u>
Fund balance:										
Reserved:										
Retirement of long-term debt	-	-	-	-	-	-	-	-	-	-
Unreserved and reported in:										
Special revenues funds	-	-	-	-	-	-	-	-	-	-
Capital projects funds	-	-	-	-	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities and fund balance	<u>\$ -</u>	<u>\$ 757</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 24,731</u>	<u>\$ 1,615</u>	<u>\$ 41,947</u>	<u>\$ 32,848</u>	<u>\$ 28,878</u>	<u>\$ 3,525</u>

(continued)

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

NON-MAJOR GOVERNMENTAL FUNDS
Combining Balance Sheet
June 30, 2009

Special Revenue Funds

	Title V Indian Health Care Improvement Fund	Workforce Investment Act Fund	Literacy through School Libraries Fund	Native American Program Fund	Impact Aid Construction Fund	LANL Foundation Fund	Indian Health Services Fund	Microsoft Settlement Fund	Technology for Education Fund
<u>ASSETS</u>									
Pooled cash and investments	\$ 11,378	\$ 580	\$ 21,241	\$ (64,776)	\$ 112,738	\$ 784	\$ 17	\$ (41,849)	\$ 3,319
Receivables:									
Delinquent property taxes	-	-	-	-	-	-	-	-	-
Grant	-	-	-	65,111	-	-	-	41,849	-
Due from other governments	-	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-	-	-
Total assets	\$ 11,378	\$ 580	\$ 21,241	\$ 335	\$ 112,738	\$ 784	\$ 17	\$ -	\$ 3,319
<u>LIABILITIES AND FUND BALANCE</u>									
Liabilities:									
Accounts payable	\$ -	\$ -	\$ -	\$ 335	\$ 101,818	\$ -	\$ -	\$ -	\$ 775
Due to other funds	-	-	19,538	-	-	-	-	-	-
Deferred revenue:									
Federal, state, and local grants	11,378	580	1,703	-	10,920	784	17	-	2,544
Delinquent property taxes	-	-	-	-	-	-	-	-	-
Total liabilities	11,378	580	21,241	335	112,738	784	17	-	3,319
Fund balance:									
Reserved:									
Retirement of long-term debt	-	-	-	-	-	-	-	-	-
Unreserved and reported in:									
Special revenues funds	-	-	-	-	-	-	-	-	-
Capital projects funds	-	-	-	-	-	-	-	-	-
Total fund balance	-	-	-	-	-	-	-	-	-
Total liabilities and fund balance	\$ 11,378	\$ 580	\$ 21,241	\$ 335	\$ 112,738	\$ 784	\$ 17	\$ -	\$ 3,319

(continued)

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

NON-MAJOR GOVERNMENTAL FUNDS
Combining Balance Sheet
June 30, 2009

Special Revenue Funds

	Obesity Program Fund	Physical Education Classes Fund	Statewide Computer Language Fund	Libraries GO Bond 2004 Fund	Pre-K Initiative Fund	Beginning Teacher Mentoring Fund	Breakfast for Elementary Students Fund	SINOI Fund	Schools on the Rise Fund
<u>ASSETS</u>									
Pooled cash and investments	\$ -	\$ 1,044	\$ 28	\$ 2,354	\$ (20,882)	\$ (10,440)	\$ -	\$ -	\$ (7,745)
Receivables:									
Delinquent property taxes	-	-	-	-	-	-	-	-	-
Grant	-	161	-	-	21,240	10,440	-	-	7,745
Due from other governments	-	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ -</u>	<u>\$ 1,205</u>	<u>\$ 28</u>	<u>\$ 2,354</u>	<u>\$ 358</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>LIABILITIES AND FUND BALANCE</u>									
Liabilities:									
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	1,205	-	-	358	-	-	-	-
Deferred revenue:									
Federal, state, and local grants	-	-	28	2,354	-	-	-	-	-
Delinquent property taxes	-	-	-	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>-</u>	<u>1,205</u>	<u>28</u>	<u>2,354</u>	<u>358</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance:									
Reserved:									
Retirement of long-term debt	-	-	-	-	-	-	-	-	-
Unreserved and reported in:									
Special revenues funds	-	-	-	-	-	-	-	-	-
Capital projects funds	-	-	-	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities and fund balance	<u>\$ -</u>	<u>\$ 1,205</u>	<u>\$ 28</u>	<u>\$ 2,354</u>	<u>\$ 358</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(continued)

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

NON-MAJOR GOVERNMENTAL FUNDS
Combining Balance Sheet
June 30, 2009

	Special Revenue Funds								
	State 21st Century Fund	Libraries GO Bond Fund	State Directed Activities Fund	Rural Revitalization Fund	Library Books Fund	Youth Conservation Fund	AP New Mexico Incentive Funding Fund	Children's Medical Services Fund	Gear Up Fund
ASSETS									
Pooled cash and investments	\$ (43,462)	\$ (219)	\$ 39	\$ (610)	\$ 2,210	\$ (17,259)	\$ 2,160	\$ 102	\$ (21,059)
Receivables:									
Delinquent property taxes	-	-	-	-	-	-	-	-	-
Grant	43,462	219	-	610	-	17,259	-	-	21,059
Due from other governments	-	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 39</u>	<u>\$ -</u>	<u>\$ 2,210</u>	<u>\$ -</u>	<u>\$ 2,160</u>	<u>\$ 102</u>	<u>\$ -</u>
LIABILITIES AND FUND BALANCE									
Liabilities:									
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-	-	-	-	-
Deferred revenue:									
Federal, state, and local grants	-	-	39	-	2,210	-	2,160	102	-
Delinquent property taxes	-	-	-	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>39</u>	<u>-</u>	<u>2,210</u>	<u>-</u>	<u>2,160</u>	<u>102</u>	<u>-</u>
Total liabilities	<u>-</u>	<u>-</u>	<u>39</u>	<u>-</u>	<u>2,210</u>	<u>-</u>	<u>2,160</u>	<u>102</u>	<u>-</u>
Fund balance:									
Reserved:									
Retirement of long-term debt	-	-	-	-	-	-	-	-	-
Unreserved and reported in:									
Special revenues funds	-	-	-	-	-	-	-	-	-
Capital projects funds	-	-	-	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities and fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 39</u>	<u>\$ -</u>	<u>\$ 2,210</u>	<u>\$ -</u>	<u>\$ 2,160</u>	<u>\$ 102</u>	<u>\$ -</u>

(continued)

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

NON-MAJOR GOVERNMENTAL FUNDS
Combining Balance Sheet
June 30, 2009

	Special Revenue Funds						Capital Projects Funds			
	Career- Vocational Education Fund	Life Link Fund	Substance Abuse Fund	School Based Health Center Fund	Value Option Fund	City/County Grants Fund	Total Nonmajor Special Revenue Funds	Ed Tech Debt Service Fund	Public School Capital Outlay Fund	Special Capital Outlay - State Fund
ASSETS										
Pooled cash and investments	\$ 2,199	\$ 215	\$ 7,226	\$ 7,045	\$ 25,543	\$ -	\$ (424,284)	\$ 53,236	\$ (129,557)	\$ 5,495
Receivables:										
Delinquent property taxes	-	-	-	-	-	-	-	3,561	-	-
Grant	-	-	-	23,251	-	-	1,039,195	-	-	-
Due from other governments	-	-	-	-	-	-	-	5	-	-
Due from other funds	-	-	-	-	-	-	-	-	-	-
Total assets	<u>\$ 2,199</u>	<u>\$ 215</u>	<u>\$ 7,226</u>	<u>\$ 30,296</u>	<u>\$ 25,543</u>	<u>\$ -</u>	<u>\$ 614,911</u>	<u>\$ 56,802</u>	<u>\$ (129,557)</u>	<u>\$ 5,495</u>
LIABILITIES AND FUND BALANCE										
Liabilities:										
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 115,062	\$ -	\$ -	\$ -
Due to other funds	2,199	-	-	30,296	-	-	172,116	20,566	-	30,000
Deferred revenue:										
Federal, state, and local grants	-	215	7,226	-	25,543	-	306,561	-	-	-
Delinquent property taxes	-	-	-	-	-	-	-	3,504	-	-
Total liabilities	<u>2,199</u>	<u>215</u>	<u>7,226</u>	<u>30,296</u>	<u>25,543</u>	<u>-</u>	<u>593,739</u>	<u>24,070</u>	<u>-</u>	<u>30,000</u>
Fund balance:										
Reserved:										
Retirement of long-term debt	-	-	-	-	-	-	-	32,732	-	-
Unreserved and reported in:										
Special revenues funds	-	-	-	-	-	-	21,172	-	-	-
Capital projects funds	-	-	-	-	-	-	-	-	(129,557)	(24,505)
Total fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>21,172</u>	<u>32,732</u>	<u>(129,557)</u>	<u>(24,505)</u>
Total liabilities and fund balance	<u>\$ 2,199</u>	<u>\$ 215</u>	<u>\$ 7,226</u>	<u>\$ 30,296</u>	<u>\$ 25,543</u>	<u>\$ -</u>	<u>\$ 614,911</u>	<u>\$ 56,802</u>	<u>\$ (129,557)</u>	<u>\$ 5,495</u>

(continued)

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

NON-MAJOR GOVERNMENTAL FUNDS
Combining Balance Sheet
June 30, 2009

	Capital Projects Funds					
	Special Capital Outlay - Federal Fund	Capital Improvements SB-9 Fund	Ed Technology Equipment Act Fund	Public School Capital Outlay - 20% Fund	Total Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<u>ASSETS</u>						
Pooled cash and investments	\$ 127,917	\$ 234,444	\$ -	\$ 18,261	\$ 256,560	\$ (114,488)
Receivables:						
Delinquent property taxes	-	14,860	-	-	14,860	18,421
Grant	-	-	-	-	-	1,039,195
Due from other governments	-	1,645	-	-	1,645	1,650
Due from other funds	<u>745</u>	<u>-</u>	<u>6,807</u>	<u>20,006</u>	<u>27,558</u>	<u>27,558</u>
 Total assets	 <u>\$ 128,662</u>	 <u>\$ 250,949</u>	 <u>\$ 6,807</u>	 <u>\$ 38,267</u>	 <u>\$ 300,623</u>	 <u>\$ 972,336</u>
<u>LIABILITIES AND FUND BALANCE</u>						
Liabilities:						
Accounts payable	\$ -	\$ 1,509	\$ -	\$ -	\$ 1,509	\$ 116,571
Due to other funds	-	83,057	-	-	113,057	305,739
Deferred revenue:						
Federal, state, and local grants	-	-	-	-	-	306,561
Delinquent property taxes	<u>-</u>	<u>12,197</u>	<u>-</u>	<u>-</u>	<u>12,197</u>	<u>15,701</u>
 Total liabilities	 <u>-</u>	 <u>96,763</u>	 <u>-</u>	 <u>-</u>	 <u>126,763</u>	 <u>744,572</u>
Fund balance:						
Reserved:						
Retirement of long-term debt	-	-	-	-	-	32,732
Unreserved and reported in:						
Special revenues funds	-	-	-	-	-	21,172
Capital projects funds	<u>128,662</u>	<u>154,186</u>	<u>6,807</u>	<u>38,267</u>	<u>173,860</u>	<u>173,860</u>
 Total fund balance	 <u>128,662</u>	 <u>154,186</u>	 <u>6,807</u>	 <u>38,267</u>	 <u>173,860</u>	 <u>227,764</u>
 Total liabilities and fund balance	 <u>\$ 128,662</u>	 <u>\$ 250,949</u>	 <u>\$ 6,807</u>	 <u>\$ 38,267</u>	 <u>\$ 300,623</u>	 <u>\$ 972,336</u>

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

NON-MAJOR GOVERNMENTAL FUNDS
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balance
Year Ended June 30, 2009

	Special Revenue Funds					
	Food Service	Athletics	Title I	Migrant Children Education	Title I Program Improvement	Entitlement IDEA-B
	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>
Revenues:						
Federal sources:						
Public Law 874	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Federal flowthrough grants	-	-	980,078	-	-	160,467
Federal direct grants	-	-	-	-	-	-
Food and milk reimbursements	246,585	-	-	-	-	-
USDA Commodities	<u>20,631</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total federal revenues	<u>267,216</u>	<u>-</u>	<u>980,078</u>	<u>-</u>	<u>-</u>	<u>160,467</u>
State sources:						
State grant	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Local sources:						
Grant	-	-	-	-	-	-
District school tax levy	-	-	-	-	-	-
Fees and activities	56,742	49,599	-	-	-	-
Earnings from investments	<u>205</u>	<u>82</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total local revenues	<u>56,947</u>	<u>49,681</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenue	<u>324,163</u>	<u>49,681</u>	<u>980,078</u>	<u>-</u>	<u>-</u>	<u>160,467</u>
Expenditures:						
Current:						
Instruction	-	48,331	592,082	-	-	56,975
Support Services - Students	-	-	150,043	-	-	63,988
Support Services - Instruction	-	-	695	-	-	-
Support Services - General Administration	-	-	66,666	-	-	-
Support Services - School Administration	-	-	46,256	-	-	39,504
Central Services	-	-	3,194	-	-	-
Operations & Maintenance of Plant	-	-	16,866	-	-	-
Food Services	358,874	-	-	-	-	-
Capital outlay	<u>-</u>	<u>-</u>	<u>104,276</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>358,874</u>	<u>48,331</u>	<u>980,078</u>	<u>-</u>	<u>-</u>	<u>160,467</u>
Excess (deficiency) of revenues over expenditures	<u>(34,711)</u>	<u>1,350</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other financing sources and financing uses:						
Transfers in	-	-	-	-	-	-
Refunds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources and financing uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	(34,711)	1,350	-	-	-	-
Fund balance (deficit) at beginning of the year	<u>54,682</u>	<u>(149)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance (deficit) at end of the year	<u>\$ 19,971</u>	<u>\$ 1,201</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(continued)

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

NON-MAJOR GOVERNMENTAL FUNDS
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balance
Year Ended June 30, 2009

	Special Revenue Funds					
	Discretionary IDEA-B <u>Fund</u>	Competitive IDEA-B <u>Fund</u>	Preschool IDEA-B <u>Fund</u>	Title VI <u>Fund</u>	IDEA-B "Risk Pool" <u>Fund</u>	Title IV Drug Free Schools <u>Fund</u>
Revenues:						
Federal sources:						
Public Law 874	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Federal flowthrough grants	4,595	-	-	-	-	-
Federal direct grants	-	-	-	-	-	-
Food and milk reimbursements	-	-	-	-	-	-
USDA Commodities	-	-	-	-	-	-
Total federal revenues	4,595	-	-	-	-	-
State sources:						
State grant	-	-	-	-	-	-
Local sources:						
Grant	-	-	-	-	-	-
District school tax levy	-	-	-	-	-	-
Fees and activities	-	-	-	-	-	-
Earnings from investments	-	-	-	-	-	-
Total local revenues	-	-	-	-	-	-
Total revenue	4,595	-	-	-	-	-
Expenditures:						
Current:						
Instruction	-	-	-	-	-	-
Support Services - Students	4,595	-	-	-	-	-
Support Services - Instruction	-	-	-	-	-	-
Support Services - General Administration	-	-	-	-	-	-
Support Services - School Administration	-	-	-	-	-	-
Central Services	-	-	-	-	-	-
Operations & Maintenance of Plant	-	-	-	-	-	-
Food Services	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	4,595	-	-	-	-	-
Excess (deficiency) of revenues over expenditures	-	-	-	-	-	-
Other financing sources and financing uses:						
Transfers in	-	-	-	-	-	-
Refunds	-	-	-	-	-	-
Total other financing sources and financing uses	-	-	-	-	-	-
Net change in fund balance	-	-	-	-	-	-
Fund balance (deficit) at beginning of the year	-	-	-	-	-	-
Fund balance (deficit) at end of the year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

(continued)

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

NON-MAJOR GOVERNMENTAL FUNDS
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balance
Year Ended June 30, 2009

	Special Revenue Funds					
	Partnerships in Character	Enhancing Education	Reading Excellence	Enhancing Education Through Technology	Title V	Title III English Language
	Fund	Fund	Fund	Fund	Fund	Fund
Revenues:						
Federal sources:						
Public Law 874	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Federal flowthrough grants	-	7,511	-	-	1,833	-
Federal direct grants	-	-	-	-	-	-
Food and milk reimbursements	-	-	-	-	-	-
USDA Commodities	-	-	-	-	-	-
Total federal revenues	-	7,511	-	-	1,833	-
State sources:						
State grant	-	-	-	-	-	-
Local sources:						
Grant	-	-	-	-	-	-
District school tax levy	-	-	-	-	-	-
Fees and activities	-	-	-	-	-	-
Earnings from investments	-	-	-	-	-	-
Total local revenues	-	-	-	-	-	-
Total revenue	-	7,511	-	-	1,833	-
Expenditures:						
Current:						
Instruction	-	-	-	-	-	-
Support Services - Students	-	-	-	-	-	-
Support Services - Instruction	-	-	-	-	1,833	-
Support Services - General Administration	-	-	-	-	-	-
Support Services - School Administration	-	-	-	-	-	-
Central Services	-	63	-	-	-	-
Operations & Maintenance of Plant	-	-	-	-	-	-
Food Services	-	-	-	-	-	-
Capital outlay	-	7,448	-	-	-	-
Total expenditures	-	7,511	-	-	1,833	-
Excess (deficiency) of revenues over expenditures	-	-	-	-	-	-
Other financing sources and financing uses:						
Transfers in	-	-	-	-	-	-
Refunds	-	-	-	-	-	-
Total other financing sources and financing uses	-	-	-	-	-	-
Net change in fund balance	-	-	-	-	-	-
Fund balance (deficit) at beginning of the year	-	-	-	-	-	-
Fund balance (deficit) at end of the year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

(continued)

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

NON-MAJOR GOVERNMENTAL FUNDS
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balance
Year Ended June 30, 2009

	Special Revenue Funds					
	Title II Teacher Quality Fund	Safe & Drug Free Schools Fund	21st Century Community Living Centers Fund	Rural & Low- Income Schools Fund	Title I School Improvement Fund	Reading First Fund
Revenues:						
Federal sources:						
Public Law 874	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Federal flowthrough grants	147,987	5,618	76,958	11,446	165,877	1,908
Federal direct grants	-	-	-	-	-	-
Food and milk reimbursements	-	-	-	-	-	-
USDA Commodities	-	-	-	-	-	-
Total federal revenues	<u>147,987</u>	<u>5,618</u>	<u>76,958</u>	<u>11,446</u>	<u>165,877</u>	<u>1,908</u>
State sources:						
State grant	-	-	-	-	-	-
Local sources:						
Grant	-	-	-	-	-	-
District school tax levy	-	-	-	-	-	-
Fees and activities	-	-	-	-	-	-
Earnings from investments	-	-	-	-	-	-
Total local revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenue	<u>147,987</u>	<u>5,618</u>	<u>76,958</u>	<u>11,446</u>	<u>165,877</u>	<u>1,908</u>
Expenditures:						
Current:						
Instruction	133,032	5,228	75,155	11,446	159,603	-
Support Services - Students	736	-	-	-	-	-
Support Services - Instruction	150	-	-	-	-	-
Support Services - General Administration	11,207	390	-	-	-	-
Support Services - School Administration	2,380	-	933	-	-	-
Central Services	482	-	-	-	-	-
Operations & Maintenance of Plant	-	-	-	-	-	-
Food Services	-	-	870	-	-	-
Capital outlay	-	-	-	-	6,274	-
Total expenditures	<u>147,987</u>	<u>5,618</u>	<u>76,958</u>	<u>11,446</u>	<u>165,877</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,908</u>
Other financing sources and financing uses:						
Transfers in	-	-	-	-	-	16,264
Refunds	-	-	-	-	-	(18,172)
Total other financing sources and financing uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,908)</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance (deficit) at beginning of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance (deficit) at end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(continued)

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

NON-MAJOR GOVERNMENTAL FUNDS
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balance
Year Ended June 30, 2009

	Special Revenue Funds					
	Title I - Stimulus <u>Fund</u>	Headstart <u>Fund</u>	Johnson O'Malley <u>Fund</u>	Impact Aid Special Education <u>Fund</u>	Title XIX Medicaid <u>Fund</u>	Child & Adult Food Program <u>Fund</u>
Revenues:						
Federal sources:						
Public Law 874	\$ -	\$ -	\$ -	\$ 50,329	\$ -	\$ -
Federal flowthrough grants	72,595	-	-	-	-	-
Federal direct grants	-	-	18,282	-	72,915	-
Food and milk reimbursements	-	-	-	-	-	-
USDA Commodities	-	-	-	-	-	-
Total federal revenues	<u>72,595</u>	<u>-</u>	<u>18,282</u>	<u>50,329</u>	<u>72,915</u>	<u>-</u>
State sources:						
State grant	-	-	-	-	-	-
Local sources:						
Grant	-	-	-	-	-	-
District school tax levy	-	-	-	-	-	-
Fees and activities	-	-	-	-	-	-
Earnings from investments	-	-	-	-	-	-
Total local revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenue	<u>72,595</u>	<u>-</u>	<u>18,282</u>	<u>50,329</u>	<u>72,915</u>	<u>-</u>
Expenditures:						
Current:						
Instruction	72,595	-	5,724	37,016	3,762	-
Support Services - Students	-	-	11,375	13,313	65,035	-
Support Services - Instruction	-	-	-	-	-	-
Support Services - General Administration	-	-	-	-	-	-
Support Services - School Administration	-	-	1,183	-	1,257	-
Central Services	-	-	-	-	-	-
Operations & Maintenance of Plant	-	-	-	-	295	-
Food Services	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	<u>72,595</u>	<u>-</u>	<u>18,282</u>	<u>50,329</u>	<u>70,349</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,566</u>	<u>-</u>
Other financing sources and financing uses:						
Transfers in	-	-	-	-	-	-
Refunds	-	-	-	-	(2,566)	-
Total other financing sources and financing uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,566)</u>	<u>-</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance (deficit) at beginning of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance (deficit) at end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(continued)

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

NON-MAJOR GOVERNMENTAL FUNDS
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balance
Year Ended June 30, 2009

	Special Revenue Funds				
	Indian Ed Formula Grant <u>Fund</u>	Title V Indian Health Care Improvement <u>Fund</u>	Workforce Investment Act <u>Fund</u>	Literacy through School Libraries <u>Fund</u>	Native American Program <u>Fund</u>
Revenues:					
Federal sources:					
Public Law 874	\$ -	\$ -	\$ -	\$ -	\$ -
Federal flowthrough grants	-	-	-	-	-
Federal direct grants	54,295	-	-	-	191,126
Food and milk reimbursements	-	-	-	-	-
USDA Commodities	-	-	-	-	-
Total federal revenues	<u>54,295</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>191,126</u>
State sources:					
State grant	-	-	-	-	-
Local sources:					
Grant	-	-	-	-	-
District school tax levy	-	-	-	-	-
Fees and activities	-	-	-	-	-
Earnings from investments	-	-	-	-	-
Total local revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenue	<u>54,295</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>191,126</u>
Expenditures:					
Current:					
Instruction	53,349	-	-	-	137,044
Support Services - Students	-	-	-	-	12,077
Support Services - Instruction	-	-	-	-	-
Support Services - General Administration	894	-	-	-	15,671
Support Services - School Administration	52	-	-	-	1,484
Central Services	-	-	-	-	1,848
Operations & Maintenance of Plant	-	-	-	-	-
Food Services	-	-	-	-	-
Capital outlay	-	-	-	-	23,002
Total expenditures	<u>54,295</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>191,126</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other financing sources and financing uses:					
Transfers in	-	-	-	-	-
Refunds	-	-	-	-	-
Total other financing sources and financing uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	-	-	-	-	-
Fund balance (deficit) at beginning of the year	-	-	-	-	-
Fund balance (deficit) at end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(continued)

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

NON-MAJOR GOVERNMENTAL FUNDS
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balance
Year Ended June 30, 2009

	Special Revenue Funds					
	Impact Aid Construction	LANL Foundation	Indian Health Services	Microsoft Settlement	Technology for Education	Obesity Program
	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>
Revenues:						
Federal sources:						
Public Law 874	\$ 101,818	\$ -	\$ -	\$ -	\$ -	\$ -
Federal flowthrough grants	-	-	-	-	-	-
Federal direct grants	-	-	-	-	-	-
Food and milk reimbursements	-	-	-	-	-	-
USDA Commodities	-	-	-	-	-	-
Total federal revenues	<u>101,818</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
State sources:						
State grant	-	-	-	-	39,540	-
Local sources:						
Grant	-	4,878	-	31,804	-	-
District school tax levy	-	-	-	-	-	-
Fees and activities	-	-	-	-	-	-
Earnings from investments	-	-	-	-	-	-
Total local revenues	<u>-</u>	<u>4,878</u>	<u>-</u>	<u>31,804</u>	<u>-</u>	<u>-</u>
Total revenue	<u>101,818</u>	<u>4,878</u>	<u>-</u>	<u>31,804</u>	<u>39,540</u>	<u>-</u>
Expenditures:						
Current:						
Instruction	-	4,878	-	-	3,281	-
Support Services - Students	-	-	-	-	-	-
Support Services - Instruction	-	-	-	-	-	-
Support Services - General Administration	-	-	-	-	-	-
Support Services - School Administration	-	-	-	-	1,242	-
Central Services	-	-	-	-	24,991	-
Operations & Maintenance of Plant	-	-	-	-	10,026	-
Food Services	-	-	-	-	-	-
Capital outlay	101,818	-	-	31,804	-	-
Total expenditures	<u>101,818</u>	<u>4,878</u>	<u>-</u>	<u>31,804</u>	<u>39,540</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other financing sources and financing uses:						
Transfers in	-	-	-	-	-	-
Refunds	-	-	-	-	-	-
Total other financing sources and financing uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	-	-	-	-	-	-
Fund balance (deficit) at beginning of the year	-	-	-	-	-	-
Fund balance (deficit) at end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(continued)

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

NON-MAJOR GOVERNMENTAL FUNDS
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balance
Year Ended June 30, 2009

	Special Revenue Funds				
	Physical Education Classes	Statewide Computer Language	Libraries GO Bond 2004	Pre-K Initiative	Beginning Teacher Mentoring
	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>
Revenues:					
Federal sources:					
Public Law 874	\$ -	\$ -	\$ -	\$ -	\$ -
Federal flowthrough grants	-	-	-	-	-
Federal direct grants	-	-	-	-	-
Food and milk reimbursements	-	-	-	-	-
USDA Commodities	-	-	-	-	-
Total federal revenues	-	-	-	-	-
State sources:					
State grant	-	-	-	46,416	7,022
Local sources:					
Grant	-	-	-	-	-
District school tax levy	-	-	-	-	-
Fees and activities	-	-	-	-	-
Earnings from investments	-	-	-	-	-
Total local revenues	-	-	-	-	-
Total revenue	-	-	-	46,416	7,022
Expenditures:					
Current:					
Instruction	-	-	-	46,408	7,022
Support Services - Students	-	-	-	8	-
Support Services - Instruction	-	-	-	-	-
Support Services - General Administration	-	-	-	-	-
Support Services - School Administration	-	-	-	-	-
Central Services	-	-	-	-	-
Operations & Maintenance of Plant	-	-	-	-	-
Food Services	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	-	-	-	46,416	7,022
Excess (deficiency) of revenues over expenditures	-	-	-	-	-
Other financing sources and financing uses:					
Transfers in	-	-	-	-	-
Refunds	-	-	-	-	-
Total other financing sources and financing uses	-	-	-	-	-
Net change in fund balance	-	-	-	-	-
Fund balance (deficit) at beginning of the year	-	-	-	-	-
Fund balance (deficit) at end of the year	\$ -	\$ -	\$ -	\$ -	\$ -

(continued)

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

NON-MAJOR GOVERNMENTAL FUNDS
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balance
Year Ended June 30, 2009

	Special Revenue Funds					
	Breakfast for Elementary Students	SINOI	Schools on the Rise	State 21st Century	Libraries GO Bond	State Directed Activities
	Fund	Fund	Fund	Fund	Fund	Fund
Revenues:						
Federal sources:						
Public Law 874	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Federal flowthrough grants	-	-	-	-	-	-
Federal direct grants	-	-	-	-	-	-
Food and milk reimbursements	-	-	-	-	-	-
USDA Commodities	-	-	-	-	-	-
Total federal revenues	-	-	-	-	-	-
State sources:						
State grant	14,164	-	7,745	43,462	219	21,092
Local sources:						
Grant	-	-	-	-	-	-
District school tax levy	-	-	-	-	-	-
Fees and activities	-	-	-	-	-	-
Earnings from investments	-	-	-	-	-	-
Total local revenues	-	-	-	-	-	-
Total revenue	14,164	-	7,745	43,462	219	21,092
Expenditures:						
Current:						
Instruction	-	-	7,745	43,374	-	21,092
Support Services - Students	-	-	-	-	-	-
Support Services - Instruction	-	-	-	-	219	-
Support Services - General Administration	-	-	-	-	-	-
Support Services - School Administration	-	-	-	-	-	-
Central Services	-	-	-	-	-	-
Operations & Maintenance of Plant	-	-	-	88	-	-
Food Services	14,164	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	14,164	-	7,745	43,462	219	21,092
Excess (deficiency) of revenues over expenditures	-	-	-	-	-	-
Other financing sources and financing uses:						
Transfers in	-	-	-	-	-	-
Refunds	-	-	-	-	-	-
Total other financing sources and financing uses	-	-	-	-	-	-
Net change in fund balance	-	-	-	-	-	-
Fund balance (deficit) at beginning of the year	-	-	-	-	-	-
Fund balance (deficit) at end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(continued)

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

NON-MAJOR GOVERNMENTAL FUNDS
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balance
Year Ended June 30, 2009

	Special Revenue Funds					
	Rural Revitalization Fund	Library Books Fund	Youth Conservation Fund	AP New Mexico Incentive Funding Fund	Children's Medical Services Fund	Gear Up Fund
Revenues:						
Federal sources:						
Public Law 874	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Federal flowthrough grants	-	-	-	-	-	-
Federal direct grants	-	-	-	-	-	-
Food and milk reimbursements	-	-	-	-	-	-
USDA Commodities	-	-	-	-	-	-
Total federal revenues	-	-	-	-	-	-
State sources:						
State grant	997	-	60,806	-	-	21,718
Local sources:						
Grant	-	-	-	-	-	-
District school tax levy	-	-	-	-	-	-
Fees and activities	-	-	-	-	-	-
Earnings from investments	-	-	-	-	-	-
Total local revenues	-	-	-	-	-	-
Total revenue	997	-	60,806	-	-	21,718
Expenditures:						
Current:						
Instruction	997	-	60,806	-	-	17,633
Support Services - Students	-	-	-	-	-	2,674
Support Services - Instruction	-	-	-	-	-	-
Support Services - General Administration	-	-	-	-	-	-
Support Services - School Administration	-	-	-	-	-	1,411
Central Services	-	-	-	-	-	-
Operations & Maintenance of Plant	-	-	-	-	-	-
Food Services	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	997	-	60,806	-	-	21,718
Excess (deficiency) of revenues over expenditures	-	-	-	-	-	-
Other financing sources and financing uses:						
Transfers in	-	-	-	-	-	-
Refunds	-	-	-	-	-	-
Total other financing sources and financing uses	-	-	-	-	-	-
Net change in fund balance	-	-	-	-	-	-
Fund balance (deficit) at beginning of the year	-	-	-	-	-	-
Fund balance (deficit) at end of the year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

(continued)

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

NON-MAJOR GOVERNMENTAL FUNDS
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balance
Year Ended June 30, 2009

	Special Revenue Funds						Total Nonmajor Special Revenue Funds
	Career- Vocational Technical Education Fund	Life Link Fund	Substance Abuse Fund	School Based Health Center Fund	Value Option Fund	City/County Grants Fund	
Revenues:							
Federal sources:							
Public Law 874	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 152,147
Federal flowthrough grants	-	-	-	-	-	-	1,636,873
Federal direct grants	-	-	-	-	-	-	336,618
Food and milk reimbursements	-	-	-	-	-	-	246,585
USDA Commodities	-	-	-	-	-	-	20,631
Total federal revenues	-	-	-	-	-	-	2,392,854
State sources:							
State grant	-	-	-	88,828	-	-	352,009
Local sources:							
Grant	-	-	-	-	9,442	11,959	58,083
District school tax levy	-	-	-	-	-	-	-
Fees and activities	-	-	-	-	-	-	106,341
Earnings from investments	-	-	-	-	-	-	287
Total local revenues	-	-	-	-	9,442	11,959	164,711
Total revenue	-	-	-	88,828	9,442	11,959	2,909,574
Expenditures:							
Current:							
Instruction	-	-	-	-	-	-	1,604,578
Support Services - Students	-	-	-	88,003	9,442	-	421,289
Support Services - Instruction	-	-	-	-	-	-	2,897
Support Services - General Administration	-	-	-	-	-	-	94,828
Support Services - School Administration	-	-	-	-	-	-	95,702
Central Services	-	-	-	-	-	-	30,578
Operations & Maintenance of Plant	-	-	-	825	-	-	28,100
Food Services	-	-	-	-	-	-	373,908
Capital outlay	-	-	-	-	-	-	274,622
Total expenditures	-	-	-	88,828	9,442	-	2,926,502
Excess (deficiency) of revenues over expenditures	-	-	-	-	-	11,959	(16,928)
Other financing sources and financing uses:							
Transfers in	-	-	-	-	-	-	16,264
Refunds	-	-	-	-	-	(11,959)	(32,697)
Total other financing sources and financing uses	-	-	-	-	-	(11,959)	(16,433)
Net change in fund balance	-	-	-	-	-	-	(33,361)
Fund balance (deficit) at beginning of the year	-	-	-	-	-	-	54,533
Fund balance (deficit) at end of the year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 21,172

(continued)

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

NON-MAJOR GOVERNMENTAL FUNDS
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balance
Year Ended June 30, 2009

	<u>Capital Projects Funds</u>				
	Ed Tech Debt Service	Public School Capital Outlay	Special Capital Outlay - State	Special Capital Outlay - Federal	Capital Improvements SB-9
	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>
Revenues:					
Federal sources:					
Public Law 874	\$ -	\$ -	\$ -	\$ 4,315	\$ -
Federal flowthrough grants	-	-	-	-	-
Federal direct grants	-	-	-	-	-
Food and milk reimbursements	-	-	-	-	-
USDA Commodities	-	-	-	-	-
Total federal revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,315</u>	<u>-</u>
State sources:					
State grant	-	1,140,091	-	-	-
Local sources:					
Grant	-	-	-	-	-
District school tax levy	686	-	-	-	349,196
Fees and activities	-	-	-	-	-
Earnings from investments	471	-	48	-	3,930
Total local revenues	<u>1,157</u>	<u>-</u>	<u>48</u>	<u>-</u>	<u>353,126</u>
Total revenue	<u>1,157</u>	<u>1,140,091</u>	<u>48</u>	<u>4,315</u>	<u>353,126</u>
Expenditures:					
Current:					
Instruction	-	-	-	-	-
Support Services - Students	-	-	-	-	-
Support Services - Instruction	-	-	-	-	-
Support Services - General Administration	7	-	-	-	951
Support Services - School Administration	-	-	-	-	-
Central Services	-	-	-	-	-
Operations & Maintenance of Plant	-	-	-	-	68,391
Food Services	-	-	-	-	-
Capital outlay	-	1,024,381	-	4,315	179,505
Total expenditures	<u>7</u>	<u>1,024,381</u>	<u>-</u>	<u>4,315</u>	<u>248,847</u>
Excess (deficiency) of revenues over expenditures	<u>1,150</u>	<u>115,710</u>	<u>48</u>	<u>-</u>	<u>104,279</u>
Other financing sources and financing uses:					
Transfers in	-	-	-	-	-
Refunds	-	-	-	-	-
Total other financing sources and financing uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>1,150</u>	<u>115,710</u>	<u>48</u>	<u>-</u>	<u>104,279</u>
Fund balance (deficit) at beginning of the year	<u>31,582</u>	<u>(245,267)</u>	<u>(24,553)</u>	<u>128,662</u>	<u>49,907</u>
Fund balance (deficit) at end of the year	<u>\$ 32,732</u>	<u>\$ (129,557)</u>	<u>\$ (24,505)</u>	<u>\$ 128,662</u>	<u>\$ 154,186</u>

(continued)

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

NON-MAJOR GOVERNMENTAL FUNDS
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balance
Year Ended June 30, 2009

	<u>Capital Projects Funds</u>			
	Ed Technology Equipment Act	Public School Capital Outlay - 20%	Total Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
	<u>Fund</u>	<u>Fund</u>	<u>Funds</u>	<u>Funds</u>
Revenues:				
Federal sources:				
Public Law 874	\$ -	\$ -	\$ 4,315	\$ 156,462
Federal flowthrough grants	-	-	-	1,636,873
Federal direct grants	-	-	-	336,618
Food and milk reimbursements	-	-	-	246,585
USDA Commodities	-	-	-	20,631
	<u>-</u>	<u>-</u>	<u>4,315</u>	<u>2,397,169</u>
Total federal revenues	<u>-</u>	<u>-</u>	<u>4,315</u>	<u>2,397,169</u>
State sources:				
State grant	-	-	1,140,091	1,492,100
	<u>-</u>	<u>-</u>	<u>1,140,091</u>	<u>1,492,100</u>
Total state revenues	<u>-</u>	<u>-</u>	<u>1,140,091</u>	<u>1,492,100</u>
Local sources:				
Grant	-	-	-	58,083
District school tax levy	-	-	349,196	349,882
Fees and activities	-	-	-	106,341
Earnings from investments	-	926	4,904	5,662
	<u>-</u>	<u>926</u>	<u>4,904</u>	<u>5,662</u>
Total local revenues	<u>-</u>	<u>926</u>	<u>354,100</u>	<u>519,968</u>
Total revenue	<u>-</u>	<u>926</u>	<u>1,498,506</u>	<u>4,409,237</u>
Expenditures:				
Current:				
Instruction	-	-	-	1,604,578
Support Services - Students	-	-	-	421,289
Support Services - Instruction	-	-	-	2,897
Support Services - General Administration	-	-	951	95,786
Support Services - School Administration	-	-	-	95,702
Central Services	-	-	-	30,578
Operations & Maintenance of Plant	-	97,789	166,180	194,280
Food Services	-	-	-	373,908
Capital outlay	-	-	1,208,201	1,482,823
	<u>-</u>	<u>-</u>	<u>1,208,201</u>	<u>1,482,823</u>
Total expenditures	<u>-</u>	<u>97,789</u>	<u>1,375,332</u>	<u>4,301,841</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>(96,863)</u>	<u>123,174</u>	<u>107,396</u>
Other financing sources and financing uses:				
Transfers in	-	-	-	16,264
Refunds	-	-	-	(32,697)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>(16,433)</u>
Total other financing sources and financing uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>(16,433)</u>
Net change in fund balance	<u>-</u>	<u>(96,863)</u>	<u>123,174</u>	<u>90,963</u>
Fund balance (deficit) at beginning of the year	<u>6,807</u>	<u>135,130</u>	<u>50,686</u>	<u>136,801</u>
Fund balance (deficit) at end of the year	<u>\$ 6,807</u>	<u>\$ 38,267</u>	<u>\$ 173,860</u>	<u>\$ 227,764</u>

BUDGETARY PRESENTATION

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

NONMAJOR SPECIAL REVENUE FUNDS
Year Ended June 30, 2009

FOOD SERVICES

This program provides financing for the school breakfast and lunch program. Funding is provided from fees from patrons and USDA food reimbursements, under the National School Lunch Act of 1946, as amended, Public Law 79-396, Sections 2-4, 60 Stat. 230, 42 U.S.C. 1751 et seq.; 80 stat. 889, as amended; 84 stat. 270; and the Child Nutrition Act of 1966, as amended, Sections 4 and 10. Public Law 89-642, 80 stat. 886, 889, 42 U.S.C. 1773, 1779; Public Law 99-591, 100 stat. 3341; Public Law 100-71, 101 stat. 430.

ATHLETICS

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

TITLE I

To help local education agencies (LEAs) and schools improve the teaching and learning of children failing, or most at-risk of failing, to meet challenging State academic standards. Funding authorization: Elementary and Secondary Education Act of 1965, Title I, Part A, 20 U.S.C. 6301 et seq.

MIGRANT CHILDREN EDUCATION

To support high quality education programs for migratory children and help ensure that migratory children who move among the states are not penalized in any manner by disparities among states in curriculum, graduation requirements, or state academic content and student academic achievement standards. Funds also ensure that migratory children not only are provided with appropriate education services (including supportive services) that address their special needs but also that such children receive full and appropriate opportunities to meet the same challenging state academic content and student academic achievement standards that all children are expected to meet. Federal funds are allocated by formula to SEAs, based on each state's per pupil expenditure for education and counts of eligible migratory children, age 3 through 21, residing within the state. Authorization: The Elementary and Secondary Education Act of 1965 ,Title I, Part C, as amended by the No Child Left Behind Act of 2001; 20 U.S.C. 6391-6399.

TITLE I PROGRAM IMPROVEMENT

To develop parental involvement in the school curriculum. The program is funded by the United States government under P.L. 100-297.

ENTITLEMENT/ DISCRETIONARY/ COMPETITIVE/ PRESCHOOL IDEA-B

The Entitlement/ Discretionary/Competitive/ IDEA-B program is to provide grants to states, that flow-through to schools, to assist them in providing a free appropriate public education to all children with disabilities. The program is funded by the United States government, under the Individuals with Disabilities Education Act, Part B, Section 611-617, and part D, Section 674 as amended, 20 U.S.C. 1711-1417 and 1420.

TITLE VI

The Title VI project provides funds for the acquisition of audio-visual and computer materials use for the instruction of students in the School District. This project is funded by the Federal government through the State of New Mexico Department of Education, under the Elementary and Secondary Education Act of 1965, as amended, Title I, Chapter 2, Part A; Augustus F. Hawkins-Robert T. Stafford Elementary and Secondary School Improvements Amendments of 1988, Public Las 100-297, 20 U.S.C. 2911-2952, 2971-2976

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

NONMAJOR SPECIAL REVENUE FUNDS
Year Ended June 30, 2009

IDEA-B "RISK POOL"

The following rule is promulgated to assist New Mexico public agencies in appropriately identifying and providing educational services for children with disabilities and gifted children. The purposes of this rule is (a) to ensure that all children with disabilities and gifted children have available a free appropriate public education which includes special education and related services to meet their unique needs; (b) to ensure that the rights of children with disabilities and gifted children and their parents are protected; (c) to assist public agencies to provide for the education of all children with disabilities and gifted children; and (d) to evaluate and ensure the effectiveness of efforts to educate those children. Public Law 108-446, now the Individuals with Disabilities Education Improvement Act of 2004 (IDEA) at 20 USC Sec. 1412(a)(11)

TITLE IV DRUG FREE SCHOOLS

The Drug-free Schools program was enacted to provide funding to local agencies for drug and alcohol abuse prevention, and education programs. Funding is provided by the Federal government through the New Mexico State Department of Education, under the Drug-free Schools and Communities Act of 1986, Title V, Part B; Elementary and Secondary Education Act, as amended, Public Laws 99-570, 100-297, 100-690, 101-226, and 101-647.

PARTNERSHIPS IN CHARACTER

To conduct nationally significant programs to improve the quality of education, assist all students to meet challenging State content standards, and contribute to the achievement of elementary and secondary students. Elementary and Secondary Education Act of 1965 (ESEA), Title V, Part D, as amended; ESEA, Title II, Part C, subpart 4 and the American History and Civics Education Act of 2004.

ENHANCING EDUCATION

To provide grants to State educational agencies (SEAs) on a formula basis to (a) improve student academic achievement through the use of technology in schools; (b) assist all students in becoming technologically literate by the end of eighth grade; and (c) encourage the effective integration of technology with teacher training and curriculum development to establish successful research-based instructional methods. Elementary and Secondary Education Act of 1965, as amended, Title II, Part D, Subparts 1 and 2.

READING EXCELLENCE

To award grants to States and to provide children with the readiness skills and support they need in early childhood to learn to read once they enter school. Authorized by the Elementary and Secondary Education Act of 1965, Title II, Part C, as amended, Public Law 105-277.

ENHANCING EDUCATION THROUGH TECHNOLOGY

The technology fund provides financing to purchase computers and software for a District-wide student information system and software licensing for computer labs within the District. The program is funded through the Office of Technology for the State of New Mexico. Authorized by the IASA Improving America School Act PL 103-382.

TITLE V

To assist State and Local educational agencies in the reform of elementary and secondary education. Authorized by the Elementary and Secondary Education Act of 1965, Title VI, as amended, 20 U.S.C. 7301-7373.

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

NONMAJOR SPECIAL REVENUE FUNDS
Year Ended June 30, 2009

TITLE III ENGLISH LANGUAGE

To ensure that limited English proficient children (LEP) and youth, including immigrant children and youth, attain English proficiency and meet the same standards as all children and youth are expected to meet; to provide assistance to Native American, Native Hawaiian, Native American Pacific Islander, and Alaskan native children with certain modifications relative to the unique status of native American language under Federal Law; to develop to the extent possible, the native language skills of such children. The fund is authorized through the Elementary and Secondary Education Act (ESEA), as amended, Title III, Part A, Sections 3101,3129.

TITLE II TEACHER QUALITY

To provide grants to State Education Agencies (SEAs) on a formula basis to increase student academic achievement through strategies such as improving teacher and principal quality and increasing the number of highly qualified teachers in the classroom and highly qualified principals and assistant principals in schools and hold local educational agencies and schools accountable for improvements in the academic achievement. Authorization is granted through the Elementary and Secondary Education Act of 1965, as amended, Title II, Part A, Public Law 107-110.

SAFE AND DRUG FREE SCHOOLS

To offer a disciplined environment conducive to learning, by preventing violence in and around schools and strengthen programs that prevent the illegal use of alcohol, tobacco, and drugs, involve parents, and coordinated with related Federal, State, and community efforts and resources. Authorized by Elementary and Secondary Education Act, Title IV, Part A, Subpart 1, as amended. 20 U.S.C. 7111-7118.

21ST CENTURY COMMUNITY LIVING CENTERS

After school adolescence care, providing the community with responsible Child Care, while providing the children and their families with referral services, drug prevention education, academic help, and character building (social skill) activities. Funding is provided by the Department of Education under the Elementary and Secondary Education Act of 1965, Title X, part I Section 10901, Public Law 103-382 Stat. 3844, 20 U.S.C. 8241.

RURAL & LOW-INCOME SCHOOLS

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

TITLE I SCHOOL IMPROVEMENT

To develop parental involvement in the school curriculum. The program is funded by the United States government under P.L. 100-297.

READING FIRST

To provide financial assistance to rural districts to carry out activities to help improve the quality of teaching and learning in their schools. Authorization is granted by Elementary and Secondary Education Act of 1965 (ESEA), as amended, Public Law 107-110.

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

NONMAJOR SPECIAL REVENUE FUNDS
Year Ended June 30, 2009

TITLE I – STIMULUS

Use of funds varies, depending on whether a school is operating a schoolwide program under Title I, section 1114 of ESEA or a targeted assistance program under Section 1115 of the ESEA. A school with at least a 40 percent poverty rate may choose to operate a schoolwide program under Section 1114 that allows Title I funds to be combined with other Federal, State, and local funds to upgrade the school's overall instructional program. Schoolwide program schools must receive the amount of non-Federal resources they would have received in the absence of Title I funds. All other participating schools must operate targeted assistance programs that provide extra instruction to those children failing, or most at risk of failing, to meet State academic achievement standards. Targeted assistance programs must ensure that Title I services supplement, and do not supplant the regular education programs normally provided with non-Federal funds by local educational agencies. This program is subject to non-supplanting requirements and must use a restricted indirect cost rate, which is referenced under 34 CFR 76.564-76.569. Authorization: Elementary and Secondary Education Act of 1965 (ESEA), Title I, Part A, 20 U.S.C. 6301 et seq. and the American Recovery and Reinvestment Act of 2009 (ARRA), Public Law 111-5.

HEADSTART

To promote school readiness by enhancing the social and cognitive development of low-income children, including children on federally recognized reservations and children of migratory farm-workers, through the provision of comprehensive health, educational, nutritional, social and other services; and to involve parents in their children's learning and to help parents make progress toward their educational, literacy and employment goals. Head Start also emphasizes the significant involvement of parents in the administration of their local Head Start programs. The project is funded through the federal government, under the Community Opportunities, Accountability, and Training and Educational Services Act of 1998, Title I, Section 101-119,

JOHNSON O'MALLEY

The Johnson O'Malley project provides supplemental programs in special education and other special needs for New Mexico public schools where eligible Indian children are enrolled. Funding is provided by the Department of the Interior, Bureau of Indian Affairs, through the Navajo Tribe, under the Johnson O'Malley Act of April 16, 1934; as amended 25 U.S.C. 452, Public Law 93-638; 25 U.S.C. 455-457.

IMPACT AID SPECIAL EDUCATION

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

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

NONMAJOR SPECIAL REVENUE FUNDS
Year Ended June 30, 2009

TITLE XIX MEDICAID

To provide financial assistance from the Federal government which flows-through the State of New Mexico to school districts, for payments of medical assistance on behalf of cash assistance recipients, children, pregnant women and the aged who meet income and resource requirements, and other categorically-eligible groups. The program is funded by the U.S. government under the Social Security Act, Title XIX, as amended; Public Laws 92-223, 92-602, 93-66, 93-233, 96-499, 97-35, 97-2248, 98-369, 99-272, 99-509, 100-93, 100-202, 100-203, 100-360, 100-436, 100-485, 100-647, 101-166, 101-234, 101-239, 101-508, 101-517, 102-234, 102-170, 102-394, 103-66, 103-14, 103-333, 104-91, 104-191, 104-193, 104-208, and 104-134; Balanced Budget Act of 1997, Public Law 105-33.

CHILD & ADULT FOOD PROGRAM

To account for the activities of a program to provide for healthier schools by providing a health center at the schools. Funding is from the New Mexico Department of Health. The authority for creation of this fund was approved by the original budget by the Cuba Board of Education.

INDIAN ED FORMULA GRANT

The purpose of this program is to support projects which improve educational opportunities and achievement of Native American children. Funding is provided by the Federal Government, under the Elementary and Secondary Education Act of 1965, Title IX, Part A, Subpart 1, as amended, Public Law 103-382, 20 U.S.C. 7811-7818; 25 U.S.C. 2002.

TITLE V INDIAN HEALTH CARE IMPROVEMENT

To provide health-related services to Urban Indians including: (1) Alcohol and substance abuse prevention, treatment, rehabilitation, and education; (2) mental health needs assessment and services; (3) health promotion and disease prevention services; (4) immunization services. Authorization: Indian Health Care Improvement Act, Executive Order Sections 503, Title V, Section 511, Public Law 94-437, as amended by Indian Health Care Improvement Act, Public Law 101-630, as amended by Public Health Service Act, Public Law 100-713; Indian Health Care Improvement Act, Title V, Public Law 102-572.

WORKFORCE INVESTMENT ACT

To increase the long-term employment of youth who live in empowerment zones, enterprise communities, and high poverty areas. Authorized through P.L. 105-220.

LITERACY THROUGH SCHOOL LIBRARIES

To provide students with increased access to up-to-date school library materials, a well-equipped technologically advanced school library media center, and well-trained, professionally certified school library media specialists to improve literacy skills and achievement of students. Elementary and Secondary Education Act of 1965, Title I, Part B, Subpart 4.

NATIVE AMERICAN PROGRAM

To support language instruction education projects for limited English proficient (LEP) children from Native American, Alaska Native, native Hawaiian, and Pacific Islander backgrounds. The program is designed to ensure that LEP children master English and meet the same rigorous standards for academic achievement that all children are expected to meet. Funds may support the study of Native American languages. Authorization: Elementary and Secondary Education Act of 1965 (ESEA), as amended, Title III, Part A, Sections 3101-3129.

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

NONMAJOR SPECIAL REVENUE FUNDS
Year Ended June 30, 2009

IMPACT AID CONSTRUCTION

Used for construction activities, including the preparation of drawings and specifications for school facilities; erecting, building, acquiring, altering, remodeling, repairing, or extending school facilities; and inspecting and supervising the construction of school facilities. Authorization: Elementary and Secondary Education Act, as amended, Section 8007(b), Title VIII; American Recovery and Reinvestment Act of 2009 (ARRA), Public Law 111-5.

LANL FOUNDATION

Local grant sponsored by Los Alamos National Laboratory that was used to provide a scholarship to a senior high student that was to be used in a four-year program for educational efforts in pursuing an engineering degree at a New Mexico college or university.

INDIAN HEALTH SERVICES

To provide teen health training for the students and community.

MICROSOFT SETTLEMENT

For qualifying schools to purchase computer hardware, software and professional development services.

TECHNOLOGY FOR EDUCATION

State funding to provide financial assistance to school districts to improve educational opportunities for all students to close the technology gap between schools and the workplace through enhancement of computer education. The funding is provided by state resources and supplements the federal funding for the Technology Literacy Challenge grant. The creation of the fund is authorized by NMSA 1978 22-15A-1 TO 22-15A-10.

OBESITY PROGRAM

To provide for physical activities before and after school.

PHYSICAL EDUCATION CLASSES

State program to provide a elementary physical education curriculum aligned to the New Mexico Physical Education Content Standards with Benchmarks and Performance Standards. It is to be taught by PED licensed elementary physical education instructors. The school must provide physical education 3 days a week for 30 minutes per day to all students in the school in grades K-6. The program is funded by the state equalization guarantee (SEG)

STATEWIDE COMPUTER LANGUAGE

To provide training on computers and computer software.

LIBRARIES GO BOND 2004

Funding made available to update and expand library collections.

PRE-K INITIATIVE

The pre-k program shall address the total development needs of preschool children, including physical, cognitive, social and emotional needs, and shall include health care, nutrition, safety and multicultural sensitivity.

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

NONMAJOR SPECIAL REVENUE FUNDS
Year Ended June 30, 2009

BEGINNING TEACHER MENTORING

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

BREAKFAST FOR ELEMENTARY STUDENTS

To provide elementary students with the nutrition necessary to facilitate learning.

SINOI

To assist in the improvement of the Adequate Yearly Progress (AYP) goals.

SCHOOLS ON THE RISE

To provide schools with addition funds for education materials.

STATE 21ST CENTURY

To provide (1) opportunities for academic enrichment, including providing tutorial services to help students, particularly students in high-poverty areas and those who attend low-performing schools, meet State and local student performance standards in core academic subjects such as reading and mathematics; (2) students a broad array of additional services, programs, and activities, such as youth development activities, drug and violence prevention programs, counseling programs, art, music, and recreation programs, technology education programs, and character education programs, that are designed to reinforce and complement the regular academic program of participating students; and (3) families of students served by community learning centers opportunities for literacy and related educational development.

LIBRARIES GO BOND

Funding made available to update and expand library collections.

STATE DIRECTED ACTIVITIES

To support the improvement of educational results and functional outcomes for all children with disabilities.

RURAL REVITALIZATION

To be used in the operation of the "Cuba Green Project"

LIBRARY BOOKS

To support the purchase of library books. Authorized through New Mexico Senate Bill 471.

YOUTH CONSERVATION CORP

To account for funds received for the purpose of employing local youth.

AP NEW MEXICO INCENTIVE FUNDING

To assist the high school in developing a computer program.

CHILDREN'S MEDICAL SERVICES

To account for purchases made by the school nurse for supplies and materials for the physical education program.

GEAR UP

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

NONMAJOR SPECIAL REVENUE FUNDS
Year Ended June 30, 2009

To encourage eligible entities to provide supportive services to elementary and middle schools, and secondary school students who are at risk of dropping out of school; and information to students and their parents about the advantages of obtaining a postsecondary education and the college financing options for the students and their parents. Authorization granted through Higher Education Act, Title IV, Part A, Subpart 2, Chapter 2, 20 U.S.C. 1070a-21-1070a-28.

CAREER VOCATIONAL TECHNICAL EDUCATION

To provide funds for the improvement of school buildings; maintenance of school buildings and grounds, training for maintenance personnel, purchase of computer software and hardware.

LIFE LINK

To assist in the assessment of behavior health needs.

SUBSTANCE ABUSE ED

To provide culturally relevant and age appropriate alcohol, tobacco, and other drug prevention.

SCHOOL BASED HEALTH CENTER

To enhance school based health centers infrastructure, develop and implement billing protocols, improve communication with school personnel, families, and outside agencies, and improve behavioral health programs.

VALUE OPTION

To assist in the enhancement of school based health centers

CITY/COUNTY GRANTS

To implement science based curriculum.

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

FOOD SERVICE SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	Final Budget Positive (Negative)
Revenues:				
Federal sources:				
Food and milk reimbursements	\$ 264,000	\$ 264,000	\$ 246,585	\$ (17,415)
Local sources:				
Fees and activities	58,500	58,500	56,742	(1,758)
Earnings from investments	<u>3,000</u>	<u>3,000</u>	<u>205</u>	<u>(2,795)</u>
Total local revenues	<u>61,500</u>	<u>61,500</u>	<u>56,947</u>	<u>(4,553)</u>
Total revenues	325,500	325,500	303,532	(21,968)
Expenditures:				
Current:				
Food Services Operations	<u>411,607</u>	<u>411,607</u>	<u>338,243</u>	<u>73,364</u>
Excess (deficiency) of revenues over expenditures	(86,107)	(86,107)	(34,711)	51,396
Beginning cash balance budgeted	86,107	86,107	-	(86,107)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>54,682</u>	<u>54,682</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	19,971	<u>\$ 19,971</u>
RECONCILIATION TO GAAP BASIS:				
Change in payables			<u>-</u>	
			<u>\$ 19,971</u>	

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

ATHLETICS SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	Final Budget Positive (Negative)
Revenues:				
Local sources:				
Fees and activities	\$ 36,246	\$ 49,599	\$ 49,599	\$ -
Earnings from investments	<u>500</u>	<u>500</u>	<u>82</u>	<u>(418)</u>
Total revenues	36,746	50,099	49,681	(418)
 Expenditures:				
Current:				
Instruction	<u>36,746</u>	<u>50,099</u>	<u>48,331</u>	<u>1,768</u>
Excess of revenues over expenditures	-	-	1,350	1,350
Fund balance (deficit) at beginning of the year	<u>-</u>	<u>-</u>	<u>(149)</u>	<u>(149)</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	1,201	<u>\$ 1,201</u>
 RECONCILIATION TO GAAP BASIS:				
Change in payables			<u>-</u>	
			<u>\$ 1,201</u>	

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

TITLE I SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Federal sources:				
Federal grant	\$ 988,438	\$ 1,480,508	\$ 888,571	\$ (591,937)
Expenditures:				
Current:				
Instruction	802,642	1,109,562	595,159	514,403
Support Services - Students	77,483	177,633	150,043	27,590
Support Services - Instruction	34,500	34,500	695	33,805
Support Services - General Administration	64,145	69,145	66,430	2,715
Support Services - School Administration	96,426	96,426	45,395	51,031
Central Services	3,000	8,000	3,048	4,952
Operation & Maintenance of Plant	-	50,000	16,866	33,134
Total current expenses	1,078,196	1,545,266	877,636	667,630
Capital outlay:				
Equipment	90,000	115,000	104,276	10,724
Total expenditures	1,168,196	1,660,266	981,912	678,354
Excess (deficiency) of revenues over expenditures	(179,758)	(179,758)	(93,341)	86,417
Beginning cash balance budgeted	179,758	179,758	-	(179,758)
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	\$ -	\$ -	(93,341)	\$ (93,341)
RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			91,507	
Change in payables			1,834	
			<u>\$ -</u>	

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

ENTITLEMENT IDEA-B SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Federal sources:				
Federal grant	\$ 213,568	\$ 239,844	\$ 145,905	\$ (93,939)
Expenditures:				
Current:				
Instruction	60,410	74,011	56,975	17,036
Support Services - Students	70,973	83,648	63,988	19,660
Support Services - School Administration	82,185	82,185	39,504	42,681
Total expenditures	<u>213,568</u>	<u>239,844</u>	<u>160,467</u>	<u>79,377</u>
Excess (deficiency) of revenues over expenditures	-	-	(14,562)	(14,562)
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	(14,562)	<u>\$ (14,562)</u>
RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			14,562	
			<u>\$ -</u>	

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

DISCRETIONARY IDEA-B SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	Final Budget Positive <u>(Negative)</u>
Revenues:				
Federal sources:				
Federal grant	\$ -	\$ 5,006	\$ 45,795	\$ 40,789
Expenditures:				
Current:				
Instruction	-	256	-	256
Support Services - Students	-	4,750	4,595	155
Total expenditures	-	5,006	4,595	411
Excess of revenues over expenditures	-	-	41,200	41,200
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	\$ -	\$ -	41,200	\$ 41,200
RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			(35,172)	
Change in deferred revenue			(6,028)	
			<u>\$ -</u>	

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

PRESCHOOL IDEA-B SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Federal sources:				
Federal grant	\$ 8,445	\$ 8,445	\$ -	\$ (8,445)
Expenditures:				
Current:				
Instruction	7,500	7,500	-	7,500
Support Services - Students	<u>945</u>	<u>945</u>	-	<u>945</u>
Total expenditures	<u>8,445</u>	<u>8,445</u>	-	<u>8,445</u>
Excess of revenues over expenditures	-	-	-	-
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
RECONCILIATION TO GAAP BASIS:				
Change in payables			<u>-</u>	
			<u>\$ -</u>	

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

IDEA-B "RISK POOL" SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	Final Budget Positive (Negative)
Revenues:				
Federal sources:				
Federal grant	\$ -	\$ 42,222	\$ -	\$ (42,222)
Expenditures:				
Current:				
Instruction	-	39,729	-	39,729
Student Transportation	-	2,493	-	2,493
Total expenditures	-	42,222	-	42,222
Excess of revenues over expenditures	-	-	-	-
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
RECONCILIATION TO GAAP BASIS:				
Change in payables			-	
			<u>\$ -</u>	

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62
PARTNERSHIPS IN CHARACTER SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Federal sources:				
Federal grant	\$ -	\$ -	\$ 8,026	\$ 8,026
 Expenditures:				
Current:				
Instruction	-	-	-	-
Excess of revenues over expenditures	-	-	8,026	8,026
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	8,026	<u>\$ 8,026</u>
 RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			<u>(8,026)</u>	
			<u>\$ -</u>	

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

ENHANCING EDUCATION SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Federal sources:				
Federal grant	\$ -	\$ 57,071	\$ -	\$ (57,071)
Expenditures:				
Current:				
Instruction	-	49,621	-	49,621
Central Services	-	-	63	(63)
Total current expenses	-	49,621	63	49,558
Capital outlay:				
Equipment	-	7,450	7,448	2
Total expenditures	-	57,071	7,511	49,560
Excess (deficiency) of revenues over expenditures	-	-	(7,511)	(7,511)
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	\$ -	\$ -	(7,511)	\$ (7,511)
RECONCILIATION TO GAAP BASIS:				
Change in deferred revenue			7,511	
			<u>\$ -</u>	

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

TITLE V SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	Final Budget Positive (Negative)
Revenues:				
Federal sources:				
Federal grant	\$ 4,000	\$ 4,000	\$ 8,356	\$ 4,356
 Expenditures:				
Current:				
Support Services - Instruction	<u>4,000</u>	<u>4,000</u>	<u>2,978</u>	<u>1,022</u>
Excess of revenues over expenditures	-	-	5,378	5,378
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	5,378	<u>\$ 5,378</u>
 RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			(6,523)	
Change in payables			<u>1,145</u>	
			<u>\$ -</u>	

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62
TITLE III ENGLISH LANGUAGE SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
Revenues:				
Federal sources:				
Federal grant	\$ 25,674	\$ 30,983	\$ -	\$ (30,983)
Expenditures:				
Current:				
Instruction	15,000	20,309	-	20,309
Support Services - Students	<u>10,674</u>	<u>10,674</u>	-	<u>10,674</u>
Total expenditures	<u>25,674</u>	<u>30,983</u>	-	<u>30,983</u>
Excess of revenues over expenditures	-	-	-	-
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
RECONCILIATION TO GAAP BASIS:				
Change in payables			<u>-</u>	
			<u>\$ -</u>	

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

TITLE II TEACHER QUALITY SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Federal sources:				
Federal grant	\$ 165,077	\$ 425,239	\$ 110,373	\$ (314,866)
Expenditures:				
Current:				
Instruction	178,227	403,227	130,426	272,801
Support Services - Students	2,246	2,246	736	1,510
Support Services - Instruction	-	-	150	(150)
Support Services - General Administration	11,132	11,132	11,207	(75)
Support Services - School Administration	-	35,162	2,380	32,782
Central Services	-	-	482	(482)
Total expenditures	<u>191,605</u>	<u>451,767</u>	<u>145,381</u>	<u>306,386</u>
Excess (deficiency) of revenues over expenditures	(26,528)	(26,528)	(35,008)	(8,480)
Beginning cash balance budgeted	26,528	26,528	-	(26,528)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	(35,008)	<u>\$ (35,008)</u>
RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			37,614	
Change in payables			<u>(2,606)</u>	
			<u>\$ -</u>	

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62
SAFE & DRUG FREE SCHOOLS SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	Final Budget Positive (Negative)
Revenues:				
Federal sources:				
Federal grant	\$ 14,892	\$ 14,892	\$ 5,618	\$ (9,274)
Expenditures:				
Current:				
Instruction	14,502	14,502	5,228	9,274
Support Services - General Administration	<u>390</u>	<u>390</u>	<u>390</u>	<u>-</u>
Total expenditures	<u>14,892</u>	<u>14,892</u>	<u>5,618</u>	<u>9,274</u>
Excess of revenues over expenditures	-	-	-	-
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of the year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u>-</u>	<u><u>\$ -</u></u>
RECONCILIATION TO GAAP BASIS:				
Change in payables			<u>-</u>	
			<u><u>\$ -</u></u>	

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

21ST CENTURY COMMUNITY LIVING CENTERS SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
Revenues:				
Federal sources:				
Federal grant	\$ 105,000	\$ 77,190	\$ 116,745	\$ 39,555
Expenditures:				
Current:				
Instruction	99,123	75,223	75,155	68
Support Services - Students	5,877	1,967	-	1,967
Support Services - School Administration	-	-	933	(933)
Food Services Operations	-	-	870	(870)
Total expenditures	<u>105,000</u>	<u>77,190</u>	<u>76,958</u>	<u>232</u>
Excess of revenues over expenditures	-	-	39,787	39,787
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	39,787	<u>\$ 39,787</u>
RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			<u>(39,787)</u>	
			<u>\$ -</u>	

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62
RURAL & LOW-INCOME SCHOOLS SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Federal sources:				
Federal grant	\$ 27,430	\$ 26,679	\$ 4,613	\$ (22,066)
Expenditures:				
Current:				
Instruction	22,430	21,679	11,446	10,233
Support Services - School Administration	<u>5,000</u>	<u>5,000</u>	<u>-</u>	<u>5,000</u>
Total expenditures	<u>27,430</u>	<u>26,679</u>	<u>11,446</u>	<u>15,233</u>
Excess (deficiency) of revenues over expenditures	-	-	(6,833)	(6,833)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	(6,833)	<u>\$ (6,833)</u>
RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			<u>6,833</u>	
			<u>\$ -</u>	

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62
TITLE I SCHOOL IMPROVEMENT SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Federal sources:				
Federal grant	\$ -	\$ 185,000	\$ 161,365	\$ (23,635)
Expenditures:				
Current:				
Instruction	-	170,000	159,603	10,397
Capital outlay:				
Equipment	-	15,000	6,274	8,726
Total expenditures	-	185,000	165,877	19,123
Excess (deficiency) of revenues over expenditures	-	-	(4,512)	(4,512)
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	(4,512)	<u>\$ (4,512)</u>
RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			4,512	
			<u>\$ -</u>	

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

READING FIRST SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Federal sources:				
Federal grant	\$ -	\$ -	\$ -	\$ -
 Expenditures:				
Current:				
Instruction	-	-	-	-
Excess of revenues over expenditures	-	-	-	-
Other financing sources and financing uses:				
Transfers in	-	-	16,264	16,264
Refunds	-	-	(18,172)	(18,172)
Total other financing sources and financing uses	-	-	(1,908)	(1,908)
Net change in fund balance	-	-	(1,908)	(1,908)
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	(1,908)	<u>\$ (1,908)</u>
 RECONCILIATION TO GAAP BASIS:				
Change in deferred revenue			1,908	
			<u>\$ -</u>	

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

TITLE I - STIMULUS SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Federal sources:				
Federal grant	\$ -	\$ 93,508	\$ -	\$ (93,508)
 Expenditures:				
Current:				
Instruction	<u>-</u>	<u>93,508</u>	<u>72,595</u>	<u>20,913</u>
Excess (deficiency) of revenues over expenditures	-	-	(72,595)	(72,595)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	(72,595)	<u>\$ (72,595)</u>
 RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			<u>72,595</u>	
			<u>\$ -</u>	

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

JOHNSON O'MALLEY SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Federal sources:				
Federal direct grant	\$ -	\$ 28,169	\$ 21,826	\$ (6,343)
Expenditures:				
Current:				
Instruction	-	5,000	5,293	(293)
Support Services - Students	-	22,169	11,375	10,794
Support Services - School Administration	-	1,000	1,183	(183)
 Total expenditures	 -	 28,169	 17,851	 10,318
 Excess of revenues over expenditures	 -	 -	 3,975	 3,975
 Fund balance at beginning of the year	 -	 -	 -	 -
 Fund balance at end of the year	 <u>\$ -</u>	 <u>\$ -</u>	 3,975	 <u>\$ 3,975</u>
 RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			(3,543)	
Change in payables			(432)	
			<u>\$ -</u>	

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

IMPACT AID SPECIAL EDUCATION SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Federal sources:				
Public Law 874	\$ -	\$ 42,930	\$ 54,264	\$ 11,334
Expenditures:				
Current:				
Instruction	-	73,824	37,016	36,808
Support Services - Students	-	-	6,195	(6,195)
Total expenditures	-	73,824	43,211	30,613
Excess (deficiency) of revenues over expenditures	-	(30,894)	11,053	41,947
Beginning cash balance budgeted	-	30,894	-	(30,894)
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	11,053	<u>\$ 11,053</u>
RECONCILIATION TO GAAP BASIS:				
Change in payables			(7,118)	
Change in deferred revenue			<u>(3,935)</u>	
			<u>\$ -</u>	

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

TITLE XIX MEDICAID SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
Revenues:				
Federal sources:				
Federal direct grant	\$ -	\$ 24,843	\$ 36,625	\$ 11,782
Expenditures:				
Current:				
Instruction	-	8,330	6,328	2,002
Support Services - Students	-	81,553	65,035	16,518
Support Services - School Administration	-	5,165	1,257	3,908
Operation & Maintenance of Plant	-	500	295	205
Total expenditures	-	95,548	72,915	22,633
Excess (deficiency) of revenues				
over expenditures	-	(70,705)	(36,290)	34,415
Other financing uses:				
Refunds	-	-	(2,566)	(2,566)
Net change in fund balance	-	(70,705)	(38,856)	31,849
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	\$ -	\$ (70,705)	(38,856)	\$ 31,849
RECONCILIATION TO GAAP BASIS:				
Change in payables			2,566	
Change in deferred revenue			36,290	
			\$ -	

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

INDIAN ED FORMULA GRANT SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	Final Budget Positive (Negative)
Revenues:				
Federal sources:				
Federal direct grant	\$ -	\$ 88,653	\$ 38,606	\$ (50,047)
Expenditures:				
Current:				
Instruction	-	83,990	53,349	30,641
Support Services - General Administration	-	4,663	894	3,769
Support Services - School Administration	-	-	52	(52)
Total expenditures	-	88,653	54,295	34,358
Excess (deficiency) of revenues over expenditures	-	-	(15,689)	(15,689)
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	\$ -	\$ -	(15,689)	\$ (15,689)
RECONCILIATION TO GAAP BASIS:				
Change in deferred revenue			15,689	
			<u>\$ -</u>	

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

NATIVE AMERICAN PROGRAM SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	Final Budget
				Positive
				(Negative)
Revenues:				
Federal sources:				
Federal direct grant	\$ -	\$ 175,000	\$ 104,117	\$ (70,883)
Expenditures:				
Current:				
Instruction	-	134,150	137,044	(2,894)
Support Services - Students	-	23,850	12,077	11,773
Support Services - General Administration	-	16,200	15,671	529
Support Services - School Administration	-	3,300	1,149	2,151
Central Services	-	4,000	1,848	2,152
Total current expenses	-	181,500	167,789	13,711
Capital outlay:				
Equipment	-	15,398	23,002	(7,604)
Total expenditures	-	196,898	190,791	6,107
Excess (deficiency) of revenues				
over expenditures	-	(21,898)	(86,674)	(64,776)
Beginning cash balance budgeted	-	21,898	-	(21,898)
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	\$ -	\$ -	(86,674)	\$ (86,674)
RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			65,111	
Change in payables			(335)	
Change in deferred revenue			21,898	
			\$ -	

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

IMPACT AID CONSTRUCTION SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Federal sources:				
Public Law 874	\$ -	\$ -	\$ 112,738	\$ 112,738
 Expenditures:				
Current:				
Instruction	-	-	-	-
Excess of revenues over expenditures	-	-	112,738	112,738
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	112,738	<u>\$ 112,738</u>
 RECONCILIATION TO GAAP BASIS:				
Change in payables			(101,818)	
Change in deferred revenue			<u>(10,920)</u>	
			<u>\$ -</u>	

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

LANL FOUNDATION SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Local sources:				
Grant	\$ -	\$ -	\$ -	\$ -
 Expenditures:				
Current:				
Instruction	<u>-</u>	<u>5,662</u>	<u>4,878</u>	<u>784</u>
Excess (deficiency) of revenues over expenditures	-	(5,662)	(4,878)	784
Beginning cash balance budgeted	-	5,662	-	(5,662)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	(4,878)	<u>\$ (4,878)</u>
 RECONCILIATION TO GAAP BASIS:				
Change in deferred revenue			<u>4,878</u>	
			<u>\$ -</u>	

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

MICROSOFT SETTLEMENT SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Local sources:				
Grant	\$ -	\$ -	\$ 21,694	\$ 21,694
 Expenditures:				
Capital outlay:				
Equipment	<u>-</u>	<u>-</u>	<u>31,804</u>	<u>(31,804)</u>
Excess (deficiency) of revenues over expenditures	-	-	(10,110)	(10,110)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	(10,110)	<u>\$ (10,110)</u>
 RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			<u>10,110</u>	
			<u>\$ -</u>	

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

TECHNOLOGY FOR EDUCATION SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> (Budgetary Basis)	Variance with Final Budget
	<u>Original</u>	<u>Final</u>		Positive (Negative)
Revenues:				
State sources:				
State grant	\$ -	\$ 12,494	\$ 11,531	\$ (963)
Expenditures:				
Current:				
Instruction	-	5,506	3,281	2,225
Support Services - Students	-	1,000	-	1,000
Support Services - Instruction	-	1,000	-	1,000
Support Services - General Administration	-	1,000	-	1,000
Support Services - School Administration	-	6,457	1,242	5,215
Central Services	-	28,084	24,216	3,868
Operation & Maintenance of Plant	-	-	10,026	(10,026)
Total expenditures	-	43,047	38,765	4,282
Excess (deficiency) of revenues over expenditures	-	(30,553)	(27,234)	3,319
Beginning cash balance budgeted	-	30,553	-	(30,553)
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	\$ -	\$ -	(27,234)	\$ (27,234)
RECONCILIATION TO GAAP BASIS:				
Change in payables			(775)	
Change in deferred revenue			28,009	
			<u>\$ -</u>	

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

OBESITY PROGRAM SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
State sources:				
State grant	\$ -	\$ -	\$ 2,062	\$ 2,062
 Expenditures:				
Current:				
Instruction	-	-	-	-
Excess of revenues over expenditures	-	-	2,062	2,062
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	2,062	<u>\$ 2,062</u>
 RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			(2,062)	
			<u>\$ -</u>	

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

PRE-K INITIATIVE SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	Final Budget Positive (Negative)
Revenues:				
State sources:				
State grant	\$ 46,416	\$ 46,416	\$ 29,303	\$ (17,113)
Expenditures:				
Current:				
Instruction	17,847	46,416	46,408	8
Support Services - Students	<u>28,569</u>	<u>-</u>	<u>8</u>	<u>(8)</u>
Total expenditures	<u>46,416</u>	<u>46,416</u>	<u>46,416</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	-	-	(17,113)	(17,113)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	(17,113)	<u>\$ (17,113)</u>
RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			<u>17,113</u>	
			<u>\$ -</u>	

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

BEGINNING TEACHER MENTORING SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
State sources:				
State grant	\$ -	\$ 7,022	\$ 7,022	\$ -
 Expenditures:				
Current:				
Instruction	<u>-</u>	<u>7,022</u>	<u>7,022</u>	<u>-</u>
Excess of revenues over expenditures	-	-	-	-
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
 RECONCILIATION TO GAAP BASIS:				
Change in payables			<u>-</u>	
			<u>\$ -</u>	

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

BREAKFAST FOR ELEMENTARY STUDENTS SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	Final Budget Positive (Negative)
Revenues:				
State sources:				
State grant	\$ -	\$ 14,527	\$ 14,164	\$ (363)
 Expenditures:				
Current:				
Food Services Operations	-	14,527	14,164	363
Excess of revenues over expenditures	-	-	-	-
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
 RECONCILIATION TO GAAP BASIS:				
Change in payables			-	
			<u>\$ -</u>	

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

SINOI SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
State sources:				
State grant	\$ -	\$ -	\$ 19,789	\$ 19,789
 Expenditures:				
Current:				
Instruction	-	-	-	-
Excess of revenues over expenditures	-	-	19,789	19,789
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	19,789	<u>\$ 19,789</u>
 RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			(19,789)	
			<u>\$ -</u>	

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

SCHOOLS ON THE RISE SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
State sources:				
State grant	\$ -	\$ 7,745	\$ 6,529	\$ (1,216)
 Expenditures:				
Current:				
Instruction	<u>-</u>	<u>7,745</u>	<u>7,745</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	-	-	(1,216)	(1,216)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	(1,216)	<u>\$ (1,216)</u>
 RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			<u>1,216</u>	
			<u>\$ -</u>	

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

STATE 21ST CENTURY SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
State sources:				
State grant	\$ -	\$ 43,462	\$ -	\$ (43,462)
Expenditures:				
Current:				
Instruction	-	43,462	43,374	88
Operation & Maintenance of Plant	-	-	88	(88)
Total expenditures	-	43,462	43,462	-
Excess (deficiency) of revenues over expenditures	-	-	(43,462)	(43,462)
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	(43,462)	<u>\$ (43,462)</u>
RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			<u>43,462</u>	
			<u>\$ -</u>	

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

LIBRARIES GO BOND SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
State sources:				
State grant	\$ -	\$ 5,598	\$ 7,257	\$ 1,659
 Expenditures:				
Current:				
Support Services - Instruction	<u>-</u>	<u>5,598</u>	<u>219</u>	<u>5,379</u>
Excess of revenues over expenditures	-	-	7,038	7,038
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	7,038	<u>\$ 7,038</u>
 RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			<u>(7,038)</u>	
			<u>\$ -</u>	

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

STATE DIRECTED ACTIVITIES SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
State sources:				
State grant	\$ -	\$ 21,131	\$ 21,131	\$ -
 Expenditures:				
Current:				
Instruction	<u>-</u>	<u>21,131</u>	<u>21,092</u>	<u>39</u>
Excess of revenues over expenditures	-	-	39	39
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	39	<u>\$ 39</u>
 RECONCILIATION TO GAAP BASIS:				
Change in deferred revenue			<u>(39)</u>	
			<u>\$ -</u>	

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

RURAL REVITALIZATION SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
State sources:				
State grant	\$ -	\$ 6,000	\$ 387	\$ (5,613)
 Expenditures:				
Current:				
Instruction	<u>-</u>	<u>6,000</u>	<u>997</u>	<u>5,003</u>
Excess (deficiency) of revenues over expenditures	-	-	(610)	(610)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	(610)	<u>\$ (610)</u>
 RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			<u>610</u>	
			<u>\$ -</u>	

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

LIBRARY BOOKS SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
State sources:				
State grant	\$ -	\$ -	\$ 2,210	\$ 2,210
 Expenditures:				
Current:				
Instruction	-	-	-	-
Excess of revenues over expenditures	-	-	2,210	2,210
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	2,210	<u>\$ 2,210</u>
 RECONCILIATION TO GAAP BASIS:				
Change in deferred revenue			(2,210)	
			<u>\$ -</u>	

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

YOUTH CONSERVATION SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
State sources:				
State grant	\$ -	\$ 100,707	\$ 56,195	\$ (44,512)
 Expenditures:				
Current:				
Instruction	<u>-</u>	<u>100,707</u>	<u>60,806</u>	<u>39,901</u>
Excess (deficiency) of revenues over expenditures	-	-	(4,611)	(4,611)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	(4,611)	<u>\$ (4,611)</u>
 RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			<u>4,611</u>	
			<u>\$ -</u>	

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

GEAR UP SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
State sources:				
State grant	\$ -	\$ 32,805	\$ 10,309	\$ (22,496)
Expenditures:				
Current:				
Instruction	-	22,508	17,632	4,876
Support Services - Students	-	5,148	2,674	2,474
Support Services - School Administration	-	1,000	1,411	(411)
Central Services	-	2,649	-	2,649
Student Transportation	-	1,500	-	1,500
	<u>-</u>	<u>32,805</u>	<u>21,717</u>	<u>11,088</u>
Excess (deficiency) of revenues over expenditures	-	-	(11,408)	(11,408)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	(11,408)	<u>\$ (11,408)</u>
RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			<u>11,408</u>	
			<u>\$ -</u>	

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

CAREER-VOCATIONAL TECHNICAL EDUCATION SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
State sources:				
State grant	\$ -	\$ -	\$ 97,025	\$ 97,025
 Expenditures:				
Current:				
Instruction	-	-	-	-
Excess of revenues over expenditures	-	-	97,025	97,025
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	97,025	<u>\$ 97,025</u>
 RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			(97,025)	
			<u>\$ -</u>	

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

SCHOOL BASED HEALTH CENTER SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
State sources:				
State grant	\$ -	\$ 85,000	\$ 86,810	\$ 1,810
Expenditures:				
Current:				
Support Services - Students	<u>-</u>	<u>93,152</u>	<u>88,003</u>	<u>5,149</u>
Excess (deficiency) of revenues over expenditures	-	(9,062)	(2,018)	7,044
Beginning cash balance budgeted	-	9,062	-	(9,062)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	(2,018)	<u>\$ (2,018)</u>
RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			<u>2,018</u>	
			<u>\$ -</u>	

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

VALUE OPTION SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Local sources:				
Grant	\$ -	\$ -	\$ 11,092	\$ 11,092
 Expenditures:				
Current:				
Support Services - Students	<u>-</u>	<u>23,893</u>	<u>9,442</u>	<u>14,451</u>
Excess (deficiency) of revenues over expenditures	-	(23,893)	1,650	25,543
Beginning cash balance budgeted	-	23,893	-	(23,893)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	1,650	<u>\$ 1,650</u>
 RECONCILIATION TO GAAP BASIS:				
Change in deferred revenue			<u>(1,650)</u>	
			<u>\$ -</u>	

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

CITY/COUNTY GRANTS SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Local sources:				
Grant	\$ -	\$ -	\$ -	\$ -
 Expenditures:				
Current:				
Instruction	-	-	-	-
Excess of revenues over expenditures	-	-	-	-
Other financing uses:				
Refunds	-	-	(11,959)	(11,959)
Net change in fund balance	-	-	(11,959)	(11,959)
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	(11,959)	<u>\$ (11,959)</u>
 RECONCILIATION TO GAAP BASIS:				
Change in deferred revenue			11,959	
			<u>\$ -</u>	

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STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

CAPITAL PROJECTS FUNDS
Year Ended June 30, 2009

BOND BUILDING FUND

This fund provides financing for the construction of buildings, the purchase of equipment, and the acquisition and improvement of land. Funding is provided by the sale of general obligation bonds, which have been approved by the voters of the district.

PUBLIC SCHOOL CAPITAL OUTLAY

This fund provides financing from Public Schools Critical Capital Outlay committee under chapter and laws of the New Mexico Lottery Receipts Act.

SPECIAL CAPITAL OUTLAY - STATE

This fund provides financing for special appropriation monies received from the State of New Mexico under Chapter 367, Laws of 1993.

SPECIAL CAPITAL OUTLAY - FEDERAL

To maintain school facilities owned by the Department of Education and operated by Board of Education agencies and transfer these facilities to local agencies where appropriate. These funds are authorized by the Elementary and Secondary Education Act of 1965, Title VIII, Section 8008 as amended.

CAPITAL IMPROVEMENTS SB – 9

This fund provides financing for the purchase of equipment and capital improvements to School District property. Funding is received from a 2 mill property tax levy and interest earned on investments, under New Mexico Senate Bill 9.

ED TECHNOLOGY EQUIPMENT ACT

This fund is used to account for the revenues and expenditures associated with Education Technology Bonds in the purchasing of equipment used in the educational process.

PUBLIC SCHOOL CAPITAL OUTLAY – 20%

A capital projects fund to capture the 20% of eligible federal (Forest Reserve and Impact Aid) and local revenue (local taxes) that must be budgeted in Capital Outlay. Provides financing for the construction and improvement of buildings and land, and the purchase of equipment.

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

BOND BUILDING CAPITAL PROJECTS FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Local sources:				
Earnings from investments	\$ -	\$ -	\$ 8,156	\$ 8,156
Expenditures:				
Current:				
Operation & Maintenance of Plant	-	50,000	46,949	3,051
Capital outlay:				
Land and improvements	-	30,000	28,192	1,808
Equipment	-	10,000	53,250	(43,250)
Construction in progress	1,032,430	942,430	425,660	516,770
Total capital outlay	<u>1,032,430</u>	<u>982,430</u>	<u>507,102</u>	<u>475,328</u>
Total expenditures	<u>1,032,430</u>	<u>1,032,430</u>	<u>554,051</u>	<u>478,379</u>
Excess (deficiency) of revenues over expenditures	(1,032,430)	(1,032,430)	(545,895)	486,535
Other financing sources:				
Sale of bonds	<u>400,000</u>	<u>400,000</u>	<u>900,000</u>	<u>500,000</u>
Net change in fund balance	(632,430)	(632,430)	354,105	986,535
Beginning cash balance budgeted	632,430	632,430	-	(632,430)
Fund balance at beginning of the year	-	-	<u>580,334</u>	<u>580,334</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	934,439	<u>\$ 934,439</u>
RECONCILIATION TO GAAP BASIS:				
Change in receivables			(178)	
Change in payables			<u>71,591</u>	
			<u>\$ 1,005,852</u>	

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62
PUBLIC SCHOOL CAPITAL OUTLAY CAPITAL PROJECTS FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
State sources:				
State grant	\$ -	\$ -	\$ 115,710	\$ 115,710
 Expenditures:				
Capital outlay:				
Construction in progress	-	-	-	-
Excess (deficiency) of revenues				
Excess of revenues over expenditures	-	-	115,710	115,710
Fund balance (deficit) at beginning of the year	-	-	(245,267)	(245,267)
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	(129,557)	<u>\$ (129,557)</u>
 RECONCILIATION TO GAAP BASIS:				
Change in payables			-	
			<u>\$ (129,557)</u>	

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

SPECIAL CAPITAL OUTLAY - STATE CAPITAL PROJECTS FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Local sources:				
Earnings from investments	\$ -	\$ -	\$ 48	\$ 48
 Expenditures:				
Capital outlay:				
Land and improvements	<u>-</u>	<u>5,447</u>	<u>-</u>	<u>5,447</u>
Excess (deficiency) of revenues over expenditures	-	(5,447)	48	5,495
Beginning cash balance budgeted	-	5,447	-	(5,447)
Fund balance (deficit) at beginning of the year	<u>-</u>	<u>-</u>	<u>(24,553)</u>	<u>(24,553)</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>(24,505)</u>	<u>\$ (24,505)</u>
 RECONCILIATION TO GAAP BASIS:				
Change in payables			<u>-</u>	
			<u>\$ (24,505)</u>	

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

SPECIAL CAPITAL OUTLAY - FEDERAL CAPITAL PROJECTS FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Federal sources:				
Public Law 874	\$ -	\$ -	\$ 4,315	\$ 4,315
 Expenditures:				
Capital outlay:				
Construction in progress	<u>134,947</u>	<u>134,947</u>	<u>4,315</u>	<u>130,632</u>
Excess (deficiency) of revenues over expenditures	(134,947)	(134,947)	-	134,947
Beginning cash balance budgeted	134,947	134,947	-	(134,947)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>128,662</u>	<u>128,662</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	128,662	<u>\$ 128,662</u>
 RECONCILIATION TO GAAP BASIS:				
Change in payables			<u>-</u>	
			<u>\$ 128,662</u>	

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62
CAPITAL IMPROVEMENTS SB-9 CAPITAL PROJECTS FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	<u>Variance with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Local sources:				
Grant	\$ 94,635	\$ 231,320	\$ 349,660	\$ 118,340
Earnings from investments	<u>-</u>	<u>-</u>	<u>3,930</u>	<u>3,930</u>
Total revenues	<u>94,635</u>	<u>231,320</u>	<u>353,590</u>	<u>122,270</u>
Expenditures:				
Current:				
Support Services - General Administration	808	808	950	(142)
Operation & Maintenance of Plant	<u>34,449</u>	<u>182,584</u>	<u>107,131</u>	<u>75,453</u>
Total current expenses	<u>35,257</u>	<u>183,392</u>	<u>108,081</u>	<u>75,311</u>
Capital outlay:				
Equipment	32,450	111,000	80,650	30,350
Construction in progress	<u>93,827</u>	<u>3,827</u>	<u>58,606</u>	<u>(54,779)</u>
Total capital outlay	<u>126,277</u>	<u>114,827</u>	<u>139,256</u>	<u>(24,429)</u>
Total expenditures	<u>161,534</u>	<u>298,219</u>	<u>247,337</u>	<u>50,882</u>
Excess (deficiency) of revenues over expenditures	(66,899)	(66,899)	106,253	173,152
Beginning cash balance budgeted	66,899	66,899	-	(66,899)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>49,907</u>	<u>49,907</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>156,160</u>	<u>\$ 156,160</u>
RECONCILIATION TO GAAP BASIS:				
Change in property tax receivable			362	
Change in due from other governments			(708)	
Change in payables			(1,509)	
Change in deferred property taxes			<u>(119)</u>	
			<u>\$ 154,186</u>	

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

DEBT SERVICE FUNDS
Year Ended June 30, 2009

DEBT SERVICE FUND

To account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

EDUCATIONAL TECHNOLOGY DEBT SERVICE FUND

To account for the accumulation of resources for, and the payment of, Education Technology Bond principal, interest, and related costs.

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

DEBT SERVICES FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Local sources:				
District school tax levy	\$ 457,883	\$ 457,883	\$ 566,007	\$ 108,124
Earnings from investments	<u>-</u>	<u>-</u>	<u>1,757</u>	<u>1,757</u>
Total revenues	<u>457,883</u>	<u>457,883</u>	<u>567,764</u>	<u>109,881</u>
Expenditures:				
Current:				
Support Services - General Administration	<u>3,755</u>	<u>4,755</u>	<u>4,840</u>	<u>(85)</u>
Debt service:				
Principal retirement	437,000	437,000	437,000	-
Bond interest paid	100,557	100,557	146,818	(46,261)
Reserves	<u>371,736</u>	<u>370,736</u>	<u>-</u>	<u>370,736</u>
Total debt service	<u>909,293</u>	<u>908,293</u>	<u>583,818</u>	<u>324,475</u>
Total expenditures	<u>913,048</u>	<u>913,048</u>	<u>588,658</u>	<u>324,390</u>
Excess (deficiency) of revenues over expenditures	<u>(455,165)</u>	<u>(455,165)</u>	<u>(20,894)</u>	<u>434,271</u>
Other financing sources:				
Sale of bonds	79,674	79,674	-	(79,674)
Transfers in	<u>-</u>	<u>-</u>	<u>188,833</u>	<u>188,833</u>
Total other financing sources	<u>79,674</u>	<u>79,674</u>	<u>188,833</u>	<u>109,159</u>
Net change in fund balance	<u>(375,491)</u>	<u>(375,491)</u>	<u>167,939</u>	<u>543,430</u>
Beginning cash balance budgeted	<u>375,491</u>	<u>375,491</u>	<u>-</u>	<u>(375,491)</u>
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>545,093</u>	<u>545,093</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>713,032</u>	<u>\$ 713,032</u>
RECONCILIATION TO GAAP BASIS:				
Change in property tax receivable			3,244	
Change in due from other governments			(3,497)	
Change in deferred property taxes			<u>(2,006)</u>	
			<u>\$ 710,773</u>	

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

ED TECH DEBT SERVICE FUND
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
Revenues:				
Local sources:				
District school tax levy	\$ 1,305	\$ 1,305	\$ 750	\$ (555)
Earnings from investments	<u> -</u>	<u> -</u>	<u> 471</u>	<u> 471</u>
Total revenues	<u> 1,305</u>	<u> 1,305</u>	<u> 1,221</u>	<u> (84)</u>
 Expenditures:				
Current:				
Support Services - General Administration	13	13	7	6
Debt service:				
Reserves	<u> 53,275</u>	<u> 53,275</u>	<u> -</u>	<u> 53,275</u>
Total expenditures	<u> 53,288</u>	<u> 53,288</u>	<u> 7</u>	<u> 53,281</u>
Excess (deficiency) of revenues over expenditures	(51,983)	(51,983)	1,214	53,197
Beginning cash balance budgeted	51,983	51,983	-	(51,983)
Fund balance at beginning of the year	<u> -</u>	<u> -</u>	<u> 31,582</u>	<u> 31,582</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	32,796	<u>\$ 32,796</u>
 RECONCILIATION TO GAAP BASIS:				
Change in property tax receivable			(849)	
Change in due from other governments			(60)	
Change in deferred property taxes			<u> 845</u>	
			<u>\$ 32,732</u>	

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OTHER SUPPLEMENTAL INFORMATION

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

FIDUCIARY FUNDS
Schedule of Changes in Assets and Liabilities - All Agency Funds
Year Ended June 30, 2009

Activity		Balance			Balance
<u>Fund</u>	<u>ASSETS</u>	<u>June 30, 2008</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>June 30, 2009</u>
901	HS Arts & Crafts	\$ 181	\$ 1	\$ 182	\$ -
902	CAP Activity	687	6	-	693
903	Dine Club Pageant Committee	105	561	240	426
904	HS Honor Society	155	676	790	41
905	Cheerleaders	1,210	428	1,149	489
908	Adult Vocational Ed	51	-	31	20
909	AutoCAD	362	3	-	365
910	Dine Education	13	-	-	13
911	Class of 2008	498	2	500	-
912	HS General	744	1,293	1,713	324
914	Boys Basketball	3,630	2,927	5,696	861
915	HS Library	1,327	220	-	1,547
916	Girls Basketball	2,799	1,698	3,777	720
917	HS Indian Club	751	752	974	529
918	Cuba SADD	50	-	-	50
919	Baile Latino de Cuba Elementary	400	2,294	2,038	656
920	HS Science	176	1	-	177
921	Class of 2011	261	854	231	884
922	Swimming Pool	15,037	734	1,235	14,536
923	HS Student Council	1,179	1,149	1,482	846
924	HS Woodwork	1,474	74	-	1,548
925	HS Yearbook	3,637	6,077	6,595	3,119
926	HS Welding	1,370	208	521	1,057
927	Talent Show	13	-	-	13
928	MS General	3,271	21,130	17,157	7,244
930	MS Incentive	174	7,893	6,563	1,504
931	MS Library	911	344	-	1,255
932	HS Counseling	-	80	59	21
933	HS Volleyball	-	857	265	592
934	MS Student Council	172	2	-	174
935	8th Grade Boys Basketball	764	1,775	701	1,838
936	Elementary Fund	1,800	4,829	3,522	3,107
937	Cross Country	-	859	858	1
938	Elementary PTSO	757	8	-	765
939	Inservice Days	-	1,452	596	856
940	Track	-	1,440	1,440	-
941	HS Special Ed	\$ 1,667	\$ 14	\$ 139	\$ 1,542

(continued)

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

FIDUCIARY FUNDS
Schedule of Changes in Assets and Liabilities - All Agency Funds
Year Ended June 30, 2009

Activity		Balance				Balance
<u>Fund</u>	<u>ASSETS</u>	<u>June 30, 2008</u>	<u>Receipts</u>	<u>Disbursements</u>		<u>June 30, 2009</u>
943	Laptop Repair	\$ -	\$ 200	\$ 29		\$ 171
944	Elementary Drug Education	-	1,100	387		713
947	HS Football	1,472	6,373	7,703		142
948	MS 8th Grade Girls Basketball	181	1	182		-
949	Administration	4,432	1,430	4,285		1,577
950	Athletics Special Events	-	1,391	710		681
952	Class of 2009	1,593	519	953		1,159
953	Cuba Green Project	-	169	165		4
956	Multi-Cultural Fair Committee	-	550	334		216
958	Fun Fund	15	-	15		-
959	HS Concession	6,440	22,969	9,331		20,078
961	Class of 2006	1,924	6	1,930		-
965	Class of 2007	1,342	5	1,347		-
976	Elementary Yearbook	485	1,056	470		1,071
980	Summer School	1,380	11	-		1,391
985	Headstart	342	2	339		5
987	HS Baseball	17	1,591	-		1,608
990	Lost Books	530	5	-		535
991	Class of 2004	254	1	255		-
992	Navajo Language	198	2	-		200
993	Elementary Liabrary	146	231	-		377
994	HS Travel Academy	3,070	26	454		2,642
998	MS Volleyball	551	947	1,228		270
999	MS Softball	261	868	1,129		-
		<u> </u>	<u> </u>	<u> </u>		<u> </u>
	Pooled cash and investments	<u>\$ 70,259</u>	<u>\$ 100,094</u>	<u>\$ 89,700</u>		<u>\$ 80,653</u>
	<u>LIABILITIES</u>					
	Deposits held for others	<u>\$ 70,259</u>	<u>\$ 100,094</u>	<u>\$ 89,700</u>		<u>\$ 80,653</u>

**STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62**

**SCHEDULE OF PLEDGED COLLATERAL
June 30, 2009**

	<u>Bank of Albuquerque</u>	<u>Wells Fargo Bank Repo Account</u>	<u>Wells Fargo Bank</u>
Cash on deposit at June 30, 2009	\$ 81,145	\$ 1,436,194	\$ 2,015,528
Less FDIC coverage	<u>81,145</u>	<u>250,000</u>	<u>250,000</u>
Uninsured funds	<u>\$ -</u>	<u>\$ 1,186,194</u>	<u>\$ 1,765,528</u>
50% collateral requirement	\$ -	\$ -	\$ 882,764
102% collateral requirement (Repo Account)	<u>-</u>	<u>1,186,193</u>	<u>-</u>
Amount requiring pledged collateral	-	1,186,193	882,764
Pledged collateral	<u>-</u>	<u>1,391,821</u>	<u>1,034,233</u>
Excess of pledged collateral	<u>\$ -</u>	<u>\$ 205,628</u>	<u>\$ 151,469</u>

Pledged collateral of financial institutions consists of the following at June 30, 2009

	<u>Maturity</u>	<u>CUSIP #</u>	<u>Market Value</u>
Wells Fargo Bank Repo Account:			
FHLB	7/1/2036	31410NQJ0	\$ 1,110,223
FHLB	6/1/2036	31407H3T1	<u>281,598</u>
			<u>\$ 1,391,821</u>

The above securities are held in Wells Fargo Bank at Minneapolis, Minnesota.

Wells Fargo Bank:

FNCL	7/1/2036	31371NVU8	<u>\$ 1,034,233</u>
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The above securities are held in Wells Fargo Bank at Minneapolis, Minnesota.

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

CASH RECONCILIATION
June 30, 2009

	<u>Beginning Cash</u>	<u>Receipts</u>	<u>Distributions</u>	<u>Other</u>	<u>Net Cash End of Period</u>	<u>Adjustments to the report</u>	<u>Total Cash on Report</u>
Operations	\$ 833,492	\$ 7,133,620	\$ (6,941,629)	\$ (171,188)	\$ 854,295	\$ -	\$ 854,295
Teacherage	33,102	39,071	(16,282)	(17,645)	38,246	-	38,246
Transportation	824	784,331	(755,785)	-	29,370	-	29,370
Instructional Materials	86,509	91,026	(92,908)	-	84,627	-	84,627
Food Services	55,213	303,532	(338,243)	-	20,502	-	20,502
Athletics	23	49,681	(48,331)	-	1,373	-	1,373
Federal Flowthrough Funds	(392,623)	1,495,368	(1,635,337)	(18,172)	(550,764)	-	(550,764)
Federal Direct Funds	507,527	833,278	(882,938)	(2,566)	455,301	-	455,301
Local Grants	(26,060)	21,694	(36,682)	-	(41,048)	-	(41,048)
State Flowthrough Funds	(15,867)	121,383	(179,880)	-	(74,364)	-	(74,364)
State Direct Funds	(114,863)	163,530	(82,524)	-	(33,857)	-	(33,857)
Local/State	52,356	97,903	(98,271)	(11,959)	40,029	-	40,029
Bond Building	575,887	908,156	(554,051)	-	929,992	81,145	1,011,137
Public School Capital Outlay	(245,267)	115,710	-	-	(129,557)	-	(129,557)
Special Capital Outlay - State	5,447	48	-	-	5,495	-	5,495
Special Capital Outlay - Federal	127,917	4,315	(4,315)	-	127,917	-	127,917
Capital Improvements SB-9	128,192	353,590	(247,338)	-	234,444	-	234,444
Public School Capital Outlay - 20%	115,124	926	(97,789)	-	18,261	-	18,261
Debt Services	490,445	567,764	(588,658)	188,833	658,384	-	658,384
Ed Tech Debt Service	52,022	1,221	(7)	-	53,236	-	53,236
Agency Funds	-	-	-	-	-	80,653	80,653
Total	\$ 2,269,400	\$ 13,086,147	\$ (12,600,968)	\$ (32,697)	\$ 2,721,882	\$ 161,798	\$ 2,883,680

<u>Account Name</u>	<u>Account Type</u>	<u>Bank Name</u>	<u>Bank Amount</u>		
				Adjustments to report:	
				Clearing accounts	\$ 81,145
				Agency funds	80,653
				Total adjustment to the report	\$ 161,798
				Adjustments to cash:	
				Bank Balance	\$ 3,532,867
				Outstanding checks	(649,187)
				Cash on hand	-
				Total adjustment to cash	\$ 2,883,680

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SINGLE AUDIT SECTION

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

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

Hector H. Balderas, State Auditor
And the Board of Education of
Cuba Independent School District No. 62

We have audited the financial statements of the governmental activities, each major fund, the aggregate remaining fund information, the budgetary comparisons for the general fund and major special revenue funds, and the combining and individual funds presented as supplemental information of Cuba Independent School District No. 62, as of and for the year ended June 30, 2009, and have issued our report thereon dated April 9, 2010. 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 Cuba Independent School District No. 62's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Cuba Independent School District No. 62's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Cuba Independent School District No. 62's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

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 Cuba Independent School District No. 62's internal control. We consider the deficiencies described in the accompanying schedule of findings and questioned costs to be significant deficiencies in internal control over financial reporting. Findings 2009 – 1 through 2009 – 6.

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 agency's internal control.

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Hector H. Balderas, State Auditor
And the Board of Education of
Cuba Independent School District No. 62

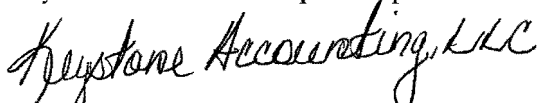
Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, of the significant deficiencies described above, we consider items 2009 – 3 and 2009 – 4 to be material weaknesses.

Compliance and other matters

As part of obtaining reasonable assurance about whether Cuba Independent School District No. 62's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and responses as items findings 2009 – 1 through 2009 – 5 and 2009 – 7C.

Cuba Independent School District No. 62's responses to the findings identified in our audit are described in the accompanying schedule of findings and responses. We did not audit Cuba Independent School District No. 62's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of management, others within the Cuba Independent School District No. 62, the audit committee, the State Auditor, the New Mexico Legislature, New Mexico Public Education Department, and applicable federal grantors, and is not intended to be and should not be used by anyone other than these specified parties.


April 9, 2010

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

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

Hector H. Balderas, State Auditor
And the Board of Education of
Cuba Independent School District No. 62

Compliance

We have audited the compliance of Cuba Independent School District No. 62 with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 *Compliance Supplement* (Revised May, 2009) that are applicable to each of its major federal programs for the year ended June 30, 2009. Cuba Independent School's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of finding 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 Cuba Independent School's management. Our responsibility is to express an opinion on Cuba Independent School's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards (GAGAS)*, 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 Cuba Independent School District No. 62'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 Cuba Independent School District No. 62's compliance with those requirements. As described in item 2009 – 7C in the accompanying schedule of findings and questioned costs, Cuba Independent School District No. 62 did not comply with requirements regarding Reporting that are applicable to its Title I Basic Education CFDA #84.010 and P.L. 81-874 Special/Indian Education CFDA #84.041. Compliance with such requirements is necessary, in our opinion, for Cuba Independent School District No. 62 to comply with the requirements applicable to that program.

In our opinion, except for the noncompliance described in the preceding paragraph, Cuba Independent School District No. 62 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, 2009.

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Hector H. Balderas, State Auditor
And the Board of Education of
Cuba Independent School District No. 62

Internal Control Over Compliance

The management of Cuba Independent School District No. 62 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 Cuba Independent School District No. 62's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, 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 Cuba Independent School District No. 62's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in the entity's internal control that might be significant deficiencies or material weaknesses as defined below. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies and others that we consider to be material weaknesses.

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. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2009 – 7C to be a significant deficiency.

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. We did not consider any of the deficiencies described in the accompanying schedule of findings and questioned costs to be material weaknesses.

Cuba Independent School District No. 62's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit Cuba Independent School District No. 62's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of management, others within the Cuba Independent School District No. 62, the audit committee, the State Auditor, the New Mexico Legislature, New Mexico Public Education Department, and applicable federal grantors, and is not intended to be and should not be used by anyone other than these specified parties.

Keystone Accounting, LLC

April 9, 2010

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
Year Ended June 30, 2009

A. PRIOR YEAR AUDIT FINDINGS

- 2006 – A LACK OF TIMELY MONITORING OF BUDGET LINE ITEMS
Current Status: Not resolved. Repeated in the current year as Finding 2009 – 3.
- 2006 – C DELINQUENT AUDIT REPORT
Current Status: Not resolved. Repeated in the current year as finding 2009 – 2.
- 2007 – 1 PREPARATION OF FINANCIAL STATEMENTS
Current Status: Not resolved. Repeated in the current year as finding 2009 – 1.
- 2007 – 6 UNTIMELY PAYMENT OF PURCHASES
Current Status: Not resolved. Repeated in the current year as finding 2009 – 6.
- 2007 – 10C LATE FILING OF FEDERAL CLEARING HOUSE REPORTING
Current Status: Not resolved. Repeated in the current year as finding 2009 – 7C.
- 2008 – 4 PUBLIC MONIES WERE NOT ADEQUATELY COLLATERALIZED
Current Status: Resolved. Not repeated in the current year.
- 2008 – 5 BANK ACCOUNTS WERE NOT RECONCILED TO GENERAL LEDGER
Current Status: Resolved. Not repeated in the current year.
- 2008 – 6 COMPENSATED ABSENCES NOT CALCULATED
Current Status: Resolved. Not repeated in the current year.
- 2008 – 7 MISSING DOCUMENTATION FOR RECEIPTS
Current Status: Not resolved. Repeated in the current year as finding 2009 – 4.
- 2008 – 8 PRENUMBERED RECEIPTS WERE NOT USED
Current Status: Not resolved. Repeated in the current year as finding 2009 – 5.
- 2008 – 9 PURCHASE ORDER DID NOT IDENTIFY ITEMS TO BE PURCHASED
Current Status: Resolved. Not repeated in the current year.
- 2008 – 10 PURCHASE ORDER APPROVED AFTER PURCHASE
Current Status: Resolved. Not repeated in the current year.

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2009

A. SUMMARY OF AUDIT RESULTS

1. The auditors' report expresses an unqualified opinion on the basic financial statements of Cuba Independent School District No. 62.
2. There were six significant deficiencies disclosed during the audit of the financial statements in the Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards. Two of the significant deficiencies were reported as material weaknesses.
3. There were six instances of noncompliance material to the financial statements of Cuba Independent School District No. 62 were disclosed during the audit.
4. There was one significant deficiency disclosed during the audit of the major federal awards program in the Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control over Compliance in Accordance with OMB Circular A-133. There were no significant deficiencies reported as a material weakness.
5. The auditors' report on compliance for the major federal award programs for Cuba Independent School District No. 62 expresses a qualified opinion.
6. There was one audit finding relative to the major federal award programs for Cuba Independent School District No. 62 that is required to be reported in accordance with OMB Circular A-133.510(a).
7. The programs treated as major programs include: Title I Basic Education CFDA 84.010 and P.L. 81-874 Special/Indian Education CFDA 84.041.
8. The threshold for distinguishing types A and B programs was \$300,000.
9. Cuba Independent School District No. 62 was determined to be a high-risk auditee.

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2009

B. FINDINGS - FINANCIAL STATEMENTS AUDIT

2009 – 1 PREPARATION OF FINANCIAL STATEMENTS
(Repeat of Prior Year Finding 2007-1)

Condition: The financial statements were prepared by the auditor.

Criteria: As per SAS 112, management is required to have an internal control system of financial reporting including the preparation of the financial statements.

Effect of condition: Management's ability to ascertain the accuracy and completeness of the financial statements has been diminished.

Cause: Management does not have internal controls in place that are necessary for the preparation of the financial statements.

Recommendation: Management should develop a plan and system of controls that enable them to review the accuracy and completeness of the financial statements.

Management's Response: Resolved by the Business Office developing a plan and a system of controls that enable the Business Office to review the accuracy and completeness of the financial statements.

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2009

B. FINDINGS - FINANCIAL STATEMENTS AUDIT (continued)

2009 – 2 LATE AUDIT REPORT
(Repeat of Prior Year Finding 2006-C)

Condition: The June 30, 2009 audit report was not submitted to the New Mexico State Auditor's Office by the due date of November 15, 2009. The Audit was submitted to the New Mexico State Auditor's Office on April 20, 2010.

Criteria: The New Mexico State Auditor has issued NMAC 2.2.2, Requirements for Contracting and Conducting Audits of Agencies, setting due dates for school audits to be in his office by November 15, 2009.

Effect of condition: The report was not available for the New Mexico Department of Education and other state agencies to review on a timely basis.

Cause: The District did not contract for audit services for the year ended June 30, 2009 until after the required reporting deadline of November 15, 2009.

Recommendation: We recommend that all information be made available to the auditor on a timely basis.

Response: Resolved by the Business Office forwarding all information available to the auditor on a timely basis.

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2009

B. FINDINGS - FINANCIAL STATEMENTS AUDIT (continued)

2009 – 3 LACK OF TIMELY MONITORING OF BUDGET LINE ITEM EXPENDITURES
(Repeat of Prior Year Finding 2006-A)

Condition: There were unfavorable variances between actual and budgeted line item expenditures. The number of individual occurrences are too numerous to list. The following funds, the total of all the fund's individual line item over expenditures at fiscal yearend are as follows:

<u>Fund</u>	<u>Over Expended</u>	<u>Page No.</u>
Enhancing Education Special Revenue Fund	\$ 63	88
Title II Teacher Quality Special Revenue Fund	707	91
21st Century Community Living Centers Special Revenue Fund	1,803	93
Johnson O'Malley Special Revenue Fund	476	98
Impact Aid Special Education Special Revenue Fund	6,195	99
Indian Ed Formula Grant Special Revenue Fund	52	101
Native American Program Special Revenue Fund	2,894	102
Microsoft Settlement Special Revenue Fund	31,804	105
Technology for Education Special Revenue Fund	10,026	106
Pre-K Initiative Special Revenue Fund	8	108
State 21st Century Special Revenue Fund	88	113
Gear-Up Special Revenue Fund	411	119
Bond Building Capital Projects Fund	43,250	126
Capital Improvements SB-9 Capital Projects Fund	54,921	130
Debt Service Fund	46,346	132

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2009

B. FINDINGS - FINANCIAL STATEMENTS AUDIT (continued)

2009 – 3 LACK OF TIMELY MONITORING OF BUDGET LINE ITEM EXPENDITURES
(Repeat of Prior Year Finding 2006-A) (continued)

Criteria: According to NMSA 1978 Section 22-8-11 B all fiscal agents of public monies have a responsibility to monitor spending to comply with established budget guidelines. As part of maintaining fiscal responsibility for the operations of the school, management is responsible for following the guidelines set out for expenses in the budget submitted at the beginning of the year, as well as any “BARS” that had been approved.

Effect of Condition: Violation of NMSA 1978 Section 22-8-11 B, over spending of public monies. Improper monitoring could lead to expenditures being paid in excess of total budgeted amounts.

Cause: Improper monitoring of line item expenditures by comparing budgeted amounts and actual amounts spent allowed unfavorable (negative) variances, overspending of line item budgets, to occur.

Recommendation: Management should implement immediate steps to provide adequate financial reports to allow for proper and timely monitoring of line item expenditures. Budget adjustment requests should be approved by the Board of Education and State Department of Education (when required) to receive approval to make necessary changes to the records prior to being presented for audit.

Management Response: Resolved by the Business Office implementing immediate steps to provide adequate financial reports to allow for proper and timely monitoring of line item expenditures. Monthly budget adjustments requests will be submitted to the Board of Education and State Department of Education for approval to make necessary changes to the records prior to being presented for audit.

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2009

B. FINDINGS - FINANCIAL STATEMENTS AUDIT (continued)

2009 – 4 MISSING DOCUMENTATION FOR RECEIPTS
(Repeat of Prior Year Finding 2008 – 7)

Condition: The District could not provide 13 of 30 receipts selected for testing of cash receipts.

Criteria: Records are to be filed and retained within the school district as prescribed in 1978 NMSA 14-3-13.

Effect of condition: The district cannot provide records for all transactions that took place during the year ended June 30, 2009.

Cause: The District did not have an adequate record keeping system that would allow for the retention and retrieval of financial documentation.

Recommendation: The District should ensure that a record keeping system is established and maintained that will allow for the retention and efficient retrieval of all documentation for the school district.

Management's response: Resolved by the District should ensure that a record keeping system is established and maintained that will allow for the retention and efficient retrieval of all documentation for the school district.

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2009

B. FINDINGS - FINANCIAL STATEMENTS AUDIT (continued)

2009 – 5 PRENUMBERED RECEIPTS WERE NOT USED
(Repeat of Prior Year Finding 2008 – 8)

Condition: The District did not use prenumbered receipts in numerical order thereby limiting the level of internal control over cash receipts.

Criteria: A system of internal controls designed to prevent and/or detect errors or violations of state and federal law is required as per 1978 NMSA 6-5-2, 6-NMAC-2.2.1.11 and 6-NMAC-2.2.1.14.

Effect of condition: The District's internal controls over cash receipts were limited in its ability to prevent and/or detect errors or violations of law due to the improper use of prenumbered documents.

Cause: The District is not controlling the issuance and collection of prenumbered receipt books.

Recommendation: The administration office should control the issue and collection of prenumbered receipt books to ensure that they are used in numerical order and are reviewed for any missing or suspicious receipts.

Management's response: Resolved by the Business Office should control the issue and collection of prenumbered receipt books to ensure that they are used in numerical order and are reviewed for any missing or suspicious receipts.

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2009

B. FINDINGS - FINANCIAL STATEMENTS AUDIT (continued)

2009 – 6 UNTIMELY PAYMENT OF PURCHASES
(Repeat of Prior Year Finding 2007 – 6)

Condition: Out of 30 items tested, one disbursement check amounting to \$6,355 were issued in excess of 30 days following the invoice date.

Criteria: Disbursement payments made in remittance for products and/or services received by the District should be made in a timely manner as part of sound accounting practices. Payment should be made within vendor terms or within 30 days of the invoice date.

Effect of condition: Late fees can be added to the cost of purchases made that are not paid for in a timely manner. Payment of such late fees is not an allowable cost under the guidelines established by the federal government.

Recommendation: A system should be implemented to ensure that invoices are paid within a period not to exceed 30 days from the invoice date.

Management's response: Resolved by the Business Office by monitoring unpaid invoices in a file, until paid. A review of this file will be made weekly, if not daily, to determine if all the necessary documentation is available that will allow for disbursement payment to be made for each purchase.

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2009

C. AUDIT FINDINGS - MAJOR FEDERAL AWARD PROGRAMS AUDIT

DEPARTMENT OF INTERIOR AND DEPARTMENT OF EDUCATION

P.L. 81-874 Special / Indian Education CFDA# 84.041
Title I Basic Education Grant CFDA # 84.010

2009 – 7C LATE FILING OF FEDERAL CLEARING HOUSE REPORTING

(Repeat of Prior Year Finding 2007 – 10C)

Condition: The June 30, 2009 audit report and data collection form were sent to the Federal Clearing House after the due date of either 30 days after the date of the audit report or nine months after the year end.

Criteria: The OMB A-133 requires the Federal Clearing House Data Collection Form and the audit report be filed either one month after the date of the audit report release, or nine months after the year end.

Effect of condition: The report was not available for the filing of the Federal Clearing House report on a timely basis.

Cause: Information required to complete the audit was not available from the District.

Recommendation: We recommend that all information be made available to the auditor on a timely basis.

Management's Response: Resolved by the Business Office giving all information available to the auditor on a timely basis.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2009

<u>Federal Grantor/Pass - Through Grantor/Program or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Federal Expenditures</u>
<u>U.S. Department of Agriculture:</u>			
Pass-Through Program From:			
New Mexico Department of Education:			
<u>Child Nutrition -- Cluster:</u>			
USDA National School Lunch Program	10.555	21000	\$ 246,585
Direct Program:			
Forest Reserve	10.670	11000	8,074
Pass-Through Program From:			
New Mexico Human Service Department:			
USDA Commodities Program	10.550	21000	<u>20,631</u>
Total U.S. Department of Agriculture			<u>275,290</u>
<u>U.S. Department of Interior</u>			
Pass-Through Programs From:			
Office of the Navajo Nation:			
Johnson O'Malley	15.130	25131	<u>\$ 18,282</u>

(continued)

See accompanying notes to the
Schedule of Expenditures of Federal Awards.

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2009

<u>Federal Grantor/Pass - Through Grantor/Program or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Federal Expenditures</u>
<u>U.S. Department of Education:</u>			
<u>Special Education -- Cluster:</u>			
Pass-Through Programs From:			
New Mexico Department of Education:			
IDEA-B Entitlement	84.027	24106	\$ 160,467
IDEA-B Discretionary	84.027	24107	<u>4,595</u>
Total U.S. Department of Education - Special Education (IDEA-B) Cluster			<u>165,062</u>
Direct Programs:			
P.L. 81-874 Special / Indian Education	84.041	25145	2,572,664
Indian Education Formula	84.060	25184	54,295
Native American Program	84.060	25248	<u>191,126</u>
Subtotal Direct Programs			<u>2,818,085</u>
Pass-Through Programs From:			
New Mexico Department of Education:			
Title I Basic Education Grant	84.010	24101	1,145,955
Technology Literacy Challenge	84.318	24133	7,511
Title V Innovative Education	84.298	24150	1,833
Title II Improving Teacher Quality	84.367	24154	147,987
Title IV - Safe and Drug-Free Schools	84.186	24157	5,618
Title VI Rural Education	84.358	24160	11,446
21st Century Community Living Centers	84.287	24159	76,958
Title I - Stimulus	84.389	24201	<u>72,595</u>
Subtotal Pass-Through Programs			<u>1,469,903</u>
Total U.S. Department of Education			<u>4,453,050</u>
<u>U.S. Department of Health and Human Services:</u>			
Pass-Through Program From:			
New Mexico Department of Health:			
Title XIX Medicaid	93.778	25153	<u>70,349</u>
Total Expenditures of Federal Awards			<u>\$ 4,816,971</u>

See accompanying notes to the
Schedule of Expenditures of Federal Awards.

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

Notes To The Schedule Of Expenditures Of Federal Awards
Year Ended June 30, 2009

1. Scope of audit pursuant to OMB Circular A-133

All federal grant operations of Cuba Independent School District No. 62 (the "School District") are included in the scope of the Office of management and Budget ("OMB") Circular A-133 audit (the "Single Audit"). The Single Audit was performed in accordance with the provisions of the OMB Circular Compliance Supplement (Revised May 2009 the "Compliance Supplement"). Compliance testing of all requirements are described in the Compliance Supplement, was performed for the grants programs noted below. These programs represent all federal award programs and other grants with fiscal 2009 cash and non-cash expenditures to ensure coverage of at least 50% (HIGH risk auditee) of federally granted funds. Actual coverage is approximately 77% of total cash and non-cash federal award program expenditures. Total cash expenditures were in the amount of \$4,816,971 and all non-cash expenditures amounted to \$20,631.

Major Federal Award Program Description	Fiscal 2009 <u>Expenditure</u>
Cash assistance:	
Title I	\$ 1,145,955
P.L.-874 Special / Indian Education	<u>2,572,664</u>
Total	<u><u>\$ 3,718,619</u></u>

The School District's federal programs Title I and P.L.-874 Special / Indian Education were considered high risk Type A programs for the 2009 audit.

The U.S. Department of Education is the School District's oversight agency for single audit.

STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

Notes To The Schedule Of Expenditures Of Federal Awards
Year Ended June 30, 2009

2. Summary of significant accounting policies

Basis of presentation

The accompanying Schedule of Expenditure of Federal Awards includes all federal grants to the School District that had activity during the fiscal year ended June 30, 2009. This Statement has been prepared on the accrual basis of accounting. Grant revenues are recorded for financial reporting purposes when the School District has met the qualifications for the respective grant.

Accrued and deferred reimbursements

Various reimbursement procedures are used for Federal awards received by the School District. Consequently, timing differences between expenditures and program reimbursements can exist at the beginning and end of the year. Accrued balances at year end represent an excess of reimbursable expenditures over receipts to date. Deferred balance at year-end represent an excess of cash receipts over reimbursable expenditure to date. Generally, accrued or deferred balances covered by differences in the timing of cash receipts and expenditures will be reversed in the remaining grant period.

3. Audits performed by other entities

There were no other audits performed by other organizations on the School Districts federal grant programs in 2009.

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REQUIRED DISCLOSURE

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STATE OF NEW MEXICO
CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

REQUIRED DISCLOSURES
Year Ended June 30, 2009

REQUIRED DISCLOSURE

The financial statements were prepared by the independent public accountants.

An exit conference was held April 13, 2010, during which the audit findings were discussed. The exit conference was attended by the following individuals:

CUBA INDEPENDENT SCHOOL DISTRICT NO. 62

Marty Vigil	President
Victor V. Velarde	Superintendent
Higinia Cordova	Business Manager

KEYSTONE ACCOUNTING, LLC

Terry Ogle, CPA	Partner
William W. King	Senior Auditor