

New Mexico State University

2006 Financial Statements and Schedules

2006 and 2007

2007



Live, Learn and Thrive.™



New Mexico State University

Financial Statements

and

Schedules

For the Years Ended

2007 and 2006

Financial Statements and Schedules

June 30, 2007 and 2006

Official Roster	3
Independent Auditors' Report	4
Financial Statements	
Management's Discussion and Analysis (unaudited).....	7
Exhibit A - Statement of Net Assets.....	18
Exhibit B - Statement of Revenues, Expenses, and Changes in Net Assets	20
Exhibit C - Statement of Cash Flows.....	22
Notes to the Financial Statements.....	24
Supplemental Schedules	
Schedule 1a - Combining Statement of Net Assets for the Years Ended June 30, 2007 and 2006 for the Primary Institution.....	52
Schedule 1b - Combining Statement of Revenues, Expenses, and Changes in Net Assets for the Years Ended June 30, 2007 and 2006 for the Primary Institution.....	54
Schedule 2a - Combining Statement of Net Assets for the Years Ended June 30, 2007 and 2006 for the Discrete Component Units.....	56
Schedule 2b - Combining Statement of Revenues, Expenses, and Changes in Net Assets for Years Ended June 30, 2007 and 2006 for the Discrete Component Units.	57
Schedule 3 - Budget Comparison - Statement of Revenues, Expenses, and Changes in Net Assets/Adjusted Net Operating Expense FY 2006-2007	58
Schedule 4 - Bank Balances, Pledged Collateral Requirements, and Pledged Collateral by Financial Institution.....	64
Single Audit Information	
Schedule 5 - Schedule of Expenditures of Federal Awards.....	66
Independent Auditors' 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.....	100
Independent Auditors' Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133	102
Schedule of Findings and Questioned Costs.....	104
Status of Prior Year Findings	107
Exit Conference.....	109

Board of Regents

Laura M. Conniff

Chair

Robert Gallagher

Vice Chair

Steve Anaya

Secretary-Treasurer

Blake Curtis

Member

Ed Kellum

Member

Ex-Officio Members

Bill Richardson

Governor

Reed Dasenbrock

Secretary of Education

Wanda Eastman

Faculty Representative

Marisa Ortega

President, ASNMSU

Executive Officers

Michael V. Martin

President

Waded Cruzado

Executive Vice President and Provost

Jennifer Taylor

*Senior Vice President for Business, Finance
and Human Resources*

Benjamin E. Woods

*Senior Vice President for Planning, Physical Resources
and University Relations*

Rebecca A. Dukes

Vice President for University Advancement

Jozi De Leon

*Associate Provost for Student Affairs and
Community Colleges*

Business and Finance Officials

Susan Grotevant

*Associate Vice President for Business, Finance
and Human Resources*

Lorin Gobble

Controller

Mike Abernethy

Director of Central Purchasing and Risk Management

Jean Carsey

Associate Controller

Anna Price

Director of Budget

Norma Noel

Associate Controller

Aida Lopez

Director of University Accounts Receivable

Diane Madrid

Director of Financial Systems Administration

Robert Scaling

Director of Treasury Services

D'Anne Stuart

Director of Human Resource Services

INDEPENDENT AUDITORS' REPORT

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

We have audited the accompanying financial statements of the business-type activities and the component units of New Mexico State University ("University") as of and for the year ended June 30, 2007 and 2006. We have also audited the combining statements of net assets – primary institution as of June 30, 2007 and 2006, and the combining statements of revenues expenses and changes in net assets – primary institution for the years then ended, and the budget comparison for the year ended June 30, 2007 as listed in the table of contents. We have also audited the statements of net assets of the University's discretely presented component units as of June 30, 2007 and 2006, and the related statements of revenues, expenses and changes in net assets for the years then ended. These financial statements are the responsibility of the University's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audits 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 misstatements. The financial statements of the discretely presented component units were audited in accordance with generally accepted auditing standards, but were not audited in accordance with Government Auditing Standards. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the University's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the respective financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinions.

As discussed in Note 2 to the financial statements, the financial statements of New Mexico State University are intended to present the financial position, and the changes in net assets and cash flows for only that portion of the funds of the State of New Mexico which are attributable to the transactions of New Mexico State University. They do not purport to, and do not, present fairly the financial position of the State of New Mexico as of June 30, 2007, or the changes in its financial position or its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the business-type activities and the aggregate discretely presented component units of the University at June 30, 2007 and 2006, and the respective changes in financial position and changes in cash flows where applicable for the years then ended; the financial position of the primary institution and its blended component units at June 30, 2007 and 2006 and the related changes in financial position for the years then ended; the budgetary comparison for the year ended June 30, 2007; and the financial position of its discretely presented component units for the years ended June 30, 2007 and 2006, and the changes in their financial position for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Management's Discussion and Analysis is not a required part of the financial statements, but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

In accordance with Government Auditing Standards, we have also issued our report dated November 14, 2007, on our consideration of internal control over financial reporting and our tests of compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Our audit was performed for the purpose of forming opinions on the financial statements of the University, the aggregate discretely presented component units, and the combining statements and budgetary comparison presented as supplemental information. The accompanying schedule of expenditures of federal awards (Schedule 5), as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and the accompanying supplemental information in Schedule 4 as required by the New Mexico State Audit Rule are presented for the purpose of additional analysis and are not a required part of the financial statements. These schedules are the responsibility of the management of the University. Such information has been subjected to the auditing procedures applied in our audit of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

Debitte & Touche LLP

November 14, 2007

*New Mexico
State University
2006-2007*



Annual Financial Statements

New Mexico State University

Management's Discussion and Analysis

For the Year Ended June 30, 2007

(Unaudited)

Overview of Financial Statements and Financial Analysis

The Management's Discussion and Analysis is designed to provide an easily readable analysis of New Mexico State University's (the University's) financial activities for the fiscal years ended June 30, 2007, 2006 and 2005. This overview is based on facts, decisions and conditions known as of the date of the independent auditors' report. There are three financial statements presented: the Statement of Net Assets; the Statement of Revenues, Expenses and Changes in Net Assets; and the Statement of Cash Flows. Please read this analysis in conjunction with the University's financial statements and accompanying notes, which begin on page 28.

Using This Annual Report

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

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

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

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

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

Financial Highlights

For the years ended June 30, 2007, 2006 and 2005, the University's financial position was as follows (in thousands):

Condensed Statement of Net Assets

	June 30, 2007	June 30, 2006	June 30, 2005
Assets			
Current Assets	\$ 132,349	\$ 104,899	\$ 81,601
Non-Current Assets	546,525	511,178	484,985
Total Assets	<u>678,874</u>	<u>616,077</u>	<u>566,586</u>
Liabilities			
Current Liabilities	89,129	59,667	39,964
Non-Current Liabilities	116,646	123,636	117,572
Total Liabilities	<u>205,775</u>	<u>183,303</u>	<u>157,536</u>
Net Assets			
Invested in Capital Assets, net of related debt	258,516	248,588	234,840
Restricted	111,564	96,469	92,070
Unrestricted	103,019	87,717	82,140
Total Net Assets	<u>\$ 473,099</u>	<u>\$ 432,774</u>	<u>\$ 409,050</u>

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

Operating Revenues			
Federal Appropriations, Grants, and Contracts	\$ 151,429	\$ 148,891	\$ 137,570
Student Tuition and Fees (net)	46,272	44,522	37,622
Other Operating Revenues	101,388	96,287	88,604
Total Operating Revenues	<u>299,089</u>	<u>289,700</u>	<u>263,796</u>
Operating Expenses			
Instruction	114,902	109,603	105,698
Research	123,544	122,436	109,062
Other Operating Expenses	260,773	235,910	219,090
Total Operating Expenses	<u>499,219</u>	<u>467,949</u>	<u>433,850</u>
Net Operating Loss	(200,130)	(178,249)	(170,054)
Non-operating Revenues and Expenses	<u>188,361</u>	<u>167,798</u>	<u>158,618</u>
Loss Before Other Revenues, Expenses, Gains or Losses	(11,769)	(10,451)	(11,436)
Other Revenues, Expenses, Gains or Losses	52,094	34,175	35,736
Increase in Net Assets	40,325	23,724	24,300
Net Assets at Beginning of Year	432,774	409,050	384,750
Net Assets at End of Year	<u>\$ 473,099</u>	<u>\$ 432,774</u>	<u>\$ 409,050</u>

General Overview for 2007 and 200

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

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

The operations discussed below resulted in an increase in net assets of \$40.3 million; while the University had an Operating Loss of \$200.1 million. This was offset by net Non-operating Revenues of \$188.4 million resulting in a Loss Before Other Revenues, Expenses, Gains or Losses of \$11.8 million. Primary components of this change in Net Assets include:

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

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

General Overview for 2006 and 2005

In fiscal year 2006, the total assets of the institution increased by \$49.5 million and liabilities increased by \$25.7 million. Changes in the Statement of Net Assets include:

- A shift from Short-term Investments to cash equivalents reflecting market conditions.
- An overall increase in Cash and an increase in Other Long-term Liabilities, as a result of the 2006 series revenue bond issuance.
- An increase in Accounts Receivable and Deferred Income related to increased grants and contracts revenue.
- Increase in value of Investments Held by Others due to market conditions.

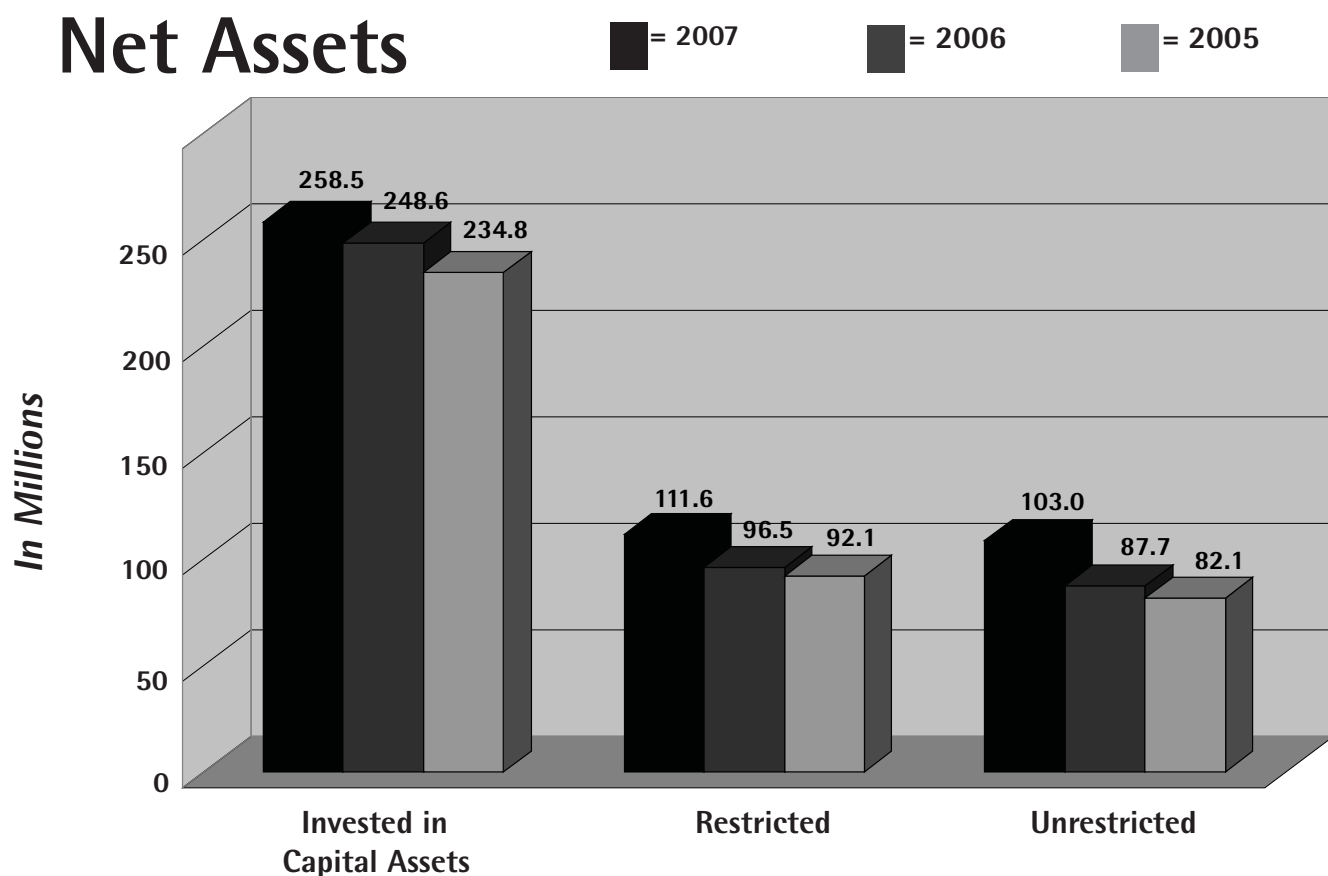
- Increases in Capital Assets and related decreases in Long-term investments, as several major construction and infrastructure projects progressed.
- Accounts Payable and Accrued Liabilities increased from the prior year due to timing differences.
- An increase in Accrued Benefit Reserves based upon estimated health insurance claims.

The operations discussed below resulted in an increase in net assets of \$23.7 million: while the University had an Operating Loss of \$178.2 million. This was offset by net Non-operating Revenues of \$167.8 million resulting in a Loss Before Other Revenues, Expenses, Gains or Losses of \$10.4 million. Primary components of this change in Net Assets include:

- Operating revenues increased by 9.8%, primarily as a result of increases in Tuition and Fees, and Federal Appropriations, Grants and Contracts.
- This overall gain was more than offset by a 7.9% increase in operating expenses, with the largest dollar increases being in Research, Scholarship and Fellowships, Instruction, and Operation and Maintenance of Plant.
- The resulting net operating loss was offset in part by a 4.8% increase in State Appropriations.
- The primary determining factors in the 2.4% decrease in the Increase in Net Assets were the decrease in Capital funding, and a 4.8% decrease in Gain in Permanent Endowments.

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

The following graph illustrates the comparison of net assets by category for fiscal years 2007, 2006 and 2005.



Operating Revenues for 2007 and 2006

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

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

Operating Revenues for 2006 and 2005

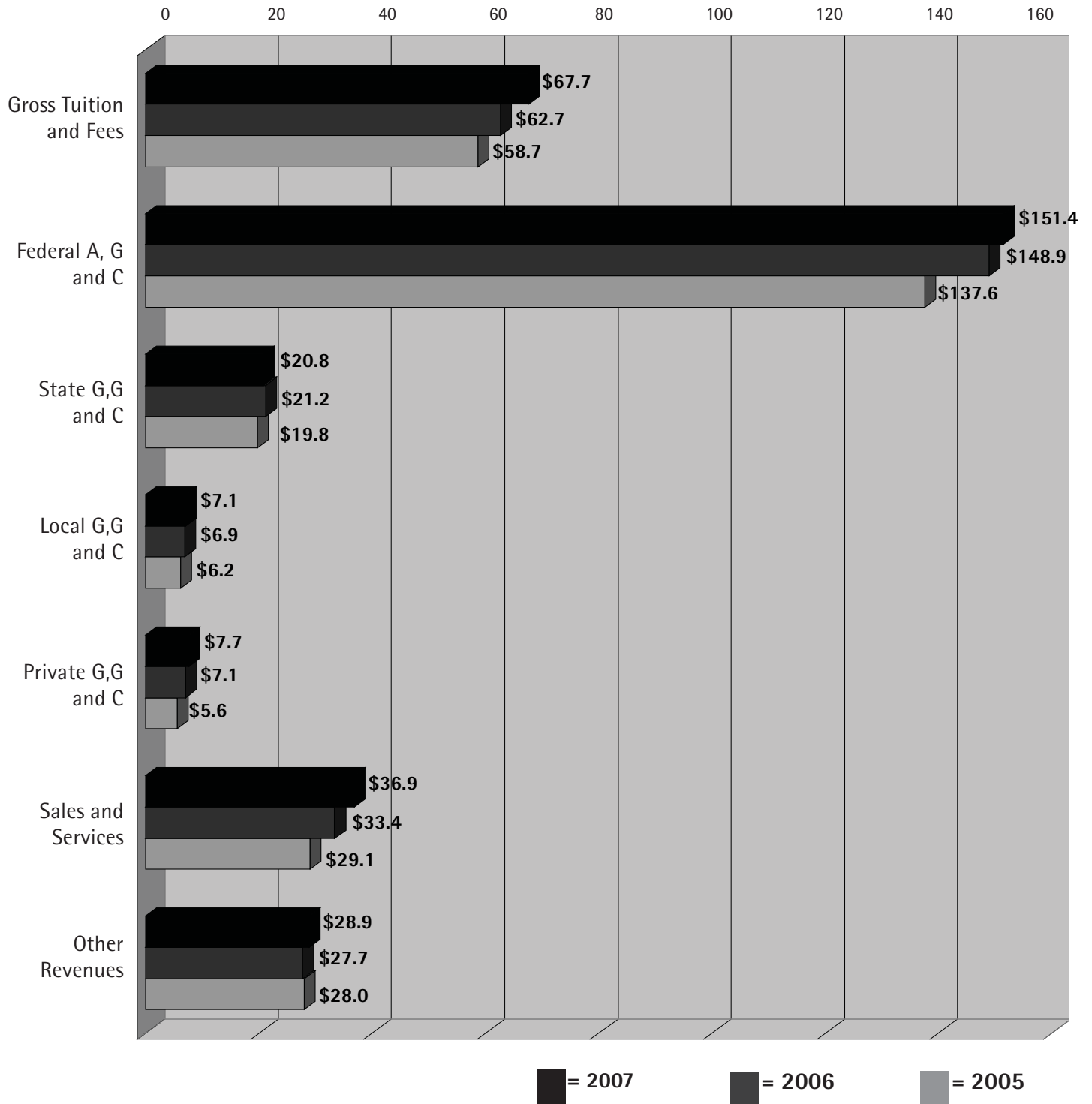
The operating loss for fiscal year 2006 of \$178.2 million is a decline of \$8.2 million from fiscal year 2005. While operating expenses increased by \$34.1 million, operating revenues increased by only \$25.9 million. The most significant changes in operating revenue were as follows:

- Increase in Federal Appropriations, Grants and Contracts of \$11.3 million (8.2%) with significant increases in Physical Science Laboratory Department of Defense funding.
- Increase in Student Tuition and Fees, net of Scholarship Allowances, of \$6.9 million (18.3%), due to a combination of increased tuition and fee rates and decreased scholarship allowances.
- Increase of \$4.3 million (14.7%) in Sales and Services, related primarily to Auxiliary Services Enterprises.

A graphical presentation of operating revenues for fiscal years 2007, 2006 and 2005 is as follows:

Operating Revenues

In Millions



Operating Expense for 2007 and 2006

The largest dollar increases in operating expense were as follows:

- Increase in Public Service expenditures of \$7.3 million (16.9%) related to the increased federal awards discussed above.
- Increase in Instruction expenditures of \$5.1 million (4.6%). This reflects, in part, additional Federal awards of \$1.0 million, State funding of \$3.1 million and Nursing Program funding of \$0.7 million.
- Increase in Independent Operations expenses of \$4.2 million (29.5%), related primarily to the Forage Loss Assistance Program.

Operating Expense for 2006 and 2005

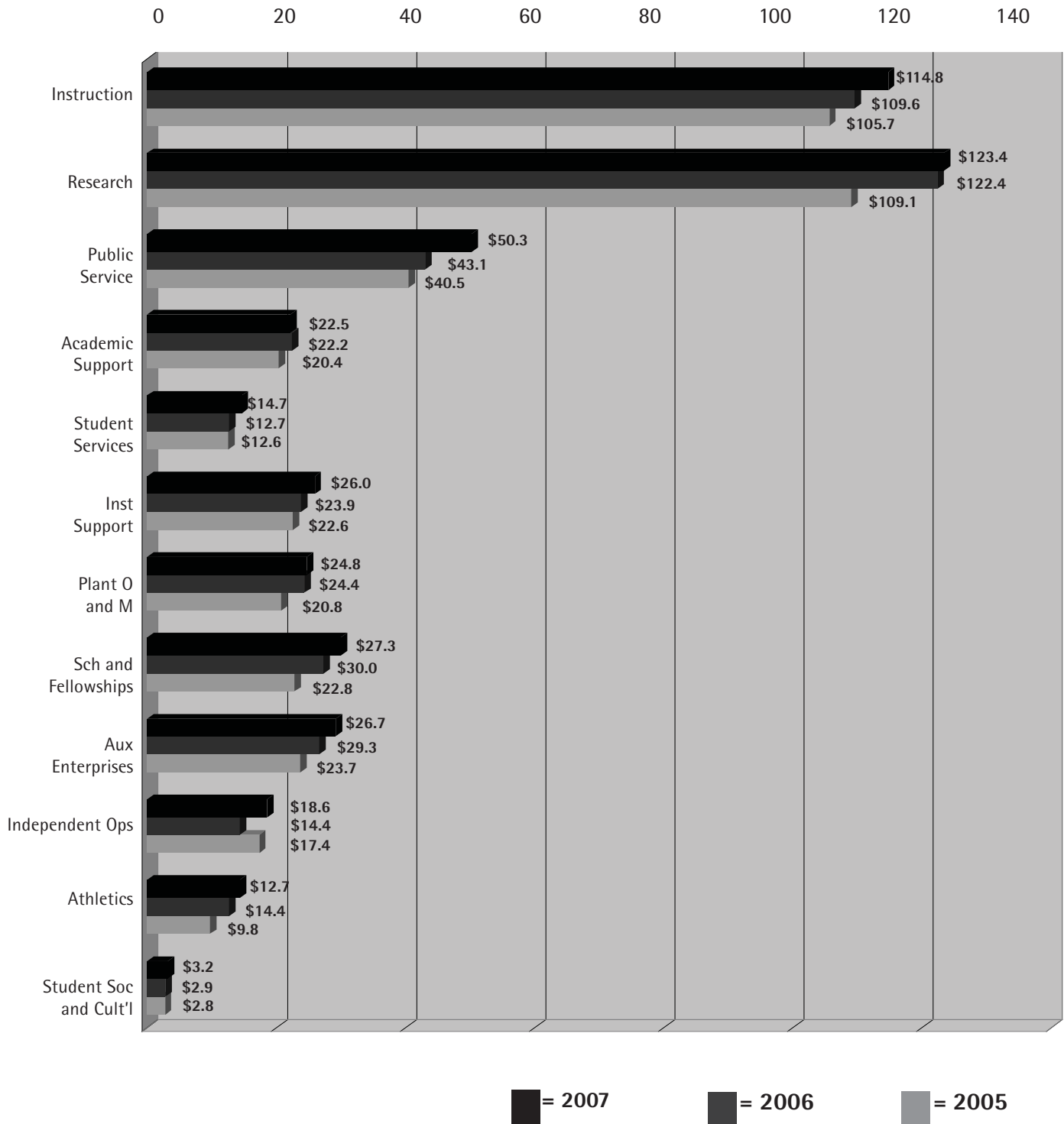
The largest dollar increases in operating expense were as follows:

- Increase in Research expenditures of \$13.4 million (12.3%) related to the increased federal awards discussed above.
- Increase in Scholarship and Fellowship expenditures of \$4.5 million (19.8%). This reflects in part additional Federal awards of \$2.3 million, Success Scholarships of \$0.9 million, and work study funding of \$0.7 million.
- Increase in Instruction expenses of \$3.9 million (3.7%), related primarily to compensation increases.
- Increase in Operation and Maintenance of Plant expenses of \$3.6 million (17.2%), resulting from overall increases in costs of operations, including utilities, materials and supplies.

A graphical presentation of operating expenses (excluding depreciation and load administration) for fiscal years 2007, 2006, and 2005 is as follows:

Operating Expenses

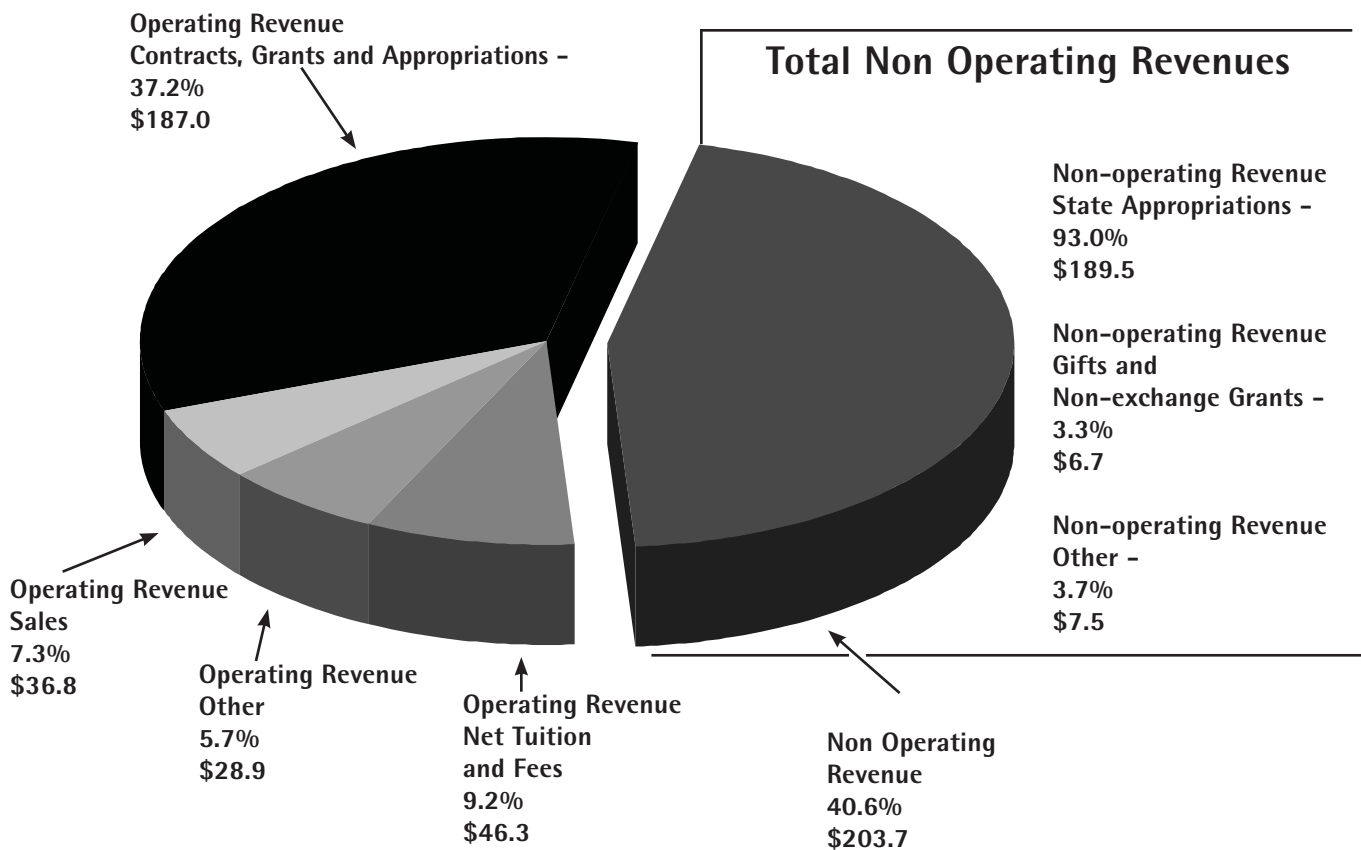
In Millions



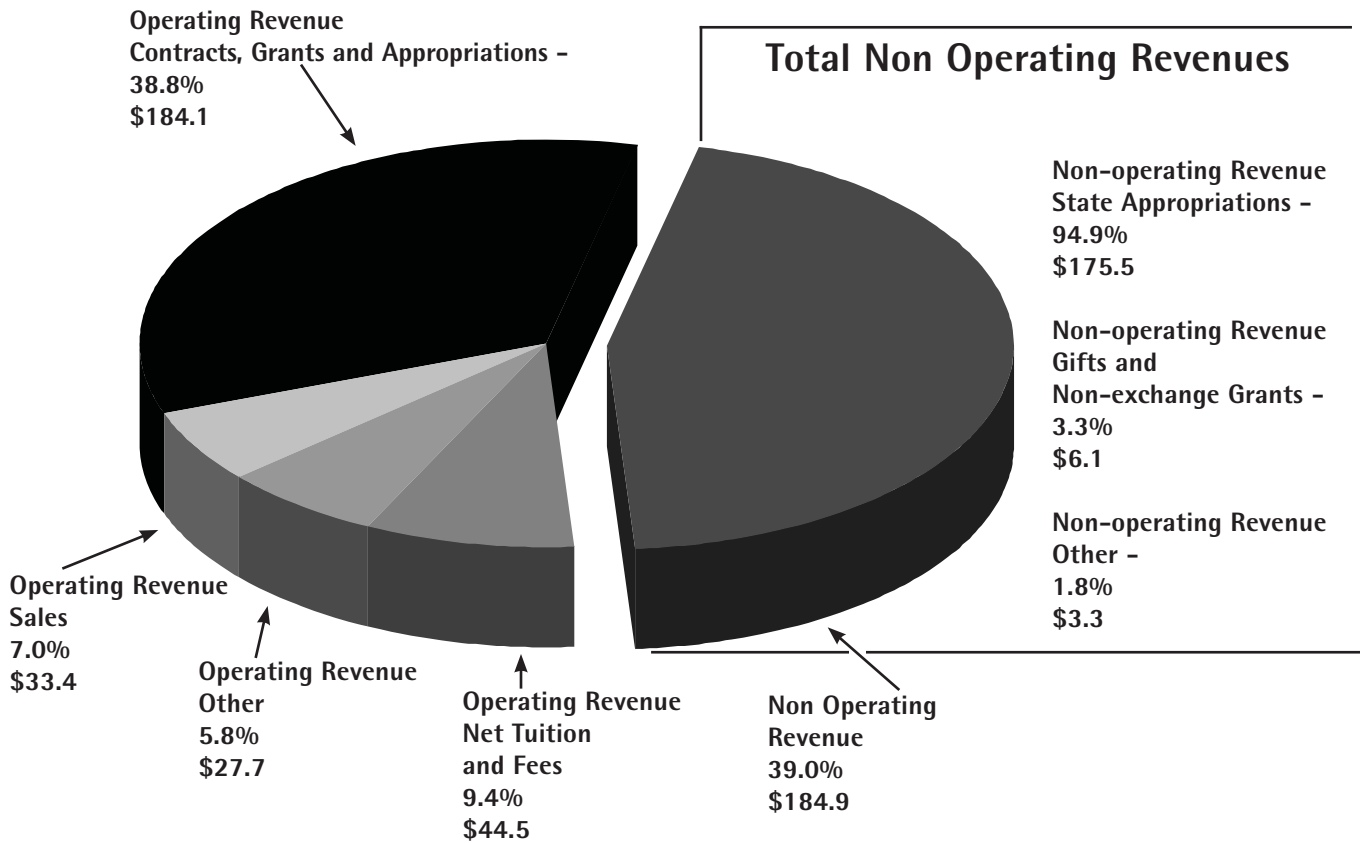
The Statement of Revenues, Expenses and Changes in Net Assets reflects a Loss Before Other Revenues, Expenses, Gains or Losses of \$11.8 million in 2007, a Loss Before Other Revenues, Expenses, Gains or Losses of \$10.5 million in 2006, and Loss before Other Revenues, Expenses, Gains or Losses of \$11.4 million in 2005.

The following graphs reflect the University's sources of revenue available to meet current operating costs for fiscal year 2007, 2006 and 2005.

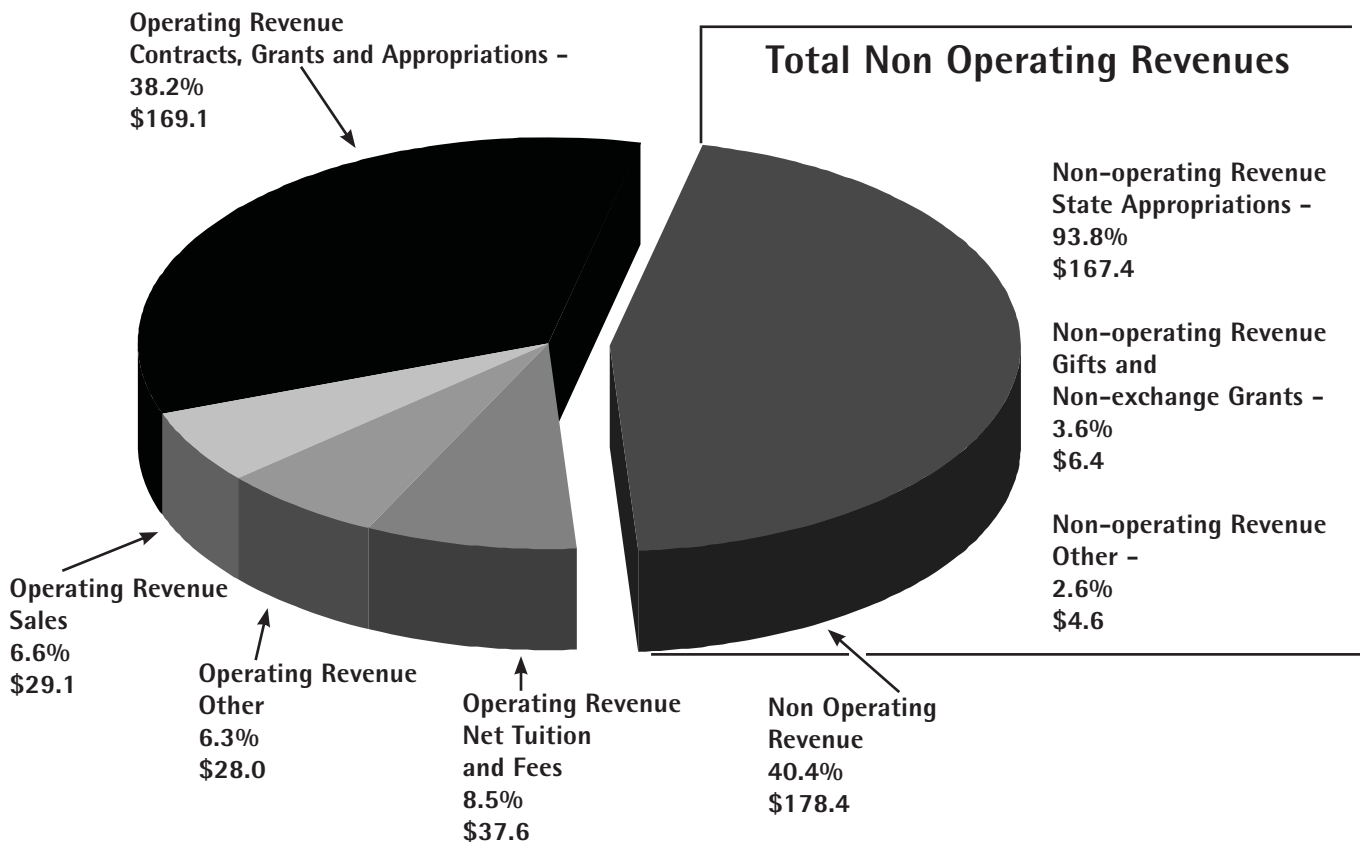
2007 Total Operating and Non-Operating Revenues



2006 Total Operating and Non-Operating Revenues



2005 Total Operating and Non-Operating Revenues



Capital Asset and Debt Administration

During the fiscal year 2007, the University continued to finalize projects funded by prior Revenue Bond issuances. The proceeds of these bonds continue to be used to purchase, erect, alter, remodel, expand, improve, repair, furnish and equip buildings, improvements and facilities for use by the University.

The increase in Net Capital Assets of \$40,500,000 recognized in fiscal year 2006 was primarily the result of the construction in progress (CIP) expenditures for two new Student Housing projects, the Pan America Center (Special Events and Athletic Arena) and Foster Hall (Biology Building). The total amount recorded as CIP for each of these projects respectively were \$17,700,000, \$15,400,000 and \$7,100,000. For the fiscal year ended June 30, 2007 the net increase in Capital Assets of \$22,500,000 resulted from the final capitalized construction costs for the Pan American Center and the Student Housing Projects of \$9,400,000 and \$7,100,000, respectively and the CIP expenditures for O'Donnell Hall (Education Building) of \$7,700,000. These increases were offset by the disposal of approximately 600 units of equipment due to technological and functional obsolescence having a net book value of \$1,100,000.

Budget Comparison

In comparing the total original budgeted revenue to the revised budgeted revenue for fiscal year 2007, there was an increase of approximately \$31.4 million, and a corresponding increase of approximately \$60.1 million in the revised budgeted expenditures. The most significant changes were anticipated increases in the use of capital funding, anticipated increases in federal, state and other grant and contract funding and anticipated increases in research expenditures.

A comparison of the actual revenue amounts to the revised budgeted revenues indicates total revenues earned were less than budget by approximately \$5,000 and actual expenditures were less than the revised budgeted expenditures by \$21.8 million. The two primary components of the variances for both revenue and expense were increases above budget in research funding and related expenses of \$11.9 and \$2.3 million respectively, and an increase in the use of capital funding for current projects of \$11.4 million. Because the university budgets capital projects in their entirety, multi-year projects may result in mismatches of budget to actual revenues and expenses in any one year. Total operating expense increases were within operating revenue increases, and all capital projects were within their respective multi-year budgets.

Economic Outlook

The University is not aware of any currently known facts, decisions, or conditions that are expected to have a significant effect on the financial position or results of operations during the 2007-2008 fiscal year beyond those unknown variations having a global effect on virtually all types of business operations.

The University's overall financial position is strong. Enrollment statistics for Fall 2007 indicate another increase and we are hopeful that the University's efforts to secure additional state funding to support growing academic programs and fixed operational costs, such as Risk Management, will be successful. The University continues to support a large sponsored awards base and anticipates another successful year. The University will maintain a close watch over resources to ensure the University's ability to react to unknown internal and external issues.

New Mexico State University

June 30, 2007

Statement of Net Assets

	<i>Primary Institution</i>	<i>Discrete Component Units</i>
ASSETS		
Current Assets		
Cash and Cash Equivalents	\$ 1,175,210	\$ 6,739,689
Cash and Cash Equivalents Held in Trust by Component Units for NMSU	1,932,771	1,932,771
Short-term Investments	111,100	450,423
Accounts Receivable, net	104,939,102	450,029
Due from Component Units	2,728,934	-
Inventories	3,984,953	32,847
Prepaid Expenses	1,656,788	107,395
Student Loans Receivable, net	15,819,955	-
Total Current Assets	132,348,813	9,713,154
Non-Current Assets		
Restricted Cash and Cash Equivalents	30,906,454	2,417,416
Investments Held by Others	51,984,086	1,917,790
Investments Held in Trust by Component Units for NMSU	38,256,084	38,256,084
Investments Held in Trust for Others	-	524,141
Other Long-term Investments	66,383,417	83,213,023
Prepaid Expenses and Other Assets	600,425	208,610
Capital Assets, net	358,394,872	496,943
Total Non-Current Assets	546,525,338	127,034,007
TOTAL ASSETS	678,874,151	136,747,161
LIABILITIES		
Current Liabilities		
Accounts Payable	25,430,509	428,907
Due to NMSU	-	2,728,934
Other Accrued Liabilities	18,223,397	1,439
Held in Trust for NMSU	-	1,932,771
Deferred Income	36,422,135	-
Long-term Liabilities - Current Portion	9,053,230	186,947
Total Current Liabilities	89,129,271	5,278,998
Non-Current Liabilities		
Accrued Interest Payable	1,453,740	-
Accrued Benefit Reserves	5,667,401	-
Held in Trust for NMSU	-	38,256,084
Other Long-term Liabilities	109,524,586	1,682,503
Total Non-Current Liabilities	116,645,727	39,938,587
TOTAL LIABILITIES	205,774,998	45,217,585
NET ASSETS		
Invested in Capital Assets, net of related debt	258,516,159	496,944
Restricted for:		
Non-Expendable:		
Endowments	74,309,313	61,588,767
Expendable:		
General Activities	3,819,003	24,205,604
Federal Student Loans	16,884,776	-
Capital Projects	14,802,396	-
Related Entity Activities	1,748,918	-
Unrestricted	103,018,588	5,238,261
TOTAL NET ASSETS	\$ 473,099,153	\$ 91,529,576

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

New Mexico State University

Statement of Net Assets

June 30, 2006

	<i>Primary Institution</i>	<i>Discrete Component Units</i>
ASSETS		
Current Assets		
Cash and Cash Equivalents	\$ 2,652,859	\$ 4,636,860
Cash and Cash Equivalents Held in Trust by Component Units for NMSU	2,196,089	2,196,089
Short-term Investments	268,579	360,478
Accounts Receivable, net	77,496,867	144,567
Due from Component Units	1,291,837	—
Inventories	4,024,585	34,237
Prepaid Expenses	1,304,792	70,239
Student Loans Receivable, net	15,662,918	—
Total Current Assets	104,898,526	7,442,470
Non-Current Assets		
Restricted Cash and Cash Equivalents	17,851,329	7,721,084
Investments Held by Others	41,087,588	1,812,051
Investments Held in Trust by Component Units for NMSU	30,499,990	30,499,990
Investments Held in Trust for Others	—	574,485
Other Long-term Investments	85,226,766	65,462,907
Prepaid Expenses	655,394	1,110
Capital Assets, net	335,857,451	758,931
Total Non-Current Assets	511,178,518	106,830,558
TOTAL ASSETS	616,077,044	114,273,028
LIABILITIES		
Current Liabilities		
Accounts Payable	16,733,167	234,923
Due to NMSU	—	1,291,837
Other Accrued Liabilities	18,854,778	1,743
Held in Trust for NMSU	—	2,196,089
Deferred Income	14,845,184	—
Long-term Liabilities - Current Portion	9,234,355	192,440
Total Current Liabilities	59,667,484	3,917,032
Non-Current Liabilities		
Accrued Interest Payable	1,276,496	—
Accrued Benefit Reserves	7,171,903	—
Held in Trust for NMSU	—	30,499,990
Other Long-term Liabilities	115,187,584	1,644,707
Total Non-Current Liabilities	123,635,983	32,144,697
TOTAL LIABILITIES	183,303,467	36,061,729
NET ASSETS		
Invested in Capital Assets, net of related debt	248,588,399	424,018
Restricted for:		
Non-Expendable:		
Endowments	57,809,523	52,428,023
Expendable:		
General Activities	5,445,116	20,005,980
Federal Student Loans	16,694,084	—
Capital Projects	14,768,223	—
Related Entity Activities	1,751,143	—
Unrestricted	87,717,089	5,353,278
TOTAL NET ASSETS	\$ 432,773,577	\$ 78,211,299

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

New Mexico State University
Statement of Revenues, Expenses and Changes
in Net Assets for the Year Ended June 30, 2007

	<i>Primary Institution</i>	<i>Discrete Component Units</i>
REVENUES		
Operating Revenues:		
Student Tuition and Fees (Gross)	\$ 67,702,728	\$ —
Less: Scholarship Allowances	(21,430,920)	—
Student Tuition and Fees (Net)	46,271,808	—
Federal Appropriations, Grants and Contracts	151,429,269	—
State Grants and Contracts	20,830,011	—
Local Appropriations, Grants and Contracts	7,081,334	—
Non-governmental Grants and Contracts	7,744,927	11,173,872
Sales and Services	36,860,300	4,336,606
Other Operating Revenues	28,871,076	—
Total Operating Revenues	299,088,725	15,510,478
EXPENSES		
Operating Expenses:		
Instruction	114,902,279	—
Research	123,543,668	—
Public Service	50,408,728	—
Academic Support	22,196,985	—
Student Services	14,693,173	—
Institutional Support	26,055,749	—
Operation and Maintenance of Plant	24,853,250	—
Scholarships and Fellowships	29,992,186	—
Auxiliary Enterprises	29,297,941	—
Independent Operations	18,647,704	—
Intercollegiate Athletics	14,433,637	—
Student Social and Cultural	3,233,008	—
Loan Administration	62,176	—
Depreciation	26,898,610	121,675
Other Operating Expenses	—	12,503,466
Total Operating Expenses	499,219,094	12,625,141
Net Operating (Loss) Income	(200,130,369)	2,885,337
Non-Operating Revenues (Expenses):		
State Appropriations	189,521,402	—
Gifts and Non-exchange Grants	6,687,539	—
Investment Income	7,479,939	6,157,014
Interest and Other Expenses on Capital Asset-Related Debt	(2,221,370)	—
Other Non-Operating Revenues (Expenses)	(13,106,452)	(60,822)
Net Non-Operating Revenues	188,361,058	6,096,192
Income (Loss) Before Other Revenues, Expenses, Gains or Losses	(11,769,311)	8,981,529
Capital Appropriations	15,081,606	—
Capital Grants, Gifts and Other Income	13,327,559	—
Building Fees	6,439,981	—
Loss on Disposal of Plant	(1,359,559)	—
Gain on Permanent Endowments	18,605,300	4,336,748
Increase in Net Assets	40,325,576	13,318,277
NET ASSETS		
Beginning of Year	432,773,577	78,211,299
End of Year	\$ 473,099,153	\$ 91,529,576

New Mexico State University

Statement of Revenues, Expenses and Changes in Net Assets for the Year Ended June 30, 2006

	<i>Primary Institution</i>	<i>Discrete Component Units</i>
REVENUES		
Operating Revenues:		
Student Tuition and Fees (Gross)	\$ 62,718,694	\$ —
Less: Scholarship Allowances	(18,196,401)	—
Student Tuition and Fees (Net)	44,522,293	—
Federal Appropriations, Grants and Contracts	148,890,917	—
State Grants and Contracts	21,188,798	—
Local Appropriations, Grants and Contracts	6,943,159	—
Non-governmental Grants and Contracts	7,111,669	10,889,482
Sales and Services	33,384,729	3,231,861
Other Operating Revenues	27,658,206	—
Total Operating Revenues	289,699,771	14,121,343
EXPENSES		
Operating Expenses:		
Instruction	109,603,220	—
Research	122,435,703	—
Public Service	43,058,862	—
Academic Support	22,547,154	—
Student Services	12,695,806	—
Institutional Support	23,933,338	—
Operation and Maintenance of Plant	24,360,697	—
Scholarships and Fellowships	27,281,736	—
Auxiliary Enterprises	26,740,332	—
Independent Operations	14,371,255	—
Intercollegiate Athletics	12,730,042	—
Student Social and Cultural	2,911,840	—
Loan Administration	383,354	—
Depreciation	24,895,782	120,038
Other Operating Expenses	—	9,341,408
Total Operating Expenses	467,949,121	9,461,446
Net Operating (Loss) Income	(178,249,350)	4,659,897
Non-Operating Revenues (Expenses):		
State Appropriations	175,461,442	—
Gifts and Non-exchange Grants	6,115,932	—
Investment Income	3,254,957	6,005,799
Interest and Other Expenses on Capital Asset-Related Debt	(3,058,861)	—
Other Non-Operating Revenues (Expenses)	(13,975,003)	(41,986)
Net Non-Operating Revenues (Expenses)	167,798,467	5,963,813
Income (Loss) Before Other Revenues, Expenses, Gains or Losses	(10,450,883)	10,623,710
Capital Appropriations	12,870,696	—
Capital Grants, Gifts and Other Income	11,183,126	—
Building Fees	5,368,077	—
Loss on Disposal of Plant	(1,145,053)	—
Gain on Permanent Endowments	5,897,037	(874)
Increase in Net Assets	23,723,000	10,622,836
NET ASSETS		
Beginning of Year	409,050,577	67,588,463
End of Year	\$ 432,773,577	\$ 78,211,299

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

New Mexico State University

Statement of Cash Flows For the Year Ended June 30, 2007

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

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

Statement of Cash Flows
For the Year Ended June 30, 2006

	<i>Primary Institution (As Restated See Note 16)</i>
Cash Flows from Operating Activities	
Tuition and Fees and Other Student Payments Received	\$ 61,595,873
Grants and Contracts Received	171,619,665
Payments to Suppliers	(98,022,860)
Payments for Travel	(14,358,969)
Payments to Employees and for Employee Benefits	(282,561,518)
Disbursement of Net Aid to Students	(52,010,887)
Receipts from Sales and Services	33,384,729
Other Operating Revenues	27,658,206
Net Cash Used by Operating Activities	<u>(152,695,761)</u>
Cash Flows from Non-Capital Financing Activities	
State Appropriations	175,461,442
Gifts for Other than Capital Purposes	5,419,214
Private Gifts for Endowment	4,426,074
Other Non-operating Expense	(11,355,201)
Net Cash Provided by Non-Capital Financing Activities	<u>173,951,529</u>
Cash Flows from Capital and Related Financing Activities	
Proceeds from Capital Debt	297,925
Capital Gifts, Grants and Contracts	19,985,618
Purchases/Construction/Renovation of Capital Assets	(62,027,430)
Principal Paid on Capital Debt and Leases	(12,436,064)
Bond Issuance Costs and Payments to Underwriter	(75,000)
Proceeds from Bond Issuance	10,283,836
Interest and Fees Paid on Capital Debt and Leases	(3,108,667)
Building Fees Received from Students	5,368,077
Net Cash Used by Capital and Related Financing Activities	<u>(41,711,705)</u>
Cash Flows from Investing Activities	
Proceeds from Sales and Maturities of Investments	46,304,987
Interest on Investments	4,164,467
Purchase of Investments	(19,407,424)
Realized Gain on Investments	740,264
Net Cash Provided by Investing Activities	<u>31,802,294</u>
Net Increase in Cash and Cash Equivalents	11,346,357
Cash and Cash Equivalents – Beginning of Year	9,157,831
Cash and Cash Equivalents – End of Year	<u>\$ 20,504,188</u>
Reconciliation of Operating Loss to Net Cash Used by Operating Activities:	
Operating Loss	\$ (178,249,350)
Adjustments to Reconcile Operating Loss to Net Cash Used by Operating Activities:	
Depreciation Expense	24,895,782
Change in Assets and Liabilities:	
Increase in Accounts Receivable	(24,766,099)
Increase in Prepaid Expenses	(8,825)
Decrease in Inventory	40,184
Increase in Loans Receivable	(375,284)
Increase in Accounts Payable	11,202,553
Increase in Other Accrued Liabilities	9,320,863
Increase in Deferred Revenue	5,244,415
Net Cash Used by Operating Activities	<u>\$ (152,695,761)</u>

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

New Mexico State University

Notes to Financial Statements

For the Years Ended June 30, 2007 and 2006

Note 1 – Organization

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

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

The “Discrete Component Units” referred to throughout the document consist of the New Mexico State University Foundation, Inc. (Foundation) and the Aggie Athletics Fund, Inc. (AAF). The Foundation is a not-for-profit corporation established to acquire and manage charitable gifts, including endowed funds, to be used solely for the benefit of the University. AAF is a not-for-profit corporation whose exclusive purpose is to promote the athletic endeavors of New Mexico State University.

Note 2 – Summary of Significant Accounting Policies

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

Under GASB 39 criteria, the New Mexico State University Foundation, Inc. and the Aggie Athletics Fund, Inc. are affiliated organizations that meet the criteria for discrete component unit presentation. Research Park Corporation, Arrowhead Center Inc. and Physical Science Institute, Inc. are component units which meet the criteria for blended presentation. The University and its blended component units are shown as the primary institution column in the financial statements. The component units have separately audited financial statements, which can be obtained at their separate administrative offices. Addresses for the component units are in Note 11.

During the fiscal year ended June 30, 2006, the University changed the capitalization threshold for movable chattel and equipment from its previous threshold of \$1,000 to \$5,000 in accordance with the State of New Mexico HB 1074 amending Section 12-6-10, NMSA 1978 which was enacted during the 2005 Regular Legislative Session effective July 1, 2005. As required by the state, all equipment capitalized at the \$1,000 threshold prior to July 1, 2005 remain included in Net Capital Assets on the Statement of Net Assets and will continue to be depreciated over the appropriate useful lives.

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

New Mexico State University

Notes to Financial Statements

For the Years Ended June 30, 2007 and 2006

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

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

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

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

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

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

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

Donor restricted endowment disbursements of the net appreciation of investments are permitted in accordance with the Uniform Management of Institutional Funds Act [46-9-1 to 46-9-12 NMSA], except where a donor has specified otherwise. The Investment Committee of the Foundation establishes a target investment allocation designed to support distributions from the Pool and to protect the purchasing power of the endowment principal. Distributions from the Pool are made available to the University entities that benefit from each individual endowment. The annual spending distribution is computed quarterly based on the average market value of a unit in the Pool for the preceding twelve quarters (three years). The Investment Committee of the Foundation sets the annual distribution rate, which must be, in accordance with agreements with endowment donors, between four and six percent of the average market value. In fiscal year 2005, the policy was amended to require the distribution to be at least four percent of the average market value of each fund. The distributions for the years ended June 30, 2007 and 2006, were four percent of the average market value.

New Mexico State University

Notes to Financial Statements

For the Years Ended June 30, 2007 and 2006

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

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

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

The charitable remainder trusts designate the Foundation as both trustee and remainder beneficiary. The Foundation is required to pay to the donor (or another donor-designated income beneficiary) either a fixed amount or the lesser of a fixed percentage of the fair market value of the trust's assets or the trust's income during the beneficiary's life. Trust assets are measured at fair value when received. A corresponding trust liability, included in Other Long-term Liabilities, is measured at the present value of expected future cash flows to be paid to the beneficiary. Upon death of the income beneficiary, substantially all of the principal balance passes to the Foundation to be used in accordance with the donor's wishes.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

New Mexico State University

Notes to Financial Statements

For the Years Ended June 30, 2007 and 2006

Income Taxes. The income generated by the University, as an instrumentality of the State of New Mexico, generally is excluded from federal income taxes under section 115(a) of the Internal Revenue Code.

However, taxes will be assessed at the normal corporate rates on income derived from business activities not substantially related to the University's exempt function (unrelated business income under Internal Revenue Code Section 511). Contributions to the University are deductible by donors as provided under Section 170 of the Internal Revenue Code.

The Foundation is exempt from federal income taxes under Internal Revenue Code section 501(c)(3). AAF is exempt from federal income taxes on related income pursuant to section 501(a). Income from activities that are unrelated to AAF's tax exempt purpose are taxable at normal federal corporate tax rates.

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

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

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

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

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

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

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

Budgetary Process. Operating budgets are submitted for approval to the Board of Regents, the New Mexico Higher Education Department (HED), and the New Mexico Department of Finance and Administration-State Budget Division (DFA). Similarly, budget requests are submitted to and approved by the Board of Regents, then forwarded to the HED and DFA. These state-level agencies develop consolidated funding recommendations for all higher education institutions which are considered for appropriation during the annual legislative sessions. The legal level of budgetary control is at the functional level, in accordance with NMAC 5.3.4.10. For fiscal year 2007, NMAC 5.3.4.10 was violated, resulting in line item unfavorable budget variances totaling \$22,719,021. Cash basis of accounting is used for budgetary comparison. If total expenditures by branch are expected to exceed the approved budget, the University is required to submit a Board of Regents approved budget adjustment request to the HED which is subsequently forwarded to the DFA. In accordance with House Bill 2, in general, unexpended state appropriations to the University do not revert at the end of each fiscal year. All state appropriations are accounted for separately in the accounting system.

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

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

Note 3 – Cash and Investments

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

The New Mexico State University Foundation, Inc. (the Foundation, see Note 11) invests endowment and similar funds for the benefit of the University under the terms of a revocable agreement. These assets are invested in a common pool and as of June 30, 2007 and 2006, the University owned 16,230,764 and 13,954,384 shares which represented 31.02% and 29.61% of the total shares in the pool, respectively. The fair value per share as of June 30, 2007 and 2006, was \$2.36 and \$2.19 respectively.

Cash. The University's deposits are in demand and time deposit accounts at local financial institutions. The University requires a minimum of 50 percent collateralization of all uninsured funds deposited with a financial institution, with the exception of overnight repurchase agreements, which require 102 percent collateralization. All collateral is held in third-party safekeeping in the name of the University. The majority of the total deposits were invested in interest bearing accounts at June 30, 2007 and 2006.

Investments. The Senior Vice President for Business, Finance and Human Resources, the Associate Vice President, the Controller and the Director of Treasury Services are authorized to purchase and to sell investments of the University. Investments are required to be made in a prudent manner so as to ensure an acceptable yield with a minimum risk within the guidelines of the University's investment policy, which requires investment in securities or other financial instruments which are not contrary to Section 6-10-10 and 46-9-1 through 46-9-12 NMSA 1978, existing bond covenants or other externally placed restrictions. At June 30, 2007 and 2006, certificates of deposit are categorized as described in the collateralization of deposits section of this note with all remaining investments being held in the name of the University by its agent, or held by the University. The investments not related to the Foundation consisted of certificates of deposit and U.S. Agency Securities at June 30, 2007 and 2006. The Foundation short-term investments in marketable securities consisted entirely of domestic stocks and bonds at June 30, 2007 and 2006.

Endowment investments of \$92,106,900 and \$72,188,628 at June 30, 2007 and 2006, respectively, represent longer term investments in debt and equity securities, including, but not limited to, pooled or common trust funds holding such types of securities, subject to any specific limitation set forth in the applicable gift instrument.

New Mexico State University

Notes to Financial Statements

For the Years Ended June 30, 2007 and 2006

At June 30, 2007 and 2006, the investments of the University and its component units consisted of the following:

	2007		2006	
	Weighted Average Maturity (Years)	Fair Value	Weighted Average Maturity (Years)	Fair Value
Primary Institution:				
U.S. Agency Securities	1.67	\$ 66,192,118	2.51	\$ 85,021,362
Certificates of Deposit	—	111,100	—	268,579
Corporate Stocks and Bonds		191,299		205,404
Pooled Cash and Investments Held by Others		90,240,171		71,587,578
Total Investments		<u>\$ 156,734,688</u>		<u>\$ 157,082,923</u>
Foundation:				
U.S. Government and Agency Securities		\$ 4,657,629		\$ 3,342,274
Corporate Stocks and Bonds		62,943,291		54,351,903
Alternative Investments		14,310,068		6,857,978
Other Investments		2,069,798		1,230,341
Cash and Investments Held by Others		1,917,790		1,812,051
Total Investments		<u>\$ 85,898,576</u>		<u>\$ 67,594,547</u>
AAF:				
Other Investments		<u>\$ 43,287</u>		<u>\$ 40,889</u>

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

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

Pooled Cash and Investments Held by the Discrete Component Units for the Primary Institution were composed of the following at June 30, 2007 and 2006:

	2007	2006
Primary Institution:		
Equities	78%	70%
Fixed Income	19%	19%
Cash and Cash Equivalents	3%	11%
	<u>100%</u>	<u>100%</u>

New Mexico State University
Notes to Financial Statements
For the Years Ended June 30, 2007 and 2006

Collateralization of Deposits. At June 30, 2007 and 2006, the recorded values of the Primary Institution's cash and time deposits with financial institutions were \$14,193,671 and \$7,485,864 respectively. Bank balances (which differ from the reported values due to reconciling items) are categorized as follows:

	2007	2006
Amount insured by the Federal Deposit Insurance Corporation	\$ 519,647	\$ 768,667
Amount collateralized with securities held by the pledging Financial Institution	17,853,334	8,693,347
Uncollateralized	-	1,731,988
Total Cash and Time Deposit Bank Balances	<u>18,372,981</u>	<u>11,194,002</u>
Time Deposits	(111,100)	(268,579)
Cash Equivalents	17,922,374	12,327,700
Other Reconciling Items	<u>(4,102,591)</u>	<u>(2,748,935)</u>
Total Reported Cash Balance	<u>\$ 32,081,664</u>	<u>\$ 20,504,188</u>

Deposit accounts and investments with reconciling items are detailed as follows:

Account	Type of Account	Bank Balance	Reconciling Items	Book Balance
Primary Institution				
Cash				
Bank of America				
Operational	General	\$ -	\$ (26,026)	\$ (26,026)
Repurchase Agreement	Repurchase	184,461	-	184,461
First National Bank of Alamogordo				
Operational	Checking	73,673	(10,460)	63,213
Operational	Debt Service	436,805	-	436,805
First New Mexico Bank				
Certificate of Deposit	Certificate of Deposit	100,000	(100,000)	-
East Texas National Bank				
Operational	Checking	43,651	-	43,651
Grants State Bank				
Operational	Checking	64,896	(2,137)	62,759
Wells Fargo Bank of New Mexico				
Operational	Checking	-	(4,431,805)	(4,431,805)
Operational	General	-	843,516	843,516
Operational	Payroll	-	(613,642)	(613,642)
Operational	Credit Card Deposits	-	126,637	126,637
Operational	Debt Service	2,550,755	-	2,550,755
Operational	Deposit	-	14,786	14,786
Operational	Cash Management	510,447	-	510,447
Repurchase Agreement	Repurchase	14,233,718	-	14,233,718
Western Commerce Bank of Carlsbad				
Operational	Checking	147,084	(3,460)	143,624
Operational	Deposit	16,391	-	16,391
Citizen's Bank of Las Cruces				
Certificate of Deposit	Certificate of Deposit	11,100	(11,100)	-
Federated Investment Manager				
Dividend Reinvestment	Money Market	<u>17,922,374</u>	<u>-</u>	<u>17,922,374</u>
Total Cash		<u>\$36,295,355</u>	<u>\$(4,213,691)</u>	<u>\$32,081,664</u>

New Mexico State University
Notes to Financial Statements
For the Years Ended June 30, 2007 and 2006

Deposit accounts and investments with reconciling items are detailed as follows:

Account	Type of Account	Bank Balance	Reconciling Items	Book Balance
Investments				
Morgan Keegan				
U.S. Agency Securities	Investment	\$ 44,230,400	\$ -	\$ 44,230,400
A.G. Edwards				
U.S. Agency Securities	Investment	1,980,490	-	1,980,490
Corporate Stocks and Bonds	Investment	30,088	-	30,088
FTN Financial				
U.S. Agency Securities	Investment	19,881,590	-	19,881,590
Eberhardt Memorial				
Corporate Stocks and Bonds	Investment	7,700	-	7,700
Principal Funds				
Corporate Stocks and Bonds	Investment	116,555	-	116,555
Franklin Templeton				
Corporate Stocks and Bonds	Investment	36,956	-	36,956
First New Mexico Bank				
Certificate of Deposit	Certificate of Deposit	100,000	-	100,000
Citizen's Bank of Las Cruces				
Certificate of Deposit	Certificate of Deposit	11,100	-	11,100
Department of the Treasury Bureau of the Public Debt				
U.S. Agency Securities	Investment	55,826	-	55,826
First Tennessee National Bank Association				
U.S. Agency Securities	Investment	43,812	-	43,812
New Mexico State Investment Council				
Permanent Land Fund	Investment	51,984,087	-	51,984,087
New Mexico State University Foundation, Inc.				
NMSU Endowments	Investment	<u>38,256,084</u>	<u>-</u>	<u>38,256,084</u>
Total Investments		<u>\$156,734,688</u>	<u>\$ -</u>	<u>\$156,734,688</u>

New Mexico State University
Notes to Financial Statements
For the Years Ended June 30, 2007 and 2006

Account	Type of Account	Bank Balance	Reconciling Items	Book Balance
Foundation				
Cash				
Wells Fargo Bank of New Mexico				
Operations	Checking	\$ 38,512	\$ (15,354)	\$ 23,158
Operations	Money Market	16,117	-	16,117
Program	ACH	10,322	-	10,322
Citizens Bank of Las Cruces				
Program	Checking	57,147	(8,713)	48,434
Program	Money Market	74,682	14,865	89,547
Merrill Lynch				
Operations	Checking	262,952	-	262,952
Operations	Money Market	244,337	-	244,337
Program	Checking	271,892	-	271,892
Program	Money Market	6,959,922	-	6,959,922
Reconciling year-end adjustment		-	(1,186,990)	(1,186,990)
Merrill Lynch Managers				
Venture Capital	Money Market	1,006,748	-	1,006,748
Wasatch	Money Market	921,323	-	921,323
Tradewinds NWQ	Money Market	591,148	-	591,148
McDonnell	Money Market	316,258	-	316,258
Earnest	Money Market	285,672	-	285,672
Armstrong Shaw	Money Market	259,735	-	259,735
Hedge Access	Money Market	218,150	-	218,150
NWQ	Money Market	181,661	-	181,661
Invesco REITS	Money Market	146,171	-	146,171
Chase	Money Market	126,332	-	126,332
Aletheia	Money Market	81,089	-	81,089
Alliance Bernstein	Money Market	66,246	-	66,246
Managed Futures	Money Market	11,591	-	11,591
Business College	Money Market	3,878	-	3,878
Oppenheimer	Money Market	366	-	366
Merrill Lynch (Designated) Cleared with interfund due to/from closing entries	Money Market	(716,307)	-	(716,307)
Reconciling year-end adjustment		-	(1,082,647)	(1,082,647)
Total Cash		<u>\$ 11,435,944</u>	<u>\$ (2,278,839)</u>	<u>\$ 9,157,105</u>
Investments				
Merrill Lynch				
U.S. Government and Agency Securities	Investment	\$ 4,657,629	\$ -	\$ 4,657,629
Corporate Stocks and Bonds	Investment	54,158,083	-	54,158,083
Mortgage-backed Securities	Investment	8,785,208	-	8,785,208
Limited Partnerships				
Alternative Investments	Investment	14,310,068	-	14,310,068
Real Estate Holdings				
Other Investments	Investment	2,069,798	-	2,069,798
Various Financial Institutions				
Other Investments	Investment	1,917,790	-	1,917,790
Total Investments		<u>\$ 85,898,576</u>	<u>\$ -</u>	<u>\$ 85,898,576</u>
AAF				
Investments				
Life Insurance Policy				
Other Investments		<u>\$ 43,287</u>	<u>\$ -</u>	<u>\$ 43,287</u>

New Mexico State University
Notes to Financial Statements
For the Years Ended June 30, 2007 and 2006

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

A summary of the investments at June 30, 2007 and their exposure to interest rate risk are as follows:

	Short/Long Term	Fair Value	Less than 1 Year	1-5 Years	6-10 Years	Greater than 10 years
Primary Institution:						
Agency Securities	Long Term	\$ 66,192,118		\$ 66,192,118		
Certificates of Deposits	Short Term	111,100	111,100			
Corporate Stocks and Bonds	Short Term	191,299	191,299			
Pooled Cash and Investments Held by Others	Long Term	<u>90,240,171</u>		<u>90,240,171</u>		
Total Investments		<u>\$156,734,688</u>	<u>\$ 302,399</u>	<u>\$156,432,289</u>		
Foundation:						
U.S. Government and Agency Securities	Long Term	\$ 4,657,629	\$ 552,395	\$ 2,042,836	\$ 2,062,398	
Corporate and Foreign Bonds	Short/Long Term	2,966,703	450,423	2,516,280		
Mortgage-backed Securities	Long Term	8,785,208		962,859	520,084	7,302,265
Cash and Investments Held by Others	Long Term	1,917,790	1,917,790			
Items not subject to interest rate risk:						
Corporate and Foreign Stocks	Not Aged	51,191,380	51,191,380			
Alternative Investments	Not Aged	14,310,068	14,310,068			
Other Investments	Not Aged	<u>2,069,798</u>	<u>2,069,798</u>			
Total Investments		<u>\$ 85,898,576</u>	<u>\$ 70,491,854</u>	<u>\$ 5,521,975</u>	<u>\$ 2,582,482</u>	<u>\$ 7,302,265</u>
AAF:						
Other Investments	Long Term	<u>\$ 43,287</u>		<u>\$ 43,287</u>		

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

New Mexico State University
Notes to Financial Statements
For the Years Ended June 30, 2007 and 2006

A summary of the investments at June 30, 2007 and their exposure to credit risk are as follows:

	Rating	Fair Value
Primary Institution:		
US Agency Securities	Moody's---Aaa	\$ 65,097,790
	Moody's---WR	994,690
	AAA	99,638
Certificates of Deposits	Federally Insured	111,100
Corporate Stocks and Bonds		
	Moody's---BA1/BB+	9,715
	Moody's---BBA1/BBB	10,145
	Not Rated	10,228
	Morning Star---5	36,956
	Not Rated	7,700
	Not Rated	116,555
Pooled Cash and Investments Held by Others	N/A	<u>90,240,171</u>
Total Investments		<u>\$ 156,734,688</u>
Foundation:		
U.S. Government and Agency Securities	Moody's Aaa	\$ 4,657,629
Corporate Bonds	Aa3	171,972
Corporate Bonds	A3	240,312
Corporate Bonds	A2	510,886
Corporate Bonds	A1	710,410
Corporate Bonds	Baa3	507,738
Corporate Bonds	Baa2	372,485
Corporate Bonds	Baa1	315,133
Corporate Stocks	Not Rated	34,190,368
Foreign Bonds	AAA	137,767
Foreign Stocks	Not Rated	17,001,012
Mortgage-backed Securities	Moody's Aaa	2,641,813
Mortgage-backed Securities	AAA	1,107,088
Mortgage-backed Securities	AAA	5,036,307
Alternative Investments	Not Rated	14,310,068
Other Investments (Real Estate, Note Receivable and CSV Life Insurance)	N/A	2,069,798
Cash and Investments Held by Others (Agency Securities)	AAA	39,218
Cash and Investments Held by Others (Certificates of Deposit and Real Estate)	N/A	<u>1,878,572</u>
Total Investments		<u>\$ 85,898,576</u>
AAF:		
Other Investments		<u>\$ 43,287</u>

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

New Mexico State University

Notes to Financial Statements

For the Years Ended June 30, 2007 and 2006

Custodial Credit Risk-Deposits. In the case of deposits, this is the risk that in the event of a bank failure, the University's deposits may not be returned to it. Neither the University, nor its discretely presented component units, the Foundation or AAF, have a deposit policy for custodial credit risk. As of June 30, 2007 and 2006, total bank balances of the University were \$18,261,881 and \$10,925,021 respectively. A portion of the balances were subject to custodial credit risk in Category 2 - uninsured and collateralized with securities held by the pledging financial institution - and Category 3 - uninsured and uncollateralized - as follows:

		June 30, 2007	June 30, 2006
Category 2		\$17,853,334	\$ 8,693,347
Category 3		\$ -	\$ 1,574,509

Custodial Credit Risk-Investments. For an investment, this is the risk that, in the event of the failure of the counterparty, the University will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. As of June 30, 2007 and 2006, the University's certificate of deposit balances were \$111,100 and \$268,579 respectively. A portion of these balances were subject to custodial credit risk in Category 2 - uninsured and collateralized with securities held by the pledging financial institution - and Category 3 - uninsured and uncollateralized - as follows:

		June 30, 2007	June 30, 2006
Category 2	\$	-	\$ -
Category 3	\$	-	\$ 157,479

Of the investment in corporate stocks and bonds, the University had no custodial credit risk exposure at June 30, 2007 or 2006.

Note 4 - Accounts Receivable

Accounts Receivable consists of the following at June 30, 2007 and 2006:

	2007	2006
Primary Institution:		
Student tuition and fees	\$ 19,959,856	\$ 15,795,057
Federal, State, and Private Grants and Contracts	94,479,709	69,456,823
Other	2,168,630	2,512,183
Cash and Cash Equivalents Held in Trust for NMSU	1,932,771	2,196,089
Due from Component Units	2,728,934	1,291,837
Less: Allowance for Doubtful Accounts	<u>(11,669,093)</u>	<u>(10,267,196)</u>
Net Accounts Receivable	<u>\$ 109,600,807</u>	<u>\$ 80,984,793</u>
Foundation		
Net Miscellaneous Accounts Receivable	<u>\$ 13,837</u>	<u>\$ 80</u>
AAF		
Net Miscellaneous Accounts Receivable	<u>\$ 436,192</u>	<u>\$ 144,487</u>

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

New Mexico State University
Notes to Financial Statements
For the Years Ended June 30, 2007 and 2006

Note 5 – Capital Assets

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

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

	Balance July 1 2006	Additions	Transfers	Retirements	Balance June 30 2007
Primary Institution:					
Capital Assets Not Being Depreciated					
Land and Land Improvements	\$ 9,948,079	\$ —	\$ —	\$ —	\$ 9,948,079
Construction in Progress	52,161,402	13,066,986	(48,237,587)		16,990,801
Software Implementation in Progress	4,682,583	—	(3,540,137)	—	1,142,446
Total Capital Assets Not Being Depreciated	<u>\$ 66,792,064</u>	<u>\$ 13,066,986</u>	<u>\$ (51,777,724)</u>	<u>\$ —</u>	<u>\$ 28,081,326</u>
Other Capital Assets					
Buildings	\$ 383,690,240	\$ 27,393,858	\$ 46,950,816	\$ (91,900)	\$ 457,943,014
Infrastructure	35,784,914	2,485,264	1,286,771	—	39,556,949
Equipment	118,989,462	5,629,757	—	(7,064,691)	117,554,528
Software	8,552,161	348,035	3,540,137	—	12,440,333
Library Books	49,764,295	1,871,690	—	(7,112)	51,628,873
Total Other Capital Assets	<u>596,781,072</u>	<u>37,728,604</u>	<u>51,777,724</u>	<u>(7,163,703)</u>	<u>679,123,697</u>
Less Accumulated Depreciation for:					
Buildings	(183,304,733)	(13,778,682)	—	22,975	(197,060,440)
Infrastructure	(23,954,727)	(1,405,878)	—	—	(25,360,605)
Equipment	(83,344,796)	(8,332,502)	—	5,774,057	(85,903,241)
Software	(2,305,102)	(1,247,987)	—	—	(3,553,089)
Library Books	(34,806,327)	(2,133,561)	—	7,112	(36,932,776)
Total Accumulated Depreciation	<u>(327,715,685)</u>	<u>(26,898,610)</u>	<u>—</u>	<u>5,804,144</u>	<u>(348,810,151)</u>
Other Capital Assets, Net	<u>\$ 269,065,387</u>	<u>\$ 10,829,994</u>	<u>\$ 51,777,724</u>	<u>\$ (1,359,559)</u>	<u>\$ 330,313,546</u>
Capital Asset Summary					
Capital Assets Not Being Depreciated	\$ 66,792,064	\$ 13,066,986	\$ (51,777,724)	\$ —	\$ 28,081,326
Other Capital Assets, at Cost	596,781,072	37,728,604	51,777,724	(7,163,703)	679,123,697
Total Cost of Capital Assets	<u>663,573,136</u>	<u>50,795,590</u>	<u>—</u>	<u>(7,163,703)</u>	<u>707,205,023</u>
Less Accumulated Depreciation	<u>(327,715,685)</u>	<u>(26,898,610)</u>	<u>—</u>	<u>5,804,144</u>	<u>(348,810,151)</u>
Capital Assets, Net	<u>\$ 335,857,451</u>	<u>\$ 23,896,980</u>	<u>\$ —</u>	<u>\$ (1,359,559)</u>	<u>\$ 358,394,872</u>
Foundation, Capital Assets					
Foundation, Capital Assets	\$ 332,159	\$ 102,554	\$ —	\$ (81,085)	\$ 353,628
Less Accumulated Depreciation	(170,728)	(56,675)	—	45,718	(181,685)
Capital Assets, Net	<u>\$ 161,431</u>	<u>\$ 45,879</u>	<u>\$ —</u>	<u>\$ (35,367)</u>	<u>\$ 171,943</u>
AAF, Capital Assets					
AAF, Capital Assets	\$ 650,000	\$ —	\$ —	\$ —	\$ 650,000
Less Accumulated Depreciation	(260,000)	(65,000)	—	—	(325,000)
Capital Assets, Net	<u>\$ 390,000</u>	<u>\$ (65,000)</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 325,000</u>

New Mexico State University

Notes to Financial Statements

For the Years Ended June 30, 2007 and 2006

Changes in capital asset balances for the year ended June 30, 2006, were as follows:

	Balance July 1 2005	Additions	Transfers	Retirements	Balance June 30 2006
Primary Institution:					
Capital Assets Not Being Depreciated					
Land and Land Improvements	\$ 9,948,079	\$ —	\$ —	\$ —	\$ 9,948,079
Construction in Progress	9,547,648	46,020,715	(3,297,962)	(108,999)	52,161,402
Software Implementation in Progress	2,929,866	1,752,717	—	—	4,682,583
Total Capital Assets Not Being Depreciated	<u>\$ 22,425,593</u>	<u>\$ 47,773,432</u>	<u>\$ (3,297,962)</u>	<u>\$ (108,999)</u>	<u>\$ 66,792,064</u>
Other Capital Assets					
Buildings	\$377,625,239	\$ 4,285,620	\$ 2,717,648	\$ (938,267)	\$ 383,690,240
Infrastructure	29,810,942	5,393,658	580,314	—	35,784,914
Equipment	120,655,619	6,437,030	(303,923)	(7,799,264)	118,989,462
Software	8,224,718	23,520	303,923	—	8,552,161
Library Books	48,082,584	1,684,935	—	(3,224)	49,764,295
Total Other Capital Assets	<u>584,399,102</u>	<u>17,824,763</u>	<u>3,297,962</u>	<u>(8,740,755)</u>	<u>596,781,072</u>
Less Accumulated Depreciation for:					
Buildings	(172,716,166)	(11,400,519)	—	811,952	(183,304,733)
Infrastructure	(22,741,080)	(1,213,647)	—	—	(23,954,727)
Equipment	(81,904,233)	(9,305,892)	66,065	7,799,264	(83,344,796)
Software	(1,379,763)	(859,274)	(66,065)	—	(2,305,102)
Library Books	(32,693,101)	(2,116,450)	—	3,224	(34,806,327)
Total Accumulated Depreciation	<u>(311,434,343)</u>	<u>(24,895,782)</u>	<u>—</u>	<u>8,614,440</u>	<u>(327,715,685)</u>
Other Capital Assets, Net	<u>\$272,964,759</u>	<u>\$ (7,071,019)</u>	<u>\$ 3,297,962</u>	<u>\$ (126,315)</u>	<u>\$ 269,065,387</u>
Capital Asset Summary					
Capital Assets Not Being Depreciated	\$ 22,425,593	\$ 47,773,432	\$ (3,297,962)	\$ (108,999)	\$ 66,792,064
Other Capital Assets, at Cost	584,399,102	17,824,763	3,297,962	(8,740,755)	596,781,072
Total Cost of Capital Assets	<u>606,824,695</u>	<u>65,598,195</u>	<u>—</u>	<u>(8,849,754)</u>	<u>663,573,136</u>
Less Accumulated Depreciation	<u>(311,434,343)</u>	<u>(24,895,782)</u>	<u>—</u>	<u>8,614,440</u>	<u>(327,715,685)</u>
Capital Assets, Net	<u>\$ 295,390,352</u>	<u>\$ 40,702,413</u>	<u>\$ —</u>	<u>\$ (235,314)</u>	<u>\$ 335,857,451</u>
Foundation, Capital Assets					
Less Accumulated Depreciation	(117,373)	(55,039)	—	1,684	(170,728)
Capital Assets, Net	<u>\$ 412,795</u>	<u>\$ (42,795)</u>	<u>\$ (207,500)</u>	<u>\$ (1,069)</u>	<u>\$ 161,431</u>
AAF, Capital Assets					
Less Accumulated Depreciation	(195,000)	(65,000)	—	—	(260,000)
Capital Assets, Net	<u>\$ 455,000</u>	<u>\$ (65,000)</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 390,000</u>

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

On November 14, 2004 water damage in the electrical and mechanical room for television broadcasting transmitters occurred from a roof leak during a rain storm. This resulted in permanent damage to the television transmitter, pulser, electronic filter, surge protector, and other related assets. The original cost of these assets were recorded at \$625,120, with accumulated depreciation of \$623,589 for a resulting net book value of \$1,531 at the time of the impairment. These assets were treated as disposals subsequent to the approval of the Board of Regents, in accordance with University policies and procedures. These items were covered with the University's Risk Management Insurance policy with the state. An insurance advance was received on April 12, 2005 in the amount of \$200,000 followed by a subsequent payment of \$99,000 on March 31, 2006 for total proceeds of \$299,000 as of June 30, 2007. The costs incurred as of June 30, 2007 to replace the assets have totaled \$813,925. In addition to assets, the Risk Management

New Mexico State University
Notes to Financial Statements
For the Years Ended June 30, 2007 and 2006

policy also includes related labor and business interruption costs that were incurred as a result of the outage. These costs have not yet been determined. This claim is still under evaluation and has not been settled. The Statement of Net Assets reflected an Accounts Receivable balance of \$516,046 and \$339,430 on June 30, 2007 and 2006, respectively, related to this claim. The university had no other significant asset impairments during the fiscal years ended June 30, 2006 or 2007.

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

Note 6 – Long Term Liabilities

The University did not have any outstanding short-term debt for the years ended June 30, 2007 and 2006.

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

Long-term liability activity for the Primary Institution and Discrete Component Units for the year ended June 30, 2007, was as follows:

	Balance July 1 2006	Additions	Reductions		Balance June 30 2007	Current Portion (due in 2008)
Primary Institution:						
Bonds and contracts payable:						
Revenue bonds payable	\$ 106,481,181	\$ –	\$ (5,463,964)		\$ 101,017,217	\$ 5,485,000
Contracts payable	737,563	89,566	(248,458)		578,671	233,577
Total bonds, contracts	<u>107,218,744</u>	<u>89,566</u>	<u>(5,712,422)</u>		<u>101,595,888</u>	<u>5,718,577</u>
Other Liabilities:						
Accrued compensated absences	16,960,917	4,740,356	(5,028,564)		16,672,709	3,334,653
Other	242,278	78,500	(11,559)		309,219	–
Total other liabilities	<u>17,203,195</u>	<u>4,818,856</u>	<u>(5,040,123)</u>		<u>16,981,928</u>	<u>3,334,653</u>
Total long-term liabilities	<u>\$ 124,421,939</u>	<u>\$ 4,908,422</u>	<u>\$ (10,752,545)</u>		<u>\$ 118,577,816</u>	<u>\$ 9,053,230</u>
	Balance July 1 2006	Additions	Reductions	Changes in Estimate	Balance June 30 2007	Current Portion (due in 2008)
Component Units:						
Foundation						
Gift annuities payable	\$ 1,450,639	\$ 116,206	\$ (140,952)	\$ 186,281	\$ 1,612,174	\$ 148,557
Payables under unitrusts	243,113	–	(14,155)	18,844	247,802	31,374
Total long-term liabilities	<u>\$ 1,693,752</u>	<u>\$ 116,206</u>	<u>\$ (155,107)</u>	<u>\$ 205,125</u>	<u>\$ 1,859,976</u>	<u>\$ 179,931</u>
AAF						
Notes payable	\$ 446,240	\$ –	\$ (76,138)	\$ –	\$ 370,102	\$ 81,620
Total long-term liabilities	<u>\$ 446,240</u>	<u>\$ –</u>	<u>\$ (76,138)</u>	<u>\$ –</u>	<u>\$ 370,102</u>	<u>\$ 81,620</u>

New Mexico State University

Notes to Financial Statements

For the Years Ended June 30, 2007 and 2006

Long-term liability activity for the Primary Institution and Discrete Component Units for the year ended June 30, 2006, was as follows:

	Balance July 1 2005	Additions	Reductions		Balance June 30 2006	Current Portion (due in 2007)
Primary Institution:						
Bonds and contracts payable:						
Revenue bonds payable	\$101,438,481	\$ 10,245,000	\$ (5,202,300)		\$106,481,181	\$ 5,350,000
Contracts payable	678,051	297,924	(238,412)		737,563	261,584
Total bonds, contracts	<u>102,116,532</u>	<u>10,542,924</u>	<u>(5,440,712)</u>		<u>107,218,744</u>	<u>5,611,584</u>
Other Liabilities:						
Accrued compensated absences	15,629,267	7,345,201	(6,013,551)		16,960,917	3,622,771
Other	141,659	100,619	-		242,278	-
Total other liabilities	<u>15,770,926</u>	<u>7,445,820</u>	<u>(6,013,551)</u>		<u>17,203,195</u>	<u>3,622,771</u>
Total long-term liabilities	<u>\$117,887,458</u>	<u>\$ 17,988,744</u>	<u>\$ (11,454,263)</u>		<u>\$124,421,939</u>	<u>\$ 9,234,355</u>
	Balance July 1 2005	Additions	Reductions	Changes in Estimate	Balance June 30 2006	Current Portion (due in 2007)
Component Units:						
Foundation						
Gift annuities payable	\$ 1,505,106	\$ 157,790	\$ (20,938)	\$ (191,319)	\$ 1,450,639	\$ 135,157
Payables under unitrusts	303,111	-	(25,110)	(34,888)	243,113	30,157
Total long-term liabilities	<u>\$ 1,808,217</u>	<u>\$ 157,790</u>	<u>\$ (46,048)</u>	<u>\$ (226,207)</u>	<u>\$ 1,693,752</u>	<u>\$ 165,314</u>
AAF						
Notes payable	\$ 173,391	\$ -	\$ (29,997)	\$ -	\$ 143,394	\$ 27,126
Total long-term liabilities	<u>\$ 173,391</u>	<u>\$ -</u>	<u>\$ (29,997)</u>	<u>\$ -</u>	<u>\$ 143,394</u>	<u>\$ 27,126</u>

Bonds Payable. On June 7, 2006, the University issued \$10,245,000 of series 2006 Improvement Revenue Bonds. The proceeds were used to offset project construction costs on the Foster Hall and Pan American Center projects. The proceeds were also used for Phase 3 and Phase 4 projects at the East Mesa Center and for other Housing costs. The bonds are payable solely from and secured by a pledge of and a first lien (but not an exclusive first lien) on pledged revenues from selected revenue sources of the University. The 2006 bond was issued on parity with previous outstanding issues and will mature on April 1, 2026. On the issuance date, the total debt service (principal and interest) for the new 2006 issue was \$15,784,829.

New Mexico State University
Notes to Financial Statements
For the Years Ended June 30, 2007 and 2006

Total University issued bonds and those outstanding on June 30, 2007 and 2006, excluding bonds issued by local governments on behalf of certain branch campuses (See Note 12), consisted of:

	Total Issued	Outstanding	
		2007	2006
Revenue and Improvement Revenue Bonds Series 1998, (3.95% - 5.00%) Final Maturity 2020	\$ 21,010,000	\$ 8,415,000	\$ 8,890,000
Revenue and Improvement Revenue Bonds Series 2001, (3.95% - 5.00%) Final Maturity 2021	9,210,000	6,990,000	7,410,000
Revenue and Improvement Revenue Bonds Series 2002 (2.00% - 5.00%) Final Maturity 2022	15,495,000	11,155,000	12,305,000
Refunding and Improvement Revenue Bonds Series 2003 (2.00% - 5.00%) Final Maturity 2023	28,495,000	24,520,000	26,185,000
Improvement Revenue Bonds Bonds Series 2004B (2.00% - 5.25%) Final Maturity 2025	42,275,000	39,205,000	40,440,000
Improvement Revenue Bonds Bonds Series 2006 (4.00% - 5.25%) Final Maturity 2026	<u>10,245,000</u>	<u>9,840,000</u>	<u>10,245,000</u>
Total Bonds Payable	126,730,000	100,125,000	105,475,000
Plus: Unamortized Net Premium	1,587,372	968,113	1,090,510
Less: Unamortized Loss on Refunding	<u>(169,759)</u>	<u>(75,896)</u>	<u>(84,329)</u>
Bonds Payable, net	<u>\$128,147,613</u>	<u>\$101,017,217</u>	<u>\$106,481,181</u>

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

The reserve requirement for each bond issue is an amount at least equal to the maximum debt service payment, 125% of the annual debt service on the bond or 10% of the principal amount of the bonds. Reserve account insurance policies have been issued to the University for each revenue bond issued. University administration believes that all bond covenants, as specified in the official statements of each bond issue, have been complied with at June 30, 2007 and 2006.

The bond interest expense incurred for the fiscal years 2007 and 2006 totals \$4,023,982 and \$3,209,724, respectively, net of interest income. Of these amounts, \$1,651,621 and \$1,024,064 were capitalized during fiscal years 2007 and 2006, respectively.

New Mexico State University

Notes to Financial Statements

For the Years Ended June 30, 2007 and 2006

Maturity requirements at June 30, 2007, on University issued bonds payable were as follows:

Year Ending June 30	Principal	Interest
2008	\$ 5,485,000	\$ 4,541,988
2009	5,710,000	4,329,288
2010	5,940,000	4,087,214
2011	6,180,000	3,847,156
2012	6,350,000	3,586,081
2013-2017	28,195,000	13,936,461
2018-2022	27,115,000	7,798,592
2023-2027	15,150,000	1,486,213
Total	<u>\$100,125,000</u>	<u>\$ 43,612,993</u>

Contracts Payable. The University has acquired various types of equipment under capital lease agreements. All lease agreements contain a fiscal funding clause, which allows the lease agreements to be canceled if funding for future periods is not appropriated. University administration believes that the likelihood of this occurrence is remote. The following tables detail the carrying value of assets acquired under these arrangements, the future minimum lease payments, the portion of the lease payments representing interest and the present value of the net minimum lease payments at June 30, 2007.

Type of Property	Asset Carrying Value	Net Present Value of Minimum Lease Payments
Office Equipment	\$ 942,927	\$ 424,088
Computer Equipment	10,710	1,883
Laboratory, Video and Other Equipment	222,076	152,700
Total	<u>\$ 1,175,713</u>	<u>\$ 578,671</u>

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

Year Ending June 30	Principal	Interest	Minimum Payments
2008	\$ 233,577	\$ 29,482	\$ 263,059
2009	149,524	16,353	165,877
2010	156,094	7,971	164,065
2011	33,721	1,262	34,983
2012	5,755	154	5,909
Total Minimum Lease Payments	<u>\$ 578,671</u>	<u>\$ 55,222</u>	<u>\$ 633,893</u>

New Mexico State University
Notes to Financial Statements
For the Years Ended June 30, 2007 and 2006

Note Payable. During fiscal year 2003, AAF, included in the Primary Institution financial statements as a discrete component unit, issued a note. This note is payable to the Foundation in the original sum of \$650,000. Interest is 7% per annum. This note is payable in equal monthly installments of \$8,129 commencing on December 10, 2002, and on the same day of each month thereafter until all principal and interest are paid in full. The note is secured by security agreements on the equipment purchased.

The Foundation holds this note as part of the Long-Term Investment pool in which the University is an investor. The portion of this note owned by the Foundation has been eliminated in the combination of the discrete component units, the Foundation and AAF. AAF entered into a separate direct financing arrangement in July 2003 for certain equipment for the benefit of the University and for software for AAF with a local financial institution. The principal and interest is payable monthly at an interest rate of 7.49% annum. The note is payable in equal monthly installments of \$625 commencing on November 3, 2003.

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

Year Ending June 30	Principal	Interest	Minimum Payments
2008	\$ 81,619	\$ 21,351	\$ 102,970
2009	82,518	17,530	100,048
2010	85,845	11,703	97,548
2011	92,052	5,498	97,550
2012	28,068	376	28,444
Total Minimum Note Payments	<u>\$ 370,102</u>	<u>\$ 56,458</u>	<u>\$ 426,560</u>

Note 7 – Health Insurance

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

Eligible retirees who have been enrolled in health insurance for a minimum of ten consecutive years prior to retirement may elect to continue health insurance coverage through the University's program. The University contributes to the premium of post-employment health care and life insurance benefits. The University contributes 60% of the premiums until the retiree reaches age 70 for retirees and their dependents, after which the retiree contributes 80%.

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

Estimates of claims payable and of claims incurred from the self-insured plan, but not reported at June 30, 2007 and 2006, are reflected as accounts and claims payable of the fund. The plan is funded to discharge liabilities of the fund as they become due.

New Mexico State University

Notes to Financial Statements

For the Years Ended June 30, 2007 and 2006

These liabilities are based on requirements of GASB Statement No. 10, which requires that a liability for claims is reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred as of the date of the financial statements and the amount of loss can be reasonably estimated.

Changes in the balances of claims liabilities during the fiscal year 2007 are as follows:

Fiscal Year	Beginning of Fiscal Year Liability	Curent Year Claims and Changes in Estimates	Claim Payment	End of Fiscal Year Liability
2007	\$ 532,406	\$ 4,236,567	\$ 4,768,973	\$ -
2006	\$ -	\$ 21,591,401	\$ 21,058,995	\$ 532,406

In addition to the direct claim liability of \$0 and \$532,406, respectively, a liability of \$4,376,346 and \$4,224,893 was accrued as of June 30, 2007 and 2006, respectively. This reserve approximates at least two months of claims.

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

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

Note 8 - Retirement Programs

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

A. Educational Retirement Act

Plan Description Substantially all of the University's eligible employees, except those who participate in the Alternative Retirement Plan described below, participate in a public employee retirement system authorized under the Educational Retirement Act (ERA) of the State of New Mexico (Chapter 22, Article 11 NMSA 1978). The Educational Retirement Board (ERB) is the administrator of the plan, which is a cost-sharing multiple-employer defined benefit retirement plan. The plan provides for retirement, disability benefits and cost-of-living adjustments to plan members and beneficiaries. ERB issues a separate, publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to ERB, P.O. Box 26129, Santa Fe, New Mexico 87502-1029.

Funding Policy Plan Members are required to contribute 7.75% of their gross salary. The University is required to contribute 10.15% of the gross covered salary. The contribution requirements of plan members and the University are established in Chapter 22, Article 11 NMSA 1978. The requirements may be amended by acts of the legislature. The University's contributions to the ERB for the years ended June 30, 2007, 2006 and 2005, were \$18,602,871, \$16,367,663 and \$14,140,891, respectively, which were equal to the amount of the required contributions for each year.

Return to Work Program Effective January 1, 2002, the ERB implemented a retiree Return-to-Work (RTW) program whereby the University is required to make regular (8.65%) employer contributions on eligible retiree wages. No contribution is required by the retiree. The University's contribution to the ERB for RTW program participants for the years ended June 30, 2007, 2006 and 2005, were \$180,251, \$123,977, and \$85,293, respectively, which were equal to the amount of the required contributions for each year.

B. Alternative Retirement Program

Plan Description The New Mexico Alternative Retirement Plan was established by amendment to Chapter 22, Article 11, Section 47-52. Certain faculty and professional staff hired on or after July 1, 1991, may elect

to participate in an alternative defined contribution retirement plan in lieu of participation in the ERA in accordance with policies stipulated by the Board of Regents. The two carriers approved by the ERB are the Teachers Insurance and Annuity Association/College Retirement Equities Fund and the Variable Annuity Life Insurance Company. Employees are allowed to transfer between carriers once each year.

Contributions Required Total payroll expenses covered by the Alternative Retirement Program (ARP) for the years ended June 30, 2007, 2006 and 2005, were \$26,872,405, \$25,567,543, and \$24,689,886, respectively. Employees under this plan contribute 7.675% of their gross salaries. The University is required to contribute 7.15% to the carrier and 3% to the ERB as an administrative fee. The 3% fee does not provide retirement benefits. Benefits are determined strictly by contributions made and earnings on contributions.

Vesting is immediate and benefits are distributed only as an annuity. The University's contributions for the years ended June 30, 2007, 2006 and 2005, were \$1,916,063, \$1,630,399, and \$1,396,003, respectively, for employees participating in the ARP. Additionally, \$806,172, \$768,461, and \$740,810, were paid as administrative fees to the ERB for the years ended June 30, 2007, 2006 and 2005, respectively; employees participating in the ARP made contributions totaling \$2,079,459, \$1,959,090, and \$1,877,806, respectively, for the same periods.

C. Federal Retirement Program

Plan Description Certain employees of the University working under the auspices of the United States Department of Agriculture (through various University sponsored extension programs) are covered under the Civil Service Retirement System (CSRS) or the Federal Employees Retirement System (FERS), established with the passage of Public Law 99-335. Both are defined benefit retirement plans. FERS is a three-tiered retirement plan (covering substantially all Federal employees hired subsequent to December 31, 1983) combining Social Security benefits with a basic benefit plan and a thrift savings plan. Employees hired prior to 1984 do not participate in Social Security, but have the ability to transfer to FERS at their own discretion. The CSRS and FERS are administered by the U.S. Office of Personnel Management, Retirement Operations Center, P.O. Box 45, Boyers, Pennsylvania 16017.

Contributions Required Employees covered by CSRS and FERS are considered Federal Employees and as such are obligated to contribute according to the guidelines of the Federal Government. For the years ended June 30, 2007 and 2006, there were 19 and 21 employees, respectively, enrolled under CSRS and 20 and 22 employees, respectively, enrolled under FERS. The University contributes 7.0% and employees contribute 7.0% under CSRS. The University contributes 10.7% and employees contribute 0.8% under FERS. For the fiscal years ended June 30, 2007, 2006 and 2005, the University contributed \$245,611, \$265,450, and \$291,033, respectively; employees contributed \$101,024, \$124,451, and \$142,261, respectively, under both plans.

Other Postemployment Benefits. The University does not participate in the Retiree Health Care Act (Act); however, the University provides a single-employer defined benefit plan for other postemployment benefits (OPEB) in addition to the pension benefits described above, including health care and life insurance, in accordance with stipulated policies as established by the Board of Regents, to all employees who retire from the University who have been enrolled in health and/or life insurance for a minimum of ten consecutive years prior to retirement. This plan is administered by the University. The University contributes to the premium of postemployment health care and life insurance benefits. For health insurance, the University contributes 60% of the premiums until the retiree reaches age 70, after which the retiree contributes 80%. For life insurance, the University contributes 100% of the premium on the first \$2,000 of coverage. Currently, 892 retirees meet these eligibility requirements for health insurance and 1,246 for life insurance. Other postemployment benefits are not advance-funded on an actuarially determined basis but instead are financed on a pay-as-you-go basis. Expenditures for OPEB cannot readily be separated nor reasonably estimated from expenditures for similar types of benefits provided to active employees and their dependents.

New Mexico State University

Notes to Financial Statements

For the Years Ended June 30, 2007 and 2006

Note 9 - Commitments

Capitalizable Project Commitments and Financing. Contracts have been entered into for the construction and renovation of various facilities. These projects are in various stages of completion. At June 30, 2007, the estimated remaining cost to complete these and other in-house construction and renovation projects was approximately \$85 million with an estimated completion date of February 2010. The remaining cost will be financed as follows:

Funding Sources	Approximate Amount
Revenue Bonds	\$ 12,806,911
General Obligation Bonds	37,492,666
Severance Tax Bonds	3,500,554
University Funds	13,803,985
State Funds	17,204,919
Gifts, Grants and Contracts	492,372
Total	<u>\$ 85,301,407</u>

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

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

Year Ending June 30	Minimum Payments
2008	\$ 1,299,321
2009	888,204
2010	510,867
2011	205,887
2012	9,200
Years After	<u>128,033</u>
Total Minimum Lease Payments	<u>\$ 3,041,512</u>

The following table indicates the total operating lease payments made during the years ended June 30, 2007 and 2006:

	2007	2006
Minimum Rentals	\$ 1,600,303	\$ 1,236,106
Contingent Rentals	40,853	43,955
Total Lease Payments	<u>\$ 1,641,156</u>	<u>\$ 1,280,061</u>

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

Other Commitments. At June 30, 2007, the University had issued purchase orders for materials and services which were not received, and thus are not reflected as liabilities in the accompanying Statement of Net Assets. The approximate amount of such commitments is \$22 million.

Note 10 – Contingent Liabilities

The University currently is a party to various litigation and other claims in the ordinary course of business. The University participates in the State of New Mexico Risk Management Program (Risk Management) which provides liability, medical malpractice, and physical damage insurance. The Risk Management program liability insurance coverage includes most employee liability claims; those claims falling outside this state program are covered under the University's liability self-insurance program. During the fiscal years ended June 30, 2007 and 2006, the University paid Risk Management \$3,524,337, and \$2,405,378 in insurance premiums, respectively. After conferring with legal counsel concerning pending litigation and claims, the University administration believes that the outcome of pending litigation should not have a material adverse effect on the financial position or operations of the University.

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

Note 11 – Component Units

The following entities support the University in accomplishing its various missions. The New Mexico State University Foundation, Inc. and the Aggie Athletics Fund, Inc. are discretely presented on the face of the financial statements, as prescribed by the Governmental Accounting Standards Board (GASB) Statement No. 14, The Reporting Entity, as amended by Statement No. 39, *Determining Whether Certain Organizations Are Component Units*. Both entities qualify as discretely presented according to Statement 14, paragraph 40a, because of the nature and significance of their relationship with the University. These relationships meet the direct benefit, access to economic resources and significance of resources criteria. All of the other component units are blended with the primary institution because NMSU either completely controls their activities or the entities provide services entirely, or almost entirely to NMSU.

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

	2007	2006
Capital Assets	\$ 171,943	\$ 161,431
Other Assets	136,131,366	113,839,066
Total Assets	<u>136,303,309</u>	<u>114,000,497</u>
Long-Term Liabilities	1,680,045	1,528,438
Other Liabilities	41,562,667	34,324,451
Total Liabilities	<u>43,242,712</u>	<u>35,852,889</u>
Invested in Capital Assets, Net of Related Debt	171,943	161,431
Restricted for Endowments	61,588,767	52,428,023
Restricted for General Activities	23,828,082	19,755,161
Unrestricted	7,471,805	5,802,993
Total Net Assets	<u>\$ 93,060,597</u>	<u>\$ 78,147,608</u>
Operating Revenues	\$ 12,136,882	\$ 11,875,228
Depreciation	(56,675)	(55,038)
Other Operating Expense	(7,600,158)	(7,189,941)
Non-Operating Revenue (Expense)	6,096,192	5,996,085
Gain (Loss) on Endowments	4,336,748	(874)
Increase in Net Assets	<u>\$ 14,912,987</u>	<u>\$ 10,625,460</u>

New Mexico State University

Notes to Financial Statements

For the Years Ended June 30, 2007 and 2006

The Aggie Athletics Fund, Inc. (AAF), previously the Aggie Scholarship Association, Inc. , is a non-profit corporation whose exclusive purpose is to promote the athletic endeavors of New Mexico State University. It is a discrete component unit of the University with financial information presented in a column combined with the New Mexico State University Foundation, Inc. in the primary institution's financial statements. Separate audited financial statements are prepared in accordance with the Financial Accounting Standards Board (FASB). AAF's address is: New Mexico State University Aggie Athletics Fund, Inc., MSC 3145, P.O. Box 30001, Las Cruces, NM 88003.

	2007	2006
Total Assets	\$ 804,479	\$ 575,376
Total Net Assets	\$ (1,531,021)	\$ 63,691
Total Revenues and Other Additions	\$ 3,373,596	\$ 2,246,206
Total Expenditures	\$ 4,968,308	\$ 2,248,830

The New Mexico State University Research Park Corporation (RPC) was organized pursuant to the provisions of the State of New Mexico University Research Park Act of 1989. Its purpose is to develop facilities, research institutes, testing laboratories, offices, light manufacturing, and related businesses which are suitable or necessary to promote the social welfare of the State of New Mexico through the advancement of education, science, economic development, and related purposes. On August 16, 1995, RPC issued Lease Revenue Bonds (Carlsbad Environmental Monitoring and Research Center), Series 1995, which the University has guaranteed as subordinate lien debt. The proceeds of the bonds funded the construction of a building located on land owned by the University adjacent to the branch campus in Carlsbad, New Mexico. Summary financial information as of June 30, 2007 and 2006, and for the fiscal years then ended follows:

	2007	2006
Total Assets	\$ —	\$ 31,733
Total Net Assets	\$ —	\$ 31,733
Total Revenues and Other Additions	\$ 10,083	\$ 15,183
Total Expenditures	\$ 41,816	\$ 34,691

Arrowhead Center, Inc., previously the New Mexico State University Technology Transfer Corporation, was organized pursuant to the provisions of the State of New Mexico University Research Park Act of 1989. Its purpose is to protect, license, and market intellectual property developed by faculty, staff, and students of the University, as well as members of the community, in order to further research and economic development for the State of New Mexico. Summary financial information as of June 30, 2007 and 2006, and for the fiscal years then ended follows:

	2007	2006
Total Assets	\$ 47,546	\$ —
Total Net Assets	\$ 4,066	\$ (78,641)
Total Revenues and Other Additions	\$ 425,416	\$ 82,592
Total Expenditures	\$ 342,709	\$ 131,336

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

New Mexico State University
Notes to Financial Statements
For the Years Ended June 30, 2007 and 2006

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

	2007	2006
Total Assets	\$ —	\$ 897,539
Total Net Assets	\$ —	\$ 835,399
Total Revenues and Other Additions	\$ 15,435	\$ 1,632,492
Total Expenditures	\$ 850,834	\$ 1,570,922

These entities were selected for inclusion based on criteria as set forth in GASB 14 and GASB 39. Complete financial statements for these component units can be obtained from each respective administrative office at the address listed above.

Note 12 – Branch Campus General Obligation Bonds

General Obligation bonds are issued by the branch campuses of the University for the purpose of securing funds for making capital improvements to branch campus facilities. The bonds are general obligations of the school districts in which the branch campuses reside and are payable solely out of general (ad valorem) taxes which are levied against all taxable property in each respective district. Taxes collected by the respective district's tax assessor are deposited in bank accounts for the purpose of servicing the debt and are reflected as cash in the University's Statement of Net Assets. At June 30, 2007 and 2006, the cash balances available to make the next semi-annual payments were \$436,805 and \$399,487, respectively for the Alamogordo branch and \$3,233,208 and \$3,106,748, respectively for the Dona Ana branch. The following table shows the future scheduled debt payments by branch (due semi-annually in August and February):

Year Ending June 30	Alamogordo Branch			Doña Ana Branch		
	Principal	Interest	Total	Principal	Interest	Total
2008	\$ 355,000	\$ 15,589	\$ 370,589	\$ 2,665,000	\$ 481,537	\$ 3,146,537
2009	200,000	4,200	204,200	2,365,000	445,382	2,810,382
2010	—	—	—	2,610,000	346,095	2,956,095
2011	—	—	—	1,600,000	246,194	1,846,194
2012	—	—	—	1,200,000	188,132	1,388,132
2013-2017	—	—	—	3,615,000	422,700	4,037,700
2018-2022	—	—	—	495,000	14,517	509,517
Total	<u>\$ 555,000</u>	<u>\$ 19,789</u>	<u>\$ 574,789</u>	<u>\$14,550,000</u>	<u>\$ 2,144,557</u>	<u>\$16,694,557</u>

New Mexico State University

Notes to Financial Statements

For the Years Ended June 30, 2007 and 2006

Note 13 – Natural Classification Operating Expenses

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

	2007		2006	
	Primary Institution	Component Units	Primary Institution	Component Units
Salaries:				
Faculty	\$ 71,568,952	\$ –	\$ 67,878,733	\$ –
Exempt Staff	97,877,512	1,352,233	91,438,618	1,219,503
Non-exempt Staff	42,997,565	259,788	42,834,410	234,864
Student/Graduate Assistant	27,090,769	55,299	26,122,573	43,966
Other Compensation	4,660,498	70,492	3,465,368	105,383
Total Salaries	<u>244,195,296</u>	<u>1,737,812</u>	<u>231,739,702</u>	<u>1,603,716</u>
Benefits	63,055,692	150,485	58,744,302	120,747
Termination Benefits	–	–	2,194,222	–
Travel	14,132,695	360,289	14,404,099	249,773
Scholarships and Fellowships	33,274,289	6,560	31,082,585	10,105
Utilities	14,956,029	138,054	14,937,373	25,154
Professional Fees	14,911,552	918,119	14,575,013	414,236
Supplies and Other Services	87,794,931	9,192,147	75,376,043	6,917,677
Depreciation	26,898,610	121,675	24,895,782	120,038
Total Operating Expenses	<u>\$ 499,219,094</u>	<u>\$ 12,625,141</u>	<u>\$ 467,949,121</u>	<u>\$ 9,461,446</u>

Note 14 – Termination Benefits

In October 2005, NMSU offered an incentive retirement program with the following eligibility requirements: All regular NMSU employees with at least five years of continuous service and eligible to retire under the Educational Retirement Account (ERA) Rules by July 1, 2006, (including participants with the New Mexico Alternative Retirement Program); and employees who hold positions funded from Instruction and General or regular recurring sources were eligible to participate.

Those employees who elected to retire under this program by June 30, 2006, received a one time cash incentive payment equal to three months of their base salary. Employees were responsible for any tax consequences related to the payment. In addition, the incentive pay is not included in the reportable earnings to the Educational Retirement Board (ERB).

All cash distributions related to the retirement incentive program were made on or prior to June 30, 2006. In total, 126 employees elected to retire with the incentive program for a total disbursement of \$1,700,597. In addition, related fringe benefit costs were incurred for a total of \$493,625. As all payments were distributed during the fiscal year ended June 30, 2006, no liabilities are recorded as of June 30, 2006, related to this incentive program. Other than the cash incentive distribution, no additional benefits were provided by NMSU or the Educational Retirement Account (ERA) beyond the standard eligible retirement benefits. No such payments were made in fiscal year 2007.

Note 15 – Dissolution of Component Units

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

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

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

Note 16 – New Accounting Standards

GASB Statement No. 45 (*Accounting, Reporting and Disclosure Requirements for Government OPEBs*) will be effective for the University as of fiscal year 2008. The University has not concluded its assessment of the impact of this standard.

*Combining Statement of Net Assets-
Primary Institution: Schedule 1a*

	New Mexico State University		Research Park Corporation		Arrowhead Center, Inc.	
	2007	2006	2007	2006	2007	2006
ASSETS						
Current Assets						
Cash and Cash Equivalents	\$ 1,127,664	\$ 2,281,268	\$ -	\$ 31,733	\$ 47,546	\$ -
Cash and Cash Equivalents Held in Trust by Component Unit for NMSU	1,932,771	2,196,089	-	-	-	-
Short-term Investments	111,100	18,579	-	-	-	-
Accounts Receivable, net	104,939,102	77,361,057	-	-	-	-
Due from Component Unit	2,728,934	1,291,838	-	-	-	-
Inventories	3,984,953	4,024,585	-	-	-	-
Prepaid Expenses	1,656,788	1,304,791	-	-	-	-
Loans Receivable, net	15,819,955	15,657,151	-	-	-	-
Total Current Assets	132,301,267	104,135,358	-	31,733	47,546	-
Non-Current Assets						
Restricted Cash and Cash Equivalents	30,906,454	17,851,329	-	-	-	-
Investments Held by Others	51,984,086	41,087,588	-	-	-	-
Investments Held in Trust by Component Unit for NMSU	38,256,084	30,499,990	-	-	-	-
Other Long-term Investments	66,383,417	85,226,766	-	-	-	-
Prepaid Expenses	600,425	655,394	-	-	-	-
Capital Assets, net	358,394,872	335,850,950	-	-	-	-
Total Non-Current Assets	546,525,338	511,172,017	-	-	-	-
TOTAL ASSETS	678,826,605	615,307,375	-	31,733	47,546	-
LIABILITIES						
Current Liabilities						
Accounts Payable	25,387,029	16,633,230	-	-	43,800	78,641
Other Accrued Liabilities	18,204,023	19,766,267	-	-	-	-
Deferred Income	36,422,135	14,493,472	-	-	-	-
Long-term Liabilities - Current Portion	9,053,230	9,234,355	-	-	-	-
Total Current Liabilities	89,066,417	60,127,324	-	-	43,800	78,641
Non-current Liabilities						
Accrued Interest Payable	1,453,740	1,276,496	-	-	-	-
Accrued Benefit Reserves	5,667,401	7,171,903	-	-	-	-
Other Long-term Liabilities	109,524,586	115,187,584	-	-	-	-
Total Non-Current Liabilities	116,645,727	123,635,983	-	-	-	-
TOTAL LIABILITIES	205,712,144	183,763,307	-	-	43,800	78,641
NET ASSETS						
Invested in Capital Assets, net of related debt	258,516,159	248,588,399	-	-	-	-
Restricted for:						
Nonexpendable:						
Endowments	74,262,793	57,809,523	-	-	46,520	-
Expendable:						
General Activities	3,819,003	5,445,116	-	-	-	-
Federal Student Loans	16,884,776	16,694,084	-	-	-	-
Capital Projects	14,802,396	14,768,223	-	-	-	-
Related Entity Activities	1,725,838	521,634	-	-	-	-
Unrestricted	103,103,496	87,717,089	-	31,733	(42,454)	(78,641)
TOTAL NET ASSETS	\$473,114,461	\$431,544,068	\$ -	\$ 31,733	\$ 4,066	\$ (78,641)

Physical Science Institute		Elimination Adjustments		Total Primary Institution	
2007	2006	2007	2006	2007	2006
\$ -	\$ 506,328	\$ -	\$ (166,470)	\$ 1,175,210	\$ 2,652,859
-	-	-	-	1,932,771	2,196,089
-	257,479	-	(7,479)	111,100	268,579
-	121,464	-	14,346	104,939,102	77,496,867
-	-	-	-	2,728,934	1,291,838
-	-	-	-	3,984,953	4,024,585
-	-	-	-	1,656,788	1,304,791
-	5,767	-	-	15,819,955	15,662,918
-	891,038	-	(159,603)	132,348,813	104,898,526
-	-	-	-	30,906,454	17,851,329
-	-	-	-	51,984,086	41,087,588
-	-	-	-	38,256,084	30,499,990
-	-	-	-	66,383,417	85,226,766
-	-	-	-	600,425	655,394
-	6,501	-	-	358,394,872	335,857,451
-	6,501	-	-	546,525,338	511,178,518
-	897,539	-	(159,603)	678,874,151	616,077,044
-	21,296	-	-	25,430,509	16,733,167
-	40,844	19,374	(952,333)	18,223,397	18,854,778
-	-	-	351,712	36,422,135	14,845,184
-	-	-	-	9,053,230	9,234,355
-	62,140	19,374	(600,621)	89,129,271	59,667,484
-	-	-	-	1,453,740	1,276,496
-	-	-	-	5,667,401	7,171,903
-	-	-	-	109,524,586	115,187,584
-	-	-	-	116,645,727	123,635,983
-	62,140	19,374	(600,621)	205,774,998	183,303,467
-	6,501	-	(6,501)	258,516,159	248,588,399
-	-	-	-	74,309,313	57,809,523
-	-	-	-	3,819,003	5,445,116
-	-	-	-	16,884,776	16,694,084
-	-	-	-	14,802,396	14,768,223
-	-	23,080	1,229,509	1,748,918	1,751,143
-	828,898	(42,454)	(781,990)	103,018,588	87,717,089
\$ -	\$ 835,399	(19,374)	\$ 441,018	\$473,099,153	\$432,773,577

*Combining Statement of Revenues,
Expenses, and Changes in Net Assets-
Primary Institution: Schedule 1b*

	New Mexico State University		Research Park Corporation		Arrowhead Center, Inc.	
	2007	2006	2007	2006	2007	2006
REVENUES						
Operating Revenues:						
Student Tuition and Fees (Gross)	\$ 67,702,728	\$ 62,718,694	\$ -	\$ -	\$ -	\$ -
Less: Scholarship Allowances	(21,430,920)	(18,196,401)	-	-	-	-
Student Tuition and Fees (Net)	46,271,808	44,522,293	-	-	-	-
Federal Appropriations, Grants and Contracts	151,429,269	148,890,917	-	-	-	-
State Grants and Contracts	20,830,011	21,188,798	-	-	-	-
Local Appropriations, Grants and Contracts	7,081,334	6,943,159	-	-	-	-
Non-governmental Grants and Contracts	7,744,927	7,111,669	-	-	-	-
Sales and Services	36,860,300	33,384,729	-	-	392,992	82,592
Other Operating Revenues	28,871,076	27,658,206	10,083	15,124	-	-
Total Operating Revenues	299,088,725	289,699,771	10,083	15,124	392,992	82,592
EXPENSES						
Operating Expenses:						
Instruction	115,514,188	110,037,403	-	-	-	-
Research	124,201,597	124,727,535	-	-	-	-
Public Service	50,677,178	43,236,794	-	-	-	-
Academic Support	22,315,194	22,636,119	-	-	-	-
Student Services	14,771,422	12,746,023	-	-	-	-
Institutional Support	26,160,406	23,980,853	-	-	-	-
Operation & Maintenance of Plant	24,985,605	24,456,488	-	-	-	-
Scholarships & Fellowships	30,151,909	27,460,939	-	-	-	-
Auxiliary Enterprises	29,453,966	26,862,998	-	-	-	-
Independent Operations	18,747,012	14,427,884	-	-	-	-
Intercollegiate Athletics	14,510,503	12,780,232	-	-	-	-
Student Social and Cultural	3,250,225	2,923,314	-	-	-	-
Loan Administration	62,177	383,354	-	-	-	-
Depreciation	26,898,610	24,895,782	-	-	-	-
Other Operating Expenses	-	-	9,392	8,562	342,709	131,336
Total Operating Expenses	501,699,992	471,555,718	9,392	8,562	342,709	131,336
Net Operating Income/(Expense)	(202,611,267)	(181,855,947)	691	6,562	50,283	(48,744)
Non-Operating Revenues (Expenses):						
State Appropriations	189,521,402	175,461,442	-	-	-	-
Gifts and Non-exchange Grants	6,687,539	6,115,932	-	-	-	-
Investment Income	7,479,939	3,254,957	-	59	-	-
Interest and Other Expenses on Capital Asset-Related Debt	(2,810,834)	(3,418,431)	-	-	-	-
Other Non-Operating Revenues/(Expenses)	(11,910,185)	(13,204,988)	(32,424)	(26,129)	32,424	-
Net Non-Operating Revenues/(Expenses)	188,967,861	168,208,912	(32,424)	(26,070)	32,424	-
Income Before Other Revenues, Expenses, Gains or Losses	(13,643,406)	(13,647,035)	(31,733)	(19,508)	82,707	(48,744)
Capital Appropriations	18,200,518	15,729,887	-	-	-	-
Capital Grants, Gifts and Other Income	13,327,559	11,183,126	-	-	-	-
Building Fees	6,439,981	5,368,077	-	-	-	-
Gain on sale of Land	-	-	-	-	-	-
Loss on Disposal of Plant	(1,359,559)	(1,145,053)	-	-	-	-
Gain on Permanent Endowments	18,605,300	5,897,037	-	-	-	-
Increase (Decrease) in Net Assets	41,570,393	23,386,039	(31,733)	(19,508)	82,707	(48,744)
NET ASSETS						
Beginning of Year	431,544,068	408,158,029	31,733	51,241	(78,641)	(29,897)
End of Year	\$ 473,114,461	\$431,544,068	\$ -	\$ 31,733	\$ 4,066	\$ (78,641)

Physical Science Institute		Elimination Adjustments		Total Primary Institution	
2007	2006	2007	2006	2007	2006
\$ -	\$ -	\$ -	\$ -	\$ 67,702,728	\$ 62,718,694
-	-	-	-	(21,430,920)	(18,196,401)
-	-	-	-	46,271,808	44,522,293
-	-	-	-	151,429,269	148,890,917
-	-	-	-	20,830,011	21,188,798
-	-	-	-	7,081,334	6,943,159
-	-	-	-	7,744,927	7,111,669
-	-	(392,992)	(82,592)	36,860,300	33,384,729
11,086	1,620,329	(21,169)	(1,635,453)	28,871,076	27,658,206
11,086	1,620,329	(414,161)	(1,718,045)	299,088,725	289,699,771
-	-	(611,909)	(434,183)	114,902,279	109,603,220
-	(657,929)	(537,929)	(2,291,832)	123,543,668	122,435,703
-	-	(268,450)	(177,932)	50,408,728	43,058,862
-	-	(118,209)	(88,965)	22,196,985	22,547,154
-	-	(78,248)	(50,217)	14,693,173	12,695,806
-	-	(104,657)	(47,515)	26,055,749	23,933,338
-	-	(132,355)	(95,791)	24,853,250	24,360,697
-	-	(159,723)	(179,203)	29,992,186	27,281,736
-	-	(156,025)	(122,666)	29,297,941	26,740,332
-	-	(99,308)	(56,629)	18,647,704	14,371,255
-	-	(76,866)	(50,190)	14,433,637	12,730,042
-	-	(17,217)	(11,474)	3,233,008	2,911,840
-	-	-	-	62,176	383,354
-	2,979	-	(2,979)	26,898,610	24,895,782
2,738	1,567,943	(354,839)	(1,707,841)	-	-
2,738	1,570,922	(2,835,737)	(5,317,417)	499,219,094	467,949,121
8,348	49,407	(2,421,576)	3,599,372	(200,130,369)	(178,249,350)
-	-	-	-	189,521,402	175,461,442
-	-	-	-	6,687,539	6,115,932
-	12,163	-	(12,222)	7,479,939	3,254,957
4,349	-	585,115	359,570	(2,221,370)	(3,058,861)
(848,096)	-	(348,171)	(743,886)	(13,106,452)	(13,975,003)
(843,747)	12,163	236,944	(396,538)	188,361,058	167,798,467
(835,399)	61,570	2,658,520	3,202,834	(11,769,311)	(10,450,883)
-	-	(3,118,912)	(2,859,191)	15,081,606	12,870,696
-	-	-	-	13,327,559	11,183,126
-	-	-	-	6,439,981	5,368,077
-	-	-	-	-	-
-	-	-	-	(1,359,559)	(1,145,053)
-	-	-	-	18,605,300	5,897,037
(835,399)	61,570	(460,392)	343,643	40,325,576	23,723,000
835,399	773,829	441,018	97,375	432,773,577	409,050,577
\$ -	\$ 835,399	\$ (19,374)	\$ 441,018	\$ 473,099,153	\$ 432,773,577

*Combining Statement of Net Assets-
Discrete Component Units:
Schedule 2a*

	New Mexico		Aggie		Elimination		Total Component	
	State University		Athletics Fund, Inc		Adjustments		Units.	
	2007	2006	2007	2006	2007	2006	2007	2006
ASSETS								
Current Assets								
Cash and Cash Equivalents	\$ 6,739,689	\$ 4,636,860	\$ -	\$ -	\$ -	\$ -	\$ 6,739,689	\$ 4,636,860
Cash and Cash Equivalents Held in Trust by								
Component Unit for NMSU	1,932,771	2,196,089	-	-	-	-	1,932,771	2,196,089
Short-term Investments	450,423	360,478	-	-	-	-	450,423	360,478
Accounts Receivable, net	13,837	80	436,192	144,487	-	-	450,029	144,567
Inventories	32,847	34,237	-	-	-	-	32,847	34,237
Prepaid Expenses	107,395	70,239	-	-	-	-	107,395	70,239
Total Current Assets	9,276,962	7,297,983	436,192	144,487	-	-	9,713,154	7,442,470
Non-Current Assets								
Restricted Cash and Cash Equivalents	2,417,416	7,721,084	-	-	-	-	2,417,416	7,721,084
Investments Held by Others	1,917,790	1,812,051	-	-	-	-	1,917,790	1,812,051
Investments Held in Trust by								
Component Unit for NMSU	38,256,084	30,499,990	-	-	-	-	38,256,084	30,499,990
Investments Held in Trust for Others	524,141	574,485	-	-	-	-	524,141	574,485
Other long term investments	83,530,363	65,724,863	43,287	40,889	(360,627)	(302,845)	83,213,023	65,462,907
Prepaid Expenses	208,610	1,110	-	-	-	-	208,610	1,110
Capital Assets, net	171,943	368,931	325,000	390,000	-	-	496,943	758,931
Total Non-Current Assets	127,026,347	106,702,514	368,287	430,889	(360,627)	(302,845)	127,034,007	106,830,558
TOTAL ASSETS	136,303,309	114,000,497	804,479	575,376	(360,627)	(302,845)	136,747,161	114,273,028
LIABILITIES								
Current Liabilities								
Accounts Payable	240,450	171,221	188,457	63,702	-	-	428,907	234,923
Due to Primary Institution	953,432	1,291,837	1,775,502	-	-	-	2,728,934	1,291,837
Other Accrued Liabilities	-	-	1,439	1,743	-	-	1,439	1,743
Held in trust for Primary Institution	1,932,771	2,196,089	-	-	-	-	1,932,771	2,196,089
Deferred Income	-	-	-	-	-	-	-	-
Long-term Liabilities - Current Portion	179,931	165,314	81,620	76,137	(74,604)	(49,011)	186,947	192,440
Total Current Liabilities	3,306,584	3,824,461	2,047,018	141,582	(74,604)	(49,011)	5,278,998	3,917,032
Non-current Liabilities								
Accrued Interest Payable	-	-	-	-	-	-	-	-
Held in Trust for Primary Institution	38,256,084	30,499,990	-	-	-	-	38,256,084	30,499,990
Other Long-term Liabilities	1,680,044	1,528,438	288,482	370,103	(286,023)	(253,834)	1,682,503	1,644,707
Total Non-Current Liabilities	39,936,128	32,028,428	288,482	370,103	(286,023)	(253,834)	39,938,587	32,144,697
TOTAL LIABILITIES	43,242,712	35,852,889	2,335,500	511,685	(360,627)	(302,845)	45,217,585	36,061,729
NET ASSETS								
Invested in Capital Assets, net of related debt	171,944	161,431	(35,627)	(40,258)	360,627	302,845	496,944	424,018
Restricted for:								
Nonexpendable:								
Endowments	61,588,767	52,428,023	-	-	-	-	61,588,767	52,428,023
Expendable:								
General Activities	23,828,082	19,755,161	377,522	250,819	-	-	24,205,604	20,005,980
Unrestricted	7,471,804	5,802,993	(1,872,916)	(146,870)	(360,627)	(302,845)	5,238,261	5,353,278
TOTAL NET ASSETS	\$ 93,060,597	\$ 78,147,608	\$ (1,531,021)	\$ 63,691	\$ -	\$ -	\$ 91,529,576	\$ 78,211,299

Combining Statement of Revenues,
Expenses, and Changes in Net Assets-
Discrete Component Units:
Schedule 2b

	New Mexico State University Foundation, Inc.		Aggie Athletics Fund, Inc.		Elimination Adjustments		Total Component Units.	
	2007	2006	2007	2006	2007	2006	2007	2006
REVENUES								
Operating Revenues:								
Non-governmental Grants and Contracts	\$ 11,173,872	\$ 10,889,482	\$ -	\$ -	\$ -	\$ -	\$ 11,173,872	\$ 10,889,482
Sales and Services	963,010	985,746	3,373,596	2,246,115	-	-	4,336,606	3,231,861
Total Operating Revenues	12,136,882	11,875,228	3,373,596	2,246,115	-	-	15,510,478	14,121,343
EXPENSES								
Operating Expenses:								
Depreciation	56,675	55,038	65,000	65,000	-	-	121,675	120,038
Other Operating Expenses	7,600,158	7,189,941	4,903,308	2,183,830	-	(32,363)	12,503,466	9,341,408
Total Operating Expenses	7,656,833	7,244,979	4,968,308	2,248,830	-	(32,363)	12,625,141	9,461,446
Net Operating Income/(Loss)	4,480,049	4,630,249	(1,594,712)	(2,715)	-	32,363	2,885,337	4,659,897
Non-Operating Revenues (Expenses):								
Investment Income	6,157,014	6,038,071	-	91	-	(32,363)	6,157,014	6,005,799
Other Non-Operating Revenues/(Expenses)	(60,822)	(41,986)	-	-	-	-	(60,822)	(41,986)
Net Non-Operating Revenues/(Expenses)	6,096,192	5,996,085	-	91	-	(32,363)	6,096,192	5,963,813
Income (Loss) Before Other Revenues, Expenses, Gains or Losses	10,576,241	10,626,334	(1,594,712)	(2,624)	-	-	8,981,529	10,623,710
Gain on Permanent Endowments	4,336,748	(874)	-	-	-	-	4,336,748	(874)
Increase (Decrease) in Net Assets	14,912,989	10,625,460	(1,594,712)	(2,624)	-	-	13,318,277	10,622,836
NET ASSETS								
Beginning of Year	78,147,608	67,522,148	63,691	66,315	-	-	78,211,299	67,588,463
End of Year	\$ 93,060,597	\$ 78,147,608	\$ (1,531,021)	\$ 63,691	\$ -	\$ -	\$ 91,529,576	\$ 78,211,299

New Mexico State University
 Combined Campuses
 Budget Comparison: Statement of Revenues, Expenses,
 and Changes in Net Assets/
 Adjusted Net Operating Expense FY2006-2007

Schedule 3

FOR AUDIT
 PURPOSES
 Final Budget vs
 Actuals Variance
 Favorable
 (Unfavorable)
 Dollars

Schedule 3A Unrestricted and Restricted-All Operations	Original Budget	Final Budget	Actuals	
Unrestricted and Restricted Revenue:				
State General Fund Appropriations	\$ 188,131,819	\$189,459,953	\$ 189,521,403	\$ 61,450
Federal Revenue Sources	142,152,825	153,748,839	165,601,244	11,852,405
Tuition and Fees	64,604,768	67,324,023	67,752,517	428,494
Endowment, Land and Permanent Fund	4,266,656	4,012,050	3,187,436	(824,614)
Private Gifts, Grants and Contracts	12,001,717	13,243,684	14,639,133	1,395,449
Other (Local Gov App, State G/C, Local G/C, Sales and Svc, Other	133,935,194	148,690,602	135,771,777	(12,918,825)
Total Unrestricted and Restricted Revenues	545,092,979	576,479,151	576,473,510	(5,641)
Cash Balance Budgeted	—	23,487,931	1,697,833	
Total Unrestricted and Restricted Revenues and Cash Balance Budgeted	545,092,979	599,967,082	578,171,343	
Unrestricted and Restricted Expenditures:				
Instruction	124,208,129	122,059,110	114,299,406	7,759,704
Academic Support	25,926,898	24,187,334	22,166,137	2,021,197
Student Services	5,519,702	14,225,045	14,819,435	(594,390)
Institutional Support	26,535,718	26,604,887	25,841,834	763,053
Operation and Maintenance of Plant	24,825,817	25,076,314	24,741,062	335,252
Research	114,784,300	132,163,013	134,468,575	(2,305,562)
Public Service	43,600,118	46,163,892	52,239,522	(6,075,630)
Auxiliary Service	30,174,466	33,108,658	32,899,958	208,700
Intercollegiate Athletics	14,212,000	14,418,280	14,397,344	20,936
Capital Outlay	38,116,863	64,792,584	53,401,379	11,391,205
Building Renewal and Replacement	12,747,931	12,471,000	6,422,008	6,048,992
Retirement of Indebtedness	10,280,813	10,172,829	10,117,133	55,696
Other	68,886,626	74,524,136	72,357,550	2,166,586
Total Unrestricted and Restricted Expenditures	539,819,381	599,967,082	578,171,343	\$ 21,795,739
Unrestricted and Restricted Net Transfers	—	—	—	
Change in Net Assets (Budgetary Basis)	\$ 5,273,598	\$ —	\$ —	

New Mexico State University
 Combined Campuses
 Budget Comparison: Statement of Revenues,
 Expenses, and Changes in Net Assets/
 Adjusted Net Operating Expense FY2006-2007

Schedule 3

FOR AUDIT
 PURPOSES
 Final Budget vs
 Actuals Variance
 Favorable
 (Unfavorable)
 Dollars

Schedule 3B Unrestricted-Non Instruction and General	Original Budget	Final Budget	Actuals	
Unrestricted Revenue:				
Tuition and Miscellaneous Fees	\$ 9,024,300	\$ 9,059,006	\$ 9,105,974	\$ 46,968
State Government Appropriations	44,909,200	45,206,167	45,267,629	61,462
Federal Government Contracts/Grants	—	100	436,629	436,529
Private Gifts and Contracts/Grants	39,500	14,780	1,739	(13,041)
Endowment, Land and Permanent Fund	—	—	—	—
Sales and Service	37,479,350	37,873,642	39,770,784	1,897,142
Other (Includes Capital Bonds, Capital G/C and Capital Gifts)	46,349,156	58,104,216	47,491,665	(10,612,551)
Total Unrestricted Revenues	<u>137,801,506</u>	<u>150,257,911</u>	<u>142,074,420</u>	<u>(8,183,491)</u>
Cash Balance Budgeted	<u>4,064,720</u>	<u>25,104,052</u>	<u>4,773,377</u>	
Total Unrestricted Revenues and Cash Balance Budgeted	<u>141,866,226</u>	<u>175,361,963</u>	<u>146,847,797</u>	
Unrestricted Expenditures:				
Student Social and Cultural	3,140,968	3,037,887	3,095,997	(58,110)
Research	31,627,800	34,096,713	28,089,468	6,007,245
Public Service	16,512,383	17,498,830	17,722,455	(223,625)
Internal Service	(56,784)	(992,493)	(344,283)	(648,210)
Student Aid, Grants & Stipends	4,156,263	4,431,091	4,905,409	(474,318)
Auxiliary Service	29,892,931	32,810,809	32,619,912	190,897
Intercollegiate Athletics	13,365,300	13,418,280	13,561,273	(142,993)
Independent Operations	13,450,980	15,004,905	15,066,666	(61,761)
Capital Outlay	38,116,863	64,792,584	53,369,016	11,423,568
Building Renewal and Replacement	12,747,931	12,471,000	6,422,008	6,048,992
Retirement of Indebtedness	10,280,813	10,172,829	10,117,133	55,696
Total Unrestricted Expenditures	<u>173,235,448</u>	<u>206,742,435</u>	<u>184,625,054</u>	<u>22,117,381</u>
Unrestricted Net Transfers	(31,369,222)	(31,380,472)	(37,777,257)	\$ 6,396,785
Change in Net Assets (Budgetary Basis)	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	

New Mexico State University
 Combined Campuses
 Budget Comparison: Statement of Revenues,
 Expenses, and Changes in Net Assets/
 Adjusted Net Operating Expense FY2006-2007

Schedule 3

FOR AUDIT
 PURPOSES

Final Budget vs
 Actuals Variance

Favorable

(Unfavorable)

Dollars

Schedule 3C

Restricted-Non Instruction and General

Restricted Revenue:

	Original Budget	Final Budget	Actuals	
Federal Government Appropriations	\$ 5,200,000	\$ 6,886,746	\$ 3,902,534	\$ (2,984,212)
State Government Appropriations	262,799	—	—	—
Local Government Appropriations	2,600,000	2,750,000	2,421,076	(328,924)
Federal Government Contracts/Grants	118,311,864	133,755,101	151,584,248	17,829,147
State Government Contracts/Grants	21,283,533	22,625,237	20,774,464	(1,850,773)
Local Government Contracts/Grants	177,000	1,494,325	102,757	(1,391,568)
Private Gifts, Contracts/Grants	9,510,717	11,392,204	12,165,584	773,380
Endowment, Land and Permanent Fund	1,115,456	1,610,250	526,048	(1,084,202)
Sales and Service	—	20,018	70,097	50,079

Other (Includes Capital Bonds, Capital
 G/C and Capital Gifts

	1,106,300	538,076	131,607	(406,469)
Total Restricted Revenues	159,567,669	181,071,957	191,678,415	10,606,458
Cash Balance Budgeted	—	—	—	
Total Restricted Revenues and Cash Balance Budgeted	159,567,669	181,071,957	191,678,415	

Restricted Expenditures:

Student Social and Cultural	60,420	59,871	100,363	(40,492)
Research	83,156,500	98,066,300	106,379,107	(8,312,807)
Public Service	27,087,735	28,665,062	34,517,067	(5,852,005)
Internal Service	118,733	114,382	98,172	16,210
Student Aid, Grants and Stipends	44,286,646	49,288,493	45,931,636	3,356,857
Auxiliary Service	281,535	297,849	280,046	17,803
Intercollegiate Athletics	846,700	1,000,000	836,071	163,929
Independent Operations	3,729,400	3,580,000	3,503,590	76,410
Capital Outlay	—	—	32,363	(32,363)

Total Restricted Expenditures	159,567,669	181,071,957	191,678,415	\$(10,606,458)
-------------------------------	-------------	-------------	-------------	----------------

Restricted Net Transfers

	—	—	—	
Change in Net Assets (Budgetary Basis)	\$ —	\$ —	\$ —	

New Mexico State University
 Combined Campuses
 Budget Comparison: Statement of Revenues,
 Expenses, and Changes in Net Assets/
 Adjusted Net Operating Expense FY2006-2007

Schedule 3

FOR AUDIT
 PURPOSES

Final Budget vs
 Actuals Variance

Favorable
 (Unfavorable)
 Dollars

Schedule 3D

Unrestricted-Instruction and General

Unrestricted Revenue:

	Original Budget	Final Budget	Actuals	
Tuition and Miscellaneous Fees	\$ 55,580,468	\$ 58,265,017	\$ 58,646,543	\$ 381,526
State Government Appropriations	142,959,820	144,253,786	144,253,774	(12)
Local Government Appropriations	4,097,279	4,156,279	4,496,514	340,235
Federal Government Contracts/Grants	305,050	304,520	48,239	(256,281)
State Government Contracts/Grants	—	9,948	—	(9,948)
Private Contracts/Grants	253,400	253,400	2,138	(251,262)
Endowment, Land and Permanent Fund	2,529,600	2,029,600	2,653,900	624,300
Sales and Service	276,900	277,820	480,139	202,319
Other	17,796,703	18,046,544	19,229,790	1,183,246

Total Unrestricted Revenues	<u>223,799,220</u>	<u>227,596,914</u>	<u>229,811,037</u>	<u>2,214,123</u>
-----------------------------	--------------------	--------------------	--------------------	------------------

Cash Balance Budgeted	<u>—</u>	<u>—</u>	<u>—</u>	
-----------------------	----------	----------	----------	--

Total Unrestricted Revenues and Cash Balance Budgeted	<u>223,799,220</u>	<u>227,596,914</u>	<u>229,811,037</u>	
--	--------------------	--------------------	--------------------	--

Unrestricted Expenditures:

Instruction	105,737,024	108,052,464	104,199,066	3,853,398
Academic Support	23,203,552	22,344,987	20,974,111	1,370,876
Student Services	4,873,246	12,955,907	13,730,223	(774,316)
Institutional Support	25,658,885	26,260,227	25,351,998	908,229
Operation and Maintenance of Plant	24,639,099	24,986,736	24,702,838	283,898
Total Unrestricted Expenditures	<u>184,111,806</u>	<u>194,600,321</u>	<u>188,958,236</u>	<u>5,642,085</u>

Unrestricted Net Transfers

	31,369,222	31,380,472	37,777,257	\$ (6,396,785)
--	------------	------------	------------	----------------

Change in Net Assets (Budgetary Basis)

	<u>\$ 8,318,192</u>	<u>\$ 1,616,121</u>	<u>\$ 3,075,544</u>	
--	---------------------	---------------------	---------------------	--

New Mexico State University
 Combined Campuses
 Budget Comparison: Statement of Revenues, Expenses,
 and Changes in Net Assets/
 Adjusted Net Operating Expense FY2006-2007

Schedule 3

FOR AUDIT
 PURPOSES
 Final Budget VS
 Actuals Variance
 Favorable
 (Unfavorable)
 Dollars

Schedule 3E Restricted-Instruction and General	Original Budget	Final Budget	Actuals	
Restricted Revenues:				
Federal Appropriations	\$ 844,139	\$ —	\$ —	\$ —
Federal Government Contracts/Grants	17,491,772	12,802,372	9,629,594	(3,172,778)
State Government Contract/Grants	2,768,973	2,794,497	747,329	(2,047,168)
Local Government Contract/Grants	—	—	1,138	1,138
Private Contracts/Grants	2,198,100	1,583,300	2,469,672	886,372
Endowment, Land and Permanent Fund	621,600	372,200	7,488	(364,712)
Sales and Service	—	—	52,601	52,601
Other	—	—	1,816	1,816
Total Unrestricted Revenues	23,924,584	17,552,369	12,909,638	(4,642,731)
Cash Balance Budgeted	—	—	—	—
Total Restricted Revenues and Cash Balance Budgeted	23,924,584	17,552,369	12,909,638	—
Restricted Expenditures:				
Instruction	18,471,105	14,006,646	10,100,340	3,906,306
Academic Support	2,723,346	1,842,347	1,192,026	650,321
Student Services	646,456	1,269,138	1,089,212	179,926
Institutional Support	876,833	344,660	489,836	(145,176)
Operation and Maintenance of Plant	186,718	89,578	38,224	51,354
Total Restricted Expenditures	22,904,458	17,552,369	12,909,638	4,642,731
Change in Net Assets (Budgetary Basis)	\$ 1,020,126	\$ —	\$ —	\$ —

New Mexico State University
 Combined Campuses Budget Comparison:
 Statement of Revenues, Expenses, and Changes in Net Assets/
 Adjusted Net Operating Expense FY2006-2007

Actuals Net Operating Income	\$ (1,697,833)
Adjustments Subsequent to Actuals Submission	(7,053,239)
Adjusted Actuals Net Operating Income	<u>(8,751,072)</u>
Financial Statement Net Operating Expense	<u>(200,130,369)</u>
Difference	<u>\$191,379,297</u>
GASB 35-only adjustments	
State Appropriations Classified as Non-Operating Revenues	\$189,521,402
Gifts, Grants and Contracts, Classified as Non-Operating Revenue	6,339,473
Current Fund Investment Income Shown as Non-Operating	5,566,709
Interest and Other Expenses on Capital Related Assets	(4,665,199)
Other Expenses Classified as Non-Operating	(12,130,610)
Capital Appropriations, Gifts, Grants and Contracts	28,381,665
Building Fees Classified as Non-Operating	6,439,981
Net Loan Fund Operating Activity	(62,094)
Depreciation Expense included in Operating Expense	(26,858,474)
Net Plant Fund Non-Operating Activity	(1,153,557)
Total Statement - Only Adjustments	<u>\$191,379,296</u>

Note: The final State Budget Adjustment Request for Restricted Funds may not reflect all restricted revenue for the year due to timing differences; all restricted expenses were within actual restricted revenues earned as of June 30, 2007

Pledged Collateral Requirements as of June 30, 2007

Schedule 4

Bank Balances

Account	Amount	Pledge Required	Safekeeping Location
BANK OF AMERICA Repurchase Agreement	\$ 184,461	\$ 188,150	Bankers Trust Company New York, New York
BANK OF AMERICA Cash	-	-	Federal Reserve Bank of Richmond Richmond, Virginia
CITIZEN'S BANK OF LAS CRUCES Cash - Foundation	\$ 131,829	-	The Independent Bankers Bank Dallas, TX
Certificates of Deposit--Endowment	\$ 11,100	-	
FIRST NATIONAL BANK OF ALAMOGORDO Cash	\$ 510,478	\$ 205,239	Federal Home Loan Bank Dallas, Texas
FIRST NEW MEXICO BANK Certificate of Deposit	\$ 100,000	-	
EAST TEXAS NATIONAL BANK - PALESTINE Cash	\$ 100,000	-	
GRANTS STATE BANK Cash	\$ 64,896	-	
MERRILL-LYNCH Cash - Foundation	\$ 7,739,103	-	
WELLS FARGO BANK OF NEW MEXICO Cash - Foundation	\$ 64,951	-	Federal Reserve Bank, Kansas City
Cash	\$ 3,061,202	\$ 1,480,601	
WELLS FARGO BANK OF NEW MEXICO Repurchase Agreement	\$14,233,718	\$14,518,392	
WESTERN COMMERCE BANK, CARLSBAD Cash	\$ 163,475	\$ 31,737	

Pledged Collateral Requirements as of June 30, 2007

Schedule 4

Type of Security	<i>Pledged Collateral by Financial Institution</i> CUSIP No. Security No.	Maturity Date	Amount
FNMA Bond	31385XJX6	08/01/2033	\$ 125,872
FNMA Bond	31385XA98	05/01/2003	\$ 62,278
			<u>\$ 188,150</u>
FNMA Pool 555424	31385XAZ0	05/1/2033	\$ 836,041
			<u>\$ 836,041</u>
None			-
			<u>-</u>
FHLMC Bond	31335HYJ6	09/01/2023	\$ 521,675
			<u>\$ 521,675</u>
None			-
			<u>-</u>
None			-
			<u>-</u>
None			-
			<u>-</u>
FNCL	31407H3H7	07/01/2036	\$ 565,624
FNCL	31407H3T1	06/01/2036	\$ 743,038
FNCL	31406YBS8	02/01/2036	\$ 340,333
FNCL	31409BV38	02/01/2036	\$ 107,160
FNCL	31409T5X2	12/01/2035	\$ 1,493,017
GNSF	36225BEV6	06/15/2029	\$ 221,909
			<u>\$ 3,471,081</u>
FNCL	871101	11/01/2036	\$ 14,973,189
			<u>\$ 14,973,189</u>
GNMA	876947	11/20/2029	\$ 52,865
GNMA	80581	02/20/2032	\$ 40,903
GNMA	8919	02/20/2022	\$ 157,504
GNMA	8121	01/20/2023	\$ 180,808
			<u>\$ 432,080</u>

Schedule of Expenditures of Federal Awards For the Fiscal Year Ended June 30, 2007

Name of Program/ Agency Name	Award Number	CFDA Number	Grant Code	Fund Number	Subrecipient Expenditures	Total Expenditures
Research and Development Cluster						
DEPARTMENT OF DEFENSE (DOD)						
	000-04-C-0172 US GOV	12.RD	GRP000972	800428	\$ -	\$ 1,226,018
	00004C0217 U.S. GOV	12.RD	GRP000990	800135	-	2,851
	W15QKN-05-D0022	12.431	GRP000533	800393	686,758	2,374,490
	536 DYNAMCL MDL TECH ONR HM15820S120	12.800	GRP000536	602617	-	122,429
	545 USOVP PHASE II FA9200-06-D-0020	12.800	GRP000545	603143	1,057,870	2,974,658
	ACE W913E5-06-C-0008	12.RD	GR0001765	602470	-	79,418
	AFIOT F4F5AL7031M001	12.800	GRP000585	801329	-	2,299
	ARL W9124Q06C0156	12.RD	GRP000578	801293	-	1,210,569
	ARL W9124Q06C0156	12.RD	GRP001578	801294	-	346,626
	ARMY RO W911NF-06-1-0441	12.431	GR0002034	602895	-	33,833
	ARO W911NF-06-1-0007 RECNRCT FLDS	12.431	GR0001423	601879	-	53,584
	ARO W911WF-06-1-0005	12.431	GR0001653	601934	-	112,185
	DAAB07-00-D-G504 DOD	12.431	GRP000747	800037	-	(246,138)
	DAAD07-00-C-0210	12.431	GRP000767	800045	464,436	1,668,676
	DAAD19-03-1-0104 DOD	12.431	GR0000120	600144	-	65,027
	DAAD19-03-1-0341ARMY	12.431	GR0000122	600146	46,176	46,176
	DAAD19-03-2-0038	12.431	GRP000942	800446	27,344	2,392,782
	DAAE30-01-C-1075ARMY	12.431	GRP000820	800047	-	847,349
	DAAE30-99-D-1013	12.431	GRP000719	800012	-	141,022
	DASCO1-03-G-0005 DOD	12.431	GRP000907	800307	-	27,376
	DATM05-01-C-0026 DOD	12.431	GRP000832	800348	983,597	14,051,414
	DOD W911NF-06-1-0487	12.431	GR0002057	602923	-	73,203
	F08635-03-C-0146	12.431	GRP000939	800087	310,288	614,953
	FA 95500510234 WFU	12.800	GR0000222	600821	-	10,703
	FA95500410197AFOS	12.800	GR0000150	602164	-	37,512
	FA9550-04-1-0392USAF	12.800	GR0000273	602235	24,190	239,602
	FA95500510267 USAF	12.800	GR0000152	600386	-	66,585
	HC 1047-05-C-4045 DISA	12.RD	GRP000529	800004	-	269,025
	HM1582-04-1-2029 NGA	12.630	GR0001116	600334	-	28,974
	INERTIA PROPS AFRL FA9550-06-1-0284	12.800	GR0001793	602503	-	20,218
	MCCULLOUGH IPA 230 AIR FORCE	12.RD	GRP000552	800448	-	172,413
	N00014-05-2-0001 ONR	12.RD	GR0001497	600968	-	(38,461)
	N63394-03-D-1126 DOD	12.300	GRP000916	800331	548,488	1,986,131
	NATL GEO INTELL AGENCY HM15820612036	12.630	GR0002082	602957	-	49,225
	NGA HM157105C0004	12.RD	GRP000541	800505	-	22,375
	NGA HM157105C0004	12.RD	GRP001541	800506	-	174,330
	NMA100-00C-0002 DOD	12.910	GRP000777	800229	-	(460)

**Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2007**

Name of Program/ Agency Name	Award Number	CFDA Number	Grant Code	Fund Number	Subrecipient Expenditures	Total Expenditures
Research and Development Cluster						
	PROJECT EMITS-W74V8H06C0042	12.431	GR0001969	602816	645,727	1,317,582
	SJC TASK 1 NNJ05JB02A	43.002	GR0001135	600112	-	(6,112)
	US ARMY 07-574	12.431	GRP000574	603142	-	90,859
	US GOVT 06 C 3052	12.RD	GRP000563	800470	-	148,268
	W15QKN-07-D-0006	12.431	GRP000592	801358	-	12,425
	W81XWH0420011 USMRAA	12.431	GR0000091	600081	5,567	83,684
	W81XWH0420011USAMRAA	12.431	GR0000107	602143	-	1,115
	W81XWH-06-2-0062	12.420	GR0002073	602945	-	43,376
	W9113M05D0001 ARMY	12.431	GRP000507	800495	900,000	2,319,218
	W911NF-06-1-0200/49455 CH H	12.431	GR0001865	602642	-	347,069
	W911NF-06-1-0492 ARMY	12.431	GR0002053	602917	-	29,570
Pass Through DOD						
Battelle	188450 BATTELLE DASG	12.RD	GRP000984	800126	-	(5,285)
Battelle	TCN 05061 BATTELLE	12.RD	GR0000118	600261	-	102,009
Blythe & Trousil Inc.	BLYTHE & TROUSIL SUB NO. 0001	12.431	GR0002233	603167	-	24,601
Concurrent Technology Corporation	050500140 CONCURRENT TECH	12.300	GRP000522	800231	-	4,951
Continuum Dynamics Inc	CD PO 06-930	12.800	GR0002107	602986	-	23,110
CSA Engineering Inc.	CSA ENG PO 50105	12.RD	GRP000588	801341	-	51,609
Defense Research Associates, Inc	53801 DRA PO 2005128	12.RD	GRP000538	800408	-	(928)
Defense Supply Service	DASW01-01-K-0003ARMY	12.RD	GR0000472	600496	-	(12,649)
Fibertek Incorporated	22405046493 FIBERTEK	12.RD	GR0000334	600897	-	10,951
Fibertek Incorporated	ENGINE EXHAUST FIBERTEK 224058-5026	12.RD	GR0001933	602760	-	13,787
Hamilton Sundstrand	PO 2673675 HAMILTON SUNDSTRAND	12.RD	GR0000647	601396	-	(7,472)
High Performance Technologies, Inc. (HPTi)	AHPCRC - HPTi	12.431	GR0002275	603273	-	49,656
Honeywell Technology Solutions Incorporated	PO SM0002632 HONEYWE	12.RD	GRP000997	800131	-	343
ICI,LLC	5000-001-TASK 4 ICI	12.RD	GR0000946	601489	-	6,702
MC Fuhrman and Associates LLC (MCFA)	MCFA URS0006-3-1	12.431	GR0002164	603067	-	57,272
Micro Analysis & Design Inc.	MAAD 8005.070.05 070 TASK 6	12.RD	GR0001834	602597	-	18,015
Micro Analysis & Design Inc.	MICRO ANALY & DESIGN	12.RD	GR0000473	601940	156,487	614,091
MicroSat Systems Inc	MICROSAT 06M-279	12.RD	GR0002061	602929	-	43,726
Mit-Lincoln Laboratory	MIT PO#3105882	12.RD	GRP000575	800503	-	24,972
Mit-Lincoln Laboratory	PO 3025791 MIT/LL	12.800	GRP000969	800119	-	837,057
Mit-Lincoln Laboratory	PO3011141 MIT/LL	12.800	GRP000957	800250	-	50,379
New Mexico Institute of Mining	SPACE STUDY PROJ. FA9453-04-03-0054	12.114	GR0001863	602638	-	45,521
Newtec New Mexico Technology Group	NEWTEC S52749	12.RD	GRP000593	801359	-	50,845
Newtec New Mexico Technology Group	PO#S29034 NEWTEC/DOD	12.RD	GR0001464	600803	-	(26,149)
Newtec-New Mexico Technology Group	NEWTEC S51156	12.RD	GRP000586	801338	-	130,270
Northrop Grumman	24215JM2S TRW SYSTEM	12.800	GRP000884	800302	-	(736)
Northrop Grumman	SSES-SC-01-079 NGIT	12.431	GRP000855	800068	-	241,484

Schedule of Expenditures of Federal Awards

For the Fiscal Year Ended June 30, 2007

Name of Program/ Agency Name	Award Number	CFDA Number	Grant Code	Fund Number	Subrecipient Expenditures	Total Expenditures
Research and Development Cluster						
Nukove Scientific Consulting	04-01 NSC	12.RD	GR0001559	601113	-	3,482
Nukove Scientific Consulting	05-01 NSC	12.RD	GR0001664	602224	-	31,711
Raytheon	PO#3010985 RAYTHEON	12.800	GRP000986	800128	-	(217)
Raytheon	RAYTHEON LC3016405REV A	12.RD	GRP000555	800467	-	50,736
Science Applications International Corporation	4400077896 SC APP	12.RD	GRP000946	800100	-	34,978
Science Applications International Corporation	SAIC 440014163	12.RD	GRP001589	801342	-	28,846
Science Applications International Corporation	SAIC SUBCONT #4400143909	12.RD	GR0002254	603229	-	7,840
Southern Research Institute	S-04001 STHRN RESRCH	12.431	GR0000136	602159	-	170,646
Space Vector	PO 046732 SVC	12.RD	GRP000528	800003	-	(38,508)
SRI International	SRI INTRNL NO. RTVGN-06-223	12.RD	GRP000557	800466	-	137,049
Texas A&M University	06/00 TASK9 TEXAS A & M	12.RD	GR0000609	601363	-	55,938
Texas A&M University	RIVER COORDNT DATABASE T012	12.RD	GR0001898	602847	-	25,481
TMC Design Corporation	GEO-BAND TMC SUBC0605	12.RD	GR0001940	602774	-	45,879
University of Dayton Research Institute	RSC06005	12.RD	GR0001821	602596	-	49,359
University of New Mexico	798014-8745 UNM	12.300	GRP000979	800123	-	(118)
University of New Mexico	798027-8745 UNM	12.RD	GR0001473	600849	-	(8,215)
University of New Mexico	798084-8745 UNM	12.RD	GR0001509	600995	-	184
University of New Mexico	798084-8745 UNM SCIENTIST	12.RD	GR0001084	601627	-	212,653
University of New Mexico	798096-8745 UNM PO#R0024446	12.002	GR0000963	601495	-	59,201
University of New Mexico	DTRA0103D0009UNMWAVR	12.RD	GR0001551	601105	-	(41,089)
University of New Mexico	UNM 798124-8745 DTRA	12.431	GRP000595	801371	-	436
University of New Mexico	UNM DTRA 798108-8745 WAIVER	12.RD	GR0001781	602487	-	251,654
ZETA Associates Inc	ZETA PO 06-0563	12.RD	GRP000553	800450	-	(1,964)
TOTAL DOD					5,856,928	39,110,120

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION (NASA)

540 SCE MOBILE LAB NASA NNG05GQ84G	43.RD	GRP000540	800417	-	309,829
CK#020090NASSMC/NASA	43.RD	GR0000919	600295	-	1,258
NAG3-2864 NASA	43.001	GR0000366	600390	-	157
NAG5-13189 NASA	43.001	GR0000364	600388	-	25,339
NAG9-1477	43.001	GR0000144	600168	-	19,208
NAS5-02087 NASA/GSFC	43.001	GRP000864	800221	-	(270)
NAS5-03003 NASA	43.RD	GRP000904	800223	6,950,818	17,285,587
NASA DML 06/08 NNG05GK56G	43.001	GR0001975	602822	-	210,815
NASA NAG5-5351 849 SUBORBTL COE	43.RD	GRP000849	800434	-	90,699
NASA NNX06AH09G	43.001	GR0002045	602908	-	5,284
NASG5-12123 NASA	43.001	GR0000162	600186	-	3,673
NGT5-40087 NMSGC	43.001	GR0000847	600889	-	(1,123)
NNG04GJ37G NASA	43.001	GR0000157	602167	-	8,921

Schedule of Expenditures of Federal Awards

For the Fiscal Year Ended June 30, 2007

Name of Program/ Agency Name	Award Number	CFDA Number	Grant Code	Fund Number	Subrecipient Expenditures	Total Expenditures
Research and Development Cluster						
	NNG05GB45G NASA	43.001	GR0001532	601063	-	33,949
	NNG05GB86G NASA	43.001	GR0001554	601108	29,444	466,769
	NNG05GE97H NASA	43.001	GR0000182	600374	147,640	496,123
	NNG05GK17G NASA	43.001	GR0001168	601719	-	712
	NNG05GK56G NASA	43.001	GR0001445	600727	-	(31,567)
Pass Through NASA						
Boston University	BU GC 194906	43.001	GR0001846	650338	-	5,658
California Institute of Technology-Jet Propulsion Laboratory	1257395 JPL	43.001	GR0000153	602166	-	22,253
California Institute of Technology-Jet Propulsion Laboratory	JPL 1276205	43.001	GR0001676	602302	-	18,520
California Institute of Technology-Jet Propulsion Laboratory	JPL 1290219	43.001	GR0002075	602947	-	2,304
California Institute of Technology-Jet Propulsion Laboratory	JPL 1293638	43.001	GR0002170	603078	-	4,099
California Institute of Technology-Jet Propulsion Laboratory	MARS RECON JPL 1282764	43.001	GR0001789	650320	-	6,797
Enterprise Advisory Services Inc	EASI PO 450181	43.002	GR0002098	602977	-	4,960
Enterprise Advisory Services Inc	EASI PO 451007	43.002	GR0002104	602983	-	11,133
Honeywell JSC White Sands Test Facility	PO NEN426014 HONEYWE	43.002	GRP000505	800140	-	(5,875)
Northrop Grumman	DO475551300 NORTHROP	43.002	GRP000517	800269	-	(303)
Northrop Grumman	PRC 024053-SC-99-003	43.002	GRP000687	800172	-	689,027
Satop Regional Development Corporation	RTA 1853 SATOP NASA	43.001	GR0000441	601315	-	(300)
Satop Regional Development Corporation	SATOP #2461	43.001	GR0002137	603030	-	2,000
Smithsonian Astrophysical Observatory	SMITHSONIAN TM6-7006X	43.001	GR0001708	602394	-	16,511
Space Telescope Science Institute	HST GO 09879.05A STSCI	43.001	GR0000151	600175	-	1,287
Space Telescope Science Institute	HST-AR-09521.02-A	43.001	GR0000128	600152	-	14,605
Space Telescope Science Institute	HST-AR-09943.01-A	43.001	GR0000131	600155	-	3,731
Space Telescope Science Institute	HST-GO 10190.02A STSI	43.001	GR0001523	601036	-	14,623
Space Telescope Science Institute	HST-GO-10248.04-A	43.001	GR0001500	600972	-	7,449
Space Telescope Science Institute	HST-GO-10249.01A STSI	43.001	GR0001622	601289	-	8,966
Space Telescope Science Institute	HSTGO-10432.07A STSCI	43.001	GR0000183	600151	-	3,819
Space Telescope Science Institute	HST-GO-10610.03-A STSCI	43.001	GR0000842	601467	-	22,564
Space Telescope Science Institute	HST-GO-10611.07-A STSCI	43.001	GR0000991	601507	-	4,853
Space Telescope Science Institute	HST-GO10644.01-A STSCI	43.001	GR0000993	601513	-	12,784
Space Telescope Science Institute	STSI HST-GO-10915.04-A	43.001	GR0002143	603038	-	6,074

Schedule of Expenditures of Federal Awards

For the Fiscal Year Ended June 30, 2007

Name of Program/ Agency Name	Award Number	CFDA Number	Grant Code	Fund Number	Subrecipient Expenditures	Total Expenditures	
Research and Development Cluster							
Texas Tech University	TEXAS TECH UNI 1314/C846-01	43.001	GR0002237	603178	-	19,807	
University Of California	SO138985 UCSC	43.001	GR0000129	600153	-	(4)	
University of Texas	PROYECTO ACCESS NASA/UTSA PA NM-4	43.001	GR0001949	602788	-	11,129	
	TOTAL NASA				<u>7,127,902</u>	<u>19,833,834</u>	
DEPARTMENT OF HEALTH AND HUMAN SERVICES (HHS)							
	1 K22 AI064193-01 NIH	93.856	GR0001001	601546	-	89,497	
	1HOCMS300043/01 HHS	93.779	GR0001309	601822	-	117,564	
	1P20NRO8352-01 HHS	93.361	GR0000947	601336	-	137,408	
	5456CA096286-04 NIH	93.397	GR0000327	650243	-	8,181	
	5-P20-RR016480-05 NIH	93.389	GR0000645	601387	839,392	962,386	
	5U56CA096286-03 NIH	93.361	GR0000737	602305	-	(100)	
	5U56CA096286-05 NIH NCI	93.397	GR0001857	602628	-	282,893	
	A153304-01 NIH	93.856	GR0000950	601347	-	(2)	
	AG023950-01A1 NIA	93.866	GR0001555	601109	-	32,792	
	DC003292-06 NIH	93.173	GR0000886	600270	-	94,897	
	DHHS 5U01FD001941-07	93.103	GR0002051	602914	-	86,519	
	GM008136-33 NIH SCORE-WAIVER	93.375	GR0002259	603239	-	298,842	
	GM07667 28 NIH	93.859	GR0000191	800398	-	(98)	
	GM08136-30 NIH/SCORE	93.375	GR0000731	602115	-	430	
	GM08136-31 NIH	93.375	GR0000205	600630	33,056	35,829	
	GM08136-31 S NIH	93.375	GR0001804	602535	17,981	540,013	
	GM08136-32 NIH SCORE	93.375	GR0001794	602504	23,246	1,940,934	
	GM08136-32S2 NIH SCORE	93.859	GR0001948	602785	10,143	391,206	
	GM08136-32SI NIH SCORE	93.375	GR0001917	602724	-	329,465	
	NIH BRE 5-P20 RR016480-07	93.389	GR0002234	603169	-	154,547	
	NIH BRE RR016480-06	93.389	GR0001919	602730	2,273,006	3,302,764	
	RR016480-05S1 NIH EQUIPMENT	93.389	GR0000990	601506	-	90,000	
Pass Through HHS							
Awwa Research Foundation	2986 AWWA RES FOUND	93.283	GR0000155	600179	-	350	
California State La University	Auxillary Services Inc	NMSU SLOVACEK 230060 YEAR 2	93.859	GR0001395	601857	-	12,191
California State La University	Auxillary Services Inc	NMSU-SLOVACEK-230060	93.859	GR0002099	602976	-	39,207
Central State University		03-12-156 FCVP	93.910	GR0001093	601646	-	22,027
Central State University		FCVP03-11-156 CSU	93.910	GR0001437	600694	-	(574)
Children Youth And Families Dept		0569050005033 CYFD	93.556	GR0000896	600279	-	238
Children Youth And Families Dept		0669050005007TITLE IVB SNM CYFD	93.556	GR0000429	650267	-	(27)
Food & Drug Administration		FD-U-001941 FDA	93.103	GR0001140	601687	-	17,906

Schedule of Expenditures of Federal Awards For the Fiscal Year Ended June 30, 2007

Name of Program/ Agency Name	Award Number	CFDA Number	Grant Code	Fund Number	Subrecipient Expenditures	Total Expenditures
Research and Development Cluster						
Latino Community Development Agency	LATINO COMM DEV AGEN	93.136	GR0000195	602189	-	24,552
Lovelace Respiratory Research Institute	JK040662 LOVELAC RRI	93.106	GR0000246	602221	-	6,678
New Mexico Human Services Department	GSA056308000003A1SNM	93.779	GR0001640	602707	902,654	920,581
Southern Research Institute	SRI/FIC S04-005	93.933	GR0001792	602502	-	17,879
University of New Mexico	OGAWA PASSIVE SAMP. BADGES	93.113	GR0001854	602622	-	12,299
University of New Mexico	UNM/NIMH 326T0/01/NMSU/JA	93.242	GR0001600	602814	-	101,809
	TOTAL HHS				<u>4,099,478</u>	<u>10,071,083</u>
DEPARTMENT OF AGRICULTURE (USDA)						
	00-52101-9770 USDA	10.302	GR0000839	650198	-	(23,171)
	02-JV-11221602-157	10.RD	GR0000654	600678	-	2,133
	03-JV-1121615-094USD	10.RD	GR0000359	600383	-	5,671
	03PA11030802033 USDA	10.652	GR0000661	600685	-	11,083
	04-8580-0800-CA USDA	10.RD	GR0000635	602039	-	(2,923)
	0497351216-GR USDA	10.025	GR0000058	600204	-	(705)
	04C-11020000-071USFS	10.914	GR0000611	650190	-	1,210
	05-CA-11244225-279 USFS	10.064	GR0001047	601598	-	11,378
	05-PA-11030802020 FS	10.RD	GR0001107	601657	-	1,909
	2001-36201-11449USDA	10.224	GR0000615	600639	-	1,391
	2002-34186-12385USDA	10.200	GR0000832	600860	35,096	56,022
	2002-35203-11614USDA	10.206	GR0000624	600648	-	(3,525)
	2002-38422-12144USDA	10.223	GR0000626	600650	-	(322)
	2003-34103-13757USDA	10.200	GR0000656	600680	-	(2,593)
	2003-34250-13279USDA	10.200	GR0000708	600732	-	(8,254)
	2003-34253-13434USDA	10.200	GR0000632	600656	-	46,211
	2003-34331-13117USDA	10.200	GR0000707	600731	-	(10,382)
	2003-34358-13129USDA	10.200	GR0000633	600657	1,250	876
	2003-34410-13096USDA	10.200	GR0000819	600843	-	12,272
	2003-35318-13701USDA	10.206	GR0000637	600661	-	(205)
	2003-38415-13979USDA	10.200	GR0000922	601225	34,140	39,473
	2004-34250-14732USDA	10.200	GR0000840	600219	-	20,050
	2004-34387-14452USDA	10.200	GR0000616	602036	-	124,243
	2004-35203-14717USDA	10.206	GR0000828	600205	-	19,069
	2004-35400-14194USDA	10.206	GR0000618	600642	36,203	54,450
	2004-38415-14556USDA	10.200	GR0000634	602038	161,119	329,004
	2005-04756 USDA	10.200	GR0000625	602037	70,866	78,813
	20053425315623 USDA CSREES	10.200	GR0000396	601298	-	96,121
	20053435815583 USDA	10.200	GR0000365	600957	30,000	94,780
	2005-34410-15637 USDA	10.200	GR0000406	601537	-	127,307

**Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2007**

Name of Program/ Agency Name	Award Number	CFDA Number	Grant Code	Fund Number	Subrecipient Expenditures	Total Expenditures
Research and Development Cluster						
	2005-35100-16268 USDA	10.206	GR0001052	601653	19,293	156,710
	2005-35101-15366USDA	10.006	GR0001564	601118	-	31,534
	2005-35102-16346 CSREES	10.206	GR0001007	601551	-	109,942
	2005-38415-16506 USDACSREES	10.200	GR0001139	601686	443,454	619,325
	2005-38422-15960 CSREES-NRI	10.223	GR0001004	601548	(2,022)	74,554
	2006-35205-16651 USDA/CSREES	10.206	GR0001681	602319	-	11,440
	4303AEK-480068 USDA	10.475	GR0001311	600470	-	7,232
	43-3AEK-5-80075 USDA	10.475	GR0001133	601682	-	22,596
	58-1907-3-360 USDA	10.001	GR0000659	650183	-	46,138
	58-6201-2-005 USDA	10.001	GR0001479	600872	-	(110)
	58-6201-2-005 USDA	10.001	GR0001480	600876	-	(11,294)
	58-6201-2-005 USDA-ARS	10.001	GR0001392	601852	-	3,506
	58-6235-0-028 USDA	10.001	GR0000658	600682	-	(5,558)
	58-6235-1-002 USDA	10.001	GR0000831	650199	-	(16,770)
	58-6235-3-010 USDA	10.001	GR0000695	600719	-	750,670
	58-6235-5-0022 USDA-ARS	10.001	GR0000390	650277	-	65,909
	58-6235-5-0024 USDA-ARS	10.001	GR0001090	601644	-	76,393
	58-6606-0-201 USDA	10.001	GR0000824	650192	38,190	(127,964)
	58-6606-5-246 USDA	10.001	GR0000966	601497	21,678	81,725
	59-5428-1-327 USDA	10.001	GR0000838	600870	-	5,232
	68-8C30-7-974 SCS	10.903	GR0001433	601619	-	64,397
	ADMINISTRATION	10.202	GR0000005	600009	-	26
	AMPHIBIAN REPRODUCTION	10.206	GR0001788	602496	-	55,747
	ANIMAL HEALTH FED APPN USDA	10.207	GR0002014	602873	-	15,629
	ANIMAL HEALTH FED APPRTN USDA	10.207	GR0001159	601714	-	1,940
	CSREES 2006-34387-16885	10.200	GR0001836	602599	-	4,244
	CSREES 2006-38415-17701	10.200	GR0002054	602918	884,359	884,359
	FY07 68 8C30-7-974 SCS	10.903	GR0002046	602909	-	167,473
	HATCH FED APPROP FY 07 USDA	10.203	GR0002015	602874	-	1,300,818
	HATCH FED APPROPRIATIONS	10.203	GR0000447	601715	-	461,220
	JOE SKEEN INSTITUTE	10.200	GR0000009	600340	-	12,243
	LM USDA ARS 59 5428 6 342	10.001	GR0001952	602790	-	67,255
	MCINTIRRE STENNIS FED APP USDA	10.200	GR0001161	601716	-	67,921
	MCINTIRRE STENNIS FED APPROP	10.200	GR0002016	602875	-	124,573
	MULTI STATE FED APPROP FY07	10.RD	GR0002017	602876	-	220,350
	MULTI-STATE FEDERAL APPROPRIATIONS	10.RD	GR0001163	601717	-	100,213
	NEMATODE RESISTANCE 2006-34250-1717	10.200	GR0001907	602713	-	111,429
	OIL RESOURCES	10.200	GR0001887	602669	-	194,587

Schedule of Expenditures of Federal Awards For the Fiscal Year Ended June 30, 2007

Name of Program/ Agency Name	Award Number	CFDA Number	Grant Code	Fund Number	Subrecipient Expenditures	Total Expenditures
Research and Development Cluster						
	PATHWAYS TO SUCCESS USDA 2006-38422	10.223	GR0001902	602699	180,000	191,230
	QLTY RESRCH/HATCH	10.203	GRODD0001	600001	-	29,426
	RANGELAND USDA 2006-34410-17411	10.200	GR0001914	602720	-	25,737
	TWO STREAM SYSTEMS	10.652	GR0001841	602606	-	27,098
	USAD/ARS 58-6201-2-005, T-6-62	10.001	GR0001734	602434	-	7,279
	USDA 06-C-11330144-092	10.652	GR0001889	602676	-	33,815
	USDA 06-JV-11221617-229	10.652	GR0002013	602872	-	616
	USDA 58-6235-7-031	10.001	GR0002071	602952	-	261,918
	USDA 58-6235-7-032	10.001	GR0002072	602951	-	7,715
	USDA APHIS PPQ 06-8100-1140-CA	10.200	GR0001981	602834	-	20,014
	USDA APHIS PPQ 07-8100-1140-CA	10.200	GR0002258	603234	-	555
	USDA ARS 5862012005 T662351120	10.001	GR0001424	601888	-	80,752
	USDA ERS 58300060049	10.250	GR0001972	602819	-	14,863
	USDA SCRIP 58-3148-5-153	10.961	GR0001658	602191	-	7,313
	USDA/CRESS 2006-34186-16976	10.200	GR0001885	602667	225,170	321,978
	USDA/CSREES 2006-34381-16959	10.200	GR0001878	602657	-	32,031
	USDA/REGNL BDGT CNTR	10.200	GREVEN006	600012	-	263
	USDA/REGNL BDGT CNTR	10.200	GRODD0006	600011	-	4,211
	USDA/SCREES 2006-38422-17071	10.223	GR0001915	602721	49,500	91,745
Pass Through USDA						
Bar Illan University Research Authority	Y410375 IALC 04R-22	10.200	GR0001536	601068	-	2,362
Children Youth And Families Dept	SNM CYFD 3143 SUMMER FOOD PROGRAM	10.558	GR0001951	602792	-	16,735
Cornell University	47038-7702 CORNELL	10.200	GR0001589	601257	-	41,115
FastDitch Inc	080105 FASTDITCH INC	10.901	GR0000638	601384	-	(29,864)
Hatch Valley Public Schools	QLTY RESRCH/HATCH	10.200	GR0000054	600006	-	18,213
La Jicarita Enterprise Community	LA JICARITA UPPER MORA H2OSHED	10.679	GR0002084	602960	-	3,658
La Jicarita Enterprise Community	MORA WTRSHD 2002-01	10.652	GR0000738	600762	-	21,323
New Mexico Pecan Growers	NM PECAN GROWERS	10.RD	GR0000736	600760	-	(21)
Risk Management Agency	05IE08310214 USDA FCIC RISK MNGMNT	10.450	GR0001374	601848	-	65,281
Southwestern Indian Polytechnic Institute	HRD-0000200 SIPI	10.221	GR0000668	602063	-	1,896
State of Arizona	KEYSTONE INDICATOR - TOOL FOR SEMID	10.200	GR0000452	601321	-	18,958
State of Arizona	U OF A Y452456	10.200	GR0002085	602961	-	2,850
State of Arizona	Y414465 UA	10.200	GR0000316	600822	45,000	76,094
Texas A&M University	570176 TX AG EXP STN	10.200	GR0000821	600845	-	33,702
Texas A&M University	570179 TEXAS A&M	10.200	GR0000729	600753	-	70,106
Texas A&M University	570262 TAES	10.500	GR0001015	601578	-	440,121
Texas A&M University	628001 TX A M	10.500	GR0001008	601557	-	7,109
Texas A&M University	TAMU TAEX 570346	10.200	GR0002004	602863	-	32,713
Tuskegee University	36-32091-130-62112 TUSKEGEE UNIV	10.224	GR0000089	600113	-	307

Schedule of Expenditures of Federal Awards For the Fiscal Year Ended June 30, 2007

Name of Program/ Agency Name	Award Number	CFDA Number	Grant Code	Fund Number	Subrecipient Expenditures	Total Expenditures
Research and Development Cluster						
University Of California	00RA6835-NM U. CALIF	10.303	GR0000784	600808	-	(1)
University Of California	012317-02 UNIV CAL	10.200	GR0001548	601102	-	11,891
University Of California	K007797-09 UNIV CALF	10.303	GR0000753	600777	-	2,770
University Of California	SA6798 UNIV OF CAL	10.200	GR0000675	602074	-	3,342
University Of California	UC DAVIS 06002102-01	10.200	GR0002029	602888	-	3,313
University Of California	UCSB KK6123	10.206	GR0001818	602577	-	22,927
University Of California	UNIV OF CALIF 016758-02	10.200	GR0002267	603263	-	1,034
University Of California	WESTERN REGION IR-4	10.200	GR0001726	602422	-	38,232
University of Connecticut	U CONN SUB AGRMNT	10.206	GR0001468	600824	-	66,274
University of New Mexico	UNM063006-8745 EPSCOR NMDA	10.RD	GR0001745	602451	-	4,106
	TOTAL USDA				<u>2,273,296</u>	<u>9,092,125</u>

NATIONAL SCIENCE FOUNDATION (NSF)

AST-0307393 NSF	47.049	GR0000193	600217	-	15,028
AST-0335635 NSF	47.049	GR0000916	601216	-	(1,187)
AST-0335665 NSF	47.049	GR0000170	600194	-	16,086
AST-0349155 NSF	47.049	GR0000163	602169	-	52,816
AST-0407072 NSF	47.049	GR0000717	600110	-	86,945
AST-0507558 NSF SATURN	47.049	GR0000689	601427	40,929	110,737
AST-0519398 NSF	47.049	GR0001019	601589	-	131,079
BCS-0515591 NSF	47.075	GR0000998	601518	-	26,793
CCF-0306457 NSF	47.070	GR0000168	600192	-	73,382
CCR-0133115 NSF	47.070	GR0000320	600344	-	21,315
CHE-0348956 NSF	47.075	GR0000181	602174	-	121,782
CHE0540843 NSF	47.049	GR0000629	601371	-	76,049
CNS-0421456 NSF	47.070	GR0001138	650106	-	0
CNS-0421502 NSF	47.070	GR0000887	600271	-	37,392
CNS-0454066 NSF WAIVER	47.070	GR0000389	601206	-	90,824
DBI-0501249 NSF	47.074	GR0001130	601684	-	(966)
DBI-0520956 NSF MICROSCOPE	47.074	GR0001070	601622	-	422,797
DEB-0080412 NSF	47.074	GR0000903	601139	10,293	695,240
DEB-0129630 NSF	47.074	GR0000214	600238	-	73,152
DEB-0316194 NSF	47.074	GR0000221	600245	-	84,658
DEB-0316516 NSF	47.074	GR0000231	600255	-	9,232
DGE-0231857 NSF	47.076	GR0000915	601214	-	1,750
DMI-0423907 NSF MICRO DEVICE	47.041	GR0001082	601623	-	39,388
DMR 0505270 NSF	47.049	GR0000437	601314	-	80,429
DMS-0201944 NSF	47.049	GR0000230	600254	-	5,680
DMS-0305448 NSF	47.049	GR0000192	600216	-	7,347

Schedule of Expenditures of Federal Awards For the Fiscal Year Ended June 30, 2007

Name of Program/ Agency Name	Award Number	CFDA Number	Grant Code	Fund Number	Subrecipient Expenditures	Total Expenditures
Research and Development Cluster						
	DMS0406608 NSF	47.049	GR0000721	600129	-	64,102
	DUE-0341333 NSF	47.076	GR0000180	602173	-	44,722
	DUE-0443533 NSF	47.076	GR0001446	600729	-	21,486
	EAR-0207495 NSF	47.050	GR0000175	600199	-	885
	EAR-0229565 NSF	47.050	GR0000202	600226	-	(634)
	EAR-0335802 NSF	47.050	GR0000196	600220	-	38,638
	EAR-9614616	47.050	GR0000225	600249	-	58,710
	ECS-0410092 NSF	47.041	GR0000425	600449	-	66,549
	EEC-0196303 MOD#2 NSF	47.RD	GR0000912	601208	-	(1,175)
	EEC-0230709 NSF	47.041	GR0000913	601209	-	19,795
	EEC-0354094 NSF	47.041	GR0001112	600328	-	15,101
	EIA-0220590 NSF	47.070	GR0000914	601211	-	419,454
	HRD - 0331446 NSF	47.076	GR0001939	602773	-	755,198
	HRD 03311446 NSF	47.076	GR0001945	602782	-	411,011
	HRD 03311446 NSF	47.076	GR0001944	602781	-	16
	HRD-0124198NSF/RASEM	47.076	GR0000907	601164	312,474	589,638
	HRD-0420407 NSF	47.076	GR0000053	600115	140,433	644,166
	IIS-0326553 NSF	47.070	GR0000483	600507	65,934	65,934
	NSF DEB0080412 016	47.074	GR0001920	602737	-	45,049
	NSF 0633736	47.076	GR0002210	603132	-	8,669
	NSF AST-0607752	47.049	GR0001968	602815	-	9,339
	NSF AST0628919	47.049	GR0001847	602610	-	111,038
	NSF BES-0607175	47.041	GR0001905	602711	-	137,940
	NSF CNS-0551734	47.070	GR0001772	602479	-	35,069
	NSF DBI-0552131	47.074	GR0001709	602396	-	72,188
	NSF DBI0619747 EQPT	47.074	GR0002031	602890	-	332,549
	NSF DMS 0604843	47.049	GR0001961	602807	-	16,652
	NSF DUE 0618765	47.076	GR0001929	602751	-	18,126
	NSF DUE-0536210 CCLI GRASP	47.076	GR0001759	602465	-	34,352
	NSF DUE-0633746	47.076	GR0002136	603029	-	13,305
	NSF ECCS-0702208	47.041	GR0002225	603155	-	11,889
	NSF ECS0636512	47.041	GR0001990	602844	-	24,877
	NSF EF-0542228	47.074	GR0001698	602378	-	61,824
	NSF FELLOWHSIP S GIBSON	47.RD	GR0002049	602912	-	31,222
	NSF HARVESON FELLOW	47.RD	GR0001154	601707	-	(2,433)
	NSF HRD 0622930	47.076	GR0001980	602827	168,368	528,588
	NSF INDEPTH IV EAR-0409870	47.050	GR0002189	603101	50,560	90,863
	NSF LTER V DEB-0618210	47.074	GR0002158	603057	35,000	165,894
	OPP-0229605 NSF	47.078	GR0000404	600428	-	24,988

Schedule of Expenditures of Federal Awards

For the Fiscal Year Ended June 30, 2007

Name of Program/ Agency Name	Award Number	CFDA Number	Grant Code	Fund Number	Subrecipient Expenditures	Total Expenditures
Research and Development Cluster						
	SBE-0123690 NSF	47.075	GR0000908	601172	-	650,104
	SBE-0123690 NSF	47.075	GR0001623	601297	-	18,331
Pass Through NSF						
Colorado State University	CRC G-3189-1	47.049	GR0002106	602985	-	15,267
Massachusetts Institute of Technology	MIT 5710001970	47.070	GR0001768	602474	-	19,585
Mesa Analytics & Computing LLC	MESA ANALYTICS & COMPUTING	47.070	GR0001957	602798	-	85,817
University of Chicago	23859 U OF CHIC/NSF	47.049	GR0000197	600221	-	(10)
University of Michigan	U of M 3000615888	47.050	GR0002088	602964	-	2,226
University of New Mexico	3-21301-7840 UNM/NSF	47.076	GR0000910	601201	-	224
University of New Mexico	EPS 0447691 UNM	47.076	GR0000340	600977	-	384,254
University of Texas	UTEP/NSF 26-1006-9261	47.070	GR0001825	602587	-	28,305
University of Washington	806092 UNIV OF WASH	47.074	GR0001539	601071	-	14,797
University of Washington	UNIV OF WASHINGTON #235964	47.070	GR0002206	603124	-	6,787
	TOTAL NSF				823,991	8,489,019
DEPARTMENT OF ENERGY (DOE)						
	DEAP3606G026184 DOE	81.RD	GR0002077	602950	-	1,208
	DEFC0401AL67403NMSAG	81.104	GR0000773	600143	439	(4,400)
	DE-FC0401AL67403NMSU	81.104	GR0000855	601611	655,974	1,062,097
	DEFC3605G015149 DOE	81.049	GR0001588	601253	-	912,229
	DE-FG02-96ER40965DOE	81.049	GR0000060	600085	-	98,859
	DE-FG29-91AL74167	81.511	GR0000858	600984	-	1,170,142
	DOE DEFC3605G015149	81.049	GR0001801	602527	-	(112,045)
	DOEnergy DE-FG02-94ER40847	81.049	GR0001783	602489	-	389,772
	USDOE DE-AP36-07G027012	81.RD	GR0002157	603054	-	6,283
	WIPP1-PO401137 WTS	81.RD	GR0000411	600435	-	538
Pass Through DOE						
Awwa Research Foundation	#03068AWWA RSRCH FND	81.049	GR0000057	602227	-	364,101
Carnegie Institution of Washington	CARNEGIE 4-3327-42	81.RD	GR0001826	602588	-	37,174
Energy And Minerals Department	04-521-0300-0119EMNR	81.RD	GR0000865	601002	-	(405)
Energy And Minerals Department	04-521-0300-0185EMNR	81.RD	GR0000440	600464	-	(10,185)
Energy And Minerals Department	05-521-0300-0025MNRD	81.079	GR0001435	650107	-	150,406
KSL Services JV	KSL 06-PS042	81.RD	GR0001983	602831	-	35,168
Los Alamos National Lab	04386-001-053F LANL	81.RD	GRP000994	800244	-	61,737
Los Alamos National Lab	09589-001-05 LANL	81.RD	GR0001590	601258	-	15,587
Los Alamos National Lab	13218-001-05 LANL	81.RD	GR0000165	600389	-	105,931
Los Alamos National Lab	13575-001-05 4H LANL	81.RD	GR0001609	601276	-	105,846
Los Alamos National Lab	1442E-034-04-4V LANL	81.RD	GR0000112	602152	-	(1,104)
Los Alamos National Lab	16568-001-05 LANL	81.RD	GR0001611	601278	-	15,686

**Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2007**

Name of Program/ Agency Name	Award Number	CFDA Number	Grant Code	Fund Number	Subrecipient Expenditures	Total Expenditures
Research and Development Cluster						
Los Alamos National Lab	23348-001-05 LANL	81.RD	GR0000899	601479	-	7,909
Los Alamos National Lab	2538500106 LANL	81.RD	GRP000542	800418	-	10,227
Los Alamos National Lab	61168-001-03-8Y LANL	81.RD	GR0000108	600132	-	(72)
Los Alamos National Lab	91683 001 04 8C LANL	81.087	GR0000119	602156	-	69,924
Los Alamos National Lab	97102-001-04 3P LANL	81.RD	GR0001475	600851	-	712,037
Los Alamos National Lab	9XP1442E1	81.RD	GR0000864	600999	-	(5,407)
Los Alamos National Lab	CHIP PERFORMANCE MODEL	81.RD	GR0001679	602317	-	11,600
Los Alamos National Lab	IP COMM PROJECT	81.RD	GR0000145	600332	-	(2)
Los Alamos National Lab	LANG 43517 001 06	81.RD	GR0001994	602849	-	37,577
Los Alamos National Lab	LANL 25498-001-05 2A	81.RD	GR0001046	601597	-	(925)
Los Alamos National Lab	LANL 33669-001-006	81.RD	GR0001771	650319	-	7,381
Los Alamos National Lab	LANL 3754400106	81.RD	GRP000562	800471	-	16,281
Los Alamos National Lab	LANL 39988-001-06	81.RD	GR0002066	602937	-	48,005
Los Alamos National Lab	LANL 41982-001-07	81.RD	GR0002058	602925	-	105,443
Los Alamos National Lab	LANL 51636-REQ-07	81.RD	GR0002227	603159	-	15,834
Los Alamos National Security LLC	LANSLLC/IAS	81.RD	GR0002216	603139	-	36,167
Los Alamos National Security LLC	LANSLLC/IAS/NSO	81.RD	GR0002217	603145	-	7,034
National Renewable Energy Laboratory	NREL - WIND DISTRIBUTION	81.RD	GR0001727	602425	-	436
National Renewable Energy Laboratory	XAM3-33204-01 NREL	81.087	GR0000435	600459	37,235	58,894
Oak Ridge Associated Universities Inc.	NLM FY04-05 ORISE	81.RD	GR0001458	600772	-	280
Sandia National Laboratories	237203 SANDIA NATL	81.RD	GR0000433	600457	-	27,382
Sandia National Laboratories	251853 SANDIA NATIONAL LAB	81.RD	GR0000866	601006	-	(7,713)
Sandia National Laboratories	254330 SANDIA	81.RD	GR0000309	602252	-	(321)
Sandia National Laboratories	377443(A0256) SNL	81.RD	GRP000989	800402	-	65,934
Sandia National Laboratories	408731 SANDIA NATL	81.RD	GR0001617	601284	-	156,009
Sandia National Laboratories	462478 DOE	81.RD	GR0000932	601483	-	(1,496)
Sandia National Laboratories	505779 SNL	81.RD	GR0001201	601742	-	(2,227)
Sandia National Laboratories	658420 SANDIA NATL	81.RD	GR0002144	603039	-	59,555
Sandia National Laboratories	ANTENNA STUDY	81.RD	GR0001851	602618	-	5,553
Sandia National Laboratories	P0380387 SNL	81.RD	GR0001527	601040	-	36,365
Sandia National Laboratories	PO 212432 SNL	81.RD	GR0000412	600436	-	145,221
Sandia National Laboratories	PO 300377(A0256) SNL	81.RD	GRP000964	800374	-	(5,912)
Sandia National Laboratories	PO 384119 SNL	81.RD	GR0001543	601080	-	7,370
Sandia National Laboratories	PO 391002 SNL	81.RD	GRP000993	800424	-	3,379
Sandia National Laboratories	PO 394533 SNL	81.RD	GR0001584	601247	-	(0)
Sandia National Laboratories	PO#30215 SANDIA	81.RD	GR0000324	600348	-	3,599
Sandia National Laboratories	PO#341546 SANDIA	81.RD	GR0001125	600350	-	(6,430)
Sandia National Laboratories	PO#347701 SNL	81.RD	GR0001137	600365	-	(207)
Sandia National Laboratories	SNL 577758 PO#536578	81.RD	GR0001796	602521	-	26,995

Schedule of Expenditures of Federal Awards

For the Fiscal Year Ended June 30, 2007

Name of Program/ Agency Name	Award Number	CFDA Number	Grant Code	Fund Number	Subrecipient Expenditures	Total Expenditures
Research and Development Cluster						
Sandia National Laboratories	SNL 591936	81.RD	GR0001882	602664	-	8,987
Sandia National Laboratories	SNL 640823 PO536578	81.RD	GRP000584	801328	-	47,686
Sandia National Laboratories	SNL FELLOWSHIP	81.RD	GR0000249	602226	-	20,336
Sandia National Laboratories	SNL FELWSHP TILLERY	81.RD	GR0000171	600391	-	25,000
Sandia National Laboratories	SNL PO 536578	81.RD	GRP000583	801327	-	2,405
Sandia National Laboratories	SNL PO 554332	81.RD	GR0001823	602584	-	10,428
Sandia National Laboratories	SNL PO 614849 SURP	81.RD	GR0001978	602825	-	4,708
Sandia National Laboratories	SNL RUSSIAN LIGHTHOUSE DATA	81.RD	GR0001707	602393	-	2,933
Sandia National Laboratories	SNL SURP 614907	81.RD	GR0001960	602806	-	29,056
Sandia National Laboratories	SNL SURP 614922	81.RD	GR0001971	602818	-	21,294
Sandia National Laboratories	SNL SURP 616622 OPTIMAL RESOURCE DE	81.RD	GR0001959	602805	-	37,050
Sandia National Laboratories	STRG OPTIMIZE SNL481406 SURP	81.RD	GR0000994	601516	-	7,760
SM Stoller Corporation	STOLLER CORP P3166	81.RD	GR0001992	602846	5,235	10,008
University of Missouri	STABILIZING POWER SYSTEMS	81.RD	GR0001864	602641	-	35,138
University of Missouri	008224-03 UNIV OF MO ROLLA	81.RD	GR0000942	601485	-	15,798
Washington Tru Solutions Llc	CONSTRUCTION OF VOC LAB WTS 405959	81.RD	GR0001963	602809	-	260,582
Washington Tru Solutions Llc	SCIENTIFIC & TECHNICAL SUPPORT	81.RD	GR0001962	602808	-	337,472
Washington Tru Solutions Llc	WIPP1-PO403138 WTS	81.106	GR0000056	600114	-	203,210
Washington Tru Solutions Llc	WTS LLC #406873	81.RD	GR0002187	603099	-	42,677
West Virginia Water Research Institute	98-166-NMSU WVURC	81.RD	GR0001561	650151	-	(8,865)
	TOTAL DOE				698,883	7,169,967
DEPARTMENT OF INTERIOR (DOI)						
	01-FC-40-5040 BOR	15.RD	GR0000685	600709	-	1,879
	01HQGR0094 DOI/USGS	15.805	GR0000892	601085	-	20,731
	01HQRU1572 RW0 52 USGS	15.808	GR0001128	601667	-	27,994
	01HQRU1572 RW048/DOI	15.808	GR0000613	600637	-	43,544
	01HQRU1572 RW049/DOI	15.808	GR0000692	600716	-	(44)
	01HQRU1572 RW050/DOI	15.808	GR0000704	600728	-	(3,025)
	01HQRU1572 RW051/DOI	15.811	GR0000636	602041	-	23,705
	01HQRU1572-RW0 55 USGS	15.808	GR0001113	601663	-	7,801
	01HQRU1572RW053 USGS	15.812	GR0001314	600481	-	(8,230)
	01HQU1572-RW0 54 USGS	15.808	GR0001111	601662	-	7,801
	03-FG-40-2077 USD01/BOR	15.RD	GR0000701	600725	16,960	23,475
	04-CS-40-8082 DOI	15.rd	GR0001443	600715	-	39,008
	04-FC-40-2219 DOI	15.RD	GR0000094	602265	-	(232)
	04-FG-40-2186 DOIBOR	15.RD	GR0000833	650179	-	19,336
	05-FC-40-2419 BOR SALT CEDAR	15.RD	GR0001057	601615	-	26,298
	05-FG-40-2276 BOR/DOI	15.RD	GR0000829	650149	-	13,729

Schedule of Expenditures of Federal Awards For the Fiscal Year Ended June 30, 2007

Name of Program/ Agency Name	Award Number	CFDA Number	Grant Code	Fund Number	Subrecipient Expenditures	Total Expenditures
Research and Development Cluster						
	1434-01HQRU1572 W044	15.808	GR0000672	600696	-	(657)
	1434-01HQRU1572RW041	15.808	GR0000700	600724	-	31,807
	1434-01HQRU1572RW045	15.808	GR0000674	600698	-	(3,169)
	1434-01HQRU1572RW047	15.808	GR0000694	600718	-	(7,262)
	1434-HQ97-RU-01572	15.808	GR0000680	600704	-	36
	1448-20181-01-J826	15.RD	GR0000698	600722	-	(9,097)
	2005-2006 PLT BOR DOI	15.225	GR0001325	601833	-	(1,920)
	201814J863 DOI/USFG	15.FFB	GR0001335	600495	-	9,092
	201814J887 DOI 05/09	15.FFB	GR0001466	600814	-	135,597
	BLM PROJ LRNG TREE	15.224	GR0001132	600360	-	(811)
	CA 9-FG-81-0143 BOR/DOI	15.805	GR0001054	601604	-	38,708
	CA-1200-99-009 NMSU-04 NPS	15.RD	GR0000697	600721	-	7,109
	CA-1200-99-009 NPS	15.RD	GR0000083	600107	-	11,602
	CA1200-99-0099NMSU-3	15.RD	GR0000696	600720	-	30,162
	CA1248-00-0002NMSU20	15.RD	GR0001312	600475	-	531
	CA-1248-00-002 NMSU 16 NPS	15.RD	GR0000670	602071	-	(1)
	CA-1248-00-002 NPS	15.RD	GR0000716	600263	-	15,006
	CA-1248-00-002 NPS	15.RD	GR0001051	601602	-	(305)
	CA-1248-00-002 NPS J170050045	15.916	GR0001012	650272	-	1,321
	CA9-FG-81-0143; MOD5-FC-40-2346 DOI	15.RD	GR0000132	600364	-	700
	GDA 050012 BLM/DOI	15.224	GR0001006	601550	-	51,021
	GDA030009 TSK#1 BLM	15.224	GR0000391	600415	-	22,990
	GDA030020 BLM/DOI	15.224	GR0000370	650131	-	92,297
	J1242040447/TSK19 NPS	15.912	GR0000834	600660	-	632
	J1242040607 TSK15NPS	15.916	GR0000669	602067	-	(327)
	J1242050305 DOI NPS	15.RD	GR0000735	601434	-	4,410
	J2115040016 DOI/NPS	15.RD	GR0001580	601231	-	77,501
	J717005A001 NPS	15.921	GR0000148	600108	-	25,551
	JSA031003 DOI/BLM	15.225	GR0000684	600708	-	7,726
	KAA051003 BLM	15.224	GR0000254	600480	-	1,015
	LAND STEWARDSHIP DOI 06HQAG0133	15.811	GR0001912	602718	-	111,371
	NBCHC 050080 DOI	15.RD	GR0001041	601596	(12,000)	523,475
	NCGP 2006 NMT	15.805	GR0001950	602789	74,795	74,795
	NPS H1200060003 NMSUDS-26	15.RD	GR0001886	602668	-	18,808
	SW REGIONAL GAP DOI 06HQAG0132	15.811	GR0001894	602684	-	57,506
	USDI MMS 0106CT39790	15.RD	GR0001974	602821	-	36,201
	USDOI BOR 06-FG-40-2450	15.RD	GR0001407	601869	-	29,589
	USDOI MAMMALIAN CARNIVORE	15.916	GR0001787	602495	-	6,237
	USDOI/NPS J124070015	15.912	GR0002249	603222	-	2,445

Schedule of Expenditures of Federal Awards

For the Fiscal Year Ended June 30, 2007

Name of Program/ Agency Name	Award Number	CFDA Number	Grant Code	Fund Number	Subrecipient Expenditures	Total Expenditures
Research and Development Cluster						
	USGS 06HQAG0086	15.810	GR0001835	650335	-	15,232
	USGS 06HQGR0101	15.805	GR0001731	602430	29,930	115,628
	USGS 07HQAG0048	15.810	GR0002256	603232	-	179
	USGS 1434-01HQRU1572	15.812	GR0002056	602922	-	19,664
Pass Through DOI						
Acoma Game and Fish Enterprise	ACOMA GF ENT.	66.RD	GR0000848	601469	-	47,919
CSR Incorporated	CSR INC YOUTH GANG ATTITUDES	15.RD	GR0002000	602859	-	9,662
Montana State University	GC293-04-Z3735 MSU/DOI	15.RD	GR0000845	600223	-	(1,545)
Montana State University	MSU G294-06-W1033	15.608	GR0001910	602716	-	71,063
Oregon State University	OSU L0117A-B	15.RD	GR0002119	603004	-	6,005
Texas A&M University	BOR CHALL MOA 06/00 TO#10 TX A&M	12.RD	GR0001735	602438	-	36,577
Texas A&M University	TAMU TASK ORDER #11	15.507	GR0001827	602589	-	5,000
URS Group, Inc	DEN-F-39475 URSG	15.805	GR0000453	600477	-	19,385
	TOTAL DOI				109,685	1,990,231
DEPARTMENT OF TRANSPORTATION (DOT)						
	DOT/FAA 07-G-002	20.108	GR0002159	603062	-	5,007
	DTFH61-04-H-00004DOT	20RD	GR0000243	650105	-	160,287
	FAA SET 06-G-030	97.069	GR0002080	602955	-	128,023
Pass Through DOT						
Embry-Riddle Aeronautical University	ERAU 61049-NMSU	20.109	GRP000567	850001	-	71,545
Infoscitex Corporation	MEASURE RELATIVE HUMIDITY CONCRE	20.205	GR0001693	602373	-	21,058
Lockheed Martin Shared Svcs	LM PO 06K0121	20RD	GRP000999	801346	-	6,616
State of New Mexico	C04285 NMSHTD	20.205	GR0000305	600329	-	76
State of New Mexico	C04416 NMSHTD	20RD	GR0000242	602216	-	(3,821)
State of New Mexico	C04416 NMSHTD	20RD	GR0000283	602242	-	(7,273)
State of New Mexico	C04417 NMSHTD	20RD	GR0000345	600369	-	(13,835)
State of New Mexico	C04417 NMSHTD	20RD	GR0000418	600442	-	(3,015)
State of New Mexico	C04451 NMSHTD	20.205	GR0000361	600385	-	71,467
State of New Mexico	C04416 NMSHTD	20RD	GR0000285	602243	-	(1,293)
State of New Mexico	C04416 NMSHTD	20RD	GR0000427	600451	-	(405)
State of New Mexico	C04416 NMSHTD	20RD	GR0000432	600456	-	(13,671)
State of New Mexico	C04417 NMSHTD	20RD	GR0000291	602246	-	(2,615)
State of New Mexico	C04417 NMSHTD	20RD	GR0000293	602247	-	(305)
State of New Mexico	C04527 NMSHTD	20.205	GR0000304	602251	-	75,271
State of New Mexico	M00455 WEIGH IN MOTION NMDOT	20RD	GRP000530	800388	596,200	628,043
State of New Mexico	NM DOT M00669 - STP-5910(1)	20RD	GR0002270	603266	-	14,471
State of New Mexico	NMDOT M00560	20.801	GR0001725	602421	-	33,287
State of New Mexico	NMDOT M00657	20.801	GR0002172	603080	-	12,556

Schedule of Expenditures of Federal Awards For the Fiscal Year Ended June 30, 2007

Name of Program/ Agency Name	Award Number	CFDA Number	Grant Code	Fund Number	Subrecipient Expenditures	Total Expenditures
Research and Development Cluster						
Texas Transportation Institute	TTI PO# P760030	20.700	GR0002245	603189	-	48,110
	TOTAL DOT				596,200	1,229,584
ENVIRONMENTAL PROTECTION AGENCY (EPA)						
	EP05C000012 EPA	66.513	GR0001444	600723	-	11,660
	EPA EP06000162	66.RDx	GR0001934	602761	-	25,243
	EPA FELLOWSHIP MA 91670701-0	66.513	GR0001984	602829	-	7,061
	EPA X8-96643001-0	66.716	GR0002205	603122	-	210
	MA-91636201-0 EPA	66.513	GR0000874	600260	-	9,130
	NP-96604801-0 EPA	66.708	GR0001302	601813	-	35,208
	NP-97681301 EPA	66.708	GR0001493	650109	-	302
	NP-97681401 EPA	66.708	GR0001472	601241	-	34,723
	SU-83248501-0 EPA	66.504	GR0001110	601660	-	1,013
	T-83158001-0 EPA	66.607	GR0000889	600273	-	26,784
	US EPA SU-83317701-0	66.516	GR0002064	602935	-	10,869
	X-82971001-0 EPA	66.606	GR0000876	602176	-	(4)
Pass Through EPA						
Arizona State University	05-591	66.001	GR0000377	601124	(200)	162,300
City of Las Cruces	03/28/05 CITY OF LC -	66.606	GR0000109	600231	-	(923)
New Mexico Environment Department	JPA #3827	66.708	GR0002131	603022	-	24,489
San Diego State University	SCERP B+20 E0004142	66.606	GR0001855	602623	-	9,965
Shaw Environmental & Infrastructure Inc	SHAW ENVIRONMENT PO 214319	66.RDx	GR0001985	602833	-	94,012
Texas A&M University	06-27-100300 TEEX TEJADA CNTR YR4	12.RD	GR0001683	602324	-	43,027
University of Utah	2301012-S2 UNIV UTAH	66.304	GR0000879	601050	-	8,029
	TOTAL EPA				(200)	503,098
DEPARTMENT OF EDUCATION (EDUC)						
	DOE P120A060058	84.120	GR0002165	603069	-	59,398
	P116Z050340 EDUC	84.116	GR0000298	600768	-	7,646
	PO19A050022 EBTUN MX	84.019	GR0000652	601401	-	3,517
Pass Through ED						
Las Cruces Public School	PEP LCPS/NMSU SUB	84.215	GR0001463	600798	-	288,679
National Councilfor Economic Educatio	IS 05 1008 NCEE	84.RD	GR0001719	650302	-	41,479
National Council for Economic Education	NCEE GR-0600107	84.215	GR0002194	603109	-	1,480
	TOTAL EDUC				-	402,199
DEPARTMENT OF COMMERCE (DOC)						
Pass Through DOC						
South Central Council of Governments	08-69-04024 CHILE R&D	11.307	GR0000666	650259	-	54,574

**Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2007**

Name of Program/ Agency Name	Award Number	CFDA Number	Grant Code	Fund Number	Subrecipient Expenditures	Total Expenditures
Research and Development Cluster						
South Central Council of Governments	SCCG CHILE R&D STRATEGY	11.312	GR0001662	602218	-	22,431
Winrock International Institute Of Agricultural Development	5464-03-01 WINROCK	11.110	GR0000310	602253	-	(10,575)
Winrock International Institute Of Agricultural Development	5464-03-01 WINROCK	11.110	GR0000367	602541	-	18,570
	TOTAL DOC				<u>-</u>	<u>85,000</u>
DEPARTMENT OF HOMELAND SECURITY (DHS)						
	H98230-05-1-0060 NSA	12.901	GR0001545	601099	-	2,831
Pass Through DHS						
Open Source Center Contracts	LAP BORDER 20061217005000	12.RD	GRP000572	800492	-	49,777
University of Minnesota	UM R9106000115	12.300	GRP000591	801352	-	63,443
	TOTAL DHS				<u>-</u>	<u>116,051</u>
NATIONAL ENDOWMENT FOR HUMANITIES (NEH)						
	FB-50600-04 NEH	45.160	GR0000878	600266	-	(10,000)
	HR 50032 04 NEH	45.161	GR0000644	601386	-	1
	HR 50093-04 NEH	45.160	GR0000458	601325	-	19,998
	NEH HR 50294-06	45.160	GR0001946	602783	-	39,996
	NEH HR-50262	45.161	GR0001661	602203	-	(3)
	TOTAL NEH				<u>-</u>	<u>49,992</u>
AGENCY FOR INTERNATIONAL DEVELOPMENT (AID)						
	RC710-013/3582547AID	98.012	GR0000718	600742	15,001	45,008
	TOTAL AID				<u>15,001</u>	<u>45,008</u>
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD)						
Pass Through HUD						
	2005 EDENSPACE/HUD	14.900	GR0001586	601250	-	(11,640)
	TOTAL HUD				<u>-</u>	<u>(11,640)</u>
DEPARTMENT OF STATE (DOS)						
	US CRDF VS 92206	47.079	GR0002009	602868	-	874
	TOTAL DOS				<u>-</u>	<u>874</u>
	TOTAL RESEARCH AND DEVELOPMENT CLUSTER				<u>21,601,164</u>	<u>98,176,545</u>

Schedule of Expenditures of Federal Awards For the Fiscal Year Ended June 30, 2007

Name of Program/ Agency Name	Award Number	CFDA Number	Grant Code	Fund Number	Subrecipient Expenditures	Total Expenditures
Student Financial Aid Cluster						
DEPARTMENT OF EDUCATION (EDUC)						
FEDERAL ACG GRANT FY07	84.063	GRB000027	602746	\$ -	\$ 181,484	
FEDERAL PELL FY07	84.063	GRB000019	340078	-	25,558,228	
FEDERAL SEOG FY07	84.063	GRB000020	540046	-	756,437	
FEDERAL SMART FY 07	84.063	GRB000026	602745	-	784,441	
P033A052650	84.033	GR0000870	601013	-	1,075,931	
P063P041827	84.063	GRB000008	540039	-	(9,805)	
P063P051827	84.063	GRB000017	601309	-	222,543	
PELL FY2004 MAIN	84.063	GRB000001	601008	-	(8,049)	
PERKINS REPAY	84.037	-	-	-	243,553	
TOTAL EDUC				-	28,804,763	
DEPARTMENT OF VETERANS ADMINISTRATION (VA)						
REPORTING OF VETERANS	-	-	-	-	27,164	
TOTAL VA				-	27,164	
TOTAL STUDENT FINANCIAL AID				-	28,831,927	

Schedule of Expenditures of Federal Awards For the Fiscal Year Ended June 30, 2007

Name of Program/ Agency Name	Award Number	CFDA Number	Grant Code	Fund Number	Subrecipient Expenditures	Total Expenditures
Individual Awards – Other						
Instruction						
	1D40HP02593-01-00HHS	93.191	GR0000235	602209	-	96,303
	1D65HP03147-01-00HHS	93.359	GR0000215	602194	-	271,676
	D09HP02743-01-00 HHS	93.178	GR0000212	602193	-	294,233
	WVR-1 D11 HP 00440-01HHS WAIVER	93.359	GR0000240	600264	-	373,971
Public Service						
	06CH0224/22 HHS	93.600	GR0001498	600969	-	3,953
	1D68HP04158-01-00HHS	93.822	GR0001460	600792	-	(763)
	23320052216 HHS CENTER	93.290	GR0001097	601651	-	124,498
	DHHS 90FE0135/01	93.086	GR0002068	602940	-	288,333
	HHS 90FR0057/01	93.086	GR0002062	602932	-	102,581
Pass Through HHS						
Instruction						
Administration For Children & Families	90EV0351/01 DHHS	93.592	GR0001293	601810	-	106,033
Children Youth And Families Dept	05-6905000-5018 CYFD	93.658	GR0000748	602184	-	6,683
Children Youth And Families Dept	0569070007136 CY&FD	93.600	GR0001602	601269	-	(0)
Children Youth And Families Dept	TITLE IV-E NM CYFD 06-07 0978	93.658	GR0001861	602634	-	935,052
Children Youth And Families Dept	TITLE IVE NMCYFD FY 2006	93.658	GR0000415	601302	-	(25,392)
Department of Health and Human Services	NURSING TRAINEESHIPS	93.358	GR0001903	602700	-	31,513
National Institutes Of Health	5 R25 GM48998-06 NIH	93.859	GR0001598	601266	-	(252)
National Institutes Of Health	GM07667 28 NIH	93.859	GR0000191	600212	-	13,780
National Institutes Of Health	NIGMS 3 R25 GM061222-06S1	93.859	GR0002048	602911	-	31,425
National Institutes Of Health	NIGMS 5 R25 GM061222-06 RISE	93.859	GR0001931	602755	-	795,864
National Institutes Of Health	NIGMS BRIDGES GM48998-06	93.859	GR0001723	602419	-	100,254
National Institutes Of Health	NIGMS GM061222-05A1 RISE 06	93.859	GR0000677	601410	-	121,649
National Institutes Of Health	NIH 2 R25 GM048998-08	93.859	GR0002201	603118	-	95,301
National Institutes Of Health	NIH MARC GM07667	93.859	GR0002247	603198	-	23,610
National Institutes Of Health	NIH MARC GM07667-29	93.859	GR0001817	602553	-	818,078
New Mexico Human Services Department	GSA-07-630-9000-0005	93.558	GR0001891	440139	574,454	3,597,317
New Mexico Human Services Department	GSA076309000-0005 E&T FP	93.558	GR0001870	440140	58,979	615,629
New Mexico State Department of Education	03-690-7027-03 CYFD	93.575	GR0000730	602206	-	1
Public Service	U10/CCU619259-05 HHS	93.283	GR0000167	602171	-	(506)
Public Service						
Administration For Children & Families	06CH0224/23 2006HEAD START	93.600	GR0001452	601900	-	851,985
Administration For Children & Families	90YP0030/02 HHS	93.600	GR0001198	601733	-	60,776
Administration For Children & Families	DHHS 90YP0030/03	93.600	GR0002059	602927	-	101,579
Administration For Children & Families	HHS US ADMIN CHLDRN FAMILIES	93.600	GR0002097	602973	-	934,446
Camino De Vida Center For Hiv Services	5 H97 HA 00186-05CDV	93.xxx	GR0000211	602192	-	(763)
Camino De Vida Center For Hiv Services	BBCMP041007010 CDV	93.105	GR0001560	601114	-	(1,659)
Children Youth And Families Dept	05-6905000-5068	93.674	GR0000049	600282	-	(0)
Children Youth And Families Dept	06-690-7000-7055	93.575	GR0000503	601344	-	22,008
Children Youth And Families Dept	90YP0030/01 HHS	93.600	GR0001461	600796	-	9,232
Children Youth And Families Dept	CAPTA-FIT TRAINING	93.669	GR0001837	602600	-	12,158
Children Youth And Families Dept	CYFD 0587	93.575	GR0001820	602580	-	620,813

Schedule of Expenditures of Federal Awards For the Fiscal Year Ended June 30, 2007

Name of Program/ Agency Name	Award Number	CFDA Number	Grant Code	Fund Number	Subrecipient Expenditures	Total Expenditures
Individual Awards – Other						
Children Youth And Families Dept	NM CYFD 06/07 0990	93.669	GR0001900	602696	-	256
Children Youth And Families Dept	NM CYFD 07-690-5000-5047	93.674	GR0001901	602697	-	22,546
Children Youth And Families Dept	NM CYFD 0982	93.556	GR0001899	602692	-	91,008
Children Youth And Families Dept	SNM CYFD 769070003031	93.600	GR0001966	602813	-	17,562
Community Action Agency of S New Mexico	HCAP-CAA	93.252	GR0001795	602520	-	81,209
Eastern Area Workforce Development Board	T04-05EAWDB TANF	93.558	GR0020054	240016	-	727
Eastern Area Workforce Development Board	T06-07/NMSU -LC	93.558	GR0002188	603100	-	14,663
Eastern Area Workforce Development Board	T06-07/NMSU -LC	93.558	GR0001874	602653	-	106,600
Eastern Area Workforce Development Board	TANF T06-07/NMSU-C EAWDB	93.558	GR0030022	340088	-	29,646
Eastern Area Workforce Development Board	TANF T06-07/NMSU-C EAWDB	93.558	GR0030018	340072	-	366,497
Eastern Area Workforce Development Board	TC 05-06 NMSU A TANF	93.558	GR0020021	240040	-	275
Eastern Area Workforce Development Board	TC05-06/NMSU-C	93.558	GR0030010	340035	-	1,489
McFarland & Associates Inc	MC FARLAND & ASSOCIATE INC.	93.xxx	GR0002175	603083	-	43,806
Memorial Medical Center	101205 PHC/MMC	93.884	GR0001176	601724	-	23,382
New Mexico Department of Health	05.665.0300.0025	93.283	GR0001503	600975	-	(773)
New Mexico Department of Health	06CH0224-21 FY03-04 HHS	93.6	GR0000883	601060	-	(83)
New Mexico Human Services Department	GSA04-13 NM WORKS SNMISD	93.xxx	GR0000958	440056	-	(3,781)
New Mexico Human Services Department	NM HSS GSA 07-630-9000-0008	93.558	GR0002147	603043	-	199,715
New Mexico Human Services Dept.	0363096340327A2 SNM	93.558	GR0000711	602086	-	414
New Mexico Human Services Dept.	GSA 05-0008 NM WORKS	93.558	GR0000754	602367	129,715	134,635
New Mexico Human Services Dept.	GSA 06-630-900-0001 TANF 05-06 LC	93.558	GR0000650	601398	45,146	24,556
Public Service	FY04-05 PHS/IHS	93.193	GR0040024	440107	-	(131)
University of New Mexico	3R471 FY2005 UNMHSC	93.107	GR0001441	600702	-	(2,288)
University of New Mexico	3R518 FY05 BHETC UNM	93.189	GR0000308	600699	-	(1,525)
University of New Mexico	3R885 HSC UNM	93.928	GR0001442	600713	-	(17,931)
University of New Mexico	4-30612 UNMHSC	93.107	GR0000252	600276	-	(0)
University of New Mexico	BHETC 3R518/35183	93.189	GR0001671	602266	-	17,109
University of New Mexico	CDC U50 OH07541 PRIME	93.262	GR0002255	603231	-	46,624
University of New Mexico	FEDERAL AHEC 3R471	93.107	GR0001672	602269	-	53,823
University of New Mexico	UNM 3R885/38852/38853	93.996	GR0001647	601978	-	50,510
TOTAL HHS					808,294	12,731,939
DEPARTMENT OF AGRICULTURE (USDA)						
Academic Support						
	2005-38422-15934 USDA	10.223	GR0000877	601475	(35,723)	(27,784)
Public Service						
	00-51110-9720 USDA	10.303	GR0000807	600831	-	60
	01-JV-11221615-233FS	10.677	GR0000751	600775	-	920
	04-8580-0814-CA USDA	10.xxx	GR0000044	600447	-	(1,889)
	04JV11221615266 USDA	10.652	GR0001330	600491	-	49,340
	05 45030 03217 USDA	10.500	GR0000606	601361	-	322,662
	05/06 USDA CSF SURVEILLANCE	10.025	GR0001648	600868	-	54,188
	05JV 11221615 163 USFS	10.652	GR0000504	601353	-	66,523
	092105 USDA AMS	10.163	GR0001127	601324	-	10,877
	2001-45043-01281USDA	10.500	GR0000777	600801	-	(2,559)

Schedule of Expenditures of Federal Awards

For the Fiscal Year Ended June 30, 2007

Name of Program/ Agency Name	Award Number	CFDA Number	Grant Code	Fund Number	Subrecipient Expenditures	Total Expenditures
Individual Awards – Other						
	2001-51110-11425USDA	10.303	GR0000756	600780	-	60
	2002-41580-01357USDA	10.500	GR0000812	600836	-	49,085
	2002-41580-01359USDA	10.500	GR0000813	600837	-	(11,219)
	2003-38422-13317USDA	10.223	GR0000612	600636	30,155	78,598
	2003-51110-01718USDA	10.xxx	GR0000783	600807	4,044	61,595
	2003-51200-01686USDA	10.443	GR0000749	600773	-	240,439
	2004-35215-14237USDA	10.206	GR0000671	602072	90,000	110,332
	2004-45040-03005USDA	10.500	GR0000859	600240	-	249,420
	2004-48540-01877USDA	10.500	GR0000705	602084	-	8,070
	2006-41520-03418 USDA	10.500	GR0001803	602533	-	109,848
	58-3148-5-038 USDA	10.960	GR0000456	601226	-	163,647
	58-3148-3-087 USDA	10.960	GR0000809	601681	-	190,296
	58-3148-5-008 USDA	10.960	GR0001577	600811	-	324,633
	58-3148-5-042 USDA-FSA	10.960	GR0001085	601633	-	30,950
	58-3148-5-11 USDA	10.960	GR0001620	602866	-	46,166
	58-3148-6-004 USDA	10.960	GR0001295	600829	-	314,016
	90-CSA-NM1-136 USDA CSREES	10.200	GR0001106	601656	-	12,228
	CSR AGENCY CONT FED APPROP FY07	10.207	GR0002019	602878	-	182,322
	CSREES 2006-41581-02410	10.500	GR0001838	602602	-	31,149
	CSRS S-274 ARTHROPOD	10.200	GR0000048	600023	-	4,168
	EXT-EFER 03100/FERS	10.xxx	GR0001361	601846	-	85,133
	EXT-EFER 03100/FERS	10.xxx	GR0000802	600826	-	(88,756)
	FARM SAFETY	10.200	GR0001350	601842	-	(3,162)
	FERS RETIREMENT AGENCY CONTRIBUTION	10.xxx	GR0002024	602883	-	90,448
	FMHA AG MEDIAT. FY97	10.435	GR0000836	600833	-	133,405
	IMPROVING DIABETES CARE	10.xxx	GR0001729	602427	-	67,393
	IPM SMITH LEVER FY07	10.500	GR0002023	602882	-	47,453
	06/07 USDA FORAGE LOSS	10.452	GR0002070	601812	-	134,773
	PESTICIDE SAFETY EDUCATION PROGRAM	10.200	GR0001386	601850	-	7,682
	PSEP FY07 FED APPROP SMITH LEVER	10.200	GR0002026	602885	-	90
	RENEWABLE RESOURCES (RREA)	10.200	GR0001651	601849	-	33,231
	RENEWAL RESOURCES RREA FY07 FED APP	10.200	GR0002025	602884	-	22,141
	SMITH-LEVER 3 (D)	10.500	GR0001354	601845	-	30,901
	SMITH-LEVER 3(B)&(C)	10.500	GR0000078	600022	-	(216)
	SMITH-LEVER 3(D)	10.500	GR0000134	600027	-	(28,548)
	SMITH-LEVER EFNEP	10.500	GR0000007	600028	-	(140,479)
	SPCL NEEDS SMITH LVR 3B FED AP FY07	10.500	GR0002022	602881	-	46,388
	STATE EFNEP FY 07 FED APPROP	10.500	GR0002020	602879	-	130,630
	STATE OPERATION FED SMITH LEVR 3B&(C)	10.500	GR0002018	602877	-	474,397
	STATE OPS/SL-3B	10.500	GR0000002	600002	-	(284,707)
	STATE OPS/SL-3B	10.500	GR0001339	601836	-	1,697,932
	USDA 06-7100-0123-CA	10.028	GR0001764	602469	-	12,000
	USDA 12-25-A-4722	10.163	GR0002124	602946	-	13,492
	USDA 58-3148-7-009	10.960	GR0002074	601287	-	175,166
	USDA ARS 58-6235-7-033	10.001	GR0002069	602941	-	11,600

Schedule of Expenditures of Federal Awards

For the Fiscal Year Ended June 30, 2007

Name of Program/ Agency Name	Award Number	CFDA Number	Grant Code	Fund Number	Subrecipient Expenditures	Total Expenditures
Individual Awards – Other						
	USDA SPECIAL NEEDS	10.500	GR0001351	601843	-	63,680
	USDA STATE EFNEP YOUTH SERVICES BY	10.500	GR0001344	601841	-	469,833
Independent Operations						
	05/06 FSMIP USDA	10.156	GR0000846	601468	-	(49)
	2006 USDA GYPSY MOTH PROJ	10.025	GR0001812	602546	-	3,613
	2006 USDA SOD PROJECT	10.025	GR0001810	602545	-	2,018
	58-3148-3-003USDAFAS	10.960	GR0000787	603014	-	32,251
	58-3148-6-001 USDA FAS	10.960	GR0001129	602172	-	751
	68-8C30-03-901 USDA	10.901	GR0000601	600625	1,582,607	1,019,526
	CSREES 2005-37620-16393	10.304	GR0002138	603031	-	25,238
	USDA 06-8580-0609-CA	10.025	GR0001811	602544	-	24,320
	USDA 06-8580-0814-CA	10.025	GR0001813	602547	-	9,264
	USDA 12-25-G-0485	10.156	GR0002030	602889	-	4,000
	USDA FAS 58-3148-4-005	10.960	GR0000805	601666	-	17,750
	USDA NRCS68-3A75-6-158	10.912	GR0002007	602942	-	1,508,460
	USDA/AMS 12-25-G-0534 07/08	10.156	GR0002260	603254	-	136,000
Instruction						
	2004-38411-14737USDA	10.217	GR0000830	600211	-	6,700
	2004-38422-14616USDA	10.223	GR0000857	440004	55,634	106,484
Pass Through USDA						
Public Service						
American Distance Education Consortium	PX2003-06237 ADEC	10.855	GR0000775	600799	-	(240)
Animal/Plnt Health Insp	05-9735-1483-CA	10.025	GR0001050	601600	-	20,501
Farm to Table	04-1535013 FARM2TBL	10.200	GR0000069	600362	-	15,000
Institute of American Indian Art	061405 IAIA	10.xxx	GR0000355	600902	-	4,465
North Carolina State University	2003-1293-01 NCSU	10.221	GR0000758	600782	-	60,163
Purdue University	591-0559-01 PURDUE	10.206	GR0000673	602073	-	123,456
Purdue University	PU 598-0479-01	10.304	GR0002133	603025	-	24,823
State of Arizona	Y542283 U OF ARIZONA	10.500	GR0000815	600839	-	81,358
State of New Mexico	0169 NMCYFD	10.558	GR0001215	601751	-	49,405
State of New Mexico	0463094600417SNM	10.550	GR0000146	600103	354,423	341,476
State of New Mexico	05199000450 SNM	10.664	GR0001203	601743	-	19,487
State of New Mexico	05-199-000456 SNM	10.664	GR0001581	601242	-	811
State of New Mexico	05-199-000456 SNM	10.664	GR0001582	601243	-	519
State of New Mexico	06 199 000456 SNM	10.664	GR0001217	601747	-	46,295
State of New Mexico	3070 NMCYFD SUMMER FOOD PROGRAM	10.559	GR0001850	602616	-	7,290
State of New Mexico	FY 2005 NMHSD WAIVER	10.550	GR0001459	600778	248,298	260,600
State of New Mexico	GSA04-17 NMHSD	10.551	GR0000820	600844	-	(19,949)
State of New Mexico	JPA 97-18 AMEND#6	93.283	GR0000827	600856	-	(471)
State of New Mexico	NM CYFD SUMMER FOOD PROG	10.559	GR0002268	603264	-	1,063
State of New Mexico	NM DOH	93.283	GR0001756	602497	-	46,006
State of New Mexico	NMDOH U90/CCU616999-04	93.283	GR0001756	602462	-	1,236
State of New Mexico	SNM 04-630-9460-04-17 A-3	10.550	GR0001842	602605	541,238	1,818,415
Texas A&M University	628001 TX A M	10.500	GR0001008	601557	-	407,962
Texas A&M University	TAMU 450010 TX A & M	10.350	GR0000330	600874	-	73,198

**Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2007**

Name of Program/ Agency Name	Award Number	CFDA Number	Grant Code	Fund Number	Subrecipient Expenditures	Total Expenditures
Individual Awards – Other						
Texas A&M University	TAMU TCE IRAQ-3	10.500	GR0002208	603130	-	68,499
Texas A&M University	TCE 620002	10.500	GR0002126	603017	-	550
Texas A&M University	X428113 TX AG EXT	10.500	GR0000843	600875	-	(35,715)
University Of California	0000-04-ETX UNIV CAL	10.200	GR0000776	600800	-	(2,960)
University of Minnesota	Q4299055501 UOF MINN	10.500	GR0000703	602083	-	10,639
University of Wyoming	UN WY UTSTUNV46456NM	10.500	GR0001453	601903	-	3,585
University of Wyoming	UTSTUNV46460NM	10.500	GR0002128	603019	-	604
University of Wyoming	UTSTUNV6130:6128STAT	10.500	GR0000791	600815	-	8,600
Utah State University	DYE PLANTS USDA 051687037	10.200	GR0001893	602685	-	17,948
Valles Caldera Trust	VALLES CALDERAS TRUST	10.xxx	GR0001862	602637	-	127,302
Washington State University	WSU G002016 (OGRD #11838)-90	10.50	GR0001892	602683	-	8,050
	TOTAL USDA				2,870,676	12,356,338
DEPARTMENT OF EDUCATION (EDUC)						
Instruction						
	ABE 2003-2004 FEDERAL	84.002	GR0030017	340020	-	(675)
	E299B040048 EDUC	84.299	GR0000918	600297	-	245,284
	EDUC H325K060537 TRNG SCHOOL PSYCH	84.325	GR0002121	603006	-	7,417
	P031S040005 DEV EDUC	84.031	GR0020058	240066	-	1,074,273
	P031S040005ADMN EDUC	84.031	GR0020059	240067	-	43,272
	P031S040040 EDUC.	84.031	GR0030058	240044	-	550,877
	P200A030118 EDUC	84.200	GR0000075	600099	-	155,624
	S363A020133 EDUC	84.306	GR0000294	600318	-	(900)
	T195N020061 EDUC	84.195	GR0000276	600300	-	90,956
Academic Support						
	P031S000105A EDUC	84.031	GR0040028	440041	-	2,483
	P031S020014 EDUC	84.031	GR0050004	540006	-	471,525
Student Services						
	P217A030217 EDUC	84.217	GR0000930	601245	-	208,665
	PO42A020987 EDUC	84.042	GR0000463	600487	-	100,635
	PO42A060738 DEPT OF EDUC	84.042	GR0002052	602916	-	224,094
Public Service						
	4215K050044 EDUC	84.215	GR0000454	601323	-	2,991
	EDUC P044A060889	84.044	GR0001976	602823	-	67,668
	NMCHEP-16 05/06	84.300	GR0030003	340004	-	(2,123)
	PO47A030840 EDUC	84.047	GR0000465	600489	-	453,390
	PO47A030840A US EDUC	84.047	GR0000255	600280	-	(25,790)
	S149A020006 EDUC	84.149	GR0000076	600100	-	305,833
Pass Through EDUC						
Instruction						
Alamogordo Public Schools	ALAMO PS PRG 1776	84.215	GR0002043	602906	-	104,653
Las Cruces Public Schools	MOU MC2 LCPS	84.283	GR0000768	600139	-	127,176
National Writing Project	03-NM05 NWP CORP	84.033	GR0000275	600299	-	43,105
New Mexico Assoc of Community Colleges	2006 GEAR UP TUTORING PLUS PROJECT	84.300	GR0030013	350012	-	(0)
State of New Mexico	008541855CPERKNS SNM	84.002	GR0040040	440115	-	980

Schedule of Expenditures of Federal Awards For the Fiscal Year Ended June 30, 2007

Name of Program/ Agency Name	Award Number	CFDA Number	Grant Code	Fund Number	Subrecipient Expenditures	Total Expenditures
Individual Awards – Other						
State of New Mexico	02 026 SNM DEPT. EDUC STAR ONLINE	84.203	GR0000286	600310	-	(1,595)
State of New Mexico	04-924-P52700159SNM	84.300	GR0000102	602204	-	519,391
State of New Mexico	05-06 PERKINS CARLSBAD	84.002	GR0030009	340034	-	(243)
State of New Mexico	05924090000009 REDIST	84.002	GR0040003	440007	-	12,506
State of New Mexico	06-07 CARL PERKINS CARLSBAD	84.002	GR0030023	340089	-	62,113
State of New Mexico	ABE 2004-2005 FED	84.002	GR0020050	240063	-	(84)
State of New Mexico	ABE CARLSBAD FY06	84.002	GR0030007	340032	-	1,198
State of New Mexico	ABE FY06 SNM	84.002	GR0020014	240036	-	(0)
State of New Mexico	ABE FY07 HED	84.002	GR0020028	240078	-	237,417
State of New Mexico	CARL PERKINS CARRYOVER EDUC	84.002	GR0020049	240062	-	(1,208)
State of New Mexico	CPERKINS SNM FY 06 DABCC	84.002	GR0040007	440026	-	(1,015)
State of New Mexico	CPERKINS VOCATIONAL	84.002	GR0020025	240046	-	(2,097)
State of New Mexico	DABCC ABE FY 06 SNM	84.002	GR0040087	440018	-	(13,939)
State of New Mexico	EL CIVICS NMHED FY07	84.002	GR0020061	240080	-	5,787
State of New Mexico	MOU 2007	84.367	GR0002248	603221	-	44
State of New Mexico	NM HED ABE 06/07	84.002	GR0030021	340074	-	275,603
State of New Mexico	NM HED ABE 06/07	84.002	GR0050005	540027	-	119,293
State of New Mexico	NM HED ABE FY 07 DABCC	84.002	GR0040031	440067	-	1,262,567
State of New Mexico	NM PED CARL PERKINS 06/07	84.002	GR0050015	540056	-	30,419
State of New Mexico	NMHED ABE FY07 EL CIVICS	84.002	GR0040030	440066	-	65,441
State of New Mexico	NMPED CPERKINS FY07	84.002	GR0040033	440072	-	431,416
State of New Mexico	OTEC 05/06	84.367	GR0001808	602542	-	68,209
University of New Mexico	UNM 617000-8745 NM CNSRTM LATIN AM	84.015	GR0001020	601590	-	8,820
University Of South Florida	LASER UNIV SFLORIDA 5/09/06MOU	84.326	GR0001828	602590	-	11,379
Public Service						
Los Angeles County Office of Education ET and T	0157010405MTHSTR LACEDU	84.203	GR0001450	601932	-	60,414
Los Angeles County Office of Education ET and T	027069-05-06 LACOE	84.203	GR0001023	601591	-	(3,410)
Los Angeles County Office of Education ET and T	MATH STAR 0607 0378470607	84.203	GR0001965	602812	-	55,617
Mdc Inc.	MDC	84.116	GR0030048	340062	-	1,540
National Council for Economic Education	NCEE MD-0600076	84.215	GR0002193	603108	-	5,636
National Council for Economic Education	NCEE TT-05-5033	84.xxx	GR0001718	602408	-	3,385
Ohio Board of Regents	OHIO REGENTS MATRIX #U203G050022	84.203	GR0001319	601829	-	125,016
Ohio Board of Regents	OHIO REGENTS MATRIX #U203G050022	84.203	GR0002169	603073	-	192,025
State of New Mexico	06-924-P527-0001 SNMPED	84.048	GR0001317	601828	-	484
State of New Mexico	ABE EL CIVICS 05-06	84.002	GR0040086	440008	-	(629)
State of New Mexico	JPA #07-924-P527-0096	84.366	GR0002252	603225	109,520	160,242
State of New Mexico	NM PED CARL PERKINS 06/07	84.002	GR0020029	240085	-	65,888
State of New Mexico	TEACHER PREP 05/06	84.xxx	GR0001642	601942	-	657
State of New Mexico	TIA - RETA 05/06	84.048	GR0001674	602295	55,998	118,344
TOTAL EDUC					165,518	8,128,044

Schedule of Expenditures of Federal Awards For the Fiscal Year Ended June 30, 2007

Name of Program/ Agency Name	Award Number	CFDA Number	Grant Code	Fund Number	Subrecipient Expenditures	Total Expenditures
Individual Awards – Other						
NATIONAL SCIENCE FOUNDATION (NSF)						
Instruction						
	DMS-033789 NSF	47.049	GR0000190	600214	-	35,619
	DUE-0211314 NSF	47.076	GR0000269	600293	7	7
	DUE-0422518 NSF	47.076	GR0000045	600069	-	106,607
	HRD-0086701 NSF	47.076	GR0000902	601135	162,212	173,351
	HRD-0124198NSF/RASEM	47.076	GR0000907	440036	-	1,665
	HRD-0331446 **REPLACED GR1939**	47.076	GR0001316	601824	83,237	(123,057)
	HRD-0331446NSF	47.076	GR0000917	600072	-	87,567
	HRD-0436071 NSF	47.076	GR0001478	600880	10,909	28,658
	HRD-9802223 NSF/SUPP	47.076	GR0000901	601133	-	(2,292)
Academic Support						
	NSF DUE-0536210 CCLI GRASP	47.076	GR0001759	440141	-	13,138
Public Service						
	ATM-0404944 NSF	47.050	GR0000271	602233	-	144,182
	DBI-0451557 NSF	47.074	GR0000869	600121	-	13,902
	DMR-0444225 NSF	47.049	GR0001613	601280	-	30,228
	DUE-0402572 NSF ATE	47.076	GR0000356	601299	16,308	175,876
	NSF EEC-0438715	47.041	GR0001432	601890	251,697	469,013
	NSF ESI-0639269	47.076	GR0002177	603088	-	20,517
	NSF HRD0331446	47.xxx	GR0001995	602850	-	75,051
	NSF HRD0331446	47.xxx	GR0001996	602853	74,380	352,514
	NSF SBE-0620112	47.075	GR0002117	602998	155,398	168,991
	SBE-0123690 NSF	47.xxx	GR0001623	650312	-	(15,804)
Pass Through NSF						
Brevard Community College	BCC SPACETEC	47.xxx	GR0040046	440135	-	31,288
Gadsden Independent School District	08/04 GISD	47.076	GR0000755	600131	-	(8,146)
Institute Of Advanced Study	9900969-05 IAS	47.049	GR0000888	600272	-	3,034
Institute Of Advanced Study	IAS 7445-2307	47.049	GR0002140	603033	-	56,043
Iowa State University	420-40-50 ISU	47.076	GR0001035	601594	-	37,284
	TOTAL NSF				754,148	1,875,236
SMALL BUSINESS ADMINISTRATION (SBA)						
Public Service						
US Small Business Administration	SBAHQ-06-I-0094	59.037	GR0002155	603052	-	203,938
Pass Through SBA						
Public Service						
New Mexico Small Business Development Center	4603001Z003216SBDCST	59.037	GR0020047	240061	-	(1,636)
New Mexico Small Business Development Center	4603001Z003216SBDCST	59.037	GR0030043	340002	-	(621)
New Mexico Small Business Development Center	5603001Z003217 NMSBDC	59.037	GR0020016	240038	-	(451)
New Mexico Small Business Development Center	5603001Z003217 SBDC	59.037	GR0040008	440034	-	(1,062)
New Mexico Small Business Development Center	6-603001-Z-0032-18	59.037	GR0050011	540031	-	172,091

Schedule of Expenditures of Federal Awards

For the Fiscal Year Ended June 30, 2007

Name of Program/ Agency Name	Award Number	CFDA Number	Grant Code	Fund Number	Subrecipient Expenditures	Total Expenditures
Individual Awards – Other						
New Mexico Small Business Development Cnt	6-603001-Z-0032-18 SNM SBDC	59.037	GR0040034	440090	-	211,993
New Mexico Small Business Development Cnt	FEDERAL SBDC 06/07	59.037	GR0030015	340044	-	195,856
New Mexico Small Business Development Cnt	SBDC 06-07 6-63001-Z-0032-18	59.037	GR0020062	240081	-	168,392
	TOTAL SBA				-	948,500
ENVIRONMENTAL PROTECTION AGENCY (EPA)						
Instruction						
	68-C-02-069 EPA	66.xxx	GR0000055	600173	-	(1,209)
	U-91598001-0 EPA	66.xxx	GR0000066	600090	-	(1,248)
	U-9162400-0 EPA	66.607	GR0000062	600086	-	842
Public Service						
	T-96615401-0 EPA	66.467	GR0040018	440054	-	13,065
	T-966318 WASTEWATER 06/07 EPA	66.467	GR0040038	440120	-	16,645
	X4-96604501-0 EPA	66.930	GR0001151	601705	-	57,626
Independent Operations						
	05/06 EPA E006653-06-1	66.700	GR0000742	601440	-	89,066
	E-00665307 0607 EPA AWARD	66.700	GR0001958	602799	-	230,004
Pass Through EPA						
Public Service						
New Mexico Environment Department	04-667-5000-005WUTAP	66.419	GR0040015	440015	-	(1,377)
New Mexico Environment Department	05 667 5000 0017 EPA	66.419	GR0040012	440050	-	133,694
New Mexico Environment Department	SNM ENVIR DEPT ITA 3634	66.xxx	GR0002167	603071	-	18,078
Independent Operations						
New Mexico Environment Department	06/07 WATERSHED (319)	66.700	GR0001871	602649	-	116,164
	TOTAL EPA				-	671,350
AGENCY FOR INTERNATIONAL DEVELOPMENT (USAID)						
Pass Through USAID						
Public Service						
Association Liaison Office	2005 ALO-TIES	98.012	GR0001594	601262	-	112,430
State of Arizona	Y404192 UNIV ARIZONA	98.001	GR0000728	600752	100,000	346,560
Winrock International Institute Of Ag. Dev.	5517-04-02WNRCK INTL	10.001	GR0000699	602082	-	149,572
	TOTAL USAID				100,000	608,562
DEPARTMENT OF LABOR (DOL)						
Instruction						
	AN-11053-01-60 DOL	17.246	GR0040001	440001	-	(964)
Pass Through DOL						
Instruction						
Family And Youth Inc Americorp	DONA ANA/WIA/SWRPY06/Y001/PSADABCC	17.259	GR0040049	440143	-	26,128
SER Jobs for Progress Inc	SER JOBS FOR PROGRESS, INC.	17.258	GR0050016	540058	-	29,209
SW Area Workforce Development Board	082605 WIA-TEC APP PGM 05-06	17.267	GR0040017	440073	-	44,070

Schedule of Expenditures of Federal Awards For the Fiscal Year Ended June 30, 2007

Name of Program/ Agency Name	Award Number	CFDA Number	Grant Code	Fund Number	Subrecipient Expenditures	Total Expenditures
Individual Awards – Other						
Student Services						
Southwest Area Workforce Development Board	WIA LITERACY INSTRUCTION	17.267	GR0040027	440061	-	1,977
Public Service						
Eastern Area Workforce Development Board	05/06 NMSU-A WIA	93.558	GR0020023	240043	-	1,813
Eastern Area Workforce Development Board	EAWDB OSC 05-06 NMSU ALAMO	93.558	GR0002003	602862	-	79,488
Eastern Area Workforce Development Board	EAWDB OSC-05/06-NMSU-A	93.558	GR0020027	240069	-	6,523
Eastern Area Workforce Development Board	OSC 05/06 NMSU-C WIA	17.258	GR0030011	340038	-	(34)
Eastern Area Workforce Development Board	OSC 05/06 NMSU-C WIA ARTESIA	17.258	GR0030012	340039	-	566
Eastern Area Workforce Development Board	WIA OSC 06/07 NMSU-C	93.558	GR0030016	340069	-	214,894
	TOTAL DOL				-	403,670
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION (NASA)						
Instruction						
	NGT5-50457	43.001	GR0000130	600154	-	4,130
	NNA04CK70H NASA	43.001	GR0000885	600269	-	8,008
	NNG04GN55H NASA	43.001	GR0000101	600104	-	23,115
	NNG05GE97H NASA	43.001	GR0000182	440062	-	7,408
	NNJ04RC55P NASA	43.001	GR0040070	440122	-	(282)
Public Service						
	NASA GRANT NNJ05JL46G	43.001	GR0001762	602467	-	47,476
Pass Through NASA						
Instruction						
Paragon TEC	NAS3-02123-SNM	43.001	GR0000849	600903	-	159,363
Universities Space Research Association	05121-18 NASA/USRA	43.001	GR0001508	600994	-	5,033
University of Texas	26-1204-08-A UTEP	43.001	GR0000280	600304	-	102
Public Service						
Oklahoma State University	NASA OSU AESP-90 day waiver	43.001	GR0001918	602726	-	47,446
Satop Regional Development Corporation	NASA SATOP RTA 2521	43.001	GR0002067	602939	-	1,984
Satop Regional Development Corporation	NASA SATOP RTA 2664	43.001	GR0002063	602934	-	1,955
Satop Regional Development Corporation	RTA #2298 VACUUM INSULATION	43.001	GR0001748	602454	-	1,966
Satop Regional Development Corporation	RTA 2005 SATOP/NASA	43.001	GR0001197	601732	-	71
Satop Regional Development Corporation	RTA 2259 SATOP	43.001	GR0001739	602445	-	(55)
Satop Regional Development Corporation	RTA 2269 POULTRY PENS -CHICKENSHIPS	43.001	GR0001741	602447	-	(55)
Satop Regional Development Corporation	RTA 2284 MOBILE PEN -CHICKENSHIPS	43.001	GR0001743	602449	-	1,925
Satop Regional Development Corporation	RTA 2414 AIR SUPPLY/ TANG	43.001	GR0001895	602687	-	1,955
Satop Regional Development Corporation	RTA 2457 TUBESHEET/CHOO	43.001	GR0001896	602686	-	2,000
Satop Regional Development Corporation	RTA# 1321 SATOP/NASA	43.001	GR0000127	600327	-	(2,015)
Satop Regional Development Corporation	RTA# 1348 SATOP/NASA	43.001	GR0001506	600985	-	(1,677)
Satop Regional Development Corporation	RTA# 1637 SATOP/NASA	43.001	GR0000258	600323	-	(0)
Satop Regional Development Corporation	RTA# 1708 SATOP/NASA	43.001	GR0000266	600320	-	(300)
Satop Regional Development Corporation	RTA#1477 SATOP/NASA	43.001	GR0001496	600967	-	(7,041)

Schedule of Expenditures of Federal Awards

For the Fiscal Year Ended June 30, 2007

Name of Program/ Agency Name	Award Number	CFDA Number	Grant Code	Fund Number	Subrecipient Expenditures	Total Expenditures
Individual Awards – Other						
Satop Regional Development Corporation	SATOP # 2016 AVIATOR HEADSET	43.001	GR0001686	602330	-	(1,885)
Satop Regional Development Corporation	SATOP #1986 COAL MINE/RICKETTS	43.001	GR0001685	602325	-	(320)
Satop Regional Development Corporation	SATOP #1989 SELF-SEALING	43.001	GR0001688	602383	-	(1,270)
Satop Regional Development Corporation	SATOP #2222 MAGNE-DRIVE ENG.	43.001	GR0001694	602374	-	(0)
Satop Regional Development Corporation	SATOP #2261 FORMING PAN	43.001	GR0001761	602466	-	1,966
Satop Regional Development Corporation	SATOP #2295/LETTER OPENER/TANG	43.001	GR0001776	602483	-	(55)
Satop Regional Development Corporation	SATOP #2321/PUSH-UP MACHINE /TANG	43.001	GR0001830	602592	-	1,955
Satop Regional Development Corporation	SATOP #2324 DOOR INV	43.001	GR0001777	602482	-	1,925
Satop Regional Development Corporation	SATOP #2366/PROPRIETARY PROD/PARK	43.001	GR0001829	602591	-	1,659
Satop Regional Development Corporation	SATOP #2392 SIZING /V.CHO0	43.001	GR0001873	602651	-	1,966
Satop Regional Development Corporation	SATOP #2430	43.001	GR0001906	602712	-	1,955
Satop Regional Development Corporation	SATOP #2442	43.001	GR0001909	602715	-	2,000
Satop Regional Development Corporation	SATOP #2465 CARBIDE/CH00	43.001	GR0001908	602714	-	1,250
Satop Regional Development Corporation	SATOP #2540 STEEL/TANKS/CH00	43.001	GR0001941	602777	-	2,000
Satop Regional Development Corporation	SATOP #2548 CRACKING/GRINDING/CH00	43.001	GR0001942	602778	-	3,439
Satop Regional Development Corporation	SATOP #2555	43.001	GR0002037	602901	-	2,000
Satop Regional Development Corporation	SATOP #2574	43.001	GR0002038	602899	-	503
Satop Regional Development Corporation	SATOP #2587	43.001	GR0002060	602928	-	2,000
Satop Regional Development Corporation	SATOP #2588	43.001	GR0002012	602870	-	1,984
Satop Regional Development Corporation	SATOP #2597	43.001	GR0002039	602900	-	2,000
Satop Regional Development Corporation	SATOP #2643	43.001	GR0002100	602978	-	1,950
Satop Regional Development Corporation	SATOP #2644	43.001	GR0002011	602871	-	1,984
Satop Regional Development Corporation	SATOP #2654	43.001	GR0002041	602903	-	1,511
Satop Regional Development Corporation	SATOP #2659	43.001	GR0002040	602902	-	1,955
Satop Regional Development Corporation	SATOP #2673	43.001	GR0002091	602967	-	678
Satop Regional Development Corporation	SATOP #2675	43.001	GR0002087	602963	-	1,955
Satop Regional Development Corporation	SATOP #2692	43.001	GR0002092	602968	-	1,955
Satop Regional Development Corporation	SATOP #2703	43.001	GR0002093	602969	-	1,950
Satop Regional Development Corporation	SATOP #2716	43.001	GR0002135	603027	-	2,000
Satop Regional Development Corporation	SATOP #2718	43.001	GR0002094	602975	-	2,000
Satop Regional Development Corporation	SATOP #2721	43.001	GR0002095	602971	-	2,000
Satop Regional Development Corporation	SATOP #2729	43.001	GR0002096	602972	-	1,950
Satop Regional Development Corporation	SATOP #2730	43.001	GR0002134	603026	-	2,000
Satop Regional Development Corporation	SATOP #2763	43.001	GR0002122	603008	-	1,955
Satop Regional Development Corporation	SATOP #2777	43.001	GR0002203	603120	-	1,064
Satop Regional Development Corporation	SATOP #2782	43.001	GR0002180	603091	-	1,955
Satop Regional Development Corporation	SATOP #2798	43.001	GR0002173	603081	-	1,984
Satop Regional Development Corporation	SATOP #2801	43.001	GR0002160	603063	-	2,041
Satop Regional Development Corporation	SATOP #2812	43.001	GR0002149	603045	-	2,000
Satop Regional Development Corporation	SATOP #2815	43.001	GR0002148	603044	-	2,000
Satop Regional Development Corporation	SATOP #2826	43.001	GR0002161	603064	-	2,000
Satop Regional Development Corporation	SATOP #2850	43.001	GR0002162	603065	-	2,000
Satop Regional Development Corporation	SATOP #2857	43.001	GR0002163	603066	-	2,011
Satop Regional Development Corporation	SATOP #2867	43.001	GR0002221	603151	-	2,000

Schedule of Expenditures of Federal Awards

For the Fiscal Year Ended June 30, 2007

Name of Program/ Agency Name	Award Number	CFDA Number	Grant Code	Fund Number	Subrecipient Expenditures	Total Expenditures
Individual Awards – Other						
Satop Regional Development Corporation	SATOP #2944	43.001	GR0002213	603136	-	1,979
Satop Regional Development Corporation	SATOP #2949	43.001	GR0002215	603138	-	2,011
Satop Regional Development Corporation	SATOP #2951	43.001	GR0002226	603156	-	2,011
Satop Regional Development Corporation	SATOP 2439 CHILE PEEL MACHINE	43.001	GR0001922	602740	-	1,672
Satop Regional Development Corporation	SATOP 2443 SHIPPING DAMAGE TANG	43.001	GR0001954	602794	-	1,955
Satop Regional Development Corporation	SATOP 2531 BMD TANG	43.001	GR0001955	602795	-	1,955
Satop Regional Development Corporation	SATOP FIRE PROTECTION/DENG	43.001	GR0001921	602739	-	2,000
Satop Regional Development Corporation	SATOP RTA 2192/NASA	43.001	GR0001747	602453	-	(1,442)
Satop Regional Development Corporation	SATOP RTA 2197 NAIL GUN SPACING CON	43.001	GR0001712	602399	-	(1)
Satop Regional Development Corporation	SATOP RTA 2206 EXERCISE EQUIPMENT P	43.001	GR0001713	602400	-	(1,871)
Satop Regional Development Corporation	SATOP RTA 2527	43.001	GR0002079	602954	-	2,000
Satop Regional Development Corporation	SATOP RTA 2563	43.001	GR0002005	602864	-	2,000
Satop Regional Development Corporation	SATOP RTA 2576	43.001	GR0001989	602840	-	2,000
Satop Regional Development Corporation	SATOP RTA 2639	43.001	GR0001988	602839	-	1,982
Satop Regional Development Corporation	SATOP RTA#1012 NASA	43.001	GR0001222	600413	-	(16)
Satop Regional Development Corporation	SATOP RTA#1198 NASA	43.001	GR0000383	602320	-	(2,000)
Satop Regional Development Corporation	SATOP RTA#1291 NASA	43.001	GR0001170	600406	-	(26)
Satop Regional Development Corporation	SATOP RTA#1426 NASA	43.001	GR0001505	600981	-	(57)
Satop Regional Development Corporation	SATOP RTA#1450 NASA	43.001	GR0001292	600426	-	(72)
	TOTAL NASA				-	388,562
DEPARTMENT OF ENERGY (DOE)						
Pass Through DOE						
Instruction						
Los Alamos National Lab	LANL 220293000053C MBA	81.xxx	GR0001970	602817	-	114,972
Sandia National Laboratories	53401 SNL TRAIN PO 472803	81.xxx	GRP000534	800400	-	53,518
Public Service						
Los Alamos National Lab	LANL 42461-00-06	81.xxx	GR0001987	602838	-	4,549
	TOTAL DOE				-	173,039
DEPARTMENT OF JUSTICE (DOJ)						
Public Service						
	02-402991/05-447265 DEA	16.592	GR0001121	601665	-	13,864
	02-DEA-402835 DOJ	16.592	GR0000575	600599	-	(1)
	02-DEA-404549 DOJ	16.592	GR0000595	600619	-	(38)
	02-DEA-404665 DOJ	16.592	GR0000594	600618	-	(59)
	02-DEA-406105 DOJ	16.001	GR0000564	600588	-	(1)
	02-DEA-407732 DOJ	16.001	GR0000577	600601	-	(1)
	02-DEA-407751 DOJ	16.001	GR0000552	600576	-	(1)
	02-DEA-407806 DOJ	16.001	GR0000551	600575	-	(3)
	02-DEA-408804 DOJ	16.592	GR0000592	600616	-	(533)
	03-DEA-412470 DOJ	16.001	GR0000563	600587	-	(2)
	03-DEA-414284 DOJ	16.592	GR0000589	600613	-	867
	03-DEA-414292 DOJ	16.592	GR0000578	600602	-	(2)

**Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2007**

Name of Program/ Agency Name	Award Number	CFDA Number	Grant Code	Fund Number	Subrecipient Expenditures	Total Expenditures
Individual Awards – Other						
	03-DEA-414970 DOJ	16.592	GR0000590	600614	-	(13)
	03-DEA-415415 DOJ	16.001	GR0000554	600578	-	(2)
	03-DEA-415756 DOJ	16.001	GR0000490	602353	-	(2,563)
	03-DEA-415900 DOJ	16.592	GR0000582	600606	-	(0)
	03-DEA-416182 DOJ	16.001	GR0000562	600586	-	(5)
	03-DEA-416304 DOJ	16.001	GR0000560	600584	-	(1)
	03-DEA-416505 DOJ	16.592	GR0000825	600190	-	178
	03-DEA-417341 DOJ	16.592	GR0000460	602339	-	(4)
	03-DEA-417553 DOJ	16.001	GR0000557	600581	-	(4)
	03-DEA-417627 DOJ	16.001	GR0000567	600591	-	(2)
	03-DEA-417858 DOJ	16.592	GR0000580	600604	-	(2)
	03-DEA-417999 DOJ	16.001	GR0000559	600583	-	(2)
	03-DEA-418520 DOJ	16.592	GR0000570	600594	-	(6)
	03-DEA-418999 DOJ	16.592	GR0000588	600612	-	(585)
	03-DEA-419000 DOJ	16.592	GR0000587	600611	-	1,001
	03-DEA-419391 DOJ	16.592	GR0001517	601024	-	173
	03-DEA-419927 DOJ	16.592	GR0000566	600590	-	(2)
	03-DEA-421173 DOJ	16.592	GR0000573	600597	-	(1)
	03-DEA-421549 DOJ	16.592	GR0000568	600592	-	(1)
	03-DEA-421955 DOJ	16.592	GR0000569	600593	-	(1)
	03-DEA-422646 DOJ	16.592	GR0000583	600607	-	(2)
	03-DEA-423038 DOJ	16.592	GR0000457	602338	-	(3)
	03-DEA-423167 DOJ	16.001	GR0000466	602342	-	(3)
	03-DEA-423416 DOJ	16.592	GR0000586	600610	-	95
	03-DEA-423434 DOJ	16.592	GR0001404	600649	-	(4,761)
	03-DEA-423516 DOJ	16.001	GR0000464	602341	-	(12)
	03-DEA-423539 DOJ	16.592	GR0000301	600158	-	16,660
	03-DEA-423991 DOJ	16.592	GR0000596	600620	-	18
	03-DEA-423993 DOJ	16.592	GR0000597	600621	-	(9)
	03-DEA-424257 DOJ	16.592	GR0000410	602331	-	(17)
	03-DEA-424394 DOJ	16.592	GR0001303	600434	-	(582)
	03-DEA-424469 DOJ	16.592	GR0000422	602332	-	100
	03-DEA424623 DOJ	16.592	GR0000584	600608	-	(1)
	03-DEA-425155 DOJ	16.001	GR0000467	602343	-	(6)
	03-DEA-425270 DOJ	16.592	GR0001514	601021	-	287
	03-DEA-425271 DOJ	16.592	GR0001576	601224	-	232
	03-DEA-425548 DOJ	16.592	GR0001515	601022	-	271
	03-DEA-425611 DOJ	16.001	GR0000469	602345	-	(82)
	03-DEA-425613 DOJ	16.001	GR0000470	602346	-	(24)
	03-DEA-426191 DOJ	16.001	GR0000468	602344	-	(26)
	03-DEA-429092 DOJ	16.592	GR0001516	601023	-	708
	04-DEA-0439170 DOJ	16.592	GR0000288	600161	-	1,112
	04-DEA-427437 DOJ	16.001	GR0000461	602340	-	(42)
	04-DEA-429238 DOJ	16.592	GR0000806	600184	-	396
	04-DEA-430582 DOJ	16.592	GR0001385	600544	-	(152)

**Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2007**

Name of Program/ Agency Name	Award Number	CFDA Number	Grant Code	Fund Number	Subrecipient Expenditures	Total Expenditures
Individual Awards – Other						
	04-DEA-431506 DOJ	16.592	GR0000822	600187	-	212
	04-DEA-431970 DOJ	16.592	GR0001397	600632	-	390
	04-DEA-432141 DOJ	16.592	GR0001396	600623	-	193
	04-DEA-432224	16.592	GR0001401	600635	-	(26)
	04-DEA-432225 DOJ	16.592	GR0001399	600634	-	559
	04-DEA-432655 DOJ	16.592	GR0001403	600640	-	236
	04-DEA-433091 DOJ	16.592	GR0001518	601025	-	259
	04-DEA-433117 DOJ	16.592	GR0001390	600622	-	334
	04-DEA-433129 DOJ	16.592	GR0001382	600537	-	228
	04-DEA-433167 DOJ	16.592	GR0001384	600538	-	47
	04-DEA-434681 DOJ	16.592	GR0001519	601026	-	132
	04-DEA-434957 DOJ	16.592	GR0000296	600169	-	4,802
	04-DEA-435219 DOJ	16.592	GR0001304	600446	-	(7)
	04-DEA-435442 DOJ	16.592	GR0001513	601020	-	30
	04-DEA-435542 DOJ	16.592	GR0001408	600658	-	4,046
	04-DEA-435623 DOJ	16.592	GR0001511	601018	-	192
	04-DEA-435820 DOJ	16.592	GR0000303	600290	-	2,575
	04DEA436152/946 DOJ	16.592	GR0001574	601222	-	7,022
	04DEA439377/389 DOJ	16.592	GR0001575	601223	-	612
	2001-DR-FX-0002 DOJ	16.540	GR0000960	601435	-	266
	2002-SI-FX-0001 DOJ	16.542	GR0000962	601437	-	20,437
	2003-JS-FX-0074 DOJ	16.541	GR0000723	602366	-	60,071
	DEA HIDTA MS-03-0173	16.592	GR0000619	601368	-	8,413
	DEA/HIDTA MK-05-0074 DOJ	16.592	GR0001758	602646	-	26,404
	DEA/HIDTA MS-04-0276	16.592	GR0000621	601367	-	1,254
	DEA/HIDTA MS050072 DOJ	16.592	GR0001059	601618	-	1,037
	DEA/HIDTA MS050072DOJ	16.592	GR0000617	601366	-	46,349
	DEAHIDTA US DOJ OVERTIME REIMBURSEM	16.592	GR0001323	601830	-	7,371
	FY2004BVP/DOJ	16.001	GR0000800	600181	-	3,588
Pass Through DOJ						
Public Service						
City of Las Cruces	JUVENILE CITATION PRGRM EVAL CLC	16.540	GR0001845	602608	-	(2)
	TOTAL DOJ				<u>-</u>	<u>223,429</u>
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD)						
Public Service	HSIAC-04-NM-18	14.513	GR0040078	440013	-	190,358

**Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2007**

Name of Program/ Agency Name	Award Number	CFDA Number	Grant Code	Fund Number	Subrecipient Expenditures	Total Expenditures
Individual Awards – Other						
Pass Through HUD						
Public Service						
City of Las Cruces	09-04 CITY OF LC	14.219	GR0040074	440009	-	(188)
City of Las Cruces	B-02-SP-NM0442 CLC	14.246	GR0000814	600838	-	163
City of Las Cruces	CDBG 05-06 HUD	14.219	GR0040004	440006	-	(597)
Northern New Mexico Community College	NNMC	14.513	GR0001306	601820	-	3,533
	TOTAL HUD				<u>-</u>	<u>193,269</u>
DEPARTMENT OF DEFENSE (DOD)						
Public Service						
	AFROTC UNIFORM	12.002	GR0000515	600539	-	31,677
	SJC TASK 1 NNJ05JB02A	43.002	GR0001135	600268	-	2,628
	FY 2006 REAP PROGRAM	12.431	GR0001799	602531	-	(1,558)
	FY 2006 REAP PROGRAM 06-64	12.431	GR0001802	602532	-	410
Pass Through DOD						
Public Service						
University of New Mexico	DTRA UNM	12.xxx	GR0000358	600539	-	(13,600)
University of New Mexico	ROADMAP/ ADV BIOTECH	12.002	GR0001779	600268	-	16,941
University of New Mexico	UNM 456117-8745 DIST ED	12.002	GR0001398	602531	-	127,478
	TOTAL DOD			602532	<u>-</u>	<u>163,976</u>
DEPARTMENT OF INTERIOR (DOI)						
Instruction						
	04-CS-40-8082 DOI	15.xxx	GR0001443	601240	-	(60,945)
	04-FG-40-2188 DOI/BO	15.xxx	GR0001109	600319	-	1,936
	GDA020017 DOI	15.224	GR0020009	240009	-	(467)
	Waiver BIA SMK00070115 WATER RES 07	15.xxx	GR0002264	603260	-	19,169
Public Service						
	973104J008 FWLS/DOI	15.617	GR0001328	600488	-	25,119
	BIA WATER RES 2006	15.037	GR0001791	602501	-	48,557
	CA-1248-00-002 NMSU 11 NPS	15.916	GR0000743	600767	-	3,432
	CA-7170-99-002	15.xxx	GR0000495	600519	-	12,880
	JSA041005 Task 1 BLM/DOI	15.224	GR0001456	600662	-	49,417
Pass Through DOI						
Public Service						
Montana State University	GC239-04-Z1138 MSU/Doi	15.224	GR0001327	650141	-	(0)
Montana State University	G254-05-W0094 MSU BOZEMAN	15.224	GR0000726	601432	-	3,766
University of Georgia	AMERICA VIEW/HYNES	15.xxx	GR0002035	602896	-	4,000
	TOTAL DOI				<u>-</u>	<u>106,864</u>
DEPARTMENT OF HOMELAND SECURITY (DHS)						
Public Service						
	2002SA000684501 DHS	97.005	GR0000446	602335	-	217

Schedule of Expenditures of Federal Awards For the Fiscal Year Ended June 30, 2007

Name of Program/ Agency Name	Award Number	CFDA Number	Grant Code	Fund Number	Subrecipient Expenditures	Total Expenditures
Individual Awards – Other						
Pass Through DHS						
Public Service						
Department Of Homeland Security SNM	NM-OEM 2005-GE-T5-0012-NMSU	97.xxx	GR0002236	603177	-	30,270
Independent Operations						
University of Tennessee	007456-003 U OF TENN	97.xxx	GR0001646	601945	-	19,278
	TOTAL DHS				<u>-</u>	<u>49,765</u>
DEPARTMENT OF TRANSPORTATION (DOT)						
Instruction						
	2006 EISENHOWER FELLOWSHIPS	20.215	GR0002036	602897	-	40,946
Public Service						
State of New Mexico	03-521-0500-0249EMNR	20.205	GR0020010	240010	-	(1,229)
State of New Mexico	M00534 NMDOT HAZMAT TRAINING	20.217	GR0001649	601873	-	4,403
	TOTAL DOT				<u>-</u>	<u>44,120</u>
DEPARTMENT OF STATE (DOS)						
Instruction						
	ASDH-1349 DOS	19.406	GR0000092	600116	-	6,703
Public Service						
	SC0150-06-GR021	19.413	GR0001883	602665	-	20,450
	TOTAL DOS				<u>-</u>	<u>27,153</u>
U.S. DEPARTEMENT OF TREASURY (TREAS)						
Pass Through TREAS						
Public Service						
New Mexico Department Of Finance And Administration	SUPPORT FOR INT BUSINESS	21.xxx	GR0001986	602837	-	15,001
	TOTAL TREAS				<u>-</u>	<u>15,001</u>
NATIONAL ENDOWMENT FOR HUMANITIES (NEH)						
Public Service						
	HI-50054-05 NEH	45.001	GR0001570	601166	-	(137)
Pass Through NEH						
Public Service						
University of North Texas	73260-3 UNT	45.313	GR0001625	601295	-	4,529
	TOTAL NEH				<u>-</u>	<u>4,392</u>
TOTAL INDIVIDUAL AWARDS - OTHERS					4,698,636	39,113,209
TOTAL EXPENDITURES - FEDERAL AWARDS					\$26,299,800	\$ 166,121,681

Schedule of Expenditures of Federal Awards Year Ended June 30, 2007

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

Federal Awards:

Federal Appropriations, Grants and Contracts	\$ 151,429,269
Portion of Capital Grants, Gifts and Other Income related to Federal Awards	691,316
	152,120,585
Plus reconciling items:	
Indirect cost recovered	14,202,981
Net excess expenditures incurred over revenues recognized	(201,885)
Federal Expenditures per Schedule 5	\$ 166,121,681

Notes to Schedule of Expenditures of Federal Awards

Note A: Significant Accounting Policies:

The accompanying Schedule of Expenditures of Federal Awards follows the accounting policies presented in Note 2 of the Notes to Financial Statements.

Note B: During the fiscal year ending June 30, 2007, the University processed the following amount of new loans under the Guaranteed Student Loan Program (which includes Stafford Loans and Parents' Plus Loans).

	<u>CFDA Number</u>	<u>Amount Authorized</u>
Guaranteed Student Loans	84.032	\$ 58,485,863

Note C: During the fiscal year ending June 30, 2007, the value of federal funds made available in the form of non-cash assistance totaled

	<u>CFDA Number</u>	<u>Amount Authorized</u>
	81.xxx	\$ 3,005
	10.xxx	39,563
	12.431	7,975
	43.002	373,736
		\$ 424,279

Note D: During the fiscal year ending June 30, 2007, the University had the following loan balances outstanding. The federal capital contribution associated with these loans are included in the federal expenditures presented in this schedule.

	<u>CFDA Number</u>	<u>Amount Authorized</u>
Federal Perkins Loans Program	84.038	\$ 15,760,429



INDEPENDENT AUDITORS' 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

Deloitte & Touche LLP
JMorgan Chase Tower
2200 Ross Avenue, Suite 1600
Dallas, Texas 75201-6778

Tel: +1 214 840 7000
www.deloitte.com

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

We have audited the statements of net assets of New Mexico State University ("University") as of June 30 2007 and 2006, and the related statements of revenues, expenses, and changes in net assets, and cash flows for the years then ended; the combining statements of net assets – primary institution as of June 30, 2007 and 2006, and the combining statements of revenues, expenses and changes in net assets – primary institution for the years then ended, and the budget comparison for the year ended June 30, 2007; the statement of net assets of the University's discretely presented component units as of June 30, 2007 and 2006, and the related statement of revenues, expenses and changes in net assets for the years then ended, and have issued our report thereon dated November 14, 2007. 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. The financial statements of the discretely presented component units were audited in accordance with generally accepted auditing standards, but were not audited in accordance with Government Auditing Standards.

INTERNAL CONTROL OVER FINANCIAL REPORTING

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

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the University'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 University's financial statements that is more than inconsequential will not be prevented or detected by the University's internal control.

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

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

We noted certain matters that were reported as items 07-02 through 07-03 in the findings and questioned costs section of this report.

COMPLIANCE AND OTHER MATTERS

As part of obtaining reasonable assurance about whether the University's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance that are required to be reported under Government Auditing Standards which are described in the findings and questioned costs section of this report as item 07-02 and 07-04.

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

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

Debitte & Touche LLP

November 14, 2007

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

Tel: +1 214 840 7000
www.deloitte.com

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

Compliance

We have audited the compliance of New Mexico State University (the "University") with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended June 30, 2007. The University's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the University's management. Our responsibility is to express an opinion on the University's compliance based on our audit.

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

In our opinion, New Mexico State University complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2007. However, the results of our auditing procedures disclosed an instance of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which is described in the findings and questioned costs section of this report as item 07-01.

Internal Control Over Compliance

The management of the University is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the University's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the University's internal control over compliance.

A control deficiency in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

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

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

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

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

Debitte & Touche LLP

November 14, 2007

NEW MEXICO STATE UNIVERSITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2007

Part I—Summary of Auditor's Results

- The independent auditors' report on the financial statements expressed an unqualified opinion.
- No findings on internal control over financial reporting required to be reported in this schedule were disclosed in the audit of the financial statements.
- No instances of noncompliance which are considered material to the financial statements were disclosed in the audit of the financial statements.
- No areas in internal control over compliance with requirements applicable to the major federal award programs were identified to be reported.
- The independent auditors' report on compliance with requirements applicable to major federal award programs expressed an unqualified opinion.
- The results of the audit disclosed audit findings which are required to be reported by OMB Circular A-133.
- The University's major programs include:

Name of major Federal Program	CFDA
Research and Development Cluster	Various
Cooperative Extension Service	10.500
Temporary Assistance for Needy Families	93.558

For federal awards, a threshold of \$3,000,000 was used to distinguish between Type A and Type B programs as those terms are defined in OMB Circular A-133.

The University qualified as a low-risk auditee as that term is defined in OMB Circular A-133.

Part II—Financial Statement Findings Section

The audit disclosed no findings required to be reported

Part III—Federal Award Findings and Questioned Cost Section

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

Condition: University management was notified that an employee had allegedly falsified federal reports to the Department of Education by misstating the number of eligible participants, which would result in reimbursement of potentially ineligible costs to the agency.

Cause: The report was not reviewed and verified for accuracy before it was submitted to the Department of Education for reimbursement.

Criteria: The OMB Compliance Supplement states the specific compliance requirements for the TRIO cluster. Eligible participants are defined and only costs associated with eligible participants are allowable.

Effect: The University was not in compliance with the requirements of the TRIO cluster in prior years. Because this item was identified during the year ended June 30, 2007, the federal report for this period has not yet been filed and is expected to be corrected so that no ineligible participants will be reported for the current year.

Questioned costs: None for 2007.

Recommendation: The University should assess the controls over the reporting of eligible participants for the TRIO cluster and implement additional controls as necessary. At a minimum, a review of the report and its supporting documentation prior to submission to the federal agency should be performed.

Management Response: Current program management is performing a 100% percent review of the supporting documentation before the December 2007 submission of the FY 2007 data. An internal review is also being conducted to estimate errors in participant counts for submissions for previous years to correct potential over-funding issues with the agency. Audit Services is working with Business, Finance and Human Resources and Division of Student Success to identify and correct these issues.

Part IV—Other Findings and Recommendations

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

Condition: During the fiscal year, allegations were made that certain employees were engaging in personal, non-university activities during regular working hours while using university materials, supplies, equipment and personnel; misappropriating university assets such as tools and building materials; and claiming regular time and overtime not worked. This was allegedly done with the knowledge of certain individuals in supervisory and management positions. The Internal Audit Department has investigated the allegations.

Cause: The control environment at the OFS is not sufficient to support an adequate system of time reporting or materials control.

Criteria: Management's philosophy and operating style have a pervasive effect on an entity. Such philosophy that is consistent with a sound control environment is demonstrated when management regards the accounting function as a means for monitoring and exercising control over an entity's various activities. When improper activities are reported to management, they should be communicated to all appropriate parties and addressed in a thorough and timely manner. Management should also openly encourage and acknowledge the practices of employees or departments that promote a sound control environment and ethical behavior, even when the practice is controversial.

Effect: Inefficiencies resulting from lack of control over time and materials costs resulted in higher expenditure levels for general OFS functions.

Recommendation: Management should put into place a structured program to establish a comprehensive system of internal controls at the OFS. Additionally, management should assess other departments to determine if similar control environments exist outside of OFS and take steps to address any that are found.

Management should consider reemphasizing the importance of internal controls across the University. Management Response: A transition team tasked with implementing sound internal controls within OFS has replaced prior OFS management. Audit Services has performed a detailed review, and the transition team is charged with implementation of their recommendations. The Controller's Office has reviewed other units to identify any with similar control environments and to lead corrective action. The Enterprise Risk Management project will be used to emphasize the importance of internal controls university wide.

07-03 Access to Core Banner Server

Condition: 13 out of 71 or (18%) usernames are not assigned to specific individuals.

Cause: Existing procedure required usernames to be assigned to default Banner job functions or not clearly assigned to specific individuals.

Criteria: In general, usernames should be assigned to specific individuals and owners should be responsible for ensuring the confidentiality of their private login passwords.

Effect: If usernames are assigned to job functions, and shared by several people, it will be difficult to ensure accountability for actions performed by individual users.

Recommendation: NMSU should put procedures into place to appropriately assign usernames and monitor that usernames are assigned to specific individuals and not to job functions.

Management Response: Of the 13 identified accounts, three are system accounts and should not have been flagged in the system audit. Of the remaining accounts, where users are not assigned, ICT will review and assign a responsible employee by January 15th, 2008.

07-04 Budget Overages

Condition: The budget comparison in Schedule 3 reflects 15 functional line item expenditure amounts with unfavorable variances against the final budget. There is no unfavorable variance for the budget in total.

Cause: The Higher Education Department requires a budget adjustment request in the spring to adjust budgets to expected actual expenditures. The University's estimation process for this adjustment was not precise enough on a functional line item level, resulting in unfavorable budget variances at year end.

Criteria: Budgets should be prepared on a functional line item basis in accordance with NMAC 5.3.4.10, which states, Items of Budgetary Control: The total expenditures in each of the following budgetary functions will be used as the items of budgetary control. Total expenditures or transfers in each of these items of budgetary control may not exceed the amount shown in the approved budget.

- A. Unrestricted expenditures and restricted expenditures.
- B. Instruction and general.
- C. Each budget function in current funds other than instruction and general (exhibits 15-22).
- D. Within the plant funds budget: major projects, library bonds, equipment bonds, minor capital outlay, renewals and replacements, and debt service.
- E. Each individual item of transfer between funds and/or functions.

Effect: Unfavorable variances are reported as a finding in the annual audit report. NMAC 5.3.4.10 was violated, resulting in line item unfavorable budget variances totaling \$22,719,021.

Recommendation: The University should assess its process for estimating budget adjustments and revise it process to ensure that actual amounts for the year do not exceed budgets at the functional line item level.

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

STATUS OF PRIOR AUDIT FINDINGS

06-01 Financial Reporting Classification

Condition: A restatement of revenues between operating Non-governmental Grants and Contracts Revenue and Non-operating Gifts and Non exchange Grants Revenue was recorded for the fiscal year ended June 30, 2005. This restatement did not affect the Net Asset balance but rather changed the totals within the Schedule of Revenues, Expenses and Changes in Net Assets between operating and non-operating revenue.

Current Status: Resolved.

06-02 Password Security

Condition: UNIX and Banner password settings are not in compliance with the NMSU Password Maintenance Policy.

Current Status: Resolved

06-03 Security Violation Report Review

Condition: UNIX security violation report is not reviewed on a regular basis.

Current Status: Resolved

06-04 Segregation of Information Technology Duties

Condition: Data integrity within the production environment may be compromised as a number of developers have access to the production environment. Also there is no central repository of the data change requests.

Current Status: Partially resolved – in progress. ICT expects to complete and deploy by August 1, 2007, a web based application to be used by development staff to obtain temporary access to BANNER production environment. The application will serve as a central repository for all data access request location

Management Response: ICT management has implemented the Banner Direct Access application to enable temporary developer access to the Banner production database. Concurrent with the implementation of this application, development staff members were instructed that they are no longer authorized to use the previously shared account. Staff members have been instructed to obtain temporary access, as needed, via the application instead. ICT is also changing the password for the Oracle INTERFACE account. Concurrent with this effort, ICT is re-engineering any scripts containing the embedded password to support current and future password changes. ICT will implement regular password changes for this account on a go-forward basis in accordance with the NMSU Password Change policy. Tentative completion date for password change is November 30, 2007. This is dependent on the client's schedule for re-engineering the interfaces. ICT has identified thirteen scripts that must be developed to complete the required password change.

06-05 System Access

Condition: Twelve users have access to reset user's passwords and modify user profiles.

Current Status: Resolved.

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

Condition: Although NMSU has informal standards to guide in the configuration and daily management of information systems, NMSU has not documented all the information technology policies and procedures. There are no policies or procedures addressing system software changes, database changes, network changes and system monitoring.

Current Status: Partially resolved – in progress, ICT had developed change management policy and general change procedures. Area specific policies and procedures are expected to be completed August 30, 2007

Management Response: A policy and general change procedures have been established. ICT is currently completing area-specific procedures to manage and control change. These procedures will be complete in the first quarter of 2008. ICT is working with NMSU Audit Services to ensure that risk is minimized.

06-07 Safeguarding of User IDs

Condition: Some user IDs/passwords are shared among users for both the operating systems and applications.

Current Status: Resolved.

New Mexico State University
Exit Conference
For the Year Ended June 30, 2007

A closing conference was held on November 8, 2007, to discuss the current audit report and current and prior year auditor's comments. The parties agreed to the factual accuracy of the comments contained herein. In attendance were the following individuals:

Representing the Board of Regents for New Mexico State University

Laura Conniff	Chair
Robert Gallagher	Vice Chair

Representing New Mexico State University

Michael Martin	President
Jennifer Taylor	Senior Vice President for Business, Finance and Human Resources
Lori Gobble	Controller
Brenda Shannon	Director of Audit Services
Diana Hidalgo	IT Auditor, Audit Services
Lori Wertz	Assistant Director of Audit Services
Bruce Kite	General Counsel
Rebecca Dukes	Vice President for University Advancement; Executive Director of the NMSU Foundation
Randy Frye	Director of Gift Accounting; Controller of NMSU Foundation

Representing Deloitte & Touche LLP

Julia Petty, Director
Leticia Torres, Manager



Live, Learn and Thrive.™

Financial Statements and Schedules 2006-2007
New Mexico State University
MSC 3AA
PO Box 30001
Las Cruces, NM 88003
boffice@nmsu.edu