



The School District of Greenville County • Greenville, South Carolina

Comprehensive Annual Financial Report

For the Year Ended June 30, 2009



Where Enlightening Strikes!

www.greenville.k12.sc.us

The School District of Greenville County

Greenville, South Carolina



Where enlightening strikes

Comprehensive Annual Financial Report

For the Year Ended June 30, 2009

Prepared By:

The Office of the Executive Director of Finance

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

TABLE OF CONTENTS

YEAR ENDED JUNE 30, 2009

	<u>Page Number</u>
<i>INTRODUCTORY SECTION</i>	
Board of Trustees	1
Administrative Staff	2
Organizational Chart	3
Letter of Transmittal from Administration	5
GFOA Certificate of Achievement for Excellence in Financial Reporting	11
ASBO Certificate of Excellence in Financial Reporting	12
<i>FINANCIAL SECTION</i>	
Independent Auditors' Report	13
Management's Discussion and Analysis	15
Basic Financial Statements:	
<i>Government-wide Financial Statements:</i>	
Statement of Net Assets	28
Statement of Activities	29
<i>Fund Financial Statements:</i>	
Balance Sheet - Governmental Funds	30
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets	32
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	34
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities	36
Statement of Net Assets - Proprietary Fund	37
Statement of Revenues, Expenses, and Changes in Fund Net Assets - Proprietary Fund	38
Statement of Cash Flows - Proprietary Fund	39
Statement of Assets and Liabilities - Fiduciary Fund	40
Notes to the Basic Financial Statements	41
Required Supplementary Information:	
<i>Budgetary Comparison Schedules:</i>	
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budgets and Actual	
General Fund	67
Special Revenue Fund	68
Education Improvement Act	69

(Continued)

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

TABLE OF CONTENTS

YEAR ENDED JUNE 30, 2009

	<u>Page Number</u>
<i>FINANCIAL SECTION (CONTINUED)</i>	
Supplementary Information:	
Schedule of Revenues, Expenditures, and Changes in Fund Balance - General Fund Revised Budget and Actual	Schedule A-1 71
<u>Special Revenue Funds</u>	
<i>Special Projects Fund:</i>	
Schedule of Revenues, Expenditures, and Changes in Fund Balance	Schedule B-1 82
Supplemental Listing of LEA Subfund Codes and Titles	Schedule B-2 102
Summary Schedule for Other Designated Restricted State Grants	Schedule B-3 105
<i>Education Improvement Act:</i>	
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance - All Programs - Special Revenue Fund - Education Improvement Act	Schedule B-4 106
Summary Schedule by Program - Special Revenue Fund - Education Improvement Act	Schedule B-5 113
<i>Other Schedules:</i>	
Detailed Schedule of Due to State Department of Education/Federal Government	Schedule B-6 114
<u>Debt Service Funds</u>	
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Debt Service Fund - District	Schedule C-1 115
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Debt Service Fund - BEST	Schedule C-2 116
<u>Capital Projects Funds</u>	
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Capital Projects Fund - District	Schedule D-1 117
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Capital Projects Fund - BEST	Schedule D-2 118
<u>Enterprise Fund</u>	
Schedule of Revenues, Expenses, and Changes in Net Assets - Food Service Fund	Schedule E-1 119
<u>Fiduciary Fund</u>	
Schedule of Receipts, Disbursements, and Changes in Due to Student Organizations - Pupil Activity Fund	Schedule F-1 121
Schedule of Changes in Assets and Liabilities - Pupil Activity Fund	Schedule F-2 122
<u>Discretely Presented Component Units - Charter Schools</u>	
Combining Schedule of Net Assets - Charter Schools	Schedule G-1 123
Combining Schedule of Activities - Charter Schools	Schedule G-2 124

(Continued)

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

TABLE OF CONTENTS

YEAR ENDED JUNE 30, 2009

	<u>Page Number</u>
<i>STATISTICAL SECTION (UNAUDITED)</i>	
<u>Financial Trends Information</u>	
Net Assets by Component - Last Eight Fiscal Years - Accrual Basis of Accounting	Table 1 127
Changes in Net Assets - Last Eight Fiscal Years - Accrual Basis of Accounting	Table 2 128
Governmental Activities Tax Revenues by Source - Last Eight Fiscal Years - Accrual Basis of Accounting	Table 3 130
Fund Balances of Governmental Funds - Last Ten Fiscal Years - Modified Accrual Basis of Accounting	Table 4 131
Changes in Fund Balances of Governmental Funds - Last Ten Fiscal Years - Modified Accrual Basis of Accounting	Table 5 132
<u>Revenue Capacity Information</u>	
Assessed Value and Estimated Actual Value of Taxable Property - Last Ten Fiscal Years	Table 6 134
Property Tax Rates Direct and Overlapping Governments - Last Ten Fiscal Years	Table 7 135
Principal Property Taxpayers - Current Year and Nine Years Ago	Table 8 136
Property Tax Levies and Collections - Last Ten Fiscal Years	Table 9 137
<u>Debt Capacity Information</u>	
Ratios of Outstanding Debt by Type - Last Ten Fiscal Years	Table 10 138
Ratios of General Bonded Debt Outstanding - Last Ten Fiscal Years	Table 11 139
Direct and Overlapping Governmental Activities Debt - As of June 30, 2009	Table 12 140
Legal Debt Margin Information - Last Ten Fiscal Years	Table 13 141
<u>Demographic and Economic Information</u>	
Demographic and Economic Statistics - Last Ten Fiscal Years	Table 14 142
Principal Employers - Current Year and Nine Years Ago	Table 15 143
<u>Schedule of Operating Information</u>	
Full-Time Equivalent School District Employees by Function - Last Ten Fiscal Years	Table 16 144
Operating Indicators by Function - Last Ten Fiscal Years	Table 17 145
Capital Asset Information - Last Eight Fiscal Years	Table 18 146
<i>COMPLIANCE SECTION</i>	
Schedule of Expenditures of Federal Awards	147
Notes to the Schedule of Expenditures of Federal Awards	150
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Basic Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	151
Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133	153
Summary Schedule of Prior Audit Findings	155
Schedule of Findings and Questioned Costs	156

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**



THE SCHOOL

DISTRICT OF GREENVILLE COUNTY

BOARD OF TRUSTEES JUNE 30, 2009



Seated, left to right:

Glenda Morrison-Fair, Tommie Reece, Dr. Crystal Ball O'Connor, Lynda Leventis-Wells, Megan Hickerson.

Standing, left to right:

Chuck Saylors, Pat Sudduth, Debi Bush, Dan Moravec, Roger Meek, Leola Robinson-Simpson, Danna Edwards.



THE SCHOOL DISTRICT OF GREENVILLE COUNTY

ADMINISTRATIVE STAFF

SuperintendentDr. Phinnize J. Fisher

Deputy Superintendent of SchoolsDr. Gigi Outz

Deputy Superintendent for OperationsMr. Burke Royster

Assistant Superintendent for:

Career Tech Ed/Business RelationsMr. Alex Martin

School Accountability ElementaryDr. Penny Rogers

School Accountability ElementaryDr. Michelle Meekins

School Accountability Middle Mr. Leroy Hamilton

School Accountability HighDr. Ken Peake

Assistant Superintendent of:

Special EducationMrs. Mary Smith

Executive Director of:

ConstructionMr. Bryan Morris

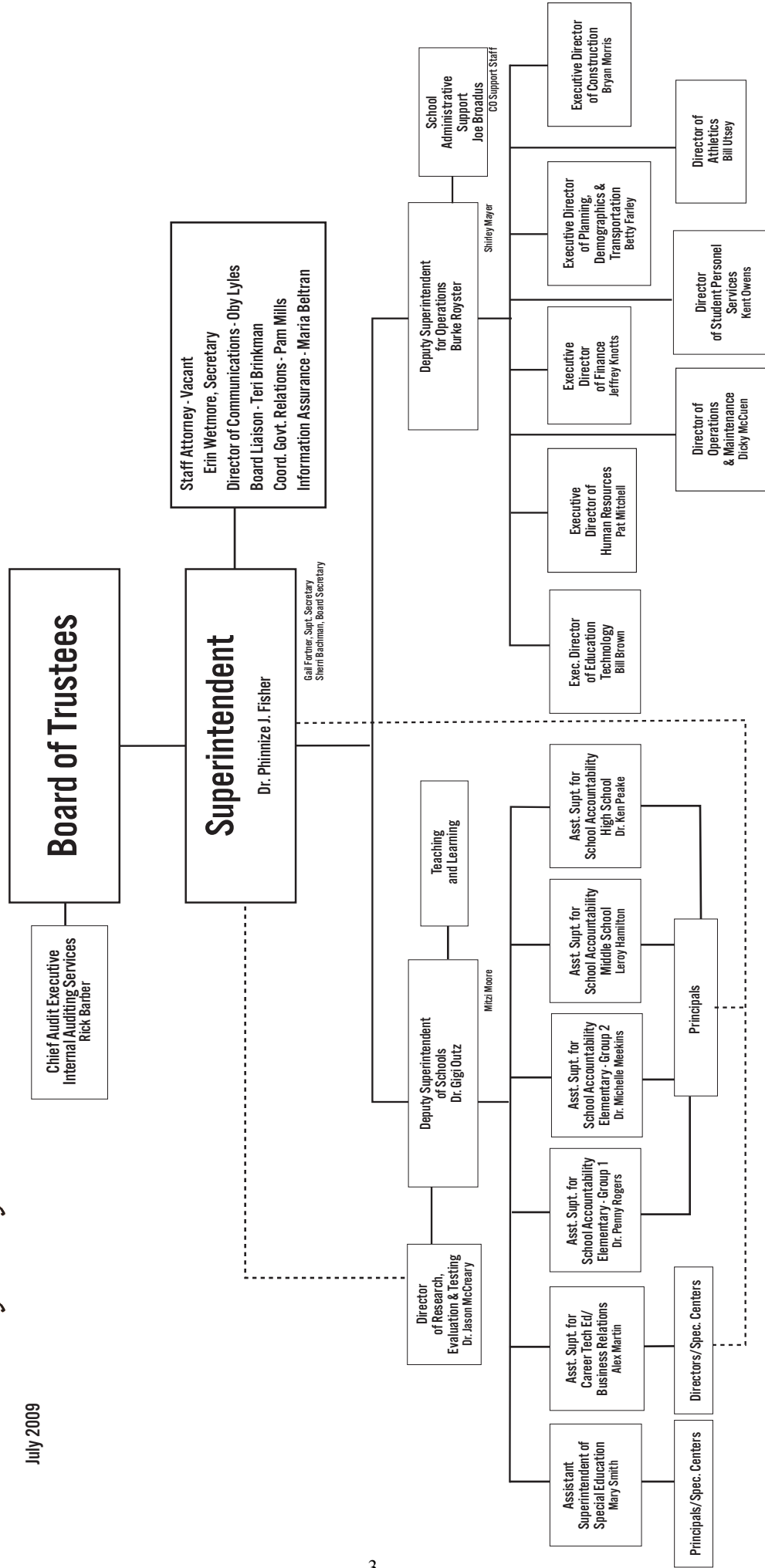
Education TechnologyMr. Bill Brown

FinanceMr. Jeff Knotts

Human ResourcesMr. Pat Mitchell

Planning, Demographics & TransportationMrs. Betty Farley

Board LiaisonMrs. Terri Brinkman



Organization Chart

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**



October 22, 2009

To the Citizens of The School District of Greenville County

We are pleased to submit to you the comprehensive annual financial report (“CAFR”) of The School District of Greenville County (“School District”) for the fiscal year ended June 30, 2009. State law requires that all school districts publish within five months of the close of each fiscal year a complete set of basic financial statements presented in conformity with accounting principles generally accepted in the United States of America (“GAAP”) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants.

This report consists of management’s representations concerning the finances of the School District. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of The School District of Greenville County has established a comprehensive internal control framework that is designed both to protect the School District’s assets from loss, theft, or misuse, and to compile sufficient reliable information for the preparation of The School District of Greenville County’s basic financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the School District’s comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the basic financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The School District of Greenville County’s basic financial statements have been audited by Greene, Finney & Horton, LLP. The goal of the independent audit was to provide reasonable assurance that the basic financial statements of The School District of Greenville County for the fiscal year ended June 30, 2009 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall basic financial statement presentation. The independent auditor concluded that there was a reasonable basis for rendering an unqualified opinion that The School District of Greenville County’s basic financial statements for the fiscal year ended June 30, 2009 are fairly presented in conformity with GAAP. The independent auditors’ report is presented as the first component of the financial section of this report.

The independent audit of the basic financial statements of The School District of Greenville County was part of a broader, federally mandated “Single Audit” designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the basic financial statements, but also on the audited government’s internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the compliance section of this comprehensive annual financial report.

The accounting principles generally accepted in the United States of America require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of MD&A. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The School District of Greenville County's MD&A can be found immediately following the report of the independent auditors.

Profile of The School District of Greenville County

Long recognized as a leader in public education, The School District of Greenville County is the largest school district in South Carolina and the 51st largest district in the nation, with approximately 68,450 students. It is a consolidated, unified system formed in 1951 when 82 local school districts merged. Comprised of virtually all of Greenville County and a small portion of Laurens and Spartanburg counties, the School District of Greenville County spans 789 square miles and consists of more than 100 schools and facilities. We offer a large variety of excellent educational programs. The School District of Greenville County recently received international recognition as a high quality school district when we were awarded National Accreditation from AdvancED, providing a distinguished mark of quality for the school district, and its schools, students, and teachers.

A 12-member Board of Trustees governs the School District of Greenville County. Programs and policies are established by this publicly elected Board that serves 4-year terms and meets the fourth Tuesday of each month except July. The day-to-day administration of the School District is the responsibility of the Superintendent, who is appointed by the School Board.

Each day, the School District challenges and inspires young people in grades K-12 to meet the demands of the future. In addition to the 81 elementary, middle, and high schools, and four career centers, the School District has several special centers. These include a fine arts center, international studies center at twelve schools (elementary, middle and high), Child Development Centers, Roper Mountain Science Center, and Washington Center for the Handicapped. The School District also offers magnet academies (elementary, middle and high) that offer unique educational opportunities in foreign language, communication arts, pre-engineering international studies, science and technology, and fine arts.

In addition, Brashier Middle College Charter High School, Fuller Normal Advanced Technology Charter School, Greenville Technical Charter High School, Greer Middle College Charter School, Langston Middle Charter School, Meyer Center for Special Children, and Wohali Academy Charter School are charter schools under legislation enacted on June 18, 1996. A charter school is considered a public school and these schools are a part of The School District of Greenville County for purposes of state law and state constitution. Because the charter schools are fiscally dependent on the School District, their exclusion would cause the School District's basic financial statements to be incomplete. Therefore, the financial statements of the charter schools are included in those of the School District as discretely presented component units. In addition, Building Equity Sooner for Tomorrow, Inc. ("BEST"), a not-for-profit 501 (c)(3) corporation, is also a component unit of the District; this entity is treated as a "blended component unit" for financial statement purposes. Detailed information about BEST is described in the School District's MD&A.

Budgetary Control

The School District's budget process is developed using, as a foundation, the School District's Mission Statement and The Education Plan as developed by the citizens and personnel of The School District of Greenville County.

School District Mission Statement

We provide educational experiences, in cooperation with the home and community that prepare students for lifelong learning and for ethical, productive participation in a democratic society and the global community.

Education Plan Priorities for Performance

- ✓ Goal One: Raise the Academic Challenge and Performance of Each Student
 - ✓ Goal Two: Ensure Quality Personnel in All Positions
 - ✓ Goal Three: Provide a School Environment Supportive of Learning
 - ✓ Goal Four: Effectively Manage and Further Develop Necessary Financial Resources
 - ✓ Goal Five: Improve Public Understanding and Support of Public Schools
-

The School District of Greenville County maintains budgetary control. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Board of Trustees. Activities of the general fund, capital projects funds, and debt service fund are included in the annual appropriated budget. The legal level of control is at the fund level. To ensure compliance, budgetary controls are established by function and activity within each individual fund. Budgeted dollars cannot be transferred between funds without Board approval. The budgets of the School District may be amended during the year by preparing an update and submitting to the Board of Trustees for approval. The School District also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbered amounts lapse at year-end.

Factors Affecting Financial Condition

The information presented in the basic financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which The School District of Greenville County operates.

Local Economy

Greenville County has developed into one of the Southeast region's premiere cities for business. It serves as the service, retail, and manufacturing center for northwest South Carolina. Over the last quarter century, Greenville County has experienced a healthy industrial growth rate in terms of both new industry location and expansion of existing facilities. It has long been recognized as a prime location for international investment. As a result of a strong business climate and a high quality of life, over 70 international firms providing over 14,000 jobs are located in Greenville County. Over the last eight years, 30 companies have either opened new or expanded current

offices in the county representing over \$1 billion in investments and 1,500 new jobs. Greenville County is the location of many major companies, foreign and domestic. Some of the major companies located in Greenville County include Bic, Bi-Lo, Dunlop Maxfli, GE Gas Turbine LLC, Fluor Corporation, IBM, Michelin North America, Eurokera, CarTex, Kyocers, Mita, and Pierburg.

During the past 15 years, strong county economic planning efforts have enabled the manufacturing sector to diversify away from historically concentrated textile employment toward high technology. During the same period, the service and trade sectors have continued to expand. The economic downturn is nothing to underestimate, but Greenville's economic success story continued strong in the fourth quarter of 2008 with 8 announcements adding over 67 million dollars in investment and over 600 planned new jobs. For the first two quarters of 2009, Greenville County continued with development in the upstate region announcing capital investment of \$21,000,000 and creation of 368 new jobs.

Capital investment in Greenville County included the International Center for Automotive Research ("ICAR") which will serve the state's existing automotive industries and help attract new ones by bringing together a graduate program specializing in systems integration with commercially viable automotive and motor sports R&D, testing laboratories and other support facilities.

Greenville County's location, access to the interstate system, diverse employment base, and educational institutions, favor a continuation of this growth trend toward more economic development and new jobs.

Long-Term Financial Planning

As evidenced by the basic financial statements contained in this report, Capital Projects are one of the main focus areas of the School District's financial planning. Prior to the adoption of the Long Range Facilities Plan, the School District sold general obligation bonds annually with eight-plus year repayment schedules. The School District restructured its debt and shortened the repayment schedule of bonds; thereby reducing interest cost and freeing up additional capacity within the constitutional 8% debt limit.

In March 2001, the School District entered into a contract with Institutional Resources to address pressing facility needs. The contract included a financing component that established a non-profit foundation, referred to as BEST. As of June 2006, the non-profit had issued four series of bonds for a total of \$1.03 billion in Installment Purchase Revenue Bonds to fund the BEST construction program. These bonds will be matured for the most part with annual general obligation debt issued by the School District, within its 8% debt limitation, and future earnings on investments. These bonds are scheduled to be paid off in the year 2028.

The District has also planned various capital improvements over the next five years. These capital improvements will be paid for with the proceeds of general obligation bonds issued by the District.

Cash Management Policies and Practices

The School District pursues an aggressive cash management program by expediting the receipt of revenues and prudently depositing and investing available cash balances. Cash temporarily idle during the year was invested in the South Carolina Local Government Investment Pool. The average yield on investments was 1.218%. The amount of interest earned for the general fund was \$856,606.

At the end of each business day, collected balances in the School District's operating bank accounts are deposited into a SWEEP account. These funds are invested in securities according to state law.

Risk Management

The School District has a program of risk management supervised by the Director of Payroll & Insurance Services and supported by a Risk Insurance/Benefits Coordinator and a Safety/Loss Prevention Coordinator. The School District also utilizes the services of a consulting firm for review, audit and analysis of losses, safety programs, policy design and coverage premiums as well as advising the School District on general risk issues.

A comprehensive package of employee benefits insurance is administered by the School District on behalf of its' employees. Insurance coverage is provided through the State of South Carolina's program as well as specific carriers selected by the School District. Commercial insurance is carried to cover potential liabilities. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any previous policy years. The School District's Workers' Compensation program is currently "self-insured" with funds budgeted through the General Fund. Funds are available to pay claims, claim reserves and the administrative costs of the program.

Pension/Retirement Plan

Substantially all School District employees are members of a pension plan. The South Carolina Retirement System administers five public pension plans; four are defined contribution plans (optional retirement plans) and one is a defined benefit plan. The Retirement System is a division of the South Carolina State Budget and Control Board. Currently, the majority of district employees are participants in the defined benefit plan.

The Systems' defined benefit plan offers retirement benefits, disability benefits, cost of living adjustments, life insurance and survivor benefits. The plan's provisions are established under Title 9 of the SC Code of Laws. Comprehensive Annual Financial Reports containing financial statements and required supplementary information for the System is issued and publicly available by writing the SC Retirement System, P.O. Box 11960, Columbia, SC 29211-1960.

The Optional Retirement Plans are administered by independent companies selected by the South Carolina Retirement Systems.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (“GFOA”) awarded a Certificate of Achievement for Excellence in Financial Reporting to The School District of Greenville County for its CAFR for the fiscal year ended June 30, 2008. This was the twenty second consecutive year that the School District has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program’s requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

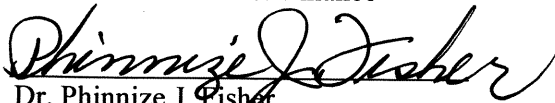
In addition, the School District was also awarded The Association of School Business Officials International Certificate of Excellence in Financial Reporting for its comprehensive annual financial report for the fiscal year ended June 30, 2008. This award is the highest form of recognition in school financial reporting issued by the Association of School Business Officials International. The School District is pleased to receive this award and we believe our current report continues to conform to the Program requirements as a Certificate of Excellence is valid for one year only.

When a project of this magnitude is undertaken many people are deserving of thanks. Even so, sincere appreciation is expressed to the entire staff in the Finance Department who’s dedicated and efficient services have made the timely preparation of this report possible. Thanks also to The School District of Greenville County’s Board of Trustees for your support of excellence in financial reporting and fiscal integrity.

Respectfully submitted,



Jeffrey S. Knotts
Executive Director of Finance



Dr. Phinnize J. Fisher
Superintendent

Certificate of Achievement for Excellence in Financial Reporting

Presented to

The School District
of Greenville County
South Carolina

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2008

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



A handwritten signature in black ink, appearing to read "M. L. Post".

President

A handwritten signature in black ink, appearing to read "Jeffrey R. Emer".

Executive Director

**ASSOCIATION OF SCHOOL BUSINESS OFFICIALS
INTERNATIONAL**



This Certificate of Excellence in Financial Reporting is presented to

THE SCHOOL DISTRICT OF GREENVILLE COUNTY

For its Comprehensive Annual Financial Report (CAFR)

For the Fiscal Year Ended June 30, 2008

Upon recommendation of the Association's Panel of Review which has judged that the Report substantially conforms to principles and standards of ASBO's Certificate of Excellence Program

Angel Pitman

President

John D. Maso

Executive Director



INDEPENDENT AUDITORS' REPORT

The Board of Trustees
The School District of Greenville County
Greenville, South Carolina

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of The School District of Greenville County, South Carolina (the "School District"), as of and for the year ended June 30, 2009, which collectively comprise the School District's basic financial statements as listed in the table of contents. These basic financial statements are the responsibility of the School District's management. Our responsibility is to express opinions on these basic financial statements based on our audit. We did not audit the basic financial statements of the discretely presented component units, which statements reflect total assets and net assets of \$9,508,084 and \$5,642,232, respectively, as of June 30, 2009 and total revenues of \$12,420,281 for the year ended June 30, 2009. Those basic financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for the discretely presented component units, is based solely on the reports of the other auditors.

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

In our opinion, based on our audit and the reports of other auditors, the basic financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of The School District of Greenville County, South Carolina, as of June 30, 2009, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 22, 2009 on our consideration of the School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The accompanying management's discussion and analysis and budgetary comparison schedules for the General Fund, Special Revenue Fund and Education Improvement Act Fund, as listed in the table of contents, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School District's basic financial statements. The introductory section, the supplementary information and the statistical section, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards of the primary government is presented for purposes of additional analysis as required by the US Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements of the School District. The supplementary information of the primary government and schedule of expenditures of federal awards of the primary government have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section, the supplementary information of the discretely presented component units and the statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.



Greene, Finney & Horton, LLP
Mauldin, South Carolina
October 22, 2009

The School District of Greenville County

Management's Discussion and Analysis

For the Fiscal Year Ended June 30, 2009

This discussion and analysis of the School District of Greenville County's financial performance provides an overview of the School District's financial activities for the fiscal year ended June 30, 2009. The intent of this discussion and analysis is to look at the financial performance of the School District as a whole, with an emphasis on the Primary Government; readers should also review the transmittal letter, notes to the basic financial statements and financial statements to enhance their understanding of the School District's financial performance.

FINANCIAL HIGHLIGHTS

Key financial highlights for 2009 are as follows:

- In the Statement of Net Assets, the assets of the School District exceeded its liabilities at the close of the most recent fiscal year by \$558.5 million. Of this amount, \$55.3 million may be used to meet the School District's ongoing obligations to citizens and creditors.
- The School District's total capital assets of \$1.346 billion did not change during the current fiscal year, as additions of \$42.2 million approximated depreciation expense of \$40.9 million and the net book value of disposals of \$1.3 million.
- The total long term obligations of \$1.090 billion are comprised primarily of the outstanding BEST Bonds. The key factor in this amount was the School District's aggressive building fund program, which is now 99% complete, via the Installment Purchase Revenue Bonds sold by BEST, to fund the BEST construction program. BEST, although a legally separate entity, is a blended component unit of the School District, and its activities and balances are included in the financial information of the School District.
- The School District's total net assets increased by \$3.8 million (\$4.3 million from governmental activities, partially offset by \$0.5 million decrease from business type activities). Total revenues of \$660 million exceeded total expenses of \$656 million.
- As of the close of the current fiscal year, the School District's governmental funds reported combined ending fund balances of \$287 million, an increase of \$9 million in comparison with the prior year. This is attributable to activity in several funds. The General Fund – fund balance decreased by \$2.1 million. The Debt Service – District fund balance increased by a \$3.7 million, due to higher property tax revenues and interest earnings. The Debt Service – BEST fund balance decreased by \$0.4 million due to payment of BEST Bonds. The fund balance in the Capital Projects – District fund increased by \$11.6 million, due to higher interest earnings, and the rate of project expenditures not meeting projected levels primarily due to the delay in the purchase of land. Lastly, the Capital Projects – BEST fund balance decreased by \$3.8 million, reflecting the continued activity in the BEST construction program.
- At the end of the current fiscal year, the unreserved fund balance for the general fund was \$46.95 million (11.1% of 2009 actual expenditures). The undesignated fund balance was \$8.4 million

OVERVIEW OF THE FINANCIAL STATEMENTS

The School District of Greenville County has prepared its comprehensive annual financial report using the reporting model that is a combination of both government-wide financial statements and fund financial statements.

Government-wide financial statements. The basic financial statements include two kinds of statements that present different views of the School District. The first two statements are *government-wide financial statements* that provide a broad overview of the School District's overall financial status, in a manner similar to a private-sector enterprise.

The *statement of net assets* presents information on all of the School District's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the School District is improving or deteriorating.

The *statement of activities* presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, for some items, revenues and expenses are reported in this statement that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

The School District of Greenville County

Management's Discussion and Analysis

For the Fiscal Year Ended June 30, 2009

Both of the government-wide financial statements distinguish functions of the School District that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the School District include instruction, support services, community services and intergovernmental. The business-type activities of the School District include a food service operation.

The government-wide financial statements include not only the School District itself (known as the primary government), but also component units. The component units include several legally separate charter schools and a nonprofit corporation (Building Equity Sooner for Tomorrow, or BEST) for which the School District is financially accountable. Financial information for the charter schools is reported separately from the financial information presented for the primary government itself; this information is not significant or material to the School District as a whole. BEST is a "blended" component unit, and as such, is included in the governmental activities of the School District. Complete separately issued financial statements for the charter schools may be obtained from the administrative office of each school. See Note I.A. for details about how to obtain a copy of their financial statements. Separate financial statements for BEST are not issued.

Fund financial statements. The remaining basic financial statements are *fund financial statements* that focus on *individual parts* of the School District, reporting its operations in *more detail* than the government-wide statements.

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The School District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related requirements. All of the funds of the School District can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term uses of expendable resources, as well as on balances of expendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate the comparison between governmental funds and governmental activities.

The School District maintains six individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, special revenue fund, EIA fund, debt service fund and capital projects fund, all of which are considered to be major funds. The individual fund data for the permanent fund, a non-major fund, is provided in a separate column since it is the only non-major fund. The BEST capital projects fund and the BEST Debt Service Fund are also major funds and therefore shown in separate columns.

Proprietary Fund. The School District maintains one type of proprietary fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The School District uses an enterprise fund to account for its food service operation. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail; therefore, the proprietary fund financial statements provide more detailed information for the food service operation, which is considered a major fund of the School District.

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the School District's own programs. The School District is the trustee, or fiduciary, for the pupil activity of the schools and accounts for this activity in an agency fund.

The School District of Greenville County

Management's Discussion and Analysis

For the Fiscal Year Ended June 30, 2009

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other information. The combining statements referred to earlier in connection with the governmental funds and individual fund statements and schedules are included in the supplementary statements and schedules section.

The School District adopts an annual appropriated budget for its general fund, special revenue fund, education improvement act fund, capital projects funds and debt service funds. Budgetary comparison schedules have been provided for these funds to demonstrate compliance with their budgets.

Figure A-1
Major Features of the School District of Greenville County's Government-wide and Fund Financial Statements

	Government-Wide Statements	Fund Financial Statements		
	Government-Wide Statements	Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire District government (except fiduciary funds) and the District's component units	The activities of the District that are not proprietary or fiduciary	Activities the District operates similar to private businesses, in the District's case, the food service operations.	Instances in which the District is the trustee or agent for someone else's resources, such as the Pupil Activity Fund
Required financial statements	<ul style="list-style-type: none"> ▪ Statement of net assets ▪ Statement of activities 	<ul style="list-style-type: none"> ▪ Balance sheet ▪ Statement of revenues, expenditures, and changes in fund balances 	<ul style="list-style-type: none"> ▪ Statement of net assets ▪ Statement of revenues, expenses, and changes in net assets ▪ Statement of cash flows 	<ul style="list-style-type: none"> ▪ Statement of fiduciary net assets ▪ Statement of changes in fiduciary net assets
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used and liabilities that come due during the year or soon, thereafter; no capital assets included	All assets and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both short-term and long-term; the District's funds do not currently contain capital assets, although they can
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during year, regardless of when cash is received or paid	All revenues and expenses during year, regardless of when cash is received or paid

The School District of Greenville County

Management's Discussion and Analysis

For the Fiscal Year Ended June 30, 2009

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the School District's Primary Government, assets exceeded liabilities by approximately \$558.5 million at the close of the most recent fiscal year.

A summary of the School District's net assets for 2009 compared to 2008 is presented below:

The School District of Greenville County						
Net Assets						
	Governmental Activities		Business-Type Activities		Total	
	2009	2008	2009	2008	2009	2008
Assets						
Current and Other Assets	\$ 380,969,024	381,689,664	8,651,491	8,456,956	389,620,515	\$ 390,146,620
Capital Assets	1,339,377,016	1,338,745,587	6,258,168	6,847,163	1,345,635,184	1,345,592,750
Total assets	<u>1,720,346,040</u>	<u>1,720,435,251</u>	<u>14,909,659</u>	<u>15,304,119</u>	<u>1,735,255,699</u>	<u>1,735,739,370</u>
Liabilities						
Other liabilities	85,945,508	94,944,421	322,694	263,371	86,268,202	95,207,792
Non-Current Liabilities	1,090,472,259	1,085,844,065	-	-	1,090,472,259	1,085,844,065
Total Liabilities	<u>1,176,417,767</u>	<u>1,180,788,486</u>	<u>322,694</u>	<u>263,371</u>	<u>1,176,740,461</u>	<u>1,181,051,857</u>
Net Assets						
Invested in Capital Assets,						
Net of Related Debt	489,390,229	486,203,030	6,258,168	6,847,163	495,648,397	493,050,193
Restricted	7,611,863	4,027,946	-	-	7,611,863	4,027,946
Unrestricted	46,926,181	49,415,789	8,328,797	8,193,585	55,254,978	57,609,374
Total Net Assets	<u>\$ 543,928,273</u>	<u>539,646,765</u>	<u>14,586,965</u>	<u>15,040,748</u>	<u>558,515,238</u>	<u>\$ 554,687,513</u>

Governmental Activities. Current and Other Assets decreased by \$0.7 million. Capital Assets increased by \$0.6 million as the School District continued its building program, less current year depreciation expense. This small increase reflects the wind down of the BEST construction program. Other Liabilities decreased by \$9 million, due primarily to lower amounts payable to contractors for the building program and lower purchases for operations at year-end due to the current economic situation. Non-Current Liabilities increased by \$4.6 million primarily due to additional long-term borrowings of \$16.6 million and an accrual for estimated arbitrage payable of \$1.1 million; this was partially offset by \$13.7 million in principal payments on outstanding bonds. The Net Assets of the School District's governmental activities increased to \$543.9 million from \$539.6 million (an increase of \$4.3 million or 0.8%), as current year revenues exceeded expenses. Unrestricted Net Assets, the part of net assets that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements, decreased \$2.5 million from \$49.4 million at June 30, 2008 to \$46.9 million at June 30, 2009.

Business Type Activities. The Net Assets of business-type activities decreased \$0.5 million (3%) from \$15.1 million at June 30, 2008 to \$14.6 million at June 30, 2009. The \$0.7 million in net operational loss was partially offset by \$0.2 million in contributed capital.

The School District of Greenville County

Management's Discussion and Analysis

For the Fiscal Year Ended June 30, 2009

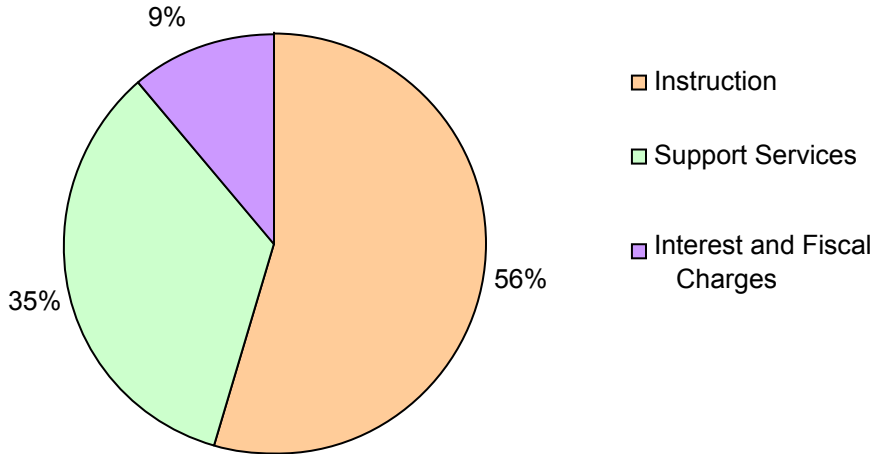
The following table shows the changes in net assets for the Primary Government for fiscal year 2009 compared to 2008.

The School District of Greenville County						
Changes in Net Assets						
	Governmental Activities		Business-Type Activities		Total	
	2009	2008	2009	2008	2009	2008
Revenues						
Program Revenues:						
Charges for Services	\$ 3,454,028	4,021,703	12,906,205	12,974,062	16,360,233	\$ 16,995,765
Operating Grants	300,199,015	315,883,558	17,147,013	15,340,136	317,346,028	331,223,694
Capital Grants	-	1,330,064	275,980	1,256,397	275,980	2,586,461
General Revenue:						
Property Taxes	208,100,759	197,467,739	-	-	208,100,759	197,467,739
State Revenue in Lieu of Taxes	84,052,934	80,486,671	-	-	84,052,934	80,486,671
Grants and Entitlements	251,722	229,075	-	-	251,722	229,075
Other	33,262,785	25,058,140	-	-	33,262,785	25,058,140
Total Revenues	629,321,243	624,476,950	30,329,198	29,570,595	659,650,441	654,047,545
Program Expenses						
Instruction	348,968,064	338,942,590	-	-	348,968,064	338,942,590
Support Services	219,231,518	223,459,573	-	-	219,231,518	223,459,573
Community Services	615,256	765,487	-	-	615,256	765,487
Interest and Other Charges	57,539,897	58,400,669	-	-	57,539,897	58,400,669
Food Service	-	-	29,467,981	29,157,884	29,467,981	29,157,884
Total Expenses	626,354,735	621,568,319	29,467,981	29,157,884	655,822,716	650,726,203
Excess/(Deficiency)						
Before Transfer	2,966,508	2,908,631	861,217	412,711	3,827,725	3,321,342
Transfers(Food Service)	1,315,000	1,172,000	(1,315,000)	(1,172,000)	-	-
Increase in Net Assets	4,281,508	4,080,631	(453,783)	(759,289)	3,827,725	3,321,342
Net Assets, Beginning of Year	539,646,765	535,566,134	15,040,748	15,800,037	554,687,513	551,366,171
Net Assets, End of Year	\$ 543,928,273	539,646,765	14,586,965	15,040,748	558,515,238	\$ 554,687,513

Changes in Net Assets. Overall, the School District's financial condition improved in fiscal 2009, as revenues exceeded expenditures (including depreciation of \$41 million) by \$3.8 million. Operating and capital grants decreased \$16 million to \$318 million for the year ended June 30, 2009. This decrease is attributable to a decrease in the State's Education Finance Act (EFA) base student cost allocation from the FY 08 final allocation of \$2,476 to the FY 09 final allocation of \$2,184.

Instruction expenses increased \$10 million to \$349 million, while support expenses decreased \$4 million to \$219 million. The increases in instruction expenses are due to the activity in the FY 09 General Fund Budget and Federal Special revenue funds. The General Fund reflects the net activity which included State mandated raises for teachers, additional teachers due to increase in student enrollment and decreases in various instructional programs. The Federal special revenue activity reflects spending \$5.1 million in IDEA funds for Special Education Teachers. These IDEA funds were received as part of the Federal American Recovery Reinvestment Act. The decrease in support expenses primarily reflects reductions in the General Fund budget. These reductions include 20% cuts in department budgets, freezing of Central Office vacancies, reducing the painting budget and professional development funding.

**Program Expenses by Function
Governmental Activities**



FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

As noted earlier, the School District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The analysis of governmental funds serve the purpose of looking at what resources came into the funds, how they were spent and what is available for future expenditures. Did the government generate enough revenue to pay for current obligations? What is available for spending at the end of the year?

For the year ended June 30, 2009, the School District's governmental funds reported a *combined* fund balance of \$287,301,511, as compared to \$278,202,245 for the prior year. This increase of \$9,099,266 is attributable primarily to proceeds received from the issuance of bonds and investment earnings in the District's Capital Project and Debt Service Funds less construction-related expenditures.

At June 30, 2009, the School District's reserved fund balance for all governmental funds was \$240,345,142, including capital projects of \$76,194,833, debt service of \$162,625,805 and other items such as Endowments, Inventories and Prepaid Items totaling \$1,524,504. The portion of fund balance that is unreserved may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. The total unreserved fund balance was \$46,956,369, consisting of designations for the School District's Fund Balance Policy of \$36,991,000, funding for new schools of \$1,157,508 and a secondary data center of \$398,850. The unreserved, undesignated fund balance was \$8,409,011 at June 30, 2009.

The School District of Greenville County

Management's Discussion and Analysis

For the Fiscal Year Ended June 30, 2009

The General Fund is the chief operating fund of the School District. At the end of the current fiscal year, unreserved, undesignated fund balance of the General Fund was \$8,402,930, while the total fund balance for the General Fund was \$48,340,093. The total fund balance decreased \$2,050,997, as expenditures and other financing uses of \$426,512,985 exceeded revenues and other financing sources of \$424,461,988.

The School District's Major Funds include the General Fund, as described above, Special Revenue, Special Revenue-EIA, Debt Service-District, Debt Service-BEST, Capital Projects-District, and Capital Projects-BEST.

The School District's Special Revenue Funds and EIA are used to account for revenues derived from the State of South Carolina and the Federal Government. Special Revenue Funds do not have fund balances as revenues should be expended, deferred, or returned to the grantor.

Two Debt Service funds are shown in the accompanying financial statements of the School District, the regular School District Debt Service fund and the BEST Debt Service Fund. Both funds are used to account for the accumulation of funds for debt retirement. The District Debt Service fund balance at the end of the current fiscal year was \$11,329,722, all of which is reserved for the payment of debt service. The fund balance increased by \$3,744,800 during fiscal 2009. The Administration had planned for a \$0.4 million increase in the fund balance, but property taxes and investment earnings exceeded budget. The fund balance at the end of fiscal 2008 was \$7.6 million. The School District's debt millage rate continues to be static at 42.5 mills. The BEST Debt Service fund balance at the end of the current fiscal year of \$151,296,083 accounts for accumulated resources for payment on the BEST Installment Purchase Revenue Bonds sold by the non-profit organization. The plan is further described below. The fund balance decreased by \$378,494 during fiscal 2009 due primarily to the District's decision to use a portion of accumulated fund balance towards the funding of BEST bond payments.

Two Capital Projects funds are utilized as well to segregate BEST expenditures from School District capital project expenditures. The School District's Capital Projects Fund increased by \$11,574,119 during fiscal 2009 to \$55,624,478 at June 30, 2009, due primarily to transfers from Debt Service funds (representing proceeds from short-term and long-term borrowings) and additional investment earnings which were partially offset by construction-related expenditures. The BEST Capital Projects Fund had a June 30, 2009 fund balance of \$20,570,355 and is reserved for capital expenditures during the building program. The fund balance decreased by \$3,789,909 due to construction-related expenditures.

Proprietary Funds

The School District's only Proprietary Fund is the Food Service Fund. This program had a decrease in net assets of \$453,783 during fiscal 2009, which included operational losses of \$729,763, partially offset by \$275,980 in contributed capital.

General Fund Budgetary Highlights

The School District's budget is prepared according to South Carolina law and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted fund is the General Fund. The key highlights for 2009 are as follows:

The District developed the FY 09 General Fund Budget anticipating State revenue reductions during the course of the year. However, there were State mandated expenditures of \$14.1 million for teacher pay raises and additional allocations to charter schools that had to be funded. There was also \$6.6 million in Local Required Expenditures which included additional teachers for student enrollment growth, opening of two new schools and utility increases that required funding. The District also budgeted an additional \$6.8 million to fund Strategic Plan Initiatives. To balance the proposed budget, the District cut funding for various instructional programs and support functions by \$5.8 million. The approved budget was \$451.5 million. Due to the challenging economic conditions that developed during FY 09, the State experienced a significant drop in revenue collections across all revenue categories during the year. The State therefore reduced revenue allocations to Counties, Cities and School Districts. The State's revenue reductions to the District's General Fund totaled a net \$24.6 million, when compared to the original budget. This combined with other general fund revenue reductions resulted in a total reductions of \$28.1 million, when compared to the original budget.

The School District of Greenville County

Management's Discussion and Analysis

For the Fiscal Year Ended June 30, 2009

In February 2009, the Administration presented and the Board of Trustees approved a revised FY 09 General Fund Budget of \$438.3 million. Budget reductions and cuts totaling \$13.2 million that were implemented to balance the budget included: 20% reductions to school and department budgets; freezing all non-school vacancies; reducing professional development activities; reducing the budgets for painting, Maintenance Department equipment replacement, and the band uniform replacement. In addition, the funding source of specific capital type expenditures was changed to the District Capital Project budget. The Board also approved designating \$10 million of the General Fund – Fund Balance as a funding source for the General Fund to balance the budget.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of 2009, the School District had approximately \$1.346 billion invested in capital assets, net of depreciation.

Major capital asset events during the current fiscal year included additions of approximately \$42.2 million, offset by depreciation expense and net book value of disposals of approximately \$42.2 million. Facility construction is a major component of capital assets; following are highlights from the fiscal year 2009 (note that a portion of the total costs were incurred in prior years):

- ✓ 1 new Elementary School completed and occupied for \$17.5 million
- ✓ 2 new Middle Schools completed and occupied for \$23.2 million
- ✓ Renovations of air condition systems in gyms and kitchens were completed for \$3.2 million
- ✓ Addition of Safe Entry Ways and CCTV for \$1.2 million

Total outstanding commitments at June 30, 2009 were approximately \$21 million, including the BEST projects.

The following table shows fiscal 2009 capital asset balances compared to fiscal 2008:

	The School District of Greenville					
	Capital Assets at June 30 (Net of Depreciation)					
	Government Activities		Business-Type Activities		Total	
	2009	2008	2009	2008	2009	2008
Land	\$ 41,376,126	39,362,062	-	-	41,376,126	\$ 39,362,062
Building, Improvements and Equipment	1,276,091,745	1,233,520,341	6,258,168	6,847,163	1,282,349,913	1,240,367,504
Construction in Progress	21,909,145	65,863,184	-	-	21,909,145	65,863,184
Totals	\$ 1,339,377,016	1,338,745,587	6,258,168	6,847,163	1,345,635,184	\$ 1,345,592,750

More detailed information about the School District's capital assets is presented in Note III-C to the financial statements.

Long-Term Debt and Other Long-Term Obligations

At fiscal year-end, the School District had approximately \$16 million in general obligation bonds outstanding. The State limits the amount of general obligation debt that school districts can issue to 8% of the assessed value of all taxable property within the District's corporate limits. The School District is authorized by state statute to exceed the legal debt margin of 8%, if citizens of the School District approve such additional debt through a district-wide referendum. During the year ended June 30, 2009 the School District issued three short-term general obligation bonds totaling approximately \$78 million, using the proceeds to make the fiscal 2009 BEST bond installment payments (see below for discussion concerning BEST) and for additional capital projects. These bonds, including interest, were repaid upon maturity in March and June 2009.

The School District of Greenville County

Management's Discussion and Analysis

For the Fiscal Year Ended June 30, 2009

BEST (Building Equity Sooner for Tomorrow). Pursuant to a Development, Program Management, and Construction Management Agreement dated as of March 15, 2001, by and between the School District, Institutional Resources, LLC, BEST, and the Program Manager, a plan was developed to finance capital projects of the District through proceeds of BEST Installment Purchase Revenue Bonds. On March 25, 2002, BEST, a 501(c)(3) non profit corporation, sold \$800 million of Installment Purchase Revenue Bonds. An additional \$100.8 million was issued in September 2003; \$68 million was issued in September 2004 and \$61.6 million was issued in May 2007. The proceeds were and will be used to acquire, construct and equip new school facilities, additions to, renovations of, repairs of, improvements to, and equipment for the School District's existing facilities. The purpose of the BEST Capital Projects is to relieve the overcrowding of the School District's schools, to update many of the School District's existing school facilities, to reduce the need for portable classrooms and to accelerate the School District's 10-year capital improvement plans, formerly known as the Long Range Facilities Plan. Key uses of the funding include the following:

- ✓ Approximately \$228 million will be used to make major additions or renovate 26 existing schools. When completed, these renovations should yield about 312 new classrooms.
- ✓ Approximately \$734 million of the money will be spent to construct 22 new elementary schools, 6 new middle schools, 9 new high schools, a new fine arts center, a new bus center, a new special education center, and 4 new child development centers. When completed, these renovations should yield about 1,736 new classrooms.
- ✓ Approximately \$7 million will be expended to acquire and install instructional and administrative technology improvements.
- ✓ The expected completion date of the total BEST Capital Projects is August 2010.

The total outstanding bonded indebtedness for BEST is \$1.078 billion at June 30, 2009. The School District will annually sell general obligation bonds to make the installment payments on the BEST debt. Subsequent to June 30, 2009, the School District issued approximately \$103 million in GO bonds. The School District plans on using the proceeds to make the fiscal 2009 BEST bond installment payments and to provide funding for additional capital projects.

Other obligations include an accrual for vacation pay and sick leave of approximately \$4.0 million and estimated arbitrage payable to the United States Treasury of approximately \$1.1 million. More detailed information about the School District's debt and other long-term liabilities is presented in Note III-J to the financial statements.

Economic Factors

Greenville County has transformed over the past two decades into a center of diversified business activity. The county is known for its high level of technological sophistication and expertise with high-technology manufacturing and engineering industries having a major presence in the area. Since Greenville is situated in a strategic location, along the "I-85 Corridor", it is an extremely attractive environment for business headquarters. There are over 150 companies that base a divisional, regional, national, international or other type of headquarters in Greenville County.

Between 2004 and 2008, Greenville County's population increased 8.9%. Because of favorable tax rates, market accessibility and the quality and availability of the workforce, companies are drawn to Greenville. Kiplinger's "Personal Finance" magazine ranked Greenville 20th in lowest cost of living. In 2007, Greenville was listed as America's 50 Hottest Cities. Total property tax collections have historically been strong. The 10 largest taxpayers are diverse, accounting for 5.3% of total taxable assessed value.

In 2007, South Carolina enacted Act 388, which was effective for the School District beginning July 1, 2007. Act 388 provides an exemption for one hundred percent of the fair market value of owner occupied residential property, to the extent not already covered by the other property tax relief exemptions, from all property taxes imposed for school operating purposes but not including millage imposed for the repayment of general obligation debt for property tax years beginning after January 1, 2007. Act 388 also creates a new Homestead Exemption fund (the "Homestead Exemption Fund") which will be funded from an additional 1 cent sales tax imposed by Act 388.

The School District of Greenville County

Management's Discussion and Analysis

For the Fiscal Year Ended June 30, 2009

Act 388 created three tiers of distribution to school districts. Tier one distributions are equal to the amounts that were received by school districts for the fiscal year ended June 30, 2007, relating to an earlier property tax relief provision for owner occupied residential property. In the case of the School District, that amount is \$23,410,334. Tier two distributions are equal to the amounts that were received by school districts for the school operating portion of the homestead exemption for the elderly, disabled and blind. In the case of the School District, that amount is \$5,947,974. Tier one and tier two distributions are fixed amounts and do not change. Tier three distributions are State funded payments to school districts to replace revenues formerly derived from taxation by school districts of owner occupied residential property. For the fiscal year ended June 30, 2009, those distributions were expected to equal, dollar for dollar, the revenue that would have been collected by the school districts from property tax for school operating purposes imposed by the school districts on owner occupied residential property for that fiscal year as if no reimbursed exemptions applied. Beginning with the 2008-2009 fiscal year, the tier three distributions will be the sum of the amount of the fiscal year 2007-2008 tier three distribution plus the tier three reimbursement increases. Act 388 requires the tier three reimbursements to be increased annually by (i) an inflation factor equal to the percentage increase in the previous year of the Consumer Price Index, Southeast Region, as published by the United States Department of Labor, Bureau of Labor Statistics, plus (ii) the percentage increase in the previous year in the population of the State as determined by the Office of Research and Statistics of the State Budget and Control Board. The tier three increases are aggregated for the entire state and the amount going to any particular school district is equal to an amount that is the school district's proportionate share of the aggregate of such funds based on the school district's weighted pupil units as a percentage of the statewide weighted pupil units as determined annually pursuant to the EFA, with an adjustment for certain poverty factors to provide programs for the affected students. There are provisions in the tier three reimbursement that could, in any given year, result in a minimum increase of four percent to the extent funds are available in the Homestead Exemption Fund. There are also provisions that require the total tier three reimbursements to the school districts in a county to be not less than \$2,500,000. If the amount of tier three distributions other than those dependent upon balances in the Homestead Exemption Fund, exceed amounts in the Homestead Exemption Fund, the excess is required to be paid from the general fund of the State.

The School District's reimbursement for fiscal 2009 under Act 388 was \$45,581,753. Act 388 requires that, to the extent revenues in the Homestead Exemption Fund are insufficient to pay all required reimbursements to a school district, the State will pay the difference from the State's general fund. However, there can be no assurances that such funds will be appropriated in the event that there is such an insufficiency or that the change in funding sources resulting from Act 388 will not have an adverse effect on the School District's operations. The School District recognizes that Act 388 places increased reliance on state funds to fund the general fund. This increased reliance at the state level is being funded by the additional penny sales tax, which in the District's opinion is not as stable as property tax revenue which the penny sales tax replaced.

In addition, Act 388 removes the authority of governing bodies of school districts to increase operating millage in any year to "meet the minimum required local Education Finance Act inflation factor as projected by the State Budget and Control Board, Division of Research and Statistics, and the per pupil maintenance of effort requirement of Section 59-21-1030, if applicable" as previously provided in Section 6-1-320 of the SC Code. Act 388 does not, however, explicitly repeal the requirement found in Section 59-21-1030 of the SC Code that county auditors "establish a millage rate (for school districts) so that the level of financial effort per pupil for non-capital programs adjusted for an inflation factor estimated by the Division of Research and Statistical Services is maintained as a minimum effort." Whether Act 388 acts as an implied repeal of Section 59-21-1030 is unclear, and may require judicial or further legislative clarification.

FY 2010 Budgets

FY 10 General Fund Budget was developed using, as a foundation, the School District's Mission Statement and the Education Plan. The Education Plan states the five goals of the School District and the strategies to achieve those goals. The goals are: (1) Raise the Academic Challenge and Performance of each Student; (2) Ensure Quality Personnel in All Positions; (3) Provide a School Environment Supportive of Learning; (4) Effectively Manage and Further Develop necessary Financial Resources; (5) Improve Public Understanding and Support of Public Schools.

The School District of Greenville County

Management's Discussion and Analysis

For the Fiscal Year Ended June 30, 2009

The General Fund budget for the fiscal year ending June 30, 2010 was approved by the Board of Trustees on June 8, 2009. The General Fund budgeted revenues for the fiscal year ending June 30, 2010, are \$444 million, an increase of \$5.7 million when compared to the revised FY 09 budget of \$438.3, but a decrease of \$7.4 million when compared to the original FY 09 budget of \$451.4 million. This increase over the revised FY 09 revised budget is solely due to the \$19.6 million in State Fiscal Stabilization Funds (SFSF) the School District is projected to receive as part of the Federal Government's American Recovery Reinvestment Act (ARRA).

The School District is projecting a growth in student population of 600 students. The operational millage of 114.2 mills is the same as FY 09. However, a slight increase in the mill value results in a projected modest increase of \$1.7 million in property tax revenue. The State's FY 10 Education Finance Act's (EFA) Base Student Cost (BSC) of \$2,034 is \$150 less than the final FY 09 EFA BSC of \$2,184. The \$19.6 million in SFSF the School District is projected to receive is based on the EFA formula. The School District's projected State FY 10 Tier III allocation of \$48.9 million is \$3.2 million more than FY 09.

The additional projected revenue of \$5.7 million was not sufficient to fund the \$4.6 million in additional State mandated expenditures, which includes Teacher pay raises and payments to Charter Schools, or the \$9.4 million in local required expenditures, which includes instructional allocations to schools, teachers for the 600 new students, school level staff development, utilities and selected department allocations. Except for an \$835,000 increase in utilities and \$1.5 million for additional teachers, the remaining \$9.4 million allocation to schools and departments brings their funding level back to their original FY 09 level.

To balance the FY 10 General Fund, the Administration reviewed current programs and made budget adjustments totaling \$ 8.3 million. These actions included freezing / eliminating District Support Staff positions, increasing the Student / Teacher ratio, reducing some instructional positions at schools that were above their formula allocations and transferring of budget responsibility to non-General Fund sources.

Due to the continuing slow State and National economies, the State of South Carolina is still experiencing a reduction in sales tax, corporate and personal income tax revenues, when compared to projections. In order to keep its general fund budget in balance, the State of South Carolina, in September 2009, reduced the projected revenue allocations to State agencies and school districts by 4.04%. This has resulted in a projected reduction of the state revenue allocations of \$8.0 million for the School District. Reductions in State revenue allocations, during FY 10, was anticipated, when the School District's FY 10 General Fund Budget was developed. The School District therefore held back from the schools and departments 20% of their allocations. This practice was also done when the FY 09 General Fund Budget was developed. This practice has provided the School District the flexibility to "cover" this 4.04% reduction with out impacting, to a further degree, the budgets of the schools and departments.

REQUESTS FOR INFORMATION

This financial report is designed to provide those interested with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Office of the Executive Director of Finance, at The School District of Greenville County, 301 Camperdown Way, Greenville, South Carolina, 29601. In addition, this Comprehensive Annual Financial Report may be found on the District's website at <http://www.greenville.k12.sc.us>.

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

BASIC FINANCIAL STATEMENTS

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

STATEMENT OF NET ASSETS

JUNE 30, 2009

	PRIMARY GOVERNMENT			COMPONENT
	Governmental Activities	Business-Type Activities	Totals	Units Charter Schools
ASSETS				
Cash and Cash Equivalents	\$ 83,299,978	7,842,616	91,142,594	\$ 1,856,567
Cash and Cash Equivalents, Restricted	151,445,115	-	151,445,115	-
Cash and Investments Held by County Treasurer	4,972,764	-	4,972,764	-
Investments, Restricted	92,025,761	-	92,025,761	947,248
Property Taxes Receivable, Net	6,062,583	-	6,062,583	-
Accounts Receivable, Net	462,876	-	462,876	1,094,857
Due from Other Governments	32,313,722	306,292	32,620,014	-
Internal Balances	(43,771)	43,771	-	-
Inventories and Prepaid Items	1,398,867	458,812	1,857,679	-
Bond Issuance Costs, Net	9,031,129	-	9,031,129	-
Other Assets	-	-	-	59,542
Capital Assets:				
Non-Depreciable Capital Assets	63,285,271	-	63,285,271	-
Depreciable Capital Assets, Net	1,276,091,745	6,258,168	1,282,349,913	5,549,870
TOTAL ASSETS	1,720,346,040	14,909,659	1,735,255,699	9,508,084
LIABILITIES				
Accounts Payable and Accrued Expenses	71,027,196	90,821	71,118,017	660,702
Accrued Interest Payable	4,599,149	-	4,599,149	-
Due to Other Governments	19,428	-	19,428	-
Unearned Revenue	10,299,735	231,873	10,531,608	170,833
Non-Current Liabilities:				
Due Within One Year	21,831,544	-	21,831,544	143,773
Due in More than One Year	1,068,640,715	-	1,068,640,715	2,890,544
TOTAL LIABILITIES	1,176,417,767	322,694	1,176,740,461	3,865,852
NET ASSETS				
Invested in Capital Assets, Net of Related Debt	489,390,229	6,258,168	495,648,397	3,396,245
Restricted For:				
Debt Service	7,471,083	-	7,471,083	1,609,739
Permanent Fund - Nonexpendable	134,699	-	134,699	-
Permanent Fund - Expendable	6,081	-	6,081	-
Unrestricted	46,926,181	8,328,797	55,254,978	636,248
TOTAL NET ASSETS	\$ 543,928,273	14,586,965	558,515,238	\$ 5,642,232

The notes to the basic financial statements are an integral part of this statement.
See accompanying independent auditors' report.

THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA

STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2009

FUNCTIONS/PROGRAMS	PROGRAM REVENUES				NET (EXPENSE) REVENUE AND CHANGE IN NET ASSETS			Component Units Charter Schools
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total	
					Governmental Activities	Business-Type Activities		
PRIMARY GOVERNMENT								
Governmental Activities:								
Instruction	\$ 348,968,064	1,059,726	208,462,059	-	(139,446,279)		(139,446,279)	
Support Services	219,231,518	2,394,302	91,736,956	-	(125,100,260)		(125,100,260)	
Community Services	615,256	-	-	-	(615,256)		(615,256)	
Interest and Other Charges	57,539,897	-	-	-	(57,539,897)		(57,539,897)	
Total Governmental Activities	<u>626,354,735</u>	<u>3,454,028</u>	<u>300,199,015</u>	<u>-</u>	<u>(322,701,692)</u>		<u>(322,701,692)</u>	
Business-Type Activities:								
Food Services	29,467,981	12,906,205	17,147,013	275,980	-	861,217	861,217	
Total Business-Type Activities	<u>29,467,981</u>	<u>12,906,205</u>	<u>17,147,013</u>	<u>275,980</u>	<u>-</u>	<u>861,217</u>	<u>861,217</u>	
TOTAL PRIMARY GOVERNMENT	<u>655,822,716</u>	<u>16,360,233</u>	<u>317,346,028</u>	<u>275,980</u>	<u>(322,701,692)</u>	<u>861,217</u>	<u>(321,840,475)</u>	
COMPONENT UNITS								
Charter Schools	12,833,426	177,377	2,515,352	-				\$ (10,140,697)
TOTAL COMPONENT UNITS	<u>\$ 12,833,426</u>	<u>177,377</u>	<u>2,515,352</u>	<u>-</u>				<u>(10,140,697)</u>
GENERAL REVENUES AND TRANSFERS								
General Revenues:								
Property Taxes Levied for General Purposes					131,372,809	-	131,372,809	-
Property Taxes Levied for Debt Service					76,727,950	-	76,727,950	-
State Revenue in Lieu of Taxes					84,052,934	-	84,052,934	-
Grants and Contributions Not Restricted to Specific Programs					251,722	-	251,722	1,363,805
Unrestricted Investment Earnings					32,949,534	-	32,949,534	30,258
Miscellaneous					313,251	-	313,251	1,269,708
Unrestricted Intergovernmental Revenue					-	-	-	7,063,781
Transfers In (Out)					1,315,000	(1,315,000)	-	-
Total General Revenue and Transfers					<u>326,983,200</u>	<u>(1,315,000)</u>	<u>325,668,200</u>	<u>9,727,552</u>
CHANGE IN NET ASSETS					<u>4,281,508</u>	<u>(453,783)</u>	<u>3,827,725</u>	<u>(413,145)</u>
NET ASSETS, Beginning of Year					539,646,765	15,040,748	554,687,513	5,538,943
Prior Period Adjustment					-	-	-	516,434
NET ASSETS, Beginning of Year, As Restated					<u>539,646,765</u>	<u>15,040,748</u>	<u>554,687,513</u>	<u>6,055,377</u>
NET ASSETS, End of Year					<u>\$ 543,928,273</u>	<u>14,586,965</u>	<u>558,515,238</u>	<u>\$ 5,642,232</u>

The notes to the basic financial statements are an integral part of this statement.
See accompanying independent auditors' report.

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

BALANCE SHEET

GOVERNMENTAL FUNDS

JUNE 30, 2009

	GENERAL	SPECIAL REVENUE	SPECIAL REVENUE - EIA
ASSETS			
Cash and Cash Equivalents	\$ 83,299,978	-	-
Cash and Cash Equivalents, Restricted	-	-	-
Cash and Investments Held by County Treasurer	-	-	-
Investments, Restricted	-	-	-
Receivables, Net:			
Taxes	4,458,021	-	-
Accounts	458,432	-	-
Due From:			
State Agencies	5,044,840	24,768,429	2,045,672
Other Funds	18,743,360	-	1,675,674
Other Governments	220,937	233,844	-
Prepaid Items	881,047	9,062	-
Inventories	508,758	-	-
TOTAL ASSETS	113,615,373	25,011,335	3,721,346
LIABILITIES AND FUND BALANCES			
LIABILITIES:			
Accounts Payable	7,867,069	358,858	32,635
Accrued Salaries, Fringe & Benefits	54,751,698	-	-
Accrued Expenditures	97,703	407,316	537,409
Due To:			
State Agencies	9,295	10,133	-
Other Funds	-	17,086,595	-
Deferred and Unearned Revenue	2,549,515	7,148,433	3,151,302
TOTAL LIABILITIES	65,275,280	25,011,335	3,721,346
FUND BALANCES:			
Fund Balances			
Reserved for:			
Prepaid Items	881,047	-	-
Inventories	508,758	-	-
Debt Service	-	-	-
Capital Projects	-	-	-
Endowment	-	-	-
Unreserved:			
Designated:			
Fund Balance Policy	36,991,000	-	-
Secondary Data Center	398,850	-	-
Funding for New Schools	1,157,508	-	-
Undesignated	8,402,930	-	-
TOTAL FUND BALANCES	48,340,093	-	-
TOTAL LIABILITIES AND FUND BALANCES	\$ 113,615,373	25,011,335	3,721,346

The notes to the basic financial statements are an integral part of this statement.
See accompanying independent auditors' report.

DEBT SERVICE - DISTRICT	DEBT SERVICE - BEST	CAPITAL PROJECTS - DISTRICT	CAPITAL PROJECTS - BEST	NON-MAJOR PERMANENT FUND	TOTAL GOVERNMENTAL FUNDS
-	-	-	-	-	\$ 83,299,978
5,667,685	59,405,021	64,021,493	22,350,916	-	151,445,115
4,972,764	-	-	-	-	4,972,764
-	91,891,062	-	-	134,699	92,025,761
1,604,562	-	-	-	-	6,062,583
-	-	-	-	4,444	462,876
-	-	-	-	-	31,858,941
-	-	-	-	2,195	20,421,229
-	-	-	-	-	454,781
-	-	-	-	-	890,109
-	-	-	-	-	508,758
12,245,011	151,296,083	64,021,493	22,350,916	141,338	392,402,895
-	-	3,576,961	1,192,393	558	13,028,474
-	-	-	-	-	54,751,698
-	-	1,616,428	588,168	-	3,247,024
-	-	-	-	-	19,428
174,779	-	3,203,626	-	-	20,465,000
740,510	-	-	-	-	13,589,760
915,289	-	8,397,015	1,780,561	558	105,101,384
-	-	-	-	-	881,047
-	-	-	-	-	508,758
11,329,722	151,296,083	-	-	-	162,625,805
-	-	55,624,478	20,570,355	-	76,194,833
-	-	-	-	134,699	134,699
-	-	-	-	-	36,991,000
-	-	-	-	-	398,850
-	-	-	-	-	1,157,508
-	-	-	-	6,081	8,409,011
11,329,722	151,296,083	55,624,478	20,570,355	140,780	287,301,511
12,245,011	151,296,083	64,021,493	22,350,916	141,338	\$ 392,402,895

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET ASSETS

JUNE 30, 2009

TOTAL FUND BALANCES - GOVERNMENTAL FUNDS	\$ 287,301,511
Amounts reported for the governmental activities in the Statement of Net Assets are different because:	
Property taxes receivable will be collected this year but are not available soon enough to pay for the current period's expenditures and therefore are deferred in the funds.	3,290,025
Accrued arbitrage, which is included in long-term obligations, is not payable from current financial resources and therefore is not reported as a liability in the funds.	(1,086,000)
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds. The cost of the assets was \$1,589,691,113 and the accumulated depreciation was \$250,314,097.	1,339,377,016
Bond issuance costs are amortized over the lives of the bonds; however, in governmental accounting, bond issuance costs are expenditures the year they are incurred. The bond issuance costs of \$11,157,834 has been shown net of accumulated amortization expense of \$2,126,705.	9,031,129
Accrued interest on outstanding bonds in governmental accounting is not due and payable in the current period and therefore has not been reported as a liability in the funds.	(4,599,149)
Long-term obligations, including debt premiums and discounts, are not due and payable in the current period and therefore are not reported as liabilities in the funds. Long-term obligations consisted of:	
Long-Term Debt	(1,094,000,000)
Long-Term Debt Discount, net of accumulated amortization of \$41,109	93,700
Long-Term Debt Premium, net of accumulated amortization of \$9,645,363	(40,761,282)
Deferred Advance Refunding Charges, net of accumulated amortization of \$7,729,374	49,244,750
Compensated Absences	(3,963,427)
	<u>(1,089,386,259)</u>
TOTAL NET ASSETS - GOVERNMENTAL ACTIVITIES	\$ <u>543,928,273</u>

The notes to the basic financial statements are an integral part of this statement.
See accompanying independent auditors' report.

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

GOVERNMENTAL FUNDS

YEAR ENDED JUNE 30, 2009

	<u>GENERAL</u>	<u>SPECIAL REVENUE</u>	<u>SPECIAL REVENUE - EIA</u>
REVENUES			
Local Sources:			
Taxes	\$ 131,534,209	-	-
Investment Earnings	856,606	8,573	-
Other Local Sources	1,598,772	4,489,759	-
State Sources	279,060,873	9,940,578	41,196,253
Federal Sources	-	48,064,136	-
TOTAL REVENUE ALL SOURCES	<u>413,050,460</u>	<u>62,503,046</u>	<u>41,196,253</u>
EXPENDITURES			
Current:			
Instruction	253,653,763	36,396,264	25,337,816
Support Services	160,953,450	22,307,725	7,893,936
Community Services	60,477	342,650	212,129
Intergovernmental	8,784,728	417,230	120,205
Capital Outlay	1,398,305	2,009,399	254,870
Debt Service:			
Principal Retirement	-	-	-
Interest and Fiscal Charges	-	-	-
TOTAL EXPENDITURES	<u>424,850,723</u>	<u>61,473,268</u>	<u>33,818,956</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(11,800,263)</u>	<u>1,029,778</u>	<u>7,377,297</u>
OTHER FINANCING SOURCES (USES)			
Premium on Long-term General Obligation Bonds Sold	-	-	-
Issuance of Long-term General Obligation Bonds	-	-	-
Proceeds from the Sale of Capital Assets	27,191	-	-
Transfers In	11,384,337	813,500	848,762
Transfers Out	(1,662,262)	(1,843,278)	(8,226,059)
TOTAL OTHER FINANCING SOURCES (USES)	<u>9,749,266</u>	<u>(1,029,778)</u>	<u>(7,377,297)</u>
NET CHANGES IN FUND BALANCES	<u>(2,050,997)</u>	<u>-</u>	<u>-</u>
FUND BALANCES, Beginning of Year	<u>50,391,090</u>	<u>-</u>	<u>-</u>
FUND BALANCES, End of Year	<u>\$ 48,340,093</u>	<u>-</u>	<u>-</u>

The notes to the basic financial statements are an integral part of this statement.
See accompanying independent auditors' report.

DEBT SERVICE - DISTRICT	DEBT SERVICE - BEST	CAPITAL PROJECTS - DISTRICT	CAPITAL PROJECTS - BEST	NON-MAJOR PERMANENT FUND	TOTAL GOVERNMENTAL FUNDS
76,893,468	-	-	-	-	\$ 208,427,677
3,188,813	6,297,983	23,098,344	579,840	5,376	34,035,535
-	-	-	-	175	6,088,706
3,920,404	-	-	-	-	334,118,108
-	-	-	-	-	48,064,136
84,002,685	6,297,983	23,098,344	579,840	5,551	630,734,162
-	-	-	-	4,560	315,392,403
-	-	10,285,100	682,492	558	202,123,261
-	-	-	-	-	615,256
-	-	-	-	-	9,322,163
-	-	34,042,660	6,460,464	686	44,166,384
-	13,735,000	-	-	-	13,735,000
1,789,255	54,905,513	-	-	-	56,694,768
1,789,255	68,640,513	44,327,760	7,142,956	5,804	642,049,235
82,213,430	(62,342,530)	(21,229,416)	(6,563,116)	(253)	(11,315,073)
853,927	-	-	-	-	853,927
15,795,000	-	-	-	-	15,795,000
-	-	2,423,221	-	-	2,450,412
-	62,864,036	32,253,521	2,773,207	-	110,937,363
(95,117,557)	(900,000)	(1,873,207)	-	-	(109,622,363)
(78,468,630)	61,964,036	32,803,535	2,773,207	-	20,414,339
3,744,800	(378,494)	11,574,119	(3,789,909)	(253)	9,099,266
7,584,922	151,674,577	44,050,359	24,360,264	141,033	278,202,245
11,329,722	151,296,083	55,624,478	20,570,355	140,780	\$ 287,301,511

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

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

YEAR ENDED JUNE 30, 2009

TOTAL NET CHANGE IN FUND BALANCES - GOVERNMENTAL FUNDS	\$ 9,099,266
Amounts reported for governmental activities in the Statement of Activities are different because:	
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds. This amount represents the change in deferred revenues for the year.	(326,919)
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Activities.	13,735,000
Bond and bond premium proceeds provide current financial resources to governmental funds, but issuing debt also increases long-term liabilities in the Statement of Net Assets.	(16,648,927)
Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due. This amount is the net change in accrued interest for the year.	4,708
Accrued arbitrage is not payable from current financial resources and thus is not reported as a liability in the funds. This amount is the net change in arbitrage payable for the year.	(1,086,000)
Bond issuance costs are expenditures the year they are incurred in governmental funds, but are amortized over the lives of the bonds in the Statement of Activities. This amount is the amortization for the current year, net of the cost of new long-term issuances.	(498,782)
Bond discounts are expenses in the year they are not received by the governmental funds but are amortized over the lives of the bonds in the Statement of Activities. This amount is the amortization for the current year.	(16,851)
Bond premiums are revenues in the year they are received in governmental funds but are amortized over the lives of the bonds in the Statement of Activities. This amount is the amortization for the current year.	2,617,357
Deferred advance refunding charges are not recognized by the governmental funds but are amortized over the life of the refunding debt in the Statement of Activities. This amount is the amortization for the current year.	(2,951,562)
Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.	(277,211)
In the Statement of Activities the loss on the sale of capital assets is reported, whereas in the governmental funds, proceeds from the disposal of capital assets increase financial resources. Thus, the change in net net assets differs from the change in fund balance by the net book value of the assets disposed.	(1,214,374)
Governmental funds report asset additions as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital asset additions of \$41,682,386 exceeded depreciation expense of \$39,836,583 in the current year.	<u>1,845,803</u>
CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES	<u>\$ 4,281,508</u>

The notes to the basic financial statements are an integral part of this statement.
See accompanying independent auditors' report.

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

STATEMENT OF NET ASSETS

PROPRIETARY FUND

JUNE 30, 2009

	<u>ENTERPRISE</u>
ASSETS	
Current Assets:	
Cash and Cash Equivalents	\$ 7,842,616
Due from State Agencies	306,292
Due From Other Funds	43,771
Inventories	458,812
Total Current Assets	<u>8,651,491</u>
Non-Current Assets:	
Depreciable Capital Assets	14,889,139
Less: Accumulated Depreciation	(8,630,971)
Total Non-Current Assets	<u>6,258,168</u>
TOTAL ASSETS	<u>14,909,659</u>
LIABILITIES	
Current Liabilities:	
Accounts Payable	60,859
Accrued Salaries, Fringe & Benefits	29,962
Deferred Revenue	231,873
Total Current Liabilities	<u>322,694</u>
TOTAL LIABILITIES	<u>322,694</u>
NET ASSETS	
Invested in Capital Assets	6,258,168
Unrestricted	8,328,797
TOTAL NET ASSETS	<u>\$ 14,586,965</u>

The notes to the basic financial statements are an integral part of this statement.
See accompanying independent auditors' report.

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS

PROPRIETARY FUND

YEAR ENDED JUNE 30, 2009

	<u>ENTERPRISE</u>
OPERATING REVENUES	
Proceeds from Sale of Meals	\$ 12,589,282
Other Revenue	316,923
TOTAL OPERATING REVENUES	<u>12,906,205</u>
OPERATING EXPENSES	
Salaries	9,729,633
Purchased Services	798,684
Food Costs and Supplies	17,064,546
Equipment - Non-capitalizable Expenses	460,897
Depreciation	1,094,918
Other	319,303
TOTAL OPERATING EXPENSES	<u>29,467,981</u>
OPERATING LOSS	<u>(16,561,776)</u>
NON-OPERATING REVENUES	
Commodities Received from USDA	1,903,565
USDA Reimbursements	15,214,275
Other Revenue	29,173
TOTAL NON-OPERATING REVENUE	<u>17,147,013</u>
INCOME BEFORE TRANSFERS AND CAPITAL CONTRIBUTIONS	585,237
Transfers Out	(1,315,000)
Capital Contributions	<u>275,980</u>
CHANGE IN NET ASSETS	(453,783)
TOTAL NET ASSETS, Beginning of Year	<u>15,040,748</u>
TOTAL NET ASSETS, End of Year	<u>\$ 14,586,965</u>

The notes to the basic financial statements are an integral part of this statement.
See accompanying independent auditors' report.

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

STATEMENT OF CASH FLOWS

PROPRIETARY FUND

YEAR ENDED JUNE 30, 2009

	<u>ENTERPRISE</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from Meal Sales	\$ 12,610,649
Receipts from Other Revenues	346,096
Payments to Employees for Services	(9,729,633)
Payments to Suppliers for Goods and Services	(16,799,726)
NET CASH USED IN OPERATING ACTIVITIES	<u>(13,572,614)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES	
USDA Reimbursement	15,129,142
Transfers to Other Funds	(2,205,256)
NET CASH PROVIDED BY NON-CAPITAL FINANCING ACTIVITIES	<u>12,923,886</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Acquisition of Capital Assets	(248,363)
NET CASH USED IN CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(248,363)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(897,091)
CASH AND CASH EQUIVALENTS, Beginning of Year	<u>8,739,707</u>
CASH AND CASH EQUIVALENTS, End of Year	<u>\$ 7,842,616</u>
Reconciliation of Operating Loss to Net Cash Used in Operating Activities:	
Operating Loss	\$ (16,561,776)
Adjustments to Reconcile Operating Loss to Net Cash Used in Operating Activities:	
Depreciation Expense	1,094,918
Non-Cash USDA Commodities Used	1,903,565
Loss on Disposal of Capital Assets	18,420
Other Non-Operating Revenues	29,173
Change In:	
Inventories	(116,237)
Accounts Payable	37,956
Deferred Revenue	21,367
Net Cash Used in Operating Activities	<u>\$ (13,572,614)</u>
Non-Cash Transactions:	
Commodities Received From the USDA	\$ 1,903,565
Capital Contributed	275,980
	<u>\$ 2,179,545</u>

The notes to the basic financial statements are an integral part of this statement.
See accompanying independent auditors' report.

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

STATEMENT OF ASSETS AND LIABILITIES

FIDUCIARY FUND

JUNE 30, 2009

	<u>AGENCY</u>
ASSETS	
Cash and Cash Equivalents	\$ 1,352,458
Accounts Receivable	5,872,511
TOTAL ASSETS	<u><u>7,224,969</u></u>
 LIABILITIES	
Accounts Payable	460,205
Due to Student Organizations	6,764,764
TOTAL LIABILITIES	<u><u>\$ 7,224,969</u></u>

The notes to the basic financial statements are an integral part of this statement.
See accompanying independent auditors' report.

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

NOTES TO THE BASIC FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2009

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. The Reporting Entity

The School District of Greenville County (the “School District”), established in 1951, is the government, which has responsibility for and control over all activities related to public school education in substantially all of Greenville County, as well as small portions of Spartanburg and Laurens Counties. The School District presently operates 49 elementary schools, 18 middle schools, 14 high schools, and 16 special program centers. The School District receives funding from local, state and federal government sources and must comply with the related requirements of these funding source entities. The School District is governed by a twelve member Board of Trustees (the “Board”). As required by accounting principles generally accepted in the United States of America, these basic financial statements present the School District and its component units, entities for which the School District is considered to be financially accountable or for which exclusion of a component unit would render the basic financial statements incomplete or misleading. Blended component units, although legally separate entities, are in substance part of the government's operations; data from these units are combined with data of the primary government. Discretely presented component units, on the other hand, are reported in a separate column in the basic financial statements to emphasize that they are legally separate from the School District.

Blended Component Units: Building Equity Sooner for Tomorrow, Inc. (“BEST”) is a not-for-profit 501(c) (3) organization incorporated for the specific charitable purpose of serving as a “support organization” for capital projects of the School District. BEST board members are appointed by the Board of the School District. Because BEST exclusively benefits the School District, the BEST financial information is blended with that of the School District in these basic financial statements. Separate BEST financial information is included in individual columns throughout the financial statements. Separate financial statements for BEST are not issued.

During 2009, the School District assisted in establishing the Greenville County Schools Foundation (“GCS Foundation”), a non-profit corporation under the South Carolina Nonprofit Corporation Act. The GCS Foundation is a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code, as amended. The GCS Foundation is intended to serve in a support capacity for the School District in providing educational services for the School District. The School District is responsible for appointing two members of the GCS Foundation’s Board of Directors, consisting of the Superintendent of the School District and the Chairman of the School District’s Board of Trustees. The School District is to also provide guidance in appointing other Directors and may remove Directors at any time with or without cause. Because the GCS Foundation exclusively benefits the School District, it is considered a blended component unit. The GCS Foundation had minimal activity during 2009 and is not significant to the School District. Accordingly, its financial information is not included in the School District’s financial statements as of June 30, 2009. Separate financial statements for the GCS Foundation are not issued.

Discretely Presented Component Units: Greenville Technical Charter High School (“GTCHS”), Meyer Center for Special Children (“MCSC”), Wohali Academy, Inc. (“Wohali”), Langston Charter Middle School (“Langston”), Fuller Normal Advanced Technology Charter School (“FNATCS”), Brashier Middle College Charter High School (“Brashier”), and Greer Middle College Charter School (“GMCCS”) are charter schools under legislation enacted by the South Carolina state legislature on June 18, 1996. A charter school is considered a public school and these schools are a part of *The School District of Greenville County* for the purposes of state law and state constitution. Because the charter schools are fiscally dependent on the School District and because the nature and significance of the relationship between the School District and the charter schools is such that exclusion of the charter schools would cause the School District’s basic financial statements to be incomplete, the financial statements of the charter schools are included in those of the School District. Complete separately issued financial statements may be obtained from the administrative offices of each school as follows: Greenville Technical Charter High School, 506 South Pleasantburg Drive, Greenville, SC 29607; Meyer Center for Special Children, 1132 Rutherford Road, Greenville, SC 29609; Wohali Academy, Inc., One, Havenwood Lane, Travelers Rest, SC 29690; Langston Charter Middle School, 288 Rocky Creek Road, Greenville, SC 29615; Fuller Normal Advanced Technology Charter School, 901 Anderson Road, Greenville, SC 29601; Brashier Middle College Charter High School, 1830 West Georgia Road, Simpsonville, SC 29680; and Greer Middle College Charter School, 138 West McElhaney Road, Taylors, SC 29687.

THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA

NOTES TO THE BASIC FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2009

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Measurement Focus, Basis of Accounting and Basis of Presentation

South Carolina State Department of Education (“SDE”) regulations require that charter schools be discretely presented in the basic financial statements, but blended with the School District balances in the supplementary schedules. If this presentation format were followed, the amounts reported as revenues, expenditures and changes in fund balances for the General Fund and Special Revenue Funds in the supplementary schedules would not agree to the amounts reported as revenues, expenditures and changes in fund balances for the General Fund and Special Revenue Funds in the basic financial statements. The School District has not prepared the supplemental schedules in accordance with the SDE requirements as the School District does not believe that this presentation is consistent with Generally Accepted Accounting Principles (“GAAP”). Combining schedules for the component units have been provided as Schedule G series in the supplementary information to assist in providing this information to the SDE. The information in these schedules were provided to the School District by the charter schools. The School District reported a prior period adjustment in its Statement of Activities for the discretely presented component units in the amount of \$516,434, primarily for the beginning balances for Wohali and FNATCS, which were not included in the prior year’s financial statements as their audits were not completed timely. The School District paid a total of \$8,680,838 to the charter schools during fiscal 2009; these expenditures are included in the Intergovernmental function in the Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds.

The government-wide basic financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the non-fiduciary activities of the School District (the primary government) and its component units. Interfund services provided and used are not eliminated in the process of consolidation.

Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. Likewise, the *primary government* (the School District) is reported separately from certain legally separate *component units* for which the School District is financially accountable.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the School District.

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

The government-wide basic financial statements are prepared using a different measurement focus from the manner in which governmental fund basic financial statements are prepared (see further details below). Governmental fund financial statements, therefore, include reconciliations with brief explanations to better identify the relationship between the government-wide statements and the governmental funds statements.

THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA

NOTES TO THE BASIC FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2009

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Measurement Focus, Basis of Accounting and Basis of Presentation (Continued)

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

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

Fund financial statements report detailed information about the School District. The focus of governmental and enterprise fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Fiduciary funds are reported by fund type.

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

The accounts of the government are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. There are a minimum number of funds maintained to keep the accounts consistent with legal and managerial requirements. The following major funds and fund types are used by the School District.

Governmental fund types are those through which most governmental functions of the School District are financed. The School District's expendable financial resources and related assets and liabilities (except for those accounted for in the Proprietary Fund) are accounted for through governmental funds. Governmental funds are accounted for using a current financial resources measurement focus and the modified accrual basis of accounting. The following are the School District's major and nonmajor governmental fund types:

The **General Fund, a major fund**, is the general operating fund of the School District and accounts for all revenues and expenditures of the School District except those required to be accounted for in other funds. All general tax revenues and other receipts that are not allocated by law or contractual agreement to other funds are accounted for in the General Fund. General operating expenditures and the capital improvement costs that are not paid through other funds are paid from the General Fund. This is a budgeted fund, and any fund balance is considered a resource available for use.

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The School District has two Special Revenue Funds:

- i) **The Special Projects Fund, a major fund** and a budgeted fund, is used to account for financial resources provided by federal, state and local projects and grants.
- ii) **The Education Improvement Act ("EIA") Fund, a major fund** and a budgeted fund, is used to account for the revenue from the South Carolina Education Improvement Act of 1984, which is legally required by the state to be accounted for as a specific revenue source.

THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA

NOTES TO THE BASIC FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2009

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Measurement Focus, Basis of Accounting and Basis of Presentation (Continued)

The *Debt Service Fund - District, a major fund* and a budgeted fund, is used to account for the accumulation of resources for, and payment of, all long-term debt principal, interest and related costs for the School District.

The *Debt Service Fund - BEST, a major fund* and a budgeted fund, is used to account for the accumulation of resources for, and payment of, all long-term debt principal, interest and related costs for BEST.

The *Capital Projects Fund - District, a major fund* and a budgeted fund, is used to account for financial resources to be used for site acquisitions, construction, equipment, and renovation of all major capital facilities except for those financed in the Enterprise Fund and the BEST Capital Projects Fund.

The *Capital Projects Fund - BEST, a major fund* and a budgeted fund, is used to account for financial resources to be used for site acquisitions, construction, equipment, and renovation of all major capital facilities for BEST.

The **Permanent Fund, a nonmajor fund**, and an unbudgeted fund, is used to account for financial resources endowed to the School District in trust, for which only the interest earnings may be used by the School District for various restricted purposes as specified by the private donors. Since it is the only non-major governmental fund, it is shown in a separate column in the fund basic financial statements. The specific sub funds are as follows:

- The Neblett Library Fund was established in 1968. The expendable portion is used for library materials at Greenville High School.
- The three B. Calhoun Hipp Funds were established in 1977 and 1980. The expendable portions are to be used for elementary special education, middle and high school special education and for the education of severely handicapped school children, respectively.
- The Pat Pratt Fund was established in 1986. The expendable portion is used to purchase books for the Wade Hampton High School library.
- The Endel Fund was established in prior years. The expendable portion is used to provide awards to speech students at Greenville High School.

Proprietary Fund types are accounted for based on the flow of economic resources measurement focus and use of the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. The School District applies all applicable Governmental Accounting Standards Board ("GASB") pronouncements, as well as the requirements of Financial Accounting Standards Board ("FASB") Statements and Interpretations, Accounting Principles Board ("APB") Opinions, and Accounting Research Bulletins ("ARBs"), issued on or before November 30, 1989, unless they conflict with or contradict GASB pronouncements. The School District has elected not to follow the aforementioned guidance issued after November 30, 1989 as allowed by GAAP.

THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA

NOTES TO THE BASIC FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2009

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Measurement Focus, Basis of Accounting and Basis of Presentation (Continued)

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise fund are charges to students and teachers for breakfast, lunch and special sales. Operating expenses for the enterprise fund include the cost of sales, administrative expenses, and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as non operating revenues and expenses. Proprietary Fund types include the following fund:

- The *Enterprise Fund*, a major fund and a budgeted fund, is used to account for those operations that are financed and operated in a manner similar to private business enterprises or where the School District has decided that periodic determination of revenues earned, expenses incurred, and/or net income is necessary for management accountability. The Food Service Fund is the School District's only enterprise fund and is used to account for the United States Department of Agriculture's ("USDA") approved school breakfast and lunch programs.

Fiduciary Fund types use the economic resources measurement focus and the accrual basis of accounting; they are used to account for expendable assets held by the School District in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds and include agency funds. Fiduciary Fund Types include the following fund:

The *Agency Fund* accounts for the receipt and disbursement of monies to and from student activity organizations. These funds have no equity (assets are equal to liabilities) and do not include revenues and expenditures for general operation of the School District. This accounting reflects the agency relationship of the School District with the student activity organizations. Agency funds do not have a measurement focus.

C. Assets, Liabilities and Equity

1. Cash, Cash Equivalents and Investments

Cash and Cash Equivalents

The School District considers all highly liquid investments (including restricted assets) with original maturities of three months or less when purchased and investments in the South Carolina Pooled Investment Fund to be cash equivalents. Securities with an initial maturity of more than three months (from when initially purchased) that are not purchased from the South Carolina Pooled Investment Fund are reported as investments.

Investments

The School District investment policy is designed to operate within existing statutes (which are identical for all funds, fund types and component units within the State of South Carolina) that authorize the School District to invest in the following:

- (a) Obligations of the United States and agencies thereof;
- (b) General obligations of the State of South Carolina or any of its political units;
- (c) Savings and Loan Associations to the extent that the same are insured by an agency of the Federal Government;

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

NOTES TO THE BASIC FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2009

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Assets, Liabilities and Equity (Continued)

1. Cash, Cash Equivalents and Investments (Continued)

Investments (Continued)

- (d) Certificates of Deposit and funds in deposit accounts with banking institutions provided that such certificates and funds in deposit accounts are collaterally secured by securities of the type described in (a) and (b) above, held by a third party as escrow agent, or custodian of a market value, not less than the amount of the certificates or funds in deposit accounts so secured, including interest; provided, however, such collateral shall not be required to the extent the same are insured by an agency of the federal government;
- (e) Collateralized repurchase agreements when collateralized by securities as set forth in (a) and (b) above and held by the governmental entity or a third party as escrow agent or custodian; and
- (f) No load open-end or closed-end management type investment companies or investment trusts registered under the Investment Company Act of 1940, as amended, where the investment is made by a bank or trust company or savings and loan association or other financial institution when acting as trustee or agent for a bond or other debt issue of that local government unit, political subdivision, or county treasurer if the particular portfolio of the investment company or investment trust in which the investment is made (i) is limited to obligations described in items (a), (b), and (e) of this subsection, and (ii) has among its objectives the attempt to maintain a constant net asset value of one dollar a share and to that end, value its assets by the amortized cost method.

The School District's cash investment objectives are preservation of capital, liquidity and yield. The School District reports its cash and investments at fair value which is normally determined by quoted market prices (except as noted).

The School District has used the following investments in the past year:

- State and Local Government Series ("SLGS") securities investment program, which is available only to state and local governmental entities and municipalities who issue tax exempt debt. SLGS were designed to help these issuers of tax exempt debt to recapture existing negative arbitrage (when monies invested in a fund earn less than the maximum allowable return on investment) and manage continuing rebate compliance through an active investment program. The District is authorized to invest in SLGS pursuant to revised regulations published on June 30, 2005 as 31 CFR Part 344, 70 Fed Reg. 37904 (unless otherwise specifically indicated, the "Regulations"). If not otherwise invested in Treasury Bills or money market funds, the funds are invested in SLGS of various maturities. The strategy does not permit the investment of funds in any securities that are not direct, full faith and credit obligations of the United States, or money market funds that invest in the same.
- Cash and Investments held by the County Treasurer represent property taxes collected by the School District's fiscal agent that have not been remitted to the School District. The County Treasurer invests these funds in investments authorized by state statute as outlined above. All interest and other earnings gained are added back to the fund and are paid out by the County Treasurer to the respective governments on a periodic basis.
- United States Treasury Bills

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

NOTES TO THE BASIC FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2009

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Assets, Liabilities and Equity (Continued)

1. Cash, Cash Equivalents and Investments (Continued)

Investments (Continued)

- Open ended mutual funds, primarily invested in money market funds which invest in short term obligations of the United States and related agencies.
- South Carolina Pooled Investment Fund (“SC Pool”) investments are invested with the South Carolina State Treasurer’s Office, which established the South Carolina Pool pursuant to Section 6-6-10 of the South Carolina Code. The Pool is an investment trust fund, in which public monies in excess of current needs, which are under the custody of any city treasurer or any governing body of a political subdivision of the State, may be deposited. The Pool is a 2a 7-like pool which is not registered with the Securities and Exchange Commission (“SEC”) as an investment company, but has a policy that it will operate in a manner consistent with the SEC’s Rule 2a 7 of the Investment Company Act of 1940. In accordance with GASB Statement No. 31, “*Accounting and Financial Reporting for Certain Investments and for External Investment Pools*”, investments are carried at fair value determined annually based upon quoted market prices. The total fair value of the Pool is apportioned to the entities with funds invested on an equal basis for each share owned, which are acquired at a cost of \$1.00.

2. Receivables and Payables

Transactions between funds that are representative of reimbursement arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds." These amounts are eliminated in the governmental and business-type activities columns of the Statement of Net Assets, except for the net residual amounts due between governmental and business-type activities, which are presented as “internal balances.”

All trade and property taxes receivable are shown net of an allowance for uncollectible amounts and are expected to be collected within one year.

3. Inventories and Other Assets

Inventories

Under the system of accounting for inventories, materials and supplies are carried in an inventory account at average cost, determined using the first-in, first-out method, and are subsequently charged to expenditures/expenses when consumed rather than when purchased. Inventories include plant maintenance and operating supplies as well as instructional supplies. The Enterprise Fund inventory includes an amount for commodities received from the USDA that are recorded at fair market value at the time of receipt but have not been consumed as of June 30, 2009.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which services are consumed.

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

NOTES TO THE BASIC FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2009

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Assets, Liabilities and Equity (Continued)

4. Restricted Assets

The School District established certain accounts for assets restricted for specific purposes, typically by outside parties or legal agreement. Certain bond indentures require the establishment of (i) maximum annual principal and interest payments, unless a surety bond was provided; (ii) the next succeeding principal and accrued interest payment; and (iii) bond proceeds to be used for construction purposes as required in the bond agreement. Also, the principal portion of assets of the Permanent fund is classified as restricted assets because their use is restricted by donors.

5. Capital Assets

General capital assets are those assets not specifically related to activities reported in the Proprietary Fund. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net assets but are not reported in the fund financial statements. Capital assets utilized by the Proprietary Fund are reported both in the business-type activities column of the government-wide statement of net assets and in the respective fund financial statements.

All capital assets are recorded at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The School District maintains a capitalization threshold of \$5,000 for furniture and equipment and vehicles, and \$100,000 for land improvements and buildings and improvements. The School District's infrastructure assets are immaterial and have been reported with the buildings and improvements. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized. Interest incurred during the construction of capital assets is not capitalized.

All reported capital assets except land and construction in progress are depreciated. Construction projects begin being depreciated once they are complete, at which time the total cost of the project is transferred to the appropriate capital asset category. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>	<u>Business-Type Activities Estimated Lives</u>
Land Improvements	20 years	N/A
Buildings and Improvements	10-40 years	N/A
Furniture and Equipment	5-10 years	12 years
Vehicles	10 years	N/A

6. Compensated Absences

School District employees are granted vacation and sick leave in varying amounts. Upon termination of employment, an employee is reimbursed for accumulated vacation days. The entire compensated absence liability and expense is reported on the governmental-wide basic financial statements. The portion applicable to the Proprietary Fund is also recorded in the Proprietary Fund basic financial statements, if material.

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

NOTES TO THE BASIC FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2009

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Assets, Liabilities and Equity (Continued)

7. *Accrued Liabilities and Long-Term Obligations*

All payables, accrued liabilities and long-term obligations are reported in the government-wide basic financial statements, and all payables, accrued liabilities and long-term obligations payable from proprietary funds are reported on the proprietary fund basic financial statements.

In general, payables and accrued liabilities that will be paid from governmental funds are reported on the governmental fund basic financial statements regardless of whether they will be liquidated with current resources. However, claims and judgments (including estimated arbitrage liabilities), compensated absences, contractually required pension contributions and special termination benefits that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they will be paid with current, expendable, available financial resources. In general, payments made within sixty days after year-end are considered to have been made with current available financial resources. Bonds and other long-term obligations that will be paid from governmental funds are not recognized as a liability in the fund financial statements until due.

In the government-wide basic financial statements for the Primary Government, long-term debt and other long-term obligations are reported as liabilities on the Statement of Net Assets. Bond premiums and discounts, as well as bond issuance costs, are deferred and amortized over the life of the bonds using the straight-line method, which approximates the effective interest method. Advance refunding costs are deferred and amortized over the life of the refunding bonds, which has the same maturity as the bonds that were refunded. Amortization of premiums, discounts, bond issuance costs and deferred advance refunding costs are included in interest expense. Bonds payable are reported net of the applicable bond premiums, discount and deferred advance refunding costs. Bond issuance costs are reported as other assets and are amortized over the term of the related debt. Accrued arbitrage payable is also reflected in long-term obligations.

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

8. *Fund Balance*

In the fund financial statements, the School District reserves those portions of fund balance which are legally segregated for a specific future use or which do not represent available expendable resources and therefore are not available for appropriation or expenditure. Unreserved fund balance indicates that portion of fund balance which is available for appropriation in future periods. Fund balance reserves have been established for inventories of supplies and materials, prepaid items and non-expendable portions of endowments. Designations of fund balance represent management's tentative plans for utilization in future periods. These plans are subject to change and ultimately may not be legally authorized or result in expenditures. Designations of fund balance include 8.33% of the next year's General Fund appropriations as a policy adopted by the Board. The designation of \$36,991,000 as of June 30, 2009 represents 8.33% of the original budget for the General Fund for fiscal year 2010.

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

NOTES TO THE BASIC FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2009

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Assets, Liabilities and Equity (Continued)

9. Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Outstanding debt, which has not been spent, is included in the same net assets component as the unspent proceeds. Net assets are reported as restricted when there are limitations imposed on their use either through enabling legislation or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Both the expendable and nonexpendable portion of net assets related to certain endowments are reflected as Restricted Net Assets.

10. Accounting Estimates

The preparation of basic financial statements in accordance with accounting principles generally accepted in the United States of America requires the School District's management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the basic financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

11. Comparative Data

Comparative data (i.e., presentation of prior year totals by fund type) have not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to read.

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

Budgetary Practices - Budgets for the General Fund, the Special Revenue Fund and the Special Revenue – EIA Fund are presented in the required supplementary section. Budgets for the Debt Service Funds, the Capital Project Funds and certain other Special Revenue Funds are presented in the supplementary information section. Budgets are not presented for the Enterprise Fund, as allowed by GAAP.

Each budget is presented on the modified accrual basis of accounting, which is consistent with accounting principles generally accepted in the United States of America.

Each budget is prepared by function and object as dictated by the State of South Carolina adopted Program Oriented Budgeting and Accounting System and for management control purposes. The School District's policies allow funds to be transferred between functions. However, the total budget cannot be increased beyond that level without approval of the Board in supplementary action. The legal level of control is at the fund level. During the year, the Board revised the budget.

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

NOTES TO THE BASIC FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2009

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)

A. Budgetary Information (Continued)

The following procedures are followed in establishing the budgetary data reflected in the basic financial statements:

- (1) In the fall of the preceding year, the School District begins its budget process for the next succeeding fiscal year beginning on July 1.
- (2) After the School District's budget committee reviews all requests and allocation requirements and related revenue, it presents a tentative proposed budget to the Superintendent for her review and adjustment.
- (3) The Superintendent then presents a proposed budget to the Board of Trustees, which reviews the proposed budget, in a series of workshops, and makes any additions or deletions as deemed necessary.
- (4) Prior to July 1, the Board legally enacts the budget through passage of a resolution.

The administration has discretionary authority to make transfers between appropriation accounts. The revised budget amounts in the basic financial statements are as amended by the administration. All annual appropriations lapse at fiscal year end.

Encumbrance accounting is employed in governmental funds. Encumbrances outstanding at year end do not constitute expenditures or liabilities because the commitments will be reappropriated and honored during the subsequent year. For budget purposes, encumbrances and unused expenditure appropriations lapse at year end.

III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES

A. Deposits and Investments

Deposits

Custodial Credit Risk for Deposits: Custodial credit risk for deposits is the risk that, in the event of a bank failure, the School District's deposits might not be recovered. The School District does not have a deposit policy for custodial credit risk but follows the investment policy statues of the State of South Carolina. As of June 30, 2009, none of the School District's Primary Government's bank balances of \$112,643,802, which had a carrying value of \$107,961,058, were exposed to custodial credit risk.

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

NOTES TO THE BASIC FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2009

III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES (CONTINUED)

A. Deposits and Investments (Continued)

Investments

As of June 30, 2009, the School District's Primary Government had the following investments:

<u>Investment Type</u>	<u>Credit Rating</u>	<u>Fair Value</u>	<u>Weighted Average Maturity (Years)</u>
South Carolina Pooled Investment Fund	Unrated	\$ 76,930,769	Less than 1 year
Cash and Investments Held by County Treasurer	Unrated	4,972,764	1.24 years
U.S. Treasuries Bills	*	66,256,016	Less than 1 year
Open End Mutual Funds	^	80,789,627	Less than 1 year
Other	Unrated	2,676,000	Not applicable
Total		<u>\$ 231,625,176</u>	

*Investments in U.S. government securities are considered to have no credit risk and therefore the credit rating for these investments do not have to be disclosed.

^ Investments are in the Federated Treasury Obligations Fund, which is rated AAAM by Standard & Poors and Aaa by Moody's.

Interest Rate Risk: The School District does not have a formal policy limiting investment maturities that would help manage its exposure to fair value losses from increasing interest rates.

Credit Risk for Investments: Credit risk for investments is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The School District does not have an investment policy for credit risk but follows the investment policy statutes of the State of South Carolina.

Custodial Credit Risk for Investments: Custodial credit risk for investments is the risk that, in the event of a bank failure, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The School District does not have an investment policy for custodial credit risk but follows the investment policy statutes of the State of South Carolina. As of June 30, 2009, \$42,232,016 of the School District's investments are exposed to custodial credit risk because the securities are uninsured, unregistered and are being held by the counterparty's trust department but not in the government's name.

Concentration of Credit Risk for Investments: The School District places no limit on the amount it may invest in any one issuer. Investments issued or explicitly guaranteed by the U.S government and investments in mutual funds and external investment pools are excluded from this disclosure requirement. None of the School District's other investments exceeded 5% of the total amount invested.

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

NOTES TO THE BASIC FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2009

III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES (CONTINUED)

A. Deposits and Investments (Continued)

The following table reconciles the carrying amount of deposits and investments to the amounts listed in the Statement of Net Assets for the Primary Government:

<u>Statement of Net Assets</u>		<u>Notes</u>
Unrestricted Current Assets:		
Cash and Cash Equivalents on Deposit with Financial Institutions for Governmental Activities	\$ 83,299,978	Carrying Amount of Deposits \$ 107,961,058
Cash and Cash Equivalents on Deposit with Financial Institutions for Business-Type Activities	7,842,616	Fair Value of
Cash and Investments Held by County Treasurer	4,972,764	Investments 231,625,176
Restricted Current Assets:		
Cash and Cash Equivalents on Deposit with Financial Institutions for Governmental-Type Activities	151,445,115	
Investments Held by Financial Institutions for Governmental Activities	92,025,761	
	<u>\$ 339,586,234</u>	<u>\$ 339,586,234</u>

Due to higher cash flows at certain times during the year, the School District's deposits and investments were often significantly higher than at year end.

B. Property Taxes and Other Receivables

Greenville, Spartanburg, and Laurens Counties, South Carolina (the "Counties") are responsible for levying and collecting sufficient property taxes to meet funding obligations for the School District. The property taxes are considered both measurable and available for purposes of recognizing revenue and a receivable from the counties at the time they are collected by the Counties.

Property taxes are usually levied and billed by the Counties on real and personal properties (excluding vehicles) on or around October 1 based on an assessed value of approximately \$1,711,332,000 at rates of 114.2 mills and 42.5 mills for the General Fund and Debt Service Fund, respectively. These taxes are due without penalty through January 15. Penalties are added to taxes depending on the date paid as follows:

January 16 through February 1	-	3% of tax
February 2 through March 16	-	10% of tax
After March 16	-	15% of tax

Current year real and personal property taxes become delinquent on March 17. Unpaid property taxes become a lien against the property as of June 1 of the calendar year following the levy date. The levy date for motor vehicles is the first day of the month in which the motor vehicle license expires. These taxes are due by the last day of the same month.

Taxes receivable include an allowance for uncollectible amounts of approximately \$24,772,000 at June 30, 2009. Allowances for uncollectible amounts for the other receivable accounts were not necessary.

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

NOTES TO THE BASIC FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2009

III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES (CONTINUED)

B. Property Taxes and Other Receivables (Continued)

Governmental funds report deferred and unearned revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At June 30, 2009, the various components of deferred revenue and unearned revenue reported in the governmental funds were as follows:

Delinquent Property Taxes Receivable (General Fund)	\$ 2,549,515
Delinquent Property Taxes Receivable (Debt Service Fund)	740,510
Revenue Collected, but Unearned (Special Projects Fund)	7,148,433
Revenue Collected, but Unearned (EIA Fund)	3,151,302
Total Deferred and Unearned Revenue for Governmental Funds	<u>\$ 13,589,760</u>

C. Capital Assets

Capital asset activity for the School District's Primary Government for the year ended June 30, 2009, is as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers</u>	<u>Ending Balance</u>
Governmental Activities:					
Capital Assets, Not Being Depreciated:					
Land	\$ 39,362,062	2,041,051	(26,987)	-	\$ 41,376,126
Construction in Progress	65,863,184	25,791,768	-	(69,745,807)	21,909,145
Total Capital Assets, Not Being Depreciated	<u>105,225,246</u>	<u>27,832,819</u>	<u>(26,987)</u>	<u>(69,745,807)</u>	<u>63,285,271</u>
Capital Assets, Being Depreciated:					
Buildings and Improvements	1,419,920,511	8,710,508	(6,682,484)	69,745,807	1,491,694,342
Furniture and Equipment	31,044,400	5,139,059	(1,471,959)	-	34,711,500
Total Capital Assets Being Depreciated	<u>1,450,964,911</u>	<u>13,849,567</u>	<u>(8,154,443)</u>	<u>69,745,807</u>	<u>1,526,405,842</u>
Less: Accumulated Depreciation for:					
Buildings	198,079,026	37,228,574	(5,632,717)	-	229,674,883
Furniture and Equipment	19,365,544	2,608,009	(1,334,339)	-	20,639,214
Total Accumulated Depreciation	<u>217,444,570</u>	<u>39,836,583</u>	<u>(6,967,056)</u>	<u>-</u>	<u>250,314,097</u>
Total Capital Assets, Being Depreciated, Net	<u>1,233,520,341</u>	<u>(25,987,016)</u>	<u>(1,187,387)</u>	<u>69,745,807</u>	<u>1,276,091,745</u>
Total Governmental Activities Capital Assets, Net	<u>\$ 1,338,745,587</u>	<u>1,845,803</u>	<u>(1,214,374)</u>	<u>-</u>	<u>\$ 1,339,377,016</u>
Business-Type Activities:					
Furniture and Equipment	\$ 15,808,040	541,916	(1,460,817)	-	\$ 14,889,139
Less: Accumulated Depreciation	8,960,877	1,094,918	(1,424,824)	-	8,630,971
Total Business-Type Activities Capital Assets, Net	<u>\$ 6,847,163</u>	<u>(553,002)</u>	<u>(35,993)</u>	<u>-</u>	<u>\$ 6,258,168</u>

Depreciation expense for governmental activities was charged to functions/programs as follows:

Governmental Activities:	
Instruction	\$ 24,379,989
Support Services	15,456,594
Total Depreciation Expense - Governmental Activities	<u>\$ 39,836,583</u>

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

NOTES TO THE BASIC FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2009

III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES (CONTINUED)

C. Capital Assets (Continued)

Commitments

The School District has several ongoing construction projects as of June 30, 2009, consisting primarily of capital projects. The projects include renovation of existing schools as well as construction of new facilities. Total outstanding commitments at June 30, 2009 were approximately \$21,168,000.

D. Interfund Receivables and Payables

Interfund balances at June 30, 2009 (all of which are expected to be paid or received within one year), consisted of the following individual fund receivables and payables for the primary government:

<u>Fund</u>	<u>Receivables</u>	<u>Payables</u>
General Fund	\$ 18,743,360	\$ -
Special Revenue Funds:		
Special Revenue	-	17,086,595
EIA	1,675,674	-
Debt Service Fund	-	174,779
Capital Projects Fund	-	3,203,626
Permanent Fund (non-major)	2,195	-
Enterprise Fund	43,771	-
Totals	<u>\$ 20,465,000</u>	<u>\$ 20,465,000</u>

The General Fund receivable is a result of the General Fund financing salaries and other expenditures for other funds. These funds will be reimbursed to the General Fund as claims are filed and reimbursements are received.

The Special Revenue Fund receivable is a result of revenues received and deferred, but recorded as cash in the General Fund. These funds will be expended in the following fiscal year.

The Special Revenue Fund payable is a result of payments made by the General Fund for salaries and other expenditures. Reimbursement to the General Fund will be made as revenue is received from claims that have been submitted.

The Debt Service Fund payable is a result of payments made by the General Fund. Reimbursement to the General Fund will be made as revenue is collected.

The Capital Projects Fund payable is a result of payments made by the General Fund. Reimbursement to the General Fund will be made as revenue is collected.

The Enterprise Fund receivable is a result of the timing of transactions with the General Fund. Reimbursement to the Enterprise Fund was made subsequent to year end.

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

NOTES TO THE BASIC FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2009

III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES (CONTINUED)

E. Transfers From and To Other Funds

Transfer from and to other funds for the year ended June 30, 2009, consisted of the following:

General Fund			
Transfers from	Amount	Transfers to	Amount
Special Revenue	\$ 1,843,278	Special Revenue	\$ 813,500
Special Revenue - EIA	8,226,059	Special Revenue - EIA	848,762
Proprietary Fund	1,315,000		-
	<u>11,384,337</u>		<u>1,662,262</u>
Special Revenue Fund			
Transfers from	Amount	Transfers to	Amount
General Fund	<u>813,500</u>	General Fund	<u>1,843,278</u>
Special Revenue - EIA Fund			
Transfers from	Amount	Transfers to	Amount
General Fund	<u>848,762</u>	General Fund	<u>8,226,059</u>
Debt Service Funds			
Transfers from	Amount	Transfers to	Amount
Debt Service - District	62,864,036	Debt Service - BEST	62,864,036
	-	Capital Projects - District	32,253,521
	<u>62,864,036</u>	Capital Projects - BEST	900,000
			<u>96,017,557</u>
Capital Projects Funds			
Transfers from	Amount	Transfers to	Amount
Debt Service - District	32,253,521	Capital Projects - BEST	1,873,207
Debt Service - BEST	900,000		-
Capital Projects - District	1,873,207		-
	<u>35,026,728</u>		<u>1,873,207</u>
Enterprise Fund			
Transfers from	Amount	Transfers to	Amount
	<u>-</u>	General Fund	<u>1,315,000</u>
	<u>\$ 110,937,363</u>		<u>\$ 110,937,363</u>

Interfund transfers include funding allowed for indirect costs, required matches, supplemental funding, state cuts, and accounting practice. Transfers for the year ended June 30, 2009 consisted of the following:

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

NOTES TO THE BASIC FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2009

III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES (CONTINUED)

E. Transfers From and To Other Funds (Continued)

General Fund

Transfers from:

Funds were transferred from the Special Revenue Funds and other funds to the General Fund to cover EIA raises for teachers, indirect costs for federal programs and food services, and the required Medicaid match.

Transfers to:

Funds were transferred from the General Fund to Special Revenue funds to cover the required match for State Reduce Class Size Funding and supplemental funding for the preschool handicapped and child development programs.

Special Revenue/EIA Funds

Transfers from:

Funds were transferred from the General Fund to cover the School District match for Reduce Class Size and supplemental funding for Preschool Handicapped and Child Development.

Transfers to:

Funds were transferred to the General Fund to cover Medicaid match, indirect cost on federal programs, and the EIA raise for teachers.

Debt Service Funds

Transfer from:

Funds were transferred from the School District's Debt Service Fund to the BEST Debt Service Fund to provide funds to pay principal and interest on the BEST bonds.

Transfer to:

Funds were transferred to the Capital Projects Funds to fund the capital projects program.

Capital Projects Fund

Transfer from:

Funds were transferred from the School District's Debt Service Fund, BEST's Debt Service Fund and the School District's Capital Projects Fund to fund the District's and BEST's capital projects program.

Transfer to:

Funds were transferred to the BEST Capital Projects Fund from the District's Capital Projects Fund to fund the capital projects program.

Proprietary Fund

Transfer to:

Funds were transferred to the General Fund from the Food Service Fund for indirect costs.

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

NOTES TO THE BASIC FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2009

III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES (CONTINUED)

F. Accounts Payable and Accrued Expenses

The significant components of accounts payable and accrued expenses for governmental activities at June 30, 2009 consisted of the following:

Accounts Payable	\$ 13,028,474
Accrued Payroll, Fringe, Withholdings and Benefits	54,751,698
Other Accrued Expenses, including Retainage Payable of \$2,204,596	3,247,024
Total Accounts Payable and Accrued Expenses - Governmental Activities	<u>\$ 71,027,196</u>

G. Short-Term Obligations

Governmental Activities:	Beginning Balance	Additions	Reductions	Ending Balance
General Obligation Bonds	\$ -	77,630,000	77,630,000	\$ -
Total Governmental Activities	<u>\$ -</u>	<u>77,630,000</u>	<u>77,630,000</u>	<u>\$ -</u>

The School District issued three short-term general obligation bonds in the fall of 2008 totaling \$77,630,000 for the purpose of making payments to BEST for its required debt service and for additional capital improvements. The School District received premiums of \$402,788, net of issuance costs of \$203,734, upon issuance of the bonds. These bonds, including interest of \$1,608,381, were repaid in June 2009 utilizing debt service fund property tax revenues. The premiums have been netted against interest expenditures in the financial statements.

H. Food Service

Federal Guidelines

The School District's Food Service Fund administers the lunch programs in accordance with United States Department of Agriculture ("USDA") guidelines. Revenues are provided from USDA reimbursements and cash collections. Within the Food Service Fund, meals served to pupils are classified as regular, reduced or free. The type of meal served determines the amount of reimbursement received from the USDA. Reimbursements may be in the form of cash or commodities. The Food Service expenses are inclusive of \$1,903,565 of commodities consumed during the year ended June 30, 2009.

I. Operating Lease

In September 2007, the School District entered into a three-year lease agreement with Dell for approximately 1,664 laptop computers for the Title I federal program. At the end of the lease, the School District may purchase the computers for a nominal charge. The annual lease payment for fiscal 2009 was approximately \$800,000. The annual payments for 2010 are expected to be approximately \$800,000.

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

NOTES TO THE BASIC FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2009

III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES (CONTINUED)

J. Long-Term Obligations

The following is a summary of changes in School District long-term obligations for the year ended June 30, 2009:

<u>Long-Term Obligations</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental Activities:					
BEST 2002 Bond Issue	\$ 93,710,000	-	7,140,000	86,570,000	\$ 8,980,000
Discount	(110,551)	-	(16,851)	(93,700)	-
BEST 2003 Bond Issue	84,110,000	-	3,325,000	80,785,000	3,435,000
Premium	3,241,258	-	196,441	3,044,817	-
BEST 2004 Bond Issue	66,950,000	-	1,040,000	65,910,000	1,015,000
Premium	497,408	-	24,263	473,145	-
BEST 2005 Refunding Bond Issue	216,905,000	-	-	216,905,000	-
Premium	14,133,856	-	1,046,926	13,086,930	-
BEST 2006 Refunding Bond Issue	574,790,000	-	-	574,790,000	-
Premium	22,440,124	-	1,094,640	21,345,484	-
BEST 2006 Bond Issuance	55,475,000	-	2,230,000	53,245,000	2,330,000
Premium	2,212,066	-	108,346	2,103,720	-
2008 GO Bonds	-	15,795,000	-	15,795,000	3,145,000
Premium	-	853,927	146,741	707,186	-
Deferred Advance Refunding Charges	(52,196,312)	-	(2,951,562)	(49,244,750)	-
Accrued Compensated Absences	3,686,216	1,812,689	1,535,478	3,963,427	1,840,544
Estimated arbitrage liability	-	1,086,000	-	1,086,000	1,086,000
Total Governmental Activities	<u>\$ 1,085,844,065</u>	<u>19,547,616</u>	<u>14,919,422</u>	<u>1,090,472,259</u>	<u>\$ 21,831,544</u>

Interest paid on the debt issued by the School District is exempt from federal income tax. The School District sometimes temporarily reinvests the proceeds of such tax-exempt debt in materially higher-yielding taxable securities, especially during construction projects. The federal tax code refers to this practice as arbitrage. Excess earnings (the difference between the interest on the debt and the investment earnings received) resulting from arbitrage must be rebated to the federal government on the fifth anniversary of the issuance of the tax-exempt debt and every five years thereafter until the debt has been repaid, in accordance with the arbitrage regulations. The arbitrage liability at June 30, 2009 represented the estimated positive arbitrage for the 2003 BEST bond issue and the 2004 BEST bond issue. The fifth anniversary of the 2004 BEST bond issue is December 2009, at which time the School District will remit to the federal government the amount of positive arbitrage pertaining to this issue, which is estimated to be approximately \$595,000. The net rebate liability for the 2003 BEST bond issue as of June 30, 2009 was approximately \$491,000. The total estimated arbitrage due is approximately \$1,086,000 and is included in non-current liabilities in the Statement of Net Assets. The School District does not anticipate positive arbitrage on any of its other indebtedness as of June 30, 2009.

General Fund resources typically have been used in prior years to liquidate compensated absences payable and the Debt Service Funds have been used to liquidate all other long-term obligations.

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

NOTES TO THE BASIC FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2009

III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES (CONTINUED)

J. Long-Term Obligations (Continued)

The BEST bonds were issued pursuant to a School Facilities Purchase and Occupancy Agreement (the “Facilities Agreement”) and evidence proportionate interests of the owners in certain rental payments to be made by the School District under the terms of a Base Lease Agreement between the School District and BEST dated March 15, 2002. The School District will purchase the Capital Projects from BEST pursuant to the Facilities Agreement, which will obligate the School District to make semiannual installment payments of purchase price to BEST in amounts calculated to be sufficient to enable BEST to pay the principal and interest on the outstanding bonds. The School District’s obligations under the Facilities Agreement are from year to year only and do not constitute a mandatory payment obligation of the School District in any fiscal year in which funds are not appropriated by the School District to pay the installment payments of purchase price due in such fiscal year. However, the School District would forfeit possession of the Facilities for the remainder of the term of the Lease.

Details for each debt issue outstanding as of June 30, 2009 are as follows:

- \$800,000,000 BEST Installment Purchase Revenue Bond Series 2002 to finance the costs of acquiring, constructing, renovating and installing educational facilities (the “Capital Projects”) to be sold by BEST to the School District pursuant to a School Facilities Purchase and Occupancy Agreement dated March 15, 2002. Bonds are due in annual installments ranging from \$1,010,000 to \$50,035,000 beginning December 2005 through December 2028 with interest ranging from 3% to 6%. They are subject to redemption at BEST’s option beginning in 2012. In April 2005, BEST defeased \$192,250,000 of this indebtedness. In March 2007, BEST defeased \$501,370,000 of this indebtedness. In connection with the BEST 2002 Bond Issue, a discount of \$1,192,522 and bond issuance costs of \$6,955,000 were recorded and are being amortized over the life of the bonds. The unamortized discount and bond issuance costs at June 30, 2009, net of the amounts written off attributable to the defeased debt, were \$93,700 and \$546,471, respectively.
- \$100,765,000 BEST Installment Purchase Revenue Bond Series 2003 to finance the costs of acquiring, constructing, renovating and installing educational facilities to be sold by BEST to the School District pursuant to a School Facilities Purchase and Occupancy Agreement dated March 15, 2002, as subsequently supplemented and amended. Bonds are due in annual installments ranging from \$5,595,000 to \$9,655,000 beginning December 2004 through December 2024 with interest ranging from 3% to 5.25%. They are subject to redemption at BEST’s option beginning in 2014. In connection with the BEST 2003 Bond Issue, a premium of \$4,174,347 and bond issuance costs of \$1,064,977 were recorded and are being amortized over the life of the bonds. The unamortized premium and bond issuance costs at June 30, 2009 were \$3,044,817 and \$776,807, respectively.
- \$68,000,000 BEST Installment Purchase Revenue Bond Series 2004 to finance the costs of acquiring, constructing, renovating and installing educational facilities to be sold by BEST to the School District pursuant to a School Facilities Purchase and Occupancy Agreement dated March 15, 2002, as subsequently supplemented and amended. Bonds are due in annual installments ranging from \$345,000 to \$25,085,000 beginning December 2008 through December 2028 with interest ranging from 3% to 5.25%. They are subject to redemption at BEST’s option beginning in 2014. In connection with the BEST 2004 Bond Issue, a premium of \$588,398 and bond issuance costs of \$784,274 were recorded and are being amortized over the life of the bonds. The unamortized premium and bond issuance costs at June 30, 2009 were \$473,145 and \$630,653, respectively.

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

NOTES TO THE BASIC FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2009

III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES (CONTINUED)

J. Long-Term Obligations (Continued)

- \$216,905,000 BEST Installment Purchase Revenue Refunding Bond Series 2005 to refund \$192,250,000 of the BEST 2002 Series Bonds. Bonds are due in annual installments ranging from \$380,000 to \$46,635,000 beginning December 2015 through December 2021 with interest ranging from 4.5% to 5.5%. They are subject to redemption at BEST’s option beginning in 2015. In connection with the BEST 2005 Bond Issue, a premium of \$17,449,123 and bond issuance costs of \$2,162,276 were recorded and are being amortized over the life of the bonds. The unamortized premium and bond issuance costs at June 30, 2009 were \$13,086,930 and \$1,621,718, respectively.
- \$574,790,000 BEST Installment Purchase Revenue Refunding Bond Series 2007 to refund \$501,370,000 of the BEST 2002 Series Bonds. Bonds are due in annual installments ranging from \$1,250,000 to \$71,005,000 beginning December 2010 through December 2028 with interest ranging from 4.25% to 5%. They are subject to redemption at BEST’s option beginning in 2016. In connection with the BEST 2007 Bond Issue, a premium of \$24,903,064 and bond issuance costs of \$5,045,702 were recorded and are being amortized over the life of the bonds. The unamortized premium and bond issuance costs at June 30, 2009 were \$21,345,484 and \$4,324,888, respectively.
- \$61,615,000 BEST Installment Purchase Revenue Bond Series 2007 to finance the costs of acquiring, constructing, renovating and installing educational facilities to be sold by BEST to the School District pursuant to a School Facilities Purchase and Occupancy Agreement dated March 15, 2002, as subsequently supplemented and amended. Bonds are due in annual installments ranging from \$2,000,000 to \$5,515,000 beginning December 2007 through December 2028 with interest ranging from 4% to 5%. They are subject to redemption at BEST’s option beginning in 2016. In connection with the BEST 2007 Bond Issue, a premium of \$2,437,787 and bond issuance costs of \$1,209,065 were recorded and are being amortized over the life of the bonds. The unamortized premium and bond issuance costs at June 30, 2009 were \$2,103,720 and \$1,043,378, respectively.
- \$15,795,000 School District General Obligation Bonds, Series 2008B to finance the costs of constructing educational facilities. Bonds are due in annual installments ranging from \$3,145,000 to \$7,560,000 beginning June 2010 through June 2013 with interest ranging from 3% to 5%. In connection with this issue, a premium of \$853,927 and bond issuance costs of \$105,311 were recorded and are being amortized over the life of the bonds. The unamortized premium and bond issuance costs at June 30, 2009 were \$707,186 and \$87,214, respectively.

The BEST bonds are not a debt of the School District; however, as BEST is blended with the operations of the School District, the debt of BEST is included with the School District’s other obligations as required by GAAP.

Annual debt service requirements to maturity as of June 30, 2009 are as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2010	\$ 18,905,000	54,837,339	\$ 73,742,339
2011	32,170,000	53,661,781	85,831,781
2012	36,600,000	51,993,597	88,593,597
2013	46,720,000	49,014,449	95,734,449
2014	44,300,000	45,914,363	90,214,363
2015-2019	200,275,000	204,845,975	405,120,975
2020-2024	301,760,000	142,858,390	444,618,390
2025-2029	413,270,000	52,845,388	466,115,388
Totals	<u>\$ 1,094,000,000</u>	<u>655,971,282</u>	<u>\$ 1,749,971,282</u>

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

NOTES TO THE BASIC FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2009

III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES (CONTINUED)

J. Long-Term Obligations (Continued)

The School District defeased \$192,250,000 of the BEST 2002 Series in 2005 and an additional \$501,370,000 in 2007, for a total of \$693,620,000, issuing refunding bonds and placing a portion of the proceeds in irrevocable trusts for the purpose of generating resources for all future debt service payments related to these bonds. Accordingly, this portion of the BEST 2002 Series is considered to be defeased until redemption in 2012 (\$192,250,000) and 2015 (\$501,370,000). The reacquisition price exceeded the net carrying amount of the old debt by \$59,925,686; this amount is being amortized over the life of the new debt, which is the same as the life of the old debt.

The School District is subject to a statutory millage limit on the amount of ad valorem taxes it may annually levy to fund operations and does not presently have sufficient unused capacity under its operating millage limit to levy additional ad valorem taxes to fund the installment payments of purchase price due under the Facilities Agreement. The School District is, however, authorized to levy an unlimited ad valorem tax to pay its general obligation debt and has covenanted and agreed in the Facilities Agreement to exercise its best efforts to issue its general obligation debt from time to time to provide funds to make installment payments of purchase price due under the Facilities Agreement as well as base payments.

The School District has continuous authority to issue general obligation bonds each calendar year, subject to a constitutional debt limit equal to 8% of the assessed valuation of property subject to levy by the School District, applicable to debt issued subsequent to November 30, 1982. As of November 30, 1982, the constitutional debt limit was decreased from 20% to 8% of the assessed valuation under the provisions of Section 15, Article X of the South Carolina Constitution. The School District had a total of \$15,795,000 in general obligation debt outstanding at June 30, 2009 that is subject to the 8% limitation. See Note IV. H. for general obligation debt issued subsequent to June 30, 2009.

IV. OTHER INFORMATION

A. Retirement Plans

South Carolina Retirement System (“SCRS”)

Plan Description – A majority of all School District employees are members of the SCRS. The South Carolina Retirement System is a cost-sharing multi-employer defined benefit pension plan administered by the South Carolina Retirement System; a division of the South Carolina State Budget and Control Board. The system offers retirement and disability benefits, cost of living adjustments on an ad-hoc basis, life insurance benefits and survivor benefits. The Plan’s provisions are established under Title 9 of the SC Code of Laws. Only the South Carolina State Budget and Control Board has the authority to establish and amend benefits. Comprehensive Annual Financial Reports containing basic financial statements and required supplementary information for the System are issued and publicly available by writing to the South Carolina Retirement System, P.O. Box 11960, Columbia S C 29211-1960.

Funding Policy – Both employees and employers are required to contribute to the Plan under authority of Title 9 of the SC Code of Laws. For the year ended June 30, 2009, employee contributions to the Plan are 6.5% of salary, and employers are required to contribute at the following actuarially determined rates: SCRS State Agencies & Public Schools—9.24%. In addition to the above rates, participating employers of the South Carolina Retirement System contribute 3.65% of payroll to provide retiree health and dental insurance and a group life insurance benefit for their active participants. All employers contribute at the actuarially required contribution rates. The School District contributed amounts equal to the required contribution to the SCRS of approximately \$40,121,599; \$37,719,519; and \$32,645,233 for the years ended June 30, 2009, 2008, and 2007, respectively. Only the South Carolina State Budget and Control Board has the authority to establish and amend funding policy.

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

NOTES TO THE BASIC FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2009

IV. OTHER INFORMATION (CONTINUED)

A. Retirement Plans (Continued)

Other Retirement Plan

The State of South Carolina also provides an optional retirement plan ("State ORP"). It is a governmental plan administered as a qualified plan pursuant to Section 401(a) of the IRC. The State ORP is a defined contribution plan that provides retirement and survivor benefits as an alternative to the SCRS. Employees may choose between the State ORP plan and the SCRS plan. Both employees and employers are required to contribute to the State ORP (6.5% for employees and a total of 12.89% for employers). The School District contributed amounts equal to the required contribution of \$5,567,354; \$5,150,769; and \$4,066,162 for the years ended June 30, 2009, 2008, and 2007, respectively.

B. Litigation

Various claims and lawsuits are pending against the School District. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the School District's management that resolution of these matters will not have a material adverse effect on the financial condition of the School District.

C. Grants

The School District participates in a number of federally assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. The amount of program expenditures which may be disallowed by the granting agencies cannot be determined at this time although the School District expects such amounts, if any, to be immaterial.

D. Risk Management

The School District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees' and natural disasters. The School District continues to carry commercial insurance for general liability, property and casualty, employee health and dental coverage and is partially self-insured for workers' compensation. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years and there has been no significant reduction in insurance coverage.

As noted above, the School District is partially self-insured related to risks associated with workers compensation. The School District has a \$450,000 per claim deductible with an insurance provider paying claims that are in excess of this amount per claim. The School District has recorded an estimated liability of \$4,551,581 for incurred but unpaid claims at June 30, 2009, which is based on GASB Statement No. 10 which requires that a liability for claims be recorded if information prior to the issuance of the basic financial statements indicate that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. This amount is included in Accounts Payable and Accrued Expenses in the Statement of Net Assets.

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

NOTES TO THE BASIC FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2009

IV. OTHER INFORMATION (CONTINUED)

D. Risk Management (Continued)

Changes in the reported liability are as follows:

<u>Workers' Compensation</u>	<u>Beginning of Fiscal Year Liability</u>	<u>Claims & Changes in Estimates</u>	<u>Claim Payments</u>	<u>End of Fiscal Year Liability</u>
2006 - 2007	\$ 2,605,113	2,585,410	1,771,264	\$ 3,419,259
2007 - 2008	3,419,259	2,426,364	2,014,581	3,831,042
2008 - 2009	\$ 3,831,042	3,177,949	2,457,410	\$ 4,551,581

E. Postemployment Benefits

In addition to providing retirement plan benefits, the state currently provides its retired employees with health care benefits. All postretirement benefits paid to the School District's retired members are made from the SCRS and from South Carolina's General Fund (Health Care). The School District has no liability beyond the payment of monthly contributions. Contributions are determined as a percentage of monthly covered pay roll. See Note IV-A above for details. The SCRS provides death benefits to retirees through the group life insurance program for members of the SCRS.

F. Related Party Transactions

A member of the Board of Trustees for the School District is a marketing executive for the Construction Management Division of MB Kahn Construction, Inc. BEST, a blended component unit of the School District, paid approximately \$335,000 to MB Kahn's Argo Division, a separate division, during the year ended June 30, 2009 for construction-related activities.

G. Contingencies

Impact of Act 388

In 2007, the South Carolina enacted Act 388, which is effective for the School District beginning July 1, 2007. Act 388 provides an exemption for one hundred percent of the fair market value of owner occupied residential property, to the extent not already covered by the other property tax relief exemptions, from all property taxes imposed for school operating purposes but not including millage imposed for the repayment of general obligation debt for property tax years beginning after January 1, 2007. Act 388 also created a new Homestead Exemption fund (the "Homestead Exemption Fund") which will be funded from an additional 1 cent sales tax imposed by Act 388.

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

NOTES TO THE BASIC FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2009

IV. OTHER INFORMATION (CONTINUED)

G. Contingencies (Continued)

Impact of Act 388 (Continued)

Act 388 created three tiers of distribution to school districts. Tier one distributions are equal to the amounts that were received by school districts for the fiscal year ended June 30, 2007, relating to an earlier property tax relief provision for owner occupied residential property. In the case of the School District, that amount is \$23,410,334. Tier two distributions are equal to the amounts that were received by school districts for the school operating portion of the homestead exemption for the elderly, disabled and blind. In the case of the School District, that amount is \$5,947,974. Tier one and tier two distributions are fixed amounts and do not change. Tier three distributions are State funded payments to school districts to replace revenues formerly derived from taxation by school districts of owner occupied residential property. For the fiscal year ended June 30, 2008, those distributions were expected to equal, dollar for dollar, the revenue that would have been collected by the school districts from property tax for school operating purposes imposed by the school districts on owner occupied residential property for that fiscal year as if no reimbursed exemptions applied. Beginning with the 2008-2009 fiscal year, the annual tier three distributions will equal the reimbursement from the previous fiscal year plus the tier three reimbursement increases. Act 388 requires the annual tier three reimbursements to be increased annually by (i) an inflation factor equal to the percentage increase in the previous year of the Consumer Price Index, Southeast Region, as published by the United States Department of Labor, Bureau of Labor Statistics, plus (ii) the percentage increase in the previous year in the population of the State as determined by the Office of Research and Statistics of the State Budget and Control Board. The tier three increases are aggregated for the entire state and the amount going to any particular school district is equal to an amount that is the school district's proportionate share of the aggregate of such funds based on the school district's weighted pupil units as a percentage of the statewide weighted pupil units as determined annually pursuant to the EFA, with an adjustment for certain poverty factors to provide programs for the affected students. There are provisions in the tier three reimbursement that could, in any given year, result in a minimum increase of four percent to the extent funds are available in the Homestead Exemption Fund. There are also provisions that require the total tier three reimbursements to the school districts in a county to be not less than \$2,500,000. If the amount of tier three distributions, other than those dependent upon balances in the Homestead Exemption Fund, exceeds amounts in the Homestead Exemption Fund, the excess is required to be paid from the general fund of the State.

The School District's reimbursement for fiscal 2009 under Act 388 is \$45,581,753. Act 388 requires that, to the extent revenues in the Homestead Exemption Fund are insufficient to pay all required reimbursements to a school district, the State will pay the difference from the State's general fund. However, there can be no assurances that such funds will be appropriated in the event that there is such an insufficiency or that the change in funding sources resulting from Act 388 will not have an adverse effect on the School District's operations. The School District recognizes that Act 388 places increased reliance on state funds to fund the general fund. This increased reliance at the state level is being funded by the additional penny sales tax, which in the School District's opinion is not as stable as property tax revenue which the penny sales tax replaced.

H. Subsequent Events

Issuance of general obligation bonds

In August and September 2009, the School District issued three general obligation bonds totaling \$71,955,000 to partially provide for the required fiscal 2010 BEST debt service payments and to provide for additional capital projects. Two of these bonds totaling \$59,155,000, including interest at rates ranging from 1.5% to 2%, are due in full prior to June 30, 2010. The \$12,800,000 issue has semi-annual interest payments due in June and December (rates range from 2% to 5%), with principal payments due in annual installments ranging from \$1,510,000 to \$5,670,000, beginning in June 2010 and continuing through June 2014.

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

NOTES TO THE BASIC FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2009

IV. OTHER INFORMATION (CONTINUED)

H. Subsequent Events (Continued)

Issuance of general obligation bonds (Continued)

In September 2009, the School District participated with the South Carolina Association of Government Organizations in issuing a certificate of participation in the amount of \$30,500,000. The School District's portion was \$15,765,000 and is considered a general obligation indebtedness of the School District. This obligation was issued to provide additional funds for the required fiscal 2009 BEST debt service payments. This indebtedness, including interest at 1.5%, is due in full in March 2010.

Subsequent to June 30, 2009, the School District received from the Secretary of the Treasury of the United States (the "Secretary of the Treasury") an allocation of Qualified School Construction Bonds ("QSCB") from the national volume limitation in the amount of \$15,060,000 for the calendar year 2009. The QSCBs have been so designated pursuant to Section 54F of the Internal Revenue Code of 1986, as amended, which basically entitles the owner of the bonds to a federal income tax credit in the amount of "lost interest" and enables the issuer to pay minimal interest on these bonds. In October 2009, the School District issued its Series 2009E General Obligation Bonds, classified as QSCBs, in the amount of \$15,060,000 to provide funds for additional capital projects. These bonds were issued at 1.2% interest, with interest only payments due semi-annually and the principal is due at maturity in June 2025. The School District also expects to receive a similar allocation of QSCBs for calendar 2010.

State Budget Cuts

Due to the continuing slow State and National economies, the State of South Carolina is still experiencing a reduction in sales tax, corporate and personal income tax revenues, when compared to projections. In order to keep its general fund budget in balance, the State of South Carolina, in September 2009, reduced the projected revenue allocations to State agencies and school districts by 4.04%. This has resulted in a projected reduction of the state revenue allocations of \$8.0 million for the School District. Reductions in state revenue allocations during fiscal 2010 were anticipated when the School District's FY 2010 General Fund Budget was developed. The School District therefore held back from the schools and departments 20% of their allocations. This practice was also done when the FY 2009 General Fund Budget was developed. This practice has provided the School District the flexibility to "cover" this 4.04% reduction without impacting, to a further degree, the budgets of the schools and departments.

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGETS AND ACTUAL**

GENERAL FUND

YEAR ENDED JUNE 30, 2009

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH REVISED BUDGET
	ORIGINAL	REVISED		
REVENUES				
Local Sources:				
Taxes	\$ 133,113,937	133,113,937	131,534,209	\$ (1,579,728)
Investment Earnings	3,300,000	1,500,000	856,606	(643,394)
Other Local Sources	990,000	990,000	1,598,772	608,772
State Sources	303,696,485	282,277,772	279,060,873	(3,216,899)
TOTAL REVENUE ALL SOURCES	441,100,422	417,881,709	413,050,460	(4,831,249)
EXPENDITURES				
Current:				
Instruction	263,706,100	260,294,959	253,653,763	6,641,196
Support Services	175,430,622	166,967,839	160,953,450	6,014,389
Community Services	-	61,948	60,477	1,471
Intergovernmental	9,238,300	8,259,300	8,784,728	(525,428)
Capital Outlay	1,085,200	2,172,478	1,398,305	774,173
TOTAL EXPENDITURES	449,460,222	437,756,524	424,850,723	12,905,801
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(8,359,800)	(19,874,815)	(11,800,263)	8,074,552
OTHER FINANCING SOURCES (USES)				
Sale of Capital Assets	-	-	27,191	27,191
Transfers In	10,392,000	10,403,416	11,384,337	980,921
Transfers Out	(2,032,200)	(1,732,200)	(1,662,262)	69,938
TOTAL OTHER FINANCING SOURCES (USES)	8,359,800	8,671,216	9,749,266	1,078,050
NET CHANGES IN FUND BALANCES	-	(11,203,599)	(2,050,997)	9,152,602
FUND BALANCE, Beginning of Year	50,391,090	50,391,090	50,391,090	-
FUND BALANCE, End of Year	\$ 50,391,090	39,187,491	48,340,093	\$ 9,152,602

Note: The budget is presented on the modified accrual basis of accounting, which is consistent with accounting principles generally accepted in the United States of America.

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGETS AND ACTUAL**

SPECIAL REVENUE FUND

YEAR ENDED JUNE 30, 2009

	District to provide this info			VARIANCE WITH REVISED BUDGET
	BUDGETED AMOUNTS		ACTUAL	
	ORIGINAL	REVISED		
REVENUES				
Local Sources	\$ 9,111,556	9,112,386	4,498,332	\$ (4,614,054)
State Sources	12,623,593	10,777,451	9,940,578	(836,873)
Federal Sources	60,700,273	58,521,271	48,064,136	(10,457,135)
TOTAL REVENUE ALL SOURCES	82,435,422	78,411,108	62,503,046	(15,908,062)
EXPENDITURES				
Current:				
Instruction	43,707,994	42,356,805	36,396,264	5,960,541
Support Services	32,533,101	29,269,284	22,307,725	6,961,559
Community Services	406,176	420,265	342,650	77,615
Intergovernmental	566,078	612,776	417,230	195,546
Capital Outlay	3,720,489	4,298,348	2,009,399	2,288,949
TOTAL EXPENDITURES	80,933,838	76,957,478	61,473,268	15,484,210
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	1,501,584	1,453,630	1,029,778	(423,852)
OTHER FINANCING SOURCES (USES)				
Transfers In	813,500	813,500	813,500	-
Transfers Out	(2,315,084)	(2,267,130)	(1,843,278)	423,852
TOTAL OTHER FINANCING SOURCES (USES)	(1,501,584)	(1,453,630)	(1,029,778)	423,852
NET CHANGES IN FUND BALANCE	-	-	-	-
FUND BALANCE, Beginning of Year	-	-	-	-
FUND BALANCE, End of Year	\$ -	-	-	\$ -

Note: The budget is presented on the modified accrual basis of accounting, which is consistent with accounting principles generally accepted in the United States of America.

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGETS AND ACTUAL**

EDUCATION IMPROVEMENT ACT

YEAR ENDED JUNE 30, 2009

	District to provide this info			VARIANCE WITH REVISED BUDGET
	BUDGETED AMOUNTS		ACTUAL	
	ORIGINAL	REVISED		
REVENUES				
State Sources	\$ 47,793,955	46,004,613	41,196,253	\$ (4,808,360)
TOTAL REVENUE ALL SOURCES	47,793,955	46,004,613	41,196,253	(4,808,360)
EXPENDITURES				
Current:				
Instruction	30,758,719	28,697,036	25,337,816	3,359,220
Support Services	8,700,095	9,282,131	7,893,936	1,388,195
Community Services	260,949	251,814	212,129	39,685
Intergovernmental	73,973	120,205	120,205	-
Capital Outlay	622,922	276,130	254,870	21,260
TOTAL EXPENDITURES	40,416,658	38,627,316	33,818,956	4,808,360
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	7,377,297	7,377,297	7,377,297	-
OTHER FINANCING SOURCES (USES)				
Transfers In	848,762	848,762	848,762	-
Transfers Out	(8,226,059)	(8,226,059)	(8,226,059)	-
TOTAL OTHER FINANCING SOURCES (USES)	(7,377,297)	(7,377,297)	(7,377,297)	-
NET CHANGES IN FUND BALANCE	-	-	-	-
FUND BALANCE, Beginning of Year	-	-	-	-
FUND BALANCE, End of Year	\$ -	-	-	\$ -

Note: The budget is presented on the modified accrual basis of accounting, which is consistent with accounting principles generally accepted in the United States of America.

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

Schedule A-1

GENERAL FUND

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
REVISED BUDGET AND ACTUAL**

YEAR ENDED JUNE 30, 2009

	REVISED BUDGET	ACTUAL	VARIANCE
REVENUES			
1000 Revenue from Local Sources:			
1100 Taxes:			
1110 Ad Valorem Taxes-Including Delinquent (Independent)	\$ 122,399,875	120,695,892	\$ (1,703,983)
1200 Revenue from Local Governmental Units Other than LEAs:			
1280 Revenue in Lieu of Taxes (Independent and Dependent)	10,714,062	10,838,317	124,255
1300 Tuition:			
1310 From Patrons for Regular Day School	455,000	471,821	16,821
1350 From Patrons for Summer School	300,000	181,953	(118,047)
1500 Earnings on Investments:			
1510 Interest on Investments	1,500,000	856,606	(643,394)
1900 Other Revenue from Local Sources:			
1910 Rentals	-	267,835	267,835
1920 Contributions & Donations Private Sources	235,000	251,547	16,547
1931 Therapy Adjustment - Medicaid	-	10,800	10,800
1990 Miscellaneous Local Revenue:			
1993 Receipt of Insurance Proceeds	-	35,624	35,624
1994 Receipt of Legal Settlements	-	255	255
1999 Revenue from Other Local Sources	-	378,937	378,937
Total Revenue from Local Sources	<u>135,603,937</u>	<u>133,989,587</u>	<u>(1,614,350)</u>
3000 Revenue from State Sources:			
3100 Restricted State Funding:			
3130 Special Programs:			
3131 Handicapped Transportation	125,000	172,758	47,758
3132 Home Schooling (No Carryover Provision)	129,000	69,901	(59,099)
3160 School Bus Driver's Salary	2,435,085	2,167,328	(267,757)
3162 Transportation Workers' Compensation	187,702	194,478	6,776
3165 EEDA Transportation	86,415	-	(86,415)
3180 Fringe Benefits Employer Contributions (No Carryover Provision)	50,417,150	50,350,370	(66,780)
3181 Retiree Insurance (No Carryover Provision)	6,577,143	6,643,925	66,782
3199 Other Restricted State Grants	-	2,738	2,738
3200 Unrestricted Grants:			
3250 Medicaid	-	51,038	51,038
3300 Education Finance Act:			
3310 Full-Time Programs:			
3311 Kindergarten	10,027,700	9,659,115	(368,585)
3312 Primary	28,619,200	27,834,834	(784,366)
3313 Elementary	37,363,700	36,531,085	(832,615)
3314 High School	21,075,300	18,067,270	(3,008,030)
3315 Trainable Mentally Handicapped	910,500	892,678	(17,822)
3316 Speech Handicapped (Part-Time Program)	8,201,200	8,406,291	205,091
3317 Homebound	\$ 817,100	968,742	\$ 151,642

(Continued)

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

Schedule A-1

GENERAL FUND

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
REVISED BUDGET AND ACTUAL**

YEAR ENDED JUNE 30, 2009

	REVISED BUDGET	ACTUAL	VARIANCE
3320 Part-Time Programs:			
3321 Emotionally Handicapped	\$ 1,129,400	1,108,486	\$ (20,914)
3322 Educable Mentally Handicapped	833,700	828,968	(4,732)
3323 Learning Disabilities	15,116,300	14,762,945	(353,355)
3324 Hearing Handicapped	205,800	209,343	3,543
3325 Visually Handicapped	77,900	69,255	(8,645)
3326 Orthopedically Handicapped	332,300	323,317	(8,983)
3327 Vocational	16,630,300	18,505,770	1,875,470
3330 Other EFA Programs:			
3331 Autism	1,118,850	1,087,337	(31,513)
3800 State Revenue in Lieu of Taxes:			
3810 Reimbursement for Local Residential Property Tax Relief (Tier 1)	23,410,334	23,410,334	-
3820 Homestead Exemption (Tier 2)	5,900,000	5,947,974	47,974
3825 Reimbursement for Property Tax Relief (Tier 3)	45,728,693	45,581,753	(146,940)
3827 \$2.5 Million Bonus	-	-	-
3830 Merchant's Inventory Tax	2,201,000	2,200,911	(89)
3840 Manufacturers Depreciation Reimbursement	2,300,000	2,573,522	273,522
3890 Other State Property Tax Revenues (Includes Motor Carrier Vehicle Tax)	321,000	418,036	97,036
3900 Other State Revenue:			
3991 ADEPT (Assisting, Developing, and Evaluating Professional Teaching) (Carry-Over Provision)	-	19,371	19,371
3999 Revenue from Other State Sources	-	1,000	1,000
Total Revenue from State Sources	<u>282,277,772</u>	<u>279,060,873</u>	<u>(3,216,899)</u>
TOTAL REVENUE ALL SOURCES	<u>417,881,709</u>	<u>413,050,460</u>	<u>(4,831,249)</u>

EXPENDITURES

100 Instruction:			
110 General Instruction:			
111 Kindergarten Programs:			
100 Salaries	15,441,600	15,446,219	(4,619)
150 TERI - Second Annual Leave Payout	14,000	5,457	8,543
200 Employee Benefits	4,797,825	4,794,819	3,006
300 Purchased Services	1,106	1,080	26
400 Supplies and Materials	108,050	99,686	8,364
500 Capital Outlay	533	529	4
112 Primary Programs:			
100 Salaries	40,472,300	40,434,831	37,469
150 TERI - Second Annual Leave Payout	31,000	20,670	10,330
200 Employee Benefits	11,485,504	11,467,483	18,021
300 Purchased Services	469,049	455,012	14,037
400 Supplies and Materials	867,034	858,303	8,731
500 Capital Outlay	\$ 519,254	466,839	\$ 52,415

(Continued)

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

Schedule A-1

GENERAL FUND

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
REVISED BUDGET AND ACTUAL**

YEAR ENDED JUNE 30, 2009

	REVISED BUDGET	ACTUAL	VARIANCE
113 Elementary Programs:			
100 Salaries	\$ 62,003,994	61,965,208	\$ 38,786
140 Terminal Leave	-	-	-
150 TERI - Second Annual Leave Payout	30,000	43,423	(13,423)
200 Employee Benefits	17,980,513	17,974,070	6,443
300 Purchased Services	362,089	318,337	43,752
400 Supplies and Materials	375,486	385,854	(10,368)
500 Capital Outlay	41,742	18,933	22,809
600 Other Objects	1,449	1,249	200
114 High School Programs:			
100 Salaries	38,833,600	38,723,733	109,867
150 TERI - Second Annual Leave Payout	22,000	10,791	11,209
200 Employee Benefits	10,910,413	10,885,172	25,241
300 Purchased Services	684,156	582,764	101,392
400 Supplies and Materials	890,550	888,626	1,924
500 Capital Outlay	155,772	127,955	27,817
600 Other Objects	200	200	-
115 Career and Technology Education Program:			
100 Salaries	6,921,900	6,867,654	54,246
150 TERI - Second Annual Leave Payout	-	4,440	(4,440)
200 Employee Benefits	1,926,831	1,911,606	15,225
300 Purchased Services - Other than Tuition	28,296	24,828	3,468
400 Supplies and Materials	78,084	69,546	8,538
500 Capital Outlay	24,538	16,607	7,931
120 Exceptional Programs:			
121 Educable Mentally-Handicapped:			
100 Salaries	4,245,300	4,208,080	37,220
150 TERI - Second Annual Leave Payout	7,000	720	6,280
200 Employee Benefits	1,324,414	1,311,828	12,586
300 Purchased Services	9,623	8,965	658
400 Supplies and Materials	7,624	6,792	832
122 Trainable Mentally Handicapped:			
100 Salaries	3,111,200	3,074,549	36,651
140 Terminal Leave	-	-	-
150 TERI - Second Annual Leave Payout	4,000	2,868	1,132
200 Employee Benefits	949,162	939,720	9,442
300 Purchased Services	6,600	6,539	61
400 Supplies and Materials	9,207	1,813	7,394
123 Orthopedically Handicapped:			
100 Salaries	739,700	728,180	11,520
150 TERI - Second Annual Leave Payout	3,000	-	3,000
200 Employee Benefits	250,492	247,663	2,829
300 Purchased Services	2,738	1,953	785
400 Supplies and Materials	274	277	(3)
124 Visually Handicapped:			
100 Salaries	119,000	118,720	280
200 Employee Benefits	30,650	30,409	241
300 Purchased Services	7,806	7,229	577
400 Supplies and Materials	\$ 378	315	\$ 63

(Continued)

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

Schedule A-1

GENERAL FUND

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
REVISED BUDGET AND ACTUAL**

YEAR ENDED JUNE 30, 2009

	REVISED BUDGET	ACTUAL	VARIANCE
125 Hearing Handicapped:			
100 Salaries	\$ 624,100	614,447	\$ 9,653
200 Employee Benefits	195,531	193,435	2,096
300 Purchased Services	6,929	6,719	210
400 Supplies and Materials	644	580	64
500 Capital Outlay	1,507	1,507	-
126 Speech Handicapped:			
100 Salaries	3,498,852	3,476,643	22,209
140 Terminal Leave	-	-	-
150 TERI - Second Annual Leave Payout	1,100	6,483	(5,383)
200 Employee Benefits	975,700	972,460	3,240
300 Purchased Services	6,325	5,748	577
400 Supplies and Materials	6,703	6,689	14
127 Learning Disabilities:			
100 Salaries	14,162,048	10,160,513	4,001,535
150 TERI - Second Annual Leave Payout	8,000	4,000	4,000
200 Employee Benefits	4,131,482	2,843,242	1,288,240
300 Purchased Services	8,693	7,928	765
400 Supplies and Materials	26,343	23,279	3,064
128 Emotionally Handicapped:			
100 Salaries	2,613,000	2,569,712	43,288
150 TERI - Second Annual Leave Payout	-	760	(760)
200 Employee Benefits	782,490	767,822	14,668
300 Purchased Services	6,000	4,075	1,925
400 Supplies and Materials	5,831	5,040	791
130 Pre-School Programs:			
135 Pre-School Handicapped Speech (3 & 4-Yr. Olds):			
100 Salaries	1,600	1,425	175
200 Employee Benefits	250	221	29
137 Pre-School Handicapped Self-Contained (3 & 4-Yr. Olds):			
100 Salaries	1,471,900	1,433,232	38,668
200 Employee Benefits	432,259	415,439	16,820
400 Supplies and Materials	1,395	1,383	12
139 Early Childhood Programs:			
100 Salaries	186,200	60,509	125,691
150 TERI - Second Annual Leave Payout	7,000	1,958	5,042
200 Employee Benefits	81,707	29,233	52,474
300 Purchased Services	140	144	(4)
400 Supplies and Materials	768	-	768
140 Special Programs:			
141 Gifted and Talented - Academic:			
100 Salaries	1,118,000	1,116,875	1,125
150 TERI - Second Annual Leave Payout	1,000	1,780	(780)
200 Employee Benefits	\$ 307,129	306,852	\$ 277

(Continued)

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

Schedule A-1

GENERAL FUND

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
REVISED BUDGET AND ACTUAL**

YEAR ENDED JUNE 30, 2009

	REVISED BUDGET	ACTUAL	VARIANCE
145 Homebound:			
100 Salaries	\$ 1,305,200	1,304,184	\$ 1,016
200 Employee Benefits	376,572	375,476	1,096
300 Purchased Services	168,397	71,033	97,364
400 Supplies and Materials	1,127	1,056	71
148 Gifted and Talented - Artistic:			
100 Salaries	8,600	8,524	76
200 Employee Benefits	1,650	1,631	19
149 Other Special Programs:			
100 Salaries	972,000	833,764	138,236
150 TERI - Second Annual Leave Payout	500	1,393	(893)
200 Employee Benefits	276,128	266,477	9,651
300 Purchased Services	4,000	3,436	564
400 Supplies and Materials	6,300	-	6,300
160 Other Exceptional Programs:			
161 Autism:			
100 Salaries	260,300	260,064	236
200 Employee Benefits	90,684	90,452	232
300 Purchased Services	6,493	6,420	73
170 Summer School Programs:			
171 Primary Summer School:			
100 Salaries	49,910	11,904	38,006
200 Employee Benefits	10,400	2,902	7,498
300 Purchased Services	200	-	200
400 Supplies and Materials	500	292	208
172 Elementary Summer School:			
100 Salaries	67,015	42,893	24,122
200 Employee Benefits	17,600	9,753	7,847
173 High School Summer School:			
100 Salaries	157,275	138,905	18,370
200 Employee Benefits	32,300	31,720	580
400 Supplies and Materials	4,500	-	4,500
175 Instructional Programs Beyond Regular School Day:			
100 Salaries	157,986	154,041	3,945
200 Employee Benefits	43,201	39,134	4,067
300 Purchased Services	2,100	71	2,029
400 Supplies and Materials	21,446	3,975	17,471
500 Capital Outlay	8,500	2,063	6,437
180 Adult/Continuing Educational Programs:			
188 Parenting/Family Literacy:			
100 Salaries	14,300	14,208	92
150 TERI - Second Annual Leave Payout	500	433	67
200 Employee Benefits	3,457	3,315	142
Total Instruction	<u>\$ 261,046,803</u>	<u>254,288,196</u>	<u>\$ 6,758,607</u>

(Continued)

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

Schedule A-1

GENERAL FUND

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
REVISED BUDGET AND ACTUAL**

YEAR ENDED JUNE 30, 2009

	REVISED BUDGET	ACTUAL	VARIANCE
200 Support Services:			
210 Pupil Services:			
211 Attendance and Social Work Services:			
100 Salaries	\$ 1,373,900	1,278,306	\$ 95,594
140 Terminal Leave	-	7,670	(7,670)
150 TERI - Second Annual Leave Payout	700	100	600
200 Employee Benefits	382,370	360,886	21,484
300 Purchased Services	35,024	35,010	14
400 Supplies and Materials	9,940	1,172	8,768
500 Capital Outlay	1,971	1,970	1
600 Other Objects	226	226	-
212 Guidance Services:			
100 Salaries	9,679,600	9,604,774	74,826
150 TERI - Second Annual Leave Payout	7,000	2,560	4,440
200 Employee Benefits	2,645,284	2,591,832	53,452
300 Purchased Services	43,078	13,933	29,145
400 Supplies and Materials	10,772	8,548	2,224
600 Other Objects	500	-	500
213 Health Services:			
100 Salaries	1,593,350	1,564,879	28,471
150 TERI - Second Annual Leave Payout	6,000	4,135	1,865
200 Employee Benefits	460,002	456,347	3,655
300 Purchased Services	19,856	16,398	3,458
400 Supplies and Materials	62,481	62,359	122
500 Capital Outlay	6,951	6,550	401
600 Other Objects	276	271	5
214 Psychological Services:			
100 Salaries	893,900	880,326	13,574
140 Terminal Leave	-	5,706	(5,706)
150 TERI - Second Annual Leave Payout	-	760	(760)
200 Employee Benefits	231,167	230,504	663
300 Purchased Services	26,763	24,911	1,852
500 Capital Outlay	10,108	9,126	982
215 Exceptional Program Services:			
100 Salaries	3,200	3,167	33
200 Employee Benefits	500	471	29
220 Instructional Staff Services:			
221 Improvement of Instruction-Curriculum Development:			
100 Salaries	4,936,700	4,715,558	221,142
150 TERI - Second Annual Leave Payout	17,000	13,933	3,067
200 Employee Benefits	1,271,832	1,233,732	38,100
300 Purchased Services	70,244	68,449	1,795
400 Supplies and Materials	49,443	40,784	8,659
500 Capital Outlay	-	(274)	274
600 Other Objects	\$ 4,662	3,711	\$ 951

(Continued)

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

Schedule A-1

GENERAL FUND

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
REVISED BUDGET AND ACTUAL**

YEAR ENDED JUNE 30, 2009

	REVISED BUDGET	ACTUAL	VARIANCE
222 Library and Media Services:			
100 Salaries	\$ 7,489,175	7,392,296	\$ 96,879
150 TERI - Second Annual Leave Payout	10,000	5,418	4,582
200 Employee Benefits	2,141,083	2,119,781	21,302
300 Purchased Services	67,732	66,061	1,671
400 Supplies and Materials	978,946	951,661	27,285
500 Capital Outlay	43,454	35,836	7,618
600 Other Objects	110	110	-
223 Supervision of Special Programs:			
100 Salaries	2,049,468	2,010,577	38,891
150 TERI - Second Annual Leave Payout	-	2,000	(2,000)
200 Employee Benefits	548,374	539,635	8,739
300 Purchased Services	173,569	173,527	42
400 Supplies and Materials	52,036	44,133	7,903
500 Capital Outlay	80	-	80
600 Other Objects	480	-	480
224 Improvement of Instruction-Inservice and Staff Training:			
100 Salaries	83,787	82,522	1,265
200 Employee Benefits	24,361	15,685	8,676
300 Purchased Services	158,850	135,677	23,173
400 Supplies and Materials	64,123	57,310	6,813
500 Capital Outlay	6,263	6,260	3
600 Other Objects	137,402	136,857	545
230 General Administrative Services:			
231 Board of Education:			
100 Salaries	101,801	101,801	-
200 Employee Benefits	16,765	16,764	1
300 Purchased Services	503,500	507,130	(3,630)
318 Audit Services	91,000	86,850	4,150
400 Supplies and Materials	12,660	10,448	2,212
600 Other Objects	25,000	25,000	-
232 Office of Superintendent:			
100 Salaries	1,034,900	1,036,782	(1,882)
150 TERI - Second Annual Leave Payout	2,900	-	2,900
200 Employee Benefits	286,343	279,730	6,613
300 Purchased Services	343,445	24,209	319,236
400 Supplies and Materials	136,697	136,682	15
600 Other Objects	36,055	35,245	810
233 School Administration:			
100 Salaries	25,298,200	24,707,133	591,067
140 Terminal Leave	7,000	25,890	(18,890)
150 TERI - Second Annual Leave Payout	14,800	12,620	2,180
200 Employee Benefits	7,092,865	6,914,420	178,445
300 Purchased Services	141,533	118,325	23,208
400 Supplies and Materials	84,104	79,430	4,674
500 Capital Outlay	14,990	14,977	13
600 Other Objects	\$ 49,221	48,523	\$ 698

(Continued)

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

Schedule A-1

GENERAL FUND

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
REVISED BUDGET AND ACTUAL**

YEAR ENDED JUNE 30, 2009

	REVISED BUDGET	ACTUAL	VARIANCE
250 Finance and Operations Services:			
251 Student Transportation (Federal/District Mandated):			
100 Salaries	\$ 605,900	520,495	\$ 85,405
200 Employee Benefits	180,900	153,915	26,985
300 Purchased Services	976	976	-
252 Fiscal Services:			
100 Salaries	1,968,100	1,955,839	12,261
140 Terminal Leave	23,000	22,956	44
150 TERI - Second Annual Leave Payout	2,200	2,243	(43)
200 Employee Benefits	1,896,533	1,893,511	3,022
300 Purchased Services	138,728	109,489	29,239
400 Supplies and Materials	10,266	10,155	111
500 Capital Outlay	9,079	3,372	5,707
600 Other Objects	989,980	775,716	214,264
254 Operation and Maintenance of Plant:			
100 Salaries	20,928,698	20,902,519	26,179
140 Terminal Leave	23,000	22,758	242
150 TERI - Second Annual Leave Payout	37,000	12,283	24,717
200 Employee Benefits	7,516,015	7,504,220	11,795
300 Purchased Services	5,030,809	4,771,051	259,758
321 Public Utilities (Excludes Gas, Oil, Elec. & Other Heating Fuels)	1,488,000	1,339,625	148,375
400 Supplies and Materials	2,948,655	2,568,320	380,335
470 Energy (Includes Gas, Oil, Elec. & Other Heating Fuels)	16,232,400	14,931,620	1,300,780
500 Capital Outlay	183,442	230,560	(47,118)
600 Other Objects	8,567	8,547	20
255 Student Transportation (State Mandated):			
100 Salaries	9,518,100	8,918,597	599,503
150 TERI - Second Annual Leave Payout	3,000	11,848	(8,848)
200 Employee Benefits	3,537,125	3,363,120	174,005
300 Purchased Services	654,154	653,659	495
400 Supplies and Materials	24,153	21,624	2,529
500 Capital Outlay	62,429	6,104	56,325
600 Other Objects	200	75	125
256 Food Service:			
150 TERI - Second Annual Leave Payout	27,600	25,731	1,869
200 Employee Benefits	4,220,870	4,057,117	163,753
257 Internal Services:			
100 Salaries	1,047,000	877,334	169,666
150 TERI - Second Annual Leave Payout	1,800	-	1,800
200 Employee Benefits	329,461	261,265	68,196
300 Purchased Services	86,640	61,075	25,565
400 Supplies and Materials	8,698	5,038	3,660
500 Capital Outlay	2,000	-	2,000
600 Other Objects	\$ 190	24,790	\$ (24,600)

(Continued)

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
REVISED BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2009

	REVISED BUDGET	ACTUAL	VARIANCE
258 Security:			
100 Salaries	\$ 414,400	413,759	\$ 641
200 Employee Benefits	118,900	118,157	743
300 Purchased Services	1,755,890	1,580,865	175,025
400 Supplies and Materials	60,898	50,013	10,885
500 Capital Outlay	3,400	3,392	8
259 Internal Auditing Services:			
100 Salaries	324,300	322,760	1,540
200 Employee Benefits	83,900	83,776	124
300 Purchased Services	7,751	7,179	572
400 Supplies and Materials	6,485	1,880	4,605
500 Capital Outlay	140	-	140
600 Other Objects	1,524	1,444	80
260 Central Support Services:			
262 Planning, Research, Development and Evaluation:			
100 Salaries	865,700	862,257	3,443
200 Employee Benefits	216,900	215,822	1,078
300 Purchased Services	265,576	250,866	14,710
400 Supplies and Materials	152,021	146,868	5,153
500 Capital Outlay	9,600	-	9,600
600 Other Objects	1,000	444	556
263 Information Services:			
100 Salaries	564,400	561,649	2,751
150 TERI - Second Annual Leave Payout	1,700	-	1,700
200 Employee Benefits	175,729	146,074	29,655
300 Purchased Services	69,021	37,252	31,769
400 Supplies and Materials	11,023	10,196	827
500 Capital Outlay	1,600	-	1,600
600 Other Objects	360	340	20
264 Staff Services:			
100 Salaries	818,300	794,525	23,775
150 TERI - Second Annual Leave Payout	2,100	-	2,100
200 Employee Benefits	214,192	209,284	4,908
300 Purchased Services	54,393	48,915	5,478
400 Supplies and Materials	19,078	17,872	1,206
600 Other Objects	2,866	2,570	296
266 Technology and Data Processing Services:			
100 Salaries	3,072,300	3,031,605	40,695
140 Terminal Leave	10,000	10,411	(411)
150 TERI - Second Annual Leave Payout	1,000	1,740	(740)
200 Employee Benefits	915,759	906,933	8,826
300 Purchased Services	292,082	465,104	(173,022)
400 Supplies and Materials	339,417	237,668	101,749
500 Capital Outlay	1,060,886	441,760	619,126
600 Other Objects	\$ 700	-	\$ 700

(Continued)

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
REVISED BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2009

	REVISED BUDGET	ACTUAL	VARIANCE
270 Support Services Pupil Activity:			
271 Pupil Services Activities:			
100 Salaries (Optional)	\$ 2,561,039	2,536,263	\$ 24,776
200 Employee Benefits (Optional)	507,847	494,542	13,305
300 Purchased Services (Optional)	60,830	51,401	9,429
400 Supplies and Materials (Optional)	22,052	20,788	1,264
500 Capital Outlay (Optional)	4,240	4,240	-
600 Other Objects (Optional)	10,253	9,685	568
Total Support Services	<u>168,005,092</u>	<u>161,333,941</u>	<u>6,671,151</u>
300 Community Services:			
330 Civic Services:			
100 Salaries	45,900	43,717	2,183
150 TERI - Second Annual Leave Payout	-	920	(920)
200 Employee Benefits	14,548	14,543	5
300 Purchased Services	700	625	75
400 Supplies and Materials	800	672	128
Total Community Services	<u>61,948</u>	<u>60,477</u>	<u>1,471</u>
400 Other Charges:			
410 Intergovernmental Expenditures:			
411 Payments to the SDE			
720 Transits	-	626,977	(626,977)
416 Payments to Public Charter Schools			
720 Transits	8,259,300	8,157,751	101,549
Total Intergovernmental Expenditures	<u>8,259,300</u>	<u>8,784,728</u>	<u>(525,428)</u>
TOTAL EXPENDITURES	<u>437,373,143</u>	<u>424,467,342</u>	<u>12,905,801</u>
OTHER FINANCING SOURCES (USES)			
5300 Sale of Capital Assets	-	27,191	27,191
Interfund Transfers, From (To) Other Funds:			
5220 Transfer from Special Revenue Fund (Excludes Indirect Cost)	-	626,977	626,977
5230 Transfer from Special Revenue EIA Fund	8,148,416	8,226,059	77,643
5260 Transfer from Food Service Fund	1,305,000	1,315,000	10,000
5280 Transfer from Other Funds Indirect Costs	950,000	1,216,301	266,301
421-710 Transfer to Special Revenue Fund	(1,732,200)	(1,662,262)	69,938
426-710 Transfer to Pupil Activity Fund	(383,381)	(383,381)	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>8,287,835</u>	<u>9,365,885</u>	<u>1,078,050</u>
EXCESS/DEFICIENCY OF REVENUES AND EXPENDITURES	(11,203,599)	(2,050,997)	9,152,602
FUND BALANCE, Beginning of Year	50,391,090	50,391,090	-
FUND BALANCE, End of Year	<u>\$ 39,187,491</u>	<u>48,340,093</u>	<u>\$ 9,152,602</u>

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

SPECIAL REVENUE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

YEAR ENDED JUNE 30, 2009

	Title I (BA Projects) (201/202)	IDEA (CA Projects) (203/204)	Preschool Handicapped (CG Projects) (205/206)
REVENUES			
1000 Revenue from Local Sources:			
1300 Tuition:			
1330 From Patrons for Adult/Continuing Education	\$ -	-	-
1500 Earnings on Investments:			
1510 Interest on Investments	-	-	-
1900 Other Revenue from Local Sources:			
1930 Medicaid	-	-	-
1999 Revenue from Other Local Sources	-	-	-
Total Revenue from Local Sources	<u>-</u>	<u>-</u>	<u>-</u>
3000 Revenue from State Sources:			
3100 Restricted State Funding:			
3110 Occupational Education:			
3116 EEDA Misc.	-	-	-
3117 EEDA 8th Grade Career Awareness	-	-	-
3118 EEDA Carrer Specialist	-	-	-
3120 General Education:			
3125 Career and Technology Education Equipment	-	-	-
3127 Student Health and Fitness - PE Teachers	-	-	-
3128 High Schools That Work	-	-	-
3130 Special Programs:			
3136 Student Health and Fitness - Nurses	-	-	-
3150 Adult Education:			
3151 Adult Education, Basic (Includes Workforce Initiative)	-	-	-
3154 Young Adult Education	-	-	-
3185 National Board Certified	-	-	-
3190 Miscellaneous Restricted State Grants:			
3193 Education License Plates	-	-	-
3199 Other Restricted State Grants	-	-	-
3600 Education Lottery Act Revenue:			
3606 K-5 Mathematics and Science Coaching Unit	-	-	-
3610 K-5 Enhancement	-	-	-
3800 Other State Revenue:			
3828 Literacty in CTE	\$ -	-	-

Occupational Education (VA Projects) (207/258)	Drug Free (FP/FQ Projects) (209/210)	Adult Education* (EA Projects)	Other Designated Restricted State Grants* (800s/900s)	Other Special Revenue Programs* (200s/800s/900s)	Totals
-	-	-	-	420,529	\$ 420,529
-	-	-	-	8,573	8,573
-	-	-	-	2,683,647	2,683,647
-	-	-	-	1,385,583	1,385,583
-	-	-	-	4,498,332	4,498,332
-	-	-	252,615	-	252,615
-	-	-	42,280	-	42,280
-	-	-	2,200,378	-	2,200,378
-	-	-	349,242	-	349,242
-	-	-	744,910	-	744,910
-	-	-	8,000	-	8,000
-	-	-	1,861,972	-	1,861,972
-	-	-	33,367	-	33,367
-	-	-	294,000	-	294,000
-	-	-	391,761	-	391,761
-	-	-	12,241	-	12,241
-	-	-	48,337	-	48,337
-	-	-	30,000	-	30,000
-	-	-	2,801,655	-	2,801,655
-	-	-	900	-	\$ 900

(Continued)

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

SPECIAL REVENUE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

YEAR ENDED JUNE 30, 2009

	Title I (BA Projects) (201/202)	IDEA (CA Projects) (203/204)	Preschool Handicapped (CG Projects) (205/206)
3900 Other State Revenue:			
3991 ADEPT (Assisting, Developing, and Evaluating Professional Teaching)	\$ -	-	-
3993 School Library Media Centers	-	-	-
3999 Revenue from Other State Sources	-	-	-
Total Revenue from State Sources	<u>-</u>	<u>-</u>	<u>-</u>
4000 Revenue from Federal Sources:			
4200 Occupational Education:			
4210 Vocational Aid, Title I	-	-	-
4300 Elementary and Secondary Education Act of 1965 (ESEA):			
4310 Perkins, Title I,	19,345,480	-	-
4331 Enhancing Education through Technology (E2T2), Title II (Carryover Provision)	-	-	-
4340 Promoting Informed Parental Choice and Innovative Education Program Strategies, Title V (Carryover Provision)	-	-	-
4341 Language Instruction for Limited English Proficient and Immigrant Students, Title III (Carryover Provision)	-	-	-
4351 Improving Teacher Quality (Carryover Provision)	-	-	-
4360 Even Start - Family Literacy	-	-	-
4400 Adult Education:			
4410 Basic Adult Education	-	-	-
4500 Programs for Children with Disabilities:			
4510 Individuals with Disabilities Education Act (IDEA) (Carryover Provision)	-	16,250,908	-
4520 Pre-School Grants (Carryover Provision)	-	-	482,893
4540 IDEA (ARRA Stimulus)	-	5,189,885	-
4900 Other Federal Sources:			
4920 Drug and Violence Prevention, Title IV	-	-	-
4930 Work Incentive Program	-	-	-
4999 Revenue from Other Federal Sources	-	-	-
Total Revenue from Federal Sources	<u>19,345,480</u>	<u>21,440,793</u>	<u>482,893</u>
TOTAL REVENUE ALL SOURCES	<u>\$ 19,345,480</u>	<u>21,440,793</u>	<u>482,893</u>

Occupational Education (VA Projects) (207/258)	Drug Free (FP/FQ Projects) (209/210)	Adult Education* (EA Projects)	Other Designated Restricted State Grants* (800s/900s)	Other Special Revenue Programs* (200s/800s/900s)	Totals
-	-	-	209,315	-	\$ 209,315
-	-	-	6,333	-	6,333
-	-	-	-	653,272	653,272
-	-	-	9,287,306	653,272	9,940,578
1,115,347	-	-	-	-	1,115,347
-	-	-	-	521,996	19,867,476
-	-	-	-	119,006	119,006
-	-	-	-	115,129	115,129
-	-	-	-	798,693	798,693
-	-	-	-	2,241,845	2,241,845
-	-	-	-	150,000	150,000
-	-	357,068	-	-	357,068
-	-	-	-	-	16,250,908
-	-	-	-	-	482,893
-	-	-	-	-	5,189,885
-	262,654	-	-	-	262,654
-	-	-	-	8,739	8,739
-	-	-	-	1,104,493	1,104,493
1,115,347	262,654	357,068	-	5,059,901	48,064,136
1,115,347	262,654	357,068	9,287,306	10,211,505	\$ 62,503,046

(Continued)

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

SPECIAL REVENUE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

YEAR ENDED JUNE 30, 2009

	Title I (BA Projects) (201/202)	IDEA (CA Projects) (203/204)	Preschool Handicapped (CG Projects) (205/206)
EXPENDITURES			
100 Instruction:			
110 General Instruction:			
111 Kindergarten Program:			
100 Salaries	\$ -	88,881	-
200 Employee Benefits	-	25,645	-
300 Purchased Services	-	-	-
400 Supplies and Materials	494	33,048	-
500 Capital Outlay	-	53,145	-
112 Primary Programs:			
100 Salaries	1,937,086	462,785	-
200 Employee Benefits	565,435	139,700	-
300 Purchased Services	2,872,644	-	-
400 Supplies and Materials	257,046	26,846	-
500 Capital Outlay	592,347	49,337	-
113 Elementary Programs:			
100 Salaries	2,519,256	-	-
200 Employee Benefits	745,600	-	-
300 Purchased Services	35,874	-	-
400 Supplies and Materials	102,748	-	-
500 Capital Outlay	-	-	-
114 High School Programs:			
100 Salaries	-	-	-
200 Employee Benefits	-	-	-
300 Purchased Services	-	-	-
400 Supplies and Materials	-	-	-
500 Capital Outlay	-	-	-
115 Career and Technology Education Program:			
100 Salaries	-	25,400	-
200 Employee Benefits	-	6,775	-
300 Purchased Services	-	-	-
400 Supplies and Materials	-	-	-
500 Capital Outlay	-	-	-
120 Exceptional Programs:			
121 Educable Mentally Handicapped:			
100 Salaries	-	438,519	-
200 Employee Benefits	-	152,046	-
300 Purchased Services	-	6,076	-
400 Supplies and Materials	\$ -	344	-

Occupational Education (VA Projects) (207/258)	Drug Free (FP/FQ Projects) (209/210)	Adult Education* (EA Projects)	Other Designated Restricted State Grants* (800s/900s)	Other Special Revenue Programs* (200s/800s/900s)	Totals
-	-	-	-	-	\$ 88,881
-	-	-	-	-	25,645
-	-	-	-	689	689
-	-	-	-	-	33,542
-	-	-	-	-	53,145
-	-	-	717,429	1,012,413	4,129,713
-	-	-	177,820	308,244	1,191,199
-	-	-	-	15,650	2,888,294
-	-	-	1,161	105,518	390,571
-	-	-	8,610	21,700	671,994
-	-	-	196,411	98,705	2,814,372
-	-	-	60,150	21,358	827,108
-	-	-	10,831	-	46,705
880	-	-	69,242	12,219	185,089
93,519	-	-	7,105	-	100,624
-	-	-	20,986	456,873	477,859
-	-	-	3,655	42	3,697
35,458	-	-	36,408	2,620	74,486
11,157	-	-	107,045	35,540	153,742
81,552	-	-	23,633	78,983	184,168
16,113	-	-	-	72,713	114,226
4,619	-	-	-	14,935	26,329
9,057	-	-	2,043	-	11,100
77,471	-	-	99,969	14,751	192,191
193,581	-	-	117,142	22,530	333,253
-	-	-	-	-	438,519
-	-	-	-	-	152,046
-	-	-	-	-	6,076
-	-	-	-	-	\$ 344

(Continued)

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

SPECIAL REVENUE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

YEAR ENDED JUNE 30, 2009

	Title I (BA Projects) (201/202)	IDEA (CA Projects) (203/204)	Preschool Handicapped (CG Projects) (205/206)
122 Trainable Mentally Handicapped:			
100 Salaries	\$ -	246,051	-
200 Employee Benefits	-	94,451	-
300 Purchased Services	-	42,356	-
400 Supplies and Materials	-	4,330	-
500 Capital Outlay	-	4,499	-
123 Orthopedically Handicapped:			
100 Salaries	-	107,542	-
200 Employee Benefits	-	37,908	-
400 Supplies and Materials	-	2,623	-
500 Capital Outlay	-	5,981	-
124 Visually Handicapped:			
100 Salaries	-	22,995	-
200 Employee Benefits	-	10,348	-
300 Purchased Services	-	191	-
400 Supplies and Materials	-	1,599	-
500 Capital Outlay	-	6,210	-
125 Hearing Handicapped:			
100 Salaries	-	124,200	-
200 Employee Benefits	-	33,767	-
300 Purchased Services	-	6,054	-
400 Supplies and Materials	-	12,795	-
500 Capital Outlay	-	16,677	-
126 Speech Handicapped:			
100 Salaries	-	420,188	7,720
200 Employee Benefits	-	121,747	1,876
300 Purchased Services	-	331,810	-
400 Supplies and Materials	-	21,071	-
500 Capital Outlay	-	9,241	-
600 Other Objects	-	-	-
127 Learning Disabilities:			
100 Salaries	-	6,312,340	-
200 Employee Benefits	-	1,975,896	-
300 Purchased Services	-	62,959	-
400 Supplies and Materials	-	63,413	-
500 Capital Outlay	-	668	-
600 Other Objects	\$ -	1,810	-

Occupational Education (VA Projects) (207/258)	Drug Free (FP/FQ Projects) (209/210)	Adult Education* (EA Projects)	Other Designated Restricted State Grants* (800s/900s)	Other Special Revenue Programs* (200s/800s/900s)	Totals
-	-	-	-	-	\$ 246,051
-	-	-	-	-	94,451
-	-	-	-	-	42,356
-	-	-	6,753	-	11,083
-	-	-	-	-	4,499
-	-	-	-	-	107,542
-	-	-	-	-	37,908
-	-	-	-	-	2,623
-	-	-	-	-	5,981
-	-	-	-	-	22,995
-	-	-	-	-	10,348
-	-	-	-	-	191
-	-	-	-	-	1,599
-	-	-	-	-	6,210
-	-	-	-	-	124,200
-	-	-	-	-	33,767
-	-	-	-	-	6,054
-	-	-	-	-	12,795
-	-	-	-	-	16,677
-	-	-	-	48,767	476,675
-	-	-	-	9,778	133,401
-	-	-	-	554,327	886,137
-	-	-	-	-	21,071
-	-	-	-	-	9,241
-	-	-	-	18,616	18,616
-	-	-	-	38,365	6,350,705
-	-	-	-	8,279	1,984,175
-	-	-	-	-	62,959
-	-	-	-	110	63,523
-	-	-	-	-	668
-	-	-	-	-	\$ 1,810

(Continued)

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

SPECIAL REVENUE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

YEAR ENDED JUNE 30, 2009

	Title I (BA Projects) (201/202)	IDEA (CA Projects) (203/204)	Preschool Handicapped (CG Projects) (205/206)
128 Emotionally Handicapped:			
100 Salaries	\$ -	1,858	-
200 Employee Benefits	-	382	-
300 Purchased Services	-	1,852	-
400 Supplies and Materials	-	2,957	-
500 Capital Outlay	-	1,698	-
130 Pre-School Programs:			
131 Pre-School Handicapped Speech (5-Yr. Olds):			
300 Purchased Services	-	-	27,678
137 Pre-School Handicapped Self-Contained (3 & 4-Yr. Olds):			
100 Salaries	-	499,420	42,017
200 Employee Benefits	-	159,210	8,942
300 Purchased Services	-	465	5,270
400 Supplies and Materials	-	-	9,506
500 Capital Outlay	-	-	1,860
139 Early Childhood Programs:			
100 Salaries	2,462,476	-	-
200 Employee Benefits	787,736	-	-
300 Purchased Services	12,069	-	-
400 Supplies and Materials	114,879	-	-
500 Capital Outlay	15,905	-	-
140 Special Programs:			
141 Gifted and Talented - Academic:			
400 Supplies and Materials	-	-	-
149 Other Special Programs:			
100 Salaries	-	-	-
200 Employee Benefits	-	-	-
300 Purchased Services	-	-	-
400 Supplies and Materials	-	-	-
500 Capital Outlay	-	-	-
160 Other Exceptional Programs:			
161 Autism:			
100 Salaries	-	126,586	-
200 Employee Benefits	-	45,483	-
300 Purchased Services	-	17,037	-
400 Supplies and Materials	\$ -	2,689	-

Occupational Education (VA Projects) (207/258)	Drug Free (FP/FQ Projects) (209/210)	Adult Education* (EA Projects)	Other Designated Restricted State Grants* (800s/900s)	Other Special Revenue Programs* (200s/800s/900s)	Totals
-	-	-	-	308,456	\$ 310,314
-	-	-	-	113,610	113,992
-	-	-	-	918	2,770
-	-	-	-	70	3,027
-	-	-	-	-	1,698
-	-	-	-	-	27,678
-	-	-	-	-	541,437
-	-	-	-	-	168,152
-	-	-	-	-	5,735
-	-	-	-	-	9,506
-	-	-	-	-	1,860
-	-	-	-	18,479	2,480,955
-	-	-	-	9,396	797,132
-	-	-	-	6,181	18,250
-	-	-	-	65,919	180,798
-	-	-	-	8,098	24,003
-	-	-	-	340	340
-	-	-	1,431,818	27,904	1,459,722
-	-	-	412,777	4,812	417,589
-	-	-	-	121,624	121,624
-	-	-	-	358,015	358,015
-	-	-	-	180,457	180,457
-	-	-	-	194,552	321,138
-	-	-	-	70,966	116,449
-	-	-	-	1,991	19,028
-	-	-	-	1,143	\$ 3,832

(Continued)

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

SPECIAL REVENUE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

YEAR ENDED JUNE 30, 2009

	Title I (BA Projects) (201/202)	IDEA (CA Projects) (203/204)	Preschool Handicapped (CG Projects) (205/206)
170 Summer School Programs:			
171 Primary Summer School:			
100 Salaries	\$ -	16,031	-
200 Employee Benefits	-	3,165	-
172 Elementary Summer School:			
100 Salaries	432,762	-	-
200 Employee Benefits	97,980	-	-
300 Purchased Services	13,739	-	-
400 Supplies and Materials	26,814	-	-
500 Capital Outlay	1,191	-	-
173 High School Summer School:			
100 Salaries	-	-	-
200 Employee Benefits	-	-	-
400 Supplies and Materials	-	-	-
175 Instructional Programs Beyond Regular School Day:			
100 Salaries	177,806	-	-
200 Employee Benefits	40,776	-	-
300 Purchased Services	13,176	-	-
400 Supplies and Materials	13,680	-	-
180 Adult/Continuing Educational Programs:			
181 Adult Basic Education Programs:			
100 Salaries	-	-	-
200 Employee Benefits	-	-	-
182 Adult Secondary Education Programs:			
100 Salaries	-	-	-
200 Employee Benefits	-	-	-
300 Purchased Services	-	-	-
400 Supplies and Materials	-	-	-
183 Adult English Literacy (ESL):			
100 Salaries	-	-	-
200 Employee Benefits	-	-	-
300 Purchased Services	-	-	-
400 Supplies and Materials	-	-	-
188 Parenting/Family Literacy:			
100 Salaries	208,744	-	-
200 Employee Benefits	61,827	-	-
300 Purchased Services	924,327	-	-
400 Supplies and Materials	185,584	-	-
500 Capital Outlay	2,865	-	-
600 Other Objects	-	-	-
Total Instruction	<u>\$ 15,222,866</u>	<u>12,489,100</u>	<u>104,869</u>

Occupational Education (VA Projects) (207/258)	Drug Free (FP/FQ Projects) (209/210)	Adult Education* (EA Projects)	Other Designated Restricted State Grants* (800s/900s)	Other Special Revenue Programs* (200s/800s/900s)	Totals
-	-	-	-	-	\$ 16,031
-	-	-	-	-	3,165
-	-	-	-	-	432,762
-	-	-	-	-	97,980
-	-	-	-	-	13,739
-	-	-	-	3,492	30,306
-	-	-	-	-	1,191
1,830	-	-	-	23,000	24,830
373	-	-	-	8,390	8,763
-	-	-	-	417	417
-	-	-	-	9,779	187,585
-	-	-	-	2,077	42,853
-	-	-	-	10,313	23,489
-	-	-	-	-	13,680
-	-	30,000	-	16,907	46,907
-	-	6,345	-	2,103	8,448
-	-	129,400	187,580	46,671	363,651
-	-	27,407	37,267	10,105	74,779
-	-	-	8,079	-	8,079
-	-	-	28,169	16,245	44,414
-	-	114,212	-	54,334	168,546
-	-	22,726	-	5,112	27,838
-	-	-	-	4,128	4,128
-	-	-	-	19,753	19,753
-	-	-	-	592,829	801,573
-	-	-	-	184,900	246,727
-	-	-	-	54,823	979,150
-	-	-	-	18,122	203,706
-	-	-	-	-	2,865
-	-	-	-	25	25
525,610	-	330,090	3,772,083	5,550,181	\$ 37,994,799

(Continued)

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

SPECIAL REVENUE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

YEAR ENDED JUNE 30, 2009

	Title I (BA Projects) (201/202)	IDEA (CA Projects) (203/204)	Preschool Handicapped (CG Projects) (205/206)
200 Support Services:			
210 Pupil Services:			
211 Attendance and Social Work Services:			
100 Salaries	\$ 577,042	194,493	-
200 Employee Benefits	168,421	58,024	-
300 Purchased Services	7,629	5,982	-
400 Supplies and Materials	2,668	-	-
500 Capital Outlay	3,665	-	-
212 Guidance Services:			
100 Salaries	-	82,617	-
200 Employee Benefits	-	23,363	-
300 Purchased Services	-	-	15,748
400 Supplies and Materials	-	192	-
213 Health Services:			
100 Salaries	114,992	1,249,088	-
200 Employee Benefits	38,065	378,159	-
300 Purchased Services	14,487	92,401	-
400 Supplies and Materials	356	5,846	457
500 Capital Outlay	1,558	11,386	-
600 Other Objects	-	-	-
214 Psychological Services:			
100 Salaries	-	980,737	72,856
200 Employee Benefits	-	273,945	18,811
300 Purchased Services	-	310,346	15,209
400 Supplies and Materials	-	79,797	3,838
500 Capital Outlay	-	24,814	-
215 Exceptional Program Services:			
100 Salaries	-	33,731	77,537
200 Employee Benefits	-	10,359	32,380
300 Purchased Services	-	236	1,375
400 Supplies and Materials	-	-	3,110
217 Career Specialists Services:			
100 Salaries	-	-	-
200 Employee Benefits	\$ -	-	-

Occupational Education (VA Projects) (207/258)	Drug Free (FP/FQ Projects) (209/210)	Adult Education* (EA Projects)	Other Designated Restricted State Grants* (800s/900s)	Other Special Revenue Programs* (200s/800s/900s)	Totals
-	81,403	-	-	50,781	\$ 903,719
-	20,275	-	-	10,757	257,477
-	81,506	-	-	77,964	173,081
-	13,213	-	-	84,240	100,121
-	-	-	-	8,621	12,286
179,710	-	-	-	121,490	383,817
48,374	-	-	-	34,975	106,712
-	-	-	-	-	15,748
-	-	-	-	-	192
-	-	-	1,365,545	147,320	2,876,945
-	-	-	464,491	36,861	917,576
-	-	-	-	50,625	157,513
-	-	-	-	51,744	58,403
-	-	-	-	69,126	82,070
-	-	-	-	2,775	2,775
-	-	-	-	188,285	1,241,878
-	-	-	-	53,894	346,650
-	-	-	-	5,092	330,647
-	-	-	-	-	83,635
-	-	-	-	-	24,814
-	-	-	-	-	111,268
-	-	-	-	-	42,739
-	-	-	-	-	1,611
-	-	-	-	-	3,110
-	-	-	1,667,560	-	1,667,560
-	-	-	492,071	-	\$ 492,071

(Continued)

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

SPECIAL REVENUE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

YEAR ENDED JUNE 30, 2009

	Title I (BA Projects) (201/202)	IDEA (CA Projects) (203/204)	Preschool Handicapped (CG Projects) (205/206)
220 Instructional Staff Services:			
221 Improvement of Instruction - Curriculum Development:			
100 Salaries	\$ 664,709	2,464,834	-
200 Employee Benefits	174,943	689,430	-
300 Purchased Services	-	52,217	3,556
400 Supplies and Materials	-	17,546	875
500 Capital Outlay	-	9,316	-
600 Other Objects	-	1,540	-
222 Library and Media:			
300 Purchased Services	-	-	-
400 Supplies and Materials	-	-	-
223 Supervision of Special Programs:			
100 Salaries	322,363	513,726	68,439
200 Employee Benefits	87,730	156,104	22,394
300 Purchased Services	9,353	55,251	7,987
400 Supplies and Materials	9,422	2,764	2,525
500 Capital Outlay	2,759	-	-
600 Other Objects	1,171	-	-
224 Improvement of Instruction - Inservice and Staff Training:			
100 Salaries	39,512	25,644	-
200 Employee Benefits	7,647	4,335	-
300 Purchased Services	469,769	67,355	1,601
400 Supplies and Materials	156,080	20,183	788
500 Capital Outlay	72,643	-	-
600 Other Objects	-	-	-
230 General Administration Services:			
232 Office of the Superintendent:			
300 Purchased Services	-	-	-
400 Supplies and Materials	-	-	-
233 School Administration:			
100 Salaries	-	-	-
200 Employee Benefits	-	-	-
400 Supplies and Materials	-	-	-
250 Finance and Operations Services:			
251 Student Transportation (Federal/District Mandated):			
100 Salaries	101,528	131,039	-
200 Employee Benefits	27,588	31,280	-
300 Purchased Services	182,014	60,945	-
400 Supplies and Materials	\$ 49,008	764	-

Occupational Education (VA Projects) (207/258)	Drug Free (FP/FQ Projects) (209/210)	Adult Education* (EA Projects)	Other Designated Restricted State Grants* (800s/900s)	Other Special Revenue Programs* (200s/800s/900s)	Totals
63,422	-	-	742,356	127,853	\$ 4,063,174
20,211	-	-	208,429	28,882	1,121,895
-	-	-	-	46,295	102,068
-	-	-	-	3,420	21,841
-	-	-	-	-	9,316
-	-	-	-	-	1,540
-	-	-	-	228	228
-	-	-	6,333	-	6,333
99,310	-	13,659	50,039	476,721	1,544,257
38,139	-	3,694	16,234	138,107	462,402
4,624	-	-	11,294	34,043	122,552
1,641	1,355	-	4,220	15,269	37,196
-	-	-	-	5,093	7,852
9,100	-	-	-	175	10,446
-	-	-	186,731	420,295	672,182
-	-	-	40,266	415,665	467,913
26,428	-	-	17,189	416,124	998,466
-	-	-	163	21,758	198,972
-	-	-	-	8,175	80,818
-	-	-	-	810	810
-	-	-	-	10,230	10,230
-	-	-	-	293	293
-	-	-	-	372,095	372,095
-	-	-	-	118,008	118,008
-	-	-	-	6,420	6,420
-	-	-	-	-	232,567
-	-	-	-	-	58,868
-	-	-	-	5,362	248,321
-	-	-	-	-	\$ 49,772

(Continued)

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

SPECIAL REVENUE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

YEAR ENDED JUNE 30, 2009

	Title I (BA Projects) (201/202)	IDEA (CA Projects) (203/204)	Preschool Handicapped (CG Projects) (205/206)
252 Fiscal Services:			
100 Salaries	\$ -	-	-
200 Employee Benefits	-	-	-
300 Purchased Services	-	-	-
400 Supplies and Materials	-	-	-
253 Facilities Acquisition and Construction:			
300 Purchased Services	-	-	-
400 Supplies and Materials	-	-	-
500 Capital Outlay:			
520 Construction Services	-	-	-
254 Operation and Maintenance of Plant:			
100 Salaries	-	-	-
200 Employee Benefits	-	-	-
300 Purchased Services	-	-	-
400 Supplies and Materials	-	-	-
500 Capital Outlay	-	-	-
255 Student Transportation (State Mandated):			
300 Purchased Services	-	-	-
258 Security:			
100 Salaries	-	-	-
200 Employee Benefits	-	-	-
300 Purchased Services	-	-	-
260 Central Support Services:			
263 Information Services:			
300 Purchased Services	-	-	-
400 Supplies and Materials	-	-	-
264 Staff Services:			
100 Salaries	-	-	-
200 Employee Benefits	-	-	-
266 Technology and Data Processing Services:			
100 Salaries	202,721	-	-
200 Employee Benefits	60,413	-	-
400 Supplies and Materials	-	-	-
500 Capital Outlay:	-	-	-
270 Support Services - Pupil Activity:			
271 Pupil Services Activities:			
600 Other Objects	444	-	-
Total Support Services	<u>\$ 3,570,700</u>	<u>8,119,789</u>	<u>349,486</u>

Occupational Education (VA Projects) (207/258)	Drug Free (FP/FQ Projects) (209/210)	Adult Education* (EA Projects)	Other Designated Restricted State Grants* (800s/900s)	Other Special Revenue Programs* (200s/800s/900s)	Totals
-	-	-	-	237,600	\$ 237,600
-	-	-	-	69,173	69,173
-	-	-	-	66,468	66,468
-	-	-	-	411	411
-	-	-	-	727	727
-	-	-	-	607	607
-	-	-	-	15,199	15,199
-	-	-	-	15,114	15,114
-	-	-	-	3,213	3,213
-	-	-	8,405	10,182	18,587
-	-	-	78	11,654	11,732
-	-	-	-	170,909	170,909
-	-	-	1,682	14,717	16,399
-	-	-	-	8,438	8,438
-	-	-	-	1,211	1,211
-	55,662	-	-	-	55,662
-	-	-	-	5,983	5,983
-	-	-	-	3,833	3,833
-	-	-	-	149,877	149,877
-	-	-	-	42,843	42,843
-	-	-	-	-	202,721
-	-	-	-	-	60,413
-	-	-	253	-	253
-	-	-	7,600	-	7,600
80,499	1,647	-	10,679	34,738	128,007
<u>571,458</u>	<u>255,061</u>	<u>17,353</u>	<u>5,301,618</u>	<u>4,528,768</u>	<u>\$ 22,714,233</u>

(Continued)

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

SPECIAL REVENUE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

YEAR ENDED JUNE 30, 2009

	Title I (BA Projects) (201/202)	IDEA (CA Projects) (203/204)	Preschool Handicapped (CG Projects) (205/206)
300 Community Services:			
350 Custody and Care of Children:			
100 Salaries	\$ 4,861	-	-
200 Employee Benefits	800	-	-
390 Other Community Services:			
100 Salaries	-	-	-
200 Employee Benefits	-	-	-
300 Purchased Services	-	-	-
400 Supplies and Materials	-	-	-
600 Other Objects	-	-	-
Total Community Services	<u>5,661</u>	<u>-</u>	<u>-</u>
410 Intergovernmental Expenditures:			
412 Payments to Other Governmental Units			
720 Transits	-	-	-
416 Payments to Public Charter Schools			
720 Transits	58,576	255,599	15,522
Total Intergovernmental Expenditures	<u>58,576</u>	<u>255,599</u>	<u>15,522</u>
TOTAL EXPENDITURES	<u>18,857,803</u>	<u>20,864,488</u>	<u>469,877</u>
OTHER FINANCING SOURCES (USES)			
Interfund Transfers, From (To) Other Funds:			
5210 Transfer from General Fund (Exclude Indirect Costs)	-	-	-
420-710 Transfer to General Fund (Exclude Indirect Costs)	-	-	-
426-710 Transfer to Pupil Activity Fund	-	-	-
431-791 Special Revenue Fund Indirect Costs (Use Only for Transfer of Indirect Costs to General Fund)	(487,677)	(576,305)	(13,016)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(487,677)</u>	<u>(576,305)</u>	<u>(13,016)</u>
EXCESS/DEFICIENCY OF REVENUES AND EXPENDITURES	-	-	-
FUND BALANCE, Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE, End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>

SPECIAL REVENUE FUND

SUPPLEMENTAL LISTING OF LEA SUBFUND CODES AND TITLES

YEAR ENDED JUNE 30, 2009

OTHER DESIGNATED RESTRICTED STATE GRANTS

800A	Bell South
8001	Character Education
8008	SAT Improvement/Vertical
8009	Extended School Year
8085	NBC Loan Refund
8502	SDM Server
8880	LATTIS Grant
9050	Career Technology Education Equipment
9155	Profoundly Mentally Disabled
9160	Assisting, Developing and Evaluating Professional Teaching, ADEPT
918B	Adult Education - Voc Rehab
9188	Adult Education - GED
9191	Education License Plates
9200	Adult Education - Young Adult Program
9219	Career Readiness
9260	Star Program
9261	EEDA At Risk
9262	EEDA At Risk Innovative
9265	RECAB EEDA
9269	EEDA 9th Grade Awareness
9270	EEDA 8th Grade Awareness
9280	EEDA Career Development Facilitator
9339	Formative Assessment
9350	NBC Supplements
9360	Student Health and Fitness - Nurses
9370	Student Health and Fitness - PE Teachers
9381	Career Centers That Work
9382	Literacy in CTE
9390	Library Allocation
9606	K-5 Enhancement
9608	Social Studies Award
9660	Math / Science Coach
9670	Middle School Initiative

OTHER SPECIAL REVENUE PROGRAMS

2301	WIA Summer Program
2330	Golf Tournament
2370	Title I School Improvement
2414	Title V
2426	Even Start - Family Literacy
2427	Even Start Literacy Professional Development
2532	Enhancing Education Through Technology, E2T2
2640	Title III

(Continued)

SPECIAL REVENUE FUND

SUPPLEMENTAL LISTING OF LEA SUBFUND CODES AND TITLES

YEAR ENDED JUNE 30, 2009

OTHER SPECIAL REVENUE PROGRAMS (CONTINUED)

2654-2655	Title I School Improvement
2670 - 2675	Title II Improving Teacher Quality
2715	Child Development Centers
2740	Readiness and Emergency Mgmt for Schools
2801	Workplace Resource Fees
2869	SC Arts Residency
2900	Naval JROTC
2902	Air Force JROTC
2904	Army JROTC
2915	Voices for SC Children
2925	Woodmont High School Jobs
2933-2934	Medicaid
2952	Scansource Grant
2953	All County Band Reserve
2972	Impact Aid
2980	Lifelong Learning Fees
2984	Health Reserve
2991	Communications - Marketing
2992	Parade-Communications
2998	Federal Miscellaneous
8003	Agricultural Education
8017	Teacher of the Year Reserve
8023	Lakeview Walking Track
8025	Gifted and Talented - Publix Supermarket
8046	School and Community Services in School
8051	Westcliffe Computers
8053	State Improvement Grant
8054	Attendance Improvement Grant
8055	Teen Lead Grant
8056	Teen Lead Grant Control Site
8057	Teen Lead Supplement
8058	McKinney-Vento Homeless
8059	Information Assurance Reserve
8060	Project Lead the Way
8061	AdvanceSC Future
8062	Robotics Grant
8065	Indiana Jones Project
8076	Excelencia in Education
8082	General Electric Sustainability
8083	Dollar General
8084	Greenville Women
8086	AE Hollingsworth Funds

(Continued)

SPECIAL REVENUE FUND

SUPPLEMENTAL LISTING OF LEA SUBFUND CODES AND TITLES

YEAR ENDED JUNE 30, 2009

OTHER SPECIAL REVENUE PROGRAMS (CONTINUED)

8200	AOCP Math and Science Regional Center (Anderson, Oconee, Pickens and Greenville)
8202	iCoach
8349	Roper Mountain Grant
8500	ETS E-rate Rebate
8501	ETS Technology Conference
8600	Recycling Mini Grant
8750	United Way - Dunbar
8751	United Way - Northwest
8755	Crossing the Threshold Project
8759	United Way Graduate Greenville
8810	McGraw Hill
8990	Pepsi Contract Reserve
8997	SC Automobile Dealers
8998	Career Center Reimbursement
8999	Human Resource Reserve
9801-9802	First Steps

SPECIAL REVENUE FUND

SUMMARY SCHEDULE FOR OTHER DESIGNATED RESTRICTED STATE GRANTS

YEAR ENDED JUNE 30, 2009

Subfund	Revenue	Programs	Revenues	Expenditures	Special Revenue		Special Revenue Fund Deferred
					Interfund Transfers In (Out)	Other Fund Transfers In (Out)	
800A	3199	Bell South Grant	\$ 2,760	2,760	-	-	\$ 2,063
8001	3199	Character Education	2,513	2,513	-	-	2,300
8008	3199	SAT Improvement	10,812	10,812	-	-	-
8009	3199	Extended School Year	1,682	1,682	-	-	-
8085	3199	NBC Loan Refund	2,300	2,300	-	-	-
8502	3199	SDM Server	7,600	7,600	-	-	-
8880	3199	LATTIS Grant	12,756	12,756	-	-	1,244
9050	3125	Career Technology Educational Equipment	349,242	349,242	-	-	44,173
9155 - 9156	3199	Profoundly Mentally Handicapped	7,914	7,914	-	-	-
9160	3991	ADEPT (Assisting, Developing, & Evaluating Professional Teaching)	209,315	209,315	-	-	95,907
918B	3151	Adult Education - Vocal Rehab	10,350	10,350	-	-	-
9188	3151	Adult Education - GED	15,313	15,313	-	-	-
9191	3193	Education License Plates	12,241	12,241	-	-	11,462
9200	3154	AE Young Adult Program YAP	294,000	294,000	-	-	9,901
9219	3151	Career Readiness - State	7,704	7,704	-	-	6,565
9260 - 9261	3116	Star Program	111,628	111,628	-	-	69,229
9262	3116	At-Risk Innovation	-	-	-	-	142,358
9265	3116	RECAB EEDA Grant	140,921	140,921	-	-	11,660
9269	3116	EEDA 9th Grade Awareness	66	66	-	-	-
9270	3117	EEDA 8th Grade Awareness	42,280	42,280	-	-	24,725
9280	3118	EEDA Career Specialists	2,200,378	2,200,378	-	-	-
9350	3185	National Board Certified	391,761	391,761	-	-	-
9360	3136	Student Health and Fitness - Nurses	1,861,972	1,861,972	-	-	101,867
9370	3127	Student Health and Fitness - PE Teachers	744,910	744,910	-	-	-
9381	3128	Career Centers That Work	8,000	8,000	-	-	-
9390	3993	School Library Media Centers	6,333	6,333	-	-	-
9606	3610	K-5 Enhancement	2,801,492	2,801,492	-	-	116,842
9608	3610	Social Studies Award	163	163	-	-	-
9660	3606	Math / Science Coach	30,000	30,000	-	-	-
9382	3828	Literacy in CTE	900	900	-	-	-
Totals			\$ 9,287,306	9,287,306	-	-	\$ 640,296

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

Schedule B-4

SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
ALL PROGRAMS**

YEAR ENDED JUNE 30, 2009

REVENUES	<u>ACTUAL</u>
3000 Revenue from State Sources:	
3500 Education Improvement Act:	
3501 Increase High School Diploma Requirements	\$ 2,646,756
3505 School Technology Initiative	398,125
3509 Arts in Education	17,822
3513 Parenting/Family Literacy	183,084
3515 Advanced Placement Courses	52,674
3517 Advanced Placement - Singleton (Subfund 315)	14,350
3520 Gifted and Talented - Academic	3,220,995
3522 Gifted and Talented - Artistic	388,863
3523 Junior Scholars	3,869
3527 Critical Teaching Needs	209,566
3530 Trainable & Profoundly Mentally Disabled Student Services	405,444
3532 National Board Certification (NBC) Salary Supplement (No Carryover Provision)	3,684,220
3533 Teacher of the Year Awards	1,077
3534 Professional Development on Standards	300,746
3540 Early Childhood Program (4K Programs Serving Four-Year-Old Children)	2,075,548
3542 Preschool Programs for Children with Disabilities	298,086
3546 Academic Assistance K-3	3,930,083
3548 Academic Assistance 4-12	4,246,343
3550 Teacher Salary Increase (No Carryover Provision)	6,828,872
3553 Adult Education - Remedial	11,556
3555 School Employer Contributions (No Carryover Provision)	1,397,187
3562 Adult Education, Basic (Includes Rural and Workforce Initiative)	486,606
3565 Adult Education, Literacy	44,855
3568 EAA Technical Assistance	3,338,484
3575 Competitive Teacher Grants	17,630
3577 Teacher Supplies (No Carryover Provision)	1,230,787
3578 High Schools That Work	64,456
3582 Principal Salary/Fringe Increase (No Carryover Provision)	283,664
3583 EAA Summer School/Comprehensive Remediation	1,818,577
3588 EAA Palmetto Gold and Silver Awards	95,900
3591 Excellence In Middle Schools	322,235
3592 School-to-Work Transition Act	343,881
3593 EAA Reduce Class Size Grades 1 - 3	2,638,228
3596 EAA Alternative Schools Program	195,684
Total Revenue from State Sources	<u>41,196,253</u>
TOTAL REVENUE ALL SOURCES	<u>\$ 41,196,253</u>

(Continued)

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

Schedule B-4

SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
ALL PROGRAMS**

YEAR ENDED JUNE 30, 2009

EXPENDITURES	<u>ACTUAL</u>
100 Instruction:	
110 General Instruction:	
111 Kindergarten Programs:	
100 Salaries	\$ 201,869
200 Employee Benefits	40,378
400 Supplies and Materials	67,647
112 Primary Programs:	
100 Salaries	4,115,124
200 Employee Benefits	1,146,385
300 Purchased Services	842
400 Supplies and Materials	331,391
500 Capital Outlay	28,585
113 Elementary Programs:	
100 Salaries	1,535,880
200 Employee Benefits	356,483
300 Purchased Services	29,246
400 Supplies and Materials	799,607
500 Capital Outlay	82,486
114 High School Programs:	
100 Salaries	4,557,943
200 Employee Benefits	1,254,463
300 Purchased Services	57,685
400 Supplies and Materials	240,525
500 Capital Outlay	125,322
115 Career and Technology Education Program:	
100 Salaries	67,500
200 Employee Benefits	13,404
400 Supplies and Materials	44,608
500 Capital Outlay	985
120 Exceptional Programs:	
121 Educable Mentally Handicapped:	
100 Salaries	7,500
200 Employee Benefits	1,474
400 Supplies and Materials	18,150
122 Trainable Mentally Handicapped:	
100 Salaries	323,735
200 Employee Benefits	90,718
400 Supplies and Materials	13,200
123 Orthopedically Handicapped:	
400 Supplies and Materials	\$ 2,150

(Continued)

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

Schedule B-4

SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
ALL PROGRAMS**

YEAR ENDED JUNE 30, 2009

	<u>ACTUAL</u>
124 Visually Handicapped:	
100 Salaries	\$ 7,500
200 Employee Benefits	1,480
400 Supplies and Materials	550
125 Hearing Handicapped:	
100 Salaries	7,500
200 Employee Benefits	1,471
400 Supplies and Materials	1,925
126 Speech Handicapped:	
400 Supplies and Materials	23,732
127 Learning Disabilities:	
100 Salaries	150,000
200 Employee Benefits	30,081
400 Supplies and Materials	83,325
128 Emotionally Handicapped:	
100 Salaries	7,500
200 Employee Benefits	1,475
400 Supplies and Materials	9,625
130 Pre-School Programs:	
135 Preschool Handicapped Speech (3-and 4-Yr. Olds):	
100 Salaries	45,023
200 Employee Benefits	12,325
137 Preschool Handicapped Self-Contained (3- and 4-Yr. Olds):	
100 Salaries	35,928
200 Employee Benefits	12,625
400 Supplies and Materials	8,340
139 Early Childhood Programs:	
100 Salaries	2,299,701
200 Employee Benefits	703,307
300 Purchased Services	6,533
400 Supplies and Materials	75,821
140 Special Programs:	
141 Gifted and Talented - Academic:	
100 Salaries	2,468,379
200 Employee Benefits	701,488
300 Purchased Services	614
400 Supplies and Materials	23,093
600 Other Objects	250
143 Advanced Placement:	
100 Salaries	11,905
200 Employee Benefits	2,445
400 Supplies and Materials	49,177
500 Capital Outlay	\$ 765

(Continued)

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

Schedule B-4

SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
ALL PROGRAMS**

YEAR ENDED JUNE 30, 2009

	<u>ACTUAL</u>
145 Homebound:	
400 Supplies and Materials	\$ 3,850
148 Gifted and Talented - Artistic:	
100 Salaries	282,492
200 Employee Benefits	78,211
300 Purchased Services	5,857
400 Supplies and Materials	15,294
500 Capital Outlay	985
149 Other Special Programs:	
100 Salaries	527,229
200 Employee Benefits	141,764
400 Supplies and Materials	15,075
170 Summer School Programs:	
171 Primary Summer School:	
100 Salaries	23,610
200 Employee Benefits	5,244
400 Supplies and Materials	523
172 Elementary Summer School:	
100 Salaries	225,821
200 Employee Benefits	52,065
300 Purchased Services	224
400 Supplies and Materials	14,811
175 Instructional Programs Beyond Regular School Day:	
100 Salaries	668,585
200 Employee Benefits	151,264
300 Purchased Services	82,601
400 Supplies and Materials	79,476
500 Capital Outlay	5,352
180 Adult/Continuing Educational Programs:	
181 Adult Basic Education Programs:	
100 Salaries	16,362
200 Employee Benefits	3,391
300 Purchased Services	19,945
182 Adult Secondary Education Programs:	
100 Salaries	19,940
200 Employee Benefits	6,488
400 Supplies and Materials	275
183 Adult Education Literacy (ESL):	
100 Salaries	3,859
200 Employee Benefits	\$ 1,298

(Continued)

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

Schedule B-4

SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
ALL PROGRAMS**

YEAR ENDED JUNE 30, 2009

	<u>ACTUAL</u>
187 Adult Education - Remedial:	
100 Salaries	\$ 8,794
200 Employee Benefits	2,762
188 Parenting/Family Literacy:	
100 Salaries	591,451
200 Employee Benefits	177,747
300 Purchased Services	477
400 Supplies and Materials	10,004
Total Instruction	<u>25,582,294</u>
200 Support Services:	
210 Pupil Services:	
211 Attendance and Social Work Services:	
100 Salaries	4,093
200 Employee Benefits	911
212 Guidance Services:	
100 Salaries	58,431
200 Employee Benefits	14,639
400 Supplies and Materials	48,400
213 Health Services:	
100 Salaries	231,839
200 Employee Benefits	85,008
214 Psychological Services:	
100 Salaries	76,914
200 Employee Benefits	16,003
215 Exceptional Program Services:	
100 Salaries	26,601
200 Employee Benefits	5,525
220 Instructional Staff Services:	
221 Improvement of Instruction-Curriculum Development:	
100 Salaries	4,209,180
200 Employee Benefits	1,080,397
300 Purchased Services	59,940
400 Supplies and Materials	8,971
500 Capital Outlay	3,724
222 Library and Media:	
100 Salaries	223,799
200 Employee Benefits	45,911
300 Purchased Services	57,340
400 Supplies and Materials	\$ 41,250

(Continued)

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

Schedule B-4

SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
ALL PROGRAMS**

YEAR ENDED JUNE 30, 2009

	<u>ACTUAL</u>
223 Supervision of Special Programs:	
100 Salaries	\$ 537,434
200 Employee Benefits	129,057
300 Purchased Services	12,846
400 Supplies and Materials	3,016
500 Capital Outlay	2,968
224 Improvement of Instruction - Inservice and Staff Training:	
100 Salaries	99,261
200 Employee Benefits	20,357
300 Purchased Services	156,936
400 Supplies and Materials	178,691
233 School Administration:	
100 Salaries	233,225
200 Employee Benefits	47,298
300 Purchased Services	88
253 Facilities Acquisition and Construction:	
500 Capital Outlay:	
530 Improvements Other Than Buildings	3,700
254 Operation and Maintenance of Plant:	
300 Purchased Services	1,364
400 Supplies and Materials	2,268
255 Student Transportation (State Mandated):	
300 Purchased Services	60,743
260 Central Support Services:	
263 Information Services:	
300 Purchased Services	744
266 Technology and Data Processing Services:	
300 Purchased Services	91,506
270 Support Services - Pupil Activity:	
271 Pupil Services Activities:	
300 Purchased Services (Optional)	999
600 Other Objects (Optional)	22,951
Total Support Services	<u>7,904,328</u>
300 Community Services:	
350 Custody and Care of Children:	
100 Salaries	16,208
200 Employee Benefits	\$ 993

(Continued)

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

Schedule B-4

SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
ALL PROGRAMS**

YEAR ENDED JUNE 30, 2009

	<u>ACTUAL</u>
390 Other Community Services:	
100 Salaries	\$ 83,818
200 Employee Benefits	22,910
300 Purchased Services	16,938
400 Supplies and Materials	71,262
Total Community Services	<u>212,129</u>
410 Intergovernmental Expenditures:	
416 Payments to Public Charter Schools	
720 Transits	120,205
Total Intergovernmental Expenditures	<u>120,205</u>
TOTAL EXPENDITURES	<u>33,818,956</u>
OTHER FINANCING SOURCES (USES)	
Interfund Transfers, From (To) Other Funds:	
5210 Transfer from General Fund (Exclude Indirect Costs)	848,762
420-710 Transfer to General Fund (Exclude Indirect Costs)	(8,226,059)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(7,377,297)</u>
EXCESS/DEFICIENCY OF REVENUES AND EXPENDITURES	-
FUND BALANCE, Beginning of Year	<u>-</u>
FUND BALANCE, End of Year	<u>\$ -</u>

SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT

SUMMARY SCHEDULE BY PROGRAM

YEAR ENDED JUNE 30, 2009

Program	Revenues	Expenditures	EIA Interfund Transfers In/(Out)	Other Fund Transfers In/(Out)	EIA Fund Deferred Revenue
3500 Education Improvement Act:					
3501 Increase High School Diploma Requirements	\$ 2,646,756	2,646,756	-	-	\$ -
3505 School Technology Initiative	398,125	398,125	-	-	-
3509 Arts in Education	17,822	17,822	-	-	2,153
3513 Parenting/Family Literacy	183,084	183,084	-	-	23,698
3515 Advanced Placement Courses	52,674	52,674	-	-	-
3517 Advanced Placement - Singleton (Subfund 315)	14,350	14,350	-	-	-
3520 Gifted and Talented - Academic	3,220,995	3,220,995	-	-	187,514
3522 Gifted and Talented - Artistic	388,863	388,863	-	-	15,211
3523 Junior Scholars Program	3,869	3,869	-	-	-
3527 Critical Teaching Needs	209,566	209,566	-	-	37,527
3530 Trainable & Profoundly Mentally Disabled Student Services	405,444	405,444	-	-	-
3532 National Board Certification (NBC) Salary Supplement	3,684,220	3,684,220	-	-	-
3533 Teacher of the Year Awards (No Carryover Provision)	1,077	1,077	-	-	-
3534 Professional Development on Standards	300,746	300,746	-	-	-
3540 Four-Year Old Early Childhood Program	2,075,548	2,075,548	-	-	173,224
3542 Preschool Programs for Children with Disabilities	298,086	298,086	-	-	37,670
3546 Academic Assistance K-3	3,930,083	3,930,083	-	-	581,852
3548 Academic Assistance 4-12	4,246,343	4,246,343	-	-	781,120
3550 Teacher Salary Increase	6,828,872	-	-	(6,828,872)	-
3553 Adult Education - Remedial	11,556	11,556	-	-	17,693
3555 School Employer Contributions (No Carryover Provision)	1,397,187	-	-	(1,397,187)	-
3562 Adult Education, Basic (Rural And Workforce Initiative)	486,606	486,606	-	-	62,438
3565 Adult Education, Literacy	44,855	44,855	-	-	3,867
3568 EAA Technical Assistance	3,338,484	3,338,484	-	-	163,930
3575 Competitive Teacher Grants	17,630	17,630	-	-	366
3577 Teacher Supplies (No Carryover Provision)	1,230,787	1,230,787	-	-	-
3578 High Schools That Work	64,456	64,456	-	-	12,862
3582 Principal Salary/Fringe Increase (No Carryover Provision)	283,664	283,664	-	-	-
3583 EAA Summer School/Comprehensive Remediation	1,818,577	1,818,577	-	-	588,215
3588 EAA Palmetto Gold and Silver Awards	95,900	95,900	-	-	183,698
3591 Excellence in Middle Schools	322,235	322,235	-	-	-
3592 School-to-Work Transition Act	343,881	343,881	-	-	13,375
3593 EAA Reduce Class Size Grades 1 - 3	2,638,228	3,486,990	-	848,762	135,525
3596 EAA Alternative Schools Program	195,684	195,684	-	-	129,364
Totals	\$ 41,196,253	33,818,956	-	(7,377,297)	\$ 3,151,302

DETAILED SCHEDULE OF DUE TO STATE DEPARTMENT OF EDUCATION/FEDERAL GOVERNMENT

YEAR ENDED JUNE 30, 2009

Program	Project/Grant Number	Revenue & Subfund Code	Description	Amount Due to State Department of Education or Federal Government	Status of Amount Due to Grantors
Star Program	N/A	3116/9260	Unexpended Funds	10,133	Paid After Year-End
Total				\$ 10,133	

DEBT SERVICE FUND - DISTRICT

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

YEAR ENDED JUNE 30, 2009

	REVISED BUDGET	ACTUAL	VARIANCE
REVENUES			
1000 Revenue from Local Sources:			
1100 Taxes:			
1110 Ad Valorem Taxes-Including Delinquent (Fiscally Independent LEA)	\$ 71,430,600	72,846,521	\$ 1,415,921
1200 Revenue from Local Governmental Units Other than LEAs:			
1280 Revenue in Lieu of Taxes (Dependent and Independent)	4,104,000	4,046,947	(57,053)
1500 Earnings on Investments:			
1510 Interest on Investments	1,500,000	3,188,813	1,688,813
Total Revenue from Local Sources	<u>77,034,600</u>	<u>80,082,281</u>	<u>3,047,681</u>
3000 Revenue from State Sources:			
3800 State Revenue in Lieu of Taxes:			
3820 Homestead Exemption(Tier 2)	2,122,000	2,415,092	293,092
3830 Merchant's Inventory Tax	375,000	374,992	(8)
3840 Manufacturers Depreciation Reimbursement	690,000	967,438	277,438
3890 Other State Property Tax Revenues (Includes Motor Carrier Vehicle Tax)	145,000	162,882	17,882
Total Revenue from State Sources	<u>3,332,000</u>	<u>3,920,404</u>	<u>588,404</u>
TOTAL REVENUE ALL SOURCES	<u>80,366,600</u>	<u>84,002,685</u>	<u>3,636,085</u>
EXPENDITURES			
500 Debt Service:			
620 Interest	2,952,846	1,467,174	1,485,672
690 Other Objects (Includes Fees for Servicing Bonds)	50,000	322,081	(272,081)
Total Debt Service	<u>3,002,846</u>	<u>1,789,255</u>	<u>1,213,591</u>
TOTAL EXPENDITURES	<u>3,002,846</u>	<u>1,789,255</u>	<u>1,213,591</u>
OTHER FINANCING SOURCES (USES)			
5110 Premium on Bonds Sold	-	853,927	853,927
5120 Proceeds of General Obligation Bonds	16,427,999	15,795,000	(632,999)
Interfund Transfers, From (To) Other Funds:			
423-710 Transfer to Debt Service Fund - BEST	(62,280,186)	(62,864,036)	(583,850)
424-710 Transfer to Capital Projects Fund	(31,123,000)	(32,253,521)	(1,130,521)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(76,975,187)</u>	<u>(78,468,630)</u>	<u>(1,493,443)</u>
EXCESS/DEFICIENCY OF REVENUES AND EXPENDITURES	388,567	3,744,800	3,356,233
FUND BALANCE, Beginning of Year	<u>7,584,922</u>	<u>7,584,922</u>	<u>-</u>
FUND BALANCE, End of Year	<u>\$ 7,973,489</u>	<u>11,329,722</u>	<u>\$ 3,356,233</u>

Note 1 - The School District issued three short-term General Obligation Bonds in the fall of 2008 totaling \$77,630,000 to fund the annual BEST debt service and for additional capital projects. As these bonds are short-term in nature, the proceeds received and the related principal payments are not reflected in the financial statements, in accordance with generally accepted accounting principles. The School District received premiums of \$402,788, net of issuance costs of \$203,734, upon the issuance of these Bonds. These Bonds, including interest of \$1,608,381, were repaid in June 2009 with the revenues received from property taxes. The premiums received have been netted against the interest paid for financial statement presentation.

DEBT SERVICE FUND - BEST

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

YEAR ENDED JUNE 30, 2009

	<u>REVISED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
REVENUES			
1000 Revenue from Local Sources:			
1500 Earnings on Investments:			
1510 Interest on Investments	\$ 6,360,328	6,297,983	\$ (62,345)
TOTAL REVENUE ALL SOURCES	<u>6,360,328</u>	<u>6,297,983</u>	<u>(62,345)</u>
EXPENDITURES			
500 Debt Service:			
610 Redemption of Principal	13,735,000	13,735,000	-
620 Interest	54,905,514	54,905,513	1
Total Debt Service	<u>68,640,514</u>	<u>68,640,513</u>	<u>1</u>
TOTAL EXPENDITURES	<u>68,640,514</u>	<u>68,640,513</u>	<u>1</u>
OTHER FINANCING SOURCES (USES)			
Interfund Transfers, From (To) Other Funds:			
5240 Transfer from Debt Service Fund - District	62,280,186	62,864,036	583,850
424-710 Transfer to Capital Projects Fund	-	(900,000)	(900,000)
TOTAL OTHER FINANCING SOURCES (USES)	<u>62,280,186</u>	<u>61,964,036</u>	<u>(316,150)</u>
EXCESS/DEFICIENCY OF REVENUES AND EXPENDITURES	-	(378,494)	(378,494)
FUND BALANCE, Beginning of Year	<u>151,674,577</u>	<u>151,674,577</u>	-
FUND BALANCE, End of Year	<u>\$ 151,674,577</u>	<u>151,296,083</u>	<u>\$ (378,494)</u>

CAPITAL PROJECTS FUND - DISTRICT

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

YEAR ENDED JUNE 30, 2009

	REVISED BUDGET	ACTUAL	VARIANCE
REVENUES			
1000 Revenue from Local Sources:			
1500 Earnings on Investments:			
1510 Interest on Investments	\$ 18,321,907	23,098,344	\$ 4,776,437
TOTAL REVENUE ALL SOURCES	18,321,907	23,098,344	4,776,437
EXPENDITURES			
250 Finance and Operations:			
253 Facilities Acquisition & Construction:			
100 Salaries	1,294,669	1,332,774	(38,105)
200 Employee Benefits	405,631	349,739	55,892
300 Purchased Services	6,911,591	4,223,590	2,688,001
400 Supplies and Materials	651,989	831,578	(179,589)
500 Capital Outlay:			
510 Land	5,030,000	2,052,476	2,977,524
520 Construction Services	43,009,850	30,195,890	12,813,960
530 Improvements Other Than Buildings	72,756	70,407	2,349
540 Equipment	667,546	158,525	509,021
545 Technology, Equipment and Software	904,661	946,957	(42,296)
550 Vehicles	15,000	15,000	-
580 Mobile Classrooms	506,000	351,546	154,454
590 Other Capital Outlay	227,300	251,859	(24,559)
600 Other Objects:			
690 Other Objects	2,490,505	3,547,419	(1,056,914)
Total Support Services	62,187,498	44,327,760	17,859,738
TOTAL EXPENDITURES	62,187,498	44,327,760	17,859,738
OTHER FINANCING SOURCES (USES)			
5301 Sale of Capital Assets	2,054,985	2,423,221	368,236
Interfund Transfers, From (To) Other Funds:			
5240 Transfer from Debt Service Fund	32,253,521	32,253,521	-
424-710 Transfer to Capital Projects - BEST	(1,873,207)	(1,873,207)	-
TOTAL OTHER FINANCING SOURCES (USES)	32,435,299	32,803,535	368,236
EXCESS/DEFICIENCY OF REVENUES AND EXPENDITURES	(11,430,292)	11,574,119	23,004,411
FUND BALANCE, Beginning of Year	44,050,359	44,050,359	-
FUND BALANCE, End of Year	\$ 32,620,067	55,624,478	\$ 23,004,411

CAPITAL PROJECTS FUND - BEST

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

YEAR ENDED JUNE 30, 2009

	REVISED BUDGET	ACTUAL	VARIANCE
REVENUES			
1000 Revenue from Local Sources:			
1500 Earnings on Investments:			
1510 Interest on Investments	\$ 327,891	579,840	\$ 251,949
TOTAL REVENUE ALL SOURCES	327,891	579,840	251,949
EXPENDITURES			
250 Finance and Operations:			
253 Facilities Acquisition & Construction:			
300 Purchased Services	-	211,001	(211,001)
400 Supplies and Materials	-	471,490	(471,490)
500 Capital Outlay:			
520 Construction Services	19,441,134	5,753,434	13,687,700
540 Equipment	-	154,406	(154,406)
545 Technology, Equipment and Software	-	552,625	(552,625)
TOTAL EXPENDITURES	19,441,134	7,142,956	12,298,178
OTHER FINANCING SOURCES (USES)			
Interfund Transfers, From (To) Other Funds:			
5240 Transfer from Debt Service Fund	-	900,000	900,000
5250 Transfer from Capital Projects Fund	-	1,873,207	1,873,207
TOTAL OTHER FINANCING SOURCES (USES)	-	2,773,207	2,773,207
EXCESS/DEFICIENCY OF REVENUES AND EXPENDITURES	(19,113,243)	(3,789,909)	15,323,334
FUND BALANCE, Beginning of Year	24,360,264	24,360,264	-
FUND BALANCE, End of Year	\$ 5,247,021	20,570,355	\$ 15,323,334

FOOD SERVICE FUND

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS

YEAR ENDED JUNE 30, 2009

	<u>ACTUAL</u>
REVENUES	
1000 Revenues from Local Sources:	
1600 Food Service:	
1610 Lunch Sales to Pupils	\$ 5,744,879
1620 Breakfast Sales to Pupils	324,367
1630 Special Sales to Pupils	5,637,513
1640 Lunch Sales to Adults	643,836
1650 Breakfast Sales to Adults	22,766
1660 Special Sales to Adults	215,921
1900 Other Revenue from Local Sources:	
1992 Canteen Operations	8,291
1999 Revenue from Other Local Sources	308,632
Total Revenue from Local Sources	<u>12,906,205</u>
3000 Revenue from State Sources:	
3100 Restricted State Funding:	
3140 School Lunch:	
3142 Program Aid	29,173
Total Revenue from State Sources	<u>29,173</u>
4000 Revenue from Federal Sources:	
4800 USDA Reimbursement:	
4810 School Lunch and After School Snacks Program	11,906,000
4830 School Breakfast Program	3,308,275
4900 Other Federal Sources:	
4991 USDA Commodities (Food Distribution Program) (Carryover Provision)	1,903,565
Total Revenue from Federal Sources	<u>17,117,840</u>
TOTAL REVENUE ALL SOURCES	<u>30,053,218</u>
EXPENSES	
256 Food Service:	
100 Salaries	9,729,633
300 Purchased Services (Exclude Gas, Oil, Electricity and Other Heating Fuels)	798,684
400 Supplies and Materials (Include Gas, Oil, Electricity and Other Heating Fuels)	17,064,546
500 Capital Outlay	1,555,815
600 Other Objects	319,303
Total Food Services Expenses	<u>29,467,981</u>
TOTAL EXPENSES	<u>\$ 29,467,981</u>

(Continued)

FOOD SERVICE FUND

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS

YEAR ENDED JUNE 30, 2009

	<u>ACTUAL</u>
OTHER FINANCING SOURCES (USES)	
432-791 Food Service Fund Indirect Costs	\$ (1,315,000)
Contributed Capital	275,980
TOTAL OTHER FINANCING SOURCES (USES)	<u>(1,039,020)</u>
EXCESS/DEFICIENCY OF REVENUES AND EXPENDITURES	(453,783)
FUND NET ASSETS, Beginning of Year	<u>15,040,748</u>
FUND NET ASSETS, End of Year	<u>\$ 14,586,965</u>

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

Schedule F-1

PUPIL ACTIVITY FUND

SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN DUE TO STUDENT ORGANIZATIONS

YEAR ENDED JUNE 30, 2009

	<u>ACTUAL</u>
RECEIPTS	
1000 Receipts from Local Sources:	
1500 Earnings on Investments:	
1510 Interest on Investments	\$ 187,019
1700 Pupil Activities:	
1710 Admissions	1,376,102
1720 Bookstore Sales	12,119
1730 Pupil Organization Membership Dues and Fees	251,091
1740 Student Fees	132,171
1790 Other	15,991,180
1900 Other Revenue from Local Sources	
1920 Contributions and Donations Private Sources	1,307,909
TOTAL RECEIPTS ALL SOURCES	<u>19,257,591</u>
DISBURSEMENTS	
190 Instructional Pupil Activity:	
660 Pupil Activity	6,660,512
Total Instruction	<u>6,660,512</u>
270 Support Services Pupil Activity:	
271 Pupil Service Activities:	
660 Pupil Activity	1,080,970
272 Enterprise Activities:	
660 Pupil Activity	9,493,638
273 Trust and Agency Activities:	
660 Enterprise Activity	1,708,339
Total Pupil Activity Expenditures	<u>12,282,947</u>
TOTAL DISBURSEMENTS	<u>18,943,459</u>
EXCESS/DEFICIENCY OF REVENUES AND EXPENDITURES	314,132
STUDENT ORGANIZATIONS, Beginning of Year	<u>6,450,632</u>
STUDENT ORGANIZATIONS, End of Year	<u>\$ 6,764,764</u>

PUPIL ACTIVITY FUND

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

YEAR ENDED JUNE 30, 2009

	<u>BEGINNING BALANCE</u>	<u>ADDITIONS</u>	<u>REDUCTIONS</u>	<u>ENDING BALANCE</u>
ASSETS				
Cash and Cash Equivalents	\$ 1,503,016	160,953	311,511	\$ 1,352,458
Accounts Receivable	5,561,000	311,511	-	5,872,511
TOTAL ASSETS	<u>7,064,016</u>	<u>472,464</u>	<u>311,511</u>	<u>7,224,969</u>
LIABILITIES				
Accounts Payable	613,384	460,205	613,384	460,205
Due to Student Organizations	6,450,632	314,132	-	6,764,764
TOTAL LIABILITIES	<u>\$ 7,064,016</u>	<u>774,337</u>	<u>613,384</u>	<u>\$ 7,224,969</u>

COMPONENT UNITS - CHARTER SCHOOLS

COMBINING SCHEDULE OF NET ASSETS

JUNE 30, 2009

	Greenville Technical Charter High School	Meyer Center For Special Children	Langston Middle Middle	Brashier Middle Charter High School	Fuller Normal Advanced Charter School	Greer Middle College	Wohali Academy	TOTALS
ASSETS								
Cash and Cash Equivalents	\$ 49,814	994,696	214,935	494,028	58,778	5,560	38,756	\$ 1,856,567
Investments	877,015	-	70,233	-	-	-	-	947,248
Accounts Receivable, Net	48,141	1,020,982	-	179	3,792	21,763	-	1,094,857
Other Assets	18,118	5,000	13,182	9,071	-	9,426	4,745	59,542
Depreciable Capital Assets, Net	471,568	3,713,090	364,981	107,383	682,727	104,332	105,789	5,549,870
TOTAL ASSETS	1,464,656	5,733,768	663,331	610,661	745,297	141,081	149,290	9,508,084
LIABILITIES								
Accounts Payable and Accrued Expenses	184,556	23,514	134,030	144,713	74,894	98,995	-	660,702
Unearned Revenue	115,203	-	-	49,486	6,144	-	-	170,833
Non-Current Liabilities - Due in One Year	-	-	-	-	143,773	-	-	143,773
Non-Current Liabilities - Due in More than One Year	527,873	1,833,596	-	280,559	176,256	72,260	-	2,890,544
TOTAL LIABILITIES	827,632	1,857,110	134,030	474,758	401,067	171,255	-	3,865,852
NET ASSETS								
Invested in Capital Assets, Net of Related Debt	471,568	1,879,494	364,981	107,383	362,698	104,332	105,789	3,396,245
Restricted	53,578	1,541,061	15,100	-	-	-	-	1,609,739
Unrestricted	111,878	456,103	149,220	28,520	(18,468)	(134,506)	43,501	636,248
Total Net Assets	\$ 637,024	3,876,658	529,301	135,903	344,230	(30,174)	149,290	\$ 5,642,232

COMPONENT UNITS - CHARTER SCHOOLS

COMBINING SCHEDULE OF ACTIVITIES

JUNE 30, 2009

FUNCTIONS/PROGRAMS	PROGRAM REVENUES				Greenville Technical Charter High School	Meyer Center For Special Children	Langston Middle	Brashier Middle Charter High School	Fuller Normal Advanced Charter School	Greer Middle College	Wohali Academy	Total Charter Schools
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions								
Governmental Activities:												
Greenville Technical Charter												
Instruction	\$ 2,226,705	2,800	128,149	-	(2,095,756)							\$ (2,095,756)
Support Services	1,108,319	-	125,332	-	(982,987)							(982,987)
	<u>3,335,024</u>	<u>2,800</u>	<u>253,481</u>	<u>-</u>	<u>(3,078,743)</u>							
Meyer Center for Special Children												
Instruction	1,770,246	174,577	-	-		(1,595,669)						(1,595,669)
Support Services	860,351	-	-	-		(860,351)						(860,351)
Depreciation - Unallocated	142,776	-	-	-		(142,776)						(142,776)
	<u>2,773,373</u>	<u>174,577</u>	<u>-</u>	<u>-</u>		<u>(2,598,796)</u>						
Langston Middle												
Instruction	1,030,228	-	-	-			(1,030,228)					(1,030,228)
Support Services	389,667	-	-	-			(389,667)					(389,667)
Depreciation - Unallocated	85,633	-	-	-			(85,633)					(85,633)
	<u>1,505,528</u>	<u>-</u>	<u>-</u>	<u>-</u>			<u>(1,505,528)</u>					
Brashier Middle College												
Instruction	1,361,157	-	129,928	-				(1,231,229)				(1,231,229)
Support Services	651,208	-	46,627	-				(604,581)				(604,581)
	<u>2,012,365</u>	<u>-</u>	<u>176,555</u>	<u>-</u>				<u>(1,835,810)</u>				
Fuller Normal Advanced												
Instruction	887,675	-	730,846	-					(156,829)			(156,829)
Support Services	583,709	-	480,583	-					(103,126)			(103,126)
Interest and other chargers	25,257	-	-	-					(25,257)			(25,257)
	<u>1,496,641</u>	<u>-</u>	<u>1,211,429</u>	<u>-</u>					<u>(285,212)</u>			
Greer Middle College												
Instruction	550,973	-	74,426	-						(476,547)		(476,547)
Support Services	218,214	-	74,781	-						(143,433)		(143,433)
	<u>769,187</u>	<u>-</u>	<u>149,207</u>	<u>-</u>						<u>(619,980)</u>		
Wohali Academy												
Instruction	572,214	-	642,160	-							69,946	69,946
Support Services	262,386	-	-	-							(262,386)	(262,386)
Community Services	-	-	-	-							-	-
Intergovernmental	-	-	-	-							-	-
	<u>834,600</u>	<u>-</u>	<u>642,160</u>	<u>-</u>							<u>(192,440)</u>	
Total Governmental Activities	<u>12,726,718</u>	<u>177,377</u>	<u>2,432,832</u>	<u>-</u>	<u>(3,078,743)</u>	<u>(2,598,796)</u>	<u>(1,505,528)</u>	<u>(1,835,810)</u>	<u>(285,212)</u>	<u>(619,980)</u>	<u>(192,440)</u>	<u>(10,116,509)</u>
Business-Type Activities:												
Fuller Normal Advanced												
Student Nutrition	106,708	-	82,520	-	-	-	-	-	(24,188)	-	-	(24,188)
Total Business-Type Activities	<u>106,708</u>	<u>-</u>	<u>82,520</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(24,188)</u>	<u>-</u>	<u>-</u>	<u>(24,188)</u>
Total	<u>\$ 12,833,426</u>	<u>177,377</u>	<u>2,515,352</u>	<u>-</u>	<u>(3,078,743)</u>	<u>(2,598,796)</u>	<u>(1,505,528)</u>	<u>(1,835,810)</u>	<u>(309,400)</u>	<u>(619,980)</u>	<u>(192,440)</u>	<u>(10,140,697)</u>
GENERAL REVENUES												
General Revenues:												
Grants and Contributions Not Restricted to Specific Programs	-	1,262,751	22,718	-	-	-	-	-	-	-	78,336	1,363,805
Unrestricted Investment Earnings	14,400	5,565	1,768	-	-	-	7,857	-	-	668	-	30,258
Miscellaneous	121,135	1,043,501	42,835	-	-	-	23,106	-	-	1,784	37,347	1,269,708
Intergovernmental Revenue	2,856,193	91,368	1,379,947	-	-	-	1,785,676	364,252	586,345	-	-	7,063,781
Total General Revenue	<u>2,991,728</u>	<u>2,403,185</u>	<u>1,447,268</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,816,639</u>	<u>364,252</u>	<u>588,797</u>	<u>115,683</u>	<u>-</u>	<u>9,727,552</u>
CHANGE IN NET ASSETS	<u>(87,015)</u>	<u>(195,611)</u>	<u>(58,260)</u>	<u>(19,171)</u>	<u>54,852</u>	<u>(31,183)</u>	<u>(76,757)</u>	<u>(413,145)</u>				
NET ASSETS, Beginning of Year	724,039	4,072,269	587,561	155,074	-	-	-	-	-	-	-	5,538,943
Prior Period Adjustment	-	-	-	-	289,378	1,009	226,047	516,434				
NET ASSETS, Beginning of Year, as Restated	724,039	4,072,269	587,561	155,074	289,378	1,009	226,047	6,055,377				
NET ASSETS, End of Year	<u>\$ 637,024</u>	<u>3,876,658</u>	<u>529,301</u>	<u>135,903</u>	<u>344,230</u>	<u>(30,174)</u>	<u>149,290</u>	<u>\$ 5,642,232</u>				

STATISTICAL SECTION

This part of The School District of Greenville County's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the School District's overall financial health.

Contents	Page
Financial Trends <i>These schedules contain trend information to help the reader understand how the School District's financial performance and well-being have changed over time.</i>	127
Revenue Capacity <i>These schedules contain information to help the reader assess the School District's most significant local revenue source, the property tax.</i>	134
Debt Capacity <i>These schedules present information to help the reader assess the affordability of the School District's current levels of outstanding debt and the School District's ability to issue additional debt in the future.</i>	138
Demographic and Economic Information <i>These schedules offer demographic and economic indicators to help the reader understand the environment within the School District's financial activities take place.</i>	142
Operating Information <i>These schedules contain service and infrastructure data to help the reader understand how the information in the School District's financial report related to the services the city provides and the activities it performs.</i>	144

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

Table 1

NET ASSETS BY COMPONENT

LAST EIGHT FISCAL YEARS

(accrual basis of accounting)

UNAUDITED

	Fiscal Year							
	2002 (A)	2003	2004	2005	2006	2007	2008	2009
Governmental Activities								
Invested In Capital Assets, Net Of Related Debt	\$ 375,465,307	394,681,916	444,027,108	486,666,594	488,183,354	480,631,114	486,203,030	\$ 489,390,229
Restricted	20,867,965	14,577,126	8,914,389	8,885,616	8,141,112	6,810,678	4,027,946	7,611,863
Unrestricted	20,766,830	26,246,837	36,584,964	40,212,194	47,560,783	48,124,342	49,415,789	46,926,181
Total Governmental Activities Net Assets	417,100,102	435,505,879	489,526,461	535,764,404	543,885,249	543,885,249	539,646,765	543,928,273
Business-Type Activities								
Invested In Capital Assets, Net Of Related Debt	6,024,029	6,582,306	6,424,014	6,209,817	6,066,076	6,413,141	6,847,163	6,258,168
Unrestricted	2,349,200	3,081,537	4,939,370	6,814,674	8,349,274	9,386,896	8,193,585	8,328,797
Total Business-Type Activities Net Assets	8,373,229	9,663,843	11,363,384	13,024,491	14,415,350	14,415,350	15,040,748	14,586,965
Primary Government								
Invested In Capital Assets, Net Of Related Debt	381,489,336	401,264,222	450,451,122	492,876,411	494,249,430	487,044,255	493,050,193	495,648,397
Restricted	20,867,965	14,577,126	8,914,389	8,885,616	8,141,112	6,810,678	4,027,946	7,611,863
Unrestricted	23,116,030	29,328,374	41,524,334	47,026,868	55,910,057	57,511,235	57,609,374	55,254,978
Total Primary Government Net Assets	\$ 425,473,331	445,169,722	500,889,845	548,788,895	558,300,599	558,300,599	554,687,513	\$ 558,515,238

(A) GASB 34 was not implemented until the 2002 fiscal year; net asset information is not available prior to that fiscal year.

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

Table 2

CHANGES IN NET ASSETS

LAST EIGHT FISCAL YEARS

(accrual basis of accounting)

UNAUDITED

	Fiscal Year							
	2002 (A)	2003	2004	2005	2006	2007	2008	2009
Expenses								
Governmental Activities:								
Instruction	\$ 233,419,595	243,100,290	245,771,141	266,621,447	287,062,759	317,433,608	338,942,590	\$ 348,968,064
Support Services	127,042,247	140,682,881	153,547,857	171,051,626	186,471,634	204,454,373	223,459,573	219,231,518
Community Services	916,790	637,374	703,355	809,914	865,928	653,033	765,487	615,256
Intergovernmental	6,135,388	2,021,349	2,149,603	3,112,120	5,084,855	-	-	-
Interest And Other Charges	24,140,683	46,756,990	49,614,896	54,296,376	54,958,718	61,697,569	58,400,669	57,539,897
Total Governmental Activities Expenses	<u>391,654,703</u>	<u>433,198,884</u>	<u>451,786,852</u>	<u>495,891,483</u>	<u>534,443,894</u>	<u>584,238,583</u>	<u>621,568,319</u>	<u>626,354,735</u>
Business-Type Activities:								
Food Services	18,682,029	19,407,894	20,588,775	21,460,105	23,016,625	25,510,774	29,157,884	29,467,981
Total Business-Type Activities Expenses	<u>18,682,029</u>	<u>19,407,894</u>	<u>20,588,775</u>	<u>21,460,105</u>	<u>23,016,625</u>	<u>25,510,774</u>	<u>29,157,884</u>	<u>29,467,981</u>
Total Primary Government Expenses	<u>410,336,732</u>	<u>452,606,778</u>	<u>472,375,627</u>	<u>517,351,588</u>	<u>557,460,519</u>	<u>609,749,357</u>	<u>650,726,203</u>	<u>655,822,716</u>
Program Revenues								
Governmental Activities:								
Charges For Services:								
Instruction	809,649	899,166	1,107,725	1,171,644	1,276,306	1,171,904	1,340,758	1,059,726
Support Services	-	-	696,529	697,465	2,239,862	3,044,863	2,680,945	2,394,302
Operating Grants And Contributions	203,695,557	207,379,440	219,296,373	237,240,184	264,290,110	279,953,292	315,883,558	300,199,015
Capital Grants And Contributions	8,834,074	1,453,790	-	3,634,162	983,925	1,097,947	1,330,064	-
Total Governmental Activities Program Revenues	<u>213,339,280</u>	<u>209,732,396</u>	<u>221,100,627</u>	<u>242,743,455</u>	<u>268,790,203</u>	<u>285,268,006</u>	<u>321,235,325</u>	<u>303,653,043</u>
Business-Type Activities:								
Charges For Services:								
Food Services	9,761,960	10,066,612	10,451,994	10,505,517	11,252,443	12,579,502	12,974,062	12,906,205
Operating Grants And Contributions	9,775,681	10,991,290	11,472,471	12,686,756	13,263,339	13,945,698	15,340,136	17,147,013
Capital Grants And Contributions	1,214,624	558,278	1,372,600	871,939	992,702	1,602,261	1,256,397	275,980
Total Business-Type Activities Program Revenues	<u>20,752,265</u>	<u>21,616,180</u>	<u>23,297,065</u>	<u>24,064,212</u>	<u>25,508,484</u>	<u>28,127,461</u>	<u>29,570,595</u>	<u>30,329,198</u>
Total Primary Government Program Revenues	<u>234,091,545</u>	<u>231,348,576</u>	<u>244,397,692</u>	<u>266,807,667</u>	<u>294,298,687</u>	<u>313,395,467</u>	<u>350,805,920</u>	<u>333,982,241</u>
Net (Expense)/Revenue								
Governmental Activities	(178,315,423)	(223,466,488)	(230,686,225)	(253,148,028)	(265,653,691)	(298,970,577)	(300,332,994)	(322,701,692)
Business-Type Activities	2,070,236	2,208,286	2,708,290	2,604,107	2,491,859	2,616,687	412,711	861,217
Total Primary Government Net (Expense)/Revenue	<u>\$ (176,245,187)</u>	<u>(221,258,202)</u>	<u>(227,977,935)</u>	<u>(250,543,921)</u>	<u>(263,161,832)</u>	<u>(296,353,890)</u>	<u>(299,920,283)</u>	<u>\$ (321,840,475)</u>

(Continued)

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

Table 2

CHANGES IN NET ASSETS

LAST EIGHT FISCAL YEARS

(accrual basis of accounting)

UNAUDITED

	Fiscal Year							
	2002 (A)	2003	2004	2005	2006	2007	2008	2009
General Revenues And Other Changes In Net Assets								
Governmental Activities:								
Property Taxes	\$ 222,899,402	228,378,581	229,141,319	239,127,675	242,607,812	261,802,159	197,467,739	\$ 208,100,759
State Revenue in Lieu of Taxes	-	-	-	-	-	-	80,486,671	84,052,934
Unrestricted Grants And Contributions	39,004	11,586	276,341	274,145	120,669	266,183	229,075	251,722
Unrestricted Investment Earnings	1,810,044	11,706,265	52,976,497	58,909,355	26,402,402	27,170,846	24,702,384	32,949,534
Miscellaneous	6,269,996	950,543	134,565	131,796	3,542,653	180,274	355,756	313,251
Gain On Disposal Of Capital Assets	-	-	1,320,275	-	-	-	-	-
Transfers	943,000	825,290	857,810	943,000	1,101,000	1,232,000	1,172,000	1,315,000
Total Governmental Activities	<u>231,961,446</u>	<u>241,872,265</u>	<u>284,706,807</u>	<u>299,385,971</u>	<u>273,774,536</u>	<u>290,651,462</u>	<u>304,413,625</u>	<u>326,983,200</u>
Business-Type Activities:								
Intergovernmental Revenue	45,856	44,891	-	-	-			
Transfers	(943,000)	(962,563)	(1,008,749)	(943,000)	(1,101,000)	(1,232,000)	(1,172,000)	(1,315,000)
Total Business-Type Activities	<u>(897,144)</u>	<u>(917,672)</u>	<u>(1,008,749)</u>	<u>(943,000)</u>	<u>(1,101,000)</u>	<u>(1,232,000)</u>	<u>(1,172,000)</u>	<u>(1,315,000)</u>
Total Primary Government	<u>\$ 231,064,302</u>	<u>240,954,593</u>	<u>283,698,058</u>	<u>298,442,971</u>	<u>272,673,536</u>	<u>289,419,462</u>	<u>303,241,625</u>	<u>\$ 325,668,200</u>
					Continued			
Change In Net Assets:								
Governmental Activities	\$ 53,646,023	18,405,777	54,020,582	46,237,943	8,120,845	(8,319,115)	4,080,631	\$ 4,281,508
Business-Type Activities	1,173,092	1,290,614	1,699,541	1,661,107	1,390,859	1,384,687	(759,289)	(453,783)
Total Primary Government	<u>\$ 54,819,115</u>	<u>19,696,391</u>	<u>55,720,123</u>	<u>47,899,050</u>	<u>9,511,704</u>	<u>(6,934,428)</u>	<u>3,321,342</u>	<u>\$ 3,827,725</u>

(A) GASB 34 was not implemented until the 2002 fiscal year; changes in net asset information is not available prior to that fiscal year.

(B) The School District began a new investment program in order to recapture negative arbitrage

(C) The School District settled a legal claim, receiving \$3,265,000

(D) Owner occupied residential property exempt from property tax and replaced by state revenue from Homestead Exemption Fund.

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

Table 3

GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE

LAST EIGHT FISCAL YEARS

(accrual basis of accounting)

UNAUDITED

	Fiscal Year							
	2002 (A)	2003	2004	2005	2006	2007	2008 (B)	2009
Property Tax-General Operations	\$ 158,106,726	161,877,754	160,933,598	170,943,978	173,465,886	190,815,430	123,600,499	\$ 131,372,809
Property Tax-Debt Service	\$ 64,792,676	66,500,827	68,207,721	68,183,697	69,141,926	70,986,729	73,867,240	\$ 76,727,950

(A) GASB 34 was not implemented until the 2002 fiscal year; tax revenue on a full accrual basis of accounting is not available prior to that fiscal year.

(B) Owner occupied residential property exempt from property tax and replaced by state revenue from Homestead Exemption Fund.

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

Table 4

FUND BALANCES OF GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS

(modified accrual basis of accounting)

UNAUDITED

	Fiscal Year									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
General Fund										
Reserved	\$ 2,788,214	429,469	251,304	477,264	545,645	698,366	353,122	248,623	337,979	\$ 1,389,805
Unreserved	14,860,374	26,329,958	31,345,248	26,031,068	38,880,153	40,469,946	48,390,733	49,319,741	50,053,111	46,950,288
Total General Fund	<u>17,648,588</u>	<u>26,759,427</u>	<u>31,596,552</u>	<u>26,508,332</u>	<u>39,425,798</u>	<u>41,168,312</u>	<u>48,743,855</u>	<u>49,568,364</u>	<u>50,391,090</u>	<u>48,340,093</u>
All Other Governmental Funds										
Reserved	43,216,301	42,021,255	748,684,911 A	639,957,050	670,199,356	531,309,033	452,166,387	289,139,624	227,804,646	238,955,337
Unreserved, Reported In:										
Permanent Fund	4,028	5,162	-	-	1,452	2,225	3,772	6,493	6,509	6,081
Total All Other Governmental Funds	<u>\$ 43,220,329</u>	<u>42,026,417</u>	<u>748,684,911</u>	<u>639,957,050</u>	<u>670,200,808</u>	<u>531,311,258</u>	<u>452,170,159</u>	<u>289,146,117</u>	<u>227,811,155</u>	<u>\$238,961,418</u>

(A) Building Equity Sooner for Tomorrow (a blended component unit of the School District) issued \$800 million in installment purchase revenue bonds to begin a facility building and renovation program in 2002. There have been additional issuances totaling \$231 million. These funds have been and are continuing to be expended from 2003 through

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

UNAUDITED

	<u>2000</u>	<u>2001</u>	<u>2002</u>
Revenues			
Taxes:			
General Operations	\$ 95,516,806	110,768,632	121,064,035
Debt Service	51,217,629	54,973,777	61,758,243
Investment Earnings	5,113,039	4,844,811	6,489,080
Other Local Sources	2,649,733	2,705,538	3,339,993
State Sources	229,544,688	249,060,844	219,021,909
Federal Sources	17,870,551	20,375,470	22,285,930
Total Revenues	<u>401,912,446</u>	<u>442,729,072</u>	<u>433,959,190</u>
Expenditures			
Current:			
Instruction	193,122,310	214,649,324	227,136,956
Support Services	110,205,391	122,946,275	124,799,088
Community Services	678,739	1,264,835	880,123
Intergovernmental	272,356	375,230	1,599,993
Capital Outlay	54,743,134	94,780,239	92,997,024
Debt Service:			
Principal	88,120,000	52,050,000	148,850,000
Interest And Fiscal Charges	5,289,998	4,550,060	14,153,800
Bond Issuance Costs	-	-	-
Total Expenditures	<u>452,431,928</u>	<u>490,615,963</u>	<u>610,416,984</u>
Excess Of Revenues Over (Under) Expenditures	(50,519,482)	(47,886,891)	(176,457,794)
Other Financing Sources (Uses)			
Premium On Bonds Sold	121,176	177,840	634,872
Issuance Of General Obligation & Revenue Bonds/Anticipation Notes	12,800,000	57,000,000	889,000,000
Issuance Of Refunding Bonds	40,000,000	-	-
Payment To Refunded Debt Escrow Agent	-	-	-
Sale Of Capital Assets	2,152,922	647,485	204,084
Transfers In	17,321,863	20,306,155	211,622,574
Transfers Out	(17,667,015)	(21,556,449)	(210,734,864)
Total Other Financing Sources (Uses)	<u>54,728,946</u>	<u>56,575,031</u>	<u>890,726,666</u>
Net Change In Fund Balances	<u>\$ 4,209,464</u>	<u>8,688,140</u>	<u>714,268,872</u>
Debt Service As A Percentage Of Noncapital Expenditures	27.0%	29.6%	32.0%

(A) Interest payments began on the Building Equity Sooner for Tomorrow (a blended component unit of the School District) installment

(B) The School District began a new investment program in order to recapture negative arbitrage

(C) The first full year of expenditures for the facility building and renovation program; this program has continued through 2006

(D) The School District significantly curtailed its investment program as it had recaptured all of its negative arbitrage

(E) The State of South Carolina significantly increased its funding under the Education Finance Act

(F) The School District began reporting GO Bonds as short term obligations because they were

(G) The School District paid arbitrage rebate.

Table 5

Fiscal Year						
2003	2004	2005	2006	2007	2008	2009
123,363,565	132,866,982	137,511,156	140,311,489	156,850,268	122,943,560	\$ 131,534,209
63,357,651	65,392,038	64,578,404	65,723,525	67,544,820	73,654,936	76,893,468
11,706,106	52,976,498 (B)	71,531,509	23,774,837 (D)	26,198,441	24,767,438	34,035,535
3,510,503	4,449,173	3,463,712	8,834,933	6,172,324	6,632,139	6,088,706
216,485,437	221,038,880	237,891,798	263,409,277 (E)	278,425,406	354,717,760	334,118,108
25,624,874	31,587,390	37,823,264	36,707,154	38,630,384	40,967,428	48,064,136
<u>444,048,136</u>	<u>508,310,961</u>	<u>552,799,843</u>	<u>538,761,215</u>	<u>573,821,643</u>	<u>623,683,261</u>	<u>630,734,162</u>
232,630,243	232,973,522	250,545,686	267,715,158	287,153,756	306,917,043	315,392,403
136,800,696	144,391,649	155,147,961	166,272,431	191,020,215	208,426,118	202,123,261
637,372	695,840	809,914	865,172	653,034	760,767	615,256
2,021,349	2,149,603	3,112,121	5,084,855	6,166,743	7,714,672	9,322,163
87,538,038	142,699,503 (C)	311,925,808	229,521,995	178,597,252	88,516,892	44,166,384
91,800,000	70,000,000	6,605,000	7,190,000	10,925,000	11,795,000	13,735,000
54,622,928 (A)	52,393,244	53,829,573	55,924,188	56,339,680	57,365,584	56,694,768
-	-	2,946,550	6,515,362	6,993,682 (G)	4,431,554 (G)	-
<u>606,050,626</u>	<u>645,303,361</u>	<u>784,922,613</u>	<u>739,089,161</u>	<u>737,849,362</u>	<u>685,927,630</u>	<u>642,049,235</u>
(162,002,490)	(136,992,400)	(232,122,770)	(200,327,946)	(164,027,719)	(62,244,369)	(11,315,073)
173,900	6,645,747	18,037,521	27,340,851	-	-	853,927
47,000,000	170,765,000	68,000,000 (F)	61,615,000	-	-	15,795,000
-	-	216,905,000	574,790,000	-	-	-
-	-	(210,307,182)	(537,166,076)	-	-	-
182,291	1,885,067	1,397,395	1,081,615	596,186	560,133	2,450,412
48,243,139	106,331,888	104,805,986	99,318,224	96,908,692	140,214,120	110,937,363
(47,417,849)	(105,474,078)	(103,862,986)	(98,217,224)	(95,676,692)	(139,042,120)	(109,622,363)
<u>48,181,481</u>	<u>180,153,624</u>	<u>94,975,734</u>	<u>128,762,390</u>	<u>1,828,186</u>	<u>1,732,133</u>	<u>20,414,339</u>
<u>(113,821,009)</u>	<u>43,161,224</u>	<u>(137,147,036)</u>	<u>(71,565,556)</u>	<u>(162,199,533)</u>	<u>(60,512,236)</u>	<u>\$ 9,099,266</u>
28.3%	24.1%	13.1%	13.4%	13.1%	12.2%	11.7%

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

Table 6

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY

LAST TEN FISCAL YEARS

UNAUDITED

Fiscal Year Ended June 30	Real Property		Personal Property		Less: Tax Exempt Real Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Value Taxable Value	Assessed Value as a Percentage of Actual Value
	Residential Property	Commercial Property	Motor Vehicles	Other					
2000	\$ 327,279,890	412,737,530	217,280,725	251,978,840	-	1,209,276,985	141.6	\$ 16,790,651,885	7%
2001	345,948,410	423,751,867	237,291,184	263,345,373	-	1,270,336,834	145.6	17,570,064,912	7%
2002	274,942,488	673,426,902	234,924,368	257,442,838	-	1,440,736,596	138.9	21,815,939,649	7%
2003	232,512,541	746,038,632	222,698,054	232,998,881	-	1,434,248,108	140.1	22,255,901,024	6%
2004	239,814,296	767,061,904	215,084,028	219,759,376	-	1,441,719,604	144.1	22,746,354,881	6%
2005	229,529,506	801,957,167	211,218,809	211,340,775	-	1,454,046,257	147.8	23,248,788,963	6%
2006	224,112,893	844,316,393	202,634,992	203,838,873	-	1,474,903,151	147.9	23,919,832,768	6%
2007	245,407,593	869,745,030	207,481,653	211,364,230	-	1,533,998,506	156.4	25,025,086,120	6%
2008	658,330,850	615,958,470	203,817,054	219,575,220	-	1,697,681,594	150.7	31,861,865,607	5%
2009	\$ 697,714,940	663,753,000	192,593,941	247,069,119	-	1,801,131,000	156.7	\$ 33,728,363,931	5%

Source: Greenville County Assessor and Finance Department

Note: Property in the county was last reassessed for fiscal year 2002. Tax rates are per \$1,000 of assessed value. Beginning in fiscal year 2003, the state legislature decreased the vehicle tax assessment rate by .75% per year until the rate is lowered to 6% in fiscal year 2008.

Note: Information for Laurens and Spartanburg Counties is not included as the related property taxes applicable to the School District represents 3% of the School District's total taxes.

THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA

Table 7

PROPERTY TAX RATES DIRECT AND OVERLAPPING GOVERNMENTS

LAST TEN FISCAL YEARS

UNAUDITED

Fiscal Year Ended June 30	School District of Greenville County			Overlapping Rates											Total Direct and Overlapping Rates	
	Operating Millage	Debt		County			Greenville	Travelers		Greer	Mauldin	Simpsonville	Fountain Inn	Municipalities		Special Districts
		Service Millage	Total Millage	Operating Millage	Service Millage	Total Millage		Rest								
2000	99.1	42.5	141.6	44.9	6.0	50.9	99.9	94.9	81.9	54.5	53.2	59.2	443.6	20.6	656.7	
2001	103.1	42.5	145.6	43.9	6.7	50.6	99.9	86.9	97.9	48.7	53.2	59.2	445.8	20.7	662.7	
2002	96.4	42.5	138.9	39.8	4.8	44.6	99.9	86.9	93.9	58.8	50.7	58.4	448.6	19.6	651.7	
2003	97.6	42.5	140.1	39.8	4.8	44.6	90.9	86.9	93.9	58.5	50.7	58.4	439.3	19.8	643.8	
2004	101.6	42.5	144.1	40.8	3.8	44.6	90.9	86.9	93.9	58.5	50.7	58.4	439.3	19.7	647.7	
2005	105.3	42.5	147.8	40.8	3.8	44.6	90.9	86.9	93.9	58.5	50.7	58.4	439.3	19.7	651.4	
2006	105.4	42.5	147.9	40.8	3.8	44.6	90.9	86.9	93.9	58.5	50.7	56.4	437.3	19.7	649.5	
2007	113.9	42.5	156.4	40.8	3.8	44.6	90.9	86.9	93.9	58.5	50.7	58.4	439.3	19.7	660.0	
2008	108.2	42.5	150.7	39.5	3.5	43.0	89.9	86.9	93.1	51.7	48.6	52.9	423.1	19.7	636.5	
2009	114.2	42.5	156.7	39.5	3.5	43.0	89.9	86.9	92.8	51.7	51.5	63.9	436.7	19.7	656.1	

Source: Greenville County Finance Department

Note: Overlapping rates are those of local and county governments that apply to property owners within the School District of Greenville County. Not all overlapping rates apply to all School District of Greenville County property owners (i.e., the rates for special districts apply only to the proportion of the School District's property owners whose property is located within the geographic boundaries of the special district).

THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA

Table 8

PRINCIPAL PROPERTY TAXPAYERS

CURRENT YEAR AND NINE YEARS AGO

UNAUDITED

Taxpayer	2009			2000		
	Taxable Assessed Value (in 000's)	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value (in 000's)	Rank	Percentage of Total Taxable Assessed Value
Duke Energy Corporation	\$ 32,189	1	1.8%	\$ 27,592	1	2.2%
Bell South Telecommunications	19,733	2	1.1%	20,656	2	1.7%
Cellco Partnership/Verizon Wireless	9,700	3	0.5%	6,594	5	0.5%
Michelin North America	7,183	8	0.4%	5,412	7	0.4%
Simon Haywood LLC & Bellwether	5,066	4	0.3%			
Piedmont Natural Gas	4,604	9	0.3%	6,664	4	0.5%
Verdae Properties	4,129	7	0.2%	3,581	8	0.3%
3M Company	4,944	6	0.3%			
Cryovac Incorporated	5,217	5	0.3%	16,251	3	1.3%
Laurens Electric Co OP Inc	3,715	10	0.2%			
Charter Communications				6,054	6	0.5%
Hitachi Electronics, Inc.				3,342	9	0.3%
IBM Credit Corporation				3,602	10	0.3%
Totals	<u>\$ 96,480</u>		<u>5.3%</u>	<u>\$ 99,748</u>		<u>8.1%</u>

Source: Greenville County Finance Department

PROPERTY TAX LEVIES AND COLLECTIONS

LAST TEN FISCAL YEARS

UNAUDITED

Fiscal Year Ended June 30	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2000	\$ 171,233,624	135,842,657	79.3%	10,902,297	\$ 146,744,954	85.7%
2001	184,961,043	146,197,244	79.0%	13,181,365	159,378,609	86.2%
2002	200,118,313	171,852,409	85.9%	12,796,614	184,649,023	92.3%
2003	200,938,160	171,555,055	85.4%	15,774,774	187,329,829	93.2%
2004	207,751,795	174,511,713	84.0%	21,439,601	195,951,314	94.3%
2005	214,908,037	185,030,933	86.1%	17,882,227	202,913,160	94.4%
2006	218,138,176	183,649,258	84.2%	21,635,655	205,284,913	94.1%
2007	239,917,366	205,369,305	85.6%	19,604,528	224,973,833	93.8%
2008	184,719,855 A	160,088,711	86.7%	10,214,481	170,303,192	92.2%
2009	\$ 201,994,763	192,929,444	95.5%	-	\$ 192,929,444	95.5%

Source: Greenville County Finance Department and Greenville County Auditor

Note: The tax levies and collections represent the total county levies and collections for the School District in Greenville County only as it represents approximately 97% of the total taxes collected.

(A) Fiscal Year 2008 reflects reassessment data and tax law changes due to Act 388.

RATIOS OF OUTSTANDING DEBT BY TYPE

LAST TEN FISCAL YEARS

UNAUDITED

Fiscal Year Ended June 30	Governmental Activities		Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Installment Purchase Revenue Bonds			
2000	\$ 99,700,000	-	99,700,000	0.88%	\$ 260
2001	104,650,000	-	104,650,000	0.92%	273
2002	44,800,000	800,000,000	844,800,000	7.38%	2,185
2003	-	800,000,000	800,000,000	6.81%	2,044
2004	-	900,765,000	900,765,000	7.44%	2,292
2005	-	986,815,000	986,815,000	8.03%	2,486
2006	-	1,114,660,000	1,114,660,000	8.77%	2,736
2007	-	1,103,735,000	1,103,735,000	8.54%	2,582
2008	-	1,091,940,000	1,091,940,000	7.79%	2,492
2009	\$ 15,795,000	1,078,205,000	1,094,000,000	7.83%	\$ 2,450

Note: Details regarding the School District's outstanding debt can be found in the notes to the financial statements. See the Schedule of Demographic and Economic Statistics for personal income and population data.

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

Table 11

RATIOS OF GENERAL BONDED DEBT OUTSTANDING

LAST TEN FISCAL YEARS

UNAUDITED

Fiscal Year Ended June 30	General Obligation Bonds	Less: Amounts Available in Debt Service Funds	Total	Percentage of Estimated Actual Taxable Value of Property	Per Capita
2000	\$ 99,700,000	8,013,269	92,298,946	0.47%	\$ 241
2001	104,650,000	10,353,342	94,644,659	0.47%	247
2002	44,800,000	11,630,824	33,364,724	0.13%	86
2003	-	-	-	-	-
2004	-	-	-	-	-
2005	-	-	-	-	-
2006	-	-	-	-	-
2007	-	-	-	-	-
2008	-	-	-	-	-
2009	\$ 15,795,000	10,640,449	5,154,551	0.02%	\$ 12

Note: Details regarding the School District's outstanding debt can be found in the notes to the financial statements. See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property for property value data. See the Schedule of Demographic and Economic Statistics for population data.

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

Table 12

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

AS OF JUNE 30, 2009

UNAUDITED

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
School District:			
Greenville County	\$ 1,094,000,000	100.00%	\$ 1,094,000,000
Cities:			
Fountain Inn	1,080,000	100.00%	1,080,000
Greenville	13,005,000	100.00%	13,005,000
Greer	4,576,500	100.00%	4,576,500
Mauldin	4,855,000	100.00%	4,855,000
Simpsonville	3,605,000	100.00%	3,605,000
Travelers Rest	-	100.00%	-
Total cities	<u>27,121,500</u>		<u>27,121,500</u>
Special purpose districts:			
Berea Public Service District	1,830,000	100.00%	1,830,000
Boiling Springs Fire District	388,486	100.00%	388,486
ClearSpring (East Simpsonville) Fire District	990,000	100.00%	990,000
Fountain Inn Fire Service Area	1,735,000	100.00%	1,735,000
Gantt Fire, Sewer & Police District	1,640,447	100.00%	1,640,447
Glassy Mountain Fire District	1,690,000	100.00%	1,690,000
Greenville Memorial Auditorium District	8,125,000	100.00%	8,125,000
Recreation District	1,704,315	100.00%	1,704,315
South Greenville Fire & Sewer District	1,318,000	100.00%	1,318,000
Taylor's Fire & Sewer District	641,438	100.00%	641,438
Tigerville Fire District	180,069	100.00%	180,069
Total special purpose districts	<u>20,242,755</u>		<u>20,242,755</u>
Greenville County	<u>\$ 72,150,000</u>	100.00%	<u>72,150,000</u>
Total direct and overlapping debt			<u>\$ 1,213,514,255</u>

Source: Greenville County Treasurer, Greenville County Finance Dept. and surrounding Municipalities

Note: School District debt includes BEST debt which is serviced by general obligation bonds issued by the District on an annual basis.

LEGAL DEBT MARGIN INFORMATION

LAST TEN FISCAL YEARS

UNAUDITED

	Fiscal Year									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Debt Limit	\$ 103,019,818	108,099,570	126,361,628	125,697,469	128,051,122	130,327,433	132,627,438	136,517,805	150,400,821	\$ 157,179,210
Total Net Debt Applicable To Limit	99,700,000	104,650,000	44,800,000	-	-	-	-	-	-	15,795,000
Legal Debt Margin	<u>\$ 3,319,818</u>	<u>3,449,570</u>	<u>81,561,628</u>	<u>125,697,469</u>	<u>128,051,122</u>	<u>130,327,433</u>	<u>132,627,438</u>	<u>136,517,805</u>	<u>150,400,821</u>	<u>\$ 141,384,210</u>
Total Net Debt Applicable To Limit As A Percentage Of Debt Limit	96.8%	96.8%	35.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	10.0%

Legal Debt Margin Calculation For Fiscal Year 2009

Total Assessed Value	<u>\$ 1,964,740,126</u>
Debt Limit-8 Percent Of Total Assessed Value	<u>157,179,210</u>
Amount Of Debt Applicable To Debt Limit:	
Total Bonded Debt	<u>15,795,000</u>
Legal Debt Margin	<u>\$ 141,384,210</u>

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

Table 14

DEMOGRAPHIC AND ECONOMIC STATISTICS - LAST TEN FISCAL YEARS

LAST TEN FISCAL YEARS

UNAUDITED

Fiscal Year Ended June 30	(1) Population	(2) Personal Income (in 000's)	(2) Personal Income by Population	(4) Median Age	(5) Education Level in Years of Formal Schooling	(6) School Enrollment	(3) Unemployment Rate
2000	381,090	\$ 11,270,419	\$ 29,574	35.5	13.3	58,634	2.6%
2001	386,183	11,323,698	29,322	35.8	13.5	60,445	3.3%
2002	390,611	11,439,867	29,287	36.1	13.7	60,533	4.6%
2003	394,511	11,748,880	29,781	36.3	13.8	61,429	4.5%
2004	399,649	12,109,902	30,301	36.5	13.9	62,411	4.5%
2005	405,820	12,287,150	30,277	36.7	14.1	63,240	5.4%
2006	415,675	13,091,423	31,494	36.9	14.2	64,992	5.6%
2007	427,428	13,936,265	32,605	36.9	14.3	66,682	4.8%
2008	438,119	14,019,808	32,000	37.4	14.3	67,927	5.2%
2009	446,575	\$ 13,975,000	\$ 31,294	37.0	14.3	68,453	10.4%

Data Sources:

- (1) 2000 Population figure provided by US Bureau of Census, Census of Population. Other years are estimates provided by the Greenville County Planning Commission
- (2) Personal income for 2007 and 2008 are estimates based on historical data. The 2007 information will not be released until April 2009. All remaining years are revised estimates provided by the US Department of Commerce, Bureau of Economic Analysis.
- (3) Unemployment rates provided by the SC Employment Security Commission
- (4) Median age for 2000 through 2004 provided by Population Estimates Program, US Bureau of the Census. Remaining years are estimates.
- (5) Education level in years of formal schooling for 2000 provided by US Census Bureau, Census of Population and Housing. Remaining years are estimates.
- (6) Based on 135-day average daily membership.

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

Table 15

PRINCIPAL EMPLOYERS

CURRENT YEAR AND NINE YEARS AGO

UNAUDITED

Employer	2009			2000		
	Number of Employees	Rank	Percentage of Total County Employment	Number of Employees	Rank	Percentage of Total County Employment
The School District of Greenville County	8,486	1	3.8%	7,478	1	3.3%
Greenville Hospital System	7,207	2	3.2%	6,334	2	3.1%
Michelin North America	4,000	3	1.8%	1,900	7	0.6%
General Electric Co.	3,100	5	1.4%	2,600	4	1.1%
Fluor Corporation	2,700	4	1.2%	1,700	8	1.3%
State of South Carolina	2,524	6	1.1%	2,593	5	1.3%
St. Francis Hospital	2,400	7	1.1%	2,510	6	0
Bob Jones University	1,795	8	0.8%	-	-	-
Greenville County	1,627	9	0.7%	1,650	10	0
Cryovac, Inc.	1,400	10	0.6%	1,650	9	0.9%
Bi-Lo	-	-	-	4,778	3	1.4%
Totals	35,239		15.6%	33,193		14.9%

Source: South Carolina Department of Commerce and South Carolina Appalachian Council of Governments

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

Table 16

FULL-TIME EQUIVALENT SCHOOL DISTRICT EMPLOYEES BY FUNCTION

LAST TEN FISCAL YEARS

UNAUDITED

Function	Fiscal Year									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Directors/Consultants/Coordinators/Administrators	168	224	148	212	214	220	330	289	323	304
Principals	93	92	92	91	92	92	82	84	87	85
Assistant Principals	94	95	101	92	92	106	105	116	122	107
Nurses/LPNs	93	77	89	80	78	80	84	90	109	120
Secretaries/Clerical	493	480	486	490	492	495	468	490	502	495
Teachers	3,402	3,469	3,954	3,699	3,806	4,005	3,945	4,359	4,418	4,405
Aides	526	570	605	616	605	629	758	801	779	760
Food Service	447	458	584	507	508	515	506	589	615	620
Custodians	317	300	457	451	470	490	523	577	596	630
Guidance Counselors	132	127	139	134	129	135	135	160	165	157
Librarians	98	94	99	91	90	93	88	102	98	99
Maintenance	98	172	182	98	100	103	125	122	122	118
School Bus Drivers	292	235	317	317	357	360	333	369	402	427
Others	57	254	225	118	84	90	156	147	149	144
Total Full-Time Equivalents	6,310	6,647	7,478	6,996	7,117	7,413	7,638	8,295	8,486	8,471

Source: School District of Greenville County - Human Resources

THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA

Table 17

OPERATING INDICATORS BY FUNCTION

LAST TEN FISCAL YEARS

UNAUDITED

Fiscal Year Ended June 30	Pupil Enrollment	Modified Accrual Basis of Accounting			Teaching Staff	Pupil/ Teacher Ratio	Percentage of Students Receiving Free or Reduced Meals	Statewide Minimum Teacher Salary (B)	Statewide Maximum Teacher Salary (B)	Statewide Average Salary	Greenville Average Salary
		Operating Expenditures	Cost per Pupil	Percentage Change							
2000	58,634	\$ 304,278,796	5,189	4.8%	4,039	14.5	26.6%	23,312	48,637	36,081	(A)
2001	60,445	339,235,664	5,612	8.2%	3,690	16.4	28.6%	24,255	51,623	37,938	\$ 38,140
2002	60,533	354,416,160	5,855	4.3%	4,192	14.4	30.7%	25,184	53,600	39,923	39,742
2003	61,429	372,089,660	6,057	3.5%	4,025	15.3	30.8%	25,184	53,600	40,362	40,358
2004	62,411	380,210,614	6,092	0.6%	4,025	15.5	33.2%	25,349	53,950	41,162	41,142
2005	63,240	409,615,682	6,477	6.3%	4,233	14.9	35.2%	25,665	54,624	42,189	42,098
2006	64,992	439,937,616	6,769	4.5%	4,168	15.6	42.0%	26,289	55,951	43,011	42,866
2007	66,682	484,993,748	7,273	7.4%	4,359	15.3	41.0%	26,975	57,412	44,123	43,000
2008	67,927	523,818,600	7,711	6.0%	4,418	15.4	42.0%	27,869	59,312	45,728	44,593
2009	68,453	\$ 527,453,083	7,705	-0.1%	4,405	15.5	44.0%	28,943	61,599	47,304	\$ 46,310

Sources: Greenville County Schools Attendance Reports
Greenville County Schools CAFRs

Note: Operating expenditures are total expenditures in the governmental funds less debt service and capital outlay.
Teaching staff includes librarians and guidance counselors.

(A) This information is not available

(B) Statewide minimum and maximum teacher salary based on EFA required minimum and EIA supplement published by the SC State Dept. of Education.

CAPITAL ASSETS INFORMATION

LAST EIGHT FISCAL YEARS

UNAUDITED

Schools	Fiscal Year							
	2002	2003	2004	2005	2006	2007	2008	2009
Elementary								
Buildings	51	48	50	50	51	48	49	49
Square Feet	3,385,838	3,511,078	3,967,547	3,995,689	4,459,687	4,456,885	4,644,288	4,651,424
Capacity	31,100	32,363	35,539	35,884	37,842	37,930	40,130	40,480
Enrollment	29,900	29,963	30,407	30,835	31,925	33,023	33,902	34,050
Middle								
Buildings	18	18	18	16	17	17	18	18
Square Feet	2,145,837	2,145,837	2,145,837	1,915,389	1,974,019	2,093,668	2,292,264	2,292,888
Capacity	15,445	15,445	15,445	14,195	14,760	15,197	16,820	16,820
Enrollment	14,269	14,721	14,846	15,013	15,158	15,228	15,056	15,140
High								
Buildings	14	14	14	14	16	16	14	14
Square Feet	2,273,241	2,479,338	2,479,338	2,479,338	2,867,114	3,688,436	3,448,208	3,454,114
Capacity	15,938	17,113	17,113	17,113	21,394	24,348	22,064	22,064
Enrollment	16,364	16,745	17,158	17,392	17,909	18,431	18,969	19,263
Other								
Buildings	13	13	13	14	14	15	15	16
Square Feet	611,961	611,961	634,329	645,964	678,154	771,874	771,874	817,874

Sources: Various School District of Greenville County departments

Note: Information prior to 2002 is not readily available

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2009

LEA Subfund Code	Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass Through Grantor's Number	Federal Expenditures
<u>US DEPARTMENT OF AGRICULTURE</u>				
Pass-through State Department of Education:				
6000	Food Distribution	10.555	N/A	\$ 1,903,565
6000	National School Breakfast Program	10.553	N/A	3,308,275
6000	National School Lunch Program	10.555	N/A	11,906,000
TOTAL US DEPARTMENT OF AGRICULTURE				<u>17,117,840</u>
<u>US DEPARTMENT OF EDUCATION</u>				
Direct Programs:				
2740	Readiness and Emergency Management for Schools (REMS)	84.184E	Q184E070126	236,624
8055	Teen LEAD	84.215	09-FL-040-01	12,187
8056	Teen LEAD Control Site	84.215	09-FL-040-02	4,557
8057	Teen LEAD Supplemental	84.215	09-FL-040-02	3,151
8057	Teen LEAD Supplemental	84.215	09-FL-040-04	990
Total Direct Programs				<u>257,509</u>
Passed Through SC State Department of Education:				
<u>Title I:</u>				
2010	Title I - Low Income	84.010	09-BA-040	2,436,537
2020	Title I - Low Income	84.010	09-BA-040	16,908,943
2218	Title I - N&D	84.013	09-ND-040	24,978
2370	Title I - School Improvement	84.100	09-BJ-040	409,657
2655	Title I - School Improvement	84.010	09-BJ-040	87,361
Total 84.010				<u>19,867,476</u>
2414	Title V	84.298A	09-BB-040	115,129
<u>IDEA:</u>				
2031/34	Public Law 101-476 - The Individuals with Disabilities Act	84.027	09-CA-040	16,250,908
2152	IDEA ARRA 611	84.391A	09-SC-040-01	5,189,885
Total IDEA				<u>21,440,793</u>
<u>Preschool Handicapped:</u>				
2050/51	Handicapped Preschool Grant	84.173	09-CG-040	467,371
<u>Title II:</u>				
2670/2675	Title II - Improving Teacher Quality, Reduce Class Size	84.367A	09-TQ-040-01	2,241,845
<u>Drug Free:</u>				
2090	Drug and Violence Prevention Program	84.186	09-FQ-040	262,654
<u>Adult Education:</u>				
2430	Adult Regular	84.002	09-EA-040	347,068
2434	English Literacy	84.002A	09-EA-040	10,000
Total 84.002				<u>\$ 357,068</u>

(Continued)

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2009

LEA Subfund Code	Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass Through Grantor's Number	Federal Expenditures
<u>US DEPARTMENT OF EDUCATION (CONTINUED)</u>				
<u>Occupational Education:</u>				
2070	WBL Activities	84.048	09-VA-040	\$ 129,018
2070	Technology Training	84.048	09-VA-040	9,387
2070	Automobile Technology	84.048	09-VA-040	2,590
2070	Local Administration	84.048	09-VA-040	35,477
2070	Special Populations	84.048	09-VA-040	20,732
2070	Career Guidance	84.048	09-VA-040	228,084
2070	Student Organizations	84.048	09-VA-040	70,924
2070	Equipment	84.048	09-VA-040	450,577
2070	Initiate and Improve Program	84.048	09-VA-040	92,733
2070	State Leadership - Special	84.048	09-VA-040	5,000
2070	Professional Development	84.048	09-VA-040	26,428
2076	CTE Reserve - Biomedical Science	84.048A	09-VA-040-23	11,850
2079	CTE Reserve - Machatronics	84.048A	09-VA-040-23	25,000
207A	CTE Reserve - Animation Academy	84.048A	09-VA-040-23	5,812
207B	CTE Reserve - Biomedical 2	84.048A	09-VA-040-23	1,735
		Total 84.048		<u>1,115,347</u>
<u>Other Special Programs:</u>				
8058	McKinney - Vento Homeless Grant	84.196A	09-FH-040	40,000
2426	Even Start - Family Literacy	84.213C	09-EK-040	150,000
2915	Goals 2000 Parental Assistance	84.310	N/A	102,903
2532	Ed Tech Formula Grant	84.318	09-ET-040	119,006
2640	Title III - English Language Acquisition	84.655A	09-BP-040	798,693
	Total Passed Through SC State Department of Education			<u>47,078,285</u>
TOTAL US DEPARTMENT OF EDUCATION				<u>47,335,794</u>
<u>US DEPARTMENT OF LABOR</u>				
Passed Through SC State Department of Commerce or other agency:				
2925	Woodmont High School Jobs for SC Graduates	17.259	8JAG0114	58,425
2031	WIA Summer Program	17.259	09-SW-040-01	8,739
TOTAL US DEPARTMENT OF LABOR				<u>67,164</u>
<u>US DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>				
Passed Through State Health & Human Services Finance Commission:				
2715	Child Development (Overbrook CDC)	13.667	N/A	189,286
	Total Passed Through State Health & Human Services Finance Commission			<u>189,286</u>
TOTAL US DEPARTMENT OF HEALTH AND HUMAN SERVICES				<u>\$ 189,286</u>

(Continued)

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2009

LEA Subfund Code	Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass Through Grantor's Number	Federal Expenditures
<u>US DEPARTMENT OF DEFENSE</u>				
	Direct Programs:			
2904	Army ROTC	12.000	N/A	\$ 90,597
2900	Navy ROTC	12.000	N/A	57,090
2902	Air Force ROTC	12.000	N/A	308,683
	TOTAL US DEPARTMENT OF DEFENSE			<u>456,370</u>
<u>COMPONENT UNITS/CHARTER SCHOOLS</u>				
	Passed Through SC State Department of Education:			
	Meyer Center for Special Children:			
2051	Preschool Grant	84.173	09-CG-040	15,522
	Total Passed Through SC State Department of Education			<u>15,522</u>
	TOTAL COMPONENT UNITS/CHARTER SCHOOLS			<u>15,522</u>
	TOTAL FEDERAL ASSISTANCE EXPENDED			<u>\$ 65,181,976</u>

See accompanying notes to the schedule of expenditures of federal awards.

(Continued)

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2009

A – General

The accompanying Schedule of Expenditures of Federal Awards (the “Schedule”) presents the activity of all federal award programs of the School District of Greenville County, South Carolina (the “School District”) for the year ended June 30, 2009. All federal awards received directly from the federal agencies, as well as those passed through other government agencies, are included on the Schedule.

B – Basis of Accounting

The accompanying Schedule is presented using the modified accrual basis of accounting.

C – Relationship to Financial Statements

Federal award expenditures are reported in the School District’s financial statements as expenditures in the Special Revenue Fund and operating expenses in the Enterprise Fund.

D – Relationship to Federal Financial Reports

Amounts reported in the accompanying Schedule agree with the amounts reported in the related federal financial reports except for timing differences relating to expenditures made subsequent to the filing of the federal financial reports.

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

The Board of Trustees
The School District of Greenville County
Greenville, South Carolina

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of The School District of Greenville County, South Carolina (the “School District”), as of and for the year ended June 30, 2009, which collectively comprise the School District’s basic financial statements and have issued our report thereon dated October 22, 2009. Our report was modified to include a reference to other auditors. 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. Other auditors audited the basic financial statements of the discretely presented component units, as described in our report on the School District’s basic financial statements. This report does not include the results of the other auditors’ testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors. The financial statements of certain discretely presented component units were not audited in accordance with *Government Auditing Standards*.

Internal Control Over Financial Reporting

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School District’s basic 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 basic financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we have reported to management of the School District in a separate letter dated October 22, 2009.

This report is intended solely for the information and use of management, the Board of Trustees, others within the entity, the South Carolina Department of Education, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Greene, Finney & Horton LLP

Greene, Finney & Horton, LLP
Mauldin, South Carolina
October 22, 2009

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

The Board of Trustees
The School District of Greenville County
Greenville, South Carolina

Compliance

We have audited the compliance of The School District of Greenville County, South Carolina (the “School District”) with the types of compliance requirements described in the US 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, 2009. The School District’s major federal programs are identified in the summary of auditors’ 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 School District’s management. Our responsibility is to express an opinion on the School District’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 School District’s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the School District’s compliance with those requirements.

In our opinion, the School District complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2009.

Internal Control Over Compliance

The management of the School District 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 School District’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 School District’s internal control over compliance.

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

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

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

This report is intended solely for the information and use of management, the Board of Trustees, others within the entity, the South Carolina Department of Education, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Greene, Finney & Horton LLP

Greene, Finney & Horton, LLP
Mauldin, South Carolina
October 22, 2009

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

YEAR ENDED JUNE 30, 2009

There were no audit findings in the prior year.

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2009

Section I - Summary of Auditors' Results

Financial Statements

Type of auditors' report issued: Unqualified

Internal control over financial reporting:

Material weakness(es) identified?	_____ Yes	_____ <u>X</u> No
Significant deficiencies identified that are not considered to be material weaknesses?	_____ Yes	_____ <u>X</u> None Reported
Noncompliance material to financial statements noted?	_____ Yes	_____ <u>X</u> No

Federal Awards

Internal control over major programs:

Material weakness(es) identified?	_____ Yes	_____ <u>X</u> No
Significant deficiencies identified that are not considered to be material weaknesses?	_____ Yes	_____ <u>X</u> None Reported

Type of auditors' report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133?	_____ Yes	_____ <u>X</u> No
--	-----------	-------------------

Identification of major programs:

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
84.027, 84.173	IDEA cluster, including Handicapped Preschool
84.391A	IDEA ARRA program
84.367A	Title II: Improving Teacher Quality / Reduce Class Size

Dollar threshold used to distinguish between type A and type B programs: \$ 1,955,459

Auditee qualified as low-risk auditee?	_____ <u>X</u> Yes	_____ No
--	--------------------	----------

Section II - Findings - Financial Statements Audit

No matters were reported.

Section III--Federal Awards Findings and Questioned Costs

No matters were reported.



301 Camperdown Way • P.O. Box 2848
Greenville, South Carolina 29602
864.355.3100 • greenville.k12.sc.us
Dr. Phinnize J. Fisher
Superintendent