

The School District of Greenville County ★ Greenville, South Carolina

Comprehensive Annual Financial Report

For the Year Ended June 30, 2008



 GREENVILLE COUNTY
SCHOOLS
Where enlightening strikes

Dr. Phinnize J. Fisher, Superintendent ★ 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, 2008

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**

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THE SCHOOL

DISTRICT OF GREENVILLE COUNTY

BOARD OF TRUSTEES JUNE 30, 2008



Seated left to right:

Leola Robinson-Simpson, Lynda Leventis-Wells, Tommie Reece, Megan E. Hickerson, Pat Sudduth.

Standing left to right:

Dan Moravec, Roger Meek, Debi Bush, Chuck Saylor, Keith Ray II, D.Min, Danna Edwards, Dr. Grady Butler.



THE SCHOOL DISTRICT OF GREENVILLE COUNTY

ADMINISTRATIVE STAFF

SuperintendentDr. Phinnize J. Fisher

Deputy Superintendent of SchoolsDr. Gigi Outz

Deputy Superintendent for OperationsMr. Burke Royster

Associate Superintendent for Student Performance Dr. Kathy Howard

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

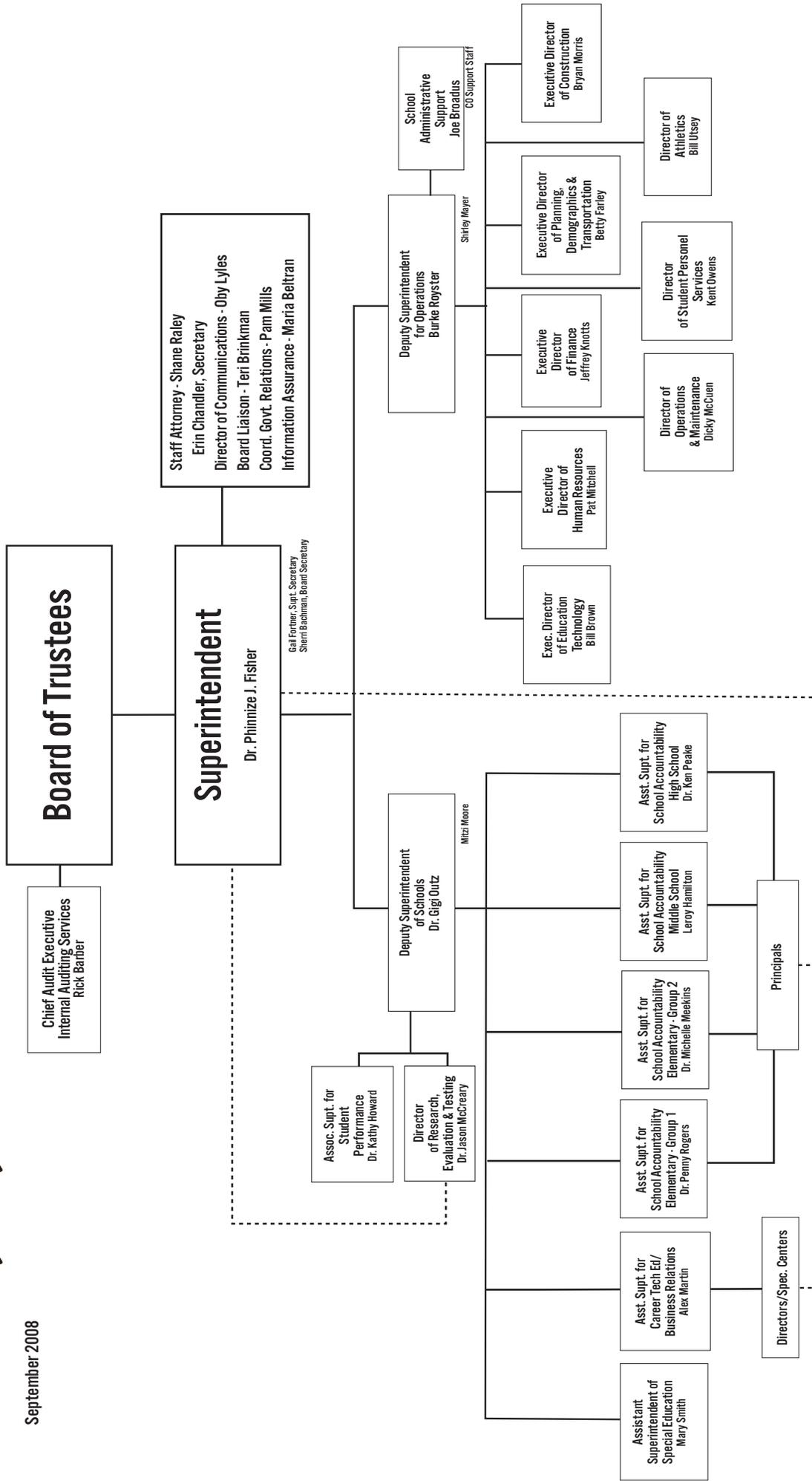
Education Technology – Acting.....Mr. Bill Brown

FinanceMr. Jeff Knotts

Human ResourcesMr. Pat Mitchell

Planning, Demographics & TransportationMrs. Betty Farley

Board LiaisonMrs. Terri Brinkman



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



October 22, 2008

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, 2008. 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, 2008 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, 2008 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.

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 67,900 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. All 82 of our K-12 schools and four career centers are accredited by the South Carolina Department of Education and the Southern Association of Colleges and Schools.

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 82 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, fine arts and year-round education.

In addition, Brashier Middle College Charter High School, Fuller Normal Advanced Technology Charter School, Greenville Technical Charter High 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, Kyocera, 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. For the 2008 year, Greenville County continued with development in the upstate region announcing capital investment of \$105,515,000 and creation of 869 new jobs. The unemployment rate in the county for June 2008 was 5.2% which is below the statewide rate of 5.8%.

Announced 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. In 2007, Cytec Industries, Inc., a manufacturer of carbon fibers for aerospace and high-performance manufacturers announced capital investment of \$150 million. In 2008, announced growth includes REMA USA, a specialty manufacturing company, Deltex, a medical equipment manufacturer, and Innegrity, a manufacturer of high performance fibers.

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 4.07%. The amount of interest earned for the general fund was \$2,982,500.

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 and 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 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. Benefit 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, 2007. This was the twenty first 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.

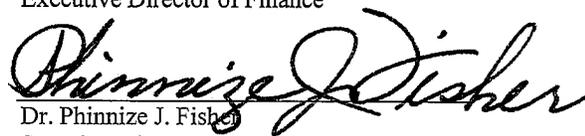
In addition, the School District was also awarded The Association of School Business Officials International Certificate of Excellence in Financial Reporting for its comprehensive annual financial report for the fiscal year ended June 30, 2007. This award is the highest form of recognition in school 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 whose 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

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

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, 2007

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.



Oliver S. Cox

President

Jeffrey R. Emmer

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, 2007

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

Thome E. Brendel

President

John D. Quasar

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, 2008, 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 of \$8,462,437 as of June 30, 2008 and total revenues of \$9,768,507 for the year ended June 30, 2008. 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, 2008, and the respective changes in financial position and, where applicable, cash flows 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, 2008 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
October 22, 2008

The School District of Greenville County

Management's Discussion and Analysis

For the Fiscal Year Ended June 30, 2008

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, 2008. 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 2008 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 \$554.7 million. Of this amount, \$57.6 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 increased by \$49 million (4%) during the current fiscal year. The key factor for this increase was the School District's continuation of the building program that developed from the Long Range Facilities Plan designed and implemented in 1993.
- The total long term obligations of \$1.086 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 98% 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 \$3.3 million (\$4.1 million from governmental activities, partially offset by \$0.8 million decrease from business type activities). Total revenues of \$654 million exceeded total expenses (including depreciation of \$36 million) of \$651 million.
- As of the close of the current fiscal year, the School District's governmental funds reported combined ending fund balances of \$278 million, a decrease of \$61 million in comparison with the prior year. This is attributable to activity in several funds. The General Fund – fund balance increased by \$0.8 million. The Debt Service – District fund balance decreased by a planned \$3.0 million, due to the payment of short-term debt. The Debt Service – BEST fund balance decreased by \$8.5 million due to payment of BEST Bonds. The fund balance in the Capital Projects – District fund decreased by \$34.1 million, due to capital project activities. Lastly, the Capital Projects – BEST fund balance decreased by \$15.7 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 \$50.1 million (11.8% of 2008 actual expenditures). The undesignated fund balance was \$6.9 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

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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

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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

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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 \$554.7 million at the close of the most recent fiscal year.

A summary of the School District's net assets for 2008 compared to 2007 is presented below:

The School District of Greenville County							
Net Assets							
	Governmental Activities		Business-Type Activities		Total		
	2008	2007	2008	2007	2008	2007	
Assets							
Current and Other Assets	\$ 381,689,664	454,436,809	8,456,956	9,617,688	390,146,620	\$ 464,054,497	
Capital Assets	1,338,745,587	1,289,949,661	6,847,163	6,413,141	1,345,592,750	1,296,362,802	
Total assets	<u>1,720,435,251</u>	<u>1,744,386,470</u>	<u>15,304,119</u>	<u>16,030,829</u>	<u>1,735,739,370</u>	<u>1,760,417,299</u>	
Liabilities							
Other liabilities	94,944,421	107,083,787	263,371	230,792	95,207,792	107,314,579	
Non-Current Liabilities	1,085,844,065	1,101,736,549	-	-	1,085,844,065	1,101,736,549	
Total Liabilities	<u>1,180,788,486</u>	<u>1,208,820,336</u>	<u>263,371</u>	<u>230,792</u>	<u>1,181,051,857</u>	<u>1,209,051,128</u>	
Net Assets							
Invested in Capital Assets,							
Net of Related Debt	486,203,030	480,631,114	6,847,163	6,413,141	493,050,193	487,044,255	
Restricted	4,027,946	6,810,678	-	-	4,027,946	6,810,678	
Unrestricted	49,415,789	48,124,342	8,193,585	9,386,896	57,609,374	57,511,238	
Total Net Assets	<u>\$ 539,646,765</u>	<u>535,566,134</u>	<u>15,040,748</u>	<u>15,800,037</u>	<u>554,687,513</u>	<u>\$ 551,366,171</u>	

Governmental Activities. Current and Other Assets decreased by \$73 million, due to lower cash and investments as the funds were expended on capital assets. Capital Assets increased by \$49 million as the School District continued its building program. Other Liabilities decreased by \$12 million, due primarily to lower amounts payable to contractors for the building program. Non-Current Liabilities decreased by \$16 million due to \$11 million in principal payments on outstanding bonds, combined with a payment of approximately \$4 million to the United States Treasury for arbitrage related to the BEST Series 2003 bonds. The Net Assets of the School District's governmental activities increased to \$539.6 million from \$535.6 million (an increase of \$4.0 million or 0.7%), 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, increased \$1.3 million from \$48.1 million at June 30, 2007 to \$49.4 million at June 30, 2008.

Business Type Activities. The Net Assets of business-type activities decreased \$0.8 million (5%) from \$15.8 million at June 30, 2007 to \$15.0 million at June 30, 2008. The \$2.1 million in net operational loss, due to the rise in cost of commodities, was partially offset by \$1.3 million in contributed capital.

The School District of Greenville County

Management's Discussion and Analysis

For the Fiscal Year Ended June 30, 2008

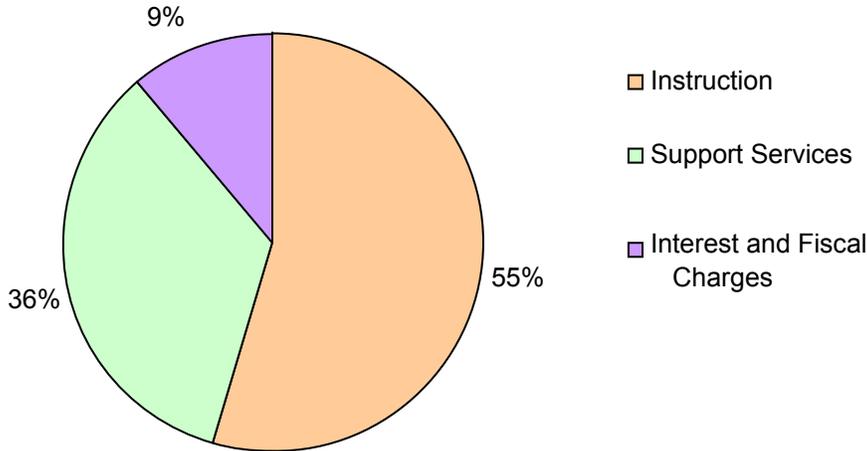
The following table shows the changes in net assets for the Primary Government for fiscal year 2008 compared to 2007.

The School District of Greenville County Changes in Net Assets						
	Governmental Activities		Business-Type Activities		Total	
	2008	2007	2008	2007	2008	2007
Revenues						
Program Revenues:						
Charges for Services	\$ 4,021,703	4,216,767	12,974,062	12,579,502	16,995,765	\$ 16,796,269
Operating Grants	315,883,558	279,953,292	15,340,136	13,945,698	331,223,694	293,898,990
Capital Grants	1,330,064	1,097,947	1,256,397	1,602,261	2,586,461	2,700,208
General Revenue:						
Property Taxes	197,467,739	224,288,509	-	-	197,467,739	224,288,509
State Revenue in Lieu of Taxes	80,486,671	37,513,650	-	-	80,486,671	37,513,650
Grants and Entitlements	229,075	266,183	-	-	229,075	266,183
Other	25,058,140	27,351,120	-	-	25,058,140	27,351,120
Total Revenues	624,476,950	574,687,468	29,570,595	28,127,461	654,047,545	602,814,929
Program Expenses						
Instruction	338,942,590	317,433,608	-	-	338,942,590	317,433,608
Support Services	223,459,573	204,454,373	-	-	223,459,573	204,454,373
Community Services	765,487	653,033	-	-	765,487	653,033
Interest and Other Charges	58,400,669	61,697,569	-	-	58,400,669	61,697,569
Food Service	-	-	29,157,884	25,510,774	29,157,884	25,510,774
Total Expenses	621,568,319	584,238,583	29,157,884	25,510,774	650,726,203	609,749,357
Excess/(Deficiency)						
Before Transfer	2,908,631	(9,551,115)	412,711	2,616,687	3,321,342	(6,934,428)
Transfers(Food Service)	1,172,000	1,232,000	(1,172,000)	(1,232,000)	-	-
Increase in Net Assets	4,080,631	(8,319,115)	(759,289)	1,384,687	3,321,342	(6,934,428)
Net Assets, Beginning of Year	535,566,134	543,885,249	15,800,037	14,415,350	551,366,171	558,300,599
Net Assets, End of Year	\$ 539,646,765	535,566,134	15,040,748	15,800,037	554,687,513	\$ 551,366,171

Changes in Net Assets. Overall, the School District's financial condition improved in fiscal 2008, as revenues exceeded expenditures (including depreciation of \$36 million) by \$3.3 million. Operating and capital grants increased \$37 million to \$334 million for the year ended June 30, 2008. This increase is attributable to an \$18.5 million increase in State revenue due to the increase of the Education Finance Act (EFA) base student cost allocation from \$2,367 to \$2,476 for FY 08, an additional \$5.3 million in fringe benefits to help fund the increased cost of benefits, and an increase in Special Revenue of \$11.8 million.

Instruction and support expenses increased \$22 million and \$19 million, respectively, to \$339 million and \$223 million. The instruction expenditure increases are due to the following actions in the FY 08 General Fund Budget: the hiring of 66 teachers to provide the additional teachers for the increase in student enrollment of 1,352; one additional math / reading support teacher for the sixth grade in the 17 middle schools; additional funds for the high school band program; funding for course enhancements at the four Career Centers; an increase in the teacher salary and fringe benefits; funding for high school programs targeted toward improving the graduation rate. The increase of expenditures in the support category reflect pay raises for all non-teachers, utility, gas cost and insurance premium increases, additional maintenance costs due to increase in school square footage and a preventive maintenance program. Also, depreciation expense, which is included in instruction and support expenses, increased \$5 million to \$36 million due to the completion of several new facilities that were placed in service in the last year.

**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, 2008, the School District's governmental funds reported a *combined* fund balance of \$278,202,245, as compared to \$338,714,481 for the prior year. This decrease is attributable primarily to continued activity in the District's and BEST's construction programs.

At June 30, 2008, the School District's reserved fund balance for all governmental funds was \$228,142,625, including capital projects of \$68,410,623, debt service of \$159,259,499 and other items such as Endowments, Inventories and Prepaid Items totaling \$472,503. 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 \$50,059,620, consisting of designations for the School District's Fund Balance Policy of \$37,610,000, the Software Replacement Project of \$3,167,754 and other designations totaling \$2,396,114. The unreserved, undesignated fund balance was \$6,885,752 at June 30, 2008.

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 \$6,879,243, while the total fund balance for the general fund was \$50,391,090.

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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 is \$7,584,922, all of which is reserved for the payment of debt service. The fund balance decreased by \$2,998,063 during fiscal 2008. The Administration had planned for a \$2.6 million decrease in the fund balance using the fund balance to retire all three FY 08 General Obligation bond issues. The fund balance at the end of fiscal 2007 was \$10.6 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 \$151,674,577 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 \$8,490,194 during fiscal 2008 due primarily to the District's decision to use a portion of accumulated fund balance to make the required 2008 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 decreased by \$34,121,081 during fiscal 2008 to \$44,050,359 at June 30, 2008, due primarily to construction-related expenditures. The BEST Capital Projects Fund has a June 30, 2008 fund balance of \$24,360,264 and all is reserved for capital expenditures during the building program. The fund balance decreased by \$15,726,678 due primarily 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 \$759,289 during fiscal 2008, which included operational losses of \$2,015,686, partially offset by \$1,256,397 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 2008 are as follows:

The hiring of 66 teachers to provide the additional teachers for the increase in student enrollment of 1,352; one additional math / reading support teacher for the sixth grade in the 17 middle schools; an increase in the local portion of the teacher salary schedule to continue to attract quality teachers; additional funds of \$430,000 for the high school band program; \$275,000 to fund course enhancements at the four Career Centers; \$428,000 to fund high school programs targeted toward improving the graduation rate. The District budgeted an additional \$2.2 million to continue the funding of the enterprise resource planning project. An additional \$9 million was budgeted for utility increases due to rate and square footage increases, additional custodial supplies due to square footage increases, additional maintenance costs due to the preventive maintenance program and a salary increase for non-teaching personnel. The budgeted increases in state-mandated costs were \$16.4 million which included \$3 million for "teacher steps", \$6.2 million for a 3.31% increase in the teacher salary schedule, \$4.5 million for the District portion of the employees retirement and health premiums and \$2.7 million in additional funding for charter schools.

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CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of 2008, 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 \$86 million, partially offset by depreciation expense of approximately \$36 million. As facility construction is a major component of capital assets, following are highlights from the fiscal year 2008 (note that a significant portion of the total costs were incurred in prior years):

- ✓ 1 Elementary School - renovations were completed for \$5.2 million
- ✓ 4 new Middle Schools completed and occupied for \$71.7 million
- ✓ 2 new High Schools completed and occupied for \$81.5 million
- ✓ Renovations of the Central Office and the Warehouse were completed for \$5.4 million

Total outstanding commitments at June 30, 2008 were approximately \$16 million, including the BEST projects and the new ERP software system.

The following table shows fiscal 2008 capital asset balances compared to fiscal 2007:

The School District of Greenville						
Capital Assets at June 30						
(Net of Depreciation)						
	Government Activities		Business-Type Activities		Total	
	2008	2007	2008	2007	2008	2007
Land	\$ 39,362,062	39,335,267	-	-	39,362,062	\$ 39,335,267
Building, Improvements and Equipment	1,233,520,341	1,086,657,794	6,847,163	6,413,141	1,240,367,504	1,093,070,935
Construction in Progress	65,863,184	163,956,600	-	-	65,863,184	163,956,600
Totals	<u>\$ 1,338,745,587</u>	<u>1,289,949,661</u>	<u>6,847,163</u>	<u>6,413,141</u>	<u>1,345,592,750</u>	<u>\$ 1,296,362,802</u>

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 no 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, 2008 the School District issued three short-term general obligation bonds totaling \$81 million, using the proceeds to make the fiscal 2008 BEST bond installment payments (see below for discussion concerning BEST) and for additional capital projects. These bonds, including interest, were repaid upon maturity in June 2008.

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

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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 \$1.092 billion at June 30, 2008. The School District will annually sell general obligation bonds to make the installment payments on the BEST debt. Subsequent to June 30, 2008, the School District issued approximately \$94 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. 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 personal income grew at a rate of 17.1% and population increased 8.9%. For 2008, per capita income for Greenville of \$33,125 was 102% of the state's PCI. Employment growth over the last year was 2.9%. Greenville continues to be a county with lower unemployment when compared with other counties in the state. Total property tax collections have historically been strong. The 10 largest taxpayers are diverse, accounting for 4.5% of taxes paid.

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 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.

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 tier three distributions will

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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 2008 under Act 388 is \$43,276,843. 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 09 Budgets

FY 09 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 general fund budget for the fiscal year ending June 30, 2009 was approved by the Board of Trustees on June 3, 2008. The general fund budgeted revenues for the fiscal year ending June 30, 2009, are \$451 million, an increase of \$21.8 million over the fiscal year ended June 30, 2008. This increase is due to the application of the Act 388 (\$5.8 million), an increase in the Education Finance Act's base student cost to \$2,578, an increase of \$102 per student, and the School District's projected growth of 1,175 students for 2009 (these two factors result in a projected increase in the EFA revenue of \$5.8 million), projected increase in employer fringe benefits (\$6.7 million) from the State, and projected increase in payments from the State as tier three payments under Act 388 (\$3.4 million). This additional revenue will be used to fund State-mandated and locally-required costs plus education plan initiatives. For the fiscal year ending June 30, 2009, mandated expenditures will cost \$20.8 million to cover teacher salary increases as required by the State, employer increases in retirement and charter schools, personnel for student growth, utility increases and additional custodial services. Additional increases include \$6.8 million projected increase to fund education plan initiatives such as salary increases for all non-teaching staff, increase the locally-funded portion of

The School District of Greenville County

Management's Discussion and Analysis

For the Fiscal Year Ended June 30, 2008

teacher salaries, and a projected increase in maintenance costs. Based on a review of programs, the FY09 General Fund budget also included a reduction in budgets or a transfer of budgets to non-General Fund sources. These actions totaled \$5.8 million.

Due to the on-going financial uncertainties, and the resulting slow down in the State and National economies, the State of South Carolina is experiencing a reduction in sales tax, corporate and personal income tax revenues. In order to keep its general fund budget in balance, the State of South Carolina, in August 2008, reduced the projected revenue allocations to State agencies and school districts by three percent. This has resulted in a reduction of the state revenue allocations of \$5.5 million for Greenville County Schools. Greenville County Schools has "covered" this cut by a onetime reduction in employer health premiums, savings in district liability insurance premiums, withholding twenty percent from the schools and department budget allocations, reducing the use of non-classroom substitutes and restricting conference travel.

In October 2008, the State of South Carolina has again revised its estimated revenue collections downward by six percent and has stated the need for further reductions in revenue allocations to state agencies and school districts. At this time, the actual revenue reductions to state agencies and school districts have not been determined. However, the School District is reviewing its priorities to determine how to address this second round of revenue reductions with the goal of not impacting classroom instruction.

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, 2008

	PRIMARY GOVERNMENT			COMPONENT
	Governmental Activities	Business-Type Activities	Totals	Units Charter Schools
ASSETS				
Cash and Cash Equivalents	\$ 96,302,449	8,739,707	105,042,156	\$ 2,207,974
Cash and Cash Equivalents, Restricted	111,035,785	-	111,035,785	-
Cash and Investments Held by County Treasurer	1,613,643	-	1,613,643	-
Investments, Restricted	120,764,280	-	120,764,280	24,457
Property Taxes Receivable, Net	11,928,833	-	11,928,833	-
Accounts Receivable, Net	653,260	-	653,260	1,730,415
Due from Other Governments	27,561,577	221,159	27,782,736	-
Internal Balances	846,485	(846,485)	-	-
Inventories and Prepaid Items	1,453,441	342,575	1,796,016	-
Bond Issuance Costs, Net	9,529,911	-	9,529,911	-
Other Assets	-	-	-	75,445
Capital Assets:				
Non-Depreciable Capital Assets	105,225,246	-	105,225,246	-
Depreciable Capital Assets, Net	1,233,520,341	6,847,163	1,240,367,504	4,424,146
TOTAL ASSETS	1,720,435,251	15,304,119	1,735,739,370	8,462,437
LIABILITIES				
Accounts Payable and Accrued Expenses	79,666,882	52,865	79,719,747	402,397
Accrued Interest Payable	4,603,857	-	4,603,857	-
Due to Other Governments	159,171	-	159,171	-
Unearned Revenue	10,514,511	210,506	10,725,017	138,627
Non-Current Liabilities:				
Due Within One Year	15,270,478	-	15,270,478	-
Due in More than One Year	1,070,573,587	-	1,070,573,587	2,382,470
TOTAL LIABILITIES	1,180,788,486	263,371	1,181,051,857	2,923,494
NET ASSETS				
Invested in Capital Assets, Net of Related Debt	486,203,030	6,847,163	493,050,193	2,590,550
Restricted For:				
Debt Service	3,886,913	-	3,886,913	1,804,843
Permanent Fund - Nonexpendable	134,524	-	134,524	-
Permanent Fund - Expendable	6,509	-	6,509	-
Unrestricted	49,415,789	8,193,585	57,609,374	1,143,550
TOTAL NET ASSETS	\$ 539,646,765	15,040,748	554,687,513	\$ 5,538,943

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, 2008

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	\$ 338,942,590	1,340,758	212,270,260	-	(125,331,572)		(125,331,572)	
Support Services	223,459,573	2,680,945	103,613,298	1,330,064	(115,835,266)		(115,835,266)	
Community Services	765,487	-	-	-	(765,487)		(765,487)	
Interest and Other Charges	58,400,669	-	-	-	(58,400,669)		(58,400,669)	
Total Governmental Activities	<u>621,568,319</u>	<u>4,021,703</u>	<u>315,883,558</u>	<u>1,330,064</u>	<u>(300,332,994)</u>		<u>(300,332,994)</u>	
Business-Type Activities:								
Food Services	29,157,884	12,974,062	15,340,136	1,256,397	-	412,711	412,711	
Total Business-Type Activities	<u>29,157,884</u>	<u>12,974,062</u>	<u>15,340,136</u>	<u>1,256,397</u>	<u>-</u>	<u>412,711</u>	<u>412,711</u>	
TOTAL PRIMARY GOVERNMENT	<u>650,726,203</u>	<u>16,995,765</u>	<u>331,223,694</u>	<u>2,586,461</u>	<u>(300,332,994)</u>	<u>412,711</u>	<u>(299,920,283)</u>	
COMPONENT UNITS								
Charter Schools	8,020,165	215,270	1,001,067	-				\$ (6,803,828)
TOTAL COMPONENT UNITS	<u>\$ 8,020,165</u>	<u>215,270</u>	<u>1,001,067</u>	<u>-</u>				<u>(6,803,828)</u>
GENERAL REVENUES AND TRANSFERS								
General Revenues:								
Property Taxes Levied for General Purposes					123,600,499	-	123,600,499	-
Property Taxes Levied for Debt Service					73,867,240	-	73,867,240	-
State Revenue in Lieu of Taxes					80,486,671	-	80,486,671	-
Grants and Contributions Not Restricted to Specific Programs					229,075	-	229,075	2,122,642
Unrestricted Investment Earnings					24,702,384	-	24,702,384	51,489
Miscellaneous					355,756	-	355,756	1,159,967
Unrestricted Intergovernmental Revenue					-	-	-	5,218,072
Transfers In (Out)					1,172,000	(1,172,000)	-	-
Total General Revenue and Transfers					<u>304,413,625</u>	<u>(1,172,000)</u>	<u>303,241,625</u>	<u>8,552,170</u>
CHANGE IN NET ASSETS					4,080,631	(759,289)	3,321,342	1,748,342
NET ASSETS, Beginning of Year					535,566,134	15,800,037	551,366,171	3,790,601
NET ASSETS, End of Year					<u>\$ 539,646,765</u>	<u>15,040,748</u>	<u>554,687,513</u>	<u>\$ 5,538,943</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, 2008

	GENERAL	SPECIAL REVENUE	SPECIAL REVENUE - EIA
ASSETS			
Cash and Cash Equivalents	\$ 96,302,449	-	-
Cash and Cash Equivalents, Restricted	-	-	-
Cash and Investments Held by County Treasurer	-	-	-
Investments, Restricted	-	-	-
Receivables, Net:			
Taxes	8,554,046	-	-
Accounts	646,813	300	-
Due From:			
State Agencies	8,551,568	13,775,628	4,759,911
Other Funds	7,483,345	3,190,912	1,714,259
Other Governments	282,718	191,752	-
Prepaid Items	58,307	12,368	38,043
Inventories	279,672	-	-
TOTAL ASSETS	122,158,918	17,170,960	6,512,213
LIABILITIES AND FUND BALANCES			
LIABILITIES:			
Accounts Payable	10,950,641	1,653,507	1,113,009
Accrued Salaries, Fringe & Benefits	57,889,390	-	-
Accrued Expenditures	119,230	98,366	511,205
Due To:			
State Agencies	97,947	10,865	50,359
Other Funds	-	9,731,055	-
Deferred and Unearned Revenue	2,710,620	5,677,167	4,837,640
TOTAL LIABILITIES	71,767,828	17,170,960	6,512,213
FUND BALANCES:			
Fund Balances			
Reserved for:			
Prepaid Items	58,307	-	-
Inventories	279,672	-	-
Debt Service	-	-	-
Capital Projects	-	-	-
Endowment	-	-	-
Unreserved:			
Designated:			
Fund Balance Policy	37,610,000	-	-
Software Replacement	3,167,754	-	-
Secondary Data Center	681,632	-	-
Refresh Technology Program	474,977	-	-
Funding for New Schools	1,239,505	-	-
Undesignated	6,879,243	-	-
TOTAL FUND BALANCES	50,391,090	-	-
TOTAL LIABILITIES AND FUND BALANCES	\$ 122,158,918	17,170,960	6,512,213

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
-	-	-	-	-	\$ 96,302,449
3,983,317	31,045,002	47,901,864	28,105,602	-	111,035,785
1,613,643	-	-	-	-	1,613,643
-	120,629,756	-	-	134,524	120,764,280
3,374,787	-	-	-	-	11,928,833
-	-	-	-	6,147	653,260
-	-	-	-	-	27,087,107
-	-	-	181	2,570	12,391,267
-	-	-	-	-	474,470
-	-	296,466	768,585	-	1,173,769
-	-	-	-	-	279,672
8,971,747	151,674,758	48,198,330	28,874,368	143,241	383,704,535
-	-	1,843,855	1,739,265	810	17,301,087
-	-	-	-	-	57,889,390
-	-	972,765	2,774,839	-	4,476,405
-	-	-	-	-	159,171
480,797	181	1,331,351	-	1,398	11,544,782
906,028	-	-	-	-	14,131,455
1,386,825	181	4,147,971	4,514,104	2,208	105,502,290
-	-	-	-	-	58,307
-	-	-	-	-	279,672
7,584,922	151,674,577	-	-	-	159,259,499
-	-	44,050,359	24,360,264	-	68,410,623
-	-	-	-	134,524	134,524
-	-	-	-	-	37,610,000
-	-	-	-	-	3,167,754
-	-	-	-	-	681,632
-	-	-	-	-	474,977
-	-	-	-	-	1,239,505
-	-	-	-	6,509	6,885,752
7,584,922	151,674,577	44,050,359	24,360,264	141,033	278,202,245
8,971,747	151,674,758	48,198,330	28,874,368	143,241	\$ 383,704,535

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

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

JUNE 30, 2008

TOTAL FUND BALANCES - GOVERNMENTAL FUNDS	\$ 278,202,245
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.	3,616,944
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 \$1,556,190,157 and the accumulated depreciation was \$217,444,570.	1,338,745,587
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 \$11,052,523 has been shown net of accumulated amortization expense of \$1,522,612.	9,529,911
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.	(4,603,857)
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	(1,091,940,000)
Long-Term Debt Discount, net of accumulated amortization of \$24,258	110,551
Long-Term Debt Premium, net of accumulated amortization of \$7,028,006	(42,524,712)
Deferred Advance Refunding Charges, net of accumulated amortization of \$4,777,812	52,196,312
Compensated Absences	(3,686,216)
	(1,085,844,065)
TOTAL NET ASSETS - GOVERNMENTAL ACTIVITIES	\$ 539,646,765

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, 2008

	GENERAL	SPECIAL REVENUE	SPECIAL REVENUE - EIA
REVENUES			
Local Sources:			
Taxes	\$ 122,943,560	-	-
Investment Earnings	2,982,500	14,804	-
Other Local Sources	1,589,457	5,004,260	-
State Sources	288,310,784	12,176,265	49,372,023
Federal Sources	792	40,966,636	-
TOTAL REVENUE ALL SOURCES	415,827,093	58,161,965	49,372,023
EXPENDITURES			
Current:			
Instruction	247,539,454	31,048,231	28,325,837
Support Services	162,868,692	22,704,917	10,018,247
Community Services	146,191	328,759	285,817
Intergovernmental	7,241,456	374,663	98,553
Capital Outlay	6,857,171	2,464,462	1,638,327
Debt Service:			
Principal Retirement	-	-	-
Interest and Fiscal Charges	-	-	-
Arbitrage Expenditures	-	-	-
TOTAL EXPENDITURES	424,652,964	56,921,032	40,366,781
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(8,825,871)	1,240,933	9,005,242
OTHER FINANCING SOURCES (USES)			
Proceeds from the Sale of Capital Assets	114,758	-	-
Transfers In	11,310,139	625,500	1,150,800
Transfers Out	(1,776,300)	(1,866,433)	(10,156,042)
TOTAL OTHER FINANCING SOURCES (USES)	9,648,597	(1,240,933)	(9,005,242)
NET CHANGES IN FUND BALANCES	822,726	-	-
FUND BALANCES, Beginning of Year	49,568,364	-	-
FUND BALANCES, End of Year	\$ 50,391,090	-	-

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
73,654,936	-	-	-	-	\$ 196,598,496
2,657,346	6,886,540	9,284,274	2,934,970	7,004	24,767,438
-	-	35,914	2,233	275	6,632,139
3,528,624	-	1,330,064	-	-	354,717,760
-	-	-	-	-	40,967,428
79,840,906	6,886,540	10,650,252	2,937,203	7,279	623,683,261
-	-	-	-	3,521	306,917,043
-	-	4,634,048	8,199,404	810	208,426,118
-	-	-	-	-	760,767
-	-	-	-	-	7,714,672
-	-	27,290,693	50,264,345	1,894	88,516,892
-	11,795,000	-	-	-	11,795,000
1,827,046	55,538,538	-	-	-	57,365,584
-	-	-	4,431,554	-	4,431,554
1,827,046	67,333,538	31,924,741	62,895,303	6,225	685,927,630
78,013,860	(60,446,998)	(21,274,489)	(59,958,100)	1,054	(62,244,369)
-	-	445,375	-	-	560,133
-	51,956,804	30,939,455	44,231,422	-	140,214,120
(81,011,923)	-	(44,231,422)	-	-	(139,042,120)
(81,011,923)	51,956,804	(12,846,592)	44,231,422	-	1,732,133
(2,998,063)	(8,490,194)	(34,121,081)	(15,726,678)	1,054	(60,512,236)
10,582,985	160,164,771	78,171,440	40,086,942	139,979	338,714,481
7,584,922	151,674,577	44,050,359	24,360,264	141,033	\$ 278,202,245

**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, 2008

TOTAL NET CHANGE IN FUND BALANCES - GOVERNMENTAL FUNDS	\$ (60,512,236)
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.	869,244
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Activities.	11,795,000
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.	48,709
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.	4,356,000
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.	(585,996)
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.	2,470,616
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.	(188,219)
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.	(195,348)
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 \$84,211,681 exceeded depreciation expense of \$35,220,407 in the current year.	48,991,274
CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES	\$ 4,080,631

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, 2008

	<u>ENTERPRISE</u>
ASSETS	
Current Assets:	
Cash and Cash Equivalents	\$ 8,739,707
Due from State Agencies	221,159
Inventories	342,575
Total Current Assets	<u>9,303,441</u>
Non-Current Assets:	
Depreciable Capital Assets	15,808,040
Less: Accumulated Depreciation	(8,960,877)
Total Non-Current Assets	<u>6,847,163</u>
TOTAL ASSETS	<u>16,150,604</u>
LIABILITIES	
Current Liabilities:	
Accounts Payable	22,903
Accrued Salaries, Fringe & Benefits	29,962
Due to Other Funds	846,485
Deferred Revenue	210,506
Total Current Liabilities	<u>1,109,856</u>
TOTAL LIABILITIES	<u>1,109,856</u>
NET ASSETS	
Invested in Capital Assets	6,847,163
Unrestricted	8,193,585
TOTAL NET ASSETS	<u>\$ 15,040,748</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, 2008

	<u>ENTERPRISE</u>
OPERATING REVENUES	
Proceeds from Sale of Meals	\$ 12,357,772
Other Revenue	616,290
TOTAL OPERATING REVENUES	<u>12,974,062</u>
OPERATING EXPENSES	
Salaries	9,036,661
Purchased Services	652,510
Food Costs and Supplies	16,817,945
Equipment - Non-capitalizable Expenses	910,314
Depreciation	1,158,369
Other	582,085
TOTAL OPERATING EXPENSES	<u>29,157,884</u>
OPERATING LOSS	<u>(16,183,822)</u>
NON-OPERATING REVENUES	
Commodities Received from USDA	1,595,268
USDA Reimbursements	13,711,963
Other Revenue	32,905
TOTAL NON-OPERATING REVENUE	<u>15,340,136</u>
INCOME BEFORE TRANSFERS AND CAPITAL CONTRIBUTIONS	(843,686)
Transfers Out	(1,172,000)
Capital Contributions	1,256,397
CHANGE IN NET ASSETS	(759,289)
TOTAL NET ASSETS, Beginning of Year	<u>15,800,037</u>
TOTAL NET ASSETS, End of Year	<u>\$ 15,040,748</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, 2008

	<u>ENTERPRISE</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from Meal Sales	\$ 12,389,376
Receipts from Other Revenues	649,195
Payments to Employees for Services	(9,036,661)
Payments to Suppliers for Goods and Services	(17,265,179)
NET CASH USED IN OPERATING ACTIVITIES	<u>(13,263,269)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES	
USDA Reimbursement	13,597,346
Transfers from Other Funds	(1,396,444)
NET CASH PROVIDED BY NON-CAPITAL FINANCING ACTIVITIES	<u>12,200,902</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Acquisition of Capital Assets	(461,922)
NET CASH USED IN CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(461,922)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	(1,524,289)
CASH AND CASH EQUIVALENTS, Beginning of Year	<u>10,263,996</u>
CASH AND CASH EQUIVALENTS, End of Year	<u>\$ 8,739,707</u>
Reconciliation of Operating Loss to Net Cash Used in Operating Activities:	
Operating Loss	\$ (16,183,822)
Adjustments to Reconcile Operating Loss to Net Cash Used in Operating Activities:	
Depreciation Expense	1,158,369
Non-Cash USDA Commodities Used	1,595,268
Loss on Disposal of Capital Assets	125,928
Other Non-Operating Revenues	32,905
Change In:	
Inventories	(24,496)
Accounts Payable	975
Deferred Revenue	31,604
Net Cash Used in Operating Activities	<u>\$ (13,263,269)</u>
Non-Cash Transactions:	
Commodities Received From the USDA	\$ 1,595,268
Capital Contributed	1,256,397
	<u>\$ 2,851,665</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, 2008

	<u>AGENCY</u>
ASSETS	
Cash and Cash Equivalents	\$ 1,503,016
Accounts Receivable	5,561,000
TOTAL ASSETS	<u><u>7,064,016</u></u>
LIABILITIES	
Accounts Payable	613,384
Due to Student Organizations	6,450,632
TOTAL LIABILITIES	<u><u>\$ 7,064,016</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, 2008

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 48 elementary schools, 17 middle schools, 14 high schools, and 15 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 Unit: 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.

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"), and Brashier Middle College Charter High School ("Brashier") 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 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, South Carolina, 29690; Langston Charter Middle School, 288 Rocky Creek Road, Greenville, SC 29615; Fuller Normal Advanced Technology Charter School, 901 Anderson Road, Greenville, SC 29601; and Brashier Middle College Charter High School, 1830 West Georgia Road, Simpsonville, SC.

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 information for Wohali and FNATCS, which is not material, is not included in the School District's financial statements because the audits for these two schools were not completed at the time the School District's financial statements were issued.

THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA

NOTES TO THE BASIC FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2008

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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.

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.

THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA

NOTES TO THE BASIC FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2008

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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 **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 SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA

NOTES TO THE BASIC FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2008

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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.

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.

THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA

NOTES TO THE BASIC FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2008

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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;
- (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

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

NOTES TO THE BASIC FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2008

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Assets, Liabilities and Equity (Continued)

1. Cash, Cash Equivalents and Investments (Continued)

Investments (Continued)

- (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 are 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, 2008

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, 2008.

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, 2008

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 fixed 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:

Description	Governmental Activities Estimated Lives	Business-Type Activities Estimated Lives
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
Textbooks	5 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, 2008

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 \$37,610,000 as of June 30, 2008 represents 8.33% of the original budget for the General Fund for fiscal year 2009.

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

NOTES TO THE BASIC FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2008

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, 2008

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.

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, 2008, none of the School District's Primary Government's bank balances of \$110,849,617, which had a carrying value of \$107,086,225, 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, 2008

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

A. Deposits and Investments (Continued)

Investments

As of June 30, 2008, 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	\$ 93,723,460	Less than 1 year
Cash and Investments Held by County Treasurer	Unrated	1,613,643	1.19 years
U.S. Treasuries Bills	*	77,192,892	Less than 1 year
Open End Mutual Funds	^	56,163,644	Less than 1 year
Other	Unrated	2,676,000	Not applicable
Total		<u>\$ 231,369,639</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 and in the Morgan Stanley Institutional Liquidity Funds – Treasury Portfolio, both of which are 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.

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, 2008, \$61,868,892 of the School District’s investments are exposed to custodial credit risk because the securities are uninsured, unregistered 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, 2008

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

B. Property Taxes and Other Receivables

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	\$ 96,302,449	Carrying Amount of Deposits \$ 107,086,225
Cash and Cash Equivalents on Deposit with Financial Institutions for Business-Type Activities	8,739,707	Fair Value of
Cash and Investments Held by County Treasurer	1,613,643	Investments 231,369,639
Restricted Current Assets:		
Cash and Cash Equivalents on Deposit with Financial Institutions for Governmental-Type Activities	111,035,785	
Investments Held by Financial Institutions for Governmental Activities	120,764,280	
	<u>\$ 338,455,864</u>	<u>\$ 338,455,864</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.

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 \$1,621,282,000 at rates of 108.2 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 \$22,537,000 at June 30, 2008. 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, 2008

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, 2008, the various components of deferred revenue and unearned revenue reported in the governmental funds were as follows:

Delinquent Property Taxes Receivable (General Fund)	\$ 2,710,620
Delinquent Property Taxes Receivable (Debt Service Fund)	906,028
Revenue Collected, but Unearned (Special Projects Fund)	5,677,167
Revenue Collected, but Unearned (EIA Fund)	4,837,640
Total Deferred and Unearned Revenue for Governmental Funds	<u>\$ 14,131,455</u>

C. Capital Assets

Capital asset activity for the School District's Primary Government for the year ended June 30, 2008, 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	\$ 39,335,267	26,795	-	-	\$ 39,362,062
Construction in Progress	163,956,600	66,827,046	-	(164,920,462)	65,863,184
Total Capital Assets, Not Being Depreciated	<u>203,291,867</u>	<u>66,853,841</u>	<u>-</u>	<u>(164,920,462)</u>	<u>105,225,246</u>
Capital Assets, Being Depreciated:					
Buildings and Improvements	1,240,992,202	14,464,969	(457,122)	164,920,462	1,419,920,511
Furniture and Equipment	29,278,058	2,892,871	(1,126,529)	-	31,044,400
Total Capital Assets Being Depreciated	<u>1,270,270,260</u>	<u>17,357,840</u>	<u>(1,583,651)</u>	<u>164,920,462</u>	<u>1,450,964,911</u>
Less: Accumulated Depreciation for:					
Buildings	165,218,290	33,160,233	(299,497)	-	198,079,026
Furniture and Equipment	18,394,176	2,060,174	(1,088,806)	-	19,365,544
Total Accumulated Depreciation	<u>183,612,466</u>	<u>35,220,407</u>	<u>(1,388,303)</u>	<u>-</u>	<u>217,444,570</u>
Total Capital Assets, Being Depreciated, Net	<u>1,086,657,794</u>	<u>(17,862,567)</u>	<u>(195,348)</u>	<u>164,920,462</u>	<u>1,233,520,341</u>
Total Governmental Activities Capital Assets, Net	<u>\$ 1,289,949,661</u>	<u>48,991,274</u>	<u>(195,348)</u>	<u>-</u>	<u>\$ 1,338,745,587</u>
Business-Type Activities:					
Furniture and Equipment	\$ 15,371,031	1,718,319	(1,281,310)	-	\$ 15,808,040
Less: Accumulated Depreciation	8,957,890	1,158,369	(1,155,382)	-	8,960,877
Total Business-Type Activities Capital Assets, Net	<u>\$ 6,413,141</u>	<u>559,950</u>	<u>(125,928)</u>	<u>-</u>	<u>\$ 6,847,163</u>

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

Governmental Activities:	
Instruction	\$ 21,097,024
Support Services	14,123,383
Total Depreciation Expense - Governmental Activities	<u>\$ 35,220,407</u>

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

NOTES TO THE BASIC FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2008

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, 2008, consisting primarily of capital projects. The projects include renovation of existing schools as well as construction of new facilities. The District is also in the process of implementing a new Enterprise Resource Planning software system. Total outstanding commitments at June 30, 2008 are approximately \$15,898,000.

Agreement with Institutional Resources LLC

In 2001 the School District and BEST entered into an agreement (the "Project Agreement") with Institutional Resources, LLC (the "Project Manager") to provide development, design coordination, project management and construction management services in connection with Capital Projects (as defined in the Project Agreement) to be funded with the proceeds from the BEST bond issues (see Note III.J.). The expected completion date for all of these Capital Projects is during fiscal 2009.

D. Interfund Receivables and Payables

Interfund balances at June 30, 2008 (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	\$ 7,483,345	\$ -
Special Revenue Funds:		
Special Revenue	3,190,912	9,731,055
EIA	1,714,259	-
Debt Service Fund	-	480,797
BEST Debt Service Fund	-	181
Capital Projects Fund	-	1,331,351
BEST Capital Projects Fund	181	-
Permanent Fund (non-major)	2,570	1,398
Enterprise Fund	-	846,485
Totals	<u>\$ 12,391,267</u>	<u>\$ 12,391,267</u>

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

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

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

NOTES TO THE BASIC FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2008

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

D. Interfund Receivables and Payables (Continue)

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 payable is a result of payments made by the General Fund for salaries and other expenses. Reimbursement to the General Fund was made subsequent to year end.

E. Transfers From and To Other Funds

Transfer from and to other funds for the year ended June 30, 2008, consisted of the following:

General Fund			
Transfers from	Amount	Transfers to	Amount
Special Revenue	\$ 10,138,139	Special Revenue	\$ 625,500
Special Revenue - EIA	-	Special Revenue - EIA	1,150,800
Proprietary Fund	1,172,000		-
	<u>11,310,139</u>		<u>1,776,300</u>
Special Revenue Fund			
Transfers from	Amount	Transfers to	Amount
General Fund	<u>625,500</u>	General Fund	<u>1,866,433</u>
Special Revenue - EIA Fund			
Transfers from	Amount	Transfers to	Amount
General Fund	1,150,800	General Fund	8,271,706
	-	Building Fund	1,884,336
	<u>1,150,800</u>		<u>10,156,042</u>
Debt Service Funds			
Transfers from	Amount	Transfers to	Amount
Debt Service - District	51,956,804	Debt Service - BEST	51,956,804
	-	Capital Projects - District	29,055,119
	<u>51,956,804</u>		<u>81,011,923</u>
Capital Projects Funds			
Transfers from	Amount	Transfers to	Amount
Special Revenue	1,884,336	Capital Projects - BEST	44,231,422
Debt Service	29,055,119		-
Capital Projects - District	44,231,422		-
	<u>75,170,877</u>		<u>44,231,422</u>
Enterprise Fund			
Transfers from	Amount	Transfers to	Amount
	<u>-</u>	General Fund	<u>1,172,000</u>
	<u>\$ 140,214,120</u>		<u>\$ 140,214,120</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, 2008 consisted of the following:

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GREENVILLE, SOUTH CAROLINA**

NOTES TO THE BASIC FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2008

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

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 Fund to fund the capital projects program.

Capital Projects Fund

Transfer from:

Funds were transferred from the School District's Special Revenue Fund, the Debt Service Fund and the 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
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NOTES TO THE BASIC FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2008

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, 2008 consisted of the following:

Accounts Payable	\$ 17,301,087
Accrued Payroll, Fringe, Withholdings and Benefits	57,889,390
Other Accrued Expenses, including Retainage Payable of \$3,747,604	4,476,405
Total Accounts Payable and Accrued Expenses - Governmental Activities	<u>\$ 79,666,882</u>

G. Short-Term Obligations

Governmental Activities:	Beginning Balance	Additions	Reductions	Ending Balance
General Obligation Bonds	\$ -	81,280,000	81,280,000	\$ -
Total Governmental Activities	<u>\$ -</u>	<u>81,280,000</u>	<u>81,280,000</u>	<u>\$ -</u>

The School District issued three general obligation bonds in the fall of 2007 totaling \$81,280,000 for the purpose of making payments to BEST for its required debt service and for additional capital improvements. The School District received premiums of \$295,702 (net of issuance costs of \$13,233) upon issuance. These bonds, including interest of \$1,943,201, were repaid in June 2008 utilizing debt service fund property tax revenues and accumulated fund balance. The premium has 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 \$1,595,268 of commodities consumed during the year ended June 30, 2008.

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 2008 was approximately \$820,000. The annual payments for 2009 and 2010 are expected to be approximately \$780,000 each year.

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
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NOTES TO THE BASIC FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2008

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, 2008:

<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	\$ 99,140,000	-	5,430,000	93,710,000	\$ 7,140,000
Discount	(127,402)	-	(16,851)	(110,551)	-
BEST 2003 Bond Issue	87,300,000	-	3,190,000	84,110,000	3,325,000
Premium	3,437,698	-	196,440	3,241,258	-
BEST 2004 Bond Issue	68,000,000	-	1,050,000	66,950,000	1,040,000
Premium	521,672	-	24,264	497,408	-
BEST 2005 Refunding Bond Issue	216,905,000	-	-	216,905,000	-
Premium	15,180,783	-	1,046,927	14,133,856	-
BEST 2006 Refunding Bond Issue	574,790,000	-	-	574,790,000	-
Premium	23,534,763	-	1,094,639	22,440,124	-
BEST 2006 Bond Issuance	57,600,000	-	2,125,000	55,475,000	2,230,000
Premium	2,320,412	-	108,346	2,212,066	-
Deferred Advance Refunding Charges	(55,147,874)	-	(2,951,562)	(52,196,312)	-
Accrued Compensated Absences	3,925,497	1,324,976	1,564,257	3,686,216	1,535,478
Arbitrage Payable	4,356,000	-	4,356,000	-	-
Total Governmental Activities	<u>\$ 1,101,736,549</u>	<u>1,324,976</u>	<u>17,217,460</u>	<u>1,085,844,065</u>	<u>\$ 15,270,478</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. During the year ended June 30, 2008, the School District paid approximately \$4.4 million in arbitrage related to the 2003 BEST bond issue. The School District does not anticipate positive arbitrage on any of its other indebtedness as of June 30, 2008.

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, 2008

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, 2008 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, 2008, net of the amounts written off attributable to the defeased debt, were \$110,551 and \$644,750, 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, 2008 were \$3,241,258 and \$826,923, 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, 2008 were \$497,408 and \$662,995, respectively.

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

NOTES TO THE BASIC FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2008

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, 2008 were \$14,133,856 and \$1,751,452, 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, 2008 were \$22,440,124 and \$4,546,677, 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, 2008 were \$2,212,066 and \$1,097,115, 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, 2008 are as follows:

Year Ending June 30	Principal	Interest	Totals
2009	\$ 13,735,000	54,905,511	\$ 68,640,511
2010	15,760,000	54,212,289	69,972,289
2011	29,305,000	53,131,081	82,436,081
2012	34,375,000	51,548,847	85,923,847
2013	39,160,000	49,687,500	88,847,500
2014-2018	201,480,000	215,976,768	417,456,768
2019-2023	279,505,000	157,601,946	437,106,946
2024-2028	391,540,000	72,882,551	464,422,551
2029	87,080,000	2,177,000	89,257,000
Totals	\$ 1,091,940,000	712,123,493	\$ 1,804,063,493

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

NOTES TO THE BASIC FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2008

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 no general obligation debt outstanding at June 30, 2008 that is subject to the 8% limitation.

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, 2008, 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—9.06%. In addition to the above rates, participating employers of the South Carolina Retirement System contribute 3.57% 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 \$37,719,519; \$32,645,233; and \$28,877,855 for the years ended June 30, 2008, 2007, and 2006, 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, 2008

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 12.63% for employers). The School District contributed amounts equal to the required contribution of \$5,150,769; \$4,066,162; and \$3,103,601 for the years ended June 30, 2008, 2007, and 2006, 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 counsel 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 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 \$3,831,042 for incurred but unpaid claims at June 30, 2008, 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, 2008

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>
2005 - 2006	\$ 2,273,870	1,143,053	811,810	\$ 2,605,113
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

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 \$5,432,000 to MB Kahn's Argo Division, a separate division, during the year ended June 30, 2008 for various construction projects on terms equivalent to those that prevail in arm's-length transactions.

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, 2008

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 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 2008 under Act 388 is \$43,278,843. 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.

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

NOTES TO THE BASIC FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2008

IV. OTHER INFORMATION (CONTINUED)

H. Subsequent Events

Issuance of general obligation bonds

In August and September 2008, the School District issued three general obligation bonds totaling \$79,630,000 to partially provide for the required fiscal 2009 BEST debt service payments and to provide for additional capital projects. Two of these bonds totaling \$63,835,000, including interest at rates ranging from 2.5% to 3%, are due in full prior to June 30, 2009. The \$15,795,000 issue has semi-annual interest payments due in June and December (rates range from 3% to 5%), with principal payments due in annual installments ranging from \$2,225,000 to \$7,560,000, beginning in June 2010 and continuing through June 2013.

In September 2008, the School District participated with the South Carolina Association of Government Organizations in issuing a certificate of participation in the amount of \$21,445,000. The School District's portion was \$13,795,000 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 3.8%, is due in full on March 2, 2009.

State Budget Cuts

Due to the on-going financial uncertainties, and the resulting slow down in the State and National economies, the State of South Carolina is experiencing a reduction in sales tax, corporate and personal income tax revenues. In order to keep its general fund budget in balance, the State of South Carolina, in August 2008, reduced the projected revenue allocations to State agencies and school districts by three percent. This has resulted in a reduction of the state revenue allocations of \$5.5 million for Greenville County Schools. Greenville County Schools has "covered" this cut by a one time reduction in employer health premiums, savings in district liability insurance premiums, withholding twenty percent from the schools and department budget allocations, reducing the use of non-classroom substitutes and restricting conference travel.

In October 2008, the State of South Carolina has again revised its estimated revenue collections downward by six percent and has stated the need for further reductions in revenue allocations to state agencies and school districts. At this time, the actual revenue reductions to state agencies and school districts have not been determined. However, the School District is reviewing its priorities to determine how to address this second round of revenue reductions with the goal of not impacting classroom instruction.

**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, 2008

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH REVISED BUDGET
	ORIGINAL	REVISED		
REVENUES				
Local Sources:				
Taxes	\$ 127,243,437	127,243,437	122,943,560	\$ (4,299,877)
Investment Earnings	4,300,000	4,300,000	2,982,500	(1,317,500)
Other Local Sources	1,090,000	1,090,000	1,589,457	499,457
State Sources	286,405,252	286,405,252	288,310,784	1,905,532
Federal Sources	-	-	792	792
TOTAL REVENUE ALL SOURCES	419,038,689	419,038,689	415,827,093	(3,211,596)
EXPENDITURES				
Current:				
Instruction	256,141,375	254,191,707	247,539,454	6,652,253
Support Services	163,182,011	164,783,483	162,868,692	1,914,791
Community Services	62,329	139,729	146,191	(6,462)
Intergovernmental	6,844,636	6,844,636	7,241,456	(396,820)
Capital Outlay	1,378,167	8,125,524	6,857,171	1,268,353
TOTAL EXPENDITURES	427,608,518	434,085,079	424,652,964	9,432,115
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(8,569,829)	(15,046,390)	(8,825,871)	6,220,519
OTHER FINANCING SOURCES (USES)				
Sale of Fixed Assets	-	-	114,758	114,758
Transfers In	10,602,000	10,602,000	11,310,139	708,139
Transfers Out	(2,032,171)	(2,032,171)	(1,776,300)	255,871
TOTAL OTHER FINANCING SOURCES (USES)	8,569,829	8,569,829	9,648,597	1,078,768
NET CHANGES IN FUND BALANCES	-	(6,476,561)	822,726	7,299,287
FUND BALANCE, Beginning of Year	49,568,364	49,568,364	49,568,364	-
FUND BALANCE, End of Year	\$ 49,568,364	43,091,803	50,391,090	\$ 7,299,287

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, 2008

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH REVISED BUDGET
	ORIGINAL	REVISED		
REVENUES				
Local Sources	\$ 9,288,947	9,288,947	5,019,064	\$ (4,269,883)
State Sources	13,566,294	13,566,294	12,176,265	(1,390,029)
Federal Sources	48,597,661	48,597,661	40,966,636	(7,631,025)
TOTAL REVENUE ALL SOURCES	71,452,902	71,452,902	58,161,965	(13,290,937)
EXPENDITURES				
Current:				
Instruction	36,287,410	36,291,610	31,048,231	5,243,379
Support Services	29,211,988	29,207,788	22,704,917	6,502,871
Community Services	479,107	479,107	328,759	150,348
Intergovernmental	362,624	362,624	374,663	(12,039)
Capital Outlay	3,728,023	3,728,023	2,464,462	1,263,561
TOTAL EXPENDITURES	70,069,152	70,069,152	56,921,032	13,148,120
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	1,383,750	1,383,750	1,240,933	(142,817)
OTHER FINANCING SOURCES (USES)				
Transfers In	625,500	625,500	625,500	-
Transfers Out	(2,009,250)	(2,009,250)	(1,866,433)	142,817
TOTAL OTHER FINANCING SOURCES (USES)	(1,383,750)	(1,383,750)	(1,240,933)	142,817
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, 2008

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH REVISED BUDGET
	ORIGINAL	REVISED		
REVENUES				
State Sources	\$ 54,260,022	54,260,022	49,372,023	\$ (4,887,999)
TOTAL REVENUE ALL SOURCES	54,260,022	54,260,022	49,372,023	(4,887,999)
EXPENDITURES				
Current:				
Instruction	31,317,039	31,317,039	28,325,837	2,991,202
Support Services	11,420,032	11,420,032	10,018,247	1,401,785
Community Services	296,182	296,182	285,817	10,365
Intergovernmental	98,553	98,553	98,553	-
Capital Outlay	2,122,974	2,122,974	1,638,327	484,647
TOTAL EXPENDITURES	45,254,780	45,254,780	40,366,781	4,887,999
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	9,005,242	9,005,242	9,005,242	-
OTHER FINANCING SOURCES (USES)				
Transfers In	1,150,800	1,150,800	1,150,800	-
Transfers Out	(10,156,042)	(10,156,042)	(10,156,042)	-
TOTAL OTHER FINANCING SOURCES (USES)	(9,005,242)	(9,005,242)	(9,005,242)	-
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, 2008

	REVISED BUDGET	ACTUAL	VARIANCE
REVENUES			
1000 Revenue from Local Sources:			
1100 Taxes:			
1110 Ad Valorem Taxes-Including Delinquent (Independent)	\$ 116,529,375	111,246,537	\$ (5,282,838)
1200 Revenue from Local Governmental Units Other than LEAs:			
1280 Revenue in Lieu of Taxes (Independent and Dependent)	10,714,062	11,697,023	982,961
1300 Tuition:			
1310 From Patrons for Regular Day School	455,000	604,924	149,924
1350 From Patrons for Summer School	400,000	259,375	(140,625)
1500 Earnings on Investments:			
1510 Interest on Investments	4,300,000	2,982,500	(1,317,500)
1900 Other Revenue from Local Sources:			
1910 Rentals	-	261,393	261,393
1920 Contributions & Donations Private Sources	235,000	228,800	(6,200)
1931 Therapy Adjustment - Medicaid	-	21,241	21,241
1990 Miscellaneous Local Revenue:			
1993 Receipt of Insurance Proceeds	-	79,887	79,887
1999 Revenue from Other Local Sources	-	133,837	133,837
Total Revenue from Local Sources	<u>132,633,437</u>	<u>127,515,517</u>	<u>(5,117,920)</u>
3000 Revenue from State Sources:			
3100 Restricted State Funding:			
3130 Special Programs:			
3131 Handicapped Transportation	125,000	161,966	36,966
3132 Home Schooling (No Carryover Provision)	114,000	123,800	9,800
3160 School Bus Driver's Salary	2,239,751	2,890,942	651,191
3162 Transportation Workers' Compensation	-	187,703	187,703
3165 EEDA Transportation	-	12,023	12,023
3180 Fringe Benefits Employer Contributions (No Carryover Provision)	44,181,630	45,177,843	996,213
3181 Retiree Insurance (No Carryover Provision)	6,645,087	6,645,087	-
3300 Education Finance Act:			
3310 Full-Time Programs:			
3311 Kindergarten	11,228,200	11,048,021	(180,179)
3312 Primary	31,744,600	31,235,113	(509,487)
3313 Elementary	41,058,900	40,399,950	(658,950)
3314 High School	20,754,600	20,421,556	(333,044)
3315 Trainable Mentally Handicapped	1,011,300	995,082	(16,218)
3316 Speech Handicapped (Part-Time Program)	10,068,900	9,907,364	(161,536)
3317 Homebound	\$ 1,210,500	1,191,050	\$ (19,450)

(Continued)

GENERAL FUND

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

YEAR ENDED JUNE 30, 2008

	REVISED BUDGET	ACTUAL	VARIANCE
3320 Part-Time Programs:			
3321 Emotionally Handicapped	\$ 1,448,300	1,425,025	\$ (23,275)
3322 Educable Mentally Handicapped	1,214,300	1,194,820	(19,480)
3323 Learning Disabilities	17,195,000	16,919,030	(275,970)
3324 Hearing Handicapped	268,100	263,811	(4,289)
3325 Visually Handicapped	78,800	77,539	(1,261)
3326 Orthopedically Handicapped	381,500	375,341	(6,159)
3327 Vocational	19,908,500	19,589,036	(319,464)
3330 Other EFA Programs:			
3331 Autism	1,128,500	1,110,435	(18,065)
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)	5,616,000	5,947,974	331,974
3825 Reimbursement for Property Tax Relief (Tier 3)	41,086,450	43,276,843	2,190,393
3830 Merchant's Inventory Tax	2,201,000	2,201,642	642
3840 Manufacturers Depreciation Reimbursement	1,800,000	1,636,550	(163,450)
3890 Other State Property Tax Revenues (Includes Motor Carrier Vehicle Tax)	286,000	484,704	198,704
3900 Other State Revenue:			
3999 Revenue from Other State Sources	-	200	200
Total Revenue from State Sources	<u>286,405,252</u>	<u>288,310,784</u>	<u>1,905,532</u>
4000 Revenue from Federal Sources:			
4100 Federally Impacted Areas:			
4110 Maintenance & Operations (P.L. 874)	-	792	792
Total Revenue from Federal Sources	<u>-</u>	<u>792</u>	<u>792</u>
TOTAL REVENUE ALL SOURCES	<u>419,038,689</u>	<u>415,827,093</u>	<u>(3,211,596)</u>

EXPENDITURES

100 Instruction:			
110 General Instruction:			
111 Kindergarten Programs:			
100 Salaries	14,691,929	14,666,206	25,723
150 TERI - Second Annual Leave Payout	-	14,493	(14,493)
200 Employee Benefits	4,781,717	4,663,877	117,840
300 Purchased Services	407	407	-
400 Supplies and Materials	123,190	116,532	6,658
500 Capital Outlay	7,677	5,653	2,024
112 Primary Programs:			
100 Salaries	39,311,447	38,346,530	964,917
150 TERI - Second Annual Leave Payout	-	31,755	(31,755)
200 Employee Benefits	12,921,242	10,979,566	1,941,676
300 Purchased Services	494,756	475,934	18,822
400 Supplies and Materials	1,053,546	1,018,320	35,226
500 Capital Outlay	\$ 1,693,061	1,629,591	\$ 63,470

(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, 2008

	REVISED BUDGET	ACTUAL	VARIANCE
113 Elementary Programs:			
100 Salaries	\$ 59,723,916	58,400,010	\$ 1,323,906
150 TERI - Second Annual Leave Payout	-	30,868	(30,868)
200 Employee Benefits	17,046,173	17,025,016	21,157
300 Purchased Services	377,946	369,999	7,947
400 Supplies and Materials	404,101	380,719	23,382
500 Capital Outlay	644,387	644,052	335
600 Other Objects	886	886	-
114 High School Programs:			
100 Salaries	37,137,193	36,791,028	346,165
150 TERI - Second Annual Leave Payout	-	22,947	(22,947)
200 Employee Benefits	10,743,252	10,569,215	174,037
300 Purchased Services	515,277	514,543	734
400 Supplies and Materials	911,710	787,655	124,055
500 Capital Outlay	471,423	432,761	38,662
115 Career and Technology Education Program:			
100 Salaries	6,303,847	6,302,886	961
200 Employee Benefits	1,803,211	1,787,064	16,147
300 Purchased Services - Other than Tuition	29,488	26,955	2,533
400 Supplies and Materials	89,269	85,014	4,255
500 Capital Outlay	24,214	16,397	7,817
600 Other Objects	420	420	-
120 Exceptional Programs:			
121 Educable Mentally-Handicapped:			
100 Salaries	4,233,267	4,020,829	212,438
150 TERI - Second Annual Leave Payout	-	7,215	(7,215)
200 Employee Benefits	1,293,991	1,288,314	5,677
300 Purchased Services	12,382	12,209	173
400 Supplies and Materials	41,600	8,334	33,266
122 Trainable Mentally Handicapped:			
100 Salaries	2,890,000	2,875,115	14,885
150 TERI - Second Annual Leave Payout	-	4,603	(4,603)
200 Employee Benefits	913,000	911,864	1,136
300 Purchased Services	5,656	5,135	521
400 Supplies and Materials	10,672	3,637	7,035
123 Orthopedically Handicapped:			
100 Salaries	914,000	910,715	3,285
150 TERI - Second Annual Leave Payout	-	3,260	(3,260)
200 Employee Benefits	310,000	309,835	165
300 Purchased Services	3,423	3,127	296
400 Supplies and Materials	1,621	1,228	393
124 Visually Handicapped:			
100 Salaries	160,000	158,640	1,360
200 Employee Benefits	39,500	39,011	489
300 Purchased Services	8,708	8,688	20
400 Supplies and Materials	\$ 632	477	\$ 155

(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, 2008

	REVISED BUDGET	ACTUAL	VARIANCE
125 Hearing Handicapped:			
100 Salaries	\$ 598,192	596,239	\$ 1,953
200 Employee Benefits	185,038	184,848	190
300 Purchased Services	7,411	6,359	1,052
400 Supplies and Materials	1,152	1,145	7
126 Speech Handicapped:			
100 Salaries	3,411,440	3,410,244	1,196
150 TERI - Second Annual Leave Payout	-	1,080	(1,080)
200 Employee Benefits	976,784	975,951	833
300 Purchased Services	7,906	5,531	2,375
400 Supplies and Materials	5,664	5,382	282
500 Capital Outlay	4,843	4,598	245
127 Learning Disabilities:			
100 Salaries	14,150,000	14,119,610	30,390
150 TERI - Second Annual Leave Payout	-	8,488	(8,488)
200 Employee Benefits	4,235,000	4,230,866	4,134
300 Purchased Services	8,177	8,134	43
400 Supplies and Materials	34,887	30,063	4,824
128 Emotionally Handicapped:			
100 Salaries	2,503,000	2,502,850	150
200 Employee Benefits	770,000	769,455	545
300 Purchased Services	6,317	4,441	1,876
400 Supplies and Materials	7,092	6,378	714
130 Pre-School Programs:			
131 Pre-School Handicapped Speech (5-Yr. Olds):			
300 Purchased Services	2,380	2,375	5
135 Pre-School Handicapped Speech (3 & 4-Yr. Olds):			
100 Salaries	1,610	1,607	3
200 Employee Benefits	250	246	4
137 Pre-School Handicapped Self-Contained (3 & 4-Yr. Olds):			
100 Salaries	1,396,500	1,396,061	439
200 Employee Benefits	435,500	435,486	14
400 Supplies and Materials	2,330	2,208	122
139 Early Childhood Programs:			
100 Salaries	596,381	589,050	7,331
150 TERI - Second Annual Leave Payout	-	7,313	(7,313)
200 Employee Benefits	197,608	193,888	3,720
300 Purchased Services	1,236	411	825
400 Supplies and Materials	11,244	10,435	809
140 Special Programs:			
141 Gifted and Talented - Academic:			
100 Salaries	1,211,466	977,759	233,707
150 TERI - Second Annual Leave Payout	-	768	(768)
200 Employee Benefits	362,132	283,090	79,042
300 Purchased Services	\$ 11,770	11,770	\$ -

(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, 2008

	REVISED BUDGET	ACTUAL	VARIANCE
145 Homebound:			
100 Salaries	\$ 1,198,637	1,199,536	\$ (899)
200 Employee Benefits	328,777	328,966	(189)
300 Purchased Services	207,500	75,804	131,696
400 Supplies and Materials	974	385	589
148 Gifted and Talented - Artistic:			
100 Salaries	13,000	10,303	2,697
150 TERI - Second Annual Leave Payout	-	2,190	(2,190)
200 Employee Benefits	2,500	2,417	83
149 Other Special Programs:			
100 Salaries	912,788	441,181	471,607
150 TERI - Second Annual Leave Payout	-	535	(535)
200 Employee Benefits	273,896	141,634	132,262
300 Purchased Services	2,606	1,782	824
400 Supplies and Materials	6,474	6,387	87
160 Other Exceptional Programs:			
161 Autism:			
100 Salaries	40,500	40,492	8
200 Employee Benefits	23,700	23,538	162
300 Purchased Services	3,608	3,608	-
170 Summer School Programs:			
171 Primary Summer School:			
100 Salaries	44,888	44,275	613
200 Employee Benefits	10,405	10,028	377
300 Purchased Services	200	-	200
400 Supplies and Materials	500	164	336
172 Elementary Summer School:			
100 Salaries	85,617	32,417	53,200
200 Employee Benefits	15,825	6,837	8,988
400 Supplies and Materials	478	478	-
173 High School Summer School:			
100 Salaries	200,930	146,055	54,875
200 Employee Benefits	42,005	31,956	10,049
300 Purchased Services	1,300	1,269	31
400 Supplies and Materials	3,922	-	3,922
175 Instructional Programs Beyond Regular School Day:			
100 Salaries	144,181	140,265	3,916
200 Employee Benefits	31,654	27,443	4,211
300 Purchased Services	80,000	23,640	56,360
400 Supplies and Materials	39,000	3,184	35,816
500 Capital Outlay	16,000	-	16,000
180 Adult/Continuing Educational Programs:			
188 Parenting/Family Literacy:			
100 Salaries	24,000	18,577	5,423
150 TERI - Second Annual Leave Payout	-	3,668	(3,668)
200 Employee Benefits	10,000	9,827	173
Total Instruction	<u>\$ 257,053,312</u>	<u>250,272,505</u>	<u>\$ 6,780,807</u>

(Continued)

GENERAL FUND

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

YEAR ENDED JUNE 30, 2008

	REVISED BUDGET	ACTUAL	VARIANCE
200 Support Services:			
210 Pupil Services:			
211 Attendance and Social Work Services:			
100 Salaries	\$ 1,234,155	1,232,382	\$ 1,773
150 TERI - Second Annual Leave Payout	-	650	(650)
200 Employee Benefits	354,893	328,404	26,489
300 Purchased Services	39,428	32,708	6,720
400 Supplies and Materials	1,900	1,611	289
500 Capital Outlay	2,725	2,681	44
600 Other Objects	175	175	-
212 Guidance Services:			
100 Salaries	9,340,358	9,129,058	211,300
150 TERI - Second Annual Leave Payout	-	6,823	(6,823)
200 Employee Benefits	2,580,337	2,524,685	55,652
300 Purchased Services	56,163	9,159	47,004
400 Supplies and Materials	10,595	8,434	2,161
600 Other Objects	600	402	198
213 Health Services:			
100 Salaries	2,048,138	1,388,550	659,588
150 TERI - Second Annual Leave Payout	-	5,755	(5,755)
200 Employee Benefits	658,138	423,061	235,077
300 Purchased Services	19,597	19,355	242
400 Supplies and Materials	79,752	65,595	14,157
500 Capital Outlay	12,808	7,222	5,586
600 Other Objects	639	364	275
214 Psychological Services:			
100 Salaries	818,700	818,621	79
200 Employee Benefits	215,987	206,363	9,624
300 Purchased Services	36,711	36,606	105
400 Supplies and Materials	3,650	3,140	510
215 Exceptional Program Services:			
100 Salaries	1,000	921	79
200 Employee Benefits	200	174	26
300 Purchased Services	90	-	90
400 Supplies and Materials	260	256	4
220 Instructional Staff Services:			
221 Improvement of Instruction-Curriculum Development:			
100 Salaries	4,846,101	4,476,435	369,666
140 Terminal Leave	-	2,306	(2,306)
150 TERI - Second Annual Leave Payout	-	17,473	(17,473)
200 Employee Benefits	1,210,900	1,184,595	26,305
300 Purchased Services	74,884	73,295	1,589
400 Supplies and Materials	62,758	59,214	3,544
500 Capital Outlay	11,774	10,380	1,394
600 Other Objects	\$ 1,281	883	\$ 398

(Continued)

GENERAL FUND

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

YEAR ENDED JUNE 30, 2008

	REVISED BUDGET	ACTUAL	VARIANCE
222 Library and Media Services:			
100 Salaries	\$ 7,486,338	7,096,564	\$ 389,774
150 TERI - Second Annual Leave Payout	-	10,358	(10,358)
200 Employee Benefits	2,199,463	2,033,645	165,818
300 Purchased Services	98,747	94,040	4,707
400 Supplies and Materials	1,449,610	1,130,770	318,840
500 Capital Outlay	139,950	135,514	4,436
600 Other Objects	123	123	-
223 Supervision of Special Programs:			
100 Salaries	1,795,465	1,796,748	(1,283)
200 Employee Benefits	522,064	483,078	38,986
300 Purchased Services	177,520	230,737	(53,217)
400 Supplies and Materials	61,493	51,435	10,058
500 Capital Outlay	1,694	1,594	100
600 Other Objects	1,150	893	257
224 Improvement of Instruction-Inservice and Staff Training:			
100 Salaries	1,134,566	1,048,913	85,653
200 Employee Benefits	263,450	192,380	71,070
300 Purchased Services	389,786	264,497	125,289
400 Supplies and Materials	78,268	68,328	9,940
500 Capital Outlay	2,415	2,405	10
600 Other Objects	126,557	119,693	6,864
230 General Administrative Services:			
231 Board of Education:			
100 Salaries	101,805	101,803	2
200 Employee Benefits	768,998	15,289	753,709
300 Purchased Services	154,321	708,119	(553,798)
318 Audit Services	89,000	81,725	7,275
400 Supplies and Materials	18,050	11,672	6,378
600 Other Objects	35,750	35,750	-
232 Office of Superintendent:			
100 Salaries	949,995	856,627	93,368
150 TERI - Second Annual Leave Payout	-	2,900	(2,900)
200 Employee Benefits	246,408	246,244	164
300 Purchased Services	82,674	24,762	57,912
400 Supplies and Materials	213,430	158,408	55,022
500 Capital Outlay	11,066	1,840	9,226
600 Other Objects	52,896	50,775	2,121
233 School Administration:			
100 Salaries	24,172,754	24,107,255	65,499
140 Terminal Leave	-	35,331	(35,331)
150 TERI - Second Annual Leave Payout	-	14,875	(14,875)
200 Employee Benefits	6,728,862	6,719,811	9,051
300 Purchased Services	352,304	178,265	174,039
400 Supplies and Materials	95,004	91,336	3,668
500 Capital Outlay	45,707	45,580	127
600 Other Objects	\$ 5,447	4,980	\$ 467

(Continued)

GENERAL FUND

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

YEAR ENDED JUNE 30, 2008

	REVISED BUDGET	ACTUAL	VARIANCE
250 Finance and Operations Services:			
251 Student Transportation (Federal/District Mandated):			
100 Salaries	\$ -	487,167	\$ (487,167)
200 Employee Benefits	-	150,467	(150,467)
252 Fiscal Services:			
100 Salaries	1,898,541	1,900,692	(2,151)
200 Employee Benefits	2,508,726	1,318,990	1,189,736
300 Purchased Services	225,910	113,929	111,981
400 Supplies and Materials	16,410	16,294	116
500 Capital Outlay	9,147	9,145	2
600 Other Objects	1,038,365	1,028,585	9,780
253 Facilities Acquisition and Construction:			
300 Purchased Services	4,000	4,000	-
400 Supplies and Materials	435	434	1
500 Capital Outlay:			
520 Construction Services	5,000	3,445	1,555
530 Improvements Other Than Buildings	3,380	5,505	(2,125)
540 Equipment	39,565	38,821	744
545 Technology, Equipment and Software	26,000	26,000	-
254 Operation and Maintenance of Plant:			
100 Salaries	19,061,714	20,224,255	(1,162,541)
140 Terminal Leave	-	10,101	(10,101)
150 TERI - Second Annual Leave Payout	-	37,740	(37,740)
200 Employee Benefits	6,237,041	7,493,756	(1,256,715)
300 Purchased Services	6,529,326	5,975,940	553,386
321 Public Utilities (Excludes Gas, Oil, Elec. & Other Heating Fuels)	1,380,949	1,294,216	86,733
400 Supplies and Materials	3,615,642	3,245,647	369,995
470 Energy (Includes Gas, Oil, Elec. & Other Heating Fuels)	14,612,262	16,031,030	(1,418,768)
500 Capital Outlay	739,942	707,795	32,147
600 Other Objects	7,445	6,067	1,378
255 Student Transportation (State Mandated):			
100 Salaries	7,859,369	8,145,748	(286,379)
140 Terminal Leave	-	4,447	(4,447)
150 TERI - Second Annual Leave Payout	-	3,143	(3,143)
200 Employee Benefits	2,731,893	3,037,404	(305,511)
300 Purchased Services	361,601	539,421	(177,820)
400 Supplies and Materials	424,970	22,498	402,472
500 Capital Outlay	175,684	135,799	39,885
600 Other Objects	125	125	-
256 Food Service:			
200 Employee Benefits	\$ 3,424,094	3,895,503	\$ (471,409)

(Continued)

GENERAL FUND

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

YEAR ENDED JUNE 30, 2008

	REVISED BUDGET	ACTUAL	VARIANCE
257 Internal Services:			
100 Salaries	\$ 975,100	1,015,800	\$ (40,700)
140 Terminal Leave	-	9,343	(9,343)
150 TERI - Second Annual Leave Payout	-	1,870	(1,870)
200 Employee Benefits	275,057	300,636	(25,579)
300 Purchased Services	63,387	49,244	14,143
400 Supplies and Materials	16,003	11,616	4,387
500 Capital Outlay	2,950	742	2,208
600 Other Objects	220	17,031	(16,811)
258 Security:			
100 Salaries	356,798	414,086	(57,288)
200 Employee Benefits	105,895	120,188	(14,293)
300 Purchased Services	1,533,615	1,583,568	(49,953)
400 Supplies and Materials	65,340	57,455	7,885
500 Capital Outlay	46,383	41,477	4,906
259 Internal Auditing Services:			
100 Salaries	311,050	308,335	2,715
200 Employee Benefits	80,899	80,992	(93)
300 Purchased Services	7,505	7,352	153
400 Supplies and Materials	1,927	1,920	7
500 Capital Outlay	2,550	2,544	6
600 Other Objects	1,620	1,620	-
260 Central Support Services:			
262 Planning, Research, Development and Evaluation:			
100 Salaries	834,833	817,887	16,946
200 Employee Benefits	207,064	206,270	794
300 Purchased Services	40,889	35,675	5,214
400 Supplies and Materials	461,716	397,655	64,061
500 Capital Outlay	31,075	31,029	46
600 Other Objects	1,260	1,229	31
263 Information Services:			
100 Salaries	514,309	534,170	(19,861)
140 Terminal Leave	-	9,343	(9,343)
150 TERI - Second Annual Leave Payout	-	1,718	(1,718)
200 Employee Benefits	129,061	128,185	876
300 Purchased Services	219,833	73,851	145,982
400 Supplies and Materials	12,887	11,714	1,173
500 Capital Outlay	4,121	4,028	93
600 Other Objects	350	110	240
264 Staff Services:			
100 Salaries	745,000	831,597	(86,597)
150 TERI - Second Annual Leave Payout	-	2,150	(2,150)
200 Employee Benefits	186,741	217,980	(31,239)
300 Purchased Services	212,094	93,348	118,746
400 Supplies and Materials	37,100	34,106	2,994
500 Capital Outlay	1,900	1,887	13
600 Other Objects	\$ 1,810	1,810	\$ -

(Continued)

GENERAL FUND

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

YEAR ENDED JUNE 30, 2008

	REVISED BUDGET	ACTUAL	VARIANCE
266 Technology and Data Processing Services:			
100 Salaries	\$ 2,982,008	2,901,810	\$ 80,198
200 Employee Benefits	959,737	837,268	122,469
300 Purchased Services	2,473,666	1,348,578	1,125,088
400 Supplies and Materials	1,695,438	1,564,498	130,940
500 Capital Outlay	3,657,725	2,646,190	1,011,535
600 Other Objects	947	285	662
270 Support Services Pupil Activity:			
271 Pupil Services Activities:			
100 Salaries (Optional)	2,505,775	2,442,620	63,155
200 Employee Benefits (Optional)	483,967	485,247	(1,280)
300 Purchased Services (Optional)	91,066	56,123	34,943
400 Supplies and Materials (Optional)	194,777	190,229	4,548
500 Capital Outlay (Optional)	287,659	262,496	25,163
600 Other Objects (Optional)	10,372	51,543	(41,171)
Total Support Services	<u>169,546,842</u>	<u>166,495,355</u>	<u>3,051,487</u>
300 Community Services:			
330 Civic Services:			
100 Salaries	45,000	41,331	3,669
200 Employee Benefits	14,043	14,028	15
300 Purchased Services	1,378	1,377	1
400 Supplies and Materials	322	224	98
350 Custody and Care of Children Services:			
100 Salaries	54,000	64,383	(10,383)
200 Employee Benefits	10,886	13,439	(2,553)
390 Other Community Services:			
100 Salaries	-	-	-
200 Employee Benefits	-	11,409	(11,409)
300 Purchased Services	6,750	-	6,750
400 Supplies and Materials	7,250	-	7,250
500 Capital Outlay	2,700	-	2,700
600 Other Objects	100	-	100
Total Community Services	<u>142,429</u>	<u>146,191</u>	<u>(3,762)</u>
400 Other Charges:			
410 Intergovernmental Expenditures:			
411 Payments to the SDE			
720 Transits	-	800,568	(800,568)
416 Payments to Public Charter Schools			
720 Transits	6,844,636	6,440,888	403,748
Total Intergovernmental Expenditures	<u>6,844,636</u>	<u>7,241,456</u>	<u>(396,820)</u>
TOTAL EXPENDITURES	<u>\$ 433,587,219</u>	<u>424,155,507</u>	<u>\$ 9,431,712</u>

(Continued)

GENERAL FUND

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

YEAR ENDED JUNE 30, 2008

	REVISED BUDGET	ACTUAL	VARIANCE
OTHER FINANCING SOURCES (USES)			
5300 Sale of Fixed Assets	\$ -	114,758	\$ 114,758
Interfund Transfers, From (To) Other Funds:			
5220 Transfer from Special Revenue Fund (Excludes Indirect Cost)	-	800,568	800,568
5230 Transfer from Special Revenue EIA Fund	8,310,000	8,271,706	(38,294)
5260 Transfer from Food Service Fund	1,342,000	1,172,000	(170,000)
5280 Transfer from Other Funds Indirect Costs	950,000	1,065,865	115,865
421-710 Transfer to Special Revenue Fund	(2,032,171)	(1,776,300)	255,871
426-710 Transfer to Pupil Activity Fund	(497,860)	(497,457)	403
TOTAL OTHER FINANCING SOURCES (USES)	8,071,969	9,151,140	1,079,171
EXCESS/DEFICIENCY OF REVENUES AND EXPENDITURES	(6,476,561)	822,726	7,299,287
FUND BALANCE, Beginning of Year	49,568,364	49,568,364	-
FUND BALANCE, End of Year	\$ 43,091,803	50,391,090	\$ 7,299,287

**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, 2008

	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:			
3123 Formative Assessment	-	-	-
3125 Career and Technology Education Equipment	-	-	-
3126 Refurbishment of K-8 Science Kits	-	-	-
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	-	-	-
3607 6-8 Enhancement	-	-	-
3610 K-5 Enhancement	\$ -	-	-

Occupational Education (VA Projects) (207/258)	Drug Free (FP/FQ Projects) (209/210)	Adult Education* (EA Projects)	Other Designated Restricted State Grants* (900s)	Other Special Revenue Programs* (200s/800s)	Totals
-	-	-	-	632,451	\$ 632,451
-	-	-	-	14,804	14,804
-	-	-	-	2,657,471	2,657,471
-	-	-	-	1,714,338	1,714,338
-	-	-	-	5,019,064	5,019,064
-	-	-	1,073,807	-	1,073,807
-	-	-	39,356	-	39,356
-	-	-	2,200,378	-	2,200,378
-	-	-	296,051	-	296,051
-	-	-	568,044	-	568,044
-	-	-	204,862	-	204,862
-	-	-	727,618	-	727,618
-	-	-	5,000	-	5,000
-	-	-	1,685,257	-	1,685,257
-	-	-	61,687	-	61,687
-	-	-	246,927	-	246,927
-	-	-	362,426	-	362,426
-	-	-	31,846	-	31,846
-	-	-	37,599	-	37,599
-	-	-	31,200	-	31,200
-	-	-	61,492	-	61,492
-	-	-	3,502,074	-	\$ 3,502,074

(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, 2008

	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 Title I, Basic State Grant Programs (Carryover Provision)	17,234,997	-	-
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)	-	16,110,315	-
4520 Pre-School Grants (Carryover Provision)	-	-	434,383
4900 Other Federal Sources:			
4920 Drug and Violence Prevention, Title IV	-	-	-
4999 Revenue from Other Federal Sources	-	-	-
Total Revenue from Federal Sources	<u>17,234,997</u>	<u>16,110,315</u>	<u>434,383</u>
TOTAL REVENUE ALL SOURCES	<u>\$ 17,234,997</u>	<u>16,110,315</u>	<u>434,383</u>

Occupational Education (VA Projects) (207/258)	Drug Free (FP/FQ Projects) (209/210)	Adult Education* (EA Projects)	Other Designated Restricted State Grants* (900s)	Other Special Revenue Programs* (200s/800s)	Totals
-	-	-	245,175	-	\$ 245,175
-	-	-	64,917	-	64,917
-	-	-	-	730,549	730,549
-	-	-	11,445,716	730,549	12,176,265
1,180,727	-	-	-	-	1,180,727
-	-	-	-	329,337	17,564,334
-	-	-	-	201,985	201,985
-	-	-	-	90,533	90,533
-	-	-	-	558,260	558,260
-	-	-	-	2,774,154	2,774,154
-	-	-	-	95,000	95,000
-	-	365,090	-	-	365,090
-	-	-	-	-	16,110,315
-	-	-	-	-	434,383
-	284,654	-	-	-	284,654
-	-	-	-	1,307,201	1,307,201
1,180,727	284,654	365,090	-	5,356,470	40,966,636
1,180,727	284,654	365,090	11,445,716	11,106,083	\$ 58,161,965

(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, 2008

	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	\$ 39,385	92,066	-
200 Employee Benefits	12,097	26,536	-
300 Purchased Services	-	-	-
400 Supplies and Materials	986	12,666	-
500 Capital Outlay	-	29,997	-
112 Primary Programs:			
100 Salaries	1,705,457	422,600	-
200 Employee Benefits	497,906	121,297	-
300 Purchased Services	1,020,480	-	-
400 Supplies and Materials	986,010	66,634	-
500 Capital Outlay	398,868	33,268	-
113 Elementary Programs:			
100 Salaries	2,389,119	-	-
200 Employee Benefits	713,106	-	-
300 Purchased Services	2,686	-	-
400 Supplies and Materials	465,518	64,769	-
500 Capital Outlay	37,724	-	-
114 High School Programs:			
100 Salaries	-	-	-
200 Employee Benefits	-	-	-
300 Purchased Services	-	-	-
400 Supplies and Materials	-	12,026	-
500 Capital Outlay	-	-	-
115 Career and Technology Education Program:			
100 Salaries	-	23,662	-
200 Employee Benefits	-	6,493	-
300 Purchased Services	-	-	-
400 Supplies and Materials	-	-	-
500 Capital Outlay	-	-	-
120 Exceptional Programs:			
121 Educable Mentally Handicapped:			
100 Salaries	-	459,383	-
200 Employee Benefits	-	165,815	-
300 Purchased Services	-	7,638	-
400 Supplies and Materials	-	24,396	-
500 Capital Outlay	\$ -	3,343	-

Occupational Education (VA Projects) (207/258)	Drug Free (FP/FQ Projects) (209/210)	Adult Education* (EA Projects)	Other Designated Restricted State Grants* (900s)	Other Special Revenue Programs* (200s/800s)	Totals
-	-	-	30,000	-	\$ 161,451
-	-	-	6,011	-	44,644
-	-	-	950	-	950
-	-	-	42,879	-	56,531
-	-	-	44,860	-	74,857
-	-	-	845,151	960,217	3,933,425
-	-	-	247,926	282,870	1,149,999
-	-	-	17,230	23,140	1,060,850
-	-	-	170,837	113,613	1,337,094
-	-	-	111,141	1,699	544,976
-	-	-	278,563	1,181	2,668,863
-	-	-	78,084	313	791,503
2,500	-	-	11,575	216,903	233,664
7,180	-	-	494,952	432,027	1,464,446
109,995	-	-	146,541	97,190	391,450
17,884	-	-	82,651	464,186	564,721
3,658	-	-	16,575	12,154	32,387
-	-	-	24,742	17,358	42,100
20,756	-	-	130,396	41,815	204,993
236,064	-	-	80,978	28,016	345,058
14,681	-	-	-	69,927	108,270
6,208	-	-	-	14,181	26,882
-	-	-	751,118	-	751,118
63,041	-	-	162,712	-	225,753
20,704	-	-	201,652	-	222,356
-	-	-	7,500	-	466,883
-	-	-	1,499	-	167,314
-	-	-	-	51	7,689
-	-	-	-	-	24,396
-	-	-	-	-	\$ 3,343

(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, 2008

	Title I (BA Projects) (201/202)	IDEA (CA Projects) (203/204)	Preschool Handicapped (CG Projects) (205/206)
122 Trainable Mentally Handicapped:			
100 Salaries	\$ -	257,203	-
200 Employee Benefits	-	106,701	-
300 Purchased Services	-	40,220	-
400 Supplies and Materials	-	14,833	-
500 Capital Outlay	-	664	-
123 Orthopedically Handicapped:			
100 Salaries	-	93,759	-
200 Employee Benefits	-	35,528	-
400 Supplies and Materials	-	13,286	-
500 Capital Outlay	-	12,652	-
124 Visually Handicapped:			
100 Salaries	-	22,156	-
200 Employee Benefits	-	10,452	-
300 Purchased Services	-	675	-
400 Supplies and Materials	-	2,426	-
125 Hearing Handicapped:			
100 Salaries	-	120,822	-
200 Employee Benefits	-	41,005	-
300 Purchased Services	-	8,045	-
400 Supplies and Materials	-	8,102	-
500 Capital Outlay	-	21,977	-
126 Speech Handicapped:			
100 Salaries	-	393,309	2,872
200 Employee Benefits	-	110,808	588
300 Purchased Services	-	724,679	-
400 Supplies and Materials	-	81,568	-
500 Capital Outlay	-	8,162	-
600 Other Objects	-	-	-
127 Learning Disabilities:			
100 Salaries	-	1,782,615	-
200 Employee Benefits	-	608,039	-
300 Purchased Services	-	69,789	-
400 Supplies and Materials	-	77,959	-
600 Other Objects	-	2,645	-
128 Emotionally Handicapped:			
100 Salaries	-	21,492	-
200 Employee Benefits	-	7,460	-
300 Purchased Services	-	2,374	-
400 Supplies and Materials	\$ -	431	-

Occupational Education (VA Projects) (207/258)	Drug Free (FP/FQ Projects) (209/210)	Adult Education* (EA Projects)	Other Designated Restricted State Grants* (900s)	Other Special Revenue Programs* (200s/800s)	Totals
-	-	-	-	-	\$ 257,203
-	-	-	-	-	106,701
-	-	-	-	-	40,220
-	-	-	12,603	-	27,436
-	-	-	1,175	-	1,839
-	-	-	-	-	93,759
-	-	-	-	-	35,528
-	-	-	-	-	13,286
-	-	-	-	-	12,652
-	-	-	-	-	22,156
-	-	-	-	-	10,452
-	-	-	-	-	675
-	-	-	-	-	2,426
-	-	-	-	-	120,822
-	-	-	-	-	41,005
-	-	-	-	-	8,045
-	-	-	-	-	8,102
-	-	-	-	-	21,977
-	-	-	-	40,871	437,052
-	-	-	-	8,046	119,442
-	-	-	-	-	724,679
-	-	-	-	-	81,568
-	-	-	-	-	8,162
-	-	-	-	11,392	11,392
-	-	-	7,500	-	1,790,115
-	-	-	1,485	-	609,524
-	-	-	-	-	69,789
-	-	-	-	100,000	177,959
-	-	-	-	-	2,645
-	-	-	-	293,752	315,244
-	-	-	-	107,334	114,794
-	-	-	-	1,822	4,196
-	-	-	-	532	\$ 963

(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, 2008

	Title I (BA Projects) (201/202)	IDEA (CA Projects) (203/204)	Preschool Handicapped (CG Projects) (205/206)
130 Pre-School Programs:			
131 Pre-School Handicapped Speech (5-Yr. Olds):			
300 Purchased Services	\$ -	-	53,501
137 Pre-School Handicapped Self-Contained (3 & 4-Yr. Olds):			
100 Salaries	-	433,028	22,190
200 Employee Benefits	-	127,186	5,334
300 Purchased Services	-	-	6,330
400 Supplies and Materials	-	89	2,780
139 Early Childhood Programs:			
100 Salaries	1,713,732	-	-
200 Employee Benefits	575,365	-	-
400 Supplies and Materials	17,533	-	-
500 Capital Outlay	-	-	-
140 Special Programs:			
141 Gifted and Talented - Academic:			
400 Supplies and Materials	-	-	-
145 Homebound:			
500 Capital Outlay	-	-	-
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	-	238,786	-
200 Employee Benefits	-	81,922	-
300 Purchased Services	-	16,032	-
400 Supplies and Materials	-	7,276	-
170 Summer School Programs:			
171 Primary Summer School:			
100 Salaries	-	18,277	-
200 Employee Benefits	-	3,772	-
400 Supplies and Materials	-	-	-
172 Elementary Summer School:			
100 Salaries	381,696	-	-
200 Employee Benefits	85,097	-	-
300 Purchased Services	1,052	-	-
400 Supplies and Materials	\$ 52,521	-	-

Occupational Education (VA Projects) (207/258)	Drug Free (FP/FQ Projects) (209/210)	Adult Education* (EA Projects)	Other Designated Restricted State Grants* (900s)	Other Special Revenue Programs* (200s/800s)	Totals
-	-	-	-	-	\$ 53,501
-	-	-	-	-	455,218
-	-	-	-	-	132,520
-	-	-	-	-	6,330
-	-	-	-	-	2,869
-	-	-	-	17,030	1,730,762
-	-	-	-	9,367	584,732
-	-	-	-	96,442	113,975
-	-	-	-	45,263	45,263
-	-	-	-	1,787	1,787
-	-	-	-	985	985
-	-	-	1,285,184	6,911	1,292,095
-	-	-	371,192	1,028	372,220
-	-	-	-	13,015	13,015
-	-	-	-	423,864	423,864
-	-	-	-	59,906	59,906
-	-	-	-	285,706	524,492
-	-	-	-	111,236	193,158
-	-	-	-	4,711	20,743
-	-	-	-	8,534	15,810
-	-	-	297	-	18,574
-	-	-	-	-	3,772
-	-	-	55	-	55
-	-	-	-	-	381,696
-	-	-	-	-	85,097
-	-	-	-	-	1,052
-	-	-	-	-	\$ 52,521

(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, 2008

	Title I (BA Projects) (201/202)	IDEA (CA Projects) (203/204)	Preschool Handicapped (CG Projects) (205/206)
173 High School Summer School:			
100 Salaries	\$ -	-	-
200 Employee Benefits	-	-	-
175 Instructional Programs Beyond Regular School Day:			
100 Salaries	282,802	-	-
200 Employee Benefits	58,896	-	-
300 Purchased Services	23,908	-	-
400 Supplies and Materials	54,725	-	-
500 Capital Outlay	11,872	-	-
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	-	-	-
500 Capital Outlay	-	-	-
183 Adult English Literacy (ESL):			
100 Salaries	-	-	-
200 Employee Benefits	-	-	-
300 Purchased Services	-	-	-
400 Supplies and Materials	-	-	-
188 Parenting/Family Literacy:			
100 Salaries	205,368	-	-
200 Employee Benefits	66,738	-	-
300 Purchased Services	1,079,454	-	-
400 Supplies and Materials	229,505	-	-
500 Capital Outlay	11,249	-	-
600 Other Objects	-	-	-
Total Instruction	13,120,855	7,200,793	93,595
200 Support Services:			
210 Pupil Services:			
211 Attendance and Social Work Services:			
100 Salaries	545,135	184,702	-
200 Employee Benefits	160,478	57,298	-
300 Purchased Services	9,708	6,434	-
400 Supplies and Materials	3,024	-	-
500 Capital Outlay	\$ -	-	-

Occupational Education (VA Projects) (207/258)	Drug Free (FP/FQ Projects) (209/210)	Adult Education* (EA Projects)	Other Designated Restricted State Grants* (900s)	Other Special Revenue Programs* (200s/800s)	Totals
1,723	-	-	-	14,158	\$ 15,881
351	-	-	-	-	351
-	-	-	-	-	282,802
-	-	-	-	-	58,896
-	-	-	-	-	23,908
-	-	-	-	-	54,725
-	-	-	-	-	11,872
-	-	84,000	-	8,600	92,600
-	-	17,547	-	1,801	19,348
-	-	64,350	188,061	217,329	469,740
-	-	16,168	44,566	49,774	110,508
-	-	-	1,950	2,183	4,133
-	-	-	7,877	4,766	12,643
-	-	-	-	710	710
-	-	132,925	-	-	132,925
-	-	23,296	-	-	23,296
-	-	-	-	1,883	1,883
-	-	-	-	18,739	18,739
-	-	-	-	588,514	793,882
-	-	-	-	181,670	248,408
-	-	-	-	50,320	1,129,774
-	-	-	-	71,297	300,802
-	-	-	-	1,039	12,288
-	-	-	-	25	25
504,745	-	338,286	5,908,468	5,639,183	32,805,925

-	76,534	-	-	55,993	862,364
-	20,885	-	-	11,820	250,481
-	107,889	-	-	107,505	231,536
-	30,052	-	-	9,010	42,086
-	1,200	-	-	81,786	\$ 82,986

(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, 2008

	Title I (BA Projects) (201/202)	IDEA (CA Projects) (203/204)	Preschool Handicapped (CG Projects) (205/206)
212 Guidance Services:			
100 Salaries	\$ -	85,755	-
200 Employee Benefits	-	23,837	-
300 Purchased Services	-	-	13,673
400 Supplies and Materials	-	1,418	-
213 Health Services:			
100 Salaries	101,445	1,072,340	-
200 Employee Benefits	33,731	325,805	-
300 Purchased Services	13,067	70,321	-
400 Supplies and Materials	1,808	7,252	-
500 Capital Outlay	-	2,896	-
600 Other Objects	-	-	-
214 Psychological Services:			
100 Salaries	-	967,459	69,642
200 Employee Benefits	-	277,198	18,124
300 Purchased Services	-	297,205	909
400 Supplies and Materials	-	91,972	-
500 Capital Outlay	-	25,598	-
215 Exceptional Program Services:			
100 Salaries	-	32,692	102,014
200 Employee Benefits	-	9,978	33,797
300 Purchased Services	-	-	419
400 Supplies and Materials	-	-	872
500 Capital Outlay	-	-	794
217 Career Specialists Services:			
100 Salaries	-	-	-
200 Employee Benefits	-	-	-
220 Instructional Staff Services:			
221 Improvement of Instruction - Curriculum Development:			
100 Salaries	259,223	2,445,911	-
200 Employee Benefits	75,095	676,555	-
300 Purchased Services	-	140,766	759
400 Supplies and Materials	-	26,943	-
500 Capital Outlay	-	1,244	-
222 Library and Media:			
100 Salaries	-	29	-
200 Employee Benefits	-	2	-
300 Purchased Services	-	-	-
400 Supplies and Materials	\$ -	-	-

Occupational Education (VA Projects) (207/258)	Drug Free (FP/FQ Projects) (209/210)	Adult Education* (EA Projects)	Other Designated Restricted State Grants* (900s)	Other Special Revenue Programs* (200s/800s)	Totals
163,923	-	-	3,409	69,686	\$ 322,773
44,645	-	-	661	18,194	87,337
-	-	-	-	-	13,673
-	-	-	-	-	1,418
-	-	-	1,229,799	50,954	2,454,538
-	-	-	421,065	16,600	797,201
-	-	-	-	54,000	137,388
-	-	-	-	51,036	60,096
-	-	-	-	44,526	47,422
-	-	-	-	2,100	2,100
-	-	-	-	168,480	1,205,581
-	-	-	-	67,966	363,288
-	-	-	-	11,016	309,130
-	-	-	-	11,538	103,510
-	-	-	-	-	25,598
-	-	-	-	-	134,706
-	-	-	-	-	43,775
-	-	-	-	-	419
-	-	-	-	-	872
-	-	-	-	-	794
-	-	-	1,662,384	-	1,662,384
-	-	-	497,246	-	497,246
104,406	-	-	722,638	205,647	3,737,825
31,409	-	-	201,069	44,340	1,028,468
-	-	-	-	206,380	347,905
-	-	-	-	10,781	37,724
-	-	-	-	1,305	2,549
-	-	-	-	-	29
-	-	-	-	-	2
-	-	-	31,002	1,100	32,102
-	-	-	70,820	27,654	\$ 98,474

(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, 2008

	Title I (BA Projects) (201/202)	IDEA (CA Projects) (203/204)	Preschool Handicapped (CG Projects) (205/206)
223 Supervision of Special Programs:			
100 Salaries	\$ 299,226	472,730	49,151
200 Employee Benefits	81,047	145,866	17,216
300 Purchased Services	13,773	190,772	912
400 Supplies and Materials	7,869	2,457	1,928
500 Capital Outlay	2,494	2,157	794
600 Other Objects	2,565	1,146	-
224 Improvement of Instruction - Inservice and Staff Training:			
100 Salaries	56,266	25,898	-
200 Employee Benefits	11,739	5,363	-
300 Purchased Services	1,134,576	89,446	222
400 Supplies and Materials	163,165	28,728	207
500 Capital Outlay	16,256	-	-
600 Other Objects	-	5,827	-
230 General Administration Services:			
233 School Administration:			
100 Salaries	-	-	-
200 Employee Benefits	-	-	-
300 Purchased Services	-	-	-
400 Supplies and Materials	-	-	-
250 Finance and Operations Services:			
251 Student Transportation (Federal/District Mandated):			
100 Salaries	74,726	70,149	-
200 Employee Benefits	15,302	18,581	-
300 Purchased Services	173,738	33,010	-
400 Supplies and Materials	63,153	3,403	-
500 Capital Outlay	-	360,500	-
252 Fiscal Services:			
100 Salaries	-	-	-
200 Employee Benefits	-	-	-
300 Purchased Services	-	-	-
400 Supplies and Materials	-	-	-
253 Facilities Acquisition and Construction:			
500 Capital Outlay:			
520 Construction Services	\$ -	840	-

Occupational Education (VA Projects) (207/258)	Drug Free (FP/FQ Projects) (209/210)	Adult Education* (EA Projects)	Other Designated Restricted State Grants* (900s)	Other Special Revenue Programs* (200s/800s)	Totals
105,659	-	12,401	24,558	439,863	\$ 1,403,588
38,496	-	4,840	5,832	119,235	412,532
12,943	-	-	25,809	54,140	298,349
2,305	2,143	-	6,473	43,345	66,520
-	-	-	-	2,948	8,393
5,754	-	-	-	-	9,465
-	-	-	199,489	386,667	668,320
-	-	-	43,654	918,706	979,462
57,596	-	-	119,900	372,000	1,773,740
-	-	-	14,996	37,649	244,745
-	-	-	-	-	16,256
-	-	-	-	1,260	7,087
-	-	-	-	300,265	300,265
-	-	-	-	94,094	94,094
-	-	-	2,638	-	2,638
-	-	-	523	11,630	12,153
-	-	-	-	-	144,875
-	-	-	-	-	33,883
-	-	-	-	-	206,748
-	-	-	-	-	66,556
-	-	-	-	-	360,500
-	-	-	-	221,740	221,740
-	-	-	-	59,753	59,753
-	-	-	-	46,223	46,223
-	-	-	-	1,402	1,402
-	-	-	-	139,567	\$ 140,407

(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, 2008

	Title I (BA Projects) (201/202)	IDEA (CA Projects) (203/204)	Preschool Handicapped (CG Projects) (205/206)
254 Operation and Maintenance of Plant:			
100 Salaries	\$ -	-	-
200 Employee Benefits	-	-	-
300 Purchased Services	-	-	-
321 Public Utilities (Excludes gas, oil, elec & other heating fuels)			
400 Supplies and Materials	-	-	-
500 Capital Outlay	-	-	-
255 Student Transportation (State Mandated):			
100 Salaries	-	-	-
200 Employee Benefits	-	-	-
300 Purchased Services	-	-	-
500 Capital Outlay	-	-	-
258 Security:			
100 Salaries	-	-	-
200 Employee Benefits	-	-	-
300 Purchased Services	-	-	-
260 Central Support Services:			
262 Planning:			
300 Purchased Services	-	-	-
263 Information Services:			
300 Purchased Services	470	-	-
264 Staff Services:			
100 Salaries	-	-	-
200 Employee Benefits	-	-	-
266 Technology and Data Processing Services:			
100 Salaries	184,002	-	-
200 Employee Benefits	54,936	-	-
500 Capital Outlay:	-	-	-
270 Support Services - Pupil Activity:			
271 Pupil Services Activities:			
600 Other Objects	-	-	-
Total Support Services	<u>3,558,017</u>	<u>8,288,483</u>	<u>311,433</u>
300 Community Services:			
350 Custody and Care of Children:			
100 Salaries	7,152	-	-
200 Employee Benefits	1,511	-	-
300 Purchased Services	\$ 250	-	-

Occupational Education (VA Projects) (207/258)	Drug Free (FP/FQ Projects) (209/210)	Adult Education* (EA Projects)	Other Designated Restricted State Grants* (900s)	Other Special Revenue Programs* (200s/800s)	Totals
-	-	-	5,211	20,091	\$ 25,302
-	-	-	1,089	4,213	5,302
-	-	-	22,090	18,879	40,969
-	-	-	-	-	-
-	-	-	12,938	12,452	25,390
-	-	-	-	5,224	5,224
-	-	-	500	-	500
-	-	-	103	-	103
-	-	-	-	62,400	62,400
-	-	-	-	8,308	8,308
-	-	-	-	6,750	6,750
-	-	-	-	921	921
-	37,125	-	-	-	37,125
-	-	-	-	22,303	22,303
-	-	-	-	7,296	7,766
-	-	-	-	140,797	140,797
-	-	-	-	38,732	38,732
-	-	-	-	-	184,002
-	-	-	-	-	54,936
-	-	-	3,610	-	3,610
82,001	1,094	-	12,815	22,035	117,945
<u>649,137</u>	<u>276,922</u>	<u>17,241</u>	<u>5,342,321</u>	<u>4,950,305</u>	<u>23,393,859</u>
-	-	-	-	128,625	135,777
-	-	-	-	33,592	35,103
-	-	-	-	-	\$ 250

(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, 2008

	Title I (BA Projects) (201/202)	IDEA (CA Projects) (203/204)	Preschool Handicapped (CG Projects) (205/206)
390 Other Community Services:			
100 Salaries	\$ -	-	-
200 Employee Benefits	-	-	-
300 Purchased Services	-	-	-
400 Supplies and Materials	-	-	-
500 Capital Outlay	-	-	-
600 Other Objects	-	-	-
Total Community Services	<u>8,913</u>	<u>-</u>	<u>-</u>
410 Intergovernmental Expenditures:			
416 Payments to Public Charter Schools			
720 Transits	65,262	208,784	17,976
Total Intergovernmental Expenditures	<u>65,262</u>	<u>208,784</u>	<u>17,976</u>
TOTAL EXPENDITURES	<u>16,753,047</u>	<u>15,698,060</u>	<u>423,004</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)	(481,950)	(412,255)	(11,379)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(481,950)</u>	<u>(412,255)</u>	<u>(11,379)</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>

Occupational Education (VA Projects) (207/258)	Drug Free (FP/FQ Projects) (209/210)	Adult Education* (EA Projects)	Other Designated Restricted State Grants* (900s)	Other Special Revenue Programs* (200s/800s)	Totals
-	-	-	46,571	445	\$ 47,016
-	-	-	12,811	90	12,901
-	-	-	42,979	41,344	84,323
-	-	-	4,661	8,183	12,844
-	-	-	4,719	-	4,719
-	-	-	545	-	545
<u>-</u>	<u>-</u>	<u>-</u>	<u>112,286</u>	<u>212,279</u>	<u>333,478</u>
-	-	-	82,641	-	374,663
<u>-</u>	<u>-</u>	<u>-</u>	<u>82,641</u>	<u>-</u>	<u>374,663</u>
<u>1,153,882</u>	<u>276,922</u>	<u>355,527</u>	<u>11,445,716</u>	<u>10,801,767</u>	<u>56,907,925</u>
-	-	-	-	625,500	625,500
-	-	-	-	(800,568)	(800,568)
-	-	-	-	(13,107)	(13,107)
(26,845)	(7,732)	(9,563)	-	(116,141)	(1,065,865)
<u>(26,845)</u>	<u>(7,732)</u>	<u>(9,563)</u>	<u>-</u>	<u>(304,316)</u>	<u>(1,254,040)</u>
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>\$ -</u>

SPECIAL REVENUE FUND

SUPPLEMENTAL LISTING OF LEA SUBFUND CODES AND TITLES

YEAR ENDED JUNE 30, 2008

OTHER DESIGNATED RESTRICTED STATE GRANTS

8001	Character Education
8008	SAT Improvement/Vertical
8009	Extended School Year
8502	SDM Server
8100	Character Education Professional Development
9050	Career Technology Education Equipment
9080	Refurbishment of K-8 Science Kits
9155	Profoundly Mentally Disabled
9156	Profoundly Mentally Disabled Carryover
9160	Assisting, Developing and Evaluating Professional Teaching, ADEPT
918B	Adult Education - Vocational Rehab
9188	Adult Education - GED
9191	Education License Plates
9200	Adult Education - Young Adult Program
9212	Adult Education Training and Resources Carry Over
9219	Career Readiness
9260	Star Program
9265	RECAB EEDA
9266	RECAB Supplement
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
9380	Making Middle Grades Work
9381	Career Centers That Work
9390	School Library Media
9606	K-5 Enhancement
9608	Social Studies Award
9660	Math / Science Coach
9670	Middle School Initiative

OTHER SPECIAL REVENUE PROGRAMS

2005	McKinney-Vento Homeless
2330	Golf Tournament
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, 2008

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
2881	Professional Development for Arts Education
2882	Grove/Tanglewood Arts Grant
2900	Naval JROTC
2902	Air Force JROTC
2904	Army JROTC
2909	Good Neighbor Grant
2915	Voices for SC Children
2925	Woodmont High School Jobs
2933-2934	Medicaid
2952	Scansource Grant
2953	All County Band Reserve
2954	Orchestra Reserve
2980	Lifelong Learning Fees
2981	Teaching and Learning Reserve
2983	Math Reserve
2984	Health Reserve
2985	Social studies Reserve
2986	Gifted and Talented Academic Reserve
2991	Communications - Marketing
2992	Parade-Communications
2997	Playground Reserve
2999	SC Arts Commission
8003	Agricultural Education
8017	Teacher of the Year Reserve
8023	Lakeview Middle School Walking Track
8025	Gifted and Talented - Publix Supermarket
8027	Parents as Teachers
8028	Furman/Superintendent Reserve
8046	School and Community Services in School
8048	Monaview Walking Track
8051	Westcliffe Computers
8053	State Improvement Grant
8054	Attendance Improvement Grant
8055	Teen Lead Grant
8057	Teen Lead Supplement
8060	Project Lead the Way

(Continued)

SPECIAL REVENUE FUND

SUPPLEMENTAL LISTING OF LEA SUBFUND CODES AND TITLES

YEAR ENDED JUNE 30, 2008

OTHER SPECIAL REVENUE PROGRAMS (CONTINUED)

8061	AdvanceSC Future
8062	Robotics Grant
8065	Indiana Jones Project
8071	Duke Energy
8077	Adult Education - Dress for Success Carry Over
8081	Teacher Grants
8082	General Electric Sustainability
8083	Dollar General
8084	Greenville Women
8099	Organic Garden Carry Over
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
8999	Human Resource Reserve
9801-9802	First Steps

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

Schedule B-3

SPECIAL REVENUE FUND - TITLE I

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

YEAR ENDED JUNE 30, 2008

	REVISED BUDGET	ACTUAL	VARIANCE
REVENUES			
Federal Sources	\$ 21,850,535	17,234,997	\$ (4,615,538)
TOTAL REVENUE ALL SOURCES	21,850,535	17,234,997	(4,615,538)
EXPENDITURES			
Current:			
Instruction	15,504,078	12,661,142	2,842,936
Support Services	5,175,069	3,539,267	1,635,802
Community Services	11,428	8,913	2,515
Intergovernmental	45,000	65,262	(20,262)
Capital Outlay	544,738	478,463	66,275
TOTAL EXPENDITURES	21,280,313	16,753,047	4,527,266
EXCESS REVENUES OVER (UNDER) EXPENDITURES	570,222	481,950	(88,272)
OTHER FINANCING SOURCES (USES)			
Special Revenue Fund Indirect Costs	(570,222)	(481,950)	88,272
TOTAL OTHER FINANCING SOURCES (USES)	(570,222)	(481,950)	88,272
NET CHANGES IN FUND BALANCE	-	-	-
FUND BALANCE, Beginning of Year	-	-	-
FUND BALANCE, End of Year	\$ -	\$ -	\$ -

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

Schedule B-4

SPECIAL REVENUE FUND - IDEA

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

YEAR ENDED JUNE 30, 2008

	<u>REVISED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
REVENUES			
Federal Sources	\$ 17,651,188	16,110,315	\$ (1,540,873)
TOTAL REVENUE ALL SOURCES	<u>17,651,188</u>	<u>16,110,315</u>	<u>(1,540,873)</u>
EXPENDITURES			
Current:			
Instruction	7,818,039	7,090,730	727,309
Support Services	8,585,705	7,895,246	690,459
Intergovernmental	208,784	208,784	-
Capital Outlay	592,376	503,300	89,076
TOTAL EXPENDITURES	<u>17,204,904</u>	<u>15,698,060</u>	<u>1,506,844</u>
EXCESS REVENUES OVER (UNDER) EXPENDITURES	<u>446,284</u>	<u>412,255</u>	<u>(34,029)</u>
OTHER FINANCING SOURCES (USES)			
Special Revenue Fund Indirect Costs	(446,284)	(412,255)	34,029
TOTAL OTHER FINANCING SOURCES (USES)	<u>(446,284)</u>	<u>(412,255)</u>	<u>34,029</u>
NET CHANGES IN FUND BALANCE	-	-	-
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 - PRESCHOOL HANDICAPPED

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

YEAR ENDED JUNE 30, 2008

	<u>REVISED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
REVENUES			
Federal Sources	\$ 583,286	434,383	\$ (148,903)
TOTAL REVENUE ALL SOURCES	<u>583,286</u>	<u>434,383</u>	<u>(148,903)</u>
EXPENDITURES			
Current:			
Instruction	151,377	93,595	57,782
Support Services	392,430	309,845	82,585
Intergovernmental	22,000	17,976	4,024
Capital Outlay	2,200	1,588	612
TOTAL EXPENDITURES	<u>568,007</u>	<u>423,004</u>	<u>145,003</u>
EXCESS REVENUES OVER (UNDER) EXPENDITURES	<u>15,279</u>	<u>11,379</u>	<u>(3,900)</u>
OTHER FINANCING SOURCES (USES)			
Special Revenue Fund Indirect Costs	(15,279)	(11,379)	3,900
TOTAL OTHER FINANCING SOURCES (USES)	<u>(15,279)</u>	<u>(11,379)</u>	<u>3,900</u>
NET CHANGES IN FUND BALANCE	-	-	-
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 - OCCUPATIONAL EDUCATION

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

YEAR ENDED JUNE 30, 2008

	<u>REVISED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
REVENUES			
Federal Sources	\$ 1,196,188	1,180,727	\$ (15,461)
TOTAL REVENUE ALL SOURCES	<u>1,196,188</u>	<u>1,180,727</u>	<u>(15,461)</u>
EXPENDITURES			
Current:			
Instruction	152,635	137,982	14,653
Support Services	649,490	649,137	353
Capital Outlay	366,835	366,763	72
TOTAL EXPENDITURES	<u>1,168,960</u>	<u>1,153,882</u>	<u>15,078</u>
EXCESS REVENUES OVER (UNDER) EXPENDITURES	<u>27,228</u>	<u>26,845</u>	<u>(383)</u>
OTHER FINANCING SOURCES (USES)			
Special Revenue Fund Indirect Costs	(27,228)	(26,845)	383
TOTAL OTHER FINANCING SOURCES (USES)	<u>(27,228)</u>	<u>(26,845)</u>	<u>383</u>
NET CHANGES IN FUND BALANCE	-	-	-
FUND BALANCE, Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE, End of Year	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>

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

Schedule B-7

SPECIAL REVENUE FUND - DRUG FREE

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

YEAR ENDED JUNE 30, 2008

	REVISED BUDGET	ACTUAL	VARIANCE
REVENUES			
Federal Sources	\$ 343,431	284,654	\$ (58,777)
TOTAL REVENUE ALL SOURCES	343,431	284,654	(58,777)
EXPENDITURES			
Current:			
Support Services	332,147	275,722	56,425
Capital Outlay	3,376	1,200	2,176
TOTAL EXPENDITURES	335,523	276,922	58,601
EXCESS REVENUES OVER (UNDER) EXPENDITURES	7,908	7,732	(176)
OTHER FINANCING SOURCES (USES)			
Special Revenue Fund Indirect Costs	(7,908)	(7,732)	176
TOTAL OTHER FINANCING SOURCES (USES)	(7,908)	(7,732)	176
NET CHANGES IN FUND BALANCE	-	-	-
FUND BALANCE, Beginning of Year	-	-	-
FUND BALANCE, End of Year	\$ -	\$ -	\$ -

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

Schedule B-8

SPECIAL REVENUE FUND - ADULT EDUCATION

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

YEAR ENDED JUNE 30, 2008

	REVISED BUDGET	ACTUAL	VARIANCE
REVENUES			
Federal Sources	\$ 365,090	365,090	\$ -
TOTAL REVENUE ALL SOURCES	365,090	365,090	-
EXPENDITURES			
Current:			
Instruction	338,286	338,286	-
Support Services	17,241	17,241	-
TOTAL EXPENDITURES	355,527	355,527	-
EXCESS REVENUES OVER (UNDER) EXPENDITURES	9,563	9,563	-
OTHER FINANCING SOURCES (USES)			
Special Revenue Fund Indirect Costs	(9,563)	(9,563)	-
TOTAL OTHER FINANCING SOURCES (USES)	(9,563)	(9,563)	-
NET CHANGES IN FUND BALANCE	-	-	-
FUND BALANCE, Beginning of Year	-	-	-
FUND BALANCE, End of Year	\$ -	-	\$ -

SPECIAL REVENUE FUND - OTHER DESIGNATED RESTRICTED STATE GRANTS

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

YEAR ENDED JUNE 30, 2008

	<u>REVISED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
REVENUES			
State Sources	\$ 12,822,000	11,445,716	\$ (1,376,284)
TOTAL REVENUE ALL SOURCES	<u>12,822,000</u>	<u>11,445,716</u>	<u>(1,376,284)</u>
EXPENDITURES			
Current:			
Instruction	6,237,031	5,322,120	914,911
Support Services	5,626,828	5,338,711	288,117
Community Services	213,585	107,567	106,018
Intergovernmental	82,641	82,641	-
Capital Outlay	661,915	594,677	67,238
TOTAL EXPENDITURES	<u>12,822,000</u>	<u>11,445,716</u>	<u>1,376,284</u>
NET CHANGES IN FUND BALANCE	-	-	-
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

SUMMARY SCHEDULE FOR OTHER DESIGNATED RESTRICTED STATE GRANTS

YEAR ENDED JUNE 30, 2008

Subfund	Revenue	Programs	Revenues	Expenditures	Special Revenue		Special Revenue Fund Deferred
					Interfund Transfers In (Out)	Other Fund Transfers In (Out)	
8001	3199	Character Education	\$ 1,801	1,801	-	-	\$ 2,513
8008	3199	SAT Improvement	8,584	8,584	-	-	10,812
8009	3199	Extended School Year	955	955	-	-	-
8502	3199	SDM Server	-	-	-	-	3,600
9050	3125	Career Technology Educational Equipment	568,044	568,044	-	-	4,846
9080	3126	Refurbishment of K-8 Science Kits (No Carryover Provision)	204,862	204,862	-	-	-
9155 - 9156	3199	Profoundly Mentally Handicapped	26,259	26,259	-	-	-
9160	3991	ADEPT (Assisting, Developing, & Evaluating Professional Teaching)	245,175	245,175	-	-	148,315
918B	3151	Adult Education - Vocal Rehab	10,409	10,409	-	-	-
9188	3151	Adult Education - GED	10,750	10,750	-	-	-
9191	3193	Education License Plates	31,846	31,846	-	-	12,241
9200	3154	AE Young Adult Program YAP	246,927	246,927	-	-	40,734
9212 - 9213	3151	Adult Education- Training and Resources	35,771	35,771	-	-	-
9219	3151	Career Readiness - State	4,757	4,757	-	-	5,269
9260	3116	Star Program	932,993	932,993	-	-	78,991
9265	3116	RECAB EEDA Grant	111,275	111,275	-	-	60,769
9266	3116	RECAB Supplement	1,012	1,012	-	-	51,214
9269	3116	EEDA 9th Grade Awareness	28,527	28,527	-	-	66
9270	3117	EEDA 8th Grade Awareness	39,356	39,356	-	-	-
9280	3118	EEDA Career Specialists	2,200,378	2,200,378	-	-	-
9339	3123	Formative Assessment	296,051	296,051	-	-	-
9350	3185	National Board Certified	362,426	362,426	-	-	7,435
9360	3136	Student Health and Fitness - Nurses	1,685,257	1,685,257	-	-	-
9370	3127	Student Health and Fitness - PE Teachers	727,618	727,618	-	-	10,000
9380	3128	Making Middle Grades Work	5,000	5,000	-	-	-
9381	3128	Career Centers That Work	-	-	-	-	8,000
9390	3993	School Library Media Centers	64,917	64,917	-	-	6,333
9606	3610	K-5 Enhancement	3,480,320	3,480,320	-	-	788,704
9608	3610	Social Studies Award	21,754	21,754	-	-	19,193
9660	3606	Math / Science Coach	31,200	31,200	-	-	-
9670	3607	Middle School Initiative	61,492	61,492	-	-	114,654
Totals			\$ 11,445,716	11,445,716	-	-	\$ 1,373,689

SPECIAL REVENUE FUND - OTHER SPECIAL REVENUE PROGRAMS

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

YEAR ENDED JUNE 30, 2008

	<u>REVISED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
REVENUES			
Local Sources	\$ 9,288,947	5,019,064	\$ (4,269,883)
State Sources	744,294	730,549	(13,745)
Federal Sources	6,607,943	5,356,470	(1,251,473)
TOTAL REVENUE ALL SOURCES	<u>16,641,184</u>	<u>11,106,083</u>	<u>(5,535,101)</u>
EXPENDITURES			
Current:			
Instruction	6,090,163	5,404,376	685,787
Support Services	8,415,771	4,666,641	3,749,130
Community Services	254,094	212,279	41,815
Intergovernmental	4,200	-	4,200
Capital Outlay	1,556,583	518,471	1,038,112
TOTAL EXPENDITURES	<u>16,320,811</u>	<u>10,801,767</u>	<u>5,519,044</u>
EXCESS REVENUES OVER (UNDER) EXPENDITURES	<u>320,373</u>	<u>304,316</u>	<u>(16,057)</u>
OTHER FINANCING SOURCES (USES)			
Transfer from General Fund (Exclude Indirect Costs)	625,500	625,500	-
Transfer to General Fund (Exclude Indirect Costs)	(800,568)	(800,568)	-
Transfer to Pupil Activity Fund	(13,107)	(13,107)	-
Special Revenue Fund Indirect Costs	(132,198)	(116,141)	16,057
TOTAL OTHER FINANCING SOURCES (USES)	<u>(320,373)</u>	<u>(304,316)</u>	<u>16,057</u>
NET CHANGES IN FUND BALANCE	-	-	-
FUND BALANCE, Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE, End of Year	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>

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

Schedule B-12

SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT

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

YEAR ENDED JUNE 30, 2008

REVENUES	<u>ACTUAL</u>
3000 Revenue from State Sources:	
3500 Education Improvement Act:	
3501 Increase High School Diploma Requirements	\$ 2,323,449
3505 School Technology Initiative	749,400
3509 Arts in Education	47,455
3513 Parenting/Family Literacy	302,390
3515 Advanced Placement Courses	223,696
3517 Advanced Placement - Singleton (Subfund 315)	34,000
3520 Gifted and Talented - Academic	3,468,078
3522 Gifted and Talented - Artistic	404,138
3523 Junior Scholars	4,745
3527 Critical Teaching Needs	279,768
3530 Trainable & Profoundly Mentally Disabled Student Services	399,412
3532 National Board Certification (NBC) Salary Supplement (No Carryover Provision)	3,083,431
3533 Teacher of the Year Awards	10,765
3534 Professional Development on Standards	360,965
3540 Early Childhood Program (4K Programs Serving Four-Year-Old Children)	2,136,275
3542 Preschool Programs for Children with Disabilities	393,102
3546 Academic Assistance K-3	4,859,132
3548 Academic Assistance 4-12	5,247,722
3550 Teacher Salary Increase (No Carryover Provision)	6,877,042
3553 Adult Education - Remedial	21,539
3555 School Employer Contributions (No Carryover Provision)	1,394,664
3562 Adult Education, Basic (Includes Rural and Workforce Initiative)	629,338
3565 Adult Education, Literacy	43,669
3568 EAA Technical Assistance	5,313,588
3570 Intervention and Assistance	334,319
3575 Competitive Teacher Grants	1,912
3577 Teacher Supplies (No Carryover Provision)	1,326,877
3578 High Schools That Work	106,343
3582 Principal Salary/Fringe Increase (No Carryover Provision)	295,367
3583 EAA Summer School/Comprehensive Remediation	3,006,777
3588 EAA Palmetto Gold and Silver Awards	254,841
3590 Reallocation of EIA Funds (School Building) (3900)	1,884,336
3591 Excellence In Middle Schools	353,102
3592 School-to-Work Transition Act	386,782
3593 EAA Reduce Class Size Grades 1 - 3	2,495,277
3596 EAA Alternative Schools Program	318,327
Total Revenue from State Sources	<u>49,372,023</u>
TOTAL REVENUE ALL SOURCES	<u>\$ 49,372,023</u>

(Continued)

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

Schedule B-12

SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT

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

YEAR ENDED JUNE 30, 2008

EXPENDITURES	<u>ACTUAL</u>
100 Instruction:	
110 General Instruction:	
111 Kindergarten Programs:	
100 Salaries	\$ 127,500
200 Employee Benefits	25,113
400 Supplies and Materials	65,117
112 Primary Programs:	
100 Salaries	4,416,017
200 Employee Benefits	1,247,500
300 Purchased Services	82,209
400 Supplies and Materials	644,885
500 Capital Outlay	113,079
113 Elementary Programs:	
100 Salaries	1,740,701
200 Employee Benefits	441,196
300 Purchased Services	252,605
400 Supplies and Materials	795,849
500 Capital Outlay	823,685
114 High School Programs:	
100 Salaries	4,037,009
200 Employee Benefits	1,112,071
300 Purchased Services	283,402
400 Supplies and Materials	396,063
500 Capital Outlay	275,786
115 Career and Technology Education Program:	
100 Salaries	60,000
200 Employee Benefits	11,762
300 Purchased Services - Other than Tuition	4,500
400 Supplies and Materials	40,655
500 Capital Outlay	4,076
120 Exceptional Programs:	
121 Educable Mentally Handicapped:	
100 Salaries	7,500
200 Employee Benefits	1,447
400 Supplies and Materials	18,700
122 Trainable Mentally Handicapped:	
100 Salaries	311,485
200 Employee Benefits	101,358
400 Supplies and Materials	11,825
123 Orthopedically Handicapped:	
400 Supplies and Materials	\$ 4,400

(Continued)

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

Schedule B-12

SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT

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

YEAR ENDED JUNE 30, 2008

	<u>ACTUAL</u>
124 Visually Handicapped:	
100 Salaries	\$ 7,500
200 Employee Benefits	1,464
400 Supplies and Materials	1,375
125 Hearing Handicapped:	
100 Salaries	7,500
200 Employee Benefits	1,453
400 Supplies and Materials	1,375
126 Speech Handicapped:	
400 Supplies and Materials	23,922
127 Learning Disabilities:	
100 Salaries	112,143
200 Employee Benefits	22,144
400 Supplies and Materials	90,442
128 Emotionally Handicapped:	
100 Salaries	22,536
200 Employee Benefits	4,506
400 Supplies and Materials	10,450
130 Pre-School Programs:	
131 Preschool Handicapped Speech (5-Yr. Olds):	
300 Purchased Services	2,000
135 Preschool Handicapped Speech (3-and 4-Yr. Olds):	
100 Salaries	42,173
200 Employee Benefits	11,869
137 Preschool Handicapped Self-Contained (3- and 4-Yr. Olds):	
100 Salaries	84,896
200 Employee Benefits	32,747
300 Purchased Services	270
400 Supplies and Materials	43,299
500 Capital Outlay	31,252
139 Early Childhood Programs:	
100 Salaries	2,412,899
200 Employee Benefits	652,400
300 Purchased Services	25,632
400 Supplies and Materials	156,139
500 Capital Outlay	19,218
600 Other Objects	\$ 1,260

(Continued)

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

Schedule B-12

SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT

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

YEAR ENDED JUNE 30, 2008

	<u>ACTUAL</u>
140 Special Programs:	
141 Gifted and Talented - Academic:	
100 Salaries	\$ 2,534,671
200 Employee Benefits	716,383
300 Purchased Services	14,000
400 Supplies and Materials	88,221
500 Capital Outlay	2,000
600 Other Objects	500
143 Advanced Placement:	
100 Salaries	28,267
200 Employee Benefits	5,733
300 Purchased Services	52,480
400 Supplies and Materials	158,511
500 Capital Outlay	4,075
145 Homebound:	
400 Supplies and Materials	4,125
148 Gifted and Talented - Artistic:	
100 Salaries	285,147
200 Employee Benefits	76,665
300 Purchased Services	12,360
400 Supplies and Materials	10,388
500 Capital Outlay	3,841
149 Other Special Programs:	
100 Salaries	895,567
200 Employee Benefits	255,472
400 Supplies and Materials	13,200
170 Summer School Programs:	
171 Primary Summer School:	
100 Salaries	30,990
200 Employee Benefits	7,069
400 Supplies and Materials	2,627
172 Elementary Summer School:	
100 Salaries	332,490
200 Employee Benefits	74,929
300 Purchased Services	137,263
400 Supplies and Materials	45,811
173 High School Summer School:	
100 Salaries	720
200 Employee Benefits	\$ 206

(Continued)

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

Schedule B-12

SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT

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

YEAR ENDED JUNE 30, 2008

	<u>ACTUAL</u>
175 Instructional Programs Beyond Regular School Day:	
100 Salaries	\$ 1,062,660
200 Employee Benefits	232,128
300 Purchased Services	81,225
400 Supplies and Materials	142,309
180 Adult/Continuing Educational Programs:	
181 Adult Basic Education Programs:	
100 Salaries	9,052
200 Employee Benefits	1,775
300 Purchased Services	23,750
182 Adult Secondary Education Programs:	
100 Salaries	37,806
200 Employee Benefits	6,407
400 Supplies and Materials	10,454
183 Adult Education Literacy (ESL):	
100 Salaries	7,125
200 Employee Benefits	968
300 Purchased Services	72
400 Supplies and Materials	1,000
187 Adult Education - Remedial:	
100 Salaries	17,523
200 Employee Benefits	4,017
188 Parenting/Family Literacy:	
100 Salaries	604,551
200 Employee Benefits	175,989
300 Purchased Services	35,391
400 Supplies and Materials	74,576
500 Capital Outlay	9,500
Total Instruction	<u>29,612,348</u>
200 Support Services:	
210 Pupil Services:	
211 Attendance and Social Work Services:	
100 Salaries	4,866
200 Employee Benefits	952
300 Purchased Services	99,175
212 Guidance Services:	
100 Salaries	53,425
200 Employee Benefits	13,908
400 Supplies and Materials	47,850
500 Capital Outlay	\$ 6,678

(Continued)

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

Schedule B-12

SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT

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

YEAR ENDED JUNE 30, 2008

	<u>ACTUAL</u>
213 Health Services:	
100 Salaries	\$ 258,668
200 Employee Benefits	89,832
214 Psychological Services:	
100 Salaries	1,532
200 Employee Benefits	320
300 Purchased Services	4,084
400 Supplies and Materials	15,000
215 Exceptional Program Services:	
100 Salaries	14,748
200 Employee Benefits	2,994
400 Supplies and Materials	338
220 Instructional Staff Services:	
221 Improvement of Instruction-Curriculum Development:	
100 Salaries	4,407,472
200 Employee Benefits	1,130,858
300 Purchased Services	303,594
400 Supplies and Materials	73,988
500 Capital Outlay	2,010
222 Library and Media:	
100 Salaries	299,780
200 Employee Benefits	62,870
300 Purchased Services	69,906
400 Supplies and Materials	31,286
500 Capital Outlay	5,627
223 Supervision of Special Programs:	
100 Salaries	601,256
200 Employee Benefits	153,316
300 Purchased Services	37,246
400 Supplies and Materials	16,380
500 Capital Outlay	10,071
224 Improvement of Instruction - Inservice and Staff Training:	
100 Salaries	153,394
200 Employee Benefits	30,457
300 Purchased Services	682,021
400 Supplies and Materials	506,173
600 Other Objects	1,726
230 General Administration Services:	
233 School Administration:	
100 Salaries	243,556
200 Employee Benefits	49,393
400 Supplies and Materials	\$ 1,045

(Continued)

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

Schedule B-12

SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT

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

YEAR ENDED JUNE 30, 2008

	<u>ACTUAL</u>
250 Finance and Operations Services:	
253 Facilities Acquisition and Construction:	
500 Capital Outlay:	
540 Equipment	\$ 959
254 Operation and Maintenance of Plant:	
300 Purchased Services	1,374
400 Supplies and Materials	1,880
255 Student Transportation (State Mandated):	
300 Purchased Services	156,792
260 Central Support Services:	
263 Information Services:	
300 Purchased Services	369
266 Technology and Data Processing Services:	
300 Purchased Services	246,069
400 Supplies and Materials	73,033
500 Capital Outlay	326,472
270 Support Services - Pupil Activity:	
271 Pupil Services Activities:	
600 Other Objects (Optional)	75,320
Total Support Services	<u>10,370,063</u>
300 Community Services:	
350 Custody and Care of Children:	
100 Salaries	30,229
200 Employee Benefits	5,090
390 Other Community Services:	
100 Salaries	85,110
200 Employee Benefits	23,897
300 Purchased Services	27,573
400 Supplies and Materials	113,918
Total Community Services	<u>285,817</u>
410 Intergovernmental Expenditures:	
416 Payments to Public Charter Schools	
720 Transits	98,553
Total Intergovernmental Expenditures	<u>98,553</u>
TOTAL EXPENDITURES	<u>\$ 40,366,781</u>

(Continued)

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

Schedule B-12

SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT

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

YEAR ENDED JUNE 30, 2008

	<u>ACTUAL</u>
OTHER FINANCING SOURCES (USES)	
Interfund Transfers, From (To) Other Funds:	
5210 Transfer from General Fund (Exclude Indirect Costs)	\$ 1,150,800
420-710 Transfer to General Fund (Exclude Indirect Costs)	(8,271,706)
424-710 Transfer to Capital Projects Fund	(1,884,336)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(9,005,242)</u>
EXCESS/DEFICIENCY OF REVENUES AND EXPENDITURES	-
FUND BALANCE, Beginning of Year	<u>-</u>
FUND BALANCE, End of Year	<u><u>\$ -</u></u>

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

Schedule B-13

SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT

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

YEAR ENDED JUNE 30, 2008

	REVISED BUDGET	ACTUAL	VARIANCE
REVENUES			
State Sources	\$ 54,260,022	49,372,023	\$ (4,887,999)
TOTAL REVENUE ALL SOURCES	54,260,022	49,372,023	(4,887,999)
EXPENDITURES			
Current:			
Instruction	31,315,415	28,325,837	2,989,578
Support Services	11,420,032	10,018,247	1,401,785
Community Services	296,182	285,817	10,365
Intergovernmental	100,177	98,553	1,624
Capital Outlay	2,122,974	1,638,327	484,647
TOTAL EXPENDITURES	45,254,780	40,366,781	4,887,999
EXCESS REVENUES OVER EXPENDITURES	9,005,242	9,005,242	-
OTHER FINANCING SOURCES (USES)			
Transfer from General Fund (Exclude Indirect Costs)	1,150,800	1,150,800	-
Transfer to General Fund (Exclude Indirect Costs)	(8,271,706)	(8,271,706)	-
Transfer to Capital Projects Fund	(1,884,336)	(1,884,336)	-
TOTAL OTHER FINANCING SOURCES (USES)	(9,005,242)	(9,005,242)	-
NET CHANGES IN FUND BALANCE	-	-	-
FUND BALANCE, Beginning of Year	-	-	-
FUND BALANCE, End of Year	\$ -	\$ -	\$ -

SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT

SUMMARY SCHEDULE BY PROGRAM

YEAR ENDED JUNE 30, 2008

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	\$ 2,323,449	2,323,449	-	-	\$ 145,437
3505 School Technology Initiative	749,400	749,400	-	-	398,125
3509 Arts in Education	47,455	47,455	-	-	3,555
3513 Parenting/Family Literacy	302,390	302,390	-	-	45,742
3515 Advanced Placement Courses	223,696	223,696	-	-	89,013
3517 Advanced Placement - Singleton (Subfund 315)	34,000	34,000	-	-	-
3520 Gifted and Talented - Academic	3,468,078	3,468,078	-	-	250,524
3522 Gifted and Talented - Artistic	404,138	404,138	-	-	30,482
3523 Junior Scholars Program	4,745	4,745	-	-	-
3527 Critical Teaching Needs	279,768	279,768	-	-	10,390
3530 Trainable & Profoundly Mentally Disabled Student Services	399,412	399,412	-	-	28,449
3532 National Board Certification (NBC) Salary Supplement	3,083,431	3,083,431	-	-	-
3533 Teacher of the Year Awards (No Carryover Provision)	10,765	10,765	-	-	-
3534 Professional Development on Standards	360,965	360,965	-	-	20,066
3540 Four-Year Old Early Childhood Program	2,136,275	2,136,275	-	-	288,307
3542 Preschool Programs for Children with Disabilities	393,102	393,102	-	-	43,786
3546 Academic Assistance K-3	4,859,132	4,859,132	-	-	591,123
3548 Academic Assistance 4-12	5,247,722	5,247,722	-	-	258,940
3550 Teacher Salary Increase	6,877,042	-	-	(6,877,042)	-
3553 Adult Education - Remedial	21,539	21,539	-	-	6,352
3555 School Employer Contributions (No Carryover Provision)	1,394,664	-	-	(1,394,664)	-
3562 Adult Education, Basic (Rural And Workforce Initiative)	629,338	629,338	-	-	153,642
3565 Adult Education, Literacy	43,669	43,669	-	-	6,331
3568 EAA Technical Assistance	5,313,588	5,313,588	-	-	795,401
3570 Intervention and Assistance	334,319	334,319	-	-	-
3575 Competitive Teacher Grants	1,912	1,912	-	-	-
3577 Teacher Supplies (No Carryover Provision)	1,326,877	1,326,877	-	-	-
3578 High Schools That Work	106,343	106,343	-	-	43,082
3582 Principal Salary/Fringe Increase (No Carryover Provision)	295,367	295,367	-	-	-
3583 EAA Summer School/Comprehensive Remediation	3,006,777	3,006,777	-	-	650,300
3588 EAA Palmetto Gold and Silver Awards	254,841	254,841	-	-	56,131
3590 Reallocation of EIA Funds (School Building)	1,884,336	-	-	(1,884,336)	-
3591 Excellence in Middle Schools	353,102	353,102	-	-	-
3592 School-to-Work Transition Act	386,782	386,782	-	-	2,211
3593 EAA Reduce Class Size Grades 1 - 3	2,495,277	3,646,077	-	1,150,800	638,045
3596 EAA Alternative Schools Program	318,327	318,327	-	-	282,206
Totals	\$ 49,372,023	40,366,781	-	(9,005,242)	\$ 4,837,640

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

YEAR ENDED JUNE 30, 2008

<u>Program</u>	<u>Project/Grant Number</u>	<u>Revenue & Subfund Code</u>	<u>Description</u>	<u>Amount Due to State Department of Education or Federal Government</u>	<u>Status of Amount Due to Grantors</u>
National Board Certification	N/A	3185/9350	Unexpended Funds	\$ 7,435	Paid After Year-End
Adult Education - Training and Resources	N/A	3151/9212	Unexpended Funds	2,595	Paid After Year-End
National Board Certification	N/A	3531/3320	Unexpended Funds	13,241	Paid After Year-End
Teacher Supplies	N/A	3577/3770	Unexpended Funds	1,648	Paid After Year-End
High Schools that Work	N/A	3578/3780	Unexpended Funds	10,164	Paid After Year-End
Public Choice Innovation	N/A	3570/3720	Unexpended Funds	25,306	Paid After Year-End
Total				\$ 60,389	

DEBT SERVICE FUND - DISTRICT

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

YEAR ENDED JUNE 30, 2008

	REVISED BUDGET	ACTUAL	VARIANCE
REVENUES			
1000 Revenue from Local Sources:			
1100 Taxes:			
1110 Ad Valorem Taxes-Including Delinquent (Fiscally Independent LEA)	\$ 71,901,500	69,249,542	\$ (2,651,958)
1200 Revenue from Local Governmental Units Other than LEAs:			
1280 Revenue in Lieu of Taxes (Dependent and Independent)	4,104,000	4,405,394	301,394
1500 Earnings on Investments:			
1510 Interest on Investments	3,200,000	2,657,346	(542,654)
Total Revenue from Local Sources	<u>79,205,500</u>	<u>76,312,282</u>	<u>(2,893,218)</u>
3000 Revenue from State Sources:			
3800 State Revenue in Lieu of Taxes:			
3820 Homestead Exemption(Tier 2)	2,122,000	2,327,801	205,801
3830 Merchant's Inventory Tax	375,000	377,030	2,030
3840 Manufacturers Depreciation Reimbursement	690,000	643,304	(46,696)
3890 Other State Property Tax Revenues (Includes Motor Carrier Vehicle Tax)	145,000	180,489	35,489
Total Revenue from State Sources	<u>3,332,000</u>	<u>3,528,624</u>	<u>196,624</u>
TOTAL REVENUE ALL SOURCES	<u>82,537,500</u>	<u>79,840,906</u>	<u>(2,696,594)</u>
EXPENDITURES			
500 Debt Service:			
620 Interest	2,447,333	1,634,266	813,067
690 Other Objects (Includes Fees for Servicing Bonds)	25,000	192,780	(167,780)
Total Debt Service	<u>2,472,333</u>	<u>1,827,046</u>	<u>645,287</u>
TOTAL EXPENDITURES	<u>2,472,333</u>	<u>1,827,046</u>	<u>645,287</u>
OTHER FINANCING SOURCES (USES)			
Interfund Transfers, From (To) Other Funds:			
423-710 Transfer to Debt Service Fund - BEST	(52,224,881)	(51,956,804)	268,077
424-710 Transfer to Capital Projects Fund	(29,055,119)	(29,055,119)	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>(81,280,000)</u>	<u>(81,011,923)</u>	<u>268,077</u>
EXCESS/DEFICIENCY OF REVENUES AND EXPENDITURES	(1,214,833)	(2,998,063)	(1,783,230)
FUND BALANCE, Beginning of Year	<u>10,582,985</u>	<u>10,582,985</u>	<u>-</u>
FUND BALANCE, End of Year	<u>\$ 9,368,152</u>	<u>7,584,922</u>	<u>\$ (1,783,230)</u>

Note 1 - In October and November 2007, the District issued three General Obligation Bonds totaling \$81,280,000 to fund the annual BEST debt service and for capital projects. The School District received a premium of \$308,935 upon the issuance of these Bonds. The Bonds, including interest of \$1,943,201, were repaid in June 2008 with the revenues received from taxes and a usage of fund balance. The premium received has 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, 2008

	<u>REVISED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
REVENUES			
1500 Earnings on Investments:			
1510 Interest on Investments	\$ 6,656,927	6,522,210	\$ (134,717)
1530 Gain on Sale of Investments	-	364,330	364,330
Total Revenue from Local Sources	<u>6,656,927</u>	<u>6,886,540</u>	<u>229,613</u>
TOTAL REVENUE ALL SOURCES	<u>6,656,927</u>	<u>6,886,540</u>	<u>229,613</u>
EXPENDITURES			
500 Debt Service:			
610 Redemption of Principal	10,745,000	11,795,000	(1,050,000)
620 Interest	55,538,538	55,538,538	-
Total Debt Service	<u>66,283,538</u>	<u>67,333,538</u>	<u>(1,050,000)</u>
TOTAL EXPENDITURES	<u>66,283,538</u>	<u>67,333,538</u>	<u>(1,050,000)</u>
OTHER FINANCING SOURCES (USES)			
Interfund Transfers, From (To) Other Funds:			
5240 Transfer from Debt Service Fund - District	52,224,881	51,956,804	(268,077)
TOTAL OTHER FINANCING SOURCES (USES)	<u>52,224,881</u>	<u>51,956,804</u>	<u>(268,077)</u>
EXCESS/DEFICIENCY OF REVENUES AND EXPENDITURES	(7,401,730)	(8,490,194)	(1,088,464)
FUND BALANCE, Beginning of Year	<u>160,164,771</u>	<u>160,164,771</u>	<u>-</u>
FUND BALANCE, End of Year	<u>\$ 152,763,041</u>	<u>151,674,577</u>	<u>\$ (1,088,464)</u>

CAPITAL PROJECTS FUND - DISTRICT

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

YEAR ENDED JUNE 30, 2008

	REVISED BUDGET	ACTUAL	VARIANCE
REVENUES			
1000 Revenue from Local Sources:			
1500 Earnings on Investments:			
1510 Interest on Investments	\$ 4,342,896	9,284,274	\$ 4,941,378
1900 Other Revenue from Local Sources:			
1999 Revenue from Other Local Sources	35,700	35,914	214
Total Revenue from Local Sources	<u>4,378,596</u>	<u>9,320,188</u>	<u>4,941,592</u>
3000 Revenue from State Sources:			
3100 Restricted State Funding:			
3172 Children's Education Endowment (Barnwell Facilities Fund)	1,330,000	1,330,064	64
Total Revenue from State Sources	<u>1,330,000</u>	<u>1,330,064</u>	<u>64</u>
TOTAL REVENUE ALL SOURCES	<u>5,708,596</u>	<u>10,650,252</u>	<u>4,941,656</u>
EXPENDITURES			
250 Finance and Operations:			
253 Facilities Acquisition & Construction:			
100 Salaries	1,441,922	1,323,717	118,205
200 Employee Benefits	462,873	354,172	108,701
300 Purchased Services	1,907,361	1,422,256	485,105
400 Supplies and Materials	528,686	319,166	209,520
500 Capital Outlay:			
510 Land	3,790,000	113,464	3,676,536
520 Construction Services	38,796,837	25,934,109	12,862,728
530 Improvements Other Than Buildings	475,160	415,268	59,892
540 Equipment	624,250	198,314	425,936
545 Technology, Equipment and Software	384,025	253,754	130,271
550 Vehicles	-	8,550	(8,550)
580 Mobile Classrooms	434,025	300,113	133,912
590 Other Capital Outlay	140,000	66,707	73,293
600 Other Objects:			
690 Other Objects	133,355	1,215,151	(1,081,796)
Total Support Services	<u>49,118,494</u>	<u>31,924,741</u>	<u>17,193,753</u>
TOTAL EXPENDITURES	<u>49,118,494</u>	<u>31,924,741</u>	<u>17,193,753</u>
OTHER FINANCING SOURCES (USES)			
5301 Sale of Fixed Assets	440,400	445,375	4,975
Interfund Transfers, From (To) Other Funds:			
5230 Transfer from Special Revenue EIA Fund	1,884,336	1,884,336	-
5240 Transfer from Debt Service Fund	29,055,119	29,055,119	-
424-710 Transfer to Capital Projects - BEST	(45,793,830)	(44,231,422)	1,562,408
TOTAL OTHER FINANCING SOURCES (USES)	<u>(14,413,975)</u>	<u>(12,846,592)</u>	<u>1,567,383</u>
EXCESS/DEFICIENCY OF REVENUES AND EXPENDITURES	<u>(57,823,873)</u>	<u>(34,121,081)</u>	<u>23,702,792</u>
FUND BALANCE, Beginning of Year	78,171,440	78,171,440	-
FUND BALANCE, End of Year	<u>\$ 20,347,567</u>	<u>44,050,359</u>	<u>\$ 23,702,792</u>

CAPITAL PROJECTS FUND - BEST

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

YEAR ENDED JUNE 30, 2008

	REVISED BUDGET	ACTUAL	VARIANCE
REVENUES			
1000 Revenue from Local Sources:			
1500 Earnings on Investments:			
1510 Interest on Investments	\$ 600,000	2,796,040	\$ 2,196,040
1530 Gain on Sale of Investments	-	138,930	138,930
1900 Other Revenue from Local Sources:			
1930 Receipt of Legal Settlement	-	2,233	2,233
Total Revenue from Local Sources	<u>600,000</u>	<u>2,937,203</u>	<u>2,337,203</u>
TOTAL REVENUE ALL SOURCES	<u>600,000</u>	<u>2,937,203</u>	<u>2,337,203</u>
EXPENDITURES			
250 Finance and Operations:			
253 Facilities Acquisition & Construction:			
300 Purchased Services	-	6,605,892	(6,605,892)
400 Supplies and Materials	-	1,593,512	(1,593,512)
500 Capital Outlay:			
520 Construction Services	67,389,623	47,825,983	19,563,640
540 Equipment	-	627,159	(627,159)
545 Technology, Equipment and Software	-	1,799,702	(1,799,702)
580 Mobile Classrooms	-	11,501	(11,501)
Total Support Services	<u>67,389,623</u>	<u>58,463,749</u>	<u>8,925,874</u>
500 Debt Service:			
690 Other Objects	-	4,431,554	(4,431,554)
Total Debt Service	<u>-</u>	<u>4,431,554</u>	<u>(4,431,554)</u>
TOTAL EXPENDITURES	<u>67,389,623</u>	<u>62,895,303</u>	<u>4,494,320</u>
OTHER FINANCING SOURCES (USES)			
Interfund Transfers, From (To) Other Funds:			
5250 Transfer from Capital Projects Fund	51,958,830	44,231,422	(7,727,408)
TOTAL OTHER FINANCING SOURCES (USES)	<u>51,958,830</u>	<u>44,231,422</u>	<u>(7,727,408)</u>
EXCESS/DEFICIENCY OF REVENUES AND EXPENDITURES	(14,830,793)	(15,726,678)	(895,885)
FUND BALANCE, Beginning of Year	<u>40,086,942</u>	<u>40,086,942</u>	<u>-</u>
FUND BALANCE, End of Year	<u>\$ 25,256,149</u>	<u>24,360,264</u>	<u>\$ (895,885)</u>

Note 1 - Other Objects include a payment to the United States Treasury for arbitrage due on the Series 2003 BEST Bonds, which was not budgeted.

FOOD SERVICE FUND

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS

YEAR ENDED JUNE 30, 2008

	<u>ACTUAL</u>
REVENUES	
1000 Revenues from Local Sources:	
1600 Food Service:	
1610 Lunch Sales to Pupils	\$ 5,445,334
1620 Breakfast Sales to Pupils	361,121
1630 Special Sales to Pupils	5,677,285
1640 Lunch Sales to Adults	647,526
1650 Breakfast Sales to Adults	22,352
1660 Special Sales to Adults	204,154
1900 Other Revenue from Local Sources:	
1992 Canteen Operations	5,482
1999 Revenue from Other Local Sources	610,808
Total Revenue from Local Sources	<u>12,974,062</u>
3000 Revenue from State Sources:	
3100 Restricted State Funding:	
3140 School Lunch:	
3142 Program Aid	32,905
Total Revenue from State Sources	<u>32,905</u>
4000 Revenue from Federal Sources:	
4800 USDA Reimbursement:	
4810 School Lunch and After School Snacks Program	10,757,597
4830 School Breakfast Program	2,954,366
4900 Other Federal Sources:	
4991 USDA Commodities (Food Distribution Program) (Carryover Provision)	1,595,268
Total Revenue from Federal Sources	<u>15,307,231</u>
TOTAL REVENUE ALL SOURCES	<u>28,314,198</u>
EXPENSES	
256 Food Service:	
100 Salaries	9,036,661
300 Purchased Services (Exclude Gas, Oil, Electricity and Other Heating Fuels)	652,510
400 Supplies and Materials (Include Gas, Oil, Electricity and Other Heating Fuels)	16,817,945
500 Capital Outlay	2,068,683
600 Other Objects	582,085
Total Food Services Expenses	<u>29,157,884</u>
TOTAL EXPENSES	<u>\$ 29,157,884</u>

(Continued)

FOOD SERVICE FUND

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS

YEAR ENDED JUNE 30, 2008

	<u>ACTUAL</u>
OTHER FINANCING SOURCES (USES)	
Interfund Transfers, From (To) Other Funds:	
432-791 Food Service Fund Indirect Costs	\$ (1,172,000)
Contributed Capital	1,256,397
TOTAL OTHER FINANCING SOURCES (USES)	<u>84,397</u>
EXCESS/DEFICIENCY OF REVENUES AND EXPENDITURES	(759,289)
FUND NET ASSETS, Beginning of Year	<u>15,800,037</u>
FUND NET ASSETS, End of Year	<u><u>\$ 15,040,748</u></u>

PUPIL ACTIVITY FUND

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

YEAR ENDED JUNE 30, 2008

	<u>ACTUAL</u>
RECEIPTS	
1000 Receipts from Local Sources:	
1500 Earnings on Investments:	
1510 Interest on Investments	\$ 281,916
1700 Pupil Activities:	
1710 Admissions	1,542,639
1720 Bookstore Sales	22,246
1730 Pupil Organization Membership Dues and Fees	284,633
1740 Student Fees	140,784
1790 Other	16,319,564
1900 Other Revenue from Local Sources	
1920 Contributions and Donations Private Sources	1,288,493
Total Receipts from Local Sources	<u>19,880,275</u>
TOTAL RECEIPTS ALL SOURCES	<u>19,880,275</u>
DISBURSEMENTS	
190 Instructional Pupil Activity:	
660 Pupil Activity	7,007,074
Total Instruction	<u>7,007,074</u>
270 Support Services Pupil Activity:	
271 Pupil Service Activities:	
660 Pupil Activity	1,065,163
272 Enterprise Activities:	
660 Pupil Activity	9,567,216
273 Trust and Agency Activities:	
660 Enterprise Activity	1,700,041
Total Pupil Activity Expenditures	<u>12,332,420</u>
TOTAL DISBURSEMENTS	<u>19,339,494</u>
EXCESS/DEFICIENCY OF REVENUES AND EXPENDITURES	540,781
STUDENT ORGANIZATIONS, Beginning of Year	<u>5,909,851</u>
STUDENT ORGANIZATIONS, End of Year	<u>\$ 6,450,632</u>

PUPIL ACTIVITY FUND

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

YEAR ENDED JUNE 30, 2008

	<u>BEGINNING BALANCE</u>	<u>ADDITIONS</u>	<u>REDUCTIONS</u>	<u>ENDING BALANCE</u>
ASSETS				
Cash and Cash Equivalents	\$ 1,424,661	610,855	532,500	\$ 1,503,016
Accounts Receivable	5,028,500	532,500	-	5,561,000
TOTAL ASSETS	<u>6,453,161</u>	<u>1,143,355</u>	<u>532,500</u>	<u>7,064,016</u>
LIABILITIES				
Accounts Payable	543,310	543,310	473,236	613,384
Due to Student Organizations	5,909,851	540,781	-	6,450,632
TOTAL LIABILITIES	<u>\$ 6,453,161</u>	<u>1,084,091</u>	<u>473,236</u>	<u>\$ 7,064,016</u>

COMPONENT UNITS - CHARTER SCHOOLS

COMBINING SCHEDULE OF NET ASSETS

JUNE 30, 2008

	Greenville Technical Charter High School	Meyer Center For Special Children	Langston Middle	Brashier Middle Charter High School	TOTALS
ASSETS					
Cash and Cash Equivalents	\$ 717,751	981,926	252,928	255,369	\$ 2,207,974
Investments	24,457	-	-	-	24,457
Accounts Receivable, Net	150,806	1,503,301	54,772	21,536	1,730,415
Other Assets	25,219	14,600	19,040	16,586	75,445
Depreciable Capital Assets, Net	469,273	3,432,785	332,292	189,796	4,424,146
TOTAL ASSETS	1,387,506	5,932,612	659,032	483,287	8,462,437
LIABILITIES					
Accounts Payable and Accrued Expenses	183,125	26,747	71,471	121,054	402,397
Deferred Revenue	106,386	-	-	32,241	138,627
Non-Current Liabilities - Due in More than One Year	373,956	1,833,596	-	174,918	2,382,470
TOTAL LIABILITIES	663,467	1,860,343	71,471	328,213	2,923,494
NET ASSETS					
Invested in Capital Assets, Net of Related Debt	469,273	1,599,189	332,292	189,796	2,590,550
Restricted	26,609	1,776,269	1,965	-	1,804,843
Unrestricted	228,157	696,811	253,304	(34,722)	1,143,550
Total Net Assets	\$ 724,039	4,072,269	587,561	155,074	\$ 5,538,943

COMPONENT UNITS - CHARTER SCHOOLS

COMBINING SCHEDULE OF ACTIVITIES

JUNE 30, 2008

FUNCTIONS/PROGRAMS	PROGRAM REVENUES				Greenville Technical Charter High School	Meyer Center For Special Children	Langston Middle	Brashier Middle Charter High School	Total Charter Schools
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions					
Governmental Activities:									
Greenville Technical Charter									
Instruction	\$ 2,077,660	3,600	120,859	-	(1,953,201)				\$ (1,953,201)
Support Services	1,076,342	-	91,402	-	(984,940)				(984,940)
	<u>3,154,002</u>	<u>3,600</u>	<u>212,261</u>	<u>-</u>	<u>(2,938,141)</u>				
Meyer Center for Special Children									
Instruction	1,714,309	211,670	25,820	-		(1,476,819)			(1,476,819)
Support Services	725,570	-	-	-		(725,570)			(725,570)
	<u>2,439,879</u>	<u>211,670</u>	<u>25,820</u>	<u>-</u>		<u>(2,202,389)</u>			
Langston Middle									
Instruction	644,759	-	248,461	-			(396,298)		(396,298)
Support Services	346,978	-	133,786	-			(213,192)		(213,192)
Interest	726	-	-	-			(726)		(726)
	<u>992,463</u>	<u>-</u>	<u>382,247</u>	<u>-</u>			<u>(610,216)</u>		
Brashier Middle College									
Instruction	1,076,011	-	138,402	-			(937,609)		(937,609)
Support Services	357,810	-	242,337	-			(115,473)		(115,473)
	<u>1,433,821</u>	<u>-</u>	<u>380,739</u>	<u>-</u>			<u>(1,053,082)</u>		
Total Governmental Activities	\$ 8,020,165	215,270	1,001,067	-	(2,938,141)	(2,202,389)	(610,216)	(1,053,082)	(6,803,828)
GENERAL REVENUES									
General Revenues:									
Grants and Contributions Not Restricted to Specific Programs					-	2,007,073	115,569	-	2,122,642
Unrestricted Investment Earnings					26,729	15,835	2,020	6,905	51,489
Miscellaneous					107,843	1,046,496	2,452	3,176	1,159,967
Intergovernmental Revenue					2,837,053	217,223	999,178	1,164,618	5,218,072
Total General Revenue					<u>2,971,625</u>	<u>3,286,627</u>	<u>1,119,219</u>	<u>1,174,699</u>	<u>8,552,170</u>
CHANGE IN NET ASSETS					33,484	1,084,238	509,003	121,617	1,748,342
NET ASSETS, Beginning of Year					690,555	2,988,031	78,558	33,457	3,790,601
NET ASSETS, End of Year					\$ 724,039	4,072,269	587,561	155,074	\$ 5,538,943

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>	137
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>	144
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>	148
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>	152
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>	154

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**

NET ASSETS BY COMPONENT

LAST SEVEN FISCAL YEARS

(accrual basis of accounting)

UNAUDITED

	Fiscal Year						
	2002 (A)	2003	2004	2005	2006	2007	2008
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
Restricted	20,867,965	14,577,126	8,914,389	8,885,616	8,141,112	6,810,678	4,027,946
Unrestricted	20,766,830	26,246,837	36,584,964	40,212,194	47,560,783	48,124,342	49,415,789
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
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
Unrestricted	2,349,200	3,081,537	4,939,370	6,814,674	8,349,274	9,386,896	8,193,585
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
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
Restricted	20,867,965	14,577,126	8,914,389	8,885,616	8,141,112	6,810,678	4,027,946
Unrestricted	23,116,030	29,328,374	41,524,334	47,026,868	55,910,057	57,511,235	57,609,374
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

(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

CHANGES IN NET ASSETS

LAST SEVEN FISCAL YEARS

(accrual basis of accounting)

UNAUDITED

	Fiscal Year						
	2002 (A)	2003	2004	2005	2006	2007	2008
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
Support Services	127,042,247	140,682,881	153,547,857	171,051,626	186,471,634	204,454,373	223,459,573
Community Services	916,790	637,374	703,355	809,914	865,928	653,033	765,487
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
Total Governmental Activities Expenses	391,654,703	433,198,884	451,786,852	495,891,483	534,443,894	584,238,583	621,568,319
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
Total Business-Type Activities Expenses	18,682,029	19,407,894	20,588,775	21,460,105	23,016,625	25,510,774	29,157,884
Total Primary Government Expenses	410,336,732	452,606,778	472,375,627	517,351,588	557,460,519	609,749,357	650,726,203
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
Support Services	-	-	696,529	697,465	2,239,862	3,044,863	2,680,945
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
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	213,339,280	209,732,396	221,100,627	242,743,455	268,790,203	285,268,006	321,235,325
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
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
Capital Grants And Contributions	1,214,624	558,278	1,372,600	871,939	992,702	1,602,261	1,256,397
Total Business-Type Activities Program Revenues	20,752,265	21,616,180	23,297,065	24,064,212	25,508,484	28,127,461	29,570,595
Total Primary Government Program Revenues	\$ 234,091,545	231,348,576	244,397,692	266,807,667	294,298,687	313,395,467	\$ 350,805,920

(Continued)

THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA

CHANGES IN NET ASSETS

LAST SEVEN FISCAL YEARS

(accrual basis of accounting)

UNAUDITED

	Fiscal Year						
	2002 (A)	2003	2004	2005	2006	2007	2008
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)
Business-Type Activities	2,070,236	2,208,286	2,708,290	2,604,107	2,491,859	2,616,687	412,711
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>
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
State Revenue in Lieu of Taxes	-	-	-	-	-	-	80,486,671
Unrestricted Grants And Contributions	39,004	11,586	276,341	274,145	120,669	266,183	229,075
Unrestricted Investment Earnings	1,810,044	11,706,265	52,976,497	58,909,355	26,402,402	27,170,846	24,702,384
Miscellaneous	6,269,996	950,543	134,565	131,796	3,542,653	180,274	355,756
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
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>
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)
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>
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>
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
Business-Type Activities	1,173,092	1,290,614	1,699,541	1,661,107	1,390,859	1,384,687	(759,289)
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>

(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**

GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE

LAST SEVEN FISCAL YEARS
(accrual basis of accounting)

UNAUDITED

	Fiscal Year						
	2002 (A)	2003	2004	2005	2006	2007	2008 (B)
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
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

(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

FUND BALANCES OF GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS

(modified accrual basis of accounting)

UNAUDITED

	Fiscal Year									
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
General Fund										
Reserved	\$ 1,103,660	2,788,214	429,469	251,304	477,264	545,645	698,366	353,122	248,623	\$ 337,979
Unreserved	9,631,684	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
Total General Fund	10,735,344	17,648,588	26,759,427	31,596,552	26,508,332	39,425,798	41,168,312	48,743,855	49,568,364	50,391,090
All Other Governmental Funds										
Reserved	45,919,045	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
Unreserved, Reported In:										
Permanent Fund	5,021	4,028	5,162	-	-	1,452	2,225	3,772	6,493	6,509
Total All Other Governmental Funds	\$ 45,924,066	43,220,329	42,026,417	748,684,911	639,957,050	670,200,808	531,311,258	452,170,159	289,146,117	\$ 227,811,155

(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 2006.

**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>1999</u>	<u>2000</u>	<u>2001</u>
Revenues			
Taxes:			
General Operations	\$ 89,007,121	95,516,806	110,768,632
Debt Service	45,430,370	51,217,629	54,973,777
Investment Earnings	3,635,358	5,113,039	4,844,811
Other Local Sources	1,927,733	2,649,733	2,705,538
State Sources	182,237,413	229,544,688	249,060,844
Federal Sources	13,453,899	17,870,551	20,375,470
Total Revenues	<u>335,691,894</u>	<u>401,912,446</u>	<u>442,729,072</u>
Expenditures			
Current:			
Instruction	181,815,230	193,122,310	214,649,324
Support Services	105,364,567	110,205,391	122,946,275
Community Services	592,704	678,739	1,264,835
Intergovernmental	89,748	272,356	375,230
Capital Outlay	78,835,644	54,743,134	94,780,239
Debt Service:			
Principal	44,755,000	88,120,000	52,050,000
Interest And Fiscal Charges	4,533,870	5,289,998	4,550,060
Bond Issuance Costs	-	-	-
Total Expenditures	<u>415,986,763</u>	<u>452,431,928</u>	<u>490,615,963</u>
Excess Of Revenues Over (Under) Expenditures	(80,294,869)	(50,519,482)	(47,886,891)
Other Financing Sources (Uses)			
Premium On Bonds Sold	641,750	121,176	177,840
Issuance Of General Obligation & Revenue Bonds/Anticipation Notes	87,100,000	12,800,000	57,000,000
Issuance Of Refunding Bonds	-	40,000,000	-
Payment To Refunded Debt Escrow Agent	-	-	-
Sale Of Capital Assets	1,450,850	2,152,922	647,485
Transfers In	15,312,595	17,321,863	20,306,155
Transfers Out	(14,925,779)	(17,667,015)	(21,556,449)
Total Other Financing Sources (Uses)	<u>89,579,416</u>	<u>54,728,946</u>	<u>56,575,031</u>
Net Change In Fund Balances	<u>\$ 9,284,547</u>	<u>4,209,464</u>	<u>8,688,140</u>
Debt Service As A Percentage Of Noncapital Expenditures	18.9%	27.0%	29.6%

- (A) Interest payments began on the Building Equity Sooner for Tomorrow (a blended component unit of the School District)
- (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 issuing more short-term GO Bonds.
- (G) The School District paid arbitrage rebate.

Table 5

							Fiscal Year						
2002	2003	2004	2005	2006	2007	2008	2002	2003	2004	2005	2006	2007	2008
121,064,035	123,363,565	132,866,982	137,511,156	140,311,489	156,850,268	\$ 122,943,560							
61,758,243	63,357,651	65,392,038	64,578,404	65,723,525	67,544,820	73,654,936							
6,489,080	11,706,106	52,976,498 (B)	71,531,509	23,774,837 (D)	26,198,441	24,767,438							
3,339,993	3,510,503	4,449,173	3,463,712	8,834,933	6,172,324	6,632,139							
219,021,909	216,485,437	221,038,880	237,891,798	263,409,277 (E)	278,425,406	354,717,760							
22,285,930	25,624,874	31,587,390	37,823,264	36,707,154	38,630,384	40,967,428							
<u>433,959,190</u>	<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>							
227,136,956	232,630,243	232,973,522	250,545,686	267,715,158	287,153,756	306,917,043							
124,799,088	136,800,696	144,391,649	155,147,961	166,272,431	191,020,215	208,426,118							
880,123	637,372	695,840	809,914	865,172	653,034	760,767							
1,599,993	2,021,349	2,149,603	3,112,121	5,084,855	6,166,743	7,714,672							
92,997,024	87,538,038	142,699,503 (C)	311,925,808	229,521,995	178,597,252	88,516,892							
148,850,000	91,800,000	70,000,000	6,605,000	7,190,000	10,925,000	11,795,000							
14,153,800	54,622,928 (A)	52,393,244	53,829,573	55,924,188	56,339,680	57,365,584							
-	-	-	2,946,550	6,515,362	6,993,682 (G)	4,431,554 (G)							
<u>610,416,984</u>	<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>							
(176,457,794)	(162,002,490)	(136,992,400)	(232,122,770)	(200,327,946)	(164,027,719)	(62,244,369)							
634,872	173,900	6,645,747	18,037,521	27,340,851	-	-							
889,000,000	47,000,000	170,765,000	68,000,000 (F)	61,615,000	-	-							
-	-	-	216,905,000	574,790,000	-	-							
-	-	-	(210,307,182)	(537,166,076)	-	-							
204,084	182,291	1,885,067	1,397,395	1,081,615	596,186	560,133							
211,622,574	48,243,139	106,331,888	104,805,986	99,318,224	96,908,692	140,214,120							
(210,734,864)	(47,417,849)	(105,474,078)	(103,862,986)	(98,217,224)	(95,676,692)	(139,042,120)							
<u>890,726,666</u>	<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>714,268,872</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>							
32.0%	28.3%	24.1%	13.1%	13.4%	14.4%	12.2%							

THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA

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 Taxable Value	Assessed Value as a Percentage of Actual Value
	Residential Property	Commercial Property	Motor Vehicles	Other					
1999	\$ 303,574,035	391,759,316	187,080,299	245,517,905	-	1,127,931,555	134.6	\$ 15,956,476,287	7%
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%

Source: Greenville County Assessor and Finance Department

Note: Property in the county was reassessed for fiscal year 2008. 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

PROPERTY TAX RATES DIRECT AND OVERLAPPING GOVERNMENTS

LAST TEN FISCAL YEARS

UNAUDITED

Fiscal Year Ended June 30	School District of Greenville County				County				Overlapping Rates							Total Direct and Overlapping Rates
	Debt		Debt		Operating Millage	Service Millage	Total Millage	Travelers Rest	Greer	Mauldin	Simpsonville	Fountain Inn	Municipalities	Special Districts		
	Operating Millage	Service Millage	Total Millage	Total Millage												
1999	95.1	39.5	134.6	44.9	4.5	49.4	99.9	94.9	81.9	54.5	53.2	49.2	433.6	20.6	638.2	
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	

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).

Table 8

THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA

PRINCIPAL PROPERTY TAXPAYERS

CURRENT YEAR AND NINE YEARS AGO

UNAUDITED

Taxpayer	2008			1999		
	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	\$ 32,212	1	1.9%	27,916	1	2.4%
Bell South Telecommunications	20,446	2	1.2%	20,765	2	1.8%
Cellco Partnership/Verizon Wireless	9,700	3	0.6%	7,277	4	0.6%
Simon Haywood LLC & Bellwether	5,066	4	0.3%	18,747	3	1.6%
Cryovac Incorporated	5,813	5	0.3%			
3M Company	1,212	6	0.1%			
Verdae Properties	1,172	7	0.1%	3,501	8	0.3%
Michelin North America	1,167	8	0.1%	5,669	6	0.00
Piedmont Natural Gas	1,160	9	0.1%	6,535	5	0.00
Laurens Electric Co OP Inc	890	10	0.1%			
Hitachi Electronics, Inc.				5,943	7	0.5%
Minnesota Mining/Manufacturing				4,152	9	0.4%
IBM Credit Corporation				2,918	10	0.2%
Totals	\$ 78,838		4.5%	103,423		7.8%

Source: Greenville County Finance Department

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

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
1999	\$ 151,819,587	125,897,810	82.9%	7,574,466	\$ 133,472,276	87.9%
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	179,693,239	97.3%	-	\$ 179,693,239	97.3%

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.

THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA

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					
1999	\$ 95,020,000	-			95,020,000	0.96%	\$ 250
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%	2,646
2008	\$ -	1,091,940,000			1,091,940,000	7.70%	\$ 2,550

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

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
1999	\$ 95,020,000	7,210,875	\$ 88,114,991	0.47%	\$	232
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	-	14,188,058	(13,598,778)	-0.05%		(35)
2004	-	13,017,735	(12,879,948)	-0.05%		(33)
2005	-	15,879,545	(15,440,353)	-0.06%		(39)
2006	-	11,900,649	(11,528,729)	0.00%		(28)
2007	-	10,582,985	(10,582,985)	0.00%		(25)
2008	\$ -	7,584,922	(7,584,922)	0.00%	\$	(24)

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, 2008

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	\$ 1,091,940,000	100.00%	\$ 1,091,940,000
Cities:			
Fountain Inn	205,000	100.00%	205,000
Greenville	14,300,000	100.00%	14,300,000
Greer	5,133,500	100.00%	5,133,500
Mauldin	2,275,000	100.00%	2,275,000
Simpsonville	3,225,000	100.00%	3,225,000
Travelers Rest	-	100.00%	-
Total cities	<u>25,138,500</u>		<u>25,138,500</u>
Special purpose districts:			
Berea Public Service District	2,000,000	100.00%	2,000,000
Boiling Springs Fire District	415,499	100.00%	415,499
ClearSpring (East Simpsonville) Fire District	1,045,000	100.00%	1,045,000
Fountain Inn Fire Service Area	1,795,000	100.00%	1,795,000
Gantt Fire, Sewer & Police District	1,739,727	100.00%	1,739,727
Glassy Mountain Fire District	1,805,000	100.00%	1,805,000
Greenville Memorial Auditorium District	8,660,000	100.00%	8,660,000
Recreation District	1,855,736	100.00%	1,855,736
South Greenville Fire & Sewer District	1,422,000	100.00%	1,422,000
Taylor's Fire & Sewer District	767,532	100.00%	767,532
Tigerville Fire District	199,983	100.00%	199,983
Total special purpose districts	<u>\$ 21,705,477</u>		<u>\$ 21,705,477</u>
Greenville County	<u>\$ 66,115,000</u>	100.00%	<u>\$ 66,115,000</u>
Total direct and overlapping debt			<u><u>\$ 1,204,898,977</u></u>

Source: Greenville County Treasurer 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.

THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA

LEGAL DEBT MARGIN INFORMATION

LAST TEN FISCAL YEARS

UNAUDITED

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Debt Limit	\$ 98,548,324	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
Total Net Debt Applicable To Limit	94,420,000	99,700,000	104,650,000	44,800,000	-	-	-	-	-	-
Legal Debt Margin	\$ 4,128,324	3,319,818	3,449,570	81,561,628	125,697,469	128,051,122	130,327,433	132,627,438	\$ 136,517,805	\$ 150,400,821
Total Net Debt Applicable To Limit As A Percentage Of Debt Limit	95.8%	96.8%	96.8%	35.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Legal Debt Margin Calculation For Fiscal Year 2007

Total Assessed Value	\$ 1,880,010,268
Debt Limit-8 Percent Of Total Assessed Value Amount Of Debt Applicable To Debt Limit:	150,400,821
Total Bonded Debt	-
Total Amount Of Debt Applicable To Debt Limit Legal Debt Margin	\$ 150,400,821

THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA

DEMOGRAPHIC AND ECONOMIC STATISTICS - LAST TEN FISCAL YEARS

LAST TEN FISCAL YEARS

UNAUDITED

Fiscal Year Ended June 30	(1)	(2)	(2)	(4)	(5)	(6)	(3)
	Population	Personal Income (in 000's)	Personal Income by Population	Median Age	Education Level in Years of Formal Schooling	School Enrollment	Unemployment Rate
1999	379,719	\$ 9,912,566	\$ 26,105	35.3	13.1	57,480	2.4%
2000	383,717	11,270,419	29,372	35.5	13.3	58,018	2.6%
2001	383,000	11,323,698	29,566	35.8	13.5	58,649	3.3%
2002	386,693	11,439,867	29,584	36.1	13.7	59,732	4.6%
2003	391,334	11,748,880	30,023	36.3	13.8	60,783	4.5%
2004	393,000	12,109,902	30,814	36.5	13.9	61,777	4.5%
2005	397,000	12,287,150	30,950	36.7	14.1	62,857	5.4%
2006	407,383	13,091,423	32,135	36.9	14.2	64,313	5.6%
2007	417,166	13,936,265	33,407	36.9	14.3	66,239	4.8%
2008	428,243	\$ 14,185,724	\$ 33,125	37.4	14.3	67,588	5.2%

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**

PRINCIPAL EMPLOYERS

CURRENT YEAR AND NINE YEARS AGO

UNAUDITED

Employer	2008			1999		
	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%	6,031	2	3.3%
Greenville Hospital System	7,792	2	3.5%	6,334	1	3.1%
Michelin North America	4,085	3	1.8%	1,900	8	0.6%
Fluor Corporation	2,700	4	1.2%	1,700	9	1.3%
General Electric Co.	2,600	5	1.2%	2,600	4	1.1%
State of South Carolina	2,524	6	1.1%	2,593	5	1.3%
St. Francis Hospital	2,132	7	0.9%	2,510	6	1.3%
Bob Jones University	1,795	8	0.8%	1,475	-	
Cryovac, Inc.	1,700	9	0.8%	1,650	10	0.9%
Greenville County	1,627	10	0.7%	1,650	-	
Bi-Lo	-	-		4,778	3	1.4%
Kemet Electronics	-	-		2,350	7	1.2%
Totals	35,441		15.7%	35,571		15.5%

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

THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA

FULL-TIME EQUIVALENT SCHOOL DISTRICT EMPLOYEES BY FUNCTION

LAST TEN FISCAL YEARS

UNAUDITED

Function	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Directors/Consultants/Coordinators/Administrators	112	168	224	148	212	214	220	330	289	323
Principals	91	93	92	92	91	92	92	82	84	87
Assistant Principals	79	94	95	101	92	92	106	105	116	122
Nurses/LPNs	90	93	77	89	80	78	80	84	90	109
Secretaries/Clerical	398	493	480	486	490	492	495	468	490	502
Teachers	3,335	3,402	3,469	3,954	3,699	3,806	4,005	3,945	4,359	4,418
Aides	481	526	570	605	616	605	629	758	801	779
Food Service	435	447	458	584	507	508	515	506	589	615
Custodians	335	317	300	457	451	470	490	523	577	596
Guidance Counselors	124	132	127	139	134	129	135	135	160	165
Librarians	92	98	94	99	91	90	93	88	102	98
Maintenance	115	98	172	182	98	100	103	125	122	122
School Bus Drivers	210	292	235	317	317	357	360	333	369	402
Others	134	57	254	225	118	84	90	156	147	149
Total Full-Time Equivalents	6,031	6,310	6,647	7,478	6,996	7,117	7,413	7,638	8,295	8,486

Source: School District of Greenville County - Human Resources

THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA

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	Reduced Meals				
1999	58,122	\$ 287,862,249	4,953	3,551	16	26.6%	(A)	(A)	34,506	\$ 34,633	
2000	58,634	304,278,796	5,189	4,039	15	26.6%	23,312	48,637	36,081	(A)	
2001	60,445	339,235,664	5,612	3,690	16	28.6%	24,255	51,623	37,938	38,140	
2002	60,533	354,416,160	5,855	4,192	14	30.7%	25,184	53,600	39,923	39,742	
2003	61,429	372,089,660	6,057	4,025	15	30.8%	25,184	53,600	40,362	40,358	
2004	62,411	380,210,614	6,092	4,025	16	33.2%	25,349	53,950	41,162	41,142	
2005	63,240	409,615,682	6,477	4,233	15	35.2%	25,665	54,624	42,189	42,098	
2006	64,992	439,937,616	6,769	4,168	16	42.0%	26,289	55,951	43,011	42,866	
2007	66,682	484,993,748	7,273	4,359	15	41.0%	26,975	57,412	44,123	43,000	
2008	67,588	\$ 523,818,600	7,750	4,418	15	42.0%	27,869	59,312	44,336	\$ 42,200	

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.

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

CAPITAL ASSETS INFORMATION

LAST SEVEN FISCAL YEARS

UNAUDITED

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

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, 2008

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	10.550	N/A	\$ 1,595,268
6000	National School Breakfast Program	10.553	N/A	2,954,366
6000	National School Lunch Program	10.555	N/A	10,757,597
TOTAL US DEPARTMENT OF AGRICULTURE				<u>15,307,231</u>
<u>US DEPARTMENT OF EDUCATION</u>				
Direct Programs:				
2881	Professional Development for Arts Educators	84.351C	U351C03002	77,049
2882	Grove/Tanglewood Arts	84.351D	U351D030026	94,222
2740	Readiness and Emergency Management for Schools (REMS)	84.184E	Q184E070126	235,018
8055	Teen LEAD	84.215	07-FL-040-01	177
8055	Teen LEAD	84.215	08-FL-040-01	17,445
8057	Teen LEAD Supplemental	84.215	08-FL-040-02	2,443
Total Direct Programs				<u>426,354</u>
Passed Through SC State Department of Education:				
<u>Title I:</u>				
2010	Title I - Low Income	84.010	08-BA-040	15,246,987
2020	Title I - Low Income	84.010	07-BA-040	1,988,010
2654	Title I - School Improvement	84.010	07-BJ-040	91,720
2655	Title I - School Improvement	84.010	08-BJ-040	237,617
Total 84.010				<u>17,564,334</u>
2414	Title V	84.298A	07-BB-040	90,533
<u>IDEA:</u>				
2030/31/34/35/146	Public Law 101-476 - The Individuals with Disabilities Act	84.027	08-CA-040	16,008,715
2132	Personnel Development	84.027A	08-CO-040	101,600
Total 84.027				<u>16,110,315</u>
<u>Preschool Handicapped:</u>				
2050/51	Handicapped Preschool Grant	84.173	08-CG-040	<u>416,407</u>
<u>Title II:</u>				
2670/2675	Title II - Improving Teacher Quality, Reduce Class Size	84.367A	07-TQ-040	2,774,154
<u>Drug Free:</u>				
2090	Drug and Violence Prevention Program	84.186	08-FQ-040	<u>284,654</u>
<u>Adult Education:</u>				
2430	Adult Regular	84.002	07-EA-040	365,090
Total 84.002				<u>\$ 365,090</u>

(Continued)

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

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2008

LEA Subfund Code	Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass Through Grantor's Number	Federal Expenditures
<u>Occupational Education:</u>				
2070	WBL Activities	84.048	08-VA-040	\$ 110,195
2070	Technology Training	84.048	08-VA-040	11,300
2070	Programs of Study	84.048	08-VA-040	43,543
2070	Evaluation / Assessment	84.048	08-VA-040	9,360
2070	Automobile Technology	84.048	08-VA-040	4,589
2070	Local Administration	84.048	08-VA-040	40,491
2070	Special Populations	84.048	08-VA-040	20,889
2070	Career Guidance	84.048	08-VA-040	208,568
2070	Student Organizations	84.048	08-VA-040	70,701
2070	Equipment	84.048	08-VA-040	399,081
2070	Initiate and Improve Program	84.048	08-VA-040	141,611
2070	State Leadership - Special	84.048	08-VA-040	6,750
2070	Professional Development	84.048	08-VA-040	50,846
2074	CTE Reserve - Wind Tunnel	84.048A	08-VA-040-23	37,110
2076	CTE Reserve - Biomedical Science	84.048A	08-VA-040-23	1,364
2078	CTE Reserve - Gateway to Technology	84.048A	08-VA-040-23	24,329
		Total 84.048		<u>1,180,727</u>
<u>Other Special Programs:</u>				
8053	State Improvement Grant	84.323A	08-CT-040-01	12,000
8054	Attendance Improvement Grant	16.541	08-FC-040-01	1,500
2005	McKinney - Vento Homeless Grant	84.196A	08-FH-040	54,402
2426	Even Start - Family Literacy	84.213C	08-EK-040	90,000
2427	Even Start - Family Literacy Professional Dev	84.213C	08-EK-040-02	5,000
2915	Goals 2000 Parental Assistance	84.310	N/A	84,141
2532	Ed Tech Formula Grant	84.318	08-ET-040	201,985
2640	Title III - English Language Acquisition	84.365A	07-BP-040	558,260
Total Passed Through SC State Department of Education				<u>39,787,002</u>
TOTAL US DEPARTMENT OF EDUCATION				<u>40,219,856</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	7JAG0114	56,024
TOTAL US DEPARTMENT OF LABOR				<u>56,024</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	248,853
Total Passed Through State Health & Human Services Finance Commission				<u>248,853</u>
TOTAL US DEPARTMENT OF HEALTH AND HUMAN SERVICES				<u>\$ 248,853</u>

(Continued)

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

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2008

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	\$ 85,055
2900	Navy ROTC	12.000	N/A	54,499
2902	Air Force ROTC	12.000	N/A	284,374
TOTAL US DEPARTMENT OF DEFENSE				<u>423,928</u>
<u>COMPONENT UNITS/CHARTER SCHOOLS</u>				
Passed Through SC State Department of Education:				
	Meyer Center for Special Children:			
2051	Preschool Grant	84.173	08-CG-040	17,976
Total Passed Through SC State Department of Education				<u>17,976</u>
TOTAL COMPONENT UNITS/CHARTER SCHOOLS				<u>17,976</u>
TOTAL FEDERAL ASSISTANCE EXPENDED				<u><u>\$ 56,273,868</u></u>

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

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

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2008

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, 2008. 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 General Fund and 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, 2008, which collectively comprise the School District’s basic financial statements and have issued our report thereon dated October 22, 2008. 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, 2008.

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, 2008

**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, 2008. 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, 2008.

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, 2008

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

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

YEAR ENDED JUNE 30, 2008

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, 2008

Section I - Summary of Auditors' Results

Financial Statements

Type of auditors' report issued: Unqualified

Internal control over financial reporting:

Material weakness(es) identified?	_____ Yes	_____ <input checked="" type="checkbox"/> No
Significant deficiencies identified that are not considered to be material weaknesses?	_____ Yes	_____ <input checked="" type="checkbox"/> None Reported
Noncompliance material to financial statements noted?	_____ Yes	_____ <input checked="" type="checkbox"/> No

Federal Awards

Internal control over major programs:

Material weakness(es) identified?	_____ Yes	_____ <input checked="" type="checkbox"/> No
Significant deficiencies identified that are not considered to be material weaknesses?	_____ Yes	_____ <input checked="" type="checkbox"/> 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	_____ <input checked="" type="checkbox"/> No
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Identification of major programs:

<u>FDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
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84.010	Title I
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Dollar threshold used to distinguish between type A and type B programs:	_____ \$ 1,688,216
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Auditee qualified as low-risk auditee?	_____ <input checked="" type="checkbox"/> Yes	_____ No
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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
864.241.3100 • greenville.k12.sc.us

Dr. Phinnize J. Fisher
Superintendent