

Comprehensive Annual Financial Report 2010



The School District of
Greenville County

Greenville,
South Carolina

For the Year Ended June 30, 2010



 **GREENVILLE COUNTY
SCHOOLS**

Where Enlightening Strikes!

www.greenville.k12.sc.us

The School District of Greenville County

Greenville, South Carolina



Where enlightening strikes

Comprehensive Annual Financial Report

For the Year Ended June 30, 2010

Prepared By:

The Office of the Executive Director of Finance

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

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

TABLE OF CONTENTS

YEAR ENDED JUNE 30, 2010

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

(Continued)

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

TABLE OF CONTENTS

YEAR ENDED JUNE 30, 2010

	<u>Page Number</u>
<i>FINANCIAL SECTION (CONTINUED)</i>	
Supplementary Information:	
Schedule of Revenues, Expenditures, and Changes in Fund Balance - General Fund Revised Budget and Actual	Schedule A-1 71
<u>Special Revenue Fund</u>	
<u>Special Projects Fund:</u>	
Schedule of Revenues, Expenditures, and Changes in Fund Balance	Schedule B-1 82
Supplemental Listing of LEA Subfund Codes and Titles	Schedule B-2 102
Summary Schedule for Other Designated Restricted State Grants	Schedule B-3 105
<u>Education Improvement Act:</u>	
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance - All Programs - Special Revenue Fund - Education Improvement Act	Schedule B-4 106
Summary Schedule by Program - Special Revenue Fund - Education Improvement Act	Schedule B-5 112
<u>Other Schedules:</u>	
Detailed Schedule of Due to State Department of Education/Federal Government	Schedule B-6 113
<u>Debt Service Funds</u>	
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Debt Service Fund - District	Schedule C-1 114
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Debt Service Fund - BEST	Schedule C-2 115
<u>Capital Projects Funds</u>	
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Capital Projects Fund - District	Schedule D-1 116
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Capital Projects Fund - BEST	Schedule D-2 117
<u>Enterprise Fund</u>	
Schedule of Revenues, Expenses, and Changes in Net Assets - Food Service Fund	Schedule E-1 118
<u>Fiduciary Fund</u>	
Schedule of Receipts, Disbursements, and Changes in Due to Student Organizations - Pupil Activity Fund	Schedule F-1 120
Schedule of Changes in Assets and Liabilities - Pupil Activity Fund	Schedule F-2 121
<u>Discretely Presented Component Units - Charter Schools</u>	
Combining Schedule of Net Assets - Charter Schools	Schedule G-1 122
Combining Schedule of Activities - Charter Schools	Schedule G-2 123

(Continued)

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

TABLE OF CONTENTS

YEAR ENDED JUNE 30, 2010

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

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



BOARD OF TRUSTEES JUNE 30, 2010



Seated, left to right:

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

Standing, left to right:

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



THE SCHOOL DISTRICT OF GREENVILLE COUNTY

ADMINISTRATIVE STAFF

SuperintendentDr. Phinnize J. Fisher

Deputy Superintendent of SchoolsDr. Gigi Outz

Deputy Superintendent for OperationsMr. Burke Royster

Assistant Superintendent for:

Career Tech Ed/Business RelationsMr. Alex Martin

School Accountability ElementaryDr. Penny Rogers

School Accountability ElementaryDr. Michelle Meekins

School Accountability Middle Mr. Leroy Hamilton

School Accountability HighDr. Ken Peake

Assistant Superintendent of:

Special EducationMrs. Mary Smith

Executive Director of:

ConstructionMr. Bryan Morris

Education TechnologyMr. Bill Brown

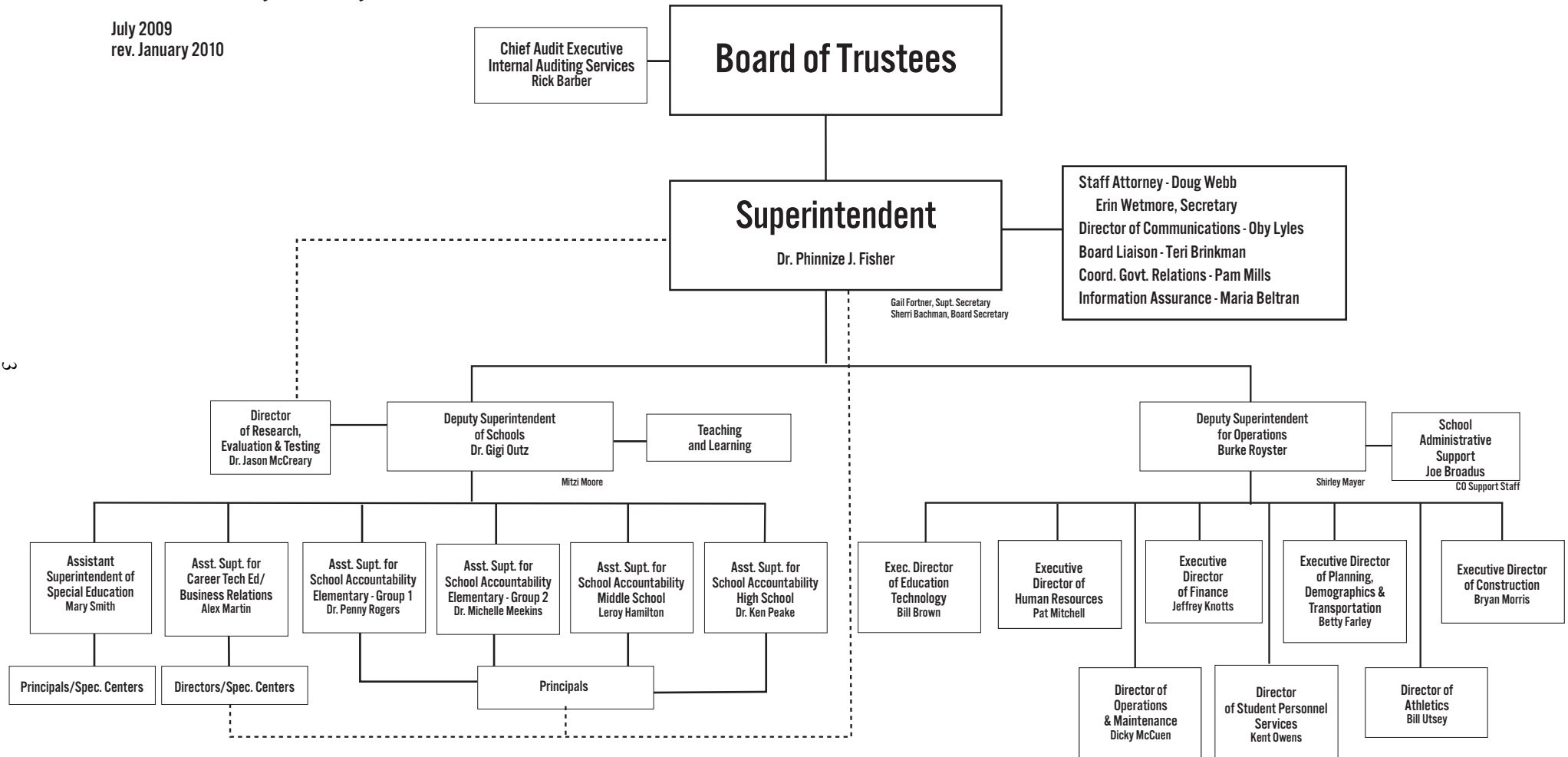
FinanceMr. Jeff Knotts

Human ResourcesMr. Pat Mitchell

Planning, Demographics & TransportationMrs. Betty Farley

Board LiaisonMrs. Terri Brinkman

July 2009
rev. January 2010



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



October 26, 2010

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, 2010. 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, 2010 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, 2010 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.