



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, 2011, which collectively comprise the School District's basic financial statements as listed in the table of contents. These basic financial statements are the responsibility of the School District's management. Our responsibility is to express opinions on these basic financial statements based on our audit. We did not audit the basic financial statements of the discretely presented component units, which statements reflect total assets and net assets of \$9,056,647 and \$5,845,791, respectively, as of June 30, 2011 and total revenues of \$18,014,476 for the year ended June 30, 2011. 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 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, 2011, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 1, 2011 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 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 U.S. 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 has been subjected to the auditing procedures applied by us and the other auditors in the audit of the basic financial statements and, in our opinion, based on our audit and the reports of other auditors, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The schedule of expenditures of federal awards of the primary government has been subjected to the auditing procedures applied by us in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and the statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.



Greene, Finney & Horton, LLP
Mauldin, South Carolina
November 1, 2011

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

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2011

This discussion and analysis of The School District of Greenville County's ("School District") financial performance provides an overview of the School District's financial activities for the fiscal year ended June 30, 2011. 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 2011 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 approximately \$587.2 million. Of this amount, approximately \$569.0 million and \$18.2 million were related to the School District's governmental and business-type activities, respectively. In addition, the School District's unrestricted net assets were approximately \$90.9 million (\$78.0 million for governmental activities and \$12.9 million for business-type activities) which may be used to meet the School District's ongoing obligations to citizens and creditors.
- The School District's total capital assets of approximately \$1.33 billion decreased during the current fiscal year, as depreciation expense of approximately \$44.2 million and the net book value of disposals of approximately \$1.6 million exceeded capital asset additions of approximately \$29.5 million.
- The total long term obligations of approximately \$1.08 billion are comprised primarily of the outstanding Building Equity Sooner for Tomorrow, Inc. ("BEST") Installment Purchase Revenue Bonds ("IPRB"). BEST is a nonprofit corporation for which the School District is financially accountable. The key factor in this amount was the School District's aggressive building fund program via the IPRB 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 approximately \$24.2 million (\$22.0 million and \$2.2 million for governmental activities and business-type activities, respectively). Total revenues of approximately \$649.6 million exceeded total expenses of approximately \$625.4 million.
- As of the close of the current fiscal year, the School District's governmental funds reported combined ending fund balances of approximately \$311.1 million, an increase of approximately \$20.8 million in comparison with the prior year. This is attributable to activity in several funds. The fund balance for the General Fund increased by approximately \$27.4 million, due to several factors. In June 2011, the School District received approximately \$7.9 million in special revenue funds from the State as part of the State's effort to meet its Federal IDEA match. This therefore allowed the School District to reclassify approximately \$7.9 million in Special Education expenditures from the General Fund to the Special Revenue – EIA Fund. The School District was also able to move approximately \$4.0 million in utility and insurance expenditures from the General Fund to the Federal Funded State Fiscal Stabilization Fund ("SFSF"). The General Fund salary and fringe benefit expenditures were approximately \$6.7 million or 1.8% less than budgeted. Departments and schools continued their multi-year cost savings efforts and generated approximately \$3.7 million in savings. Actual General Fund revenue exceeded projections by approximately \$3.9 million or .97%. The fund balance for the Debt Service–District Fund decreased by approximately \$5.9 million due to the School District's planned use to make payments towards the School District's short-term debt. The Debt Service – BEST Fund decreased by approximately \$9.4 million due to payment on BEST Bonds. The fund balance in the Capital Projects – District Fund increased by approximately \$10.7 million due to the sale of surplus property and investment proceeds. The fund balance of the Capital Projects – BEST Fund decreased by approximately \$2.0 million, reflecting the continued activity in the BEST construction program.
- At the end of the current fiscal year, the total fund balance and the unassigned fund balance for the General Fund were approximately \$79.3 million and \$59.8 million, respectively. The unassigned fund balance of approximately \$59.8 million in the General Fund was approximately 15.6% of total General Fund expenditures for 2011.
- The School District implemented GASB #54 "Fund Balance Reporting and Governmental Fund Type Definitions" in the current year. The objective of GASB #54 is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarify the existing governmental fund type definitions. The implementation of this statement had no impact on the total fund balance of the School District.

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

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2011

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Government-wide basic financial statements. The basic financial statements include two kinds of statements that present different views of the School District. The first two statements 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 government-wide basic 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, and community services. The business-type activities of the School District include a food service operation.

The government-wide basic 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 BEST. 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 basic financial statements. The remaining basic financial statements focus on *individual parts* of the School District, reporting its operations in *more detail* than the government-wide basic financial 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 basic financial statements. However, unlike the government-wide basic financial statements, governmental fund basic 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 basic financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide basic 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 OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2011

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

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, Special Revenue – Education Improvement Act (“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 basic 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 basic financial statements, only in more detail; therefore, the proprietary fund basic 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 basic 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.

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 basic 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, EIA Fund, Capital Projects funds and Debt Service funds. Budgetary comparison schedules have been provided for these funds to demonstrate compliance with their budgets.

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

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2011

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Major Features of the School District's Government-Wide and Fund Basic Financial Statements				
	Fund Basic Financial Statements			
	Government-Wide Basic Financial Statements	Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire School District government (except fiduciary funds) and the School District's discretely presented component units.	The activities of the School District that are not proprietary or fiduciary.	Activities the School District operates similar to private businesses, in the District's case, the food service operations.	Instances in which the School 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.
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.
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 year end; expenditures when goods or services have been received and payment is due during or soon after year end.	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
GREENVILLE, SOUTH CAROLINA**

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2011

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

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 (which excludes discretely presented component units – charter schools), assets exceeded liabilities by approximately \$587.2 million at the close of the most recent fiscal year.

A summary of the School District's net assets for the Primary Government for 2011 compared to 2010 are presented below:

**The School District of Greenville County
Net Assets**

	Governmental Activities		Business-Type Activities		Total	
	2011	2010	2011	2010	2011	2010
Assets						
Current and Other Assets	\$ 420,689,132	386,888,627	13,476,621	10,994,651	434,165,753	\$ 397,883,278
Capital Assets	1,328,457,263	1,344,633,002	5,274,884	5,345,741	1,333,732,147	1,349,978,743
Total assets	<u>\$ 1,749,146,395</u>	<u>1,731,521,629</u>	<u>18,751,505</u>	<u>16,340,392</u>	<u>1,767,897,900</u>	<u>\$ 1,747,862,021</u>
Liabilities						
Other liabilities	\$ 99,970,216	86,617,233	531,587	372,299	100,501,803	\$ 86,989,532
Non-Current Liabilities	1,080,208,795	1,097,906,780	-	-	1,080,208,795	1,097,906,780
Total Liabilities	<u>1,180,179,011</u>	<u>1,184,524,013</u>	<u>531,587</u>	<u>372,299</u>	<u>1,180,710,598</u>	<u>1,184,896,312</u>
Net Assets						
Invested in Capital Assets,						
Net of Related Debt	487,718,027	486,054,515	5,274,884	5,345,741	492,992,911	491,400,256
Restricted	3,288,234	9,096,510	-	-	3,288,234	9,096,510
Unrestricted	77,961,123	51,846,591	12,945,034	10,622,352	90,906,157	62,468,943
Total Net Assets	<u>\$ 568,967,384</u>	<u>546,997,616</u>	<u>18,219,918</u>	<u>15,968,093</u>	<u>587,187,302</u>	<u>\$ 562,965,709</u>

Governmental Activities. Current and Other Assets increased by approximately \$33.8 million primarily due to revenues exceeding expenses of the School District for 2011. Capital Assets decreased by approximately \$16.2 million as depreciation expense exceeded the School District's building program (reflecting the winding down of the BEST construction program). Other Liabilities increased by approximately \$13.4 million primarily due to the timing of payments and an increase in unearned revenues. Non-Current Liabilities decreased by approximately \$17.7 million primarily due to approximately \$34.1 million in scheduled principal payments on outstanding indebtedness, partially offset by the issuance of long-term debt of approximately \$14.6 million and other miscellaneous net increases in long-term obligations of approximately \$1.8 million. The Net Assets of the School District's governmental activities increased to approximately \$569.0 million from approximately \$547.0 million in the prior year (an increase of approximately \$22.0 million or 4%), 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 approximately \$26.1 million from approximately \$51.8 million at June 30, 2010 to approximately \$78.0 million at June 30, 2011.

Business Type Activities. The Net Assets of business-type activities increased approximately \$2.3 million (14%) from approximately \$16.0 million at June 30, 2010 to approximately \$18.2 million at June 30, 2011, as revenues (primarily higher reimbursements from the USDA) and capital assets transferred from governmental activities, exceeded expenses.

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

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2011

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

The following table shows the changes in net assets for the Primary Government as of June 30, 2011 compared to 2010:

The School District of Greenville County Changes in Net Assets						
	Governmental Activities		Business-Type Activities		Total	
	2011	2010	2011	2010	2011	2010
Revenues						
Program Revenues:						
Charges for Services	\$ 2,221,782	2,191,931	12,129,629	12,767,383	14,351,411	\$ 14,959,314
Operating Grants	287,176,789	290,153,113	19,809,959	18,987,497	306,986,748	309,140,610
Capital Grants	1,318,436	791,146	-	-	1,318,436	791,146
General Revenue:						
Property Taxes	219,430,314	213,804,939	-	-	219,430,314	213,804,939
State Revenue in Lieu of Taxes	87,833,137	86,757,320	-	-	87,833,137	86,757,320
Grants and Entitlements	162,698	303,429	-	-	162,698	303,429
Other	19,487,065	19,563,545	31,823	33,650	19,518,888	19,597,195
Total Revenues	617,630,221	613,565,423	31,971,411	31,788,530	649,601,632	645,353,953
Program Expenses						
Instruction	334,767,109	345,293,018	-	-	334,767,109	345,293,018
Support Services	204,117,940	208,918,608	-	-	204,117,940	208,918,608
Community Services	1,322,110	1,427,135	-	-	1,322,110	1,427,135
Interest and Other Charges	56,195,999	56,531,888	-	-	56,195,999	56,531,888
Food Service	-	-	28,976,881	28,732,833	28,976,881	28,732,833
Total Expenses	596,403,158	612,170,649	28,976,881	28,732,833	625,380,039	640,903,482
Income (Loss) Before Transfers	21,227,063	1,394,774	2,994,530	3,055,697	24,221,593	4,450,471
Transfers (Food Service)	742,705	1,674,569	(742,705)	(1,674,569)	-	-
Increase in Net Assets	21,969,768	3,069,343	2,251,825	1,381,128	24,221,593	4,450,471
Net Assets, Beginning of Year	546,997,616	543,928,273	15,968,093	14,586,965	562,965,709	558,515,238
Net Assets, End of Year	\$ 568,967,384	546,997,616	18,219,918	15,968,093	587,187,302	\$ 562,965,709

Changes in Net Assets. Overall, the School District's financial condition improved in fiscal 2011, as revenues exceeded expenses (including depreciation of approximately \$44.2 million) by approximately \$24.2 million. Property Taxes increased by approximately \$5.6 million for the year ended June 30, 2011. This increase is attributable to an increase in the operational mill levy of 2 mills and an increase in the mill value for both operational and debt services mills. The increase in the mill values reflects the property reassessment program conducted by Greenville County during the summer of 2010.

Instruction expenses decreased approximately \$10.5 million to approximately \$334.8 million and support services expenses decreased approximately \$4.8 million to approximately \$204.1 million. The decreases are due to the activity in the FY 11 General Fund budget and federal special revenue funds. These decreases included reductions in teaching positions, supply allocations to schools, and decreases in various instructional programs.

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

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2011

FINANCIAL ANALYSIS OF THE SCHOOL 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, 2011, the School District's governmental funds reported a *combined* fund balance of approximately \$311.1 million, as compared to approximately \$290.3 million for the prior year. This increase of approximately \$20.8 million is attributable primarily to an increase in the General Fund of approximately \$27.4 million. Also, proceeds received from the issuance of bonds and investment earnings in the District's Capital Project and Debt Service funds were offset by construction-related expenditures.

At June 30, 2011, the School District's nonspendable fund balance was approximately \$1.9 million which was primarily related to endowment, prepaids, and inventories. Restricted fund balance for all governmental funds was approximately \$231.6 million, including capital projects of approximately \$83.6 million and debt service of approximately \$148.0 million. The assigned portion of fund balance was approximately \$17.8 million including approximately \$16.7 million that was appropriated in the 2012 Budget and approximately \$1.1 million for new schools. The portion of fund balance that is unassigned may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. The unassigned fund balance was approximately \$59.8 million at June 30, 2011. This includes approximately \$36.8 million per Board Policy which requires the School District to have as a minimum unassigned fund balance equaling 8.33% of the current year (FY 12) General Fund expenditure budget. Refer to the Financial Highlights section for an explanation of the remaining \$23.0 million in the unassigned fund balance.

The General Fund is the chief operating fund of the School District. At the end of the current fiscal year, unassigned fund balance of the General Fund was approximately \$59.8 million while the total fund balance for the General Fund was approximately \$79.3 million. The total fund balance increased approximately \$27.4 million, as revenues and other financing sources of approximately \$411.3 million exceeded expenditures and other financing uses of approximately \$383.9 million. The increase in the fund balance of the General Fund was primarily due to several factors. In June 2011, the School District received approximately \$7.9 million in special revenue funds from the State as part of the State's effort to meet its Federal IDEA match. This therefore allowed the School District to reclassify approximately \$7.9 million in Special Education expenditures from the General Fund to this Special Revenue – EIA Fund. The School District was also able to move approximately \$4.0 million in utility and insurance expenditures from the General Fund to the Federal Funded State Fiscal Stabilization Fund ("SFSF"). The General Fund salary and fringe benefit expenditures were approximately \$6.7 million or 1.8% less than budgeted. Departments and schools continued their multi-year cost savings efforts and generated approximately \$3.7 million in savings.

The School District's major governmental funds include the General Fund, as described above, Special Revenue Fund, Special Revenue – EIA Fund, Debt Service – District Fund, Debt Service – BEST Fund, Capital Projects – District Fund, and the Capital Projects – BEST Fund.

The School District's Special Revenue Fund and Special Revenue – EIA Fund are used to account for revenues derived from the state of South Carolina and the federal government. The School District's special revenue funds do not typically have fund balances as revenues should be expended, deferred, or returned to the grantor.

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

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2011

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT'S FUNDS (CONTINUED)

Governmental Funds (Continued)

Two debt service funds are shown in the accompanying financial statements of the School District, the Debt Service – District Fund and the Debt Service – BEST Fund. Both debt service funds are used to account for the accumulation of funds for debt retirement. The fund balance of the Debt Service – District Fund at the end of the current fiscal year was approximately \$6.2 million, all of which is restricted for the payment of debt service. The fund balance decreased by approximately \$5.9 million during fiscal 2011, due to the School District's planned use to make payments towards the School District's short-term debt. The School District's debt millage rate did not change, remaining at 42.5 mills. The fund balance of the Debt Service – BEST Fund at the end of the current fiscal year was approximately \$141.8 million and accounts for accumulated resources for payment on the BEST Installment Purchase Revenue Bonds sold by the non-profit organization. The fund balance decreased by approximately \$9.4 million during 2011 as the School District budgeted for a decrease of approximately \$11.3 million which was offset by higher investment earnings.

Two capital projects funds are shown in the accompanying financial statements of the School District to segregate BEST expenditures from School District capital project expenditures. The fund balance for the Capital Projects – District Fund increased by approximately \$10.7 million during 2011 to approximately \$76.2 million at June 30, 2011, primarily due to transfers from debt service funds (representing proceeds from short-term and long-term borrowings), revenue from the sale of surplus property and additional investment earnings which were partially offset by construction-related expenditures. The Capital Projects – BEST Fund decreased by approximately \$2.0 million during 2011 to approximately \$7.5 million at June 30, 2011 due to construction-related expenditures. The ending balance is reserved for future capital expenditures on the school building program.

Proprietary Funds

The School District's only Proprietary Fund (Enterprise Fund) is the Food Service Fund. This program had an increase in net assets of approximately \$2.3 million during 2011, which included income from operations of approximately \$3.0 million and capital contributions (capital assets transferred from the governmental activities of the School District) of approximately \$.9 million, partially offset by transfers of approximately \$1.6 million for indirect costs to the General Fund.

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 2011 are as follows:

The General Fund budget for the fiscal year ending June 30, 2011 was approved by the Board of Trustees on June 1, 2010 in the amount of \$400,179,000. This is a decrease of approximately \$12,927,000 when compared to the revised General Fund budget for the fiscal year ended June 30, 2010 of approximately \$413,106,000.

The budget for the fiscal year ending June 30, 2011 included an increase in the operational millage levy of 2 mills, as allowed by State law. The operational mill levy for 2010 was 114.2 mills. However, the County conducted a County wide property reassessment during the summer of 2010. The result of the property reassessment is revenue neutral to the School District before applying the additional 2 mills. The Education Finance Act's ("EFA") Base Student Cost ("BSC") was \$1,630 for the fiscal year ending June 30, 2011, a decrease of \$135 per student when compared to the revised EFA BSC of \$1,765 for the fiscal year ended June 30, 2010. The projected EFA revenue for the fiscal year ending June 30, 2011 also included the impact of a projected 300 additional students. The projected State allocation for employer fringe benefits of approximately \$58,193,000 is an increase of approximately \$1,440,000 when compared to the actual allocation of approximately \$56,753,000 for the fiscal year ended June 30, 2010. The increase in payments from the State as tier three payments under Act 388 equaled approximately \$828,000. The revenue budget was used to fund State mandated and locally-required costs. For the fiscal year ending June 30, 2011, State mandated expenditures were projected to cost an additional \$4,650,000 to cover teacher certificate upgrades, a State health insurance premium increase of 10.5%, and payments to charter schools as required by the State. The local required cost shows an increase of approximately \$5,394,000.

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

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2011

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT'S FUNDS (CONTINUED)

General Fund Budgetary Highlights (Continued)

During the fiscal year ended June 30, 2010, the School District was allocated approximately \$19,387,000 in Federal Fiscal Stabilization Funds. The School District chose to use these resources to fund the fiscal year ended June 30, 2010 utility budget of approximately \$18,555,000 and \$832,000 in liability insurance premiums. These two budget amounts are normally funded 100% in the General Fund. The Federal Fiscal Stabilization Fund allocation for the fiscal year ending June 30, 2011 was approximately \$15,823,000, a decrease of approximately \$3,564,000 from the prior year. The fiscal year ending June 30, 2011 General Fund budget therefore had to fund approximately \$3,564,000 of the fiscal year ending June 30, 2011 utility budget. This \$3,564,000 is part of the above \$5,394,000 increase in local required cost.

In order to balance the budget and fund the State and local required cost, the School District had to cut approximately \$22,971,000. The following is a sample of the major cuts/reductions that were instituted based on a review of programs: the Student-Teacher ratio for grades 1-12 was increased by 1.0 and 2.0 for Kindergarten; all 31 Elementary Science Instructor positions were cut; supply allocations to schools were reduced by approximately \$5,100,000; the salaries of working retirees were reduced by 5%; the daily rate of pay for short term, certified substitutes was reduced from \$122 to \$100; 36.4 School District support staff positions were either eliminated or the vacancy frozen.

At the January 25, 2011 Board meeting, the Board approved a revision to the FY 11 General Fund budget totaling \$6,756,000 in revenues. The revised FY 11 General Fund budget equaled \$406,935,000 which excludes appropriated fund balance of \$399,000. The revision reflected the following changes in State allocations which are formula driven; \$300,000 more to fund Bus Driver Salaries; \$2,850,000 in fringe benefits revenue to assist in funding fringe benefit expenditures and \$1,554,000 more in EFA allocations. The State also directed school districts to move the State funding and related expenditures for three special revenue projects into our General Fund. This equaled \$2,189,000.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2011, the School District had approximately \$1.33 billion invested in capital assets, net of depreciation. The School District's capital assets include land, construction in progress, buildings, improvements, and equipment. The School District's capital assets (net of depreciation) as of June 30, 2011 and 2010 were as follows:

The School District of Greenville County
Capital Assets at June 30
(Net of Depreciation)

	Government Activities		Business-Type Activities		Total	
	2011	2010	2011	2010	2011	2010
Land	\$ 45,834,208	43,626,626	-	-	45,834,208	\$ 43,626,626
Building, Improvements and Equipment	1,272,814,500	1,270,740,917	5,274,884	5,345,741	1,278,089,384	1,276,086,658
Construction in Progress	9,808,555	30,265,459	-	-	9,808,555	30,265,459
Totals	\$ 1,328,457,263	1,344,633,002	5,274,884	5,345,741	1,333,732,147	\$ 1,349,978,743

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

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2011

CAPITAL ASSET AND DEBT ADMINISTRATION (CONTINUED)

Capital Assets (Continued)

Major capital asset events during the current fiscal year included additions of approximately \$29.5 million, offset by depreciation expense (\$44.2 million) and net book value of disposals (\$1.6 million) of approximately \$45.8 million. Facility construction is a major component of capital asset additions; following are significant highlights from 2011 (note that a portion of the total costs may have been incurred in prior years):

- A.J. Whittenberg was completed and occupied for approximately \$18.7 million.
- Land was purchased for new schools for approximately \$2.2 million.
- ERP HR/payroll and financial reporting software for approximately \$2.4 million.

Total outstanding commitments at June 30, 2011 were approximately \$10.3 million, including the BEST construction projects.

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

Debt Administration

As of June 30, 2011, the School District (including its blended component unit BEST) had total outstanding debt of approximately \$1.1 billion. Of this total, approximately \$47.8 million was general obligation debt backed by the full faith and credit of the School District. The School District's total debt as of June 30, 2011 and 2010 is as follows:

The School District of Greenville County
Debt at June 30
(Excludes Deferred Items)

	Government Activities		Business-Type Activities		Total	
	2011	2010	2011	2010	2011	2010
IPRB - BEST	\$ 1,033,140,000	1,062,445,000	-	-	1,033,140,000	\$ 1,062,445,000
GOB - School District	47,785,000	38,230,000	-	-	47,785,000	38,230,000
Energy Grant - School District	494,835	197,787	-	-	494,835	197,787
Totals	<u>\$ 1,081,419,835</u>	<u>1,100,872,787</u>	<u>-</u>	<u>-</u>	<u>1,081,419,835</u>	<u>\$ 1,100,872,787</u>

At fiscal year-end, the School District had approximately \$47.8 million in general obligation bonds outstanding. The State limits the amount of general obligation debt that school districts can issue to 8% of the assessed value of all taxable property within the School 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, 2011 the School District issued four short-term general obligation bonds totaling approximately \$88.3 million, using the proceeds to make the 2011 BEST IPRB payments (see below for discussion concerning BEST) and to provide funds for additional capital projects. These bonds, including interest, were repaid upon maturity in 2011.

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

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2011

CAPITAL ASSET AND DEBT ADMINISTRATION (CONTINUED)

Debt Administration (Continued)

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 School District through proceeds of BEST IPRB. On March 25, 2002, BEST, a 501(c)(3) non profit corporation, sold \$800 million of IPRB. An additional \$100.8 million was issued in September 2003; \$68.0 million was issued in September 2004 and \$61.6 million was issued in May 2006. The proceeds were 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 was to relieve the overcrowding of the School District's schools, update many of the School District's existing school facilities, reduce the need for portable classrooms and accelerate the School District's 10-year capital improvement plans, formerly known as the Long Range Facilities Plan. Key uses of the funding included the following:

- Approximately \$228 million was used to make major additions or renovate 26 existing schools. When completed, these renovations yielded approximately 312 new classrooms.
- Approximately \$734 million of the money was 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 yielded approximately 1,736 new classrooms.
- Approximately \$7 million was expended to acquire and install instructional and administrative technology improvements.
- The last, major, BEST construction project was A. J. Whittenberg Elementary School which opened in August 2010.

The total outstanding bonded indebtedness for BEST is approximately \$1.03 billion at June 30, 2011. The School District will annually sell general obligation bonds to make the installment payments on the BEST debt. Subsequent to June 30, 2011, the School District issued approximately \$10.1 million of Qualified Zone Academy Bonds and approximately \$78.4 million in GO bonds. The School District plans on using the proceeds to make the 2012 BEST IPRB payments and to provide additional funding for capital projects.

Other long-term obligations include an accrual for vacation pay and sick leave of approximately \$5.6 million and estimated arbitrage payable to the United States Treasury of approximately \$0.7 million. More detailed information about the School District's debt and other long-term obligations is presented in Note III-I in the notes to the basic financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

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 180 companies that base a divisional, regional, national, international or other type of headquarters in Greenville County.

Between 2006 and 2010, Greenville County's population increased 9.87%. Total property tax collections have historically been strong. The 10 largest taxpayers are diverse, accounting for 4.7% of total taxable assessed value. Because of favorable tax rates, market accessibility and the quality and availability of the workforce, companies are drawn to Greenville. The County has been recognized in many publications for the quality of life experience. The downtown revitalization was featured in Southern Living magazine. Kiplinger's "Personal Finance" magazine ranked Greenville 20th in lowest cost of living. In 2007, Greenville was listed as America's 50 Hottest Cities. Recently, Forbes Magazine named Greenville as one of the top 15 cities for young people.

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

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2011

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET (CONTINUED)

Economic Factors (Continued)

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

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 approximately \$23,410,000. 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 approximately \$5,948,000. 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 reimbursements 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 2011 under Act 388 was approximately \$49,635,000. 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 increase reliance on state funds to fund the General Fund. This increased reliance at the state level is being funded by the additional penny sales tax, which in the School District's opinion is not as stable as property tax revenue which the penny sales tax replaced.

FY 2012 Budgets

The General Fund expenditure budget for the fiscal year ending June 30, 2012 was approved by the Board of Trustees on June 2, 2011 in the amount of approximately \$442,784,000, which represents an approximately \$35,849,000 increase when compared to the revised General Fund budget for the fiscal year ended June 30, 2011 of \$407,334,000.

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

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2011

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET (CONTINUED)

FY 2012 Budgets (Continued)

The General Fund revenue budget for the fiscal year ending June 30, 2012 of \$426,113,000 did not include an increase in the operational millage and was based on an Education Finance Act Base Student Cost ("EFA BSC") allocation of \$1,959, as projected by the State Senate during its budget development. The EFA BSC for the fiscal year ending June 30, 2012 is an increase of \$342 when compared to the EFA BSC for the fiscal year ended June 30, 2011 of \$1,617, and resulted in a projected EFA allocation of \$129,145,000 for the fiscal year ending June 30, 2012. This is an increase of \$22,467,000 when compared to the projected EFA allocation of \$106,678,000 for the fiscal year ended June 30, 2011 and also reflects the impact of a projected 435 additional students. The projected State allocation for employer fringe benefits of \$59,520,000 is a reduction of \$1,523,000 when compared to the allocation for fiscal year ended June 30, 2011. The projected increase in payments from the State as tier three payments under Act 388 equal \$1,868,000. The revenue budget will be used to fund State mandated and locally-required costs.

For fiscal year ending June 30, 2012, State mandated expenditures will cost an additional \$4,278,000 to cover teacher certificate upgrades, State health insurance premiums increase of 4.5% and payments to charter schools. The local required cost shows an increase of approximately \$35,060,000.

During the fiscal year ended June 30, 2010, the School District was allocated approximately \$19,387,000 in Federal Fiscal Stabilization Funds. The School District chose to use these funds to fund the utility budget for fiscal year ended June 30, 2010 of approximately \$18,555,000 and \$832,000 in liability insurance premiums. These two budgets are normally funded 100% in the General Fund. The Federal Fiscal Stabilization Fund allocation for the fiscal year ended June 30, 2011 was approximately \$15,809,000, a decrease of \$3,578,000. The General Fund budget for the fiscal year ended June 30, 2011 therefore had to increase the local required costs to fund \$3,578,000 of the utility budget for the fiscal year. The School District will not receive a Federal Fiscal Stabilization Fund allocation for fiscal year ending June 30, 2012 and therefore had to increase the General Fund Budget's local required cost budget by \$13,600,000 for the fiscal year ending June 30, 2012 to fully fund the utility and liability insurance budgets within the General Fund.

The fiscal year ending June 30, 2012 General Fund Budget's local required cost budget was increased by the following budget adjustments: \$8,930,000 to fund a 1.0 decrease in the student-teacher ratio for grades K – 12 and hire more teachers for the projected additional students; \$5,100,000 to give back to schools the \$75 per student cut made when developing the fiscal year ended June 30, 2011 General Fund Budget; \$6,359,000 to provide teachers a years experience increase and support personnel a 1.64% partial cost of living increase and approximately \$427,000 for teacher professional development that was cut in the fiscal year ended June 30, 2010. The remaining local required increases of \$644,000 pertain to software maintenance agreements and additional days for high school personnel.

In order to balance the fiscal year ending June 30, 2012 General Fund Budget and fund the State and local required cost, the School District reduced General Fund expenditures by \$3,489,000 and included the use fund balance of approximately \$16,671,000 from the General Fund. The reduction of \$3,489,000 involved the movement of \$2,189,000 in budgeted expenditures to State funded special revenue programs and a cut of \$1,300,000 in Special Education expenditures due to the reduction in the number of special education students.

When the School District received notification in the fiscal year ended June 30, 2009 that it would receive Federal Fiscal Stabilization Funds for the fiscal years ended June 30, 2010 and 2011, the School District instituted procedures to generate savings within the General Fund budget. Based on the School District's planned use of the Federal Fiscal Stabilization Funds, the School District knew these expenditures would have to be either reduced or fully funded within the General Fund starting in the fiscal year ending June 30, 2012. The procedures put in place at the start of the fiscal year ended June 30, 2010 generated the above savings of approximately \$16,671,000 and these procedures are still in effect.

The Board of Trustees' policy requires that the fund balance of the General Fund equal 8.33% of the current year General Fund expenditure budget. The fund balance for the School District's General Fund meets/funds the Board of Trustees' requirement of approximately \$16,671,000.

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

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2011

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET (CONTINUED)

FY 2012 Budgets (Continued)

The final approved State budget for the fiscal year ending June 30, 2012 reflects a revised EFA BSC for the fiscal year ending June 30, 2012 of \$1,880 which is an increase of \$263 when compared to the EFA BSC for the fiscal year ended June 30, 2011 of \$1,617. However, the revised EFA BSC for the fiscal year ending June 30, 2012 of \$1,880 reduced the School District's projected EFA allocation for the fiscal year ending June 30, 2012 by \$5,018,000 to \$124,127,000. On June 29, 2011, the Board of Trustees approved a revised General Fund Budget for the fiscal year ending June 30, 2012. The revised budget of approximately \$442,784,000 is the same amount approved by the Board of Trustees on June 2, 2011; however, the revised budget includes an operational millage increase of 4.7 mills, representing \$5,018,000 in additional property tax revenue to fund the \$5,018,000 decrease in the EFA allocation for the fiscal year ending June 30, 2012.

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 School District's website at <http://www.greenville.k12.sc.us>.

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, 2011

	PRIMARY GOVERNMENT			COMPONENT
	Governmental	Business-Type	Totals	UNITS
	Activities	Activities		Charter Schools
ASSETS				
Cash and Cash Equivalents	\$ 137,106,778	12,636,780	149,743,558	\$ 2,202,566
Cash and Cash Equivalents, Restricted	124,145,482	-	124,145,482	-
Cash and Investments Held by County Treasurer	909,612	-	909,612	-
Investments, Restricted	111,758,843	-	111,758,843	586,102
Property Taxes Receivable, Net	7,018,411	-	7,018,411	-
Accounts Receivable, Net	1,290,701	-	1,290,701	251,632
Due from Other Governments	28,406,502	206,806	28,613,308	-
Internal Balances	(85,926)	85,926	-	-
Inventories and Prepaid Items	1,775,274	547,109	2,322,383	-
Bond Issuance Costs, Net	8,363,455	-	8,363,455	-
Other Assets	-	-	-	208,812
Capital Assets:				
Non-Depreciable	55,642,763	-	55,642,763	-
Depreciable, Net	1,272,814,500	5,274,884	1,278,089,384	5,807,535
TOTAL ASSETS	1,749,146,395	18,751,505	1,767,897,900	9,056,647
LIABILITIES				
Accounts Payable and Accrued Expenses	71,602,193	165,746	71,767,939	1,045,176
Accrued Interest Payable	4,439,806	-	4,439,806	-
Due to Other Governments	29,017	-	29,017	-
Unearned Revenue	23,899,200	365,841	24,265,041	181,304
Non-Current Liabilities:				
Due Within One Year	40,260,732	-	40,260,732	146,136
Due in More than One Year	1,039,948,063	-	1,039,948,063	1,838,240
TOTAL LIABILITIES	1,180,179,011	531,587	1,180,710,598	3,210,856
NET ASSETS				
Invested in Capital Assets, Net of Related Debt	487,718,027	5,274,884	492,992,911	5,035,219
Restricted For:				
Debt Service	3,145,187	-	3,145,187	580,743
Permanent Fund - Nonexpendable	136,261	-	136,261	-
Permanent Fund - Expendable	6,786	-	6,786	-
Unrestricted	77,961,123	12,945,034	90,906,157	229,829
TOTAL NET ASSETS	\$ 568,967,384	18,219,918	587,187,302	\$ 5,845,791

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, 2011

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			
					Governmental Activities	Business-Type Activities	Total	
PRIMARY GOVERNMENT								
Governmental Activities:								
Instruction	\$334,767,109	758,867	201,673,455	-	(132,334,787)		(132,334,787)	
Support Services	204,117,940	1,462,915	85,503,334	1,318,436	(115,833,255)		(115,833,255)	
Community Services	1,322,110	-	-	-	(1,322,110)		(1,322,110)	
Interest and Other Charges	56,195,999	-	-	-	(56,195,999)		(56,195,999)	
Total Governmental Activities	596,403,158	2,221,782	287,176,789	1,318,436	(305,686,151)		(305,686,151)	
Business-Type Activities:								
Food Services	28,976,881	12,129,629	19,809,959	-	-	2,962,707	2,962,707	
Total Business-Type Activities	28,976,881	12,129,629	19,809,959	-	-	2,962,707	2,962,707	
TOTAL PRIMARY GOVERNMENT	625,380,039	14,351,411	306,986,748	1,318,436	(305,686,151)	2,962,707	(302,723,444)	
COMPONENT UNITS								
Charter Schools	18,368,814	1,151,324	4,469,529	-				\$(12,747,961)
TOTAL COMPONENT UNITS	\$ 18,368,814	1,151,324	4,469,529	-				(12,747,961)
GENERAL REVENUES AND TRANSFERS								
General Revenues:								
Property Taxes Levied for General Purposes					137,024,178	-	137,024,178	-
Property Taxes Levied for Debt Service					82,406,136	-	82,406,136	-
State Revenue in Lieu of Taxes					87,833,137	-	87,833,137	-
Intergovernmental Revenue					521,190	-	521,190	8,948,555
Grants and Contributions Not Restricted to Specific Programs					162,698	-	162,698	2,966,760
Unrestricted Investment Earnings					18,149,261	31,823	18,181,084	63,523
Miscellaneous					816,614	-	816,614	414,785
Transfers In (Out)					742,705	(742,705)	-	-
Total General Revenue and Transfers					327,655,919	(710,882)	326,945,037	12,393,623
CHANGE IN NET ASSETS					21,969,768	2,251,825	24,221,593	(354,338)
NET ASSETS, Beginning of Year					546,997,616	15,968,093	562,965,709	6,200,129
NET ASSETS, End of Year					568,967,384	18,219,918	587,187,302	\$ 5,845,791

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, 2011

	GENERAL	SPECIAL REVENUE	SPECIAL REVENUE - EIA
ASSETS			
Cash and Cash Equivalents	\$ 137,106,778	-	-
Cash and Cash Equivalents, Restricted	-	-	-
Cash and Investments Held by County Treasurer	-	-	-
Investments, Restricted	-	-	-
Receivables, Net:			
Taxes	5,113,586	-	-
Accounts	1,241,417	48,264	-
Due From:			
State Department of Education	-	-	8,073,928
State Agencies	19,284,938	894,421	2,407
Federal Agencies	-	83,633	-
Other Funds	-	10,899,065	3,667,855
Other Governments	-	66,561	-
Prepaid Items	1,162,356	25,341	-
Inventories	587,577	-	-
TOTAL ASSETS	\$ 164,496,652	12,017,285	11,744,190
LIABILITIES AND FUND BALANCES			
LIABILITIES:			
Accounts Payable	\$ 15,588,725	-	-
Accrued Salaries, Fringe & Benefits	54,764,951	-	-
Accrued Expenditures	-	-	-
Due To:			
State Agencies	15,597	13,420	-
Other Funds	10,388,581	-	-
Deferred and Unearned Revenue	4,398,792	12,003,865	11,744,190
TOTAL LIABILITIES	85,156,646	12,017,285	11,744,190
FUND BALANCES:			
Fund Balances			
Nonspendable:			
Endowment	-	-	-
Prepaid Items	1,162,356	-	-
Inventories	587,577	-	-
Restricted For:			
Debt Service	-	-	-
Construction Projects for School Facilities	-	-	-
Assigned For:			
Appropriated for 2012 Budget	16,671,098	-	-
New Schools	1,157,508	-	-
Endowment	-	-	-
Unassigned	59,761,467	-	-
TOTAL FUND BALANCES	79,340,006	-	-
TOTAL LIABILITIES AND FUND BALANCES	\$ 164,496,652	12,017,285	11,744,190

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
-	-	-	-	-	\$ 137,106,778
4,742,494	30,222,869	81,263,336	7,916,783	-	124,145,482
909,612	-	-	-	-	909,612
-	111,622,582	-	-	136,261	111,758,843
1,904,825	-	-	-	-	7,018,411
-	-	-	-	1,020	1,290,701
-	-	-	-	-	8,073,928
-	-	-	-	-	20,181,766
614	-	-	-	-	84,247
27,448	-	-	-	5,766	14,600,134
-	-	-	-	-	66,561
-	-	-	-	-	1,187,697
-	-	-	-	-	587,577
7,584,993	141,845,451	81,263,336	7,916,783	143,047	\$ 427,011,737
-	-	108,828	272,909	-	\$ 15,970,462
-	-	-	-	-	54,764,951
-	-	691,780	175,000	-	866,780
-	-	-	-	-	29,017
-	-	4,297,479	-	-	14,686,060
1,433,650	-	-	-	-	29,580,497
1,433,650	-	5,098,087	447,909	-	115,897,767
-	-	-	-	136,261	136,261
-	-	-	-	-	1,162,356
-	-	-	-	-	587,577
6,151,343	141,845,451	-	-	-	147,996,794
-	-	76,165,249	7,468,874	-	83,634,123
-	-	-	-	-	16,671,098
-	-	-	-	-	1,157,508
-	-	-	-	6,786	6,786
-	-	-	-	-	59,761,467
6,151,343	141,845,451	76,165,249	7,468,874	143,047	311,113,970
7,584,993	141,845,451	81,263,336	7,916,783	143,047	\$ 427,011,737

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

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

JUNE 30, 2011

TOTAL FUND BALANCES - GOVERNMENTAL FUNDS	\$	311,113,970
---	-----------	--------------------

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.	5,681,297
---	-----------

Accrued arbitrage, which is included in long-term obligations, is not payable from current financial resources and therefore is not reported as a liability in the funds.	(707,000)
---	-----------

Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds. The cost of the assets was \$1,656,318,252 and the accumulated depreciation was \$327,860,989.	1,328,457,263
---	---------------

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 \$11,773,419 has been shown net of accumulated amortization expense of \$3,409,964.	8,363,455
---	-----------

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.	(4,439,806)
--	-------------

Long-term obligations, including deferred items, 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	(1,081,419,835)
Long-Term Debt Discount, net of accumulated amortization of \$74,811	59,998
Long-Term Debt Premium, net of accumulated amortization of \$15,105,288	(35,857,053)
Deferred Advance Refunding Charges, net of accumulated amortization of \$16,584,062	43,341,625
Compensated Absences	(5,626,530)
	<u>(1,079,501,795)</u>

TOTAL NET ASSETS - GOVERNMENTAL ACTIVITIES	\$	<u>568,967,384</u>
---	-----------	---------------------------

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

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

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

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

GOVERNMENTAL FUNDS

YEAR ENDED JUNE 30, 2011

	GENERAL	SPECIAL REVENUE	SPECIAL REVENUE - EIA
REVENUES			
Local Sources:			
Taxes	\$ 137,113,801	-	-
Investment Earnings	304,111	303	-
Other Local Sources	1,584,395	3,633,645	64,397
State Sources	259,612,426	8,198,270	39,493,445
Federal Sources	-	61,547,682	-
TOTAL REVENUE ALL SOURCES	398,614,733	73,379,900	39,557,842
EXPENDITURES			
Current:			
Instruction	236,534,348	31,839,466	24,547,663
Support Services	134,313,767	35,935,936	5,592,647
Community Services	53,254	1,117,046	151,810
Intergovernmental	12,112,184	1,242,268	322,301
Capital Outlay	901,196	938,157	240,884
Debt Service:			
Principal Retirement	-	-	-
Interest and Fiscal Charges	-	-	-
TOTAL EXPENDITURES	383,914,749	71,072,873	30,855,305
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	14,699,984	2,307,027	8,702,537
OTHER FINANCING SOURCES (USES)			
Premium on Long-Term General Obligation Bonds Sold	-	-	-
Issuance of Long-Term General Obligation Bonds	-	-	-
Proceeds from the Sale of Capital Assets	29,077	-	-
Transfers In	12,622,564	1,176,015	3,197,335
Transfers Out	-	(3,483,042)	(11,899,872)
TOTAL OTHER FINANCING SOURCES (USES)	12,651,641	(2,307,027)	(8,702,537)
NET CHANGES IN FUND BALANCES	27,351,625	-	-
FUND BALANCES, Beginning of Year	51,988,381	-	-
FUND BALANCES, End of Year	\$ 79,340,006	-	-

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
82,406,136	-	-	-	-	\$ 219,519,937
450,538	8,760,417	8,836,839	30,807	1,247	18,384,262
-	-	75,266	13,950	175	5,371,828
3,987,368	-	153,049	-	-	311,444,558
521,190	-	1,165,387	-	-	63,234,259
87,365,232	8,760,417	10,230,541	44,757	1,422	617,954,844
-	-	-	-	369	292,921,846
-	-	8,667,444	653,286	884	185,163,964
-	-	-	-	-	1,322,110
-	-	-	-	-	13,676,753
-	-	28,582,119	955,548	-	31,617,904
4,747,000	29,305,000	-	-	-	34,052,000
1,852,369	53,131,081	-	458,061	-	55,441,511
6,599,369	82,436,081	37,249,563	2,066,895	1,253	614,196,088
80,765,863	(73,675,664)	(27,019,022)	(2,022,138)	169	3,758,756
123,540	-	-	-	-	123,540
14,302,000	-	-	-	-	14,302,000
-	-	944,075	-	-	973,152
-	64,303,826	36,804,274	-	-	118,104,014
(101,108,100)	-	-	-	-	(116,491,014)
(86,682,560)	64,303,826	37,748,349	-	-	17,011,692
(5,916,697)	(9,371,838)	10,729,327	(2,022,138)	169	20,770,448
12,068,040	151,217,289	65,435,922	9,491,012	142,878	290,343,522
6,151,343	141,845,451	76,165,249	7,468,874	143,047	\$ 311,113,970

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, 2011

TOTAL NET CHANGE IN FUND BALANCES - GOVERNMENTAL FUNDS **\$ 20,770,448**

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. (89,623)

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets 34,052,000

Bond, bond premium, and other long-term debt proceeds provide current financial resources to governmental funds, but issuing debt also increases long-term liabilities in the Statement of Net Assets. (14,722,588)

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. 133,071

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. (235,000)

Bond issuance costs are expenditures the year they are incurred in governmental funds, but are amortized over the lives of the bonds in the Statement of Activities. This amount is the amortization for the current year, net of issuance costs incurred for long-term bonds issued in the current year. (366,374)

Deferred items (i.e. premiums, discounts, etc.) are revenues and expenses in the year they are received by the governmental funds but are amortized over the lives of the debt in the Statement of Activities. This amount is the amortization for the current year. (224,137)

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. (1,172,290)

In the Statement of Activities the gain 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 assets differs from the change in fund balance by the net book value of the assets disposed. (1,586,314)

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 \$28,553,420 did not exceed depreciation expense of \$43,142,845 in the current year. (14,589,425)

CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES **\$ 21,969,768**

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, 2011

	<u>ENTERPRISE</u>
ASSETS	
Current Assets:	
Cash and Cash Equivalents	\$ 12,636,780
Due from State Agencies	206,806
Due From Other Funds	85,926
Inventories	547,109
Total Current Assets	<u>13,476,621</u>
Non-Current Assets:	
Depreciable Capital Assets	15,911,211
Less: Accumulated Depreciation	(10,636,327)
Total Non-Current Assets	<u>5,274,884</u>
TOTAL ASSETS	<u>18,751,505</u>
LIABILITIES	
Current Liabilities:	
Accounts Payable	135,784
Accrued Expenses	29,962
Unearned Revenue	365,841
Total Current Liabilities	<u>531,587</u>
TOTAL LIABILITIES	<u>531,587</u>
NET ASSETS	
Invested in Capital Assets	5,274,884
Unrestricted	12,945,034
TOTAL NET ASSETS	<u>\$ 18,219,918</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, 2011

	<u>ENTERPRISE</u>
OPERATING REVENUES	
Proceeds from Sale of Meals	\$ 11,891,818
Other Revenue	237,811
TOTAL OPERATING REVENUES	<u>12,129,629</u>
OPERATING EXPENSES	
Salaries	9,457,967
Purchased Services	973,092
Food Costs and Supplies	17,218,460
Equipment - Non-capitalizable Expenses	219,736
Depreciation	1,012,677
Other	94,949
TOTAL OPERATING EXPENSES	<u>28,976,881</u>
OPERATING LOSS	<u>(16,847,252)</u>
NON-OPERATING REVENUES	
Commodities Received from USDA	1,829,125
USDA Reimbursements	17,843,132
USDA Fresh Fruit and Vegetable Grant	111,442
Interest	31,823
Other Revenue	26,260
TOTAL NON-OPERATING REVENUE	<u>19,841,782</u>
INCOME BEFORE TRANSFERS AND CAPITAL CONTRIBUTIONS	<u>2,994,530</u>
Transfers Out	(1,613,000)
Capital Contributions	870,295
CHANGE IN NET ASSETS	<u>2,251,825</u>
TOTAL NET ASSETS, Beginning of Year	<u>15,968,093</u>
TOTAL NET ASSETS, End of Year	<u>\$ 18,219,918</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, 2011

	ENTERPRISE
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from Meal Sales	\$ 12,060,544
Receipts from Other Revenues	375,513
Payments to Employees for Services	(9,457,967)
Payments to Suppliers for Goods and Services	(16,773,846)
NET CASH USED IN OPERATING ACTIVITIES	(13,795,756)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES	
USDA Reimbursement	19,850,877
Transfers to Other Funds	(1,863,847)
NET CASH PROVIDED BY NON-CAPITAL FINANCING ACTIVITIES	17,987,030
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Acquisition of Capital Assets	(74,385)
NET CASH USED IN CAPITAL AND RELATED FINANCING ACTIVITIES	(74,385)
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest Income	31,823
NET CASH PROVIDED BY INVESTING ACTIVITIES	31,823
NET INCREASE IN CASH AND CASH EQUIVALENTS	4,148,712
CASH AND CASH EQUIVALENTS, Beginning of Year	8,488,068
CASH AND CASH EQUIVALENTS, End of Year	\$ 12,636,780
Reconciliation of Operating Loss to Net Cash Used in Operating Activities:	
Operating Loss	\$ (16,847,252)
Adjustments to Reconcile Operating Loss to Net Cash Used in Operating Activities:	
Depreciation Expense	1,012,677
Non-Cash USDA Commodities Used	1,829,125
Loss on Disposal of Capital Assets	2,860
Other Non-Operating Revenues	137,702
Change In:	
Inventories	(90,156)
Accounts Payable	(9,438)
Deferred Revenue	168,726
Net Cash Used in Operating Activities	\$ (13,795,756)
Non-Cash Transactions:	
Depreciation Expense	\$ 1,012,677
Commodities Received From the USDA	1,829,125
Capital Contributions	\$ 870,295

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, 2011

	<u>AGENCY</u>
ASSETS	
Cash and Cash Equivalents	\$ 1,679,674
Prepaid Expenditures	5,554
Accounts Receivable	7,918,511
TOTAL ASSETS	<u><u>\$ 9,603,739</u></u>
LIABILITIES	
Accounts Payable	\$ 687,128
Due to Student Organizations	8,916,611
TOTAL LIABILITIES	<u><u>\$ 9,603,739</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, 2011

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 50 elementary schools, 19 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 Units: Building Equity Sooner for Tomorrow, Inc. (“BEST”) is a not-for-profit 501(c) (3) organization incorporated for the specific charitable purpose of serving as a “support organization” for capital projects of the School District. BEST board members are appointed by the Board of the School District. Because BEST exclusively benefits the School District, the BEST financial information is blended with that of the School District in these basic financial statements. Separate BEST financial information is included in individual columns throughout the financial statements. Separate financial statements for BEST are not issued.

Discretely Presented Component Units: Greenville Technical Charter High School (“GTCHS”), Meyer Center for Special Children (“MCSC”), Langston Charter Middle School (“Langston”), Legacy Charter School (“Legacy”), which was formerly known as Fuller Normal Advanced Technology Charter School, Brashier Middle College Charter High School (“Brashier”), Greer Middle College Charter School (“GMCCS”), and LEAD Academy (“LEAD”) are charter schools under legislation enacted by the South Carolina state legislature on June 18, 1996. A charter school is considered a public school and these schools are a part of The School District of Greenville County for the purposes of state law and state constitution. Because the charter schools are fiscally dependent on the School District and because the nature and significance of the relationship between the School District and the charter schools is such that exclusion of the charter schools would cause the School District’s basic financial statements to be incomplete, the financial statements of the charter schools are included in those of the School District. Complete separately issued financial statements may be obtained from the administrative offices of each school as follows: Greenville Technical Charter High School, 506 South Pleasantburg Drive, Greenville, SC 29607; Meyer Center for Special Children, 1132 Rutherford Road, Greenville, SC 29609; Langston Charter Middle School, 288 Rocky Creek Road, Greenville, SC 29615; Legacy Charter School, 901 Anderson Road, Greenville, SC 29601; Brashier Middle College Charter High School, 1830 West Georgia Road, Simpsonville, SC 29680; Greer Middle College Charter School, 138 West McElhaney Road, Taylors, SC 29687; and LEAD Academy, 80 Byrdland Drive, Greenville, SC 29607.

THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA

NOTES TO THE BASIC FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2011

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

South Carolina State Department of Education (“SDE”) regulations require that charter schools be discretely presented in the basic financial statements, but blended with the School District balances in the supplementary schedules. If this presentation format were followed, the amounts reported as revenues, expenditures and changes in fund balances for the General Fund and Special Revenue Funds in the supplementary schedules would not agree to the amounts reported as revenues, expenditures and changes in fund balances for the General Fund and Special Revenue Funds in the basic financial statements. The School District has not prepared the supplemental schedules in accordance with the SDE requirements as the School District does not believe that this presentation is consistent with Generally Accepted Accounting Principles (“GAAP”).

Combining schedules for the component units have been provided as Schedule G series in the supplementary information to assist in providing this information to the SDE. The information in these schedules was provided to the School District by the charter schools. The School District paid a total of \$13,013,425 to the charter schools during fiscal 2011; these expenditures are included in the Intergovernmental function in the Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds.

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

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

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

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

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

THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA

NOTES TO THE BASIC FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2011

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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

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

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

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

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

The **General Fund, a major fund** and budgeted 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 (a) are not allocated by law or contractual agreement to other funds or (b) that have not been restricted, committed, or assigned 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.

THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA

NOTES TO THE BASIC FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2011

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Special Revenue Funds are used to account for and report the proceeds of specific revenue sources (that are expected to continue to comprise a substantial portion of the inflows of the fund) that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. The School District has the following major Special Revenue Funds:

- **The Special Revenue Fund, a major fund** and a budgeted fund, is used to account for and report financial resources provided by federal, state and local projects and grants that are restricted, committed or assigned for special programs.
- **The Education Improvement Act (“EIA”) Fund, a major fund** and a budgeted fund, is used to account for and report the restricted 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) which are restricted for specific programs authorized or mandated by the EIA.

The *Debt Service Fund - District, a major fund* and a budgeted fund, is used to account for and report the accumulation of financial resources that are restricted, committed, or assigned for the 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 and report the accumulation of financial resources that are restricted, committed, or assigned for the 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 and report financial resources that are restricted, committed, or assigned for expenditures of capital outlay related to site acquisitions, construction, equipment, and renovation of all major capital facilities of the School District 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 and report financial resources that are restricted, committed, or assigned for expenditures of capital outlay related to site acquisitions, construction, equipment, and renovation of all major capital facilities of BEST.

The *Permanent Fund, a nonmajor fund*, and an unbudgeted fund, is used to account for and report resources that are 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.

THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA

NOTES TO THE BASIC FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2011

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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.

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.

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

NOTES TO THE BASIC FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2011

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Assets, Liabilities and Equity (Continued)

1. Cash, Cash Equivalents and Investments (Continued)

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 its agencies, the principal and interest of which is fully guaranteed by the United States;
- (b) Obligations issued by the Federal Financing Bank, Federal Farm Credit Bank, the Bank of Cooperatives, the Federal Intermediate Credit Bank, the Federal Land Banks, the Federal Home Loan Banks, the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Housing Administration, and the Farmers Home Administration, if, at the time of investment, the obligor has a long-term, unenhanced, unsecured debt rating in one of the top two ratings categories, without regard to a refinement or gradation of rating category by numerical modifier or otherwise, issued by at least two nationally recognized credit rating organizations;
- (c) (i) General obligations of the State of South Carolina or any of its political units; or (ii) revenue obligations of the State of South Carolina or its political units, if at the time of investment, the obligor has a long-term, unenhanced, unsecured debt rating in one of the top two ratings categories, without regard to a refinement or gradation of rating category by numerical modifier or otherwise, issued by at least two nationally recognized credit rating organizations.
- (d) Savings and Loan Associations to the extent that the same are insured by an agency of the Federal Government;
- (e) Certificates of deposit where the certificates 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 of deposit 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;
- (f) Repurchase agreements when collateralized by securities as set forth in this section; and
- (g) 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), (c), and (f) 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 OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

NOTES TO THE BASIC FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2011

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Assets, Liabilities and Equity (Continued)

1. Cash, Cash Equivalents and Investments (Continued)

Investments (Continued)

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

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

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

NOTES TO THE BASIC FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2011

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Assets, Liabilities and Equity (Continued)

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 Prepaid Assets*

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, 2011.

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.

4. *Restricted Assets*

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

5. *Capital Assets*

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

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

THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA

NOTES TO THE BASIC FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2011

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Assets, Liabilities and Equity (Continued)

5. *Capital Assets (Continued)*

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	Business-Type Activities
	Estimated Lives	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

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. Sick leave is generally only reimbursed for valid illness, except that at retirement an employee may have any accumulated sick leave paid out at \$10 per day of accumulated sick leave.

The School District reports compensated absences in accordance with the provisions of GASB Statement No. 16, "Accounting for Compensated Absences." Accumulated vacation days are accrued based on the each employees current pay rate. Sick leave is accrued based on the termination payment method which takes accumulated sick leave at year-end multiplied by \$10 per day with the product being multiplied by an estimated percentage of those who will eventually retire (which is currently estimated at 20%). The entire compensated absence liability and expense is reported in the government-wide basic financial statements. The portion applicable to the Proprietary Fund is also recorded in the Proprietary Fund basic financial statements, if material. The governmental funds will also recognize compensated absences for terminations and retirements (matured liabilities) that occurred prior to year end that are expected to be paid within a short time subsequent to year end, if material.

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.

THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA

NOTES TO THE BASIC FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2011

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Assets, Liabilities and Equity (Continued)

7. *Accrued Liabilities and Long-Term Obligations (Continued)*

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*

The School District implemented GASB #54 "Fund Balance Reporting and Governmental Fund Type Definitions" ("GASB #54") in the current year. The objective of GASB #54 was to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarify the existing governmental fund type definitions. GASB #54 establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in the governmental funds. The School District classifies governmental fund balances as follows:

Nonspendable – includes amounts that inherently cannot be spent either because it is not in spendable form (i.e. prepaids, inventories, etc.) or because of legal or contractual requirements (i.e. principal on an endowment, etc.).

Restricted – includes amounts that are constrained by specific purposes which are externally imposed by (a) other governments through laws and regulations, (b) grantors or contributions through agreements, (c) creditors through debt covenants or other contracts, or (d) imposed by law through constitutional provisions or enabling legislation.

Committed – includes amounts that are constrained for specific purposes that are internally imposed by the government through formal action made by the highest level of decision making authority (Board of Trustees) before the end of the reporting period. Those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of action it employed to previously commit those amounts. Committed amounts for the School District would consist of amounts approved by resolution by the Board of Trustees of the School District.

THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA

NOTES TO THE BASIC FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2011

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Assets, Liabilities and Equity (Continued)

8. *Fund Balance (Continued)*

Assigned – includes amounts that are intended to be used for specific purposes that are neither considered restricted or committed and that such assignments are made before the report issuance date. Assigned fund balance for the School District consists of (a) motions approved by the Board of Trustees before the report issuance date that are for a specific purposes or (b) appropriations of current fund balance (made in the annual budget process) for the succeeding budget year.

Unassigned – includes amounts that do not qualify to be accounted for and reported in any of the other fund balance categories. This classification represents the amount of fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund. The General Fund should be the only fund that reports a positive unassigned fund balance amount. In other governmental funds, if expenditures incurred for specific purposes exceeded the amounts of restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance.

The School District generally uses restricted amounts to be spent first when both restricted and unrestricted (committed, assigned, and unassigned) fund balance is available unless there are legal documents, contracts, or agreements that prohibit doing such. Additionally, the School District generally would first use committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

The School District's Board of Trustees has formally adopted a minimum fund balance policy that requires 8.33% of the next year's General Fund appropriations be available as unassigned fund balance. The minimum fund balance amount was approximately \$36,884,000 as of June 30, 2011 which represents approximately 8.33% of the original budget for the General Fund for fiscal year 2012.

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.

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

NOTES TO THE BASIC FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2011

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Assets, Liabilities and Equity (Continued)

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

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

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

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

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

NOTES TO THE BASIC FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2011

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 statutes of the State of South Carolina. As of June 30, 2011, none of the School District's bank balances of approximately \$116,226,000, which had a carrying value of \$113,382,000, were exposed to custodial credit risk.

Investments

As of June 30, 2011, the School District's Primary Government had the following investments:

Investment Type	Credit Rating ^	Fair Value	Investment Maturities in Years			
			< 1 yr	1-3 yrs	3-5yrs	> 5 yrs
LGIP	NR	\$ 152,100,642	152,100,642	-	-	\$ -
Treasury MMMF	AAAm, Aaa	41,660,841	41,660,841	-	-	-
Cash and Investments						-
Held by County Treasurer	NR	909,612	-	909,612	-	-
U.S. Treasury Bills	*	31,032,774	31,032,774	-	-	-
SLGS	*	49,151,000	-	-	-	49,151,000
Total		<u>\$ 274,854,869</u>	<u>224,794,257</u>	<u>909,612</u>	<u>-</u>	<u>\$ 49,151,000</u>

* U.S. government securities are not considered to have credit risk. Credit ratings for these investments have not been disclosed.

^ If available, credit ratings are for Standard & Poor's and Moody's Investors Service.

LGIP - Local Government Investment Pool

MMMF - Money Market Mutual Fund.

SLGS - State and Local Government Series.

NR - Not rated.

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

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

Custodial Credit Risk for Investments: Custodial credit risk for investments is the risk that, in the event of a bank failure, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The School District does not have an investment policy for custodial credit risk but follows the investment policy statutes of the State of South Carolina. As of June 30, 2011, approximately \$31,033,000 of the School District's investments are exposed to custodial credit risk because the securities are uninsured, unregistered and are being held by the counterparty's trust department but not in the government's name.

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

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

NOTES TO THE BASIC FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2011

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

A. Deposits and Investments (Continued)

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

Statement of Net Assets		Notes	
Unrestricted Current Assets:			
Cash and Cash Equivalents on Deposit with Financial Institutions for Governmental Activities	\$ 137,106,778	Carrying Amount of Deposits	\$ 113,382,300
Cash and Cash Equivalents on Deposit with Financial Institutions for Business-Type Activities	12,636,780	Fair Value of Investments	274,854,869
Cash and Cash Equivalents on Deposit with Financial Institutions for Fiduciary Activities	1,679,674		
Cash and Investments Held by County Treasurer	909,612		
Restricted Current Assets:			
Cash and Cash Equivalents on Deposit with Financial Institutions for Governmental-Type Activities	124,145,482		
Investments Held by Financial Institutions for Governmental Activities	111,758,843		
	<u>\$ 388,237,169</u>		<u>\$ 388,237,169</u>

Due to changes in cash flows throughout the year, the School District's deposits and investments were often significantly different than at year end.

B. Property Taxes and Other Receivables

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

Property taxes are usually levied and billed by the Counties on real and personal properties (excluding vehicles) on or around October 1 based on an assessed value of approximately \$1,877,010,000 at rates of 115.3 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 of approximately \$7,018,000 include an allowance for uncollectible amounts of approximately \$24,288,000 at June 30, 2011. 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, 2011

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, 2011, the various components of deferred revenue and unearned revenue reported in the governmental funds were as follows:

Delinquent Property Taxes Receivable (General Fund)	\$ 4,247,647
Delinquent Property Taxes Receivable (Debt Service - District Fund)	1,433,650
Revenue Collected, but Unearned (General Fund)	151,145
Revenue Collected, but Unearned (Special Revenue Fund)	12,003,865
Revenue Collected, but Unearned (Special Revenue - EIA Fund)	11,744,190
Total Deferred and Unearned Revenue for Governmental Funds	<u>\$ 29,580,497</u>

C. Capital Assets

Capital asset activity for the School District's Primary Government for the year ended June 30, 2011, 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	\$ 43,626,626	-	(63,226)	2,270,808	\$ 45,834,208
Construction in Progress	30,265,459	27,224,051	(52,604)	(47,628,351)	9,808,555
Total Capital Assets, Not Being Depreciated	<u>73,892,085</u>	<u>27,224,051</u>	<u>(115,830)</u>	<u>(45,357,543)</u>	<u>55,642,763</u>
Capital Assets, Being Depreciated:					
Buildings and Improvements	1,513,833,455	228,684	(3,868,893)	42,242,208	1,552,435,454
Furniture and Equipment	44,371,911	1,100,685	(347,896)	3,115,335	48,240,035
Total Capital Assets Being Depreciated	<u>1,558,205,366</u>	<u>1,329,369</u>	<u>(4,216,789)</u>	<u>45,357,543</u>	<u>1,600,675,489</u>
Less: Accumulated Depreciation for:					
Buildings	265,097,526	38,238,938	(2,422,858)	-	300,913,606
Furniture and Equipment	22,366,923	4,903,907	(323,447)	-	26,947,383
Total Accumulated Depreciation	<u>287,464,449</u>	<u>43,142,845</u>	<u>(2,746,305)</u>	<u>-</u>	<u>327,860,989</u>
Total Capital Assets, Being Depreciated, Net	<u>1,270,740,917</u>	<u>(41,813,476)</u>	<u>(1,470,484)</u>	<u>45,357,543</u>	<u>1,272,814,500</u>
Total Governmental Activities Capital Assets, Net	<u>\$ 1,344,633,002</u>	<u>(14,589,425)</u>	<u>(1,586,314)</u>	<u>-</u>	<u>\$ 1,328,457,263</u>
Business-Type Activities:					
Furniture and Equipment	\$ 14,973,395	944,680	(6,864)	-	\$ 15,911,211
Less: Accumulated Depreciation	9,627,654	1,012,677	(4,004)	-	10,636,327
Total Business-Type Activities Capital Assets, Net	<u>\$ 5,345,741</u>	<u>(67,997)</u>	<u>(2,860)</u>	<u>-</u>	<u>\$ 5,274,884</u>

Commitments

The School District has several ongoing construction projects as of June 30, 2011, consisting primarily of capital projects. The projects include renovation of existing schools as well as construction of new facilities. Total outstanding commitments at June 30, 2011 were approximately \$10,262,000.

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

NOTES TO THE BASIC FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2011

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

C. Capital Assets (Continued)

Capital asset additions and depreciation expense were charged to functions/programs of the primary government as follows:

	Capital Asset Additions	Depreciation Expense
Governmental Activities:		
Instruction	\$ 617,626	\$ 26,446,564
Support Services	27,935,794	16,696,281
Total - Governmental Activities	<u>\$ 28,553,420</u>	<u>\$ 43,142,845</u>
Business-Type Activities		
Food Service	\$ 944,680	\$ 1,012,677
Total - Business-Type Activities	<u>\$ 944,680</u>	<u>\$ 1,012,677</u>

D. Interfund Receivables and Payables

Interfund balances at June 30, 2011 (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	\$ -	\$ 10,388,581
Special Revenue Funds:		
Special Revenue	10,899,065	-
EIA	3,667,855	-
Debt Service Fund	27,448	-
Capital Projects Fund	-	4,297,479
Permanent Fund (Non-Major)	5,766	-
Enterprise Fund	85,926	-
Totals	<u>\$ 14,686,060</u>	<u>\$ 14,686,060</u>

The General Fund payable is a result of amounts due to the EIA Fund, Special Revenue Fund and Debt Service Fund for salaries and other expenses.

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 Debt Service receivable is a result of funds recorded in General Fund.

The Capital Projects Fund payable is a result of reimbursing the General Fund for invoices paid.

The Enterprise Fund receivable is a result of year end corrections to the General Fund for payment of salaries.

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

NOTES TO THE BASIC FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2011

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

E. Transfers From and To Other Funds

Transfer from and to other funds for the year ended June 30, 2011, consisted of the following:

General Fund			
Transfers from	Amount	Transfers to	Amount
Special Revenue	\$ 573,394		\$ -
Special Revenue - EIA	9,077,157		-
Proprietary Fund	1,613,000		-
Special Revenue Fund (Indirect Costs)	1,359,013		-
	<u>\$ 12,622,564</u>		<u>\$ -</u>
Special Revenue Fund			
Transfers from	Amount	Transfers to	Amount
Special Revenue - EIA	\$ 103,110	General Fund	\$ 573,394
Special Revenue	1,072,905	General Fund (Indirect Costs)	1,359,013
	-	Special Revenue - EIA	477,730
	-	Special Revenue	1,072,905
	<u>\$ 1,176,015</u>		<u>\$ 3,483,042</u>
Special Revenue - EIA Fund			
Transfers from	Amount	Transfers to	Amount
Special Revenue	\$ 477,730	General Fund	\$ 9,077,157
Special Revenue - EIA	2,719,605	Special Revenue	103,110
	-	Special Revenue - EIA	2,719,605
	<u>\$ 3,197,335</u>		<u>\$ 11,899,872</u>
Debt Service Funds			
Transfers from	Amount	Transfers to	Amount
	\$ -	Capital Projects	\$ 36,804,274
	-	BEST Debt Service	64,303,826
	<u>\$ -</u>		<u>\$ 101,108,100</u>
Capital Projects Funds			
Transfers from	Amount	Transfers to	Amount
Debt Service	<u>\$ 36,804,274</u>	Capital Projects - BEST	<u>\$ -</u>
BEST Debt Service			
Transfers from	Amount	Transfers to	Amount
Debt Service	<u>\$ 64,303,826</u>		<u>\$ -</u>
Enterprise Fund			
Transfers from	Amount	Transfers to	Amount
	<u>\$ -</u>	General Fund	<u>\$ 1,613,000</u>
Total	<u>\$ 118,104,014</u>		<u>\$ 118,104,014</u>

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

NOTES TO THE BASIC FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2011

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

E. Transfers From and To Other Funds (Continued)

Interfund transfers include funding allowed for indirect costs, required matches, supplemental funding, state cuts, and accounting practice. Transfers for the year ended June 30, 2011 consisted of the following:

General Fund

Transfers from:

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

Special Revenue/EIA Funds

Transfers from:

Funds were transferred from other Special Revenue and EIA Funds to cover instructional programs utilizing the flexibility proviso.

Transfers to:

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

Capital Projects Fund

Transfer from:

Funds were transferred from the School District's Debt Service Fund to fund the capital projects program.

Debt Service Funds

Transfer to:

Funds were transferred to the Capital Projects Fund to fund the capital projects programs and funds were transferred to the Best Debt Service Fund to make the BEST bond payments.

BEST Debt Service

Transfer from:

Funds were transferred from the School District's Debt Service Fund to fund BEST Acquisitions.

Proprietary Fund

Transfers to:

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

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

NOTES TO THE BASIC FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2011

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, 2011 consisted of the following:

Accounts Payable	\$ 15,970,462
Accrued Payroll, Fringe, Withholdings and Benefits	54,764,951
Retainage Payable	866,780
Total Accounts Payable and Accrued Expenses - Governmental Activities	<u>\$ 71,602,193</u>

G. Short-Term Obligations

Changes in the School District's short-term obligations for the year ended June 30, 2011, were as follows:

Governmental Activities:	Beginning Balance	Additions	Reductions	Ending Balance
General Obligation Bonds	\$ -	88,250,000	88,250,000	\$ -
Total Governmental Activities	<u>\$ -</u>	<u>88,250,000</u>	<u>88,250,000</u>	<u>\$ -</u>

The School District issued four short-term general obligation bonds in the fall of 2010 totaling \$88,250,000 for the purpose of making payments to BEST for its required debt service and for additional capital improvements. The School District received premiums of \$542,826, net of issuance costs of \$260,035, upon issuance of the bonds. These bonds, including interest of \$728,813, were repaid in June 2011 utilizing debt service fund property tax revenues. The premiums have been netted against interest expenditures in the basic 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 approximately \$1,829,000 of commodities consumed during the year ended June 30, 2011.

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

NOTES TO THE BASIC FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2011

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

I. Long-Term Obligations

The following is a summary of changes in the School District governmental activities long-term obligations for the year ended June 30, 2011:

Long-Term Obligations	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Gross Debt:					
<u>BEST</u>					
2002 BEST Bond Issue	\$ 77,590,000	-	10,955,000	66,635,000	\$ 13,070,000
2003 BEST Bond Issue	77,350,000	-	3,545,000	73,805,000	3,685,000
2004 BEST Bond Issue	64,895,000	-	985,000	63,910,000	960,000
2005 BEST Refunding Bond Issue	216,905,000	-	-	216,905,000	-
2006 BEST Refunding Bond Issue	574,790,000	-	11,735,000	563,055,000	14,465,000
2006 BEST Issue	50,915,000	-	2,085,000	48,830,000	2,195,000
Sub-Total - BEST	1,062,445,000	-	29,305,000	1,033,140,000	34,375,000
<u>School District</u>					
2008B GO Bonds	12,650,000	-	2,865,000	9,785,000	2,225,000
2009C GO Bonds	10,520,000	-	1,780,000	8,740,000	1,510,000
2009E QSCB Bonds	15,060,000	-	-	15,060,000	-
2009 Energy Grant Obligation	197,787	297,048	-	494,835	164,945
2010 QSC Bonds	-	14,302,000	102,000	14,200,000	-
Sub-Total - School District	38,427,787	14,599,048	4,747,000	48,279,835	3,899,945
Total Gross Debt	1,100,872,787	14,599,048	34,052,000	1,081,419,835	38,274,945
Deferred Items:					
<u>BEST</u>					
2002 BEST Discount	(76,849)	-	(16,851)	(59,998)	-
2003 BEST Premium	2,848,377	-	196,439	2,651,938	-
2004 BEST Premium	448,881	-	24,264	424,617	-
2005 BEST Refunding Premium	12,040,004	-	1,046,927	10,993,077	-
2006 BEST Refunding Premium	20,250,844	-	1,094,641	19,156,203	-
2006 BEST Premium	1,995,374	-	108,346	1,887,028	-
Deferred Loss - 2005 BEST Refunding	(13,654,360)	-	(1,187,302)	(12,467,058)	-
Deferred Loss - 2006 BEST Refunding	(32,638,828)	-	(1,764,261)	(30,874,567)	-
Sub-Total - BEST	(8,786,557)	-	(497,797)	(8,288,760)	-
<u>School District</u>					
2008 GOB Premium	530,390	-	176,797	353,593	-
2009 GOB Premium	363,920	-	90,980	272,940	-
2010 QSCB Premium	-	123,540	5,883	117,657	-
Sub-Total - School District	894,310	123,540	273,660	744,190	-
Total Deferred Items	(7,892,247)	123,540	(224,137)	(7,544,570)	-
Total Net Debt	1,092,980,540	14,722,588	33,827,863	1,073,875,265	38,274,945
Accrued Compensated Absences	4,454,240	3,275,536	2,103,246	5,626,530	1,985,787
Estimated Arbitrage Liability	472,000	262,000	27,000	707,000	-
Total Long-Term Obligations	<u>\$1,097,906,780</u>	<u>18,260,124</u>	<u>35,958,109</u>	<u>1,080,208,795</u>	<u>\$ 40,260,732</u>

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

NOTES TO THE BASIC FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2011

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

I. Long-Term Obligations (Continued)

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.

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, 2011, the School District had a net increase in its arbitrage liability of \$235,000 primarily due to excess earnings received during the year on its 2005 BEST bond proceeds. The arbitrage liability at June 30, 2011 of approximately \$707,000 represents the most recent estimate of the positive arbitrage for the 2003 BEST and 2005 BEST bond issues. The School District does not believe it has any significant positive arbitrage on any of its other indebtedness as of June 30, 2011.

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 (including those of its blended component unit – BEST) outstanding as of June 30, 2011 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, 2011, net of the amounts written off attributable to the defeased debt, were \$59,998 and \$349,913, 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, 2011 were \$2,651,938 and \$676,574, respectively.

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

NOTES TO THE BASIC FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2011

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

I. Long-Term Obligations (Continued)

- \$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, 2011 were \$424,617 and \$565,971, respectively.
- \$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, 2011 were \$10,993,077 and \$1,362,250, 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, 2011 were \$19,156,203 and \$3,881,309, 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, 2011 were \$1,887,028 and \$935,906, respectively.
- \$15,795,000 School District General Obligation Bonds, Series 2008B to finance the costs of constructing educational facilities. Bonds are due in annual installments ranging from \$3,145,000 to \$7,560,000 beginning June 2010 through June 2013 with interest ranging from 3% to 5%. In connection with this issue, a premium of \$853,927 and bond issuance costs of \$105,311 were recorded and are being amortized over the life of the bonds. The unamortized premium and bond issuance costs at June 30, 2011 were \$353,593 and \$43,607, respectively.
- \$12,800,000 School District General Obligation Bonds, Series 2009C to finance the costs of constructing educational facilities. Bonds are due in annual installments ranging from \$1,510,000 to \$5,670,000 beginning June 2010 through June 2014 with interest ranging from 2% to 5%. In connection with this issue, a premium of \$431,861 and bond issuance costs of \$72,393 were recorded and are being amortized over the life of the bonds. The unamortized premium and bond issuance costs at June 30, 2011 were \$272,940 and \$45,722, respectively.

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

NOTES TO THE BASIC FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2011

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

I. Long-Term Obligations (Continued)

- \$15,060,000 Qualified School Construction General Obligation Bonds, Series 2009E to finance the costs of constructing educational facilities. Semi-annual interest only payments at a rate of 1.2% are due beginning December 2009 through December 2024, with the final payment of principal and interest due June 2025. In connection with this issue, bond issuance costs of \$256,505 were recorded and are being amortized over the life of the bonds. The unamortized bond issuance costs at June 30, 2011 were \$229,168.
- \$494,835 payable to the South Carolina Energy Office, representing 25% of the total grant received (\$197,787 and \$297,048 related to 2010 and 2011, respectively) to be paid back from energy savings recognized from the grant award. This obligation is to be repaid with three annual payments of \$164,945 at zero percent interest, with the first payment due November 1, 2011.
- \$14,302,000 Qualified School Construction General Obligation Bonds, Series 2010A to finance the costs of constructing educational facilities. The bonds are due in two installments of \$102,000 on June 1, 2011 and \$14,200,000 on June 1, 2026. Semi-annual interest only payments at a rate of 0.80% on the June 1, 2011 portion of the bonds and 4.87% on the June 1, 2026 portion of the bonds. The American Recovery and Reinvestment Act of 2009 allowed governments to issue taxable bonds to finance capital expenditures and to elect to receive a subsidy payment from the United States Treasury equal to 100% of the amount of each interest payment on such bonds. The available subsidy ("Interest Subsidy") received on these bonds is included as revenue of the Debt Service – District Fund. In connection with this issue, a premium of \$123,540 and bond issuance costs of \$286,687 were recorded and are being amortized over the life of the bonds. The unamortized premium and bond issuance costs at June 30, 2011 were \$117,657 and \$273,035, respectively.

The BEST bonds are not an obligation/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, 2011 for BEST and the School District are as follows:

Year Ending June 30	BEST		School District		Totals
	Principal	Interest	Principal	Interest	
2012	\$ 34,375,000	51,548,849	3,899,945	1,566,886	\$ 91,390,680
2013	39,160,000	48,636,452	9,284,945	1,424,636	98,506,033
2014	44,300,000	45,914,365	5,834,945	999,836	97,049,146
2015	49,790,000	44,520,395	-	872,260	95,182,655
2016	32,410,000	42,978,781	-	872,260	76,261,041
2017-2021	216,535,000	183,896,040	-	4,361,300	404,792,340
2022-2026	359,635,000	109,623,164	29,260,000	4,180,580	502,698,744
2027-2029	256,935,000	19,531,375	-	-	276,466,375
Totals	\$ 1,033,140,000	546,649,421	48,279,835	14,277,758	\$ 1,642,347,014

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

NOTES TO THE BASIC FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2011

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

I. 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 (\$19,788,749 and \$40,136,937 related to the 2005 BEST Refunding and 2006 BEST Refunding, respectively); this amount is being amortized over the life of the new debt, which is the same as the life of the old debt.

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

The School District has continuous authority to issue general obligation bonds each calendar year, subject to a constitutional debt limit equal to 8% of the assessed valuation of property subject to levy by the School District, applicable to debt issued subsequent to November 30, 1982. As of November 30, 1982, the constitutional debt limit was decreased from 20% to 8% of the assessed valuation under the provisions of Section 15, Article X of the South Carolina Constitution. The School District had a total of \$47,785,000 in general obligation debt outstanding at June 30, 2011 that is subject to the 8% limitation.

IV. OTHER INFORMATION

A. Retirement and Postemployment Benefit Plans

South Carolina Retirement System

Plan Description – The District participates in a retirement plan under authorization of Title 9 of the SC Code of Laws, State of South Carolina which covers a majority of the School District's full-time employees. The South Carolina Retirement System ("SCRS") 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, group life ("GL") insurance benefits and survivor benefits. Only the South Carolina State Budget and Control Board has the authority to establish and amend benefits. A Comprehensive Annual Financial Report containing financial statements and required supplementary information for the South Carolina Retirement System is issued and publicly available by writing the South Carolina Retirement System, P.O. Box 11960, Columbia, SC 29211-1960.

Benefits vest after five years of service, and vested members who retire at age sixty-five or with twenty eight years of service at any age, receive an annual benefit, payable monthly for life. The benefit is based on the length of service and on average final compensation, an annualized average of the employee's highest twelve consecutive quarters' compensation. Reduced benefits are payable as early as age sixty.

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

NOTES TO THE BASIC FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2011

IV. OTHER INFORMATION (CONTINUED)

A. Retirement and Postemployment Benefit Plans (Continued)

South Carolina Retirement System (Continued)

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, 2011, employee contributions to the Plan are 6.5% of salary, and employers are required to contribute at the following actuarially determined rates: SCRS State Agencies & Public Schools—9.24%. In addition to the above rates, participating employers of the South Carolina Retirement System contribute 0.15% of payroll to provide 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 for all years presented. Only the South Carolina State Budget and Control Board has the authority to establish and amend funding policy.

Other Retirement Plan

The State of South Carolina also provides an optional retirement plan (“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 for certain administrative positions which allows them to participate. As an alternative to the SCRS, employees eligible for the ORP may choose between the two plans.

Employee required contribution rates to the ORP was 6.50% of covered salary for the year ended June 30, 2011. The employer required contribution rate was 9.24% for the years ended June 30, 2011, for which 5% of the employer required contribution is remitted to the employees authorized investment providers (“AIP”) with the balance being remitted to the South Carolina Retirement System. Because the contribution rates to the ORP are required, they are also actual contributions as well. Thus, the actual contribution rate and amount is 100% of the required contribution rate and amount for the ORP for all years presented.

Postemployment Benefits

Plan Description

In accordance with the South Carolina Code of Laws and the annual Appropriations Act, the State of South Carolina (“State”) provides health, dental, and long-term disability benefits (“OPEB Plan”) to retired State and school district employees and their covered dependents. The OPEB plans have been determined to be cost-sharing multiple-employer defined benefit plans and are administered by the Employee Insurance Program (“EIP”), a part of the State Budget and Control Board (“SBCB”). Generally, retirees are eligible for the health and dental benefits if they have established 10 years of retirement service credit. For new hires on or after May 2, 2008, retirees are eligible for benefits if they have established 25 years of service for 100% employer funding and 15 – 24 years of service for 50% employer funding.

Benefits become effective when the former employee retires under a state retirement system (i.e. SCRS, PORS, etc.). Basic long-term disability (“BLTD”) benefits are provided to active state, school district and participating local government employees approved for disability. Complete financial statements for the OPEB plans may be obtained by writing to the Employee Insurance Program, SC Budget and Control Board, 1201 Main Street, Suite 360, Columbia, South Carolina 29201.

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

NOTES TO THE BASIC FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2011

IV. OTHER INFORMATION (CONTINUED)

A. Retirement and Postemployment Benefit Plans (Continued)

Postemployment Benefits (Continued)

Plan Funding Policies

Code of Laws of the State, as amended, requires these post-employment healthcare and long-term disability benefits be funded through annual appropriation by the General Assembly for active employees to the EIP and participating retirees to the SBCB except for the portion funded through the pension surcharge who are not funded by State General Fund appropriations. Employers participating in the healthcare plan are mandated by State statute to contribute at a rate assessed each year by the Office of the State Budget. The EIP sets the employer contribution rate based on a pay-as-you-go basis. The School District has no liability beyond the payment of monthly contributions. The actual contribution rate and amount is 100% of the required contribution rate and amount for the OPEB Plan for all years presented.

SCRS, ORP, and OPEB Contribution Summary

The School District's wages eligible, the contribution rates, and the required contribution amounts for the past three years were as follows:

	SCRS Rates			ORP Rates		
	2011	2010	2009	2011	2010	2009
<u>Employer Rate:</u>						
Retirement - SCRS	9.24%	9.24%	9.24%	4.24%	4.24%	4.24%
Retirement - AIP	0.00%	0.00%	0.00%	5.00%	5.00%	5.00%
Retiree Surcharge - SCRS	3.90%	3.50%	3.50%	3.90%	3.50%	3.50%
GL Ins. Benefit - SCRS	0.15%	0.15%	0.15%	0.15%	0.15%	0.15%
Total	13.29%	12.89%	12.89%	13.29%	12.89%	12.89%
Employee Rate	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%
Eligible Wages - Active	\$ 289,969,653	305,649,711	306,489,007	39,801,804	42,762,719	\$ 43,191,268
Eligible Wages - Teri	-	1,210,130	4,622,536	-	-	-
Total Eligible Wages	\$ 289,969,653	306,859,841	311,111,543	39,801,804	42,762,719	\$ 43,191,268
<u>Employer Contributions:</u>						
Retirement - SCRS	\$ 26,793,196	28,353,849	28,746,707	1,687,597	1,813,139	\$ 1,831,310
Retirement - AIP	-	-	-	1,990,090	2,138,136	2,159,563
Retiree Surcharge - SCRS	11,308,816	10,740,094	10,888,904	1,552,270	1,496,695	1,511,694
GL Ins. Benefit - SCRS	434,954	460,290	466,667	59,703	64,144	64,787
Total	\$ 38,536,966	39,554,233	40,102,278	5,289,660	5,512,114	\$ 5,567,354
Employee Contributions	\$ 18,848,027	19,867,231	19,921,785	2,587,117	2,779,577	\$ 2,807,432

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

NOTES TO THE BASIC FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2011

IV. OTHER INFORMATION (CONTINUED)

B. Litigation

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

C. Grants

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

D. Risk Management

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

As noted above, the School District is partially self-insured related to risks associated with workers compensation. The School District has a \$450,000 per claim deductible with an insurance provider paying claims that are in excess of this amount per claim. The School District has recorded an estimated liability of \$5,747,722 for incurred but unpaid claims at June 30, 2011, 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.

Changes in the workers compensation liability are as follows:

Fiscal Year	Beginning of Fiscal Year Liability	Claims & Changes in Estimates	Claim Payments	End of Fiscal Year Liability
2008 - 2009	\$ 3,831,042	3,177,949	2,457,410	\$ 4,551,581
2009 - 2010	4,551,581	3,612,540	2,864,520	5,299,601
2010 - 2011	\$ 5,299,601	2,988,955	2,540,834	\$ 5,747,722

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

NOTES TO THE BASIC FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2011

IV. OTHER INFORMATION (CONTINUED)

E. 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.

Act 388 created three tiers of distribution to school districts. Tier one distributions are equal to the amounts that were received by school districts for the fiscal year ended June 30, 2007, relating to an earlier property tax relief provision for owner occupied residential property. In the case of the School District, that amount is \$23,410,334. Tier two distributions are equal to the amounts that were received by school districts for the school operating portion of the homestead exemption for the elderly, disabled and blind. In the case of the School District, that amount is \$5,947,974. Tier one and tier two distributions are fixed amounts and do not change. Tier three distributions are State funded payments to school districts to replace revenues formerly derived from taxation by school districts of owner occupied residential property. For the fiscal year ended June 30, 2008, those distributions were expected to equal, dollar for dollar, the revenue that would have been collected by the school districts from property tax for school operating purposes imposed by the school districts on owner occupied residential property for that fiscal year as if no reimbursed exemptions applied. Beginning with the 2008-2009 fiscal year, the annual tier three distributions will equal the reimbursement from the previous fiscal year plus the tier three reimbursement increases.

Act 388 requires the annual tier three reimbursements to be increased annually by (i) an inflation factor equal to the percentage increase in the previous year of the Consumer Price Index, Southeast Region, as published by the United States Department of Labor, Bureau of Labor Statistics, plus (ii) the percentage increase in the previous year in the population of the State as determined by the Office of Research and Statistics of the State Budget and Control Board. The tier three increases are aggregated for the entire state and the amount going to any particular school district is equal to an amount that is the school district's proportionate share of the aggregate of such funds based on the school district's weighted pupil units as a percentage of the statewide weighted pupil units as determined annually pursuant to the EFA, with an adjustment for certain poverty factors to provide programs for the affected students. There are provisions in the tier three reimbursement that could, in any given year, result in a minimum increase of four percent to the extent funds are available in the Homestead Exemption Fund. There are also provisions that require the total tier three reimbursements to the school districts in a county to be not less than \$2,500,000. If the amount of tier three distributions, other than those dependent upon balances in the Homestead Exemption Fund, exceeds amounts in the Homestead Exemption Fund, the excess is required to be paid from the general fund of the State.

The School District's tier three reimbursement for fiscal 2011 under Act 388 is \$49,635,311. Act 388 requires that, to the extent revenues in the Homestead Exemption Fund are insufficient to pay all required reimbursements to a school district, the State will pay the difference from the State's general fund. However, there can be no assurances that such funds will be appropriated in the event that there is such an insufficiency or that the change in funding sources resulting from Act 388 will not have an adverse effect on the School District's operations. The School District recognizes that Act 388 places increased reliance on state funds to fund the general fund. This increased reliance at the state level is being funded by the additional penny sales tax, which in the School District's opinion is not as stable as property tax revenue which the penny sales tax replaced.

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

NOTES TO THE BASIC FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2011

IV. OTHER INFORMATION (CONTINUED)

F. Subsequent Events

In July 2011, the School District issued \$10,080,743 of Qualified Zone Academy bonds. The bonds were issued for the purpose of providing funds to pay for new equipment and to pay for the cost of issuing the bonds. The bonds, including interest at a rate of 5.13%, are due in full in June 2021. The bonds will provide an Interest Subsidy from the United States Treasury equal to 100% of the amount of each interest payments due on such bonds.

In September 2011, the School District issued \$78,350,000 of General Obligation bonds. The bonds were issued for the purpose of providing funds to pay for a portion of the costs of certain capital improvements of the School District, to pay for a portion of the required fiscal year 2012 BEST debt service payments and to pay for the costs of issuing the bonds. The bonds, including interest at a rate of 1.5%, are due in full in June 2012.

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

REQUIRED SUPPLEMENTARY INFORMATION

**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, 2011

	BUDGETED AMOUNTS		ACTUAL (BUDGETARY BASIS)	VARIANCE WITH REVISED BUDGET- POSITIVE (NEGATIVE)
	ORIGINAL	REVISED		
REVENUES				
Local Sources:				
Taxes	\$ 137,262,000	137,262,000	137,113,801	\$ (148,199)
Investment Earnings	400,000	400,000	304,111	(95,889)
Other Local Sources	795,000	795,000	1,584,395	789,395
State Sources	248,846,000	255,739,000	259,612,426	3,873,426
TOTAL REVENUE ALL SOURCES	387,303,000	394,196,000	398,614,733	4,418,733
EXPENDITURES				
Current:				
Instruction	250,450,558	250,428,428	236,534,348	13,894,080
Support Services	135,732,136	143,233,424	134,313,767	8,919,657
Community Services	53,871	53,871	53,254	617
Intergovernmental	12,257,904	12,412,904	12,112,184	300,720
Capital Outlay	921,531	1,205,373	901,196	304,177
TOTAL EXPENDITURES	399,416,000	407,334,000	383,914,749	23,419,251
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(12,113,000)	(13,138,000)	14,699,984	27,837,984
OTHER FINANCING SOURCES (USES)				
Sale of Capital Assets	-	-	29,077	29,077
Transfers In	12,876,000	12,739,000	12,622,564	(116,436)
Transfers Out	(763,000)	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	12,113,000	12,739,000	12,651,641	(87,359)
NET CHANGES IN FUND BALANCE	-	(399,000)	27,351,625	27,750,625
FUND BALANCE, Beginning of Year	51,988,381	51,988,381	51,988,381	-
FUND BALANCE, End of Year	\$ 51,988,381	51,589,381	79,340,006	\$ 27,750,625

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.

Note: The School District's revised budget reflected the use of appropriated fund balance of \$399,000.

**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, 2011

	BUDGETED AMOUNTS		ACTUAL (BUDGETARY BASIS)	VARIANCE WITH REVISED BUDGET- POSITIVE (NEGATIVE)
	ORIGINAL	REVISED		
REVENUES				
Local Sources	\$ 10,852,203	11,922,444	3,633,948	\$ (8,288,496)
State Sources	11,938,946	11,938,944	8,198,270	(3,740,674)
Federal Sources	80,744,872	78,262,833	61,547,682	(16,715,151)
TOTAL REVENUE ALL SOURCES	103,536,021	102,124,221	73,379,900	(28,744,321)
EXPENDITURES				
Current:				
Instruction	43,086,401	40,645,696	31,839,466	8,806,230
Support Services	53,956,888	51,259,266	35,935,936	15,323,330
Community Services	1,163,688	1,166,065	1,117,046	49,019
Intergovernmental	1,109,181	1,390,690	1,242,268	148,422
Capital Outlay	3,594,143	5,048,843	938,157	4,110,686
TOTAL EXPENDITURES	102,910,301	99,510,560	71,072,873	28,437,687
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	625,720	2,613,661	2,307,027	(306,634)
OTHER FINANCING SOURCES (USES)				
Transfers In	1,364,015	1,364,015	1,176,015	(188,000)
Transfers Out	(1,989,735)	(3,977,676)	(3,483,042)	494,634
TOTAL OTHER FINANCING SOURCES (USES)	(625,720)	(2,613,661)	(2,307,027)	306,634
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, 2011

	BUDGETED AMOUNTS		ACTUAL (BUDGETARY BASIS)	VARIANCE WITH REVISED BUDGET- POSITIVE (NEGATIVE)
	ORIGINAL	REVISED		
REVENUES				
Local Sources	\$ 64,397	64,397	64,397	\$ -
State Sources	50,488,142	51,252,297	39,493,445	(11,758,852)
TOTAL REVENUE ALL SOURCES	50,552,539	51,316,694	39,557,842	(11,758,852)
EXPENDITURES				
Current:				
Instruction	36,275,062	35,085,309	24,547,663	10,537,646
Support Services	7,279,884	6,752,115	5,592,647	1,159,468
Community Services	193,733	193,733	151,810	41,923
Intergovernmental	215,923	333,760	322,301	11,459
Capital Outlay	212,425	249,240	240,884	8,356
TOTAL EXPENDITURES	44,177,027	42,614,157	30,855,305	11,758,852
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	6,375,512	8,702,537	8,702,537	-
OTHER FINANCING SOURCES (USES)				
Transfers In	1,493,020	3,197,335	3,197,335	-
Transfers Out	(7,868,532)	(11,899,872)	(11,899,872)	-
TOTAL OTHER FINANCING SOURCES (USES)	(6,375,512)	(8,702,537)	(8,702,537)	-
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 A-1

GENERAL FUND

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

YEAR ENDED JUNE 30, 2011

	REVISED BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE WITH FINAL BUDGET- POSITIVE (NEGATIVE)
REVENUES			
1000 Revenue from Local Sources:			
1100 Taxes:			
1110 Ad Valorem Taxes-Including Delinquent (Independent)	\$ 126,462,000	122,252,126	\$ (4,209,874)
1200 Revenue from Local Governmental Units Other than LEAs:			
1280 Revenue in Lieu of Taxes (Independent and Dependent)	10,800,000	14,861,675	4,061,675
1300 Tuition:			
1310 From Patrons for Regular Day School	60,000	55,368	(4,632)
1320 From Other LEAs for Regular Day School	240,000	314,158	74,158
1340 From Other LEAs for Adult/Continuing Ed	-	500	500
1350 From Patrons for Summer School	130,000	108,586	(21,414)
1500 Earnings on Investments:			
1510 Interest on Investments	400,000	304,111	(95,889)
1700 Pupil Activities:			
1740 Student Fees	65,000	42,161	(22,839)
1900 Other Revenue from Local Sources:			
1910 Rentals	-	238,095	238,095
1920 Contributions & Donations Private Sources	250,000	152,523	(97,477)
1930 Medicaid	-	15,914	15,914
1990 Miscellaneous Local Revenue:			
1993 Receipt of Insurance Proceeds	-	112,888	112,888
1994 Receipt of Legal Settlements	-	487	487
1999 Revenue from Other Local Sources	50,000	543,715	493,715
Total Revenue from Local Sources	<u>138,457,000</u>	<u>139,002,307</u>	<u>545,307</u>
3000 Revenue from State Sources:			
3100 Restricted State Funding:			
3129 Consolidated Funding	2,189,000	2,187,924	(1,076)
3130 Special Programs:			
3131 Handicapped Transportation	170,000	207,214	37,214
3132 Home Schooling (No Carryover Provision)	70,000	20,189	(49,811)
3160 School Bus Driver's Salary (Includes Hazardous Condition Transportation)	1,567,000	2,469,727	902,727
3162 Transportation Workers' Compensation	300,000	197,643	(102,357)
3180 Fringe Benefits Employer Contributions (No Carryover Provision)	61,043,000	53,394,114	(7,648,886)
3181 Retiree Insurance (No Carryover Provision)	-	8,237,255	8,237,255
3197 Textbook Cost Savings	\$ -	1,714,714	\$ 1,714,714

(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, 2011

	REVISED BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE WITH FINAL BUDGET- POSITIVE (NEGATIVE)
3300 Education Finance Act:			
3310 Full-Time Programs:			
3311 Kindergarten	\$ 7,974,000	7,907,243	\$ (66,757)
3312 Primary	21,367,000	21,280,156	(86,844)
3313 Elementary	28,812,000	28,610,785	(201,215)
3314 High School	17,499,000	15,923,023	(1,575,977)
3315 Trainable Mentally Handicapped	539,000	585,718	46,718
3316 Speech Handicapped (Part-Time Program)	5,715,000	5,800,990	85,990
3317 Homebound	489,000	549,896	60,896
3320 Part-Time Programs:			
3321 Emotionally Handicapped	625,000	683,014	58,014
3322 Educable Mentally Handicapped	558,000	563,966	5,966
3323 Learning Disabilities	10,281,000	10,970,246	689,246
3324 Hearing Handicapped	119,000	174,336	55,336
3325 Visually Handicapped	69,000	95,158	26,158
3326 Orthopedically Handicapped	200,000	243,688	43,688
3327 Vocational	11,295,000	12,142,422	847,422
3330 Other EFA Programs:			
3331 Autism	1,136,000	1,221,701	85,701
3350 Residential Treatment Facility	-	231,644	231,644
3598 Bus Driver Salary Supplement	22,000	-	(22,000)
3800 State Revenue in Lieu of Taxes:			
3810 Reimbursement for Local Residential Property Tax Relief (Tier 1)	23,410,000	23,410,334	334
3820 Homestead Exemption (Tier 2)	5,900,000	5,947,974	47,974
3825 Reimbursement for Property Tax Relief (Tier 3)	49,768,000	49,635,311	(132,689)
3830 Merchant's Inventory Tax	2,201,000	2,200,901	(99)
3840 Manufacturers Depreciation Reimbursement	2,100,000	2,290,239	190,239
3890 Other State Property Tax Revenues (Includes Motor Carrier Vehicle Tax)	321,000	361,011	40,011
3900 Other State Revenue:			
3999 Revenue from Other State Sources	-	353,890	353,890
Total Revenue from State Sources	255,739,000	259,612,426	3,873,426
TOTAL REVENUE ALL SOURCES	\$ 394,196,000	398,614,733	\$ 4,418,733

(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, 2011

	REVISED BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE WITH FINAL BUDGET- POSITIVE (NEGATIVE)
EXPENDITURES			
100 Instruction:			
110 General Instruction:			
111 Kindergarten Programs:			
100 Salaries	\$ 14,463,750	14,302,072	\$ 161,678
150 TERI - Second Annual Leave Payout	1,600	7,413	(5,813)
200 Employee Benefits	4,878,073	4,890,555	(12,482)
400 Supplies and Materials	30,436	26,692	3,744
112 Primary Programs:			
100 Salaries	38,574,925	37,825,857	749,068
140 Terminal Leave	-	3,600	(3,600)
150 TERI - Second Annual Leave Payout	12,100	15,898	(3,798)
200 Employee Benefits	11,855,507	11,600,227	255,280
300 Purchased Services	89,419	274,463	(185,044)
400 Supplies and Materials	1,006,060	377,306	628,754
500 Capital Outlay	50,560	32,636	17,924
600 Other Objects	100	-	100
113 Elementary Programs:			
100 Salaries	57,463,576	56,111,239	1,352,337
140 Terminal Leave	-	7,993	(7,993)
150 TERI - Second Annual Leave Payout	35,800	17,076	18,724
200 Employee Benefits	17,403,869	17,137,071	266,798
300 Purchased Services	54,380	260,799	(206,419)
400 Supplies and Materials	888,080	223,129	664,951
500 Capital Outlay	24,760	14,075	10,685
600 Other Objects	100	-	100
114 High School Programs:			
100 Salaries	37,688,301	37,061,723	626,578
150 TERI - Second Annual Leave Payout	12,800	18,515	(5,715)
200 Employee Benefits	11,245,790	11,120,452	125,338
300 Purchased Services	204,954	424,600	(219,646)
400 Supplies and Materials	1,189,740	361,886	827,854
500 Capital Outlay	30,764	29,751	1,013
600 Other Objects	100	-	100
115 Career and Technology Education Program:			
100 Salaries	6,689,097	6,502,089	187,008
150 TERI - Second Annual Leave Payout	2,800	713	2,087
200 Employee Benefits	2,002,305	1,932,268	70,037
300 Purchased Services - Other than Tuition	31,742	27,035	4,707
400 Supplies and Materials	381,877	263,955	117,922
500 Capital Outlay	20,972	12,434	8,538
117 Driver Education Program:			
100 Salaries	-	2,838	(2,838)
200 Employee Benefits	\$ -	589	\$ (589)

(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, 2011

	REVISED BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE WITH FINAL BUDGET- POSITIVE (NEGATIVE)
120 Exceptional Programs:			
121 Educable Mentally-Handicapped:			
100 Salaries	\$ 4,162,941	3,956,016	\$ 206,925
150 TERI - Second Annual Leave Payout	900	3,678	(2,778)
200 Employee Benefits	1,414,298	1,331,806	82,492
300 Purchased Services	9,000	257	8,743
400 Supplies and Materials	3,179	8,415	(5,236)
122 Trainable Mentally Handicapped:			
100 Salaries	3,086,638	3,111,829	(25,191)
150 TERI - Second Annual Leave Payout	1,200	4,200	(3,000)
200 Employee Benefits	1,048,693	1,050,433	(1,740)
300 Purchased Services	9,400	-	9,400
400 Supplies and Materials	7,990	3,617	4,373
123 Orthopedically Handicapped:			
100 Salaries	702,198	724,670	(22,472)
150 TERI - Second Annual Leave Payout	-	2,763	(2,763)
200 Employee Benefits	242,788	246,492	(3,704)
300 Purchased Services	1,977	762	1,215
400 Supplies and Materials	63	-	63
124 Visually Handicapped:			
100 Salaries	171,492	160,421	11,071
200 Employee Benefits	52,340	49,003	3,337
300 Purchased Services	3,750	6,956	(3,206)
400 Supplies and Materials	378	204	174
125 Hearing Handicapped:			
100 Salaries	737,112	663,523	73,589
150 TERI - Second Annual Leave Payout	1,700	10	1,690
200 Employee Benefits	244,064	243,144	920
300 Purchased Services	5,735	4,245	1,490
400 Supplies and Materials	416	95	321
126 Speech Handicapped:			
100 Salaries	3,393,299	3,413,030	(19,731)
140 Terminal Leave	-	3,222	(3,222)
150 TERI - Second Annual Leave Payout	900	2,165	(1,265)
200 Employee Benefits	1,051,957	984,182	67,775
300 Purchased Services	6,325	8,412	(2,087)
400 Supplies and Materials	4,097	241	3,856
127 Learning Disabilities:			
100 Salaries	13,912,350	7,739,605	6,172,745
140 Terminal Leave	-	900	(900)
150 TERI - Second Annual Leave Payout	7,200	9,183	(1,983)
200 Employee Benefits	4,224,795	2,483,518	1,741,277
300 Purchased Services	5,027	5,347	(320)
400 Supplies and Materials	\$ 9,126	2,268	\$ 6,858

(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, 2011

	REVISED BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE WITH FINAL BUDGET- POSITIVE (NEGATIVE)
128 Emotionally Handicapped:			
100 Salaries	\$ 2,302,035	2,330,416	\$ (28,381)
200 Employee Benefits	760,066	781,551	(21,485)
300 Purchased Services	9,400	74	9,326
400 Supplies and Materials	2,063	1,945	118
500 Capital Outlay	-	2,569	(2,569)
130 Pre-School Programs:			
137 Pre-School Handicapped Self-Contained (3 & 4-Yr. Olds):			
100 Salaries	1,780,551	1,745,647	34,904
150 TERI - Second Annual Leave Payout	200	1,445	(1,245)
200 Employee Benefits	590,615	572,765	17,850
400 Supplies and Materials	806	279	527
139 Early Childhood Programs:			
100 Salaries	173,249	182,192	(8,943)
140 Terminal Leave	-	839	(839)
150 TERI - Second Annual Leave Payout	2,200	-	2,200
200 Employee Benefits	54,368	69,471	(15,103)
400 Supplies and Materials	-	1,163	(1,163)
140 Special Programs:			
141 Gifted and Talented - Academic:			
100 Salaries	995,144	1,001,484	(6,340)
150 TERI - Second Annual Leave Payout	900	7,018	(6,118)
200 Employee Benefits	302,911	305,463	(2,552)
145 Homebound:			
100 Salaries	1,315,290	1,276,707	38,583
150 TERI - Second Annual Leave Payout	1,700	1,415	285
200 Employee Benefits	365,625	428,679	(63,054)
300 Purchased Services	125,573	4,432	121,141
400 Supplies and Materials	300	228	72
148 Gifted and Talented - Artistic:			
100 Salaries	8,800	8,851	(51)
200 Employee Benefits	1,900	1,906	(6)
149 Other Special Programs:			
100 Salaries	120,797	94,178	26,619
200 Employee Benefits	38,324	23,872	14,452
300 Purchased Services	2,839	265	2,574
400 Supplies and Materials	2,000	309	1,691
160 Other Exceptional Programs:			
161 Autism:			
100 Salaries	313,394	296,909	16,485
200 Employee Benefits	131,048	119,540	11,508
300 Purchased Services	\$ 9,000	-	\$ 9,000

(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, 2011

	REVISED BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE WITH FINAL BUDGET- POSITIVE (NEGATIVE)
170 Summer School Programs:			
171 Primary Summer School:			
400 Supplies and Materials	\$ -	174	\$ (174)
172 Elementary Summer School:			
100 Salaries	-	39,576	(39,576)
200 Employee Benefits	-	8,287	(8,287)
173 High School Summer School:			
100 Salaries	77,724	14,828	62,896
200 Employee Benefits	16,276	2,987	13,289
300 Purchased Services	36,000	36,000	-
400 Supplies and Materials	465	476	(11)
175 Instructional Programs Beyond Regular School Day:			
100 Salaries	126,800	122,948	3,852
200 Employee Benefits	26,556	25,705	851
400 Supplies and Materials	2,000	1,660	340
180 Adult/Continuing Educational Programs:			
188 Parenting/Family Literacy:			
100 Salaries			
150 TERI - Second Annual Leave Payout	700	-	700
200 Employee Benefits	200	-	200
Total Instruction	<u>250,555,484</u>	<u>236,625,814</u>	<u>13,929,670</u>
200 Support Services:			
210 Pupil Services:			
211 Attendance and Social Work Services:			
100 Salaries	1,166,153	1,148,876	17,277
140 Terminal Leave	19,100	-	19,100
150 TERI - Second Annual Leave Payout	2,000	1,113	887
200 Employee Benefits	334,417	316,332	18,085
300 Purchased Services	25,402	26,599	(1,197)
400 Supplies and Materials	8,400	2,749	5,651
500 Capital Outlay	-	4,974	(4,974)
212 Guidance Services:			
100 Salaries	8,967,370	8,183,330	784,040
140 Terminal Leave	-	2,700	(2,700)
150 TERI - Second Annual Leave Payout	1,600	3,625	(2,025)
200 Employee Benefits	2,690,666	2,450,440	240,226
300 Purchased Services	25,900	721	25,179
400 Supplies and Materials	-	3,395	(3,395)
213 Health Services:			
100 Salaries	1,972,505	1,933,158	39,347
150 TERI - Second Annual Leave Payout	2,200	1,288	912
200 Employee Benefits	674,274	625,730	48,544
300 Purchased Services	55,500	38,164	17,336
400 Supplies and Materials	\$ 45,540	33,685	\$ 11,855

(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, 2011

	REVISED BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE WITH FINAL BUDGET- POSITIVE (NEGATIVE)
214 Psychological Services:			
100 Salaries	\$ 795,283	871,719	\$ (76,436)
140 Terminal Leave	4,800	-	4,800
150 TERI - Second Annual Leave Payout	900	-	900
200 Employee Benefits	231,447	244,202	(12,755)
300 Purchased Services	23,177	22,739	438
215 Exceptional Program Services:			
100 Salaries	-	4,519	(4,519)
200 Employee Benefits	-	814	(814)
217 Career Specialist Services:			
100 Salaries	53,859	-	53,859
200 Employee Benefits	21,113	-	21,113
220 Instructional Staff Services:			
221 Improvement of Instruction-Curriculum Development:			
100 Salaries	3,004,783	2,847,646	157,137
140 Terminal Leave	14,200	10,921	3,279
150 TERI - Second Annual Leave Payout	1,000	2,535	(1,535)
200 Employee Benefits	834,040	758,815	75,225
300 Purchased Services	124,815	52,810	72,005
400 Supplies and Materials	128,402	13,107	115,295
500 Capital Outlay	-	3,061	(3,061)
600 Other Objects	85	227	(142)
222 Library and Media Services:			
100 Salaries	5,956,371	5,910,368	46,003
150 TERI - Second Annual Leave Payout	6,900	11,383	(4,483)
200 Employee Benefits	1,794,765	1,789,581	5,184
300 Purchased Services	149,244	136,391	12,853
400 Supplies and Materials	295,959	395,117	(99,158)
500 Capital Outlay	11,825	13,962	(2,137)
223 Supervision of Special Programs:			
100 Salaries	1,197,954	1,258,148	(60,194)
140 Terminal Leave	-	7,408	(7,408)
150 TERI - Second Annual Leave Payout	1,600	1,983	(383)
200 Employee Benefits	364,182	375,069	(10,887)
300 Purchased Services	112	699	(587)
400 Supplies and Materials	200	1,421	(1,221)
500 Capital Outlay	1,018	-	1,018
224 Improvement of Instruction-Inservice and Staff Training:			
100 Salaries	49,850	7,391	42,459
200 Employee Benefits	6,580	1,438	5,142
300 Purchased Services	66,595	47,444	19,151
400 Supplies and Materials	5,900	2,649	3,251
600 Other Objects	\$ 106,499	148,483	\$ (41,984)

(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, 2011

	REVISED BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE WITH FINAL BUDGET- POSITIVE (NEGATIVE)
230 General Administrative Services:			
231 Board of Education:			
100 Salaries	\$ 101,800	101,861	\$ (61)
200 Employee Benefits	21,468	18,046	3,422
300 Purchased Services	323,457	110,142	213,315
318 Audit Services	91,000	93,736	(2,736)
400 Supplies and Materials	8,005	3,961	4,044
600 Other Objects	25,000	27,250	(2,250)
232 Office of Superintendent:			
100 Salaries	949,692	954,912	(5,220)
140 Terminal Leave	-	219	(219)
200 Employee Benefits	245,990	278,184	(32,194)
300 Purchased Services	165,579	28,585	136,994
400 Supplies and Materials	26,362	18,175	8,187
500 Capital Outlay	-	951	(951)
600 Other Objects	49,027	55,622	(6,595)
233 School Administration:			
100 Salaries	23,908,919	24,056,200	(147,281)
140 Terminal Leave	16,300	51,201	(34,901)
150 TERI - Second Annual Leave Payout	10,700	10,995	(295)
200 Employee Benefits	7,012,987	6,786,300	226,687
300 Purchased Services	21,149	35,234	(14,085)
400 Supplies and Materials	13,191	64,309	(51,118)
500 Capital Outlay	-	6,054	(6,054)
600 Other Objects	1,976	3,520	(1,544)
250 Finance and Operations Services:			
251 Student Transportation (Federal/District Mandated):			
100 Salaries	469,000	433,488	35,512
200 Employee Benefits	126,000	121,788	4,212
252 Fiscal Services:			
100 Salaries	1,934,463	1,955,403	(20,940)
200 Employee Benefits	4,391,518	2,150,844	2,240,674
300 Purchased Services	98,520	110,759	(12,239)
318 Audit Services	12,160	-	12,160
400 Supplies and Materials	123,640	104,753	18,887
500 Capital Outlay	14,080	22,257	(8,177)
600 Other Objects	\$ 166,045	2,443	\$ 163,602

(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, 2011

	REVISED BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE WITH FINAL BUDGET- POSITIVE (NEGATIVE)
254 Operation and Maintenance of Plant:			
100 Salaries	\$ 21,559,128	20,354,415	\$ 1,204,713
140 Terminal Leave	-	13,811	(13,811)
150 TERI - Second Annual Leave Payout	-	20,859	(20,859)
200 Employee Benefits	6,655,244	7,807,510	(1,152,266)
300 Purchased Services	3,512,152	2,723,094	789,058
400 Supplies and Materials	3,457,437	3,686,501	(229,064)
470 Energy (Includes Gas, Oil, Elec. & Other Heating Fuels)	3,578,000	-	3,578,000
500 Capital Outlay	380,374	375,001	5,373
600 Other Objects	180	2,012	(1,832)
255 Student Transportation (State Mandated):			
100 Salaries	8,469,045	9,063,966	(594,921)
140 Terminal Leave	3,700	5,278	(1,578)
150 TERI - Second Annual Leave Payout	5,800	5,088	712
200 Employee Benefits	3,020,000	3,170,030	(150,030)
300 Purchased Services	891,800	600,114	291,686
400 Supplies and Materials	24,314	17,128	7,186
500 Capital Outlay	60,000	-	60,000
600 Other Objects	150	-	150
256 Food Service:			
100 Salaries			
150 TERI - Second Annual Leave Payout	6,700	3,015	3,685
200 Employee Benefits	4,016,396	3,879,024	137,372
257 Internal Services:			
100 Salaries	882,425	884,945	(2,520)
200 Employee Benefits	261,834	288,298	(26,464)
300 Purchased Services	45,948	23,796	22,152
400 Supplies and Materials	16,988	29,918	(12,930)
500 Capital Outlay	1,600	1,441	159
600 Other Objects	90	90	-
258 Security:			
100 Salaries	436,000	409,599	26,401
140 Terminal Leave	-	2,978	(2,978)
200 Employee Benefits	119,336	122,592	(3,256)
300 Purchased Services	1,778,316	1,726,625	51,691
400 Supplies and Materials	61,760	40,430	21,330
500 Capital Outlay	-	4,238	(4,238)
259 Internal Auditing Services:			
100 Salaries	256,475	259,408	(2,933)
200 Employee Benefits	73,808	73,968	(160)
300 Purchased Services	5,500	4,180	1,320
400 Supplies and Materials	2,090	762	1,328
500 Capital Outlay	-	2,936	(2,936)
600 Other Objects	\$ 1,340	995	\$ 345

(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, 2011

	REVISED BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE WITH FINAL BUDGET- POSITIVE (NEGATIVE)
260 Central Support Services:			
262 Planning, Research, Development and Evaluation:			
100 Salaries	\$ 772,065	754,071	\$ 17,994
140 Terminal Leave	-	6,548	(6,548)
150 TERI - Second Annual Leave Payout	8,200	-	8,200
200 Employee Benefits	203,855	202,226	1,629
300 Purchased Services	273,428	248,736	24,692
400 Supplies and Materials	25,023	26,313	(1,290)
500 Capital Outlay	3,220	-	3,220
600 Other Objects	800	733	67
263 Information Services:			
100 Salaries	507,487	500,002	7,485
140 Terminal Leave	-	1,800	(1,800)
200 Employee Benefits	139,768	143,995	(4,227)
300 Purchased Services	59,298	19,526	39,772
400 Supplies and Materials	11,140	11,325	(185)
500 Capital Outlay	1,600	1,067	533
600 Other Objects	250	350	(100)
264 Staff Services:			
100 Salaries	790,185	835,303	(45,118)
140 Terminal Leave	-	16,968	(16,968)
150 TERI - Second Annual Leave Payout	-	3,005	(3,005)
200 Employee Benefits	224,065	230,052	(5,987)
300 Purchased Services	76,140	64,793	11,347
400 Supplies and Materials	11,693	9,784	1,909
500 Capital Outlay	-	10,429	(10,429)
600 Other Objects	832	1,943	(1,111)
266 Technology and Data Processing Services:			
100 Salaries	3,120,197	3,085,509	34,688
140 Terminal Leave	13,600	851	12,749
200 Employee Benefits	877,268	891,626	(14,358)
300 Purchased Services	1,077,448	794,651	282,797
400 Supplies and Materials	429,183	146,609	282,574
500 Capital Outlay	604,600	359,711	244,889
270 Support Services Pupil Activity:			
271 Pupil Services Activities:			
100 Salaries (Optional)	2,533,527	2,523,705	9,822
200 Employee Benefits (Optional)	490,633	489,868	765
300 Purchased Services (Optional)	450,250	3,327	446,923
400 Supplies and Materials (Optional)	640	5,939	(5,299)
500 Capital Outlay (Optional)	-	3,648	(3,648)
600 Other Objects (Optional)	191,220	448,627	(257,407)
Total Support Services	<u>\$ 144,054,058</u>	<u>134,773,206</u>	<u>\$ 9,280,852</u>

(Continued)

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

Schedule A-1

GENERAL FUND

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

YEAR ENDED JUNE 30, 2011

	REVISED BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE WITH FINAL BUDGET- POSITIVE (NEGATIVE)
300 Community Services:			
330 Civic Services:			
100 Salaries	\$ 43,633	43,633	\$ -
200 Employee Benefits	9,150	9,149	1
300 Purchased Services	560	-	560
400 Supplies and Materials	528	472	56
Total Community Services	<u>53,871</u>	<u>53,254</u>	<u>617</u>
400 Other Charges:			
410 Intergovernmental Expenditures:			
411 Payments to the SDE			
720 Transits	560,000	572,394	(12,394)
412 Payments to Other Governmental Units			
720 Transits	229,000	90,934	138,066
416 Payments to Public Charter Schools			
720 Transits	11,623,904	11,448,856	175,048
Total Intergovernmental Expenditures	<u>12,412,904</u>	<u>12,112,184</u>	<u>300,720</u>
TOTAL EXPENDITURES	<u>407,076,317</u>	<u>383,564,458</u>	<u>23,511,859</u>
OTHER FINANCING SOURCES (USES)			
5300 Sale of Capital Assets	-	29,077	29,077
Interfund Transfers, From (To) Other Funds:			
5220 Transfer from Special Revenue Fund (Excludes Indirect Cost)	1,100,000	573,394	(526,606)
5230 Transfer from Special Revenue EIA Fund	8,226,000	9,077,157	851,157
5260 Transfer from Food Service Fund	1,613,000	1,613,000	-
5280 Transfer from Other Funds Indirect Costs	1,800,000	1,359,013	(440,987)
426-710 Transfer to Pupil Activity Fund	(257,683)	(350,291)	(92,608)
TOTAL OTHER FINANCING SOURCES (USES)	<u>12,481,317</u>	<u>12,301,350</u>	<u>(179,967)</u>
EXCESS/DEFICIENCY OF REVENUES AND EXPENDITURES	(399,000)	27,351,625	27,750,625
FUND BALANCE, Beginning of Year	<u>39,043,808</u>	<u>51,988,381</u>	<u>12,944,573</u>
FUND BALANCE, End of Year	<u>\$ 38,644,808</u>	<u>79,340,006</u>	<u>\$ 40,695,198</u>

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

SPECIAL REVENUE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

YEAR ENDED JUNE 30, 2011

	Title I (BA Projects) (201/202)	IDEA (CA Projects) (203)	Preschool Handicapped (CG Projects) (205)
REVENUES			
1000 Revenue from Local Sources:			
1330 From Patrons for Adult/Continuing Education	\$ -	-	-
1500 Earnings on Investments:			
1510 Interest on Investments	-	-	-
1900 Other Revenue from Local Sources:			
1930 Medicaid	-	-	-
1990 Miscellaneous Local Revenue:			
1999 Revenue from Other Local Sources	-	-	-
Total Revenue from Local Sources	-	-	-
3000 Revenue from State Sources:			
3100 Restricted State Funding:			
3110 Occupational Education:			
3116 EEDA Miscellaneous	-	-	-
3117 EEDA Middle and High School Career Awareness	-	-	-
3118 EEDA Career Specialist	-	-	-
3120 General Education:			
3123 Formative Assessment	-	-	-
3125 Career and Technology Education Equipment	-	-	-
3127 Student Health and Fitness - PE Teachers	-	-	-
3128 High Schools That Work/Making Middle Grades Work	-	-	-
3130 Special Programs:			
3136 Student Health and Fitness - Nurses	-	-	-
3150 Adult Education:			
3151 Basic	-	-	-
3154 Young Adult Education (Carryover Only)	-	-	-
3190 Miscellaneous Restricted State Grants:			
3193 Education License Plates	-	-	-
3195 High School Reading Initiative	-	-	-
3199 Other Restricted State Grants	\$ -	-	-

CATE (VA Projects) (207)	Drug Free (FP/FQ Projects) (209)	Adult Education* (243)	Other Designated Restricted State Grants* (800s/900s)	Other Special Revenue Programs* (200s/800s/900s)	Totals
-	-	-	-	46,076	\$ 46,076
-	-	-	-	303	303
-	-	-	-	1,462,915	1,462,915
-	-	-	-	2,124,654	2,124,654
-	-	-	-	3,633,948	3,633,948
-	-	-	33,282	-	33,282
-	-	-	7,883	-	7,883
-	-	-	1,753,802	-	1,753,802
-	-	-	296,933	-	296,933
-	-	-	487,392	-	487,392
-	-	-	718,395	-	718,395
-	-	-	492	-	492
-	-	-	1,398,477	-	1,398,477
-	-	-	7,049	-	7,049
-	-	-	33,778	-	33,778
-	-	-	9,904	-	9,904
-	-	-	142,500	-	142,500
-	-	-	6,534	-	\$ 6,534

(Continued)

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

SPECIAL REVENUE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

YEAR ENDED JUNE 30, 2011

	Title I (BA Projects) (201/202)	IDEA (CA Projects) (203)	Preschool Handicapped (CG Projects) (205)
3600 Education Lottery Act Revenue:			
3607 6-8 Enhancement (Carryover Provision)	\$ -	-	-
3610 K-5 Enhancement (Carryover Provision)	-	-	-
3900 Other State Revenue:			
3991 ADEPT (Assisting, Developing, and Evaluating Professional Teaching)	-	-	-
3999 Revenue from Other State Sources	-	-	-
Total Revenue from State Sources	-	-	-
4000 Revenue from Federal Sources:			
4200 Occupational Education:			
4210 Perkins Aid, Title I	-	-	-
4300 Elementary and Secondary Education Act of 1965 (ESEA):			
4310 Perkins, Title I,	15,438,658	-	-
4315 American Recovery and Reinvestment Act (ARRA), Title I Basic	-	-	-
4316 School Improvement Discretionary (ARRA)	-	-	-
4331 Enhancing Education through Technology (E2T2), Title II (Carryover Provision)	-	-	-
4341 Language Instruction for Limited English Proficient and Immigrant Students, Title III (Carryover Provision)	-	-	-
4344 McKinney-Vento Homeless Educational Assistance Act (ARRA 09)	-	-	-
4350 State Fiscal Stabilization Fund (ARRA)	-	-	-
4351 Improving Teacher Quality (Carryover Provision)	-	-	-
4400 Adult Education:			
4410 Basic Adult Education	-	-	-
4430 State Literacy Resource	-	-	-
4500 Programs for Children with Disabilities:			
4510 Individuals with Disabilities Education Act (IDEA) (Carryover Provision)	-	11,869,321	-
4520 Preschool Grants (IDEA) (Carryover Provision)	-	-	321,967
4540 IDEA (ARRA 611)	-	-	-
4550 IDEA Preschool (ARRA 619)	-	-	-
4900 Other Federal Sources:			
4920 Drug and Violence Prevention Program (Title IV, 21st Century Schools)	-	-	-
4999 Revenue from Other Federal Sources	-	-	-
Total Revenue from Federal Sources	15,438,658	11,869,321	321,967
TOTAL REVENUE ALL SOURCES	\$ 15,438,658	11,869,321	321,967

CATE (VA Projects) (207)	Drug Free (FP/FQ Projects) (209)	Adult Education* (243)	Other Designated Restricted State Grants* (800s/900s)	Other Special Revenue Programs* (200s/800s/900s)	Totals
-	-	-	354,510	-	\$ 354,510
-	-	-	2,731,212	-	2,731,212
-	-	-	51,096	-	51,096
-	-	-	-	165,031	165,031
-	-	-	8,033,239	165,031	8,198,270
1,121,815	-	-	-	-	1,121,815
-	-	-	-	809,938	16,248,596
-	-	-	-	7,509,235	7,509,235
-	-	-	-	709,845	709,845
-	-	-	-	112,507	112,507
-	-	-	-	789,140	789,140
-	-	-	-	32,111	32,111
-	-	-	-	15,823,057	15,823,057
-	-	-	-	2,277,071	2,277,071
-	-	374,531	-	-	374,531
-	-	15,000	-	-	15,000
-	-	-	-	89,772	11,959,093
-	-	-	-	-	321,967
-	-	-	-	2,254,652	2,254,652
-	-	-	-	535,432	535,432
-	100,807	-	-	-	100,807
-	-	-	-	1,362,823	1,362,823
1,121,815	100,807	389,531	-	32,305,583	61,547,682
1,121,815	100,807	389,531	8,033,239	36,104,562	\$ 73,379,900

(Continued)

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

SPECIAL REVENUE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

YEAR ENDED JUNE 30, 2011

	Title I (BA Projects) (201/202)	IDEA (CA Projects) (203)	Preschool Handicapped (CG Projects) (205)
EXPENDITURES			
100 Instruction:			
110 General Instruction:			
111 Kindergarten Program:			
100 Salaries	\$ 12,916	-	-
200 Employee Benefits	5,053	-	-
112 Primary Programs:			
100 Salaries	2,119,670	59	-
200 Employee Benefits	669,219	13	-
300 Purchased Services	347,655	-	-
400 Supplies and Materials	346,961	-	-
500 Capital Outlay	439,102	-	-
113 Elementary Programs:			
100 Salaries	2,988,747	-	-
200 Employee Benefits	942,415	-	-
300 Purchased Services	2,455	-	-
400 Supplies and Materials	29,165	-	-
500 Capital Outlay	29,742	-	-
114 High School Programs:			
100 Salaries	-	-	-
200 Employee Benefits	-	-	-
300 Purchased Services	-	-	-
400 Supplies and Materials	-	-	-
500 Capital Outlay	-	-	-
600 Other Objects	-	-	-
115 Career and Technology Education Program:			
100 Salaries	-	25,026	-
200 Employee Benefits	-	7,073	-
300 Purchased Services	-	-	-
400 Supplies and Materials	-	-	-
500 Capital Outlay	-	-	-
120 Exceptional Programs:			
121 Educable Mentally Handicapped:			
100 Salaries	-	327,109	-
200 Employee Benefits	-	130,587	-
400 Supplies and Materials	-	635	-
122 Trainable Mentally Handicapped:			
100 Salaries	-	370,482	-
200 Employee Benefits	-	160,028	-
300 Purchased Services	-	9,160	-
400 Supplies and Materials	\$ -	-	-

CATE (VA Projects) (207)	Drug Free (FP/FQ Projects) (209)	Adult Education* (243)	Other Designated Restricted State Grants* (800s/900s)	Other Special Revenue Programs* (200s/800s/900s)	Totals
-	-	-	-	140,351	\$ 153,267
-	-	-	-	40,068	45,121
-	-	-	5,749	2,735,235	4,860,713
-	-	-	1,083	816,453	1,486,768
-	-	-	191,735	2,070,899	2,610,289
-	-	-	-	175,593	522,554
-	-	-	-	8,148	447,250
-	-	-	1,800	974,431	3,964,978
-	-	-	346	290,859	1,233,620
-	-	-	108,824	90,593	201,872
12,982	-	-	-	91,401	133,548
14,808	-	-	-	42,354	86,904
-	-	-	7,575	1,519,994	1,527,569
-	-	-	1,569	292,185	293,754
24,681	-	-	3,053	482	28,216
41,196	-	-	2,044	309,313	352,553
-	-	-	9,904	52,889	62,793
-	-	-	-	1,090	1,090
16,076	-	-	-	68,654	109,756
6,085	-	-	-	14,365	27,523
23,813	-	-	-	-	23,813
109,616	-	-	-	17,717	127,333
148,292	-	-	-	18,076	166,368
-	-	-	-	-	327,109
-	-	-	-	-	130,587
-	-	-	-	-	635
-	-	-	-	17,442	387,924
-	-	-	-	7,250	167,278
-	-	-	-	-	9,160
-	-	-	5,544	-	\$ 5,544

(Continued)

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

SPECIAL REVENUE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

YEAR ENDED JUNE 30, 2011

	Title I (BA Projects) (201/202)	IDEA (CA Projects) (203)	Preschool Handicapped (CG Projects) (205)
123 Orthopedically Handicapped:			
100 Salaries	\$ -	129,271	-
200 Employee Benefits	-	50,927	-
300 Purchased Services	-	157	-
400 Supplies and Materials	-	2,633	-
500 Capital Outlay	-	-	-
124 Visually Handicapped:			
100 Salaries	-	16,410	-
200 Employee Benefits	-	9,711	-
300 Purchased Services	-	1,612	-
400 Supplies and Materials	-	1,388	-
125 Hearing Handicapped:			
100 Salaries	-	126,537	-
200 Employee Benefits	-	39,660	-
300 Purchased Services	-	7,030	-
400 Supplies and Materials	-	-	-
500 Capital Outlay	-	-	-
126 Speech Handicapped:			
100 Salaries	-	891,125	-
200 Employee Benefits	-	267,796	-
300 Purchased Services	-	-	-
400 Supplies and Materials	-	2,745	-
600 Other Objects	-	-	-
127 Learning Disabilities:			
100 Salaries	-	233,862	-
200 Employee Benefits	-	231,503	-
300 Purchased Services	-	43,232	-
400 Supplies and Materials	-	79,539	-
500 Capital Outlay	-	-	-
600 Other Objects	-	-	-
128 Emotionally Handicapped:			
100 Salaries	-	21,704	-
200 Employee Benefits	-	5,935	-
129 Coordinated Early Intervening Services (CEIS):			
400 Supplies and Materials	-	253,328	-
130 Pre-School Programs:			
131 Pre-School Handicapped Speech (5-Yr. Olds):			
300 Purchased Services	-	-	20,248
135 Pre-School Handicapped Speech (3 & 4-Yr. Olds):			
100 Salaries	-	-	-
200 Employee Benefits	\$ -	-	-

CATE (VA Projects) (207)	Drug Free (FP/FQ Projects) (209)	Adult Education* (243)	Other Designated Restricted State Grants* (800s/900s)	Other Special Revenue Programs* (200s/800s/900s)	Totals
-	-	-	-	-	\$ 129,271
-	-	-	-	-	50,927
-	-	-	-	-	157
-	-	-	-	-	2,633
-	-	-	-	1,961	1,961
-	-	-	-	-	16,410
-	-	-	-	-	9,711
-	-	-	-	-	1,612
-	-	-	-	-	1,388
-	-	-	-	-	126,537
-	-	-	-	-	39,660
-	-	-	-	-	7,030
-	-	-	-	8,167	8,167
-	-	-	-	10,722	10,722
-	-	-	-	78,711	969,836
-	-	-	-	11,692	279,488
-	-	-	-	103,958	103,958
-	-	-	-	221	2,966
-	-	-	-	22,458	22,458
-	-	-	-	1,305,000	1,538,862
-	-	-	-	298,945	530,448
-	-	-	-	403	43,635
-	-	-	-	13,072	92,611
-	-	-	-	56,607	56,607
-	-	-	-	2,020	2,020
-	-	-	-	49,997	71,701
-	-	-	-	23,536	29,471
-	-	-	-	-	253,328
-	-	-	-	-	20,248
-	-	-	-	47,427	47,427
-	-	-	-	13,712	\$ 13,712

(Continued)

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

SPECIAL REVENUE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

YEAR ENDED JUNE 30, 2011

	Title I (BA Projects) (201/202)	IDEA (CA Projects) (203)	Preschool Handicapped (CG Projects) (205)
137 Pre-School Handicapped Self-Contained (3 & 4-Yr. Olds):			
100 Salaries	\$ -	162,686	-
200 Employee Benefits	-	90,251	-
300 Purchased Services	-	369	-
139 Early Childhood Programs:			
100 Salaries	2,216,148	-	-
200 Employee Benefits	734,082	-	-
400 Supplies and Materials	-	-	-
140 Special Programs:			
143 Advanced Placement:			
100 Salaries	-	-	-
200 Employee Benefits	-	-	-
300 Purchased Services	-	-	-
400 Supplies and Materials	-	-	-
149 Other Special Programs:			
100 Salaries	48,403	32,945	2,873
200 Employee Benefits	10,607	7,100	62
300 Purchased Services	-	-	-
400 Supplies and Materials	-	-	-
160 Other Exceptional Programs:			
161 Autism:			
100 Salaries	-	305,253	-
200 Employee Benefits	-	110,748	-
300 Purchased Services	-	4,556	-
400 Supplies and Materials	-	1,163	-
170 Summer School Programs:			
171 Primary Summer School:			
100 Salaries	-	8,836	-
200 Employee Benefits	-	2,384	-
400 Supplies and Materials	-	205	-
172 Elementary Summer School:			
100 Salaries	30,440	-	-
200 Employee Benefits	10,504	-	-
300 Purchased Services	38,360	-	-
400 Supplies and Materials	2,486	-	-
173 High School Summer School:			
100 Salaries	-	-	-
200 Employee Benefits	\$ -	-	-

CATE (VA Projects) (207)	Drug Free (FP/FQ Projects) (209)	Adult Education* (243)	Other Designated Restricted State Grants* (800s/900s)	Other Special Revenue Programs* (200s/800s/900s)	Totals
-	-	-	-	377,694	\$ 540,380
-	-	-	-	80,252	170,503
-	-	-	-	-	369
-	-	-	-	510	2,216,658
-	-	-	-	3	734,085
-	-	-	-	139	139
-	-	-	-	4,320	4,320
-	-	-	-	921	921
-	-	-	-	6,499	6,499
-	-	-	-	162,844	162,844
-	-	-	1,269,734	262,285	1,616,240
-	-	-	394,244	84,105	496,118
-	-	-	-	94,959	94,959
-	-	-	-	288,325	288,325
-	-	-	-	-	305,253
-	-	-	-	-	110,748
-	-	-	-	-	4,556
-	-	-	-	-	1,163
-	-	-	-	-	8,836
-	-	-	-	-	2,384
-	-	-	-	-	205
-	-	-	-	62,438	92,878
-	-	-	-	16,525	27,029
-	-	-	-	9,350	47,710
-	-	-	-	3,936	6,422
1,867	-	-	-	55,075	56,942
386	-	-	-	8,023	\$ 8,409

(Continued)

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

SPECIAL REVENUE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

YEAR ENDED JUNE 30, 2011

	Title I (BA Projects) (201/202)	IDEA (CA Projects) (203)	Preschool Handicapped (CG Projects) (205)
175 Instructional Programs Beyond Regular School Day:			
100 Salaries	\$ 52,438	-	-
200 Employee Benefits	10,629	-	-
300 Purchased Services	-	-	-
400 Supplies and Materials	4,314	-	-
500 Capital Outlay	-	-	-
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	-	-	-
400 Supplies and Materials	-	-	-
183 Adult English Literacy (ESL):			
100 Salaries	-	-	-
200 Employee Benefits	-	-	-
400 Supplies and Materials	-	-	-
188 Parenting/Family Literacy:			
100 Salaries	278,311	-	-
200 Employee Benefits	95,172	-	-
300 Purchased Services	52,513	-	-
400 Supplies and Materials	156,438	-	-
500 Capital Outlay	4,935	-	-
Total Instruction	<u>11,678,880</u>	<u>4,172,773</u>	<u>23,183</u>
200 Support Services:			
210 Pupil Services:			
211 Attendance and Social Work Services:			
100 Salaries	554,398	212,444	-
200 Employee Benefits	178,549	60,086	-
300 Purchased Services	7,475	4,455	-
400 Supplies and Materials	3,951	-	-
500 Capital Outlay	829	-	-
212 Guidance Services:			
100 Salaries	-	82,653	-
200 Employee Benefits	-	21,827	-
300 Purchased Services	-	-	11,521
400 Supplies and Materials	\$ -	481	-

CATE (VA Projects) (207)	Drug Free (FP/FQ Projects) (209)	Adult Education* (243)	Other Designated Restricted State Grants* (800s/900s)	Other Special Revenue Programs* (200s/800s/900s)	Totals
-	-	-	-	151,880	\$ 204,318
-	-	-	-	31,944	42,573
-	-	-	-	64,658	64,658
-	-	-	-	29,780	34,094
-	-	-	-	542	542
-	-	68,000	-	-	68,000
-	-	15,000	-	-	15,000
-	-	107,110	34,785	11,535	153,430
-	-	23,736	6,042	2,308	32,086
-	-	-	-	641	641
-	-	122,377	-	10,122	132,499
-	-	22,186	-	1,421	23,607
-	-	-	-	1,582	1,582
-	-	-	-	204,172	482,483
-	-	-	-	68,287	163,459
-	-	-	-	13,635	66,148
-	-	-	-	45,308	201,746
-	-	-	-	1,355	6,290
399,802	-	358,409	2,044,031	14,001,824	32,678,902
-	36,824	-	-	8,974	812,640
-	9,386	-	-	779	248,800
-	37,200	-	-	214	49,344
-	13,446	-	-	16,474	33,871
-	599	-	-	-	1,428
166,332	-	-	729,441	206,959	1,185,385
47,941	-	-	161,991	60,541	292,300
-	-	-	-	8,124	19,645
-	-	-	-	2,202	\$ 2,683

(Continued)

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

SPECIAL REVENUE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

YEAR ENDED JUNE 30, 2011

	Title I (BA Projects) (201/202)	IDEA (CA Projects) (203)	Preschool Handicapped (CG Projects) (205)
213 Health Services:			
100 Salaries	\$ 107,411	1,345,845	-
200 Employee Benefits	44,160	433,522	-
300 Purchased Services	11,795	13,384	-
400 Supplies and Materials	1,543	10,524	-
600 Other Objects	-	-	-
214 Psychological Services:			
100 Salaries	-	1,007,884	73,858
200 Employee Benefits	-	273,668	20,053
300 Purchased Services	-	27,630	-
400 Supplies and Materials	-	73,109	-
500 Capital Outlay	-	-	-
215 Exceptional Program Services:			
100 Salaries	-	60,861	51,050
200 Employee Benefits	-	15,155	22,966
300 Purchased Services	-	87	338
217 Career Specialists Services:			
100 Salaries	-	-	-
200 Employee Benefits	-	-	-
300 Purchased Services	-	-	-
220 Instructional Staff Services:			
221 Improvement of Instruction - Curriculum Development:			
100 Salaries	559,700	1,641,292	-
150 TERI - Second Annual Leave Payout	-	-	-
200 Employee Benefits	173,025	474,166	-
300 Purchased Services	-	33,952	-
400 Supplies and Materials	-	4,885	-
500 Capital Outlay	-	-	-
600 Other Objects	-	5,525	-
223 Supervision of Special Programs:			
100 Salaries	357,438	680,461	69,876
200 Employee Benefits	109,036	212,003	24,539
300 Purchased Services	3,582	12,542	3,437
400 Supplies and Materials	6,330	1,990	-
500 Capital Outlay	-	-	-
600 Other Objects	\$ -	350	-

CATE (VA Projects) (207)	Drug Free (FP/FQ Projects) (209)	Adult Education* (243)	Other Designated Restricted State Grants* (800s/900s)	Other Special Revenue Programs* (200s/800s/900s)	Totals
-	-	-	1,013,158	27,915	\$ 2,494,329
-	-	-	385,319	10,490	873,491
-	-	-	-	210,964	236,143
-	-	-	-	14,400	26,467
-	-	-	-	2,955	2,955
-	-	-	-	-	1,081,742
-	-	-	-	-	293,721
-	-	-	-	107,815	135,445
-	-	-	-	1,276	74,385
-	-	-	-	1,252	1,252
-	-	-	-	-	111,911
-	-	-	-	-	38,121
-	-	-	-	-	425
-	-	-	614,441	-	614,441
-	-	-	207,181	-	207,181
-	-	-	1,500	-	1,500
149,348	-	-	1,741,734	110,625	4,202,699
-	-	-	1,975	-	1,975
36,259	-	-	499,540	24,847	1,207,837
-	-	-	-	41,439	75,391
-	-	-	-	19,366	24,251
-	-	-	-	7,228	7,228
4,800	-	-	-	100	10,425
54,721	-	15,941	-	256,265	1,434,702
29,683	-	3,400	-	71,580	450,241
9,075	-	449	5,977	118,579	153,641
444	-	-	1,457	32,682	42,903
-	-	-	1,319	963	2,282
-	-	-	-	200	\$ 550

(Continued)

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

SPECIAL REVENUE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

YEAR ENDED JUNE 30, 2011

	Title I (BA Projects) (201/202)	IDEA (CA Projects) (203)	Preschool Handicapped (CG Projects) (205)
224 Improvement of Instruction - Inservice and Staff Training:			
100 Salaries	\$ 25,442	51,533	-
200 Employee Benefits	4,649	20,256	-
300 Purchased Services	154,317	89,512	-
400 Supplies and Materials	86,319	17,856	-
500 Capital Outlay	69,309	-	-
230 General Administration Services:			
232 Office of the Superintendent:			
300 Purchased Services	-	-	-
400 Supplies and Materials	-	-	-
233 School Administration:			
400 Supplies and Materials	-	-	-
250 Finance and Operations Services:			
251 Student Transportation (Federal/District Mandated):			
100 Salaries	122,886	128,566	-
200 Employee Benefits	47,744	39,677	-
300 Purchased Services	173,617	73,535	747
400 Supplies and Materials	54,029	32	-
252 Fiscal Services:			
100 Salaries	-	-	-
200 Employee Benefits	-	-	-
300 Purchased Services	-	-	-
400 Supplies and Materials	-	-	-
600 Other Objects	-	-	-
253 Facilities Acquisition and Construction:			
300 Purchased Services	-	-	-
400 Supplies and Materials	-	-	-
500 Capital Outlay:			
520 Construction Services	-	-	-
254 Operation and Maintenance of Plant:			
300 Purchased Services	-	-	-
321 Public Utilities (Includes Gas, Oil, Elec. & Other Heating Fuels)	-	-	-
400 Supplies and Materials	-	-	-
470 Energy (Includes Gas, Oil, Elec. & Other Heating Fuels)	-	-	-
500 Capital Outlay	-	-	-
255 Student Transportation (State Mandated):			
300 Purchased Services	-	-	-
258 Security:			
400 Supplies and Materials	\$ -	-	-

CATE (VA Projects) (207)	Drug Free (FP/FQ Projects) (209)	Adult Education* (243)	Other Designated Restricted State Grants* (800s/900s)	Other Special Revenue Programs* (200s/800s/900s)	Totals
-	-	-	23,475	307,034	\$ 407,484
-	-	-	4,966	81,138	111,009
14,209	-	-	-	1,031,774	1,289,812
-	-	-	492	83,926	188,593
-	-	-	-	6,951	76,260
-	-	-	-	1,354	1,354
-	-	-	-	777	777
-	-	-	-	105	105
-	-	-	-	-	251,452
-	-	-	-	-	87,421
-	-	-	-	33,138	281,037
-	-	-	-	-	54,061
-	-	-	-	197,278	197,278
-	-	-	-	50,656	50,656
-	-	-	-	74,561	74,561
-	-	-	-	456	456
-	-	-	-	547,654	547,654
-	-	-	-	26,901	26,901
-	-	-	-	3,556	3,556
-	-	-	-	2,677	2,677
-	-	-	-	512,370	512,370
-	-	-	-	1,478,879	1,478,879
-	-	-	-	1,503	1,503
-	-	-	-	12,789,143	12,789,143
-	-	-	-	7,595	7,595
-	-	-	990	4,151	5,141
-	398	-	-	-	\$ 398

(Continued)

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

SPECIAL REVENUE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

YEAR ENDED JUNE 30, 2011

	Title I (BA Projects) (201/202)	IDEA (CA Projects) (203)	Preschool Handicapped (CG Projects) (205)
260 Central Support Services:			
263 Information Services:			
300 Purchased Services	\$ -	-	-
400 Supplies and Materials	-	-	-
264 Staff Services:			
100 Salaries	-	-	-
200 Employee Benefits	-	-	-
300 Purchased Services	-	-	-
400 Supplies and Materials	-	-	-
266 Technology and Data Processing Services:			
100 Salaries	210,995	-	-
200 Employee Benefits	65,410	-	-
300 Purchased Services	-	-	-
400 Supplies and Materials	-	-	-
270 Support Services - Pupil Activity:			
271 Pupil Services Activities:			
300 Purchased Services	-	600	-
400 Supplies and Materials (Optional)	-	-	-
600 Other Objects	-	-	-
Total Support Services	<u>3,133,939</u>	<u>7,132,348</u>	<u>278,385</u>
300 Community Services:			
350 Custody and Care of Children:			
100 Salaries	1,081	-	-
200 Employee Benefits	223	-	-
390 Other Community Services:			
100 Salaries	-	-	-
200 Employee Benefits	-	-	-
300 Purchased Services	-	-	-
400 Supplies and Materials	-	-	-
Total Community Services	<u>1,304</u>	<u>-</u>	<u>-</u>
410 Intergovernmental Expenditures:			
416 Payments to Public Charter Schools			
720 Transits	123,592	220,061	11,021
Total Intergovernmental Expenditures	<u>123,592</u>	<u>220,061</u>	<u>11,021</u>
TOTAL EXPENDITURES	<u>\$ 14,937,715</u>	<u>11,525,182</u>	<u>312,589</u>

CATE (VA Projects) (207)	Drug Free (FP/FQ Projects) (209)	Adult Education* (243)	Other Designated Restricted State Grants* (800s/900s)	Other Special Revenue Programs* (200s/800s/900s)	Totals
-	-	-	-	150,394	\$ 150,394
-	-	-	-	1,763	1,763
-	-	-	-	117,575	117,575
-	-	-	-	31,295	31,295
-	-	-	-	1,978	1,978
-	-	-	-	963	963
-	-	-	-	-	210,995
-	-	-	-	-	65,410
-	-	-	-	19,311	19,311
-	-	-	-	483	483
3,900	-	-	-	-	4,500
-	-	-	-	424	424
99,816	-	-	4,537	12,281	116,634
616,528	97,853	19,790	5,399,493	18,945,252	35,623,588
-	-	-	-	-	1,081
-	-	-	-	-	223
-	-	-	-	113,790	113,790
-	-	-	-	35,693	35,693
-	-	-	-	953,388	953,388
-	-	-	-	12,871	12,871
-	-	-	-	1,115,742	1,117,046
72,825	-	-	215,095	599,674	1,242,268
72,825	-	-	215,095	599,674	1,242,268
1,089,155	97,853	378,199	7,658,619	34,662,492	\$ 70,661,804

(Continued)

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

SPECIAL REVENUE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

YEAR ENDED JUNE 30, 2011

	Title I (BA Projects) (201/202)	IDEA (CA Projects) (203)	Preschool Handicapped (CG Projects) (205)
OTHER FINANCING SOURCES (USES)			
Interfund Transfers, From (To) Other Funds:			
5220 Transfer from Special Revenue Fund (Exclude Indirect Costs)	\$ -	-	-
5230 Transfer from Special Revenue EIA Fund	-	-	-
420-710 Transfer to General Fund (Exclude Indirect Costs)	-	-	-
421-710 Transfer to Special Revenue Fund	-	-	-
422-710 Transfer to Special Revenue EIA Fund	-	-	-
426-710 Transfer to Pupil Activity Fund	-	-	-
431-791 Special Revenue Fund Indirect Costs (Use Only for Transfer of Indirect Costs to General Fund)	(500,943)	(344,139)	(9,378)
TOTAL OTHER FINANCING SOURCES (USES)	(500,943)	(344,139)	(9,378)
EXCESS/DEFICIENCY OF REVENUES AND EXPENDITURES	-	-	-
FUND BALANCE, Beginning of Year	-	-	-
FUND BALANCE, End of Year	\$ -	-	-

CATE (VA Projects) (207)	Drug Free (FP/FQ Projects) (209)	Adult Education* (243)	Other Designated Restricted State Grants* (800s/900s)	Other Special Revenue Programs* (200s/800s/900s)	Totals
-	-	-	1,072,905	-	\$ 1,072,905
-	-	-	103,110	-	103,110
-	-	-	-	(573,394)	(573,394)
-	-	-	(1,072,905)	-	(1,072,905)
-	-	-	(477,730)	-	(477,730)
-	-	-	-	(411,069)	(411,069)
(32,660)	(2,954)	(11,332)	-	(457,607)	(1,359,013)
<u>(32,660)</u>	<u>(2,954)</u>	<u>(11,332)</u>	<u>(374,620)</u>	<u>(1,442,070)</u>	<u>(2,718,096)</u>
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>\$ -</u>

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

Schedule B-2

SPECIAL REVENUE FUND

SUPPLEMENTAL LISTING OF LEA SUBFUND CODES AND TITLES

YEAR ENDED JUNE 30, 2011

OTHER DESIGNATED RESTRICTED STATE GRANTS

8030	Extended School Year
8921	State Miscellaneous Funds
9050	Career Technology Education Equipment
9150	Profoundly Mentally Disabled (Carryover)
9160	Assisting, Developing and Evaluating Professional Teaching, ADEPT
9180	Adult Education - Voc Rehab (Carryover Only)
9180	Adult Education - GED (Carryover Only)
9190	Education License Plates
9200	Adult Education, Young Adult Initiative (Carryover Only)
9260	EEDA Miscellaneous At Risk
9260	EEDA Miscellaneous At Risk Innovative
9270	EEDA Middle and High School Career Awareness
9280	EEDA Career Specialists
9330	Formative Assessment
9360	Student Health and Fitness - Nurses
9370	Student Health and Fitness - PE Teachers
9380	High Schools that Work/Making Middle Grades Work
9600	K-5 Enhancement
9670	6-8 Enhancement

OTHER SPECIAL REVENUE PROGRAMS

2080	Advanced Placement Program
2130	OEC Competitive Grant
2150	IDEA (ARRA 611)
2160	IDEA Preschool (ARRA 619)
2210	Title I Neglected & Delinquent
2210	Neglected and Delinquent (ARRA), Title I
2220	Title I, Basic State Grant Program (ARRA) (Carryover Provision)
2230	School Improvement (ARRA), Title I
2260	School Improvement
2270	McKinney-Vento Homeless Educational Assistance Act (ARRA)
2290	American Recovery and Reinvestment Act (ARRA), Title I Basic State Grant (84.389) (Carryover Provision)
2370	Title I School Improvement
2500	State Fiscal Stabilization Fund (ARRA)
2530	Ed Tech Formula Grant
2640	Title III
2670	Title II Improving Teacher Quality
2900	Naval JROTC
2900	Air Force JROTC

(Continued)

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

Schedule B-2

SPECIAL REVENUE FUND

SUPPLEMENTAL LISTING OF LEA SUBFUND CODES AND TITLES

YEAR ENDED JUNE 30, 2011

OTHER SPECIAL REVENUE PROGRAMS (CONTINUED)

2900	Army JROTC
2910	SC Parent Information Resource Center
2920	Jobs for SC Graduates
2970	Impact Aid
2990	Miscellaneous Federal
8010	Medicaid
8020	Roper Mountain Grant
8040	All County Band Reserve
8050	Teen Lead Grant
8050	Teen Lead Grant Control Site
8050	Teen Lead Supplement
8060	Communications - Marketing
8070	McKinney-Vento Homeless Grant
8080	Parade-Communications
8090	SC Arts Residency
8100	Sprint Peer Mediation Grant
8120	Golf Tournament
8130	Agricultural Education
8170	Teacher of the Year Reserve
8200	AOCP Math and Science Regional Center (Anderson, Oconee, Pickens and Greenville)
8230	Lakeview Walking Track
8240	Information Assurance Reserve
8250	Gifted and Talented - Publix Supermarket
8260	Sirrine Scholarship
8460	School and Community Service
8500	ETS E-rate Rebate
8510	Historic Preservation Grant
8520	National Council
8530	ETS Technology Conference
8600	Project Lead the Way
8630	SC Vocational Rehabilitation
8640	Advance SC - LLL
8640	Advance SC Grants
8750	United Way - Dunbar
8790	United Way - Graduate Stipend
8790	United Way - Graduate Summer
8790	United Way - Graduate Greenville
8800	Adult Education Hollingsworth
8820	Excelencia in Education
8830	Voc Rehab Expansion
8840	Dollar General
8850	General Electric Sustainability
8860	Are You Smarter Than a 5th Grader

(Continued)

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

Schedule B-2

SPECIAL REVENUE FUND

SUPPLEMENTAL LISTING OF LEA SUBFUND CODES AND TITLES

YEAR ENDED JUNE 30, 2011

OTHER SPECIAL REVENUE PROGRAMS (CONTINUED)

8870	English for Parents
8890	Workplace Resource Fees
8900	Local Miscellaneous Funds
8980	Career Center Reimbursement
8990	Pepsi Contract Reserve
9800	First Steps

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

Schedule B-3

SPECIAL REVENUE FUND

SUMMARY SCHEDULE FOR OTHER DESIGNATED RESTRICTED STATE GRANTS

YEAR ENDED JUNE 30, 2011

Subfund	Revenue	Programs	Revenues	Expenditures	Special Revenue		Special Revenue Fund Deferred
					Interfund Transfers In (Out)	Other Fund Transfers In (Out)	
8030	3199	Extended School Year	\$ 990	990	-	-	\$ -
9050	3125	Career Technology Educational Equipment	487,392	31,848	-	(455,544)	-
9150	3199	Profoundly Mentally Handicapped	5,544	5,544	-	-	-
9160	3991	Evaluating Professional Teaching	51,096	51,096	-	-	189,256
9180	3151	Adult Education- Training and Resources	7,049	7,049	-	-	-
9190	3193	Education License Plates	9,904	9,904	-	-	10,380
9200	3154	Young Adult Education (Carryover Only)	33,778	33,778	-	-	-
9260	3116	Star Program	33,282	11,096	-	(22,186)	904
9270	3117	EEDA 8th Grade Awareness	7,883	7,883	-	-	10,984
9280	3118	EEDA Career Specialists	1,753,802	1,753,802	-	-	1,107,417
9330	3123	Formative Assessment	296,933	296,933	-	-	-
9360	3136	Student Health and Fitness - Nurses	1,398,477	1,398,477	-	-	270,069
9370	3127	Student Health and Fitness - PE Teachers	718,395	-	(718,395)	-	-
9380	3128	Making Middle Grades Work	492	492	-	-	-
8921	3195	SC Reading Initiative	142,500	142,500	-	-	-
9600	3610	K-5 Enhancement	2,731,212	3,907,227	1,072,905	103,110	2,127,697
9670	3607	Middle School Initiative	354,510	-	(354,510)	-	-
Totals			\$ 8,033,239	7,658,619	-	(374,620)	\$ 3,716,707

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

Schedule B-4

SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT

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

YEAR ENDED JUNE 30, 2011

	<u>ACTUAL</u>
REVENUES	
1000 Revenue from Local Sources:	
1990 Miscellaneous Local Revenue:	
1999 Revenue from Other Local Sources	\$ 64,397
Total Revenue from Local Sources	<u>64,397</u>
3000 Revenue from State Sources:	
3500 Education Improvement Act:	
3509 Arts in Education	13,064
3511 Professional Development	109,540
3526 Science Ket Refurbishment	232,462
3530 Trainable & Profoundly Mentally Disabled Student Services	242,495
3532 National Board Certification (NBC) Salary Supplement (No Carryover Provision)	4,519,485
3533 Teacher of the Year Awards	1,077
3538 Student at Risk of School Failure	10,059,354
3540 Early Childhood Program (4K Programs Serving Four-Year-Old Children)	761,266
3542 Preschool Programs for Children with Disabilities	172,185
3544 High Achieving Students	2,594,370
3550 Teacher Salary Increase (No Carryover Provision)	6,506,145
3555 School Employer Contributions (No Carryover Provision)	1,362,387
3556 Adult Education	478,054
3558 Reading	99,576
3562 Adult Education, Basic (Includes Rural and Workforce Initiatives) (Carryover Only)	90,568
3568 EAA Technical Assistance	2,175,599
3571 Palmetto Priority Schools	228,629
3577 Teacher Supplies (No Carryover Provision)	1,246,025
3578 High Schools That Work/Making Middle Grades Work	114,145
3588 IDEA Maintenance of Effort Special Allocation	8,027,746
3592 Work-Based Learning	307,112
3599 Other EIA	152,161
Total Revenue from State Sources	<u>39,493,445</u>
TOTAL REVENUE ALL SOURCES	<u>\$ 39,557,842</u>

(Continued)

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

Schedule B-4

SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT

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

YEAR ENDED JUNE 30, 2011

	<u>ACTUAL</u>
EXPENDITURES	
100 Instruction:	
110 General Instruction:	
111 Kindergarten Programs:	
100 Salaries	\$ 202,500
200 Employee Benefits	41,549
112 Primary Programs:	
100 Salaries	1,930,971
200 Employee Benefits	547,677
300 Purchased Services	192,762
400 Supplies and Materials	55,040
500 Capital Outlay	60,130
113 Elementary Programs:	
100 Salaries	1,556,130
150 TERI - Second Annual Leave Payout	1,490
200 Employee Benefits	374,058
300 Purchased Services	89,655
400 Supplies and Materials	318,126
500 Capital Outlay	26,982
114 High School Programs:	
100 Salaries	1,857,790
200 Employee Benefits	483,253
300 Purchased Services	86,671
400 Supplies and Materials	197,767
500 Capital Outlay	114,346
600 Other Objects	2,738
115 Career and Technology Education Program:	
100 Salaries	119,992
200 Employee Benefits	28,276
120 Exceptional Programs:	
121 Educable Mentally Handicapped:	
100 Salaries	45,000
200 Employee Benefits	9,179
122 Trainable Mentally Handicapped:	
100 Salaries	223,575
200 Employee Benefits	68,281
124 Visually Handicapped:	
100 Salaries	7,500
200 Employee Benefits	1,540
125 Hearing Handicapped:	
100 Salaries	15,000
200 Employee Benefits	\$ 3,129

(Continued)

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

Schedule B-4

SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT

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

YEAR ENDED JUNE 30, 2011

	<u>ACTUAL</u>
127 Learning Disabilities:	
100 Salaries	\$ 6,208,599
150 TERI - Second Annual Leave Payout	4,715
200 Employee Benefits	1,920,739
128 Emotionally Handicapped:	
100 Salaries	7,500
200 Employee Benefits	1,544
130 Pre-School Programs:	
137 Preschool Handicapped Self-Contained (3- and 4-Yr. Olds):	
100 Salaries	22,500
200 Employee Benefits	4,655
300 Purchased Services	1,917
400 Supplies and Materials	23,856
500 Capital Outlay	5,820
139 Early Childhood Programs:	
100 Salaries	2,517,775
200 Employee Benefits	810,891
300 Purchased Services	1,401
400 Supplies and Materials	21,414
140 Special Programs:	
141 Gifted and Talented - Academic:	
100 Salaries	2,034,412
200 Employee Benefits	602,325
400 Supplies and Materials	7,203
143 Advanced Placement:	
400 Supplies and Materials	37,424
148 Gifted and Talented - Artistic:	
100 Salaries	274,245
200 Employee Benefits	84,791
149 Other Special Programs:	
100 Salaries	956,602
200 Employee Benefits	279,034
170 Summer School Programs:	
172 Elementary Summer School:	
100 Salaries	7,050
200 Employee Benefits	2,120
400 Supplies and Materials	\$ 2,337

(Continued)

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

Schedule B-4

SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT

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

YEAR ENDED JUNE 30, 2011

	<u>ACTUAL</u>
175 Instructional Programs Beyond Regular School Day:	
100 Salaries	\$ 58,830
200 Employee Benefits	11,960
300 Purchased Services	4,528
400 Supplies and Materials	18,926
500 Capital Outlay	29,102
180 Adult/Continuing Educational Programs:	
181 Adult Basic Education Programs:	
100 Salaries	23,326
200 Employee Benefits	4,556
400 Supplies and Materials	613
182 Adult Secondary Education Programs:	
100 Salaries	94,327
200 Employee Benefits	26,339
183 Adult Education Literacy (ESL):	
100 Salaries	8,000
200 Employee Benefits	1,560
Total Instruction	<u>24,784,043</u>
200 Support Services:	
210 Pupil Services:	
211 Attendance and Social Work Services:	
100 Salaries	89,139
200 Employee Benefits	24,669
212 Guidance Services:	
100 Salaries	207,397
200 Employee Benefits	45,684
400 Supplies and Materials	2,450
213 Health Services:	
100 Salaries	35,632
200 Employee Benefits	7,469
400 Supplies and Materials	1,077
214 Psychological Services:	
100 Salaries	11,315
200 Employee Benefits	7,554
300 Purchased Services	2,598
400 Supplies and Materials	810
215 Exceptional Program Services:	
100 Salaries	4,100
200 Employee Benefits	1,601
300 Purchased Services	59,417
400 Supplies and Materials	\$ 2,016

(Continued)

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

Schedule B-4

SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT

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

YEAR ENDED JUNE 30, 2011

	<u>ACTUAL</u>
220 Instructional Staff Services:	
221 Improvement of Instruction-Curriculum Development:	
100 Salaries	\$ 2,944,758
200 Employee Benefits	823,520
300 Purchased Services	693
400 Supplies and Materials	3,039
222 Library and Media:	
100 Salaries	178,500
200 Employee Benefits	36,873
223 Supervision of Special Programs:	
100 Salaries	636,297
200 Employee Benefits	145,671
300 Purchased Services	37,778
400 Supplies and Materials	4,827
600 Other Objects	185
224 Improvement of Instruction - Inservice and Staff Training:	
100 Salaries	22,091
200 Employee Benefits	4,401
300 Purchased Services	167,146
400 Supplies and Materials	20,339
500 Capital Outlay	4,504
230 General Administration Services:	
233 School Administration:	
100 Salaries	29,501
200 Employee Benefits	10,266
250 Finance and Operations Services:	
251 Student Transportation (Federal/District Mandated):	
300 Purchased Services	6,634
270 Support Services - Pupil Activity:	
271 Pupil Services Activities:	
600 Other Objects (Optional)	17,200
Total Support Services	<u>5,597,151</u>
300 Community Services:	
390 Other Community Services:	
100 Salaries	43,227
200 Employee Benefits	13,222
300 Purchased Services	9,667
400 Supplies and Materials	85,694
Total Community Services	<u>\$ 151,810</u>

(Continued)

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

Schedule B-4

SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT

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

YEAR ENDED JUNE 30, 2011

	<u>ACTUAL</u>
410 Intergovernmental Expenditures:	
416 Payments to Public Charter Schools	
720 Transits	\$ 322,301
Total Intergovernmental Expenditures	<u>322,301</u>
TOTAL EXPENDITURES	<u>30,855,305</u>
 OTHER FINANCING SOURCES (USES)	
Interfund Transfers, From (To) Other Funds:	
5220 Transfer from Special Revenue Fund (Excludes Indirect Costs)	477,730
5230 Transfer from Special Revenue EIA Fund	2,719,605
420-710 Transfer to General Fund (Exclude Indirect Costs)	(9,077,157)
421-710 Transfer to Special Revenue Fund	(103,110)
422-710 Transfer to EIA Fund	(2,719,605)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(8,702,537)</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-5

SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT

SUMMARY SCHEDULE BY PROGRAM

YEAR ENDED JUNE 30, 2011

Program	Revenues	Expenditures	EIA Interfund Transfers In/(Out)	Other Fund Transfers In/(Out)	EIA Fund Deferred Revenue
3500 Education Improvement Act:					
3509 Arts in Education	\$ 13,064	13,064	-	-	\$ 2,512
3511 Professional Development	109,540	-	(109,540)	-	481,559
3526 Science Ket Refurbishment	232,462	232,462	-	-	166,353
3530 Trainable & Profoundly Mentally Disabled Student Services	242,495	264,681	-	22,186	40,824
3532 National Board Certification (NBC) Salary Supplement	4,519,485	4,519,485	-	-	-
3533 Teacher of the Year Awards (No Carryover Provision)	65,474	65,474	-	-	-
3538 Student at Risk of School Failure	10,059,354	11,631,549	-	1,572,195	8,258,218
3540 Four-Year Old Early Childhood Program	761,266	2,032,785	-	1,271,519	1,182,172
3542 Preschool Programs for Children with Disabilities	172,185	172,185	-	-	221,354
3544 High Achieving Students	2,594,370	2,925,805	-	331,435	451,929
3550 Teacher Salary Increase	6,506,145	-	-	(6,506,145)	-
3555 School Employer Contributions (No Carryover Provision)	1,362,387	-	-	(1,362,387)	-
3556 Adult Education	478,054	478,054	-	-	204,063
3558 Reading	99,576	-	(99,576)	-	340,235
3562 Adult Education, Basic (Rural And Workforce Initiative)	90,568	90,568	-	-	-
3568 EAA Technical Assistance	2,175,599	-	(2,175,599)	-	-
3571 Palmetto Priority Schools	228,629	16,059	(212,570)	-	-
3577 Teacher Supplies	1,246,025	37,400	-	(1,208,625)	94,875
3578 High Schools That Work	114,145	11,035	-	(103,110)	49,866
3588 IDEA Maintenance of Effort Special Allocation	8,027,746	8,027,746	-	-	-
3592 School-to-Work Transition Act	307,112	184,792	(122,320)	-	37,422
3598 Flex Cost Savings	-	-	-	-	170,885
3599 Other EIA	152,161	152,161	-	-	41,923
Totals	\$ 39,557,842	30,855,305	(2,719,605)	(5,982,932)	\$ 11,744,190

Note: Included in Program 3533 Revenues is \$64,397 of Other Local Sources Revenue (Revenue Code #1999).

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

Schedule B-6

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

YEAR ENDED JUNE 30, 2011

Program	Project/Grant Number	Revenue & Subfund Code	Description	Amount Due to State Department of Education or Federal Government	Status of Amount Due to Grantors
NONE					

THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA

Schedule C-1

DEBT SERVICE FUND - DISTRICT

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

YEAR ENDED JUNE 30, 2011

	REVISED BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE WITH FINAL BUDGET- POSITIVE (NEGATIVE)
REVENUES			
1000 Revenue from Local Sources:			
1100 Taxes:			
1110 Ad Valorem Taxes-Including Delinquent (Fiscally Independent LEA)	\$ 77,752,000	77,352,865	\$ (399,135)
1200 Revenue from Local Governmental Units Other than LEAs:			
1280 Revenue in Lieu of Taxes (Dependent and Independent)	4,942,000	5,053,271	111,271
1500 Earnings on Investments:			
1510 Interest on Investments	509,600	450,538	(59,062)
Total Revenue from Local Sources	83,203,600	82,856,674	(346,926)
3000 Revenue from State Sources:			
3800 State Revenue in Lieu of Taxes:			
3820 Homestead Exemption(Tier 2)	2,500,000	2,634,221	134,221
3830 Merchant's Inventory Tax	375,000	374,992	(8)
3840 Manufacturers Depreciation Reimbursement	800,000	844,188	44,188
3890 Other State Property Tax Revenues (Includes Motor Carrier Vehicle Tax)	118,000	133,967	15,967
Total Revenue from State Sources	3,793,000	3,987,368	194,368
4000 Revenue from Federal Sources:			
4900 Other Federal Sources:			
4999 Revenue from Other Federal Sources	-	521,190	521,190
Total Revenue from Federal Sources	-	521,190	521,190
TOTAL REVENUE ALL SOURCES	86,996,600	87,365,232	368,632
EXPENDITURES			
500 Debt Service:			
610 Redemption of Principal	4,747,000	4,747,000	-
620 Interest	1,201,972	1,721,873	(519,901)
690 Other Objects (Includes Fees for Servicing Bonds)	125,496	130,496	(5,000)
Total Debt Service	6,074,468	6,599,369	(524,901)
TOTAL EXPENDITURES	6,074,468	6,599,369	(524,901)
OTHER FINANCING SOURCES (USES)			
5110 Premium on Bonds Sold	123,540	123,540	-
5120 Proceeds of General Obligation Bonds	14,302,000	14,302,000	-
Interfund Transfers, From (To) Other Funds:			
423-710 Transfer to Debt Service Fund - BEST	(66,288,596)	(64,303,826)	1,984,770
424-710 Transfer to Capital Projects Fund	(36,804,273)	(36,804,274)	(1)
TOTAL OTHER FINANCING SOURCES (USES)	(88,667,329)	(86,682,560)	1,984,769
EXCESS/DEFICIENCY OF REVENUES AND EXPENDITURES	(7,745,197)	(5,916,697)	1,828,500
FUND BALANCE, Beginning of Year	12,068,040	12,068,040	-
FUND BALANCE, End of Year	\$ 4,322,843	6,151,343	\$ 1,828,500

Note 1 - The School District issued four short-term General Obligation Bonds in the fall of 2010 totaling \$88,250,000 to fund the annual BEST debt service and for additional capital projects. As these bonds are short-term in nature, the proceeds received and the related principal payments are not reflected in the financial statements, in accordance with generally accepted accounting principles. The School District received premiums of \$542,826, net of issuance costs of \$260,035, upon the issuance of these Bonds. These Bonds, including interest of \$728,813, were repaid in June 2011 with the revenues received from property taxes. The premiums received have been netted against the interest paid for financial statement presentation.

THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA

Schedule C-2

DEBT SERVICE FUND - BEST

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

YEAR ENDED JUNE 30, 2011

	REVISED BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE WITH FINAL BUDGET- POSITIVE (NEGATIVE)
REVENUES			
1500 Earnings on Investments:			
1510 Interest on Investments	\$ 4,809,394	8,760,417	\$ 3,951,023
Total Revenue from Local Sources	4,809,394	8,760,417	3,951,023
TOTAL REVENUE ALL SOURCES	4,809,394	8,760,417	3,951,023
EXPENDITURES			
500 Debt Service:			
610 Redemption of Principal	29,305,000	29,305,000	-
620 Interest	53,131,082	53,131,081	1
Total Debt Service	82,436,082	82,436,081	1
TOTAL EXPENDITURES	82,436,082	82,436,081	1
OTHER FINANCING SOURCES (USES)			
Interfund Transfers, From (To) Other Funds:			
5240 Transfer from Debt Service Fund - District	66,325,539	64,303,826	(2,021,713)
TOTAL OTHER FINANCING SOURCES (USES)	66,325,539	64,303,826	(2,021,713)
EXCESS/DEFICIENCY OF REVENUES AND EXPENDITURES	(11,301,149)	(9,371,838)	1,929,311
FUND BALANCE, Beginning of Year	151,217,289	151,217,289	-
FUND BALANCE, End of Year	\$ 139,916,140	141,845,451	\$ 1,929,311

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

Schedule D-1

CAPITAL PROJECTS FUND - DISTRICT

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

YEAR ENDED JUNE 30, 2011

	REVISED BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE WITH FINAL BUDGET- POSITIVE (NEGATIVE)
REVENUES			
1000 Revenue from Local Sources:			
1500 Earnings on Investments:			
1510 Interest on Investments	\$ 5,738,720	8,836,839	\$ 3,098,119
1900 Other Revenue from Local Sources:			
1920 Contributions & Donations Private Sources	-	10,000	10,000
1999 Revenue from Other Local Sources	59,516	65,266	5,750
Total Revenue from Local Sources	<u>5,798,236</u>	<u>8,912,105</u>	<u>3,113,869</u>
3000 Revenue from State Sources:			
3100 Restricted State Funding:			
3172 Children's Education Endowment (Barnwell Facilities Fund)	153,000	153,049	49
Total Revenue from State Sources	<u>153,000</u>	<u>153,049</u>	<u>49</u>
4000 Revenue from Federal Sources:			
4900 Other Federal Sources:			
4999 Revenue from Other Federal Sources	1,188,194	1,165,387	(22,807)
Total Revenue from Federal Sources	<u>1,188,194</u>	<u>1,165,387</u>	<u>(22,807)</u>
TOTAL REVENUE ALL SOURCES	<u>7,139,430</u>	<u>10,230,541</u>	<u>3,091,111</u>
EXPENDITURES			
250 Finance and Operations:			
253 Facilities Acquisition & Construction:			
100 Salaries	1,001,000	1,097,475	(96,475)
150 TERI - Second Annual Leave Payout	-	1,905	(1,905)
200 Employee Benefits	280,000	296,192	(16,192)
300 Purchased Services	4,994,849	4,972,537	22,312
400 Supplies and Materials	247,057	786,686	(539,629)
500 Capital Outlay:			
510 Land	3,711,000	2,282,063	1,428,937
520 Construction Services	32,460,458	22,384,246	10,076,212
530 Improvements Other Than Buildings	216,035	23,971	192,064
540 Equipment	1,860,118	297,500	1,562,618
545 Technology, Equipment and Software	5,842,047	3,456,960	2,385,087
550 Vehicles	-	36,114	(36,114)
580 Mobile Classrooms	400,000	101,264	298,736
600 Other Objects:			
690 Other Objects	934,821	1,512,650	(577,829)
Total Support Services	<u>51,947,385</u>	<u>37,249,563</u>	<u>14,697,822</u>
TOTAL EXPENDITURES	<u>51,947,385</u>	<u>37,249,563</u>	<u>14,697,822</u>
OTHER FINANCING SOURCES (USES)			
5300 Sale of Capital Assets	944,075	944,075	-
Interfund Transfers, From (To) Other Funds:			
5240 Transfer from Debt Service Fund	36,804,274	36,804,274	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>37,748,349</u>	<u>37,748,349</u>	<u>-</u>
EXCESS/DEFICIENCY OF REVENUES AND EXPENDITURES	(7,059,606)	10,729,327	17,788,933
FUND BALANCE, Beginning of Year	<u>65,435,922</u>	<u>65,435,922</u>	<u>-</u>
FUND BALANCE, End of Year	<u>\$ 58,376,316</u>	<u>76,165,249</u>	<u>\$ 17,788,933</u>

Note: Revenue code 4999 is revenue received from the South Carolina Energy Office. In accordance with the terms of the grant, the District will repay 25% of the grant amount in a zero-interest bearing loan over 3 years.

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

Schedule D-2

CAPITAL PROJECTS FUND - BEST

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

YEAR ENDED JUNE 30, 2011

	REVISED BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE WITH FINAL BUDGET- POSITIVE (NEGATIVE)
REVENUES			
1000 Revenue from Local Sources:			
1500 Earnings on Investments:			
1510 Interest on Investments	\$ 5,000	30,807	\$ 25,807
1900 Other Revenue from Local Sources:			
1999 Revenue from Other Local Sources	-	13,950	13,950
Total Revenue from Local Sources	5,000	44,757	39,757
TOTAL REVENUE ALL SOURCES	5,000	44,757	39,757
EXPENDITURES			
250 Finance and Operations:			
253 Facilities Acquisition & Construction:			
300 Purchased Services	89,213	98,951	(9,738)
400 Supplies and Materials	524,717	554,335	(29,618)
500 Capital Outlay:			
520 Construction Services	6,968,231	608,010	6,360,221
540 Equipment	37,464	41,965	(4,501)
545 Technology, Equipment and Software	280,288	305,573	(25,285)
Total Support Services	7,899,913	1,608,834	6,291,079
500 Debt Service:			
690 Other Objects	275,096	458,061	(182,965)
Total Debt Service	275,096	458,061	(182,965)
TOTAL EXPENDITURES	8,175,009	2,066,895	6,108,114
EXCESS/DEFICIENCY OF REVENUES AND EXPENDITURES	(8,170,009)	(2,022,138)	6,147,871
FUND BALANCE, Beginning of Year	9,491,012	9,491,012	-
FUND BALANCE, End of Year	\$ 1,321,003	7,468,874	\$ 6,147,871

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

Schedule E-1

FOOD SERVICE FUND

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS

YEAR ENDED JUNE 30, 2011

	<u>ACTUAL</u>
REVENUES	
1000 Revenues from Local Sources:	
1500 Earnings on Investments:	
1510 Interest on Investments	\$ 31,823
1600 Food Service:	
1610 Lunch Sales to Pupils	5,030,929
1620 Breakfast Sales to Pupils	237,647
1630 Special Sales to Pupils	5,898,544
1640 Lunch Sales to Adults	486,164
1650 Breakfast Sales to Adults	19,476
1660 Special Sales to Adults	219,058
1900 Other Revenue from Local Sources:	
1992 Canteen Operations	41,009
1999 Revenue from Other Local Sources	196,802
Total Revenue from Local Sources	<u>12,161,452</u>
3000 Revenue from State Sources:	
3100 Restricted State Funding:	
3140 School Lunch:	
3142 Program Aid	26,260
Total Revenue from State Sources	<u>26,260</u>
4000 Revenue from Federal Sources:	
4800 USDA Reimbursement:	
4810 School Lunch and After School Snacks Program	13,900,312
4830 School Breakfast Program	3,942,820
4860 Fresh Fruit & Vegetable Program (FFVP) (Carryover Provision)	111,442
4900 Other Federal Sources:	
4991 USDA Commodities (Food Distribution Program) (Carryover Provision)	1,829,125
Total Revenue from Federal Sources	<u>19,783,699</u>
TOTAL REVENUE ALL SOURCES	<u>31,971,411</u>
EXPENSES	
256 Food Service:	
100 Salaries	9,451,854
150 TERI - Second Annual Leave Payout	6,113
200 Employee Benefits	-
300 Purchased Services (Exclude Gas, Oil, Electricity and Other Heating Fuels)	973,092
400 Supplies and Materials (Include Gas, Oil, Electricity and Other Heating Fuels)	17,218,460
500 Capital Outlay	1,232,413
600 Other Objects	94,949
Total Food Services Expenses	<u>28,976,881</u>
TOTAL EXPENSES	<u>\$ 28,976,881</u>

(Continued)

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

Schedule E-1

FOOD SERVICE FUND

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS

YEAR ENDED JUNE 30, 2011

	<u>ACTUAL</u>
OTHER FINANCING SOURCES (USES)	
432-791 Food Service Fund Indirect Costs	\$ (1,613,000)
Contributed Capital	870,295
TOTAL OTHER FINANCING SOURCES (USES)	<u>(742,705)</u>
EXCESS/DEFICIENCY OF REVENUES AND EXPENDITURES	2,251,825
FUND NET ASSETS, Beginning of Year	<u>15,968,093</u>
FUND NET ASSETS, End of Year	<u>\$ 18,219,918</u>

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

Schedule F-1

PUPIL ACTIVITY FUND

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

YEAR ENDED JUNE 30, 2011

	<u>ACTUAL</u>
RECEIPTS	
1000 Receipts from Local Sources:	
1500 Earnings on Investments:	
1510 Interest on Investments	\$ 39,955
1700 Pupil Activities:	
1710 Admissions	1,660,141
1720 Bookstore Sales	23,284
1730 Pupil Organization Membership Dues and Fees	233,036
1740 Student Fees	174,609
1790 Other	16,953,271
1900 Other Revenue from Local Sources	
1920 Contributions and Donations Private Sources	2,075,321
Total Receipts from Local Sources	<u>21,159,617</u>
TOTAL RECEIPTS ALL SOURCES	<u>21,159,617</u>
DISBURSEMENTS	
190 Instructional Pupil Activity:	
660 Pupil Activity	1,603,952
Total Instruction	<u>1,603,952</u>
270 Support Services Pupil Activity:	
271 Pupil Service Activities:	
660 Pupil Activity	6,744,385
272 Enterprise Activities:	
660 Pupil Activity	8,374,301
273 Trust and Agency Activities:	
660 Enterprise Activity	3,181,600
Total Pupil Activity Expenditures	<u>18,300,286</u>
TOTAL DISBURSEMENTS	<u>19,904,238</u>
EXCESS/DEFICIENCY OF REVENUES AND EXPENDITURES	1,255,379
STUDENT ORGANIZATIONS, Beginning of Year	<u>7,661,232</u>
STUDENT ORGANIZATIONS, End of Year	<u><u>\$ 8,916,611</u></u>

THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA

Schedule F-2

PUPIL ACTIVITY FUND

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

YEAR ENDED JUNE 30, 2011

	BEGINNING BALANCE	ADDITIONS	REDUCTIONS	ENDING BALANCE
ASSETS				
Cash and Cash Equivalents	\$ 1,738,675	1,309,500	1,368,501	\$ 1,679,674
Prepaid Expenditures	-	5,554	-	5,554
Accounts Receivable	6,550,011	1,368,500	-	7,918,511
TOTAL ASSETS	\$ 8,288,686	2,683,554	1,368,501	\$ 9,603,739
LIABILITIES				
Accounts Payable	\$ 627,454	687,128	627,454	\$ 687,128
Due to Student Organizations	7,661,232	1,255,379	-	8,916,611
TOTAL LIABILITIES	\$ 8,288,686	1,942,507	627,454	\$ 9,603,739

THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA

Schedule G-1

DISCRETELY PRESENTED COMPONENT UNITS - CHARTER SCHOOLS

COMBINING SCHEDULE OF NET ASSETS

JUNE 30, 2011

	Greenville Technical Charter High School	Meyer Center For Special Children	Langston Charter Middle School	Brashier Middle College Charter High School	Legacy Charter School	Greer Middle College	Lead Academy Charter School	TOTALS
ASSETS								
Cash and Cash Equivalents	\$ 454,833	428,356	351,160	811,498	107,628	18,250	30,841	\$ 2,202,566
Investments	473,151	39,250	73,701	-	-	-	-	586,102
Accounts Receivable, Net	19,632	226,226	-	600	-	-	5,174	251,632
Other Assets	71,255	5,000	42,251	85,111	4,150	1,045	-	208,812
Depreciable Capital Assets, Net	440,623	3,520,089	98,903	136,314	773,863	816,162	21,581	5,807,535
TOTAL ASSETS	\$ 1,459,494	4,218,921	566,015	1,033,523	885,641	835,457	57,596	\$ 9,056,647
LIABILITIES								
Accounts Payable and Accrued Expenses	\$ 189,961	28,302	210,548	190,914	210,755	208,359	6,337	\$ 1,045,176
Unearned Revenue	172,805	-	5,360	3,139	-	-	-	181,304
Non-Current Liabilities - Due in One Year	-	-	-	-	146,136	-	-	146,136
Non-Current Liabilities - Due in More than One Year	550,456	753,596	-	341,754	-	192,434	-	1,838,240
TOTAL LIABILITIES	913,222	781,898	215,908	535,807	356,891	400,793	6,337	3,210,856
NET ASSETS								
Invested in Capital Assets, Net of Related Debt	440,623	2,766,493	98,903	136,314	755,143	816,162	21,581	5,035,219
Restricted	136,000	442,243	2,500	-	-	-	-	580,743
Unrestricted	(30,351)	228,287	248,704	361,402	(226,393)	(381,498)	29,678	229,829
Total Net Assets	\$ 546,272	3,437,023	350,107	497,716	528,750	434,664	51,259	\$ 5,845,791

DISCRETELY PRESENTED COMPONENT UNITS - CHARTER SCHOOLS

COMBINING SCHEDULE OF ACTIVITIES

JUNE 30, 2011

FUNCTIONS/PROGRAMS	PROGRAM REVENUES				Greenville Technical Charter High School	Meyer Center For Special Children	Langston Charter Middle School	Brashier Middle College Charter High School	Legacy Charter School	Greer Middle College	Lead Academy Charter School	Total Charter Schools
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Contributions								
Governmental Activities:												
Greenville Technical Charter												
Instruction	\$ 2,015,898	4,040	187,782	-	(1,824,076)							\$ (1,824,076)
Support Services	1,081,431	73,419	89,533	-	(918,479)							(918,479)
	<u>3,097,329</u>	<u>77,459</u>	<u>277,315</u>	<u>-</u>	<u>(2,742,555)</u>							
Meyer Center for Special Children												
Instruction	1,798,270	1,073,865	-	-		(724,405)						(724,405)
Support Services	884,842	-	-	-		(884,842)						(884,842)
Interest and Other Charges	77,603	-	-	-		(77,603)						(77,603)
Depreciation - Unallocated	172,966	-	-	-		(172,966)						(172,966)
	<u>2,933,681</u>	<u>1,073,865</u>	<u>-</u>	<u>-</u>		<u>(1,859,816)</u>						
Langston Charter Middle												
Instruction	1,203,316	-	-	-			(1,203,316)					(1,203,316)
Support Services	923,967	-	-	-			(923,967)					(923,967)
Depreciation - Unallocated	45,230	-	-	-			(45,230)					(45,230)
	<u>2,172,513</u>	<u>-</u>	<u>-</u>	<u>-</u>			<u>(2,172,513)</u>					
Brashier Middle College												
Instruction	1,529,515	-	5,830	-				(1,523,685)				(1,523,685)
Support Services	973,763	-	71,633	-				(902,130)				(902,130)
	<u>2,503,278</u>	<u>-</u>	<u>77,463</u>	<u>-</u>				<u>(2,425,815)</u>				
Legacy Charter School												
Instruction	2,974,259	-	1,915,244	-					(1,059,015)			(1,059,015)
Support Services	1,800,844	-	1,060,631	-					(740,213)			(740,213)
	<u>4,775,103</u>	<u>-</u>	<u>2,975,875</u>	<u>-</u>					<u>(1,799,228)</u>			
Greer Middle College												
Instruction	1,215,462	-	152,652	-						(1,062,810)		(1,062,810)
Support Services	647,500	-	9,250	-						(638,250)		(638,250)
Interest and other charges	1,150	-	-	-						(1,150)		(1,150)
	<u>1,864,112</u>	<u>-</u>	<u>161,902</u>	<u>-</u>						<u>(1,702,210)</u>		
Lead Academy Charter School												
Instruction	435,140	-	482,909	-							47,769	47,769
Support Services	151,477	-	168,106	-							16,629	16,629
Interest and other charges	475	-	-	-							(475)	(475)
	<u>587,092</u>	<u>-</u>	<u>651,015</u>	<u>-</u>							<u>63,923</u>	
Total Governmental Activities	<u>17,933,108</u>	<u>1,151,324</u>	<u>4,143,570</u>	<u>-</u>	<u>(2,742,555)</u>	<u>(1,859,816)</u>	<u>(2,172,513)</u>	<u>(2,425,815)</u>	<u>(1,799,228)</u>	<u>(1,702,210)</u>	<u>63,923</u>	<u>(12,638,214)</u>
Business-Type Activities:												
Legacy Charter School												
Student Nutrition	362,854	-	279,673	-	-	-	-	-	(83,181)	-	-	(83,181)
Lead Academy Chater School												
Student Nutrition	72,852	-	46,286	-	-	-	-	-	-	-	(26,566)	(26,566)
Total Business-Type Activities	<u>435,706</u>	<u>-</u>	<u>325,959</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(83,181)</u>	<u>-</u>	<u>(26,566)</u>	<u>(109,747)</u>
Total	<u>\$ 18,368,814</u>	<u>1,151,324</u>	<u>4,469,529</u>	<u>-</u>	<u>(2,742,555)</u>	<u>(1,859,816)</u>	<u>(2,172,513)</u>	<u>(2,425,815)</u>	<u>(1,882,409)</u>	<u>(1,702,210)</u>	<u>37,357</u>	<u>(12,747,961)</u>
GENERAL REVENUES												
General Revenues:												
Grants and Contributions Not Restricted to Specific Programs					28,330	1,276,310	39,135	-	1,622,985	-	-	2,966,760
Unrestricted Investment Earnings					44,184	6,348	1,509	10,103	-	1,379	-	63,523
Miscellaneous					144,675	105,599	46,008	37,502	-	50,818	30,183	414,785
Intergovernmental Revenue					2,541,701	232,706	1,927,476	2,543,624	-	1,703,048	-	8,948,555
Total General Revenue					<u>2,758,890</u>	<u>1,620,963</u>	<u>2,014,128</u>	<u>2,591,229</u>	<u>1,622,985</u>	<u>1,755,245</u>	<u>30,183</u>	<u>12,393,623</u>
CHANGE IN NET ASSETS					<u>16,335</u>	<u>(238,853)</u>	<u>(158,385)</u>	<u>165,414</u>	<u>(259,424)</u>	<u>53,035</u>	<u>67,540</u>	<u>(354,338)</u>
NET ASSETS, Beginning of Year					<u>529,937</u>	<u>3,675,876</u>	<u>508,492</u>	<u>332,302</u>	<u>788,174</u>	<u>381,629</u>	<u>(16,281)</u>	<u>6,200,129</u>
NET ASSETS, End of Year					<u>\$ 546,272</u>	<u>3,437,023</u>	<u>350,107</u>	<u>497,716</u>	<u>528,750</u>	<u>434,664</u>	<u>51,259</u>	<u>\$ 5,845,791</u>