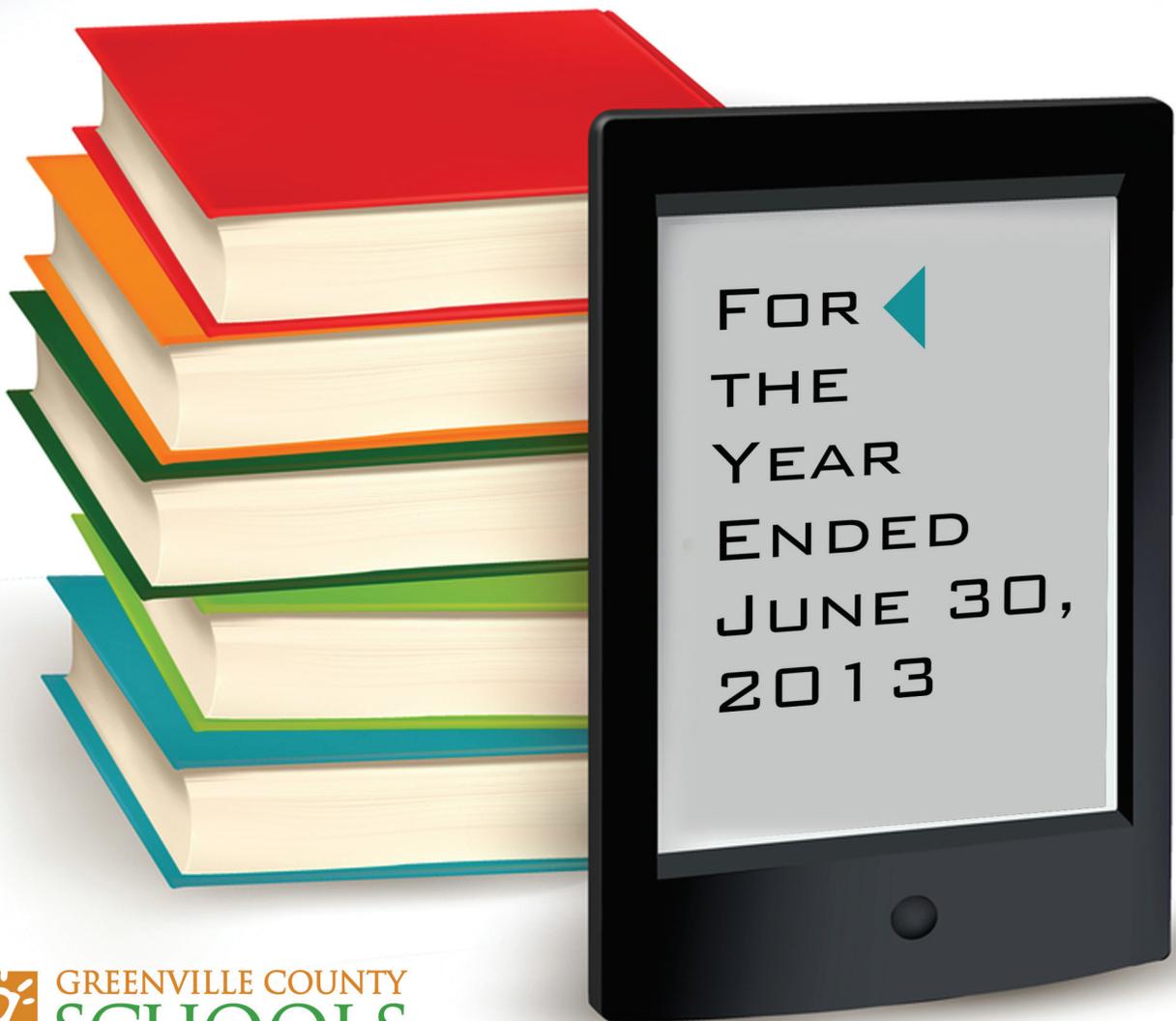


# The School District of Greenville County Comprehensive Annual Financial Report 2013

Greenville, South Carolina

[www.greenville.k12.sc.us](http://www.greenville.k12.sc.us)





# The School District of Greenville County

Greenville, South Carolina



Where Enlightening Strikes

## Comprehensive Annual Financial Report

For the Year Ended June 30, 2013

Prepared By:

The Office of the Executive Director of Finance

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

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

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GREENVILLE, SOUTH CAROLINA**

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GREENVILLE, SOUTH CAROLINA**

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



# THE SCHOOL

DISTRICT OF GREENVILLE COUNTY

## BOARD OF TRUSTEES JUNE 30, 2013



**Seated, left to right:**

Glenda Morrison-Fair, Danna Rohleder, Lisa H. Wells, Joy Grayson,  
Lynda Leventis-Wells, Megan E. Hickerson.

**Standing, left to right:**

Patrick L. Sudduth, Dr. Crystal Ball O'Connor, Kenneth E. Baxter,  
Roger Meek, Debi C. Bush, Charles J. (Chuck) Saylor.



# THE SCHOOL DISTRICT OF GREENVILLE COUNTY

## *ADMINISTRATIVE STAFF*

---

### **Superintendent**

**Mr. W. Burke Royster**

Deputy Superintendent (Interim)

Mr. Leroy Hamilton

Assistant Superintendent for:

School Leadership – Elementary

Dr. Penny Rogers

School Leadership – Elementary

Dr. Michelle Meekins

School Leadership – Middle

Mr. Phillip Davie

School Leadership – High

Dr. Ken Peake

Associate Superintendent for Academics

Dr. DeeDee Washington

Assistant Superintendent for:

Special Education

Mrs. Susan Griffin

Special Academic Programs

Mr. Alex Martin

Executive Director of:

Construction

Mr. Terry Mills

Education Technology

Mr. Bill Brown

Finance

Mr. Jeff Knotts

Human Resources

Mrs. Lynn Gibbs

Planning, Demographics & Transportation

Mrs. Betty Farley

General Counsel

Mr. Doug Webb

Director of Communications

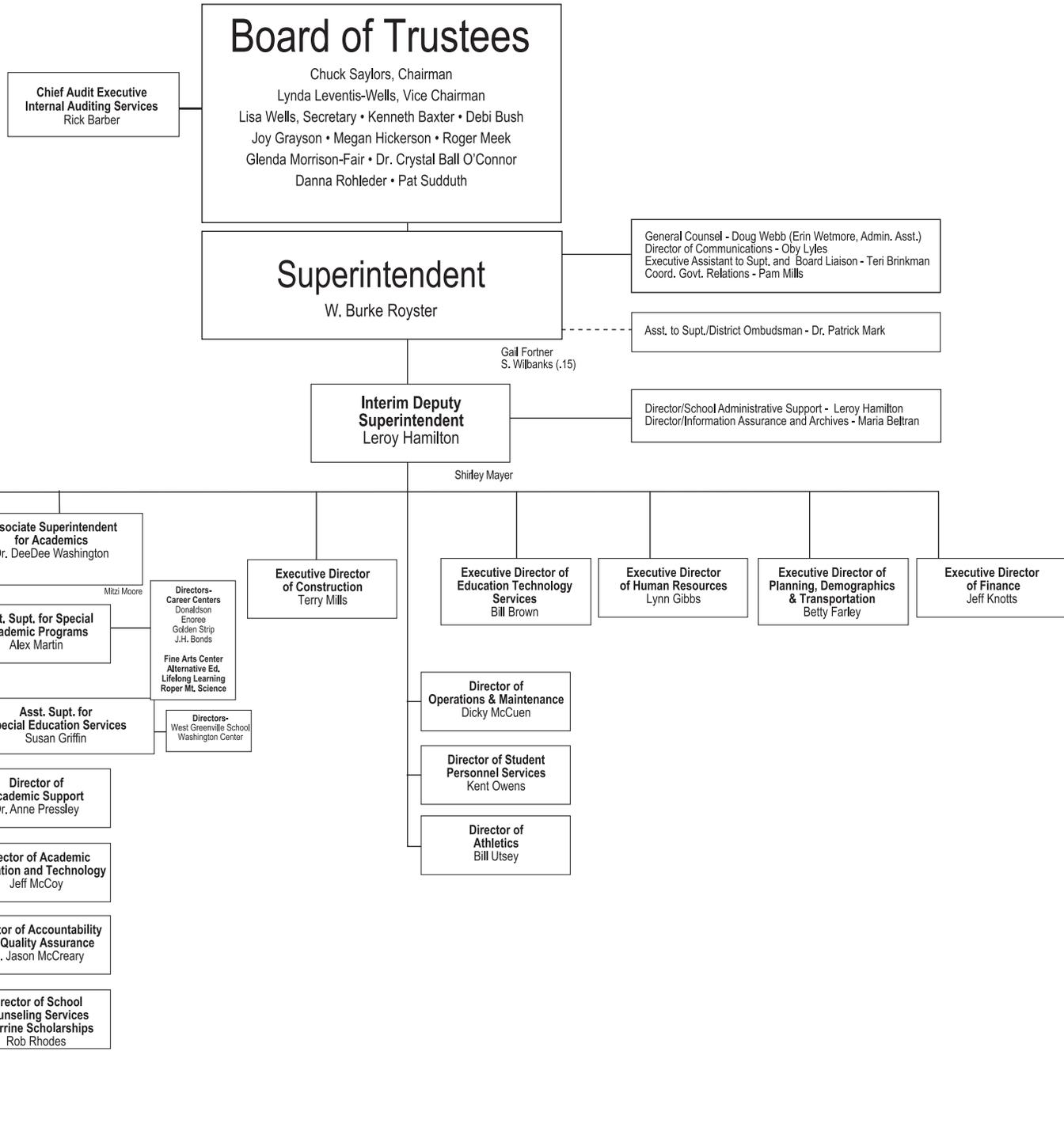
Mr. Oby Lyles

Coordinator of Government Relations

Mrs. Pam Mills

Executive Assistant to Superintendent and Board Liaison

Mrs. Teri Brinkman



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



October 25, 2013

## **To the Citizens of The School District of Greenville County**

We are pleased to submit to you the comprehensive annual financial report (“CAFR”) of The School District of Greenville County (“School District”) for the fiscal year ended June 30, 2013. State law requires that all school districts publish within five months of the close of each fiscal year a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America (“GAAP”) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants.

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

The School District of Greenville County’s financial statements have been audited by Greene, Finney & Horton, LLP. The goal of the independent audit was to provide reasonable assurance that the financial statements of The School District of Greenville County for the fiscal year ended June 30, 2013 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded that there was a reasonable basis for rendering an unmodified opinion that The School District of Greenville County’s financial statements for the fiscal year ended June 30, 2013 are fairly presented in conformity with GAAP. The independent auditor’s report is presented as the first component of the financial section of this report.

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

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

## **Profile of The School District of Greenville County**

Long recognized as a leader in public education, The School District of Greenville County is the largest school district in South Carolina and the 47th largest district in the nation, with approximately 71,780 students. It is a consolidated, unified system formed in 1951 when 82 local school districts merged. Comprised of virtually all of Greenville County and a small portion of Laurens and Spartanburg counties, the School District of Greenville County spans 789 square miles and consists of more than 100 schools and facilities that offer a large variety of excellent educational programs. The School District of Greenville County has received international recognition as a high quality school district by receiving National Accreditation from AdvancED, which provides a distinguished mark of quality for the school district, and its schools, students, teachers, and the community.

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

Each day, the School District challenges and inspires young people in grades Pre K-12 to meet the demands of the future. In addition to the 83 elementary, middle, and high schools, and four career centers, the School District has several special centers. These include a Fine Arts Center, Child Development Centers, Roper Mountain Science Center, Washington Center for the Handicapped and International Baccalaureate programs at twelve schools (elementary, middle, and high). The School District is the State leader in school choice, featuring schools of various sizes in urban, suburban and rural settings, and magnet academies offering specialized studies in areas such as communication arts, languages, the arts, and science and mathematics. About 15% of our students take advantage of school choice to match their needs and interests.

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

## **Budgetary Control**

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

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### **School District Mission Statement**

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

#### **Education Plan Priorities for Performance**

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

In the fall of each year, the School District begins its budget process for the fiscal year beginning the following July 1. 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 review and adjustment. The Superintendent presents the resulting proposed budget to the Board of Trustees, which reviews it in a series of workshops and makes any additions or deletions it deems necessary. The final budget is adopted by the Board of Trustees for all funds except certain special revenue and fiduciary funds, prior to July 1 of each year.

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

### **Factors Affecting Financial Condition**

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

## **Local Economy**

Greenville County is one of the premiere centers for business in the Southeast region. It serves as the service, manufacturing, and R&D center for upstate South Carolina. Greenville County cultivates a pro-business environment with a low cost of doing business, low cost of living, skilled worker availability, exceptional quality of life and top notch educational institutions. Over 60 Fortune 500 Companies have a presence in Greenville County. The County has long been recognized as a prime location for international investment and was rated #1 in the nation for both new and expanding international firms by Site Selection Magazine. As a result of a strong business climate and a high quality of life, over 80 international firms are located in Greenville County. Over the last decade, 30 international companies have either opened new or expanded current offices in the county representing over \$1 billion in investments and 1,500 new jobs. Greenville County is the location of many major companies, foreign and domestic. Some of the major companies located in Greenville County include Abitibi Bowater, Bausch & Lomb, CSX, Fluor Corporation, General Electric, Hubbell Lighting, Michelin North America, Proterra, Rockwell Automation, TD Bank and W.W. Grainger.

During the past 15 years, strong county economic planning efforts have enabled the manufacturing sector to diversify away from historically concentrated textile employment toward high technology. During the same period, the service and trade sectors have continued to expand. The economic downturn is nothing to underestimate, but Greenville's economic success story continues to be strong with announcements of capital investment. Over the past five years, 2008 – 2012, announced capital investment totaled \$1.18 billion and includes the addition of 9,094 planned new jobs.

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

The local economy is showing signs of improvement as the unemployment rate dropped to 7.1% in June 2013 from 8.2% in June 2012. The housing market is also showing signs of improvement with a 40% increase in residential building permit activity. The industrial real estate market continues to improve with a drop in the vacancy rate to 8.9%, a decline from 9.8% in the previous year.

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

## **Long-Term Financial Planning**

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

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

The District has also planned various capital improvements over the next five years. These capital improvements will be paid for with the proceeds of general obligation bonds issued by the District. Greenville County Schools has maintained the highest credit ratings for South Carolina school districts based on statements recently released by Standard and Poor's and Moody's rating agencies. A higher credit rating for the school district results in lower interest costs when borrowing money.

As the largest school district in the State of South Carolina, the District must plan ahead for future school years. Increase in student enrollment, effect of the economy, and change in instruction delivery, i.e. technology, are all items with both current and long range impact. Planning is embedded in the budget process each year. Even though the District presents an official budget to the Board on an annual basis, the administration reviews revenue and expenditure projections for the next several years. When the economic downturn began in fiscal year 2008, the District put in place a plan to increase fund balance in order to ease the effect of the funding cliff created by the end of the government stimulus funding. By utilizing State Fiscal Stabilization funds and instituting procedures to generate additional savings within the general fund budget, the General Fund – Fund Balance increased from \$48,340,093 as of June 30, 2009 to \$80,095,291 as of June 30, 2012. Beginning in FY13, the District included a portion of fund balance in the General Fund budget and thus began the planned usage of fund balance over the course of several years until revenues increase to a level that sustains the instructional process without deep budget cuts.

### **Financial Policies and Practices**

The Board of Trustees policy includes a fund balance policy that requires the District to maintain a minimum fund balance of 8.33% of total general fund expenditures. The administration utilizes this policy to assist with cash flow during the fall of the year before tax revenues are received. One half of the funds, set aside by this policy, are available to meet short term needs. Additional usage may only be made available by majority vote of the full board, and if so used, must be replaced through budgeting revenues to exceed expenditures by at least 1% until the fund is restored to the 8.33% level. Planning when large expenditures are made keeps cash needs manageable during the fall months without the expense of borrowing.

### **Major Initiatives**

School safety has been at the forefront of the School District efforts with all school buildings updated to include a monitored and contained visitor entry. Also, the school district was awarded an almost \$500,000 national grant to purchase safety equipment, to provide training, and to develop a comprehensive emergency preparedness plan that has served as a model for other districts.

As security concerns continue to grow across the nation, the School District is working with the local law enforcement agencies to significantly enhance security across the School District by utilizing off-duty deputies to patrol each of our schools and centers, that do not have a School Resource Office (“SRO”), on a random schedule, multiple times each school day. In addition, law enforcement and School District administrative staff members spent time developing recommendations to enhance security, particularly at school entrances. Recommendations include changes to procedures at some schools, facility upgrades at others, and revised protocols across the School District.

Greenville County is in the process of upgrading the infrastructure at all schools to support a heavy wireless overlay. This will allow schools to implement a Bring Your Own Device initiative or One to One technology initiative.

### **Awards and Acknowledgements**

The Government Finance Officers Association of the United States and Canada (“GFOA”) awarded a Certificate of Achievement for Excellence in Financial Reporting to The School District of Greenville County for its CAFR for the fiscal year ended June 30, 2012. This was the twenty seventh consecutive year that the School District has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements.

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

In addition, the School District was also awarded The Association of School Business Officials International Certificate of Excellence in Financial Reporting for its comprehensive annual financial report for the fiscal year ended June 30, 2012. This award is the highest form of recognition in school financial reporting issued by the Association of School Business Officials International. The School District is pleased to receive this award and we believe our current report continues to conform to the Program requirements as a Certificate of Excellence is valid for one year only.

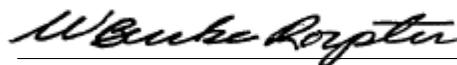
When a project of this magnitude is undertaken, many people are deserving of thanks. Even so, sincere appreciation is expressed to the entire staff in the Finance Department who’s dedicated and efficient services have made the timely preparation of this report possible. Thanks also to The School District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

Respectfully submitted,



---

Jeffrey S. Knotts  
Executive Director of Finance



---

W. Burke Royster  
Superintendent



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**The School District  
of Greenville County  
South Carolina**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2012**

Executive Director/CEO

# Association of School Business Officials International



*The Certificate of Excellence in Financial Reporting Award  
is presented to*

## The School District of Greenville County

*For Its Comprehensive Annual Financial Report (CAFR)  
For the Fiscal Year Ended June 30, 2012*

The CAFR has been reviewed and met or exceeded  
ASBO International's Certificate of Excellence standards



A handwritten signature in black ink, appearing to read 'Ron McCulley', written over a horizontal line.

Ron McCulley, CPPB, RSBO  
President

A handwritten signature in black ink, appearing to read 'John D. Musso', written over a horizontal line.

John D. Musso, CAE, RSBA  
Executive Director



# Greene Finney & Horton

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

## INDEPENDENT AUDITOR'S REPORT

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

### Report on the Financial Statements

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, 2013, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditor's Responsibility*

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the discretely presented component units, which statements reflected \$9,612,831, \$5,609,979, and \$24,560,896, respectively, in assets, net position, and revenues. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the discretely presented component units, is based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall financial statement presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### *Opinions*

In our opinion, based on our audit and the reports of other auditors, the 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, 2013, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## ***Other Matters***

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that management's discussion and analysis and the budgetary comparison schedule, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Supplementary and Other Information*

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, supplementary information, statistical section, and the schedule of expenditures of federal awards, as required by the U. S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations (Circular A-133)*, all of which can be located in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary information and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and the other auditors. In our opinion, based on our audit, the procedures performed as described above, and the reports of the other auditors, the supplementary information and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements 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 do not express an opinion or provide any assurance on them.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated October 25, 2013 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* in considering the School District's internal control over financial reporting and compliance.



Greene, Finney & Horton, LLP  
Mauldin, South Carolina  
October 25, 2013

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**YEAR ENDED JUNE 30, 2013**

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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, 2013. 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 (which excludes the School District's discretely presented charter schools); readers should also review the transmittal letter, notes to the financial statements, and financial statements to enhance their understanding of the School District's financial performance.

**FINANCIAL HIGHLIGHTS**

Key financial highlights for 2013 are as follows:

- In the statement of net position, the assets of the School District exceeded its liabilities at the close of the most recent fiscal year by approximately \$565.6 million. Of this amount, approximately \$545.7 million and \$19.9 million were related to the School District's governmental and business-type activities, respectively. In addition, the School District's unrestricted net position was approximately \$99.1 million (\$83.8 million for governmental activities and \$15.3 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 decreased in the current fiscal year by approximately \$27.4 million to \$1.29 billion, as depreciation expense of approximately \$45.2 million and the net book value of disposals of approximately \$1.2 million exceeded capital asset additions of approximately \$18.9 million (including \$0.2 million contributed to food service).
- The School District's total long term debt of approximately \$951.2 million is 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 position decreased by approximately \$9.4 million which consisted of a decrease of approximately \$9.8 million for governmental activities and an increase of approximately \$0.5 million in business-type activities. Total revenues were approximately \$680.2 million for 2013 and \$649.5 million for 2012.
- As of the close of the current fiscal year, the School District's governmental funds reported combined ending fund balances of approximately \$206.3 million, a decrease of approximately \$87.6 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 \$2.8 million, which reflects the School District's continued effort to reduce expenditures and increase revenue where possible. The fund balance for the Debt Service – District Fund increased by approximately \$0.9 million primarily due to higher tax revenue partially offset by higher principal and interest payments. The Debt Service – BEST Fund decreased by approximately \$71.7 million due to using debt service reserve funds, as planned, to make scheduled payments on the BEST Bonds and using reserve funds as part of the BEST debt refunding issues. The fund balance in the Capital Projects – District Fund decreased by approximately \$21.1 million due to lower investment earnings and construction activity. These funds are used over a multi-year period as the funding source for the School District's Long Range Facilities Plan and Capital Improvement Program. The fund balance of the Capital Projects – BEST Fund decreased by approximately \$2.2 million, reflecting the continued activity in the BEST construction program.
- At the end of the current fiscal year, the total fund balance, which includes the unassigned fund balance, for the General Fund were approximately \$82.9 million and \$68.0 million, respectively. The unassigned fund balance of approximately \$68.0 million in the General Fund was approximately 14.8% of total General Fund expenditures for 2013.

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**YEAR ENDED JUNE 30, 2013**

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**FINANCIAL HIGHLIGHTS (CONTINUED)**

- The School District implemented Governmental Accounting Standards Board (“GASB”) Statement No. 63, “*Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*” (“GASB #63” or “Statement”) in 2013. This Statement establishes financial reporting requirements and related disclosures for certain elements of a statement of financial position that were discussed in the GASB’s 2007 Concepts Statement No. 4, “*Elements of Financial Statements*”. In Concepts Statement No. 4, the GASB defines a *deferred outflow of resources* as a consumption of net assets by a government that is applicable to a future reporting period; a *deferred inflow of resources* as an acquisition of net assets by a government that is applicable to a future reporting period; and *net position* as the residual of all other elements presented in a statement of financial position (the difference between (a) assets and deferred outflows of resources and (b) liabilities and deferred inflows of resources). Under GASB #63, amounts for items that the GASB has designated to be deferred outflows of resources are to be presented in a statement of financial position in a separate section following assets, while amounts for items that the GASB has designated to be deferred inflows of resources are to be presented in a separate section following liabilities. The residual of assets and deferred outflows of resources over liabilities and deferred inflows of resources is to be reported as net position rather than as net assets in a statement of financial position. Since the School District had no deferred outflows or inflows of resources at June 30, 2013, the School District’s implementation of GASB #63 had no material effect on the presentation of its 2013 financial statements.

**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 financial statements and fund financial statements.

**Government-wide financial statements.** The 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 position* presents information on all of the School District’s assets and deferred outflows (if any) and liabilities and deferred inflows (if any), with the difference between these items reported as net position. Over time, increases or decreases in net position 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 position changed during the most recent fiscal year. All changes in net position 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 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 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 financial statements.** The remaining financial statements focus on *individual parts* of the School District, reporting its operations in *more detail* than the government-wide financial statements.

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**YEAR ENDED JUNE 30, 2013**

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**OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)**

**Fund financial statements (Continued)**

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

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

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

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

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

**Other information.** The combining statements and individual fund financial schedules are included in the supplementary section. The School District adopts annual budgets for its General 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, 2013**

**OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)**

Major Features of the School District's Government-Wide and Fund Financial Statements				
	Fund Financial Statements			
	Government-Wide Financial Statements	Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire School District (except fiduciary funds) along with the School District's discretely presented component units.	Activities of the School District that are not proprietary or fiduciary in nature.	Activities the School District operates similar to private businesses, in the School 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"> <li>▪ Statement of net position.</li> <li>▪ Statement of activities.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Balance sheet.</li> <li>▪ Statement of revenues, expenditures, and changes in fund balances.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Statement of net position.</li> <li>▪ Statement of revenues, expenses, and changes in net position.</li> <li>▪ Statement of cash flows.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Statement of fiduciary net position.</li> </ul>
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, 2013**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

As noted earlier, net position 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 \$565.6 million at the close of the most recent fiscal year.

A summary of the School District's net position for the primary government for June 30, 2013 and June 30, 2012 is presented below:

	<b>Net Position</b>					
	<b>Governmental Activities</b>		<b>Business-Type Activities</b>		<b>Total</b>	
	<b>2013</b>	<b>2012</b>	<b>2013</b>	<b>2012</b>	<b>2013</b>	<b>2012</b>
<b>Assets</b>						
Current and Other Assets	\$ 360,133,262	440,684,762	16,170,468	15,194,095	376,303,730	\$ 455,878,857
Capital Assets	1,283,926,906	1,311,072,959	4,642,260	4,913,335	1,288,569,166	1,315,986,294
Total assets	<u>\$ 1,644,060,168</u>	<u>1,751,757,721</u>	<u>20,812,728</u>	<u>20,107,430</u>	<u>1,664,872,896</u>	<u>\$ 1,771,865,151</u>
<b>Liabilities</b>						
Other liabilities	\$ 147,109,862	140,351,514	913,744	672,240	148,023,606	\$ 141,023,754
Non-Current Liabilities	951,215,891	1,055,855,045	-	-	951,215,891	1,055,855,045
Total Liabilities	<u>1,098,325,753</u>	<u>1,196,206,559</u>	<u>913,744</u>	<u>672,240</u>	<u>1,099,239,497</u>	<u>1,196,878,799</u>
<b>Net Position</b>						
Net Investment						
in Capital Assets	457,356,388	474,927,052	4,642,260	4,913,335	461,998,648	479,840,387
Restricted	4,546,417	3,570,138	-	-	4,546,417	3,570,138
Unrestricted	83,831,610	77,053,972	15,256,724	14,521,855	99,088,334	91,575,827
<b>Total Net Position</b>	<u>\$ 545,734,415</u>	<u>555,551,162</u>	<u>19,898,984</u>	<u>19,435,190</u>	<u>565,633,399</u>	<u>\$ 574,986,352</u>

**Governmental Activities.** Current and Other Assets decreased by approximately \$79.6 million primarily due to use of reserve funds in the BEST debt refunding issues and the timing of cash receipts and payments. Capital Assets decreased by approximately \$27.4 million as depreciation expense exceeded the School District's building program additions (reflecting the winding down of the BEST construction program). Other Liabilities increased by approximately \$7.0 million primarily due to the timing of payments and receipt of revenues. Non-Current Liabilities decreased by approximately \$104.6 million primarily due to approximately \$86.7 million in principal payments on outstanding indebtedness and advance refunding approximately \$128.3 million BEST bonds, partially offset by the issuance of long-term debt of approximately with \$109.8 million. The Net Position of the School District's governmental activities decreased to approximately \$545.8 million from approximately \$555.6 million in the prior year (a decrease of approximately \$9.8 million or 1.8%), as current year expenses exceeded revenues which also reflected the use of BEST Debt Service Reserve Funds in the BEST advance refunding issues (see Changes in Net Position section for more details). Unrestricted Net Position, the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements, increased slightly by approximately \$6.8 million from approximately \$77.0 million at June 30, 2012 to approximately \$83.8 million at June 30, 2013.

**Business-Type Activities.** The Net Position of business-type activities increased approximately \$0.5 million (2.4%) from approximately \$19.4 million at June 30, 2012 to approximately \$19.9 million at June 30, 2013, as revenues (primarily higher reimbursements from the USDA), exceeded expenses.

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**YEAR ENDED JUNE 30, 2013**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)**

The following table shows the changes in the School District's net position for the primary government for 2013 compared to 2012:

	Changes in Net Position					
	Governmental Activities		Business-Type Activities		Total	
	2013	2012	2013	2012	2013	2012
<b>Revenues</b>						
Program Revenues:						
Charges for Services	\$ 2,043,447	2,433,456	12,824,199	12,470,466	14,867,646	\$ 14,903,922
Operating Grants	298,904,917	280,964,485	21,427,270	20,879,664	320,332,187	301,844,149
Capital Grants	-	22,807	-	-	-	22,807
General Revenue:						
Property Taxes	237,266,503	222,109,881	-	-	237,266,503	222,109,881
State Revenue in Lieu of Taxes	92,818,040	89,801,146	-	-	92,818,040	89,801,146
Grants and Entitlements	5,027	155,386	-	-	5,027	155,386
Other	14,834,708	20,674,187	27,469	30,324	14,862,177	20,704,511
<b>Total Revenues</b>	<b>645,872,642</b>	<b>616,161,348</b>	<b>34,278,938</b>	<b>33,380,454</b>	<b>680,151,580</b>	<b>649,541,802</b>
<b>Program Expenses</b>						
Instruction	363,473,044	348,550,613	-	-	363,473,044	348,550,613
Support Services	241,550,077	226,944,532	-	-	241,550,077	226,944,532
Community Services	1,263,039	1,272,166	-	-	1,263,039	1,272,166
Interest and Other Charges	51,044,131	54,227,239	-	-	51,044,131	54,227,239
Food Service	-	-	32,174,242	30,748,202	32,174,242	30,748,202
<b>Total Expenses</b>	<b>657,330,291</b>	<b>630,994,550</b>	<b>32,174,242</b>	<b>30,748,202</b>	<b>689,504,533</b>	<b>661,742,752</b>
<b>Income (Loss) Before Transfers</b>	<b>(11,457,649)</b>	<b>(14,833,202)</b>	<b>2,104,696</b>	<b>2,632,252</b>	<b>(9,352,953)</b>	<b>(12,200,950)</b>
<b>Transfers</b>	<b>1,640,902</b>	<b>1,416,980</b>	<b>(1,640,902)</b>	<b>(1,416,980)</b>	<b>-</b>	<b>-</b>
<b>Change in Net Position</b>	<b>(9,816,747)</b>	<b>(13,416,222)</b>	<b>463,794</b>	<b>1,215,272</b>	<b>(9,352,953)</b>	<b>(12,200,950)</b>
Net Position, Beginning of Year	555,551,162	568,967,384	19,435,190	18,219,918	574,986,352	587,187,302
<b>Net Position, End of Year</b>	<b>\$ 545,734,415</b>	<b>555,551,162</b>	<b>19,898,984</b>	<b>19,435,190</b>	<b>565,633,399</b>	<b>\$ 574,986,352</b>

**Changes in Net Position.** Overall, the School District's net position decreased in fiscal year 2013, as expenses (including depreciation of approximately \$45.2 million) exceeded revenues by approximately \$9.4 million. Total revenue increased by approximately \$30.6 million. When comparing FY 13 to FY 12, Program Revenues, which includes Federal and State revenue, increased by approximately \$18.5 million. This reflects a net decrease in Federal revenue of \$6.3 million which represents a \$2.7 million decrease in the Federal funded America Recovery and Reinvestment Act ("ARRA") program, \$1.8 million decrease in Title I allocation, \$1.2 million decrease in IDEA allocation. The net decrease in Federal funds was offset by increases in State allocations such as Education Finance Act and Fringe Benefits, plus an increase in Food Service per meal revenue and USDA per meal reimbursement.

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**YEAR ENDED JUNE 30, 2013**

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**GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)**

Instruction expenses increased approximately \$14.9 million to approximately \$363.5 million and support services expenses increased approximately \$14.6 million to approximately \$241.6 million. The increase in instruction expenses reflects a 2% raise for teachers, teacher certificate upgrades, the teacher portion of State health insurance premiums increase which range from 1.03% to 7.22%, \$4.8 million in additional school personnel due to the increase in student population and increases in instructional supplies due to more students. The increase in support services expenses reflects a \$2.0 million increase in the allocation to Charter Schools, a 2% cost of living increase for non-teachers, the non-teacher portion of State health insurance premiums increases which range from 1.03% to 7.22%, a \$1.5 million increase in utility costs, increases in the School District property and liability insurance premiums, and the support cost incurred in opening a new elementary school.

**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, 2013, the School District's governmental funds reported a *combined* fund balance of approximately \$206.3 million, as compared to approximately \$293.9 million for the prior year. This decrease of approximately \$87.6 million is primarily attributable to a decrease in the Debt Service – BEST Fund of approximately \$71.7 million and Capital Projects – District of approximately \$21.1 million offset by a \$2.8 million increase in the General Fund - fund balance and a \$3.6 million increase in the Special Revenue fund balance. The School District issued a short-term bond in March 2013 for approximately \$21.6 million and it is recorded as a fund liability as it matures in March 2014.

At June 30, 2013, the School District's nonspendable fund balance was approximately \$2.4 million which was primarily related to endowment, prepaids, and inventories. Restricted fund balance for all governmental funds was approximately \$133.6 million, including capital projects of approximately \$78.5 million and debt service of approximately \$55.1 million. The assigned portion of fund balance was approximately \$16.2 million including approximately \$11.2 million that was appropriated in the 2014 Budget, approximately \$1.4 million for new schools, and approximately \$3.6 million for capital projects. 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 \$54.0 million at June 30, 2013. This includes approximately \$40.4 million which, per Board Policy, requires the School District to have a minimum unassigned fund balance equaling 8.33% of the current year (FY 14) General Fund expenditure budget.

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 \$68.0 million while the total fund balance for the General Fund was approximately \$82.9 million. The total fund balance increased approximately \$2.8 million, as revenues and other financing sources of approximately \$462.8 million exceeded expenditures of approximately \$460.0 million.

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. Late in fiscal year 2013, the School District received state unrestricted funds which the School District did not spend and is showing as assigned fund balance of approximately \$3.6 million in the Special Revenue Fund.

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**YEAR ENDED JUNE 30, 2013**

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**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 (\$14.0) million. The fund balance for the Debt Service – District Fund increased by approximately \$0.9 million due to higher property tax revenue partially offset by higher principal and interest payments. 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 \$55.1 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 \$71.7 million during 2013 due to using debt service reserve funds in the advance refunding of BEST 2003 and BEST 2004 debt issues.

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 decreased by approximately \$21.1 million during 2013 to approximately \$73.8 million at June 30, 2013, primarily due to construction-related expenditures, partially offset by transfers from debt service funds (representing proceeds from short-term and long-term borrowings) and additional investment earnings. The Capital Projects – BEST Fund decreased by approximately \$2.2 million during 2013 to approximately \$4.7 million at June 30, 2013 due to construction-related expenditures. The ending fund balance is restricted 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 position of approximately \$0.5 million during 2013, which included income before transfers of approximately \$2.1 million, partially offset by transfers of approximately \$1.6 million for indirect costs to the General Fund (net of capital contributions of approximately \$0.2 million).

**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 2013 are as follows:

The General Fund expenditure budget for the fiscal year ended June 30, 2013 was approved by the Board of Trustees on June 5, 2012 in the amount of approximately \$469,613,000, which represented a \$26,828,902, increase when compared to the revised General Fund budget for the fiscal year ended June 30, 2012 of \$442,784,098. On August 28, 2012, the Administration presented and the Board approved a revision to the FY 13 General Fund Budget decreasing it to \$468,231,000. This reduction of \$1,382,000 was due to the State of South Carolina discontinuing the funding of the Education Finance Act Supplement "Hold Harmless Proviso".

The General Fund revenue budget for the fiscal year ended June 30, 2013 of \$453,406,000 (including net transfers in of \$15,524,000) included a 6.1 mill increase in the operational millage and an Education Finance Act Base Student Cost ("EFA BSC") allocation of \$2,012, as funded by the final State FY 13 General Fund Budget. The EFA BSC for the fiscal year ended June 30, 2013 was an increase of \$132 when compared to the EFA BSC for the fiscal year ended June 30, 2012 of \$1,880, and resulted in a projected EFA allocation of \$130,489,000 for the fiscal year ended June 30, 2013. This was an increase of a \$7,144,705 when compared to the actual EFA allocation of \$123,344,295 for the fiscal year ended June 30, 2012 and also reflected the impact of approximately 1,660 additional students. The projected State allocation for employer fringe benefits of \$66,915,000 was an increase of approximately \$2,902,600 when compared to the actual allocation of approximately \$64,012,400 for fiscal year ended June 30, 2012. The projected increase in payments from the State as tier three payments under Act 388 equaled \$2,796,000. The revenue budget was used to fund State mandated and locally required costs.

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**YEAR ENDED JUNE 30, 2013**

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

**General Fund Budgetary Highlights (Continued)**

For fiscal year ended June 30, 2013, State mandated expenditures required an additional \$16,746,000 to cover a 2% raise for teachers, teacher certificate upgrades, State health insurance premium increases ranging from 1.03% to 7.22%, an 11.34% increase in the School District's contribution rate to the South Carolina Retirement System, and an 18.1% increase in payments to charter schools. The local required cost showed an increase of approximately \$10,197,902 of which \$4,856,000 was to fund additional school personnel due to projected increase in student numbers, \$34,900 for instructional supplies for schools, and \$5,039,000 which represents a 2% cost of living raise for non-teaching personnel and the local portion of the State required raise for teachers.

In order to balance the fiscal year ending June 30, 2013 General Fund Budget and fund the State and local required cost, the School District included the use of approximately \$14,825,000 from the General Fund – Fund Balance. The Board of Trustees' policy requires the fund balance for the General Fund to equal 8.33% of the current year General Fund Expenditure Budget. The fund balance for the School District's General Fund met the Board of Trustees' requirement and funded the \$14,825,000 noted above.

The actual FY 13 General Fund revenue of \$447,180,190 exceeded the revenue budget by \$9,298,190 or 2.12%. The two major areas in which actual revenue exceeded the budget was "Taxes" and "State Sources". Tax collections exceeded budget by \$3.7 million or 2.46%. The operational mill levy for FY 13 was 126.1 mills, which was a 6.1 (5.08%) mill increase. Collections of "Current Property Taxes" exceeded projections by 2.2%, collections of vehicle taxes exceeded projections by 7.2% and collections of delinquent taxes exceeded projections by 9.5%. This broad based increase in tax collections appears to be the result of the slight improvement in the local and state economy.

The majority of the \$5,197,187 (1.8%) in State revenue over budget is due to receiving; \$1.2 million in additional State funds for Bus Driver Salaries; \$3.2 million (4.6%) in additional Fringe Benefit allocation and \$683,160 (.52%) in Education Finance Act allocation.

The actual FY 13 General Fund Expenditures were under budget by \$8.2 million (1.7%). The personnel and fringe budgets are \$411.1 million (87.8%) of the total General Fund expenditures and were under budget by \$2.4 (1.2%) million. The budgets for energy and gas make up 3.07% of the budget and were under spent by \$2.1 (13%) million. This reflects the relatively mild winter during FY 13. The non-personnel budget, excluding utilities, was underspent by \$3.7 (9.0%) million. This category represents supplies for all locations, purchased services, travel, copiers. This savings represents the School District's continued effort to monitor expenditures as the travel budget was underspent by 24%, the copier budget was underspent by 6% and the printing and binding budget was underspent by 28%.

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**YEAR ENDED JUNE 30, 2013**

**CAPITAL ASSET AND DEBT ADMINISTRATION**

*Capital Assets*

At June 30, 2013, the School District had approximately \$1.29 billion in net capital assets. 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, 2013 and 2012 are as follows:

Capital Assets at June 30  
(Net of Depreciation)

	<b>Government Activities</b>		<b>Business-Type Activities</b>		<b>Total</b>	
	<b>2013</b>	<b>2012</b>	<b>2013</b>	<b>2012</b>	<b>2013</b>	<b>2012</b>
Land	\$ 48,143,518	48,201,068	-	-	48,143,518	\$ 48,201,068
Building, Improvements and Equipment	1,219,401,119	1,252,564,837	4,642,260	4,913,335	1,224,043,379	1,257,478,172
Construction in Progress	16,382,269	10,307,054	-	-	16,382,269	10,307,054
<b>Totals</b>	<b>\$ 1,283,926,906</b>	<b>1,311,072,959</b>	<b>4,642,260</b>	<b>4,913,335</b>	<b>1,288,569,166</b>	<b>\$ 1,315,986,294</b>

Major capital asset events during the current fiscal year included additions of approximately \$18.9 million, offset by depreciation expense of approximately \$45.2 million and net book value of disposals of approximately \$1.2 million. Facility construction is a major component of capital asset additions; following are significant highlights from 2013 (note that a portion of the total costs may have been incurred in prior years):

- The continued construction of various projects of approximately \$14.2 million.
- HVAC replacement and lighting of approximately \$9.2 million.
- Vehicles, technology equipment, and communication equipment for approximately \$2.1 million.

Total outstanding commitments at June 30, 2013 were approximately \$32.7 million, including BEST construction projects.

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

*Debt Administration*

As of June 30, 2013, the School District (including its blended component unit BEST) had total outstanding long-term debt of approximately \$951.9 million. Of this total, approximately \$34.9 million was general obligation debt backed by the full faith and credit of the School District. The School District's total long-term debt as of June 30, 2013 and 2012 is as follows:

Long-Term Debt at June 30  
(Excludes Deferred Items)

	<b>Government Activities</b>		<b>Business-Type Activities</b>		<b>Total</b>	
	<b>2013</b>	<b>2012</b>	<b>2013</b>	<b>2012</b>	<b>2013</b>	<b>2012</b>
IPRB - BEST	\$ 902,880,000	998,765,000	-	-	902,880,000	\$ 998,765,000
GOB - School District	34,930,000	44,050,000	-	-	34,930,000	44,050,000
QZAB - School District	13,888,652	13,888,652	-	-	13,888,652	13,888,652
Energy Grant - School District	164,945	329,890	-	-	164,945	329,890
<b>Totals</b>	<b>\$ 951,863,597</b>	<b>1,057,033,542</b>	<b>-</b>	<b>-</b>	<b>951,863,597</b>	<b>\$ 1,057,033,542</b>

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**YEAR ENDED JUNE 30, 2013**

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**CAPITAL ASSET AND DEBT ADMINISTRATION (CONTINUED)**

*Debt Administration (Continued)*

At fiscal year-end, the School District had approximately \$34.9 million and \$21.6 million of long and short term 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. As of June 30, 2013, the School District does not exceed the 8% limit.

**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 \$232 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 23 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 \$902.9 million at June 30, 2013. The School District will annually sell general obligation bonds to make the installment payments on the BEST debt. Subsequent to June 30, 2013, the School District issued approximately \$69.8 million in GO bonds. The School District will use the proceeds from the GO bonds to make the BEST IPRB payments due in FY 2014 and to provide additional funding for capital projects.

Other long-term obligations include an accrual for vacation pay and sick leave of approximately \$5.8 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 financial statements.

**ECONOMIC FACTORS AND FY 2014 BUDGETS**

*Economic Factors*

Greenville County has transformed over the past two decades into a center of diversified business activity. By providing a pro-business environment and all the amenities necessary for business growth, the county has grown into a large and diverse metropolitan area and one of the southeast region's premier areas for business. Greenville 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" between Charlotte and Atlanta, 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.

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**YEAR ENDED JUNE 30, 2013**

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**ECONOMIC FACTORS AND FY 2014 BUDGETS (CONTINUED)**

*Economic Factors (Continued)*

Between 2008 and 2012, Greenville County's population increased by an estimated 5.6%. Total property tax collections have historically been strong. The county's largest taxpayers are diverse, accounting for 4.5% 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 34<sup>th</sup> in lowest cost of living. Recently, Forbes Magazine named Greenville as one of the top 15 cities for young people and *Where to Retire* selected Greenville as a top retirement location calling it an "urban oasis". In August 2013, Global Trade Magazine named Greenville as one of its top 25 cities for global trade.

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 2013 under Act 388 was approximately \$54,285,163. 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**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**YEAR ENDED JUNE 30, 2013**

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**ECONOMIC FACTORS AND FY 2014 BUDGETS (CONTINUED)**

***FY 2014 Budgets***

The General Fund expenditure budget for the fiscal year ending June 30, 2014 (the "Fiscal Year 2014 General Fund Budget") was approved by the Board of Trustees on May 30, 2013 in the amount of \$485,523,000. The Fiscal Year 2014 General Fund Budget represents a \$17,292,000 increase when compared to the General Fund budget for the fiscal year ended June 30, 2013 (the "Fiscal Year 2013 General Fund Budget") of \$468,231,000.

The Fiscal Year 2014 General Fund Budget of \$485,523,000 includes an increase in the operational millage of 3.9 mills and is based on an Education Finance Act Base Student Cost ("EFA BSC") allocation of \$2,101, as approved in the State budget for the fiscal year ended June 30, 2014. The EFA BSC of \$2,101 for the fiscal year ending June 30, 2014 is an increase of \$89 when compared to the EFA BSC of \$2,012 for the fiscal year ended June 30, 2013, and results in a projected EFA allocation of \$140,365,000 for the fiscal year ending June 30, 2014. This is an increase of \$9,876,000 when compared to the projected EFA allocation of \$130,489,000 for the fiscal year ended June 30, 2013 and also reflects the impact of a projected 960 additional students. The projected State allocation for employer fringe benefits of 71,372,000 is an increase of \$4,457,000 when compared to the allocation for the fiscal year ended June 30, 2013. The projected increase in payments from the State as tier three payments under Act 388 equal \$2,109,000. The revenue budget will be used to fund State mandated and locally-required costs.

For the fiscal year ending June 30, 2014, State mandated expenditures will cost an additional \$7,819,000. This reflects the following items: providing Teachers a "step" raise which reflects their additional year of teaching experience; cost of teacher certificate upgrades and State health insurance premiums increases.

For the fiscal year ending June 30, 2014, the local required cost shows an increase of \$9,955,000. This represents the hiring of additional school personnel due to projected growth in student population, increase in projected copying cost, increase in the "Local Portion" of the Teacher Salary schedule, 2% pay raise for non-teachers, additional support technicians for technology in the schools, and security enhancement for the schools.

In order to balance the Fiscal Year 2014 General Fund Budget and fund the State and local required costs, the School District reduced General Fund expenditures by \$667,000 and included the planned use of \$11,248,000 from the General Fund – Fund Balance. The FY 13 General Fund Budget included, as a funding source to balance the budget, the planned use of approximately \$14,825,000 from the General Fund – Fund Balance. However, because of the continued use of cost saving procedures, none of the \$14,825,000 was used.

The Board of Trustees' policy requires that the General Fund – Fund Balance equal 8.33% of the current year General Fund Expenditure Budget. For the fiscal year ending June 30, 2014, 8.33% equals approximately \$40,444,000. Using a projected June 30, 2013 Fund Balance of approximately \$82,885,000, planned use of \$11,248,000 for the fiscal year ending June 30, 2014, approximately \$40,444,000 "set aside" per Board of Trustees policy, \$1,350,00 assigned for supplies for new schools and \$2,283,800 for inventory and prepaid items, the School District would have \$27.5 million of unassigned General Fund – Fund Balance.

**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>.

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

# **BASIC FINANCIAL STATEMENTS**

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

**STATEMENT OF NET POSITION**

**JUNE 30, 2013**

	<b>PRIMARY GOVERNMENT</b>			<b>COMPONENT</b>
	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Totals</b>	<b>UNITS Charter Schools</b>
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 172,860,268	14,309,334	187,169,602	\$ 2,066,015
Cash and Cash Equivalents, Restricted	138,847,665	-	138,847,665	134,131
Cash and Investments Held by County Treasurer	6,633,435	-	6,633,435	-
Investments	-	-	-	822,614
Investments, Restricted	138,348	-	138,348	-
Property Taxes Receivable, Net	5,608,479	-	5,608,479	-
Accounts Receivable, Net	959,314	-	959,314	1,006,797
Due from Other Governments	24,898,205	2,144,721	27,042,926	-
Internal Balances	946,397	(946,397)	-	-
Inventories and Prepaid Items	2,296,560	662,810	2,959,370	-
Deferred Charges, Net	6,944,591	-	6,944,591	-
Other Assets	-	-	-	223,445
Capital Assets:				
Non-Depreciable	64,525,787	-	64,525,787	-
Depreciable, Net	1,219,401,119	4,642,260	1,224,043,379	5,359,829
<b>TOTAL ASSETS</b>	<b>1,644,060,168</b>	<b>20,812,728</b>	<b>1,664,872,896</b>	<b>9,612,831</b>
<b>LIABILITIES</b>				
Accounts Payable and Accrued Expenses	86,425,085	593,948	87,019,033	1,404,626
Accrued Interest Payable	3,774,516	-	3,774,516	-
Due to Other Governments	121,727	-	121,727	-
Unearned Revenue	35,143,534	319,796	35,463,330	214,982
Short-Term Bond Payable	21,645,000	-	21,645,000	-
Non-Current Liabilities:				
Due Within One Year	29,418,254	-	29,418,254	597,107
Due in More than One Year	921,797,637	-	921,797,637	1,786,137
<b>TOTAL LIABILITIES</b>	<b>1,098,325,753</b>	<b>913,744</b>	<b>1,099,239,497</b>	<b>4,002,852</b>
<b>NET POSITION</b>				
Net Investment in Capital Assets	457,356,388	4,642,260	461,998,648	4,786,668
Restricted For:				
Debt Service	4,404,233	-	4,404,233	-
Permanent Fund - Nonexpendable	136,261	-	136,261	-
Permanent Fund - Expendable	5,923	-	5,923	-
Other				441,190
Unrestricted	83,831,610	15,256,724	99,088,334	382,121
<b>TOTAL NET POSITION</b>	<b>\$ 545,734,415</b>	<b>19,898,984</b>	<b>565,633,399</b>	<b>\$ 5,609,979</b>

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

THE SCHOOL DISTRICT OF GREENVILLE COUNTY  
GREENVILLE, SOUTH CAROLINA

STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2013

FUNCTIONS/PROGRAMS	PROGRAM REVENUES				NET (EXPENSE) REVENUE AND CHANGE IN NET POSITION			Component Units Charter Schools
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total	
<b>PRIMARY GOVERNMENT</b>								
Governmental Activities:								
Instruction	\$ 363,473,044	615,780	215,547,485	-	(147,309,779)		(147,309,779)	
Support Services	241,550,077	1,427,667	83,357,432	-	(156,764,978)		(156,764,978)	
Community Services	1,263,039	-	-	-	(1,263,039)		(1,263,039)	
Interest and Other Charges	51,044,131	-	-	-	(51,044,131)		(51,044,131)	
Total Governmental Activities	<u>657,330,291</u>	<u>2,043,447</u>	<u>298,904,917</u>	<u>-</u>	<u>(356,381,927)</u>		<u>(356,381,927)</u>	
Business-Type Activities:								
Food Services	32,174,242	12,824,199	21,427,270	-	-	2,077,227	2,077,227	
Total Business-Type Activities	<u>32,174,242</u>	<u>12,824,199</u>	<u>21,427,270</u>	<u>-</u>	<u>-</u>	<u>2,077,227</u>	<u>2,077,227</u>	
<b>TOTAL PRIMARY GOVERNMENT</b>	<b><u>\$ 689,504,533</u></b>	<b><u>14,867,646</u></b>	<b><u>320,332,187</u></b>	<b><u>-</u></b>	<b><u>(356,381,927)</u></b>	<b><u>2,077,227</u></b>	<b><u>(354,304,700)</u></b>	
<b>COMPONENT UNITS</b>								
Charter Schools	\$ 24,235,039	1,032,348	8,944,998	-				\$(14,257,693)
<b>TOTAL COMPONENT UNITS</b>	<b><u>\$ 24,235,039</u></b>	<b><u>1,032,348</u></b>	<b><u>8,944,998</u></b>	<b><u>-</u></b>				<b><u>(14,257,693)</u></b>

**GENERAL REVENUES, CONTRIBUTIONS, AND TRANSFERS**

General Revenues:							
Property Taxes Levied for General Purposes				153,010,289	-	153,010,289	-
Property Taxes Levied for Debt Service				84,256,214	-	84,256,214	-
State Revenue in Lieu of Taxes				92,818,040	-	92,818,040	-
Receipt of Legal Settlement				47,345	-	47,345	-
Intergovernmental Revenue				1,322,053	-	1,322,053	10,490,960
Grants and Contributions Not Restricted to Specific Programs				5,027	-	5,027	3,489,877
Unrestricted Investment Earnings				7,715,958	27,469	7,743,427	33,549
Miscellaneous				5,749,352	-	5,749,352	569,164
Contributions to Permanent Endowment				-	-	-	46,923
Transfers In (Out)				1,640,902	(1,640,902)	-	-
Total General Revenues, Contributions, and Transfers				<u>346,565,180</u>	<u>(1,613,433)</u>	<u>344,951,747</u>	<u>14,630,473</u>
<b>CHANGE IN NET POSITION</b>				<b><u>(9,816,747)</u></b>	<b><u>463,794</u></b>	<b><u>(9,352,953)</u></b>	<b><u>372,780</u></b>
NET POSITION, Beginning of Year				<u>555,551,162</u>	<u>19,435,190</u>	<u>574,986,352</u>	<u>5,237,199</u>
<b>NET POSITION, End of Year</b>				<b><u>545,734,415</u></b>	<b><u>19,898,984</u></b>	<b><u>565,633,399</u></b>	<b><u>\$ 5,609,979</u></b>

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

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

**BALANCE SHEET**

**GOVERNMENTAL FUNDS**

**JUNE 30, 2013**

	<u>GENERAL</u>	<u>SPECIAL REVENUE</u>	<u>SPECIAL REVENUE - EIA</u>
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 172,860,268	-	-
Cash and Cash Equivalents, Restricted	-	-	-
Cash and Investments Held by County Treasurer	-	-	-
Investments, Restricted	-	-	-
Receivables, Net:			
Taxes	4,533,990	-	-
Accounts	886,191	63,499	9,210
Due From:			
State Agencies	19,340,476	788,519	3,835,260
Federal Agencies	-	851,638	-
Other Funds	-	18,248,302	14,814,393
Other Governments	-	82,312	-
Prepaid Items	1,402,260	6,379	6,359
Inventories	881,562	-	-
<b>TOTAL ASSETS</b>	<b>\$ 199,904,747</b>	<b>20,040,649</b>	<b>18,665,222</b>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>LIABILITIES:</b>			
Accounts Payable	\$ 16,736,803	16,443	-
Accrued Salaries, Fringe & Benefits	68,375,843	-	-
Accrued Expenditures	-	-	13,618
Due To:			
State Agencies	12,870	864	107,993
Other Funds	28,589,383	-	-
Deferred and Unearned Revenue	3,304,269	16,398,677	18,543,611
Short-Term Bonds Payable	-	-	-
<b>TOTAL LIABILITIES</b>	<b>117,019,168</b>	<b>16,415,984</b>	<b>18,665,222</b>
<b>FUND BALANCES:</b>			
Fund Balances			
Nonspendable:			
Endowment	-	-	-
Prepaid Items	1,402,260	-	-
Inventories	881,562	-	-
Restricted For:			
Debt Service	-	-	-
Construction Projects for School Facilities	-	-	-
Assigned For:			
Appropriated for 2014 Budget	11,248,000	-	-
New Schools	1,350,000	-	-
Endowment	-	-	-
Capital Projects	-	3,624,665	-
Unassigned	68,003,757	-	-
<b>TOTAL FUND BALANCES</b>	<b>82,885,579</b>	<b>3,624,665</b>	<b>-</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 199,904,747</b>	<b>20,040,649</b>	<b>18,665,222</b>

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

<b>DEBT SERVICE - DISTRICT</b>	<b>DEBT SERVICE - BEST</b>	<b>CAPITAL PROJECTS - DISTRICT</b>	<b>CAPITAL PROJECTS - BEST</b>	<b>NON-MAJOR PERMANENT FUND</b>	<b>TOTAL GOVERNMENTAL FUNDS</b>
-	-	-	-	-	\$ 172,860,268
500,211	55,075,244	78,533,597	4,738,613	-	138,847,665
6,633,435	-	-	-	-	6,633,435
-	-	-	-	138,348	138,348
1,074,489	-	-	-	-	5,608,479
-	-	-	-	414	959,314
-	-	-	-	-	23,964,255
-	-	-	-	-	851,638
-	-	-	-	3,524	33,066,219
-	-	-	-	-	82,312
-	-	-	-	-	1,414,998
-	-	-	-	-	881,562
<b>8,208,135</b>	<b>55,075,244</b>	<b>78,533,597</b>	<b>4,738,613</b>	<b>142,286</b>	<b>\$ 385,308,493</b>
-	-	2,950	-	102	\$ 16,756,298
-	-	-	-	-	68,375,843
-	-	1,279,326	-	-	1,292,944
-	-	-	-	-	121,727
29,386	-	3,501,053	-	-	32,119,822
494,743	-	-	-	-	38,741,300
21,645,000	-	-	-	-	21,645,000
<b>22,169,129</b>	<b>-</b>	<b>4,783,329</b>	<b>-</b>	<b>102</b>	<b>179,052,934</b>
-	-	-	-	136,261	136,261
-	-	-	-	-	1,402,260
-	-	-	-	-	881,562
-	55,075,244	-	-	-	55,075,244
-	-	73,750,268	4,738,613	-	78,488,881
-	-	-	-	-	11,248,000
-	-	-	-	-	1,350,000
-	-	-	-	5,923	5,923
-	-	-	-	-	3,624,665
(13,960,994)	-	-	-	-	54,042,763
<b>(13,960,994)</b>	<b>55,075,244</b>	<b>73,750,268</b>	<b>4,738,613</b>	<b>142,184</b>	<b>206,255,559</b>
<b>8,208,135</b>	<b>55,075,244</b>	<b>78,533,597</b>	<b>4,738,613</b>	<b>142,286</b>	<b>\$ 385,308,493</b>

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

**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION**

**JUNE 30, 2013**

**TOTAL FUND BALANCES - GOVERNMENTAL FUNDS** **\$ 206,255,559**

Amounts reported for the governmental activities in the Statement of Net Position are different because:

Property taxes receivable will be collected this year but are not available soon enough to pay for the current period's expenditures and therefore are deferred in the funds.	3,597,766
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 \$1,691,619,938 and the accumulated depreciation was \$407,693,032.	1,283,926,906
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 \$10,414,986 has been shown net of accumulated amortization expense of \$3,470,395.	6,944,591
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.	(3,774,516)
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	(951,863,597)
Long-Term Debt Premium, net of accumulated amortization of \$19,424,296	(36,913,955)
Deferred Losses On Refundings, net of accumulated amortization of \$22,614,415	43,343,318
Compensated Absences	(5,781,657)
	(951,215,891)

**TOTAL NET POSITION - GOVERNMENTAL ACTIVITIES** **\$ 545,734,415**

The notes to the financial statements are an integral part of this statement.  
See accompanying independent auditor's 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, 2013**

	<b>GENERAL</b>	<b>SPECIAL REVENUE</b>	<b>SPECIAL REVENUE - EIA</b>
<b>REVENUES</b>			
Local Sources:			
Taxes	\$ 152,341,397	-	-
Investment Earnings	345,661	-	-
Other Local Sources	1,279,515	3,083,488	-
State Sources	293,199,187	10,116,723	42,086,012
Federal Sources	-	40,594,905	-
Intergovernmental Sources	14,430	-	-
<b>TOTAL REVENUE ALL SOURCES</b>	<b>447,180,190</b>	<b>53,795,116</b>	<b>42,086,012</b>
<b>EXPENDITURES</b>			
Current:			
Instruction	269,212,682	27,744,986	20,433,392
Support Services	173,288,155	17,267,326	7,861,834
Community Services	61,274	1,201,765	-
Intergovernmental	16,560,679	1,343,893	888,051
Capital Outlay	890,435	785,366	985,902
Debt Service:			
Principal Retirement	-	-	-
Interest and Fiscal Charges	-	-	-
Payment to Refunded Debt Escrow Agent	-	-	-
Other Expenditures	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>460,013,225</b>	<b>48,343,336</b>	<b>30,169,179</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(12,833,035)</b>	<b>5,451,780</b>	<b>11,916,833</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Premium on Long-Term Bonds Sold	-	-	-
Issuance of BEST Refunding Bonds	-	-	-
Payment to Refunded Debt Escrow Agent	-	-	-
Proceeds from the Sale of Capital Assets	31,198	-	-
Arbitrage Refund	-	-	-
Transfers In	15,592,125	151,704	692,797
Transfers Out	-	(1,978,819)	(12,609,630)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>15,623,323</b>	<b>(1,827,115)</b>	<b>(11,916,833)</b>
<b>NET CHANGES IN FUND BALANCES</b>	<b>2,790,288</b>	<b>3,624,665</b>	<b>-</b>
FUND BALANCES, Beginning of Year	80,095,291	-	-
<b>FUND BALANCES, End of Year</b>	<b>\$ 82,885,579</b>	<b>3,624,665</b>	<b>-</b>

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

<b>DEBT SERVICE - DISTRICT</b>	<b>DEBT SERVICE - BEST</b>	<b>CAPITAL PROJECTS - DISTRICT</b>	<b>CAPITAL PROJECTS - BEST</b>	<b>NON-MAJOR PERMANENT FUND</b>	<b>TOTAL GOVERNMENTAL FUNDS</b>
84,256,214	-	-	-	-	\$ 236,597,611
252,573	2,634,320	3,990,386	1,369	649	7,224,958
-	-	488,096	47,345	175	4,898,619
4,070,308	-	-	-	-	349,472,230
1,307,623	-	-	-	-	41,902,528
-	-	-	-	-	14,430
<b>89,886,718</b>	<b>2,634,320</b>	<b>4,478,482</b>	<b>48,714</b>	<b>824</b>	<b>640,110,376</b>
-	-	-	-	167	317,391,227
-	-	8,056,034	59,245	102	206,532,696
-	-	-	-	-	1,263,039
-	-	-	-	-	18,792,623
-	-	32,607,884	194,824	-	35,464,411
9,120,000	77,380,000	164,945	-	-	86,664,945
2,315,037	46,688,153	-	-	-	49,003,190
-	18,982,123	-	-	-	18,982,123
4,100	1,334,228	-	-	-	1,338,328
<b>11,439,137</b>	<b>144,384,504</b>	<b>40,828,863</b>	<b>254,069</b>	<b>269</b>	<b>735,432,582</b>
<b>78,447,581</b>	<b>(141,750,184)</b>	<b>(36,350,381)</b>	<b>(205,355)</b>	<b>555</b>	<b>(95,322,206)</b>
-	9,762,353	-	-	-	9,762,353
-	109,805,000	-	-	-	109,805,000
-	(118,542,306)	-	-	-	(118,542,306)
-	-	194,175	-	-	225,373
-	-	-	4,602,374	-	4,602,374
-	69,028,590	15,073,624	-	-	100,538,840
(77,533,422)	-	-	(6,568,792)	-	(98,690,663)
<b>(77,533,422)</b>	<b>70,053,637</b>	<b>15,267,799</b>	<b>(1,966,418)</b>	<b>-</b>	<b>7,700,971</b>
<b>914,159</b>	<b>(71,696,547)</b>	<b>(21,082,582)</b>	<b>(2,171,773)</b>	<b>555</b>	<b>(87,621,235)</b>
(14,875,153)	126,771,791	94,832,850	6,910,386	141,629	293,876,794
<b>(13,960,994)</b>	<b>55,075,244</b>	<b>73,750,268</b>	<b>4,738,613</b>	<b>142,184</b>	<b>\$ 206,255,559</b>

**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, 2013**

**TOTAL NET CHANGE IN FUND BALANCES - GOVERNMENTAL FUNDS** **\$ (87,621,235)**

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.	668,892
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position	214,974,945
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 Position.	(119,567,353)
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.	638,117
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.	491,000
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.	(995,622)
Bond premiums are revenues in the year they are received in governmental funds but are amortized over the lives of the bonds in the Statement of Activities. This amount is the amortization for the current year.	8,869,321
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.	(128,759)
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 position differs from the change in fund balance by the net book value of the assets disposed.	(1,162,975)
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 depreciation expense of \$44,275,726 exceeded capital asset additions of \$18,292,648 in the current year.	(25,983,078)

**CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES** **\$ (9,816,747)**

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

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

**STATEMENT OF NET POSITION**

**PROPRIETARY FUND**

**JUNE 30, 2013**

	<u><b>ENTERPRISE FOOD SERVICE</b></u>
<b>ASSETS</b>	
Current Assets:	
Cash and Cash Equivalents	\$ 14,309,334
Due from State Agencies	2,144,721
Inventories	662,810
Total Current Assets	<u>17,116,865</u>
Non-Current Assets:	
Depreciable Capital Assets	17,102,536
Less: Accumulated Depreciation	(12,460,276)
Total Non-Current Assets	<u>4,642,260</u>
<b>TOTAL ASSETS</b>	<u><b>21,759,125</b></u>
<b>LIABILITIES</b>	
Current Liabilities:	
Accounts Payable	356,384
Accrued Expenses	237,564
Due to Other Funds	946,397
Unearned Revenue	319,796
Total Current Liabilities	<u>1,860,141</u>
<b>TOTAL LIABILITIES</b>	<u><b>1,860,141</b></u>
<b>NET POSITON</b>	
Net Investment in Capital Assets	4,642,260
Unrestricted	15,256,724
<b>TOTAL NET POSITION</b>	<u><b>\$ 19,898,984</b></u>

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

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

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION**

**PROPRIETARY FUND**

**YEAR ENDED JUNE 30, 2013**

	<u><b>ENTERPRISE FOOD SERVICE</b></u>
<b>OPERATING REVENUES</b>	
Proceeds from Sale of Meals	\$ 12,313,052
Other Revenue	511,147
<b>TOTAL OPERATING REVENUES</b>	<u>12,824,199</u>
<b>OPERATING EXPENSES</b>	
Salaries	10,495,734
Purchased Services	1,239,084
Food Costs and Supplies	19,105,084
Equipment - Non-capitalizable Expenses	301,505
Depreciation	912,908
Other	119,927
<b>TOTAL OPERATING EXPENSES</b>	<u>32,174,242</u>
<b>OPERATING LOSS</b>	<u><b>(19,350,043)</b></u>
<b>NON-OPERATING REVENUES</b>	
Commodities Received from USDA	1,785,256
USDA Reimbursements	19,405,495
USDA Fresh Fruit and Vegetable Grant	234,448
Interest	27,469
Other Revenue	2,071
<b>TOTAL NON-OPERATING REVENUE</b>	<u>21,454,739</u>
<b>INCOME BEFORE TRANSFERS</b>	<b>2,104,696</b>
Transfers Out	(1,848,177)
Capital Contributions	<u>207,275</u>
<b>CHANGE IN NET POSITION</b>	<b>463,794</b>
TOTAL NET POSITION, Beginning of Year	<u>19,435,190</u>
<b>TOTAL NET POSITION, End of Year</b>	<u><b>\$ 19,898,984</b></u>

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

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

**STATEMENT OF CASH FLOWS**

**PROPRIETARY FUND**

**YEAR ENDED JUNE 30, 2013**

	<u><b>ENTERPRISE FOOD SERVICE</b></u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Receipts from Meal Sales	\$ 12,479,730
Receipts from Other Revenues	747,666
Payments to Employees for Services	(10,495,734)
Payments to Suppliers for Goods and Services	(18,915,159)
<b>NET CASH USED IN OPERATING ACTIVITIES</b>	<u><b>(16,183,497)</b></u>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</b>	
USDA Reimbursement	19,619,620
Transfers to Other Funds	(1,553,509)
<b>NET CASH PROVIDED BY NON-CAPITAL FINANCING ACTIVITIES</b>	<u><b>18,066,111</b></u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>	
Acquisition of Capital Assets	(434,558)
<b>NET CASH USED IN CAPITAL AND RELATED FINANCING ACTIVITIES</b>	<u><b>(434,558)</b></u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Interest Income	27,469
<b>NET CASH PROVIDED BY INVESTING ACTIVITIES</b>	<u><b>27,469</b></u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>1,475,525</b>
CASH AND CASH EQUIVALENTS, Beginning of Year	<u>12,833,809</u>
<b>CASH AND CASH EQUIVALENTS, End of Year</b>	<u><b>\$ 14,309,334</b></u>
Reconciliation of Operating Loss to Net Cash Used in Operating Activities:	
Operating Loss	\$ (19,350,043)
Adjustments to Reconcile Operating Loss to Net Cash Used in Operating Activities:	
Depreciation Expense	912,908
Non-Cash USDA Commodities Used	1,785,256
Other Non-Operating Revenues	236,519
Change In:	
Accounts Receivable	190,020
Inventories	(199,661)
Accounts Payable	57,244
Accrued Expenses	207,602
Deferred Revenue	(23,342)
<b>Net Cash Used in Operating Activities</b>	<u><b>\$ (16,183,497)</b></u>
Non-Cash Transactions:	
Depreciation Expense	\$ 912,908
Commodities Received From the USDA	1,785,256
Capital Contributions	\$ 207,275

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

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

**STATEMENT OF ASSETS AND LIABILITIES**

**FIDUCIARY FUND**

**JUNE 30, 2013**

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	<u>AGENCY</u>
<b>ASSETS</b>	
Cash and Cash Equivalents	\$ 2,093,662
Accounts Receivable	8,521,500
<b>TOTAL ASSETS</b>	<b><u>\$ 10,615,162</u></b>
 <b>LIABILITIES</b>	
Accounts Payable	\$ 1,160,634
Due to Student Organizations	9,454,528
<b>TOTAL LIABILITIES</b>	<b><u>\$ 10,615,162</u></b>

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

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

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2013**

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**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”).

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. The Reporting Entity**

The financial statements of the School District have been prepared in conformity with accounting principles generally accepted in the United States of America (“GAAP”), as applied to governmental units. The Governmental Accounting Standards Board (“GASB”) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the School District’s accounting policies are described below.

As required by GAAP, the financial statements must present the School District’s financial information with any of its component units. The primary criterion for determining inclusion or exclusion of a legally separate entity (component unit) is financial accountability, which is presumed to exist if the School District both appoints a voting majority of the entity’s governing body, and either 1) the School District is able to impose its will on the entity or, 2) there is a potential for the entity to provide specific financial benefits to, or impose specific financial burdens on the School District. If either or both of the foregoing conditions are not met, the entity could still be considered a component unit if it is fiscally dependent on the School District and there is a potential that the entity could either provide specific financial benefits to, or to impose specific financial burdens on the School District.

In order to be considered fiscally independent, an entity must have the authority to do all of the following: (a) determine its budget without the School District having the authority to approve or modify that budget; (b) levy taxes or set rates or charges without approval by the School District; and (c) issue bonded debt without approval by the School District. An entity has a financial benefit or burden relationship with the School District if, for example, any one of the following conditions exists: (a) the School District is legally entitled to or can otherwise access the entity’s resources, (b) the School District is legally obligated or has otherwise assumed the obligation to finance the deficits or, or provide financial support to, the entity, or (c) the School District is obligated in some manner for the debt of the entity. Finally, an entity could be a component unit even if it met all the conditions described above for being fiscally independent if excluding it would cause the School District’s financial statements to be misleading.

Blended component units, although legally separate entities, are in substance, part of the government's operations and data from these units are combined with data of the primary government in the fund financial statements. Discretely presented component units, on the other hand, are reported in a separate column in the government-wide financial statements to emphasize they are legally separate from the School District. Based on the criteria above, the School District does have several component units.

***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 financial statements. Separate BEST financial information is included in individual columns throughout the financial statements. Separate financial statements for BEST are not issued.

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

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2013**

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**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**A. The Reporting Entity (Continued)**

*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 financial statements to be misleading, 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:

Brashier Middle College Charter High School, 1830 West Georgia Road, Simpsonville, SC 29680  
Greenville Technical Charter High School, 506 South Pleasantburg Drive, Greenville, SC 29607  
Greer Middle College Charter School, 138 West McElhaney Road, Taylors, SC 29687  
Langston Charter Middle School, 288 Rocky Creek Road, Greenville, SC 29615  
LEAD Academy, 80 Byrdland Drive, Greenville, SC 29607  
Legacy Charter School, 901 Anderson Road, Greenville, SC 29601  
Meyer Center for Special Children, 1132 Rutherford Road, Greenville, SC 29609

**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 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 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 accounting principles generally accepted in the United States of America (“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 approximately \$18,007,000 to the charter schools during fiscal 2013; these expenditures are included in the Intergovernmental function in the Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds.

The government-wide financial statements (i.e., the statement of net position 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 SCHOOL DISTRICT OF GREENVILLE COUNTY  
GREENVILLE, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2013

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I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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 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 financial statements are prepared using a different measurement focus from the manner in which governmental fund 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 implemented Governmental Accounting Standards Board Statement No. 63, "*Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*" ("GASB #63") in 2013. GASB #63 establishes financial reporting requirements and related disclosures for certain elements of a statement of financial position that were discussed in the GASB's 2007 Concepts Statement No. 4, "*Elements of Financial Statements*". In Concepts Statement No. 4, the GASB defines a *deferred outflow of resources* as a consumption of net assets by a government that is applicable to a future reporting period; a *deferred inflow of resources* as an acquisition of net assets by a government that is applicable to a future reporting period; and *net position* as the residual of all other elements presented in a statement of financial position (the difference between (a) assets and deferred outflows of resources and (b) liabilities and deferred inflows of resources). Under GASB #63, amounts for items that the GASB has designated to be deferred outflows of resources are to be presented in a statement of financial position in a separate section following assets, while amounts for items that the GASB has designated to be deferred inflows of resources are to be presented in a separate section following liabilities. The residual of assets and deferred outflows of resources over liabilities and deferred inflows of resources is to be reported as net position rather than as net assets in a statement of financial position. Since the School District had no deferred outflows or inflows of resources at June 30, 2013, the School District's implementation of GASB #63 had no material effect on the presentation of its 2013 financial statements.

**Governmental fund 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.

THE SCHOOL DISTRICT OF GREENVILLE COUNTY  
GREENVILLE, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2013

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I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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.

*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 Special Revenue - Education Improvement Act ("EIA") Fund, a major fund** and a budgeted fund, is used to account for and report the restricted revenues 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 SCHOOL DISTRICT OF GREENVILLE COUNTY  
GREENVILLE, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2013

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I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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 financial statements. The specific sub funds are as follows:

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

*Proprietary fund types* are accounted for based on the 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.

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 funds are made up of two classes: enterprise funds and internal service funds. The School District does not have any internal service funds and has one enterprise fund.

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

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

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2013**

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**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

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

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

**C. Assets, Liabilities and Equity**

**1. Cash, Cash Equivalents and Investments**

***Cash and Cash Equivalents***

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

***Investments***

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

- (a) Obligations of the United States and 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;

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

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2013**

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**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**C. Assets, Liabilities and Equity (Continued)**

*1. Cash, Cash Equivalents and Investments (Continued)*

*Investments (Continued)*

- (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 currently or in the past year has primarily used the following investments in its operating and financing activities:

- 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.
- 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.
- 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.

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

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2013**

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**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**C. Assets, Liabilities and Equity (Continued)**

**1. Cash, Cash Equivalents and Investments (Continued)**

**Investments (Continued)**

- Open ended mutual funds, primarily invested in money market funds which invest in short term obligations of the United States and related agencies.
- South Carolina Pooled Investment Fund (“SC Pool” 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.

**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 position, 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**

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, 2013.

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.

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

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2013**

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**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**C. Assets, Liabilities and Equity (Continued)**

**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 position 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 position and in the respective fund financial statements.

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

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

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

**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 financial statements. The portion applicable to the Proprietary Fund is also recorded in the Proprietary Fund 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.

THE SCHOOL DISTRICT OF GREENVILLE COUNTY  
GREENVILLE, SOUTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2013

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I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Assets, Liabilities and Equity (Continued)

7. *Accrued Liabilities and Long-Term Obligations*

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

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

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

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

8. *Fund Balance*

In accordance with GASB Statement No. 54, “*Fund Balance Reporting and Governmental Fund Type Definitions*” (“GASB #54”), the School District classifies its 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.

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

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2013**

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**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**C. Assets, Liabilities and Equity (Continued)**

**8. Fund Balance (Continued)**

**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.

**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 \$40,440,000 as of June 30, 2013 which represents approximately 8.33% of the original budget for the General Fund for fiscal year 2014 that was approved Board of Trustees in May 2013.

**9. Net Position**

Net position represents the difference between assets and deferred outflows (if any) and liabilities and deferred inflows (if any) in the statement of net position. Net investment in capital assets 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 position component as the unspent proceeds. Net position is 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 position related to certain endowments are reflected as restricted net position.

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

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2013**

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**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**C. Assets, Liabilities and Equity (Continued)**

*10. Accounting Estimates*

The preparation of 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 financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

*11. Comparative Data*

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

**II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**A. Budgetary Information**

*Budgetary Practices* - Budgets for the General Fund, the Special Revenue Fund and the Special Revenue – EIA Fund are presented in the required supplementary section. Budgets for the Debt Service funds and the Capital Projects 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 GAAP.

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 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 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 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 FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2013**

**III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES**

**A. Deposits and Investments**

*Deposits*

**Custodial Credit Risk for Deposits:** Custodial credit risk for deposits is the risk that, in the event of a bank failure, the School District’s deposits might not be recovered. The School District does not have a deposit policy for custodial credit risk but follows the investment policy statues of the State of South Carolina. As of June 30, 2013, none of the School District’s bank balances of approximately \$42,310,707, which had a carrying value of \$36,950,387, were exposed to custodial credit risk.

*Investments*

As of June 30, 2013, 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	\$229,322,149	229,322,149	-	-	\$ -
Treasury Money Market Mutual Fund	AAAm, Aaa-mf	29,755,370	29,755,370	-	-	-
Cash and Investments Held by County Treasurer	NR	6,633,435	6,633,435	-	-	-
U.S. Treasury Bills	*	30,558,697	30,558,697	-	-	-
Repurchase Agreement	*	1,662,674	1,662,674	-	-	-
<b>Total</b>		<b>\$297,932,325</b>	<b>297,932,325</b>	<b>-</b>	<b>-</b>	<b>\$ -</b>

\* Obligations of the U.S. government or obligations explicitly guaranteed by the U.S. government are not considered to have credit require disclosure of credit ratings.

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

LGIP - Local Government Investment Pool.

MMMMF - Money Market Mutual Fund.

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 statues 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 statues of the State of South Carolina. As of June 30, 2013, approximately \$30,558,697 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 security investments exceeded 5% of the total amount invested.

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

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2013**

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

**A. Deposits and Investments (Continued)**

*Investments (Continued)*

The following table reconciles the carrying amount of deposits and investments to the amounts listed in the statement of net position for the primary government:

Statement of Net Position		Notes	
Unrestricted Current Assets:			
Cash and Cash Equivalents on Deposit with Financial Institutions for Governmental Activities	\$ 172,860,268	Carrying Amount of Deposits	\$ 36,950,387
Cash and Cash Equivalents on Deposit with Financial Institutions for Business-Type Activities	14,309,334	Fair Value of Investments	297,932,325
Cash and Cash Equivalents on Deposit with Financial Institutions for Fiduciary Activities	2,093,662		
Cash and Investments Held by County Treasurer	6,633,435		
Restricted Current Assets:			
Cash and Cash Equivalents on Deposit with Financial Institutions for Governmental-Type Activities	138,847,665		
Investments Held by Financial Institutions for Governmental Activities	138,348		
	<u>\$ 334,882,712</u>		<u>\$ 334,882,712</u>

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

**B. Property Taxes and Other Receivables**

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

Property taxes are usually levied and billed by the Counties on real and personal properties (excluding vehicles) on or around October 1 based on an assessed value of approximately \$1,865,092,000 at rates of 126.1 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 \$5,608,000 include an allowance for uncollectible amounts of approximately \$14,952,000 at June 30, 2013. Allowances for uncollectible amounts for the other receivable accounts were not necessary.

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

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2013**

**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, 2013, the various components of deferred revenue and unearned revenue reported in the governmental funds were as follows:

Delinquent Property Taxes Receivable (General Fund)	\$ 3,103,023
Delinquent Property Taxes Receivable (Debt Service - District Fund)	494,743
Revenue Collected, but Unearned (General Fund)	201,246
Revenue Collected, but Unearned (Special Revenue Fund)	16,398,677
Revenue Collected, but Unearned (Special Revenue - EIA Fund)	18,543,611
Total Deferred and Unearned Revenue for Governmental Funds	\$ 38,741,300

**C. Capital Assets**

Capital asset activity for the School District's primary government for the year ended June 30, 2013, is as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
<b>Governmental Activities:</b>					
Capital Assets, Not Being Depreciated:					
Land	\$ 48,201,068	-	(57,550)	-	\$ 48,143,518
Construction in Progress	10,307,054	16,176,999	-	(10,101,784)	16,382,269
Total Capital Assets, Not Being Depreciated	58,508,122	16,176,999	(57,550)	(10,101,784)	64,525,787
Capital Assets, Being Depreciated:					
Buildings and Improvements	1,573,373,098	30,000	(6,938,388)	9,248,528	1,575,713,238
Furniture and Equipment	50,110,985	2,085,649	(1,668,977)	853,256	51,380,913
Total Capital Assets Being Depreciated	1,623,484,083	2,115,649	(8,607,365)	10,101,784	1,627,094,151
Less: Accumulated Depreciation for:					
Buildings	341,217,543	40,696,134	(5,996,701)	-	375,916,976
Furniture and Equipment	29,701,703	3,579,592	(1,505,239)	-	31,776,056
Total Accumulated Depreciation	370,919,246	44,275,726	(7,501,940)	-	407,693,032
Total Capital Assets, Being Depreciated, Net	1,252,564,837	(42,160,077)	(1,105,425)	10,101,784	1,219,401,119
Total Governmental Activities Capital Assets, Net	\$ 1,311,072,959	(25,983,078)	(1,162,975)	-	\$ 1,283,926,906
<b>Business-Type Activities:</b>					
Furniture and Equipment	\$ 16,460,703	641,833	-	-	\$ 17,102,536
Less: Accumulated Depreciation	11,547,368	912,908	-	-	12,460,276
Total Business-Type Activities Capital Assets, Net	\$ 4,913,335	(271,075)	-	-	\$ 4,642,260

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

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2013**

**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
<b>Governmental Activities:</b>		
Instruction	\$ 1,192,417	\$ 26,831,090
Support Services	17,100,231	17,444,636
Total - Governmental Activities	\$ 18,292,648	\$ 44,275,726
<b>Business-Type Activities</b>		
Food Service	\$ 641,833	\$ 912,908
Total - Business-Type Activities	\$ 641,833	\$ 912,908

***Commitments***

The School District has several ongoing construction projects as of June 30, 2013, 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, 2013 were approximately \$32,713,000.

**D. Interfund Receivables and Payables**

Interfund balances at June 30, 2013 (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:

Fund	Interfund Receivables	Interfund Payables
General Fund	\$ -	\$ 28,589,383
<u>Special Revenue Funds:</u>		
Special Revenue	18,248,302	-
EIA	14,814,393	-
Debt Service Fund - District	-	29,386
Capital Projects Fund - District	-	3,501,053
Permanent Fund (Non-Major)	3,524	-
Enterprise/Food Service Fund	-	946,397
Totals	\$ 33,066,219	\$ 33,066,219

The General Fund payable is a result of amounts due to the EIA Fund and Special Revenue 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 Fund payable is a result of amounts owed to the General Fund to reimburse for the payment of interest on bonds. The Capital Projects Fund - District payable is a result of amounts owed to the General Fund for invoices paid. The Enterprise/Food Service Fund payable is a result of amounts owed to the General Fund for payment of salaries.

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

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2013**

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

**E. Transfers From and To Other Funds**

Transfers from and to other funds for the year ended June 30, 2013, consisted of the following:

<b>General Fund</b>			
Transfers from	Amount	Transfers to	Amount
Special Revenue Fund	\$ 1,000		\$ -
Special Revenue - EIA Fund	12,457,926		-
Enterprise/Food Service Fund	1,848,177		-
Special Revenue Fund (Indirect Costs)	1,285,022		-
	<u>\$ 15,592,125</u>		<u>\$ -</u>
<b>Special Revenue Fund</b>			
Transfers from	Amount	Transfers to	Amount
Special Revenue - EIA Fund	\$ 151,704	General Fund	\$ 1,000
	-	General Fund (Indirect Costs)	1,285,022
	-	Special Revenue - EIA Fund	692,797
	<u>\$ 151,704</u>		<u>\$ 1,978,819</u>
<b>Special Revenue - EIA Fund</b>			
Transfers from	Amount	Transfers to	Amount
Special Revenue Fund	\$ 692,797	General Fund	\$ 12,457,926
	-	Special Revenue Fund	151,704
	<u>\$ 692,797</u>		<u>\$ 12,609,630</u>
<b>Debt Service Fund - District</b>			
Transfers from	Amount	Transfers to	Amount
	\$ -	Capital Projects Fund - District	\$ 10,367,199
	-	Debt Service Fund - BEST	67,166,223
	<u>\$ -</u>		<u>\$ 77,533,422</u>
<b>Debt Service Fund - BEST</b>			
Transfers from	Amount	Transfers to	Amount
Debt Service Fund - District	\$ 67,166,223		\$ -
Capital Projects Fund - BEST	1,862,367		-
	<u>\$ 69,028,590</u>		<u>\$ -</u>
<b>Capital Projects Fund - District</b>			
Transfers from	Amount	Transfers to	Amount
Debt Service Fund - District	\$ 10,367,199		\$ -
Capital Projects Fund - BEST	4,706,425		-
	<u>\$ 15,073,624</u>		<u>\$ -</u>
<b>Capital Projects Fund - BEST</b>			
Transfers from	Amount	Transfers to	Amount
	\$ -	Debt Service Fund - BEST	\$ 1,862,367
	-	Capital Projects Fund - District	4,706,425
	<u>\$ -</u>		<u>\$ 6,568,792</u>
<b>Enterprise/Food Service Fund</b>			
Transfers from	Amount	Transfers to	Amount
	\$ -	General Fund	\$ 1,848,177
	<u>\$ -</u>		<u>\$ 1,848,177</u>
Total	<u>\$ 100,538,840</u>		<u>\$ 100,538,840</u>

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

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2013**

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**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, 2013 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 and indirect costs for federal programs and food services.

**Special Revenue Fund and EIA Fund**

*Transfers from:*

Funds were transferred from other Special Revenue and EIA Funds to cover the K-5 Enhancement, High Achieving Student, and Four Year Old Kindergarten Programs.

*Transfers to:*

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

**Debt Service Fund - District**

*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.

**Debt Service Fund - BEST**

*Transfer from:*

Funds were transferred from the School District's Debt Service Fund to fund BEST Acquisitions. Funds were transferred from BEST Capital Projects due to the refunding of BEST 2003 and BEST 2004 issues.

**Capital Projects Fund - District**

*Transfer from:*

Funds were transferred from the School District's Debt Service Fund to fund the Capital Projects program. Funds were transferred from BEST Capital Projects due to the close out of BEST project funds.

**Capital Projects Fund - BEST**

*Transfer to:*

Funds were transferred to the BEST Debt Service and Capital Projects Funds due to close out of BEST project funds.

**Proprietary/Enterprise 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 FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2013**

**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, 2013 consisted of the following:

Accounts Payable	\$ 16,756,298
Accrued Payroll, Fringe, Withholdings and Benefits	68,375,843
Accrued Expenditures	1,292,944
Total Accounts Payable and Accrued Expenses - Governmental Activities	<u>\$ 86,425,085</u>

**G. Short-Term Obligations**

Changes in the School District's short-term obligations for governmental activities for the year ended June 30, 2013, were as follows:

<b>Governmental Activities:</b>	Beginning Balance	Additions	Reductions	Ending Balance
Series 2012A General Obligation Bonds	\$ 22,399,000	-	22,399,000	\$ -
Series 2012C General Obligation Bonds	-	304,000	304,000	-
Series 2012B General Obligation Bonds	-	54,775,000	54,775,000	-
Series 2013A General Obligation Bonds	-	21,645,000	-	21,645,000
Total Short-Term Obligations	<u>\$ 22,399,000</u>	<u>76,724,000</u>	<u>77,478,000</u>	<u>\$ 21,645,000</u>

The School District issued three short-term general obligation bonds during 2013 totaling \$76,724,000 for the purpose of making payments to BEST for its required debt service, to fund the sinking fund requirements for the QZAB debt, and for additional capital improvements. The School District received gross premiums of approximately \$1,143,000 and incurred issuance costs of approximately \$261,000 related to these issuances. The Series 2012A, 2012B and 2012C bonds, including interest of approximately \$414,000, \$1,000, and \$945,000, respectively, were repaid in March, June, and March 2013, respectively, utilizing debt service fund property tax revenues. The Series 2013A bonds of \$21,645,000 are not due until March 3, 2014 with interest of approximately \$304,000. Due to the timing of the issuance and the scheduled maturity of the Series 2013A bonds being less than one year from the date it was issued, the outstanding balance of \$21,645,000 is reflected as a fund liability on the School District's balance sheet for its governmental funds at June 30, 2013. This resulted in the Debt Service Fund – District having a negative fund balance of approximately \$13,961,000 as of June 30, 2013.

The premiums related to these short-term bonds have been netted against interest expenditures in the financial statements.

**H. Food Service**

*Federal Guidelines*

The School District's Food Service Fund administers the lunch programs in accordance with United States Department of Agriculture ("USDA") guidelines. Revenues are provided from USDA reimbursements and cash collections. Within the Food Service Fund, meals served to pupils are classified as regular, reduced or free. The type of meal served determines the amount of reimbursement received from the USDA. Reimbursements may be in the form of cash or commodities. The Food Service expenses are inclusive of approximately \$1,785,000 of commodities consumed during the year ended June 30, 2013.

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

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2013**

**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, 2013:

<u>Long-Term Obligations</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
<b>Gross Debt:</b>					
<b><u>BEST</u></b>					
2002 BEST Bond Issue	\$ 53,565,000	-	53,565,000	-	\$ -
2003 BEST Bond Issue	70,120,000	-	70,120,000	-	-
2004 BEST Bond Issue	62,950,000	-	62,950,000	-	-
2005 BEST Refunding Bond Issue	216,905,000	-	-	216,905,000	-
2006 BEST Refunding Bond Issue	548,590,000	-	16,760,000	531,830,000	19,200,000
2006 BEST Issue	46,635,000	-	2,295,000	44,340,000	2,390,000
2012 BEST Refunding Bond Issue	-	49,805,000	-	49,805,000	-
2013 BEST Refunding Bond Issue	-	60,000,000	-	60,000,000	-
Sub-Total - BEST	<u>998,765,000</u>	<u>109,805,000</u>	<u>205,690,000</u>	<u>902,880,000</u>	<u>21,590,000</u>
<b><u>School District</u></b>					
2008B GO Bonds	7,560,000	-	7,560,000	-	-
2009C GO Bonds	7,230,000	-	1,560,000	5,670,000	5,670,000
2009E QSCB Bonds	15,060,000	-	-	15,060,000	-
2009 Energy Grant Obligation	329,890	-	164,945	164,945	164,945
2010 QSC Bonds	14,200,000	-	-	14,200,000	-
2011 QZAB	10,080,743	-	-	10,080,743	-
2012 QZAB	3,807,909	-	-	3,807,909	-
Sub-Total - School District	<u>58,268,542</u>	<u>-</u>	<u>9,284,945</u>	<u>48,983,597</u>	<u>5,834,945</u>
<b>Total Gross Debt</b>	<b>1,057,033,542</b>	<b>109,805,000</b>	<b>214,974,945</b>	<b>951,863,597</b>	<b>27,424,945</b>
<b>Deferred Items:</b>					
<b><u>BEST</u></b>					
Premiums	32,599,099	9,762,353	5,640,446	36,721,006	-
Deferred Losses on Refundings	(40,390,063)	(6,032,047)	(3,078,792)	(43,343,318)	-
Sub-Total - BEST	<u>(7,790,964)</u>	<u>3,730,306</u>	<u>2,561,654</u>	<u>(6,622,312)</u>	<u>-</u>
<b><u>School District</u></b>					
Premiums	468,569	-	275,620	192,949	-
Sub-Total - School District	<u>468,569</u>	<u>-</u>	<u>275,620</u>	<u>192,949</u>	<u>-</u>
<b>Total Deferred Items</b>	<b>(7,322,395)</b>	<b>3,730,306</b>	<b>2,837,274</b>	<b>(6,429,363)</b>	<b>-</b>
<b>Total Net Debt</b>	<b>1,049,711,147</b>	<b>113,535,306</b>	<b>217,812,219</b>	<b>945,434,234</b>	<b>27,424,945</b>
Accrued Compensated Absences	5,652,898	2,038,182	1,909,423	5,781,657	1,993,309
Estimated Arbitrage Liability	491,000	-	491,000	-	-
<b>Total Long-Term Obligations</b>	<b><u>\$1,055,855,045</u></b>	<b><u>115,573,488</u></b>	<b><u>220,212,642</u></b>	<b><u>951,215,891</u></b>	<b><u>\$ 29,418,254</u></b>

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

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2013**

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**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, 2013, the School District received approximately \$4,602,000 in a return of arbitrage previously paid to the federal government related to its 2002 BEST Bond. In addition, the School District recognized a decrease in its arbitrage liability of \$491,000 primarily due to interest expense exceeding earnings received during the year on its 2003 BEST bond proceeds. The School District does not believe it has any significant positive arbitrage on any of its indebtedness as of June 30, 2013.

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 outstanding debt issue (including those of its blended component unit – BEST) as of June 30, 2013 are as follows:

- \$216,905,000 BEST Installment Purchase Revenue Refunding Bond Series 2005 to advance refund \$192,250,000 of the BEST 2002 Series Bonds. The reacquisition price exceeded the net carrying amount of the old debt by \$19,788,749; this amount is being amortized over the life of the new debt, which is the same as the life of the old debt. 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, deferred loss on refunding, and bond issuance costs at June 30, 2013 were \$8,899,224, 10,092,456, and \$1,102,782, respectively.
- \$574,790,000 BEST Installment Purchase Revenue Refunding Bond Series 2006 to advance refund \$501,370,000 of the BEST 2002 Series Bonds. The reacquisition price exceeded the net carrying amount of the old debt by \$40,136,937; this amount is being amortized over the life of the new debt, which is the same as the life of the old debt. 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, deferred loss on refunding, and bond issuance costs at June 30, 2013 were \$16,966,923, \$27,346,045, and \$3,437,731, respectively.

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

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2013**

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

**I. Long-Term Obligations (Continued)**

- \$61,615,000 BEST Installment Purchase Revenue Bond Series 2006 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, 2013 were \$1,670,336 and \$828,433, respectively.
- \$49,805,000 BEST Installment Purchase Revenue Refunding Bond Series 2012 to advance refund the outstanding balance of \$66,270,000 of the BEST 2003 Series Bonds. The District placed \$69,560,287 (which included existing debt service reserve funds of \$10,739,691) in an irrevocable trust for the purpose of generating resources for all future debt service payments related to these bonds. Accordingly, the BEST 2003 Series is considered to be defeased; it is expected to be redeemed on December 1, 2013. The reacquisition price exceeded the net carrying amount of the old debt by \$1,510,020; this amount is being amortized over the life of the new debt, which is shorter than the life of the old debt. The District entered into this refunding to take advantage of lower interest rates, resulting in a reduction of total debt service payments of \$8,453,050 and an economic gain of \$7,758,854. Bonds are due in annual installments ranging from \$945,000 to \$9,460,000 beginning December 2014 through December 2023 with interest ranging from 2.00% to 5.0%. They are not subject to redemption at BEST's option. In connection with the BEST 2012 Bond Issue, a premium of \$9,582,353 and bond issuance costs of \$493,739 were recorded and are being amortized over the life of the bonds. The unamortized premium, deferred loss on refunding, and bond issuance costs at June 30, 2013 were \$9,005,971, \$1,419,165, and \$464,041, respectively.
- \$60,000,000 BEST Installment Purchase Revenue Refunding Bond Series 2013 to advance refund the outstanding balance of \$62,040,000 of the BEST 2004 Series Bonds. The District placed \$67,964,142 (which included existing debt service reserve funds of \$8,242,432) in an irrevocable trust for the purpose of generating resources for all future debt service payments related to these bonds. Accordingly, the BEST 2004 Series is considered to be defeased; it is expected to be redeemed on December 1, 2014. The reacquisition price exceeded the net carrying amount of the old debt by \$4,522,027; this amount is being amortized over the life of the new debt, which is the same as the life of the old debt. The District entered into this refunding to take advantage of lower interest rates, resulting in a reduction of total debt service payments of \$10,498,685 and an economic gain of \$8,182,029. Bonds are due in annual installments ranging from \$960,000 to \$36,480,000 beginning December 2014 through December 2028 with interest at 2.95%. They are not subject to redemption at BEST's option. In connection with the BEST 2013 Bond Issue, a premium of \$180,000 and bond issuance costs of \$458,290 were recorded and are being amortized over the life of the bonds. The unamortized premium, deferred loss on refunding, and bond issuance costs at June 30, 2013 were \$178,552, \$4,485,653, and \$454,604, 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, 2013 were \$90,980 and \$15,241, respectively.

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

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2013**

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**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, 2013 were \$196,430.
- \$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. The last payment is due November 1, 2013.
- \$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, 2013 were \$101,970 and \$236,631, respectively.
- \$10,080,743 Qualified Zone Academy Bond (“QZAB”), Series 2011 provided funding for a computer refresh program. The principal on the bond is due at maturity on June 1, 2022. Semi-annual interest only payments on June 1<sup>st</sup> and December 1<sup>st</sup> are due through maturity at an interest rate of 5.17%. Interest on this bond is subject to a refundable interest credit payment from the United States Treasury equal to 100% of the amount of each interest payment on such bond. The available subsidy (“Interest Subsidy”) received on this bond is included as revenue of the Debt Service – District Fund. In connection with this issue, bond issuance costs of \$176,000 were recorded and are being amortized over the life of the bond. The unamortized bond issuance costs at June 30, 2013 were \$141,365.
- \$3,807,909 Qualified Zone Academy Bond, Series 2012 to finance HVAC modifications. The principal on the bond is due at maturity on December 1, 2022. Semi-annual interest only payments on June 1<sup>st</sup> and December 1<sup>st</sup> are due through maturity at an interest rate of 4.16%. Interest on this bond is subject to a refundable interest credit payment from the United States Treasury equal to 100% of the amount of each interest payment on such bond. The available subsidy (“Interest Subsidy”) received on this bond is included as revenue of the Debt Service – District Fund. In connection with this issue, bond issuance costs of \$76,000 were recorded and are being amortized over the life of the bond. The unamortized bond issuance costs at June 30, 2013 were \$67,333.

The BEST bonds are not an obligation or 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.

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

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2013**

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

**I. Long-Term Obligations (Continued)**

Annual debt service requirements to maturity as of June 30, 2013 for BEST and the School District are as follows:

Year Ending June 30	BEST		School District		Totals
	Principal	Interest	Principal	Interest	
2014	\$ 21,590,000	43,676,971	5,834,945	1,675,387	\$ 72,777,303
2015	28,805,000	42,379,582	-	1,547,811	72,732,393
2016	33,950,000	40,885,128	-	1,547,811	76,382,939
2017	35,600,000	39,156,261	-	1,547,811	76,304,072
2018	38,245,000	37,216,445	-	1,547,811	77,009,256
2019-2023	281,205,000	149,218,691	13,888,652	6,625,567	450,937,910
2024-2028	365,010,000	67,660,745	29,260,000	2,436,060	464,366,805
2029	98,475,000	2,087,955	-	-	100,562,955
Totals	\$ 902,880,000	422,281,778	48,983,597	16,928,258	\$ 1,391,073,633

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 \$56,575,000 (both long-term and short-term debt) in outstanding general obligation debt at June 30, 2013 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 retirement plans 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 School District's participation in the South Carolina Police Officers' Retirement System is not significant (limited to a few employees) and thus no information on this plan has been included in this note disclosure. The South Carolina Retirement System ("SCRS") is a cost-sharing multi-employer defined benefit pension plan that was administered by the South Carolina Retirement System; a division of the South Carolina State Budget and Control Board. Effective July 1, 2012, the South Carolina General Assembly transferred administration of the SCRS to the newly created South Carolina Public Employee Benefit Authority ("PEBA"). The PEBA has the authority to establish and amend benefits and funding policy. The system offers retirement and disability benefits, cost of living adjustments on an ad-hoc basis, group life ("GL") insurance benefits and survivor 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 to the South Carolina Public Employee Benefit Authority, P.O. Box 11960, Columbia, SC 29211-1960.

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

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2013**

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**IV. OTHER INFORMATION (CONTINUED)**

**A. Retirement and Postemployment Benefit Plans (Continued)**

*South Carolina Retirement System (Continued)*

For Class II members, 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.

For Class III members, benefits vest after eight years of service, and vested members who retire must be age sixty-five or meet the rule of 90 requirement (this means that the member's age plus the years of service must add up to a total of at least 90), 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.

*Funding Policy* – Both employees and employers are required to contribute to the Plan at rates established and as amended by the PEBA. The School District's contributions are actuarially determined, but are communicated to and paid by the School District as a percentage of the employees' annual earnings. In addition, participating employers of the South Carolina Retirement System contribute a certain percentage 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.

*Other Retirement Plan*

The State of South Carolina also provides an optional retirement plan ("ORP"). The ORP is a defined contribution 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 and employer required contribution rates are based on a percentage of covered salary of which 5.0% 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 amounts equal the required contribution rate and amounts for the ORP for all years presented.

*Postemployment Benefits*

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 retirees 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 PEBA Retirement Benefits and Insurance Benefits, 202 Arbor Lake Drive, Suite 360, Columbia, SC 29223.

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

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2013**

**IV. OTHER INFORMATION (CONTINUED)**

**A. Retirement and Postemployment Benefit Plans (Continued)**

*Postemployment Benefits (Continued)*

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		
	2013	2012	2011	2013	2012	2011
Total Eligible Wages	\$307,063,476	296,454,833	289,969,653	45,158,068	41,966,677	\$ 39,801,804
<u>Employer Rate:</u>						
Retirement - SCRS	10.450%	9.385%	9.240%	5.450%	4.385%	4.240%
Retirement - AIP	0.000%	0.000%	0.000%	5.000%	5.000%	5.000%
Retiree Surcharge - SCRS	4.550%	4.300%	3.900%	4.550%	4.300%	3.900%
GL Ins. Benefit - SCRS	0.150%	0.150%	0.150%	0.150%	0.150%	0.150%
Total Employer Rate	15.150%	13.835%	13.290%	15.150%	13.835%	13.290%
Employee Rate	7.000%	6.500%	6.500%	7.000%	6.500%	6.500%
<u>Employer Contributions:</u>						
Retirement - SCRS	\$ 32,088,133	\$ 27,822,286	26,793,196	2,461,115	1,840,239	\$ 1,687,596
Retirement - AIP	-	-	-	2,257,903	2,098,334	1,990,090
Retiree Surcharge - SCRS	13,971,388	12,747,558	11,308,816	2,054,692	1,804,567	1,552,270
GL Ins. Benefit - SCRS	460,595	444,682	434,954	67,737	62,950	59,703
Total	\$ 46,520,116	\$ 41,014,526	38,536,966	6,841,447	5,806,090	\$ 5,289,659
Employee Contributions	\$ 21,360,132	\$ 19,269,569	18,848,027	3,161,065	2,727,834	\$ 2,587,117

**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.

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

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2013**

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**IV. OTHER INFORMATION (CONTINUED)**

**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 \$550,000 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 \$7,105,132 for incurred but unpaid claims at June 30, 2013, 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 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 position as the amount is generally expected to be paid within one year.

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
2011	\$ 5,299,601	2,988,955	2,540,834	\$ 5,747,722
2012	5,747,222	3,861,917	2,876,107	6,733,032
2013	\$ 6,733,032	3,658,632	3,286,532	\$ 7,105,132

**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 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 year ended June 30, 2008, those distributions were expected to equal 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 in fiscal year 2009, the annual tier three distributions will equal the reimbursement from the previous fiscal year plus the tier three reimbursement increases.

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

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2013**

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**IV. OTHER INFORMATION (CONTINUED)**

**E. Contingencies (Continued)**

*Impact of Act 388 (Continued)*

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 year 2013 under Act 388 is approximately \$54,285,000. 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 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.

**F. Pending Implementation of GASB Statements**

*Reclassification of Balance Sheet Items and Elimination of Bond Issuance Costs*

GASB Statement No. 65, "Items Previously Reported as Assets and Liabilities" ("GASB #65" or "Statement") was issued by the GASB in March 2012. The primary objective of this Statement is to establish accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. In particular, this Statement requires that bond issuance costs (as defined) should be recognized as an expense in the period incurred.

The effect of implementation of this Statement will result in the School District writing off its debt issuance costs and will result in a decrease in net position of approximately \$6,945,000. The requirements of this Statement are effective for the School District for the year ended June 30, 2014.

*Change in Pension Accounting*

GASB Statement No. 68, "Accounting and Financial Reporting for Pensions" ("Statement"), was issued by the GASB in June 2012. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local government employers about financial support for pensions that are provided by other entities. In addition, state and local governments who participate in a cost-sharing multiple employer plan will now be required to recognize a liability for its proportionate share of the net pension liability of that plan. It is GASB's intention that this new Statement will provide citizens and other users of the financial statements with a clearer picture of the size and nature of the School District's financial obligations to current and former employees for past services rendered.

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

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2013**

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**IV. OTHER INFORMATION (CONTINUED)**

**F. Pending Implementation of GASB Statements (Continued)**

*Change in Pension Accounting (Continued)*

In particular, the School District will be required to report a net pension liability for its participation in the SCRS on financial statements prepared on the economic resources measurement focus and accrual basis of accounting (i.e., the statement of net position) and present more extensive note disclosures. In general, it should not have a significant impact on the School District's governmental funds.

The effect of implementation of this Statement has not been determined at this time, but it is anticipated that it will materially decrease the School District's unrestricted net position. This Statement is required to be implemented by the School District no later than the fiscal year ending June 30, 2015.

**G. Subsequent Events**

In September 2013, the School District issued \$69,770,000 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 2014 BEST debt service payments, and to pay for the costs of issuing the bonds. The bonds carry interest at 1.0% and are due in full in June 2014.

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

# **REQUIRED SUPPLEMENTARY INFORMATION**

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

**REQUIRED SUPPLEMENTARY INFORMATION - BUDGETARY COMPARISON SCHEDULE**

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

**YEAR ENDED JUNE 30, 2013**

	<b>BUDGETED AMOUNTS</b>		<b>ACTUAL (BUDGETARY BASIS)</b>	<b>VARIANCE WITH REVISED BUDGET- POSITIVE (NEGATIVE)</b>
	<b>ORIGINAL</b>	<b>REVISED</b>		
<b>REVENUES</b>				
Local Sources:				
Taxes	\$ 148,685,000	148,685,000	152,341,397	\$ 3,656,397
Investment Earnings	400,000	400,000	345,661	(54,339)
Other Local Sources	795,000	795,000	1,279,515	484,515
State Sources	288,002,000	288,002,000	293,199,187	5,197,187
Intergovernmental Sources	-	-	14,430	14,430
<b>TOTAL REVENUE ALL SOURCES</b>	<b>437,882,000</b>	<b>437,882,000</b>	<b>447,180,190</b>	<b>9,298,190</b>
<b>EXPENDITURES</b>				
Current:				
Instruction	273,346,467	271,679,931	269,212,682	2,467,249
Support Services	176,357,891	178,105,633	173,288,155	4,817,478
Community Services	62,483	62,475	61,274	1,201
Intergovernmental	17,157,862	17,157,862	16,560,679	597,183
Capital Outlay	1,254,297	1,173,099	890,435	282,664
<b>TOTAL EXPENDITURES</b>	<b>468,179,000</b>	<b>468,179,000</b>	<b>460,013,225</b>	<b>8,165,775</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(30,297,000)</b>	<b>(30,297,000)</b>	<b>(12,833,035)</b>	<b>17,463,965</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of Capital Assets	-	-	31,198	31,198
Transfers In	15,524,000	15,524,000	15,592,125	68,125
Transfers Out	(52,000)	(52,000)	-	52,000
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>15,472,000</b>	<b>15,472,000</b>	<b>15,623,323</b>	<b>151,323</b>
<b>NET CHANGES IN FUND BALANCE</b>	<b>(14,825,000)</b>	<b>(14,825,000)</b>	<b>2,790,288</b>	<b>17,615,288</b>
FUND BALANCE, Beginning of Year	80,095,291	80,095,291	80,095,291	-
<b>FUND BALANCE, End of Year</b>	<b>\$ 65,270,291</b>	<b>65,270,291</b>	<b>82,885,579</b>	<b>\$ 17,615,288</b>

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 original and revised budget both reflected the use of appropriated fund balance of \$14,825,000.

# **SUPPLEMENTARY INFORMATION**

GENERAL FUND

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

YEAR ENDED JUNE 30, 2013

	<b>REVISED BUDGET</b>	<b>ACTUAL (BUDGETARY BASIS)</b>	<b>VARIANCE WITH REVISED BUDGET- POSITIVE (NEGATIVE)</b>
<b>REVENUES</b>			
1000 Revenue from Local Sources:			
1100 Taxes:			
1110 Ad Valorem Taxes-Including Delinquent (Independent)	\$ 134,715,000	137,464,554	\$ 2,749,554
1200 Revenue from Local Governmental Units Other than LEAs:			
1280 Revenue in Lieu of Taxes (Independent and Dependent)	13,970,000	14,876,843	906,843
1300 Tuition:			
1310 From Patrons for Regular Day School	60,000	71,772	11,772
1320 From Other LEAs for Regular Day School	240,000	120,447	(119,553)
1340 From Other LEAs for Adult/Continuing Ed	-	200	200
1350 From Patrons for Summer School	130,000	175,977	45,977
1500 Earnings on Investments:			
1510 Interest on Investments	400,000	345,661	(54,339)
1700 Pupil Activities:			
1740 Student Fees	65,000	44,145	(20,855)
1900 Other Revenue from Local Sources:			
1910 Rentals	-	203,239	203,239
1920 Contributions & Donations Private Sources	250,000	4,852	(245,148)
1930 Medicaid	-	39,095	39,095
1950 Refund of Prior Year's Expenditures	-	4,445	4,445
1990 Miscellaneous Local Revenue:			
1993 Receipt of Insurance Proceeds	-	111,539	111,539
1999 Revenue from Other Local Sources	50,000	503,804	453,804
Total Revenue from Local Sources	<u>149,880,000</u>	<u>153,966,573</u>	<u>4,086,573</u>
2000 Intergovernmental Revenue:			
2200 Payments from Public Charter School	-	14,430	14,430
Total Intergovernmental Revenue	<u>-</u>	<u>14,430</u>	<u>14,430</u>
3000 Revenue from State Sources:			
3100 Restricted State Funding:			
3130 Special Programs:			
3131 Handicapped Transportation	170,000	181,195	11,195
3132 Home Schooling (No Carryover Provision)	70,000	21,126	(48,874)
3160 School Bus Driver's Salary (Includes Hazardous Condition Transportation)	1,589,000	2,765,851	1,176,851
3162 Transportation Workers' Compensation	300,000	202,429	(97,571)
3180 Fringe Benefits Employer Contributions (No Carryover Provision)	66,915,000	58,380,240	(8,534,760)
3181 Retiree Insurance (No Carryover Provision)	-	11,676,378	11,676,378
3199 Other Restricted State Grants	\$ -	52,076	\$ 52,076

(Continued)

GENERAL FUND

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

YEAR ENDED JUNE 30, 2013

	REVISED BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE WITH REVISED BUDGET- POSITIVE (NEGATIVE)
3300 Education Finance Act:			
3310 Full-Time Programs:			
3311 Kindergarten	\$ 10,047,650	10,359,949	\$ 312,299
3312 Primary	26,880,730	27,096,568	215,838
3313 Elementary	35,362,520	35,145,006	(217,514)
3314 High School	16,702,590	19,733,243	3,030,653
3315 Trainable Mentally Handicapped	652,450	615,477	(36,973)
3316 Speech Handicapped (Part-Time Program)	6,524,450	7,078,015	553,565
3317 Homebound	782,930	892,347	109,417
3320 Part-Time Programs:			
3321 Emotionally Handicapped	782,930	797,394	14,464
3322 Educable Mentally Handicapped	521,960	494,798	(27,162)
3323 Learning Disabilities	12,004,990	11,659,924	(345,066)
3324 Hearing Handicapped	260,980	214,603	(46,377)
3325 Visually Handicapped	130,490	118,159	(12,331)
3326 Orthopedically Handicapped	260,980	308,067	47,087
3327 Vocational	17,746,500	14,547,488	(3,199,012)
3330 Other EFA Programs:			
3331 Autism	1,826,850	2,054,694	227,844
3350 Residential Treatment Facility (RTF)	-	56,428	56,428
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)	54,537,000	54,285,163	(251,837)
3830 Merchant's Inventory Tax	2,201,000	2,201,459	459
3840 Manufacturers Depreciation Reimbursement	2,100,000	2,592,140	492,140
3890 Other State Property Tax Revenues (Includes Motor Carrier Vehicle Tax)	321,000	310,662	(10,338)
Total Revenue from State Sources	<u>288,002,000</u>	<u>293,199,187</u>	<u>5,197,187</u>
<b>TOTAL REVENUE ALL SOURCES</b>	<b><u>437,882,000</u></b>	<b><u>447,180,190</u></b>	<b><u>9,298,190</u></b>

EXPENDITURES

100 Instruction:			
110 General Instruction:			
111 Kindergarten Programs:			
100 Salaries	16,893,325	16,816,817	76,508
140 Terminal Leave	28,600	22,720	5,880
200 Employee Benefits	6,169,545	6,132,398	37,147
300 Purchased Services	761	760	1
400 Supplies and Materials	42,900	42,482	418
500 Capital Outlay	\$ 7,128	1,345	\$ 5,783

(Continued)

GENERAL FUND

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

YEAR ENDED JUNE 30, 2013

	REVISED BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE WITH REVISED BUDGET- POSITIVE (NEGATIVE)
112 Primary Programs:			
100 Salaries	\$ 42,133,834	42,108,673	\$ 25,161
140 Terminal Leave	57,200	47,222	9,978
200 Employee Benefits	14,108,739	14,006,871	101,868
300 Purchased Services	468,323	456,356	11,967
400 Supplies and Materials	1,101,477	820,785	280,692
500 Capital Outlay	118,762	73,111	45,651
600 Other Objects	100	-	100
113 Elementary Programs:			
100 Salaries	59,271,478	59,271,587	(109)
140 Terminal Leave	47,100	45,918	1,182
150 TERI - Second Annual Leave Payout	-	273	(273)
200 Employee Benefits	20,018,640	19,927,843	90,797
300 Purchased Services	268,905	267,449	1,456
400 Supplies and Materials	626,098	413,025	213,073
500 Capital Outlay	44,584	29,313	15,271
600 Other Objects	100	-	100
114 High School Programs:			
100 Salaries	40,749,883	40,614,958	134,925
140 Terminal Leave	31,400	29,845	1,555
200 Employee Benefits	13,522,991	13,479,206	43,785
300 Purchased Services	458,495	443,737	14,758
400 Supplies and Materials	722,241	527,778	194,463
500 Capital Outlay	62,565	37,273	25,292
600 Other Objects	200	189	11
115 Career and Technology Education Program:			
100 Salaries	6,743,940	6,593,305	150,635
140 Terminal Leave	4,000	6,048	(2,048)
200 Employee Benefits	2,226,973	2,190,925	36,048
300 Purchased Services - Other than Tuition	26,653	26,194	459
400 Supplies and Materials	329,984	295,234	34,750
500 Capital Outlay	43,008	42,702	306
600 Other Objects	90	82	8
116 Career and Technology Education (Vocational) Programs- Middle School			
100 Salaries	965,153	933,693	31,460
200 Employee Benefits	297,417	296,369	1,048
120 Exceptional Programs:			
121 Educable Mentally-Handicapped:			
100 Salaries	3,904,960	3,780,186	124,774
140 Terminal Leave	2,000	900	1,100
200 Employee Benefits	1,530,645	1,528,725	1,920
300 Purchased Services	6,416	693	5,723
400 Supplies and Materials	\$ 11,496	10,887	\$ 609

(Continued)

GENERAL FUND

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

YEAR ENDED JUNE 30, 2013

	REVISED BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE WITH REVISED BUDGET- POSITIVE (NEGATIVE)
122 Trainable Mentally Handicapped:			
100 Salaries	\$ 3,397,738	3,338,116	\$ 59,622
140 Terminal Leave	9,000	7,905	1,095
200 Employee Benefits	1,288,520	1,280,090	8,430
300 Purchased Services	10,250	952	9,298
400 Supplies and Materials	7,990	7,756	234
123 Orthopedically Handicapped:			
100 Salaries	908,974	894,707	14,267
140 Terminal Leave	-	1,108	(1,108)
200 Employee Benefits	361,341	359,412	1,929
300 Purchased Services	1,521	1,521	-
400 Supplies and Materials	8	-	8
124 Visually Handicapped:			
100 Salaries	230,860	203,930	26,930
200 Employee Benefits	69,697	69,250	447
300 Purchased Services	6,294	6,285	9
125 Hearing Handicapped:			
100 Salaries	682,746	662,247	20,499
200 Employee Benefits	222,812	222,050	762
300 Purchased Services	3,660	3,658	2
400 Supplies and Materials	2,685	2,583	102
126 Speech Handicapped:			
100 Salaries	3,575,933	3,492,883	83,050
140 Terminal Leave	4,000	3,088	912
200 Employee Benefits	1,068,150	1,064,804	3,346
300 Purchased Services	10,172	10,089	83
400 Supplies and Materials	250	-	250
127 Learning Disabilities:			
100 Salaries	12,671,186	12,429,380	241,806
140 Terminal Leave	2,400	6,690	(4,290)
200 Employee Benefits	4,400,893	4,289,221	111,672
300 Purchased Services	6,096	5,717	379
400 Supplies and Materials	44,160	11,497	32,663
128 Emotionally Handicapped:			
100 Salaries	2,132,952	2,082,468	50,484
140 Terminal Leave	2,500	1,170	1,330
200 Employee Benefits	695,962	693,801	2,161
300 Purchased Services	9,427	427	9,000
400 Supplies and Materials	\$ 2,353	2,347	\$ 6

(Continued)

GENERAL FUND

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

YEAR ENDED JUNE 30, 2013

	REVISED BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE WITH REVISED BUDGET- POSITIVE (NEGATIVE)
130 Pre-School Programs:			
137 Pre-School Handicapped Self-Contained (3 & 4-Yr. Olds):			
100 Salaries	\$ 2,296,954	2,291,472	\$ 5,482
140 Terminal Leave	2,000	5,675	(3,675)
200 Employee Benefits	808,542	797,788	10,754
400 Supplies and Materials	806	-	806
139 Early Childhood Programs:			
100 Salaries	236,660	236,378	282
140 Terminal Leave	3,500	-	3,500
200 Employee Benefits	87,868	87,183	685
400 Supplies and Materials	1,060	967	93
140 Special Programs:			
141 Gifted and Talented - Academic:			
100 Salaries	1,083,059	1,085,005	(1,946)
140 Terminal Leave	4,000	1,800	2,200
200 Employee Benefits	364,811	357,736	7,075
145 Homebound:			
100 Salaries	988,931	983,974	4,957
200 Employee Benefits	315,520	306,039	9,481
300 Purchased Services	54,955	18,865	36,090
400 Supplies and Materials	14,780	940	13,840
148 Gifted and Talented - Artistic:			
100 Salaries	14,294	14,111	183
200 Employee Benefits	3,265	3,172	93
149 Other Special Programs:			
100 Salaries	139,793	138,785	1,008
140 Terminal Leave	-	73	(73)
200 Employee Benefits	85,324	84,925	399
300 Purchased Services	3,584	3,580	4
400 Supplies and Materials	755	337	418
160 Other Exceptional Programs:			
161 Autism:			
100 Salaries	155,669	111,401	44,268
140 Terminal Leave	2,000	900	1,100
200 Employee Benefits	54,951	51,604	3,347
300 Purchased Services	9,000	-	9,000
170 Summer School Programs:			
172 Elementary Summer School:			
100 Salaries	75,775	75,765	10
200 Employee Benefits	17,069	17,059	10
300 Purchased Services	\$ 63	62	\$ 1

(Continued)

GENERAL FUND

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

YEAR ENDED JUNE 30, 2013

	REVISED BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE WITH REVISED BUDGET- POSITIVE (NEGATIVE)
173 High School Summer School:			
100 Salaries	\$ 58,505	58,495	\$ 10
200 Employee Benefits	12,830	12,820	10
300 Purchased Services	438	-	438
400 Supplies and Materials	4,385	1,548	2,837
175 Instructional Programs Beyond Regular School Day:			
100 Salaries	146,800	140,097	6,703
200 Employee Benefits	27,393	27,061	332
400 Supplies and Materials	2,000	1,780	220
500 Capital Outlay	4,324	4,308	16
Total Instruction	<u>271,960,302</u>	<u>269,400,734</u>	<u>2,559,568</u>
200 Support Services:			
210 Pupil Services:			
211 Attendance and Social Work Services:			
100 Salaries	1,143,412	1,138,679	4,733
200 Employee Benefits	385,444	383,948	1,496
300 Purchased Services	47,016	40,683	6,333
400 Supplies and Materials	8,400	4,629	3,771
600 Other Objects	150	150	-
212 Guidance Services:			
100 Salaries	9,632,858	9,634,562	(1,704)
140 Terminal Leave	15,100	12,278	2,822
200 Employee Benefits	3,047,452	3,046,901	551
300 Purchased Services	24,285	628	23,657
400 Supplies and Materials	9,270	3,275	5,995
600 Other Objects	150	150	-
213 Health Services:			
100 Salaries	2,126,074	2,104,559	21,515
200 Employee Benefits	740,758	738,696	2,062
300 Purchased Services	51,380	42,156	9,224
400 Supplies and Materials	64,880	63,784	1,096
500 Capital Outlay	1,332	1,331	1
214 Psychological Services:			
100 Salaries	950,147	921,525	28,622
140 Terminal Leave	-	10,157	(10,157)
200 Employee Benefits	285,039	284,940	99
300 Purchased Services	23,177	14,000	9,177
217 Career Specialist Services:			
100 Salaries	76,759	76,627	132
200 Employee Benefits	\$ 21,224	21,005	\$ 219

(Continued)

GENERAL FUND

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

YEAR ENDED JUNE 30, 2013

	REVISED BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE WITH REVISED BUDGET- POSITIVE (NEGATIVE)
220 Instructional Staff Services:			
221 Improvement of Instruction-Curriculum Development:			
100 Salaries	\$ 5,993,471	5,988,285	\$ 5,186
140 Terminal Leave	-	3,930	(3,930)
200 Employee Benefits	1,824,064	1,821,701	2,363
300 Purchased Services	149,576	47,086	102,490
400 Supplies and Materials	33,732	29,359	4,373
500 Capital Outlay	25,193	25,104	89
600 Other Objects	1,435	1,433	2
222 Library and Media Services:			
100 Salaries	6,920,762	6,916,457	4,305
140 Terminal Leave	6,000	9,775	(3,775)
200 Employee Benefits	2,344,145	2,332,015	12,130
300 Purchased Services	170,706	170,151	555
400 Supplies and Materials	661,165	644,681	16,484
500 Capital Outlay	158,985	158,845	140
223 Supervision of Special Programs:			
100 Salaries	1,324,889	1,314,866	10,023
140 Terminal Leave	4,000	3,515	485
200 Employee Benefits	414,895	414,888	7
300 Purchased Services	6,892	159	6,733
400 Supplies and Materials	1,527	1,506	21
600 Other Objects	600	600	-
224 Improvement of Instruction-Inservice and Staff Training:			
100 Salaries	142,746	90,242	52,504
200 Employee Benefits	17,928	17,529	399
300 Purchased Services	401,141	248,762	152,379
400 Supplies and Materials	37,416	35,102	2,314
600 Other Objects	149,700	148,859	841
230 General Administrative Services:			
231 Board of Education:			
100 Salaries	101,900	101,861	39
200 Employee Benefits	18,849	18,570	279
300 Purchased Services	342,867	53,659	289,208
318 Audit Services (this account code must be reported separately here)	91,000	74,555	16,445
400 Supplies and Materials	9,320	9,303	17
600 Other Objects	\$ 27,500	27,500	\$ -

(Continued)

GENERAL FUND

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

YEAR ENDED JUNE 30, 2013

	REVISED BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE WITH REVISED BUDGET- POSITIVE (NEGATIVE)
232 Office of Superintendent:			
100 Salaries	\$ 1,047,944	973,938	\$ 74,006
140 Terminal Leave	2,000	1,350	650
200 Employee Benefits	292,054	290,199	1,855
300 Purchased Services	213,289	47,111	166,178
400 Supplies and Materials	28,367	28,348	19
600 Other Objects	91,727	31,000	60,727
233 School Administration:			
100 Salaries	26,503,962	26,502,280	1,682
140 Terminal Leave	129,200	124,713	4,487
200 Employee Benefits	8,385,591	8,346,343	39,248
300 Purchased Services	86,540	86,280	260
400 Supplies and Materials	309,448	210,359	99,089
500 Capital Outlay	20,800	20,673	127
600 Other Objects	79,565	78,805	760
250 Finance and Operations Services:			
251 Student Transportation (Federal/District Mandated):			
100 Salaries	530,000	517,244	12,756
200 Employee Benefits	188,537	163,338	25,199
300 Purchased Services	2,600	2,506	94
252 Fiscal Services:			
100 Salaries	2,198,261	2,165,369	32,892
140 Terminal Leave	20,000	19,564	436
200 Employee Benefits	1,681,827	1,674,920	6,907
300 Purchased Services	157,195	126,021	31,174
400 Supplies and Materials	16,640	11,429	5,211
500 Capital Outlay	14,080	1,786	12,294
600 Other Objects	732,838	726,062	6,776
254 Operation and Maintenance of Plant:			
100 Salaries	22,438,872	22,453,369	(14,497)
140 Terminal Leave	41,600	23,166	18,434
200 Employee Benefits	9,161,443	9,160,099	1,344
300 Purchased Services	3,200,438	2,936,685	263,753
321 Public Utilities (Excludes Gas, Oil, Elec. & Other Heating Fuels)	1,486,319	1,378,264	108,055
400 Supplies and Materials	4,673,272	4,754,585	(81,313)
470 Energy (Includes Gas, Oil, Elec. & Other Heating Fuels)	14,391,145	12,389,598	2,001,547
500 Capital Outlay	314,989	314,544	445
600 Other Objects	\$ 2,000	1,886	\$ 114

(Continued)

GENERAL FUND

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

YEAR ENDED JUNE 30, 2013

	REVISED BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE WITH REVISED BUDGET- POSITIVE (NEGATIVE)
255 Student Transportation (State Mandated):			
100 Salaries	\$ 10,556,651	10,410,415	\$ 146,236
140 Terminal Leave	22,300	14,581	7,719
200 Employee Benefits	4,334,181	4,272,088	62,093
300 Purchased Services	739,895	695,229	44,666
400 Supplies and Materials	42,064	41,123	941
500 Capital Outlay	10,290	-	10,290
600 Other Objects	150	100	50
256 Food Service:			
140 Terminal Leave	900	-	900
200 Employee Benefits	5,127,304	5,011,725	115,579
257 Internal Services:			
100 Salaries	946,892	951,409	(4,517)
140 Terminal Leave	7,000	900	6,100
200 Employee Benefits	313,615	313,512	103
300 Purchased Services	87,391	49,845	37,546
400 Supplies and Materials	101,688	74,312	27,376
500 Capital Outlay	1,600	-	1,600
600 Other Objects	120	120	-
258 Security:			
100 Salaries	592,341	590,511	1,830
200 Employee Benefits	196,755	196,708	47
300 Purchased Services	1,972,109	1,960,078	12,031
400 Supplies and Materials	66,180	65,016	1,164
500 Capital Outlay	5,000	-	5,000
259 Internal Auditing Services:			
100 Salaries	277,542	264,461	13,081
200 Employee Benefits	81,240	80,813	427
300 Purchased Services	5,511	4,551	960
400 Supplies and Materials	2,090	1,921	169
600 Other Objects	1,340	846	494
260 Central Support Services:			
262 Planning, Research, Development and Evaluation:			
100 Salaries	935,315	934,984	331
200 Employee Benefits	264,000	262,841	1,159
300 Purchased Services	89,668	73,264	16,404
400 Supplies and Materials	25,023	19,723	5,300
500 Capital Outlay	3,220	-	3,220
600 Other Objects	\$ 1,100	710	\$ 390

(Continued)

GENERAL FUND

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

YEAR ENDED JUNE 30, 2013

	REVISED BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE WITH REVISED BUDGET- POSITIVE (NEGATIVE)
263 Information Services:			
100 Salaries	\$ 448,465	443,383	\$ 5,082
140 Terminal Leave	2,000	2,220	(220)
200 Employee Benefits	144,879	144,657	222
300 Purchased Services	58,598	21,242	37,356
400 Supplies and Materials	11,954	11,940	14
500 Capital Outlay	1,600	1,049	551
600 Other Objects	360	360	-
264 Staff Services:			
100 Salaries	1,048,921	1,036,624	12,297
140 Terminal Leave	21,500	9,684	11,816
200 Employee Benefits	315,714	315,561	153
300 Purchased Services	165,537	127,430	38,107
400 Supplies and Materials	12,381	11,644	737
500 Capital Outlay	2,535	2,531	4
600 Other Objects	32,132	7,822	24,310
266 Technology and Data Processing Services:			
100 Salaries	3,332,395	3,309,104	23,291
140 Terminal Leave	2,000	900	1,100
200 Employee Benefits	1,055,749	1,052,789	2,960
300 Purchased Services	1,760,543	1,619,672	140,871
400 Supplies and Materials	423,600	251,917	171,683
500 Capital Outlay	333,104	176,520	156,584
270 Support Services Pupil Activity:			
271 Pupil Services Activities:			
100 Salaries (Optional)	2,861,484	2,847,955	13,529
200 Employee Benefits (Optional)	610,429	595,427	15,002
300 Purchased Services (Optional)	110,303	26,030	84,273
400 Supplies and Materials (Optional)	3,162	2,875	287
600 Other Objects (Optional)	466,165	478,970	(12,805)
Total Support Services	<u>178,515,239</u>	<u>173,606,887</u>	<u>4,908,352</u>
300 Community Services:			
330 Civic Services:			
100 Salaries	45,905	45,805	100
200 Employee Benefits	10,482	10,453	29
300 Purchased Services	5,560	5,000	560
400 Supplies and Materials	528	16	512
Total Community Services	<u>\$ 62,475</u>	<u>61,274</u>	<u>\$ 1,201</u>

(Continued)

GENERAL FUND

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

YEAR ENDED JUNE 30, 2013

	<b>REVISED BUDGET</b>	<b>ACTUAL (BUDGETARY BASIS)</b>	<b>VARIANCE WITH REVISED BUDGET- POSITIVE (NEGATIVE)</b>
400 Other Charges:			
410 Intergovernmental Expenditures:			
411 Payments to the SDE			
720 Transits	\$ 684,000	657,571	\$ 26,429
412 Payments to Other Governmental Units			
720 Transits	150,000	127,660	22,340
416 Payments to Public Charter Schools			
720 Transits	16,323,862	15,775,448	548,414
Total Intergovernmental Expenditures	<u>17,157,862</u>	<u>16,560,679</u>	<u>597,183</u>
<b>TOTAL EXPENDITURES</b>	<b><u>467,695,878</u></b>	<b><u>459,629,574</u></b>	<b><u>8,066,304</u></b>
<b>OTHER FINANCING SOURCES (USES)</b>			
5300 Sale of Fixed Assets	-	31,198	31,198
Interfund Transfers, From (To) Other Funds:			
5220 Transfer from Special Revenue Fund (Excludes Indirect Cost)	-	1,000	1,000
5230 Transfer from Special Revenue EIA Fund	12,511,000	12,457,926	(53,074)
5260 Transfer from Food Service Fund	1,613,000	1,848,177	235,177
5280 Transfer from Other Funds Indirect Costs	1,400,000	1,285,022	(114,978)
421-710 Transfer to Special Revenue Fund	(52,000)	-	52,000
426-710 Transfer to Pupil Activity Fund	(483,122)	(383,651)	99,471
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>14,988,878</u>	<u>15,239,672</u>	<u>250,794</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(14,825,000)</b>	<b>2,790,288</b>	<b>17,615,288</b>
FUND BALANCE, Beginning of Year	80,095,291	80,095,291	-
<b>FUND BALANCE, End of Year</b>	<b><u>\$ 65,270,291</u></b>	<b><u>82,885,579</u></b>	<b><u>\$ 17,615,288</u></b>

SPECIAL REVENUE FUND

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

YEAR ENDED JUNE 30, 2013

	<b>REVISED BUDGET</b>	<b>ACTUAL (BUDGETARY BASIS)</b>	<b>VARIANCE WITH REVISED BUDGET- POSITIVE (NEGATIVE)</b>
<b>REVENUES</b>			
Local Sources	\$ 14,724,592	3,083,488	\$ (11,641,104)
State Sources	14,936,909	10,116,723	(4,820,186)
Federal Sources	55,010,259	40,594,905	(14,415,354)
<b>TOTAL REVENUE ALL SOURCES</b>	<b>84,671,760</b>	<b>53,795,116</b>	<b>(30,876,644)</b>
<b>EXPENDITURES</b>			
Current:			
Instruction	39,309,448	27,744,986	11,564,462
Support Services	36,081,174	17,267,326	18,813,848
Community Services	1,368,103	1,201,765	166,338
Intergovernmental	1,512,948	1,343,893	169,055
Capital Outlay	4,282,523	785,366	3,497,157
<b>TOTAL EXPENDITURES</b>	<b>82,554,196</b>	<b>48,343,336</b>	<b>34,210,860</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>2,117,564</b>	<b>5,451,780</b>	<b>3,334,216</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers In	888,723	151,704	(737,019)
Transfers Out	(3,006,287)	(1,978,819)	1,027,468
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(2,117,564)</b>	<b>(1,827,115)</b>	<b>290,449</b>
<b>NET CHANGES IN FUND BALANCE</b>	<b>-</b>	<b>3,624,665</b>	<b>3,624,665</b>
FUND BALANCE, Beginning of Year	-	-	-
<b>FUND BALANCE, End of Year</b>	<b>\$ -</b>	<b>3,624,665</b>	<b>\$ 3,624,665</b>

**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, 2013**

	<b>Title I (BA Projects) (201/202)</b>	<b>IDEA (CA Projects) (203)</b>
<b>REVENUES</b>		
1000 Revenue from Local Sources:		
1300 Tuition:		
1330 From Patrons for Adult/Continuing Education	\$ -	-
1900 Other Revenue from Local Sources:		
1930 Medicaid	-	-
1999 Revenue from Other Local Sources	-	-
Total Revenue from Local Sources	<u>-</u>	<u>-</u>
3000 Revenue from State Sources:		
3100 Restricted State Funding:		
3110 Occupational Education:		
3116 At-Risk Intervention Initiative	-	-
3118 EEDA Career Specialist	-	-
3120 General Education:		
3125 Career and Technology Education Equipment (Carryover Only)	-	-
3127 Student Health and Fitness - PE Teachers	-	-
3130 Special Programs:		
3133 IDEA Contingency Fund (Effective 10/1/12)	-	-
3136 Student Health and Fitness - Nurses	-	-
3150 Adult Education:		
3190 Miscellaneous Restricted State Grants:		
3193 Education License Plates	-	-
3199 Other Restricted State Grants	-	-
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) ( Carryover Only)	-	-
Total Revenue from State Sources	<u>-</u>	<u>-</u>
4000 Revenue from Federal Sources:		
4200 Occupational Education:		
4210 Perkins Aid, Title I	\$ -	-

Preschool Handicapped (CG Projects) (205)	CATE (VA Projects) (207)	Adult Education* (243)	Other Designated Restricted State Grants* (800s/900s)	Other Special Revenue Programs* (200s/800s/900s)	Totals
-	-	-	-	23,225	\$ 23,225
-	-	-	-	1,427,667	1,427,667
-	-	-	-	1,632,596	1,632,596
-	-	-	-	3,083,488	3,083,488
-	-	-	4,361	-	4,361
-	-	-	1,131,313	-	1,131,313
-	-	-	322,797	-	322,797
-	-	-	560,412	-	560,412
-	-	-	-	3,763,198	3,763,198
-	-	-	1,538,334	-	1,538,334
-	-	-	781	-	781
-	-	-	158,354	-	158,354
-	-	-	178,509	-	178,509
-	-	-	2,339,451	-	2,339,451
-	-	-	119,213	-	119,213
-	-	-	6,353,525	3,763,198	10,116,723
-	1,069,455	-	-	-	\$ 1,069,455

(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, 2013**

	<b>Title I (BA Projects) (201/202)</b>	<b>IDEA (CA Projects) (203)</b>
4300 Elementary and Secondary Education Act of 1965 (ESEA):		
4310 Perkins, Title I, Basic State Grant Program (Carryover Provision)	\$ 19,506,539	-
4316 School Improvement Grant (ARRA)	-	-
4318 SC Reading First		
4341 Language Instruction for Limited English Proficient and Immigrant Students, Title III (Carryover Provision)	-	-
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)	-	14,107,574
4520 Preschool Grants (IDEA) (Carryover Provision)	-	-
4900 Other Federal Sources:		
4940 SC School Climate Initiative	-	-
4999 Revenue from Other Federal Sources	-	-
Total Revenue from Federal Sources	<u>19,506,539</u>	<u>14,107,574</u>
<b>TOTAL REVENUE ALL SOURCES</b>	<b><u>19,506,539</u></b>	<b><u>14,107,574</u></b>

**EXPENDITURES**

100 Instruction:		
110 General Instruction:		
111 Kindergarten Program:		
100 Salaries	90,422	-
200 Employee Benefits	31,606	-
112 Primary Programs:		
100 Salaries	2,495,447	-
200 Employee Benefits	826,901	-
300 Purchased Services	178,690	-
400 Supplies and Materials	951,707	-
500 Capital Outlay	404,401	-
113 Elementary Programs:		
100 Salaries	3,000,719	-
200 Employee Benefits	972,856	-
300 Purchased Services	978,705	-
400 Supplies and Materials	230,580	-
500 Capital Outlay	\$ 91,619	-

<b>Preschool Handicapped (CG Projects) (205)</b>	<b>CATE (VA Projects) (207)</b>	<b>Adult Education* (243)</b>	<b>Other Designated Restricted State Grants* (800s/900s)</b>	<b>Other Special Revenue Programs* (200s/800s/900s)</b>	<b>Totals</b>
-	-	-	-	855,656	\$ 20,362,195
-	-	-	-	493,135	493,135
-	-	-	-	842,485	842,485
-	-	-	-	1,959,089	1,959,089
-	-	378,393	-	-	378,393
-	-	15,000	-	-	15,000
-	-	-	-	-	14,107,574
422,737	-	-	-	-	422,737
-	-	-	-	42,978	42,978
-	-	-	-	901,864	901,864
<b>422,737</b>	<b>1,069,455</b>	<b>393,393</b>	<b>-</b>	<b>5,095,207</b>	<b>40,594,905</b>
<b>422,737</b>	<b>1,069,455</b>	<b>393,393</b>	<b>6,353,525</b>	<b>11,941,893</b>	<b>53,795,116</b>
-	-	-	-	-	90,422
-	-	-	-	-	31,606
-	-	-	9,768	1,449,860	3,955,075
-	-	-	1,797	495,217	1,323,915
-	-	-	-	16,335	195,025
-	-	-	383	88,130	1,040,220
-	-	-	34	8,262	412,697
-	-	-	2,551	39,853	3,043,123
-	-	-	501	16,261	989,618
-	-	-	-	60,629	1,039,334
-	-	-	157	157,216	387,953
-	-	-	19	33,027	\$ 124,665

(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, 2013**

	<b>Title I (BA Projects) (201/202)</b>	<b>IDEA (CA Projects) (203)</b>
114 High School Programs:		
100 Salaries	\$ -	-
200 Employee Benefits	-	-
300 Purchased Services	-	-
400 Supplies and Materials	-	-
500 Capital Outlay	-	-
115 Career and Technology Education Program:		
100 Salaries	-	28,374
200 Employee Benefits	-	8,476
300 Purchased Services - Other Than Tuition	-	-
400 Supplies and Materials	-	-
500 Capital Outlay	-	-
116 Career and Technology Education Programs- Middle School:		
100 Salaries	-	-
200 Employee Benefits	-	-
300 Purchased Services	-	-
400 Supplies and Materials	-	-
500 Capital Outlay	-	-
120 Exceptional Programs:		
121 Educable Mentally Handicapped:		
100 Salaries	-	323,978
200 Employee Benefits	-	141,272
122 Trainable Mentally Handicapped:		
100 Salaries	-	384,307
200 Employee Benefits	-	148,924
123 Orthopedically Handicapped:		
100 Salaries	-	102,141
200 Employee Benefits	-	54,762
124 Visually Handicapped:		
100 Salaries	-	8,582
200 Employee Benefits	-	6,147
125 Hearing Handicapped:		
100 Salaries	-	229,018
200 Employee Benefits	-	85,806
126 Speech Handicapped:		
100 Salaries	-	961,018
200 Employee Benefits	-	316,230
600 Other Objects	-	-
127 Learning Disabilities:		
100 Salaries	-	1,384,363
200 Employee Benefits	-	501,586
300 Purchased Services	-	-
500 Capital Outlay	\$ -	-

Preschool Handicapped (CG Projects) (205)	CATE (VA Projects) (207)	Adult Education* (243)	Other Designated Restricted State Grants* (800s/900s)	Other Special Revenue Programs* (200s/800s/900s)	Totals
-	-	-	5,642	697,434	\$ 703,076
-	-	-	1,117	31,228	32,345
-	7,141	-	713	11,209	19,063
-	12,644	-	3,734	139,432	155,810
-	1,271	-	-	1,700	2,971
-	17,752	-	-	67,325	113,451
-	7,124	-	-	15,350	30,950
-	39,122	-	-	-	39,122
-	176,547	-	-	1,321	177,868
-	125,853	-	-	-	125,853
-	-	-	-	2,542	2,542
-	-	-	-	580	580
-	3,090	-	-	-	3,090
-	20,065	-	-	-	20,065
-	1,394	-	-	-	1,394
-	-	-	-	-	323,978
-	-	-	-	-	141,272
-	-	-	-	100	384,407
-	-	-	-	-	148,924
-	-	-	-	-	102,141
-	-	-	-	-	54,762
-	-	-	-	-	8,582
-	-	-	-	-	6,147
-	-	-	-	-	229,018
-	-	-	-	-	85,806
-	-	-	-	435,377	1,396,395
-	-	-	-	100,886	417,116
-	-	-	-	26,009	26,009
-	-	-	-	35,880	1,420,243
-	-	-	-	14,374	515,960
-	-	-	386	-	386
-	-	-	5,183	-	\$ 5,183

(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, 2013**

	<b>Title I (BA Projects) (201/202)</b>	<b>IDEA (CA Projects) (203)</b>
128 Emotionally Handicapped:		
100 Salaries	\$ -	40,660
200 Employee Benefits	-	16,908
130 Pre-School Programs:		
135 Pre-School Handicapped Speech (3 & 4-Yr. Olds):		
100 Salaries	-	-
200 Employee Benefits	-	-
137 Pre-School Handicapped Self-Contained (3 & 4-Yr. Olds):		
100 Salaries	-	534,229
200 Employee Benefits	-	174,944
300 Purchased Services	-	-
400 Supplies and Materials	-	-
139 Early Childhood Programs:		
100 Salaries	2,526,647	-
200 Employee Benefits	890,012	-
300 Purchased Services	-	-
400 Supplies and Materials	19,895	-
140 Special Programs:		
141 Gifted and Talented - Academic:		
400 Supplies and Materials	-	-
143 Advanced Placement:		
100 Salaries	-	-
200 Employee Benefits	-	-
400 Supplies and Materials	-	-
149 Other Special Programs:		
100 Salaries	51,371	39,496
200 Employee Benefits	12,195	9,085
300 Purchased Services	-	6,985
400 Supplies and Materials	-	47,429
500 Capital Outlay	-	16,411
160 Other Exceptional Programs:		
161 Autism:		
100 Salaries	-	365,102
200 Employee Benefits	-	130,348
170 Summer School Programs:		
171 Primary Summer School:		
100 Salaries	-	16,518
200 Employee Benefits	\$ -	3,373

Preschool Handicapped (CG Projects) (205)	CATE (VA Projects) (207)	Adult Education* (243)	Other Designated Restricted State Grants* (800s/900s)	Other Special Revenue Programs* (200s/800s/900s)	Totals
-	-	-	-	50,922	\$ 91,582
-	-	-	-	23,781	40,689
50,374	-	-	-	-	50,374
15,653	-	-	-	-	15,653
-	-	-	-	-	534,229
-	-	-	-	-	174,944
-	-	-	-	991	991
-	-	-	-	7,055	7,055
-	-	-	-	-	2,526,647
-	-	-	-	-	890,012
-	-	-	-	3,565	3,565
-	-	-	-	24,092	43,987
-	-	-	-	830	830
-	-	-	-	4,440	4,440
-	-	-	-	1,027	1,027
-	-	-	-	19,671	19,671
-	-	-	1,338,614	362,413	1,791,894
-	-	-	445,971	116,785	584,036
-	-	-	-	194,449	201,434
9,100	-	-	-	48,082	104,611
-	-	-	-	43,597	60,008
-	-	-	-	-	365,102
-	-	-	-	-	130,348
-	-	-	-	-	16,518
-	-	-	-	-	\$ 3,373

(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, 2013**

	<b>Title I (BA Projects) (201/202)</b>	<b>IDEA (CA Projects) (203)</b>
172 Elementary Summer School:		
100 Salaries	\$ 27,458	-
200 Employee Benefits	6,192	-
300 Purchased Services	39,204	-
400 Supplies and Materials	55,973	-
500 Capital Outlay	2,592	-
173 High School Summer School:		
100 Salaries	-	-
200 Employee Benefits	-	-
300 Purchased Services	-	-
175 Instructional Programs Beyond Regular School Day:		
100 Salaries	39,547	-
200 Employee Benefits	9,162	-
300 Purchased Services	7,751	-
400 Supplies and Materials	2,122	-
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	-	-
188 Parenting/Family Literacy:		
100 Salaries	333,573	-
200 Employee Benefits	129,135	-
300 Purchased Services	43,203	-
400 Supplies and Materials	127,719	-
500 Capital Outlay	7,721	-
Total Instruction	<u>14,585,125</u>	<u>6,086,472</u>
200 Support Services:		
210 Pupil Services:		
211 Attendance and Social Work Services:		
100 Salaries	549,793	143,964
200 Employee Benefits	180,594	48,111
300 Purchased Services	9,326	-
400 Supplies and Materials	\$ 18,725	-

Preschool Handicapped (CG Projects) (205)	CATE (VA Projects) (207)	Adult Education* (243)	Other Designated Restricted State Grants* (800s/900s)	Other Special Revenue Programs* (200s/800s/900s)	Totals
-	-	-	-	40,486	\$ 67,944
-	-	-	-	9,251	15,443
-	-	-	-	2,484	41,688
-	-	-	-	1,712	57,685
-	-	-	-	-	2,592
-	1,867	-	-	-	1,867
-	437	-	-	-	437
-	1,604	-	-	-	1,604
-	-	-	-	133,684	173,231
-	-	-	-	30,627	39,789
-	-	-	-	6,022	13,773
-	-	-	-	18,347	20,469
-	-	-	-	14,598	14,598
-	-	35,000	-	-	35,000
-	-	7,500	-	-	7,500
-	-	87,000	-	-	87,000
-	-	17,238	-	-	17,238
-	-	-	7,508	-	7,508
-	-	172,163	-	-	172,163
-	-	42,701	-	-	42,701
-	-	-	-	24,730	358,303
-	-	-	-	5,384	134,519
-	-	-	-	-	43,203
-	-	-	-	19,791	147,510
-	-	-	-	-	7,721
<u>75,127</u>	<u>415,911</u>	<u>361,602</u>	<u>1,824,078</u>	<u>5,154,353</u>	<u>28,502,668</u>
-	-	-	-	-	693,757
-	-	-	-	-	228,705
-	-	-	-	-	9,326
-	-	-	-	1,223	\$ 19,948

(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, 2013**

	<b>Title I (BA Projects) (201/202)</b>	<b>IDEA (CA Projects) (203)</b>
212 Guidance Services:		
100 Salaries	\$ -	147,582
200 Employee Benefits	-	44,426
300 Purchased Services	-	-
400 Supplies and Materials	-	-
213 Health Services:		
100 Salaries	117,568	1,289,312
200 Employee Benefits	43,191	434,527
300 Purchased Services	10,465	-
400 Supplies and Materials	1,064	-
600 Other Objects	-	-
214 Psychological Services:		
100 Salaries	-	940,435
200 Employee Benefits	-	284,860
215 Exceptional Program Services:		
100 Salaries	-	42,008
200 Employee Benefits	-	13,042
217 Career Specialists Services:		
100 Salaries	-	-
200 Employee Benefits	-	-
220 Instructional Staff Services:		
221 Improvement of Instruction - Curriculum Development:		
100 Salaries	804,596	1,602,807
200 Employee Benefits	279,048	475,765
300 Purchased Services	-	-
400 Supplies and Materials	-	-
600 Other Objects	-	-
223 Supervision of Special Programs:		
100 Salaries	326,703	1,052,966
200 Employee Benefits	107,670	360,647
300 Purchased Services	12,142	-
400 Supplies and Materials	10,149	-
500 Capital Outlay	9,262	-
224 Improvement of Instruction - Inservice and Staff Training:		
100 Salaries	73,172	14,584
200 Employee Benefits	15,618	3,169
300 Purchased Services	425,827	-
400 Supplies and Materials	53,883	-
230 General Administration Services:		
232 Office of the Superintendent:		
300 Purchased Services	\$ -	-

<b>Preschool Handicapped (CG Projects) (205)</b>	<b>CATE (VA Projects) (207)</b>	<b>Adult Education* (243)</b>	<b>Other Designated Restricted State Grants* (800s/900s)</b>	<b>Other Special Revenue Programs* (200s/800s/900s)</b>	<b>Totals</b>
-	159,024	-	-	-	\$ 306,606
-	48,396	-	-	-	92,822
-	-	-	-	8,598	8,598
-	-	-	-	1,713	1,713
-	-	-	1,077,630	37,830	2,522,340
-	-	-	460,704	17,490	955,912
-	-	-	-	103,264	113,729
-	-	-	-	19,932	20,996
-	-	-	-	3,240	3,240
94,582	-	-	-	-	1,035,017
24,546	-	-	-	-	309,406
61,658	-	-	-	-	103,666
27,922	-	-	-	-	40,964
-	-	-	471,338	-	471,338
-	-	-	167,731	-	167,731
-	120,618	-	1,107,593	37,548	3,673,162
-	30,048	-	318,241	8,471	1,111,573
-	-	-	-	2,067	2,067
-	-	-	-	11,332	11,332
-	3,350	-	-	100	3,450
75,934	49,466	15,750	-	263,764	1,784,583
32,102	25,289	3,100	-	76,221	605,029
-	9,281	-	10,000	24,049	55,472
-	-	-	5,485	13,221	28,855
-	-	-	5,000	1,501	15,763
-	-	-	62,338	141,034	291,128
-	-	-	15,334	36,214	70,335
-	22,668	-	-	216,013	664,508
-	-	-	-	16,311	70,194
-	-	-	-	5,783	\$ 5,783

(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, 2013**

	<b>Title I (BA Projects) (201/202)</b>	<b>IDEA (CA Projects) (203)</b>
	<u>                    </u>	<u>                    </u>
250 Finance and Operations Services:		
251 Student Transportation (Federal/District Mandated):		
100 Salaries	\$ 141,540	171,627
200 Employee Benefits	48,074	65,080
300 Purchased Services	186,547	10,757
400 Supplies and Materials	78,429	-
600 Other Objects	-	-
252 Fiscal Services:		
100 Salaries	-	-
200 Employee Benefits	-	-
300 Purchased Services	-	-
400 Supplies and Materials	-	-
500 Capital Outlay	-	-
253 Facilities Acquisition and Construction:		
300 Purchased Services	-	-
254 Operation and Maintenance of Plant:		
400 Supplies and Materials	-	-
255 Student Transportation (State Mandated):		
300 Purchased Services	-	-
258 Security:		
300 Purchased Services	-	-
260 Central Support Services:		
263 Information Services:		
300 Purchased Services	-	-
400 Supplies and Materials	-	-
264 Staff Services:		
300 Purchased Services	-	-
400 Supplies and Materials	-	-
266 Technology and Data Processing Services:		
100 Salaries	198,660	-
200 Employee Benefits	66,557	-
300 Purchased Services	-	-
400 Supplies and Materials	-	-
270 Support Services - Pupil Activity:		
271 Pupil Services Activities:		
300 Purchased Services	-	-
600 Other Objects	-	-
Total Support Services	<u>3,768,603</u>	<u>7,145,669</u>
300 Community Services:		
350 Custody and Care of Children:		
100 Salaries	720	-
200 Employee Benefits	\$ 166	-

Preschool Handicapped (CG Projects) (205)	CATE (VA Projects) (207)	Adult Education* (243)	Other Designated Restricted State Grants* (800s/900s)	Other Special Revenue Programs* (200s/800s/900s)	Totals
-	-	-	-	-	\$ 313,167
-	-	-	-	-	113,154
-	-	-	-	19,612	216,916
-	-	-	-	-	78,429
-	-	-	-	2,450	2,450
-	-	-	-	242,236	242,236
-	-	-	-	71,542	71,542
-	-	-	-	82,572	82,572
-	-	-	-	952	952
-	-	-	-	11,921	11,921
-	-	-	239	1,610	1,849
-	-	-	-	4,617	4,617
-	-	-	1,067	-	1,067
-	-	-	-	196,916	196,916
-	-	-	-	24,758	24,758
-	-	-	-	22,611	22,611
-	-	-	-	1,739	1,739
-	-	-	-	6,955	6,955
-	-	-	-	-	198,660
-	-	-	-	-	66,557
-	-	-	-	1,725	1,725
-	-	-	-	1,396	1,396
-	4,350	-	-	-	4,350
-	109,445	-	100	19,626	129,171
316,744	581,935	18,850	3,702,800	1,760,157	17,294,758

720  
\$ 166  
(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, 2013**

	<b>Title I (BA Projects) (201/202)</b>	<b>IDEA (CA Projects) (203)</b>
390 Other Community Services:		
100 Salaries	\$ -	-
200 Employee Benefits	-	-
300 Purchased Services	-	-
400 Supplies and Materials	-	-
600 Other Objects	-	-
Total Community Services	<u>886</u>	<u>-</u>
410 Intergovernmental Expenditures:		
416 Payments to Public Charter Schools		
720 Transits	525,043	408,629
Total Intergovernmental Expenditures	<u>525,043</u>	<u>408,629</u>
<b>TOTAL EXPENDITURES</b>	<b><u>18,879,657</u></b>	<b><u>13,640,770</u></b>
<b>OTHER FINANCING SOURCES (USES)</b>		
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)	(626,882)	(466,804)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(626,882)</u>	<u>(466,804)</u>
<b>EXCESS/DEFICIENCY OF REVENUES AND EXPENDITURES</b>	<b>-</b>	<b>-</b>
FUND BALANCE, Beginning of Year	-	-
<b>FUND BALANCE, End of Year</b>	<b><u>\$ -</u></b>	<b><u>-</u></b>

<b>Preschool Handicapped (CG Projects) (205)</b>	<b>CATE (VA Projects) (207)</b>	<b>Adult Education* (243)</b>	<b>Other Designated Restricted State Grants* (800s/900s)</b>	<b>Other Special Revenue Programs* (200s/800s/900s)</b>	<b>Totals</b>
-	-	-	54,171	83,748	\$ 137,919
-	-	-	19,461	29,828	49,289
-	-	-	10,254	932,836	943,090
-	-	-	59,767	10,788	70,555
-	-	-	-	26	26
-	-	-	143,653	1,057,226	1,201,765
16,859	46,609	-	141,901	204,852	1,343,893
16,859	46,609	-	141,901	204,852	1,343,893
<b>408,730</b>	<b>1,044,455</b>	<b>380,452</b>	<b>5,812,432</b>	<b>8,176,588</b>	<b>48,343,084</b>
-	-	-	737,019	-	737,019
-	-	-	151,704	-	151,704
-	-	-	-	(1,000)	(1,000)
-	-	-	(737,019)	-	(737,019)
-	-	-	(692,797)	-	(692,797)
-	-	-	-	(252)	(252)
(14,007)	(25,000)	(12,941)	-	(139,388)	(1,285,022)
(14,007)	(25,000)	(12,941)	(541,093)	(140,640)	(1,827,367)
-	-	-	-	<b>3,624,665</b>	<b>3,624,665</b>
-	-	-	-	-	-
-	-	-	-	<b>3,624,665</b>	<b>\$ 3,624,665</b>

**SPECIAL REVENUE FUND**

**SUPPLEMENTAL LISTING OF LEA SUBFUND CODES AND TITLES**

**YEAR ENDED JUNE 30, 2013**

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**OTHER DESIGNATED RESTRICTED STATE GRANTS**

8030	Extended School Year
8920	State Miscellaneous Funds
9050	Career Technology Education Equipment
9160	ADEPT
9190	Education License Plates
9260	EEDA Miscellaneous At Risk
9280	EEDA Career Specialists
9360	Student Health and Fitness - Nurses
9370	Student Health and Fitness - PE Teachers
9600	K-5 Enhancement
9670	6-8 Enhancement

**OTHER SPECIAL REVENUE PROGRAMS**

2080	Advanced Placement Program
2210	Title I Neglected & Delinquent
2260	School Improvement Grant SIG (ARRA), Title I
2370	Title I School Improvement
2400	SC School Climate Initiative
2640	Title III
2670	Title II Improving Teacher Quality
2900	Naval JROTC
2900	Air Force JROTC
2900	Army JROTC
2920	Jobs for SC Graduates
2990	Miscellaneous Federal
8010	Medicaid
8040	All County Band Reserve
8060	Communications - Marketing
8080	Parade - Communications
8090	SC Arts Residency
8100	Sprint Peer Mediation Grant
8120	Golf Tournament
8130	Agricultural Education
8150	Greenville Early College fund
8160	State Unrestricted
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

(Continued)

**SPECIAL REVENUE FUND**

**SUPPLEMENTAL LISTING OF LEA SUBFUND CODES AND TITLES**

**YEAR ENDED JUNE 30, 2013**

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**OTHER SPECIAL REVENUE PROGRAMS (CONTINUED)**

8500	ETS E-rate Rebate
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 CDC
8890	Workplace Resource Fees
8900	Local Miscellaneous Funds
8970	Human Resources
8990	Pepsi Contract Reserve

SPECIAL REVENUE FUND

SUMMARY SCHEDULE FOR OTHER DESIGNATED RESTRICTED STATE GRANTS

YEAR ENDED JUNE 30, 2013

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	\$ 1,067	1,067	-	-	\$ -
8920	3199	State Miscellaneous	157,287	157,287	-	-	46,973
9050	3125	Career Technology Educational Equipment	322,797	-	-	(322,797)	-
9160	3991	ADEPT	119,213	119,213	-	-	-
9190	3193	Education License Plates	781	781	-	-	19,940
9260	3116	At-Risk Intervention Initiative	4,361	4,361	-	-	-
9280	3118	EEDA Career Specialists	1,131,313	761,313	-	(370,000)	1,939,089
9360	3136	Student Health and Fitness - Nurses	1,538,334	1,538,334	-	-	453,331
9370	3127	Student Health and Fitness - PE Teachers	560,412	-	(560,412)	-	-
9600	3610	K-5 Enhancement	2,339,451	3,228,174	737,019	151,704	2,360,852
9670	3607	Middle School Initiative	178,509	1,902	(176,607)	-	-
<b>Totals</b>			<b>\$ 6,353,525</b>	<b>5,812,432</b>	<b>-</b>	<b>(541,093)</b>	<b>\$ 4,820,185</b>

SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT

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

YEAR ENDED JUNE 30, 2013

	<b>REVISED BUDGET</b>	<b>ACTUAL (BUDGETARY BASIS)</b>	<b>VARIANCE WITH REVISED BUDGET- POSITIVE (NEGATIVE)</b>
<b>REVENUES</b>			
State Sources	\$ 60,737,617	42,086,012	\$ (18,651,605)
<b>TOTAL REVENUE ALL SOURCES</b>	<b>60,737,617</b>	<b>42,086,012</b>	<b>(18,651,605)</b>
<b>EXPENDITURES</b>			
Current:			
Instruction	35,160,917	20,433,392	14,727,525
Support Services	11,838,996	7,861,834	3,977,162
Intergovernmental	845,604	888,051	(42,447)
Capital Outlay	975,267	985,902	(10,635)
<b>TOTAL EXPENDITURES</b>	<b>48,820,784</b>	<b>30,169,179</b>	<b>18,651,605</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>11,916,833</b>	<b>11,916,833</b>	<b>-</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers In	821,083	692,797	(128,286)
Transfers Out	(12,737,916)	(12,609,630)	128,286
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(11,916,833)</b>	<b>(11,916,833)</b>	<b>-</b>
<b>NET CHANGES IN FUND BALANCE</b>	<b>-</b>	<b>-</b>	<b>-</b>
FUND BALANCE, Beginning of Year	-	-	-
<b>FUND BALANCE, End of Year</b>	<b>\$ -</b>	<b>-</b>	<b>\$ -</b>

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

**Schedule B-6**

**SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT**

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

**YEAR ENDED JUNE 30, 2013**

<b>REVENUES</b>	<u><b>ACTUAL</b></u>
3000 Revenue from State Sources:	
3500 Education Improvement Act:	
3502 ADEPT	\$ 12,269
3509 Arts in Education	16,310
3511 Professional Development	480,950
3525 Career and Technology Education	116,656
3526 Refurbishment of K-8 Science Kits	436,608
3530 Students with Moderate to Severe Intellectual Disabilities (Carryover Only)	77,274
3532 National Board Certification (NBC) Salary Supplement (No Carryover Provision)	4,550,655
3533 Teacher of the Year Awards	1,077
3538 Student at Risk of School Failure	10,424,046
3540 Early Childhood Program (4K Programs Serving Four-Year-Old Children)	1,447,580
3542 Preschool Programs for Children with Disabilities (Carryover Only)	285,228
3544 High Achieving Students	2,235,248
3550 Teacher Salary Increase (No Carryover Provision)	6,085,224
3551 Teacher Salary Supplement State Share	4,401,272
3555 School Employer Contributions (No Carryover Provision)	2,390,921
3556 Adult Education	825,054
3558 Reading	450,355
3571 Palmetto Priority Schools	258,414
3572 Palmetto Priority Assistance	141,505
3577 Teacher Supplies (No Carryover Provision)	1,201,832
3578 High Schools That Work/Making Middle Grades Work	40,982
3585 Aid to Districts-Special Education	3,445,964
3592 Work-Based Learning	234,722
3594 EEDA Supplemental Programs	144,165
3597 Aid to Districts	2,197,629
3598 Cost Savings Allocations	146,704
3599 Other EIA	37,368
Total Revenue from State Sources	<u>42,086,012</u>
 <b>TOTAL REVENUE ALL SOURCES</b>	 <u><b>42,086,012</b></u>

**EXPENDITURES**

100 Instruction:	
110 General Instruction:	
111 Kindergarten Programs:	
100 Salaries	223,521
200 Employee Benefits	50,613
400 Supplies and Materials	\$ 60,750

(Continued)

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

**Schedule B-6**

**SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT**

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

**YEAR ENDED JUNE 30, 2013**

	<u>ACTUAL</u>
112 Primary Programs:	
100 Salaries	\$ 2,006,313
140 Terminal Leave	279
200 Employee Benefits	583,849
300 Purchased Services	385,772
400 Supplies and Materials	452,302
113 Elementary Programs:	
100 Salaries	1,622,821
200 Employee Benefits	419,601
300 Purchased Services	251,710
400 Supplies and Materials	579,025
500 Capital Outlay	58,866
114 High School Programs:	
100 Salaries	1,625,339
200 Employee Benefits	455,495
300 Purchased Services	92,077
400 Supplies and Materials	370,974
500 Capital Outlay	310,552
115 Career and Technology Education Program:	
100 Salaries	71,625
200 Employee Benefits	16,158
400 Supplies and Materials	37,250
116 Career and Technology Education Programs Middle School:	
100 Salaries	4,125
200 Employee Benefits	894
400 Supplies and Materials	1,500
120 Exceptional Programs:	
121 Educable Mentally Handicapped:	
100 Salaries	30,000
200 Employee Benefits	6,650
400 Supplies and Materials	29,207
122 Trainable Mentally Handicapped:	
100 Salaries	65,220
200 Employee Benefits	28,009
400 Supplies and Materials	13,119
123 Orthopedically Handicapped:	
300 Purchased Services	838
400 Supplies and Materials	7,530
124 Visually Handicapped:	
100 Salaries	7,500
200 Employee Benefits	1,688
300 Purchased Services	3,956
400 Supplies and Materials	\$ 4,012

(Continued)

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

**Schedule B-6**

**SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT**

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

**YEAR ENDED JUNE 30, 2013**

	<u>ACTUAL</u>
125 Hearing Handicapped:	
100 Salaries	\$ 15,000
200 Employee Benefits	3,408
300 Purchased Services	9,540
400 Supplies and Materials	10,380
500 Capital Outlay	30,655
126 Speech Handicapped:	
100 Salaries	492
200 Employee Benefits	101
300 Purchased Services	31,045
400 Supplies and Materials	34,078
500 Capital Outlay	102,443
127 Learning Disabilities:	
100 Salaries	1,330,199
200 Employee Benefits	365,270
300 Purchased Services	193,035
400 Supplies and Materials	216,144
500 Capital Outlay	31,531
600 Other Objects	2,435
128 Emotionally Handicapped:	
100 Salaries	7,500
200 Employee Benefits	1,669
400 Supplies and Materials	15,008
129 Coordinated Early Intervening Services (CEIS):	
400 Supplies and Materials	223,242
130 Pre-School Programs:	
131 Preschool Handicapped Speech (5-Yr. Olds):	
300 Purchased Services	17,070
135 Preschool Handicapped Speech (3-and 4-Yr. Olds):	
400 Supplies and Materials	190
137 Preschool Handicapped Self-Contained (3- and 4-Yr. Olds):	
100 Salaries	27,884
200 Employee Benefits	6,281
300 Purchased Services	7,716
400 Supplies and Materials	26,799
500 Capital Outlay	40,649
139 Early Childhood Programs:	
100 Salaries	2,595,687
140 Terminal Leave	3,658
200 Employee Benefits	932,640
300 Purchased Services	2,582
400 Supplies and Materials	\$ 49,039

(Continued)

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

**Schedule B-6**

**SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT**

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

**YEAR ENDED JUNE 30, 2013**

	<u>ACTUAL</u>
140 Special Programs:	
141 Gifted and Talented - Academic:	
100 Salaries	\$ 1,992,104
200 Employee Benefits	629,000
300 Purchased Services	179
400 Supplies and Materials	29,029
143 Advanced Placement:	
200 Employee Benefits	16
300 Purchased Services	560
400 Supplies and Materials	44,969
145 Homebound:	
400 Supplies and Materials	2,500
148 Gifted and Talented - Artistic:	
100 Salaries	279,045
200 Employee Benefits	90,584
400 Supplies and Materials	1,500
149 Other Special Programs:	
100 Salaries	994,807
200 Employee Benefits	305,046
300 Purchased Services	11,662
400 Supplies and Materials	12,500
160 Other Exceptional Programs:	
161 Autism:	
300 Purchased Services	1,998
400 Supplies and Materials	738
500 Capital Outlay	1,331
170 Summer School Programs:	
171 Primary Summer School:	
200 Employee Benefits	90
400 Supplies and Materials	313
172 Elementary Summer School:	
300 Purchased Services	1,075
400 Supplies and Materials	938
175 Instructional Programs Beyond Regular School Day:	
100 Salaries	41,066
200 Employee Benefits	9,195
400 Supplies and Materials	14,779
180 Adult/Continuing Educational Programs:	
181 Adult Basic Education Programs:	
100 Salaries	20,365
200 Employee Benefits	4,562
300 Purchased Services	\$ 6,710

(Continued)

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

**Schedule B-6**

**SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT**

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

**YEAR ENDED JUNE 30, 2013**

	<u>ACTUAL</u>
182 Adult Secondary Education Programs:	
100 Salaries	\$ 232,262
200 Employee Benefits	57,899
188 Parenting/Family Literacy:	
100 Salaries	6,547
200 Employee Benefits	2,068
300 Purchased Services	500
400 Supplies and Materials	972
Total Instruction	<u>21,009,419</u>
200 Support Services:	
210 Pupil Services:	
211 Attendance and Social Work Services:	
100 Salaries	316,935
200 Employee Benefits	94,735
300 Purchased Services	12,870
400 Supplies and Materials	1,553
500 Capital Outlay	3,986
212 Guidance Services:	
100 Salaries	271,763
200 Employee Benefits	70,832
300 Purchased Services	9,713
400 Supplies and Materials	42,763
500 Capital Outlay	3,994
213 Health Services:	
100 Salaries	116,434
200 Employee Benefits	31,747
300 Purchased Services	99,879
400 Supplies and Materials	18,926
500 Capital Outlay	7,539
214 Psychological Services:	
100 Salaries	138,197
200 Employee Benefits	29,814
300 Purchased Services	161,355
400 Supplies and Materials	159,879
500 Capital Outlay	1,047
215 Exceptional Program Services:	
100 Salaries	7,450
200 Employee Benefits	724
300 Purchased Services	90,760
400 Supplies and Materials	2,185
500 Capital Outlay	\$ 1,331

(Continued)

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

**Schedule B-6**

**SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT**

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

**YEAR ENDED JUNE 30, 2013**

	<u>ACTUAL</u>
217 Career Specialist Services:	
100 Salaries	\$ 32,680
200 Employee Benefits	12,824
220 Instructional Staff Services:	
221 Improvement of Instruction-Curriculum Development:	
100 Salaries	1,922,790
140 Terminal Leave	900
200 Employee Benefits	536,671
300 Purchased Services	38,560
400 Supplies and Materials	8,106
500 Capital Outlay	10,899
600 Other Objects	5,700
222 Library and Media:	
100 Salaries	120,375
200 Employee Benefits	27,085
400 Supplies and Materials	24,500
223 Supervision of Special Programs:	
100 Salaries	765,315
140 Terminal Leave	19,670
200 Employee Benefits	199,451
300 Purchased Services	174,405
400 Supplies and Materials	52,199
500 Capital Outlay	33,652
600 Other Objects	190
224 Improvement of Instruction - Inservice and Staff Training:	
100 Salaries	225,357
200 Employee Benefits	48,466
300 Purchased Services	763,826
400 Supplies and Materials	158,124
500 Capital Outlay	24,473
600 Other Objects	2,665
230 General Administration Services:	
233 School Administration:	
100 Salaries	196,900
200 Employee Benefits	58,535
250 Finance and Operations Services:	
251 Student Transportation (Federal/District Mandated):	
100 Salaries	3,053
200 Employee Benefits	680
300 Purchased Services	46,419
400 Supplies and Materials	20,910
500 Capital Outlay	\$ 39,964

(Continued)

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

**Schedule B-6**

**SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT**

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

**YEAR ENDED JUNE 30, 2013**

	<u>ACTUAL</u>
253 Facilities Acquisition and Construction:	
300 Purchased Services	\$ 29,503
400 Supplies and Materials	16,906
500 Capital Outlay:	
545 Technology, Equipment and Software	14,117
254 Operation and Maintenance of Plant:	
400 Supplies and Materials	262
255 Student Transportation (State Mandated):	
300 Purchased Services	5,705
258 Security:	
400 Supplies and Materials	329
260 Central Support Services:	
263 Information Services:	
400 Supplies and Materials	497
264 Staff Services:	
100 Salaries	107,722
200 Employee Benefits	28,223
266 Technology and Data Processing Services:	
300 Purchased Services	501,872
500 Capital Outlay	268,873
271 Pupil Services Activities:	
600 Other Objects (Optional)	25,945
Total Support Services	<u>8,271,709</u>
410 Intergovernmental Expenditures:	
416 Payments to Public Charter Schools	
720 Transits	888,051
Total Intergovernmental Expenditures	<u>888,051</u>
<b>TOTAL EXPENDITURES</b>	<b><u>\$ 30,169,179</u></b>

(Continued)

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

**Schedule B-6**

**SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT**

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

**YEAR ENDED JUNE 30, 2013**

---

	<u>ACTUAL</u>
<b>OTHER FINANCING SOURCES (USES)</b>	
Interfund Transfers, From (To) Other Funds:	
5220 Transfer from Special Revenue Fund (Excludes Indirect Costs)	\$ 692,797
5230 Transfer from Special Revenue EIA Fund	128,286
420-710 Transfer to General Fund (Exclude Indirect Costs)	(12,457,926)
421-710 Transfer to Special Revenue Fund	(151,704)
422-710 Transfer to EIA Fund	(128,286)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(11,916,833)</u>
<b>EXCESS/DEFICIENCY OF REVENUES AND EXPENDITURES</b>	-
FUND BALANCE, Beginning of Year	<u>-</u>
<b>FUND BALANCE, End of Year</b>	<u><u>\$ -</u></u>

SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT

SUMMARY SCHEDULE BY PROGRAM

YEAR ENDED JUNE 30, 2013

Program	Revenues	Expenditures	EIA Interfund Transfers In/(Out)	Other Fund Transfers In/(Out)	EIA Fund Deferred Revenue
3500 Education Improvement Act:					
3502 ADEPT	\$ 12,269	12,269	-	-	\$ 135,187
3509 Arts in Education	16,310	16,310	-	-	139
3511 Professional Development	480,950	480,950	-	-	399,940
3518 Formative Assessment	-	-	-	-	311,641
3525 Career and Technology Education Equipment	116,656	24,466	(92,190)	-	-
3526 Refurbishment of K-8 Sciences kits	436,608	436,608	-	-	312,943
3530 Students with Moderate to Severe Intellectual Disabilities (Carryover Only)	77,274	77,274	-	-	-
3532 National Board Certification (NBC) Salary Supplement	4,550,655	4,550,655	-	-	-
3533 Teacher of the Year Awards (No Carryover Provision)	1,077	1,077	-	-	-
3538 Student at Risk of School Failure	10,424,046	10,424,046	-	-	12,099,770
3540 Four-Year Old Early Childhood Program	1,447,580	1,853,676	36,096	370,000	1,163,087
3542 Preschool Programs for Children with Disabilities (Carryover Only)	285,228	285,228	-	-	-
3544 High Achieving Students	2,235,248	2,650,235	92,190	322,797	915,334
3550 Teacher Salary Increase	6,085,224	334,773	-	(5,750,451)	-
3551 Teacher Salary Supplement State Share	4,401,272	6,832	-	(4,394,440)	-
3555 School Employer Contributions (No Carryover Provision)	2,390,921	77,886	-	(2,313,035)	-
3556 Adult Education	825,054	825,054	-	-	106,690
3558 Reading	450,355	445,355	-	(5,000)	315,413
3571 Palmetto Priority Schools	258,414	258,414	-	-	9,876
3572 Palmetto Priority Assistance	141,505	141,505	-	-	58,495
3577 Teacher Supplies	1,201,832	1,201,832	-	-	-
3578 High Schools That Work	40,982	40,982	-	-	163,605
3585-Aid to Districts-Special Education	3,445,964	3,445,964	-	-	1,339,150
3592 School-to-Work Transition Act	234,722	234,722	-	-	99,094
3594 EEDA Supplemental Programs	144,165	144,165	-	-	13,247
3597 Aid to Districts	2,197,629	2,197,629	-	-	1,100,000
3598 Cost Savings Allocations	146,704	-	-	(146,704)	-
3599 Other EIA	37,368	1,272	(36,096)	-	-
<b>Totals</b>	<b>\$ 42,086,012</b>	<b>30,169,179</b>	<b>-</b>	<b>(11,916,833)</b>	<b>\$ 18,543,611</b>

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

YEAR ENDED JUNE 30, 2013

<u>Program</u>	<u>Project/Grant Number</u>	<u>Revenue &amp; Subfund Code</u>	<u>Description</u>	<u>Amount Due to State Department of Education or Federal Government</u>	<u>Status of Amount Due to Grantors</u>
National Board Certification	N/A	3532/3320	Unexpended Funds	\$ 55,459	Paid After Year-End
Title II - Improving Teacher Quality	13-TQ-040-01	4351/2670	Unexpended Funds	864	Paid After Year-End
Teacher Supplies	N/A	3770/3577	Unexpended Funds	34,753	Paid After Year-End
High Schools that Work	N/A	3578/3780	Unexpended Funds	17,781	Paid After Year-End
			Total	<u>\$ 108,857</u>	

DEBT SERVICE FUND - DISTRICT

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

YEAR ENDED JUNE 30, 2013

	REVISED BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE WITH REVISED BUDGET- POSITIVE (NEGATIVE)
<b>REVENUES</b>			
1000 Revenue from Local Sources:			
1100 Taxes:			
1110 Ad Valorem Taxes-Including Delinquent (Fiscally Independent LEA)	\$ 78,255,000	79,546,293	\$ 1,291,293
1200 Revenue from Local Governmental Units Other than LEAs:			
1280 Revenue in Lieu of Taxes (Dependent and Independent)	4,942,000	4,709,921	(232,079)
1500 Earnings on Investments:			
1510 Interest on Investments	400,000	252,573	(147,427)
Total Revenue from Local Sources	<u>83,597,000</u>	<u>84,508,787</u>	<u>911,787</u>
3000 Revenue from State Sources:			
3800 State Revenue in Lieu of Taxes:			
3820 Homestead Exemption(Tier 2)	2,500,000	2,714,854	214,854
3830 Merchant's Inventory Tax	375,000	375,085	85
3840 Manufacturers Depreciation Reimbursement	800,000	870,353	70,353
3890 Other State Property Tax Revenues (Includes MC Vehicle Tax)	118,000	110,016	(7,984)
Total Revenue from State Sources	<u>3,793,000</u>	<u>4,070,308</u>	<u>277,308</u>
4000 Revenue from Federal Sources:			
4900 Other Federal Sources:			
4999 Revenue from Other Federal Sources	1,367,100	1,307,623	(59,477)
Total Revenue from Federal Sources	<u>1,367,100</u>	<u>1,307,623</u>	<u>(59,477)</u>
<b>TOTAL REVENUE ALL SOURCES</b>	<b><u>88,757,100</u></b>	<b><u>89,886,718</u></b>	<b><u>1,129,618</u></b>
<b>EXPENDITURES</b>			
500 Debt Service:			
610 Redemption of Principal	86,469,660	9,120,000	77,349,660
620 Interest	3,873,340	2,315,037	1,558,303
690 Other Objects (Includes Fees for Servicing Bonds)	45,000	4,100	40,900
Total Debt Service	<u>90,388,000</u>	<u>11,439,137</u>	<u>78,948,863</u>
<b>TOTAL EXPENDITURES</b>	<b><u>90,388,000</u></b>	<b><u>11,439,137</u></b>	<b><u>78,948,863</u></b>
<b>OTHER FINANCING SOURCES (USES)</b>			
5120 Proceeds of General Obligation Bonds	77,025,752	-	(77,025,752)
Interfund Transfers, From (To) Other Funds:			
423-710 Transfer to Debt Service Fund - BEST	(69,150,753)	(67,166,223)	1,984,530
424-710 Transfer to Capital Projects Fund	(7,874,999)	(10,367,199)	(2,492,200)
TOTAL OTHER FINANCING SOURCES (USES)	<u>\$ -</u>	<u>(77,533,422)</u>	<u>\$ (77,533,422)</u>

(Continued)

**DEBT SERVICE FUND - DISTRICT**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**

**YEAR ENDED JUNE 30, 2013**

	<b>REVISED BUDGET</b>	<b>ACTUAL (BUDGETARY BASIS)</b>	<b>VARIANCE WITH REVISED BUDGET- POSITIVE (NEGATIVE)</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>\$ (1,630,900)</b>	<b>914,159</b>	<b>\$ 2,545,059</b>
FUND BALANCE, Beginning of Year	6,151,343	(14,875,153)	(21,026,496)
<b>FUND BALANCE, End of Year</b>	<b>\$ 4,520,443</b>	<b>(13,960,994)</b>	<b>\$ (18,481,437)</b>

**Note 1:** The School District issued two short-term General Obligation Bonds; one in September 2012 and one in the March 2013 totaling \$76,420,000 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 \$1,141,777, less issuance costs of \$257,052, upon the issuance of these Bonds. The premiums received have been netted against the interest paid for financial statement presentation. The Bonds issued in September 2012, including interest of \$943,347, were repaid in June 2013 with the revenues received from property taxes. The Bonds issued in March of 2013 are due in March 2014 and the outstanding balance is reflected as a fund liability on the School District's balance sheet.

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, 2013

	<b>REVISED BUDGET</b>	<b>ACTUAL (BUDGETARY BASIS)</b>	<b>VARIANCE WITH REVISED BUDGET- POSITIVE (NEGATIVE)</b>
<b>REVENUES</b>			
1500 Earnings on Investments:			
1510 Interest on Investments	\$ 2,920,989	2,634,320	\$ (286,669)
Total Revenue from Local Sources	<u>2,920,989</u>	<u>2,634,320</u>	<u>(286,669)</u>
<b>TOTAL REVENUE ALL SOURCES</b>	<b><u>2,920,989</u></b>	<b><u>2,634,320</u></b>	<b><u>(286,669)</u></b>
<b>EXPENDITURES</b>			
500 Debt Service:			
610 Redemption of Principal	77,380,000	77,380,000	-
620 Interest	48,636,452	46,688,153	1,948,299
690 Other Objects (Includes Fees for Servicing Bonds)	-	1,334,228	(1,334,228)
699 Payment to Refunded Debt Escrow Agent	-	18,982,123	(18,982,123)
Total Debt Service	<u>126,016,452</u>	<u>144,384,504</u>	<u>(18,368,052)</u>
<b>TOTAL EXPENDITURES</b>	<b><u>126,016,452</u></b>	<b><u>144,384,504</u></b>	<b><u>(18,368,052)</u></b>
<b>OTHER FINANCING SOURCES (USES)</b>			
5110 Premium on Bonds Sold	-	9,762,353	9,762,353
5130 Issuance of Refunding Debt	-	109,805,000	109,805,000
441-720 Payment to Refunded Debt Escrow Agent	-	(118,542,306)	(118,542,306)
Interfund Transfers, From (To) Other Funds:			
5240 Transfer from Debt Service Fund - District	69,150,753	67,166,223	(1,984,530)
5251 Transfer from BEST Capital Projects Fund	-	1,862,367	1,862,367
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b><u>69,150,753</u></b>	<b><u>70,053,637</u></b>	<b><u>902,884</u></b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(53,944,710)</b>	<b>(71,696,547)</b>	<b>(17,751,837)</b>
FUND BALANCE, Beginning of Year	<u>126,771,791</u>	<u>126,771,791</u>	<u>-</u>
<b>FUND BALANCE, End of Year</b>	<b><u>\$ 72,827,081</u></b>	<b><u>55,075,244</u></b>	<b><u>\$ (17,751,837)</u></b>

CAPITAL PROJECTS FUND - DISTRICT

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

YEAR ENDED JUNE 30, 2013

	<b>REVISED BUDGET</b>	<b>ACTUAL (BUDGETARY BASIS)</b>	<b>VARIANCE WITH REVISED BUDGET- POSITIVE (NEGATIVE)</b>
<b>REVENUES</b>			
1000 Revenue from Local Sources:			
1500 Earnings on Investments:			
1510 Interest on Investments	\$ 250,000	3,990,386	\$ 3,740,386
1900 Other Revenue from Local Sources:			
1993 Receipt of Insurance Proceeds	-	272,581	272,581
1999 Revenue from Other Local Sources	-	215,515	215,515
Total Revenue from Local Sources	<u>250,000</u>	<u>4,478,482</u>	<u>4,228,482</u>
<b>TOTAL REVENUE ALL SOURCES</b>	<b><u>250,000</u></b>	<b><u>4,478,482</u></b>	<b><u>4,228,482</u></b>
<b>EXPENDITURES</b>			
250 Finance and Operations:			
253 Facilities Acquisition & Construction:			
100 Salaries	1,057,461	1,140,253	(82,792)
200 Employee Benefits	324,976	347,036	(22,060)
300 Purchased Services	2,168,481	2,907,020	(738,539)
400 Supplies and Materials	3,753,647	2,967,300	786,347
500 Capital Outlay:			
510 Land	320,000	5,579	314,421
520 Construction Services	37,964,060	28,235,642	9,728,418
530 Improvements Other Than Buildings	225,000	141,805	83,195
540 Equipment	388,807	534,380	(145,573)
545 Technology, Equipment and Software	3,098,419	2,892,071	206,348
550 Vehicles	1,477,085	703,588	773,497
580 Mobile Classrooms	391,704	94,819	296,885
600 Other Objects:			
690 Other Objects	1,500	694,425	(692,925)
Total Support Services	<u>51,171,140</u>	<u>40,663,918</u>	<u>10,507,222</u>
500 Debt Service:			
610 Redemption of Principal	164,945	164,945	-
Total Debt Service	<u>164,945</u>	<u>164,945</u>	<u>-</u>
<b>TOTAL EXPENDITURES</b>	<b><u>\$ 51,336,085</u></b>	<b><u>40,828,863</u></b>	<b><u>\$ 10,507,222</u></b>

(Continued)

CAPITAL PROJECTS FUND - DISTRICT

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

YEAR ENDED JUNE 30, 2013

	<b>REVISED BUDGET</b>	<b>ACTUAL (BUDGETARY BASIS)</b>	<b>VARIANCE WITH REVISED BUDGET- POSITIVE (NEGATIVE)</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
5300 Sale of Capital Assets	\$ -	194,175	\$ 194,175
Interfund Transfers, From (To) Other Funds:			
5240 Transfer from Debt Service Fund	7,874,999	10,367,199	2,492,200
5250 Transfer from Capital Projects Fund - BEST	-	4,706,425	4,706,425
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>7,874,999</b>	<b>15,267,799</b>	<b>7,392,800</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(43,211,086)</b>	<b>(21,082,582)</b>	<b>22,128,504</b>
FUND BALANCE, Beginning of Year	94,832,850	94,832,850	-
<b>FUND BALANCE, End of Year</b>	<b>\$ 51,621,764</b>	<b>73,750,268</b>	<b>\$ 22,128,504</b>

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, 2013

	<b>REVISED BUDGET</b>	<b>ACTUAL (BUDGETARY BASIS)</b>	<b>VARIANCE WITH REVISED BUDGET- POSITIVE (NEGATIVE)</b>
<b>REVENUES</b>			
1000 Revenue from Local Sources:			
1500 Earnings on Investments:			
1510 Interest on Investments	\$ -	1,369	\$ 1,369
1900 Other Revenue from Local Sources:			
1930 Receipt of Legal Settlement	-	47,345	47,345
Total Revenue from Local Sources	-	48,714	48,714
<b>TOTAL REVENUE ALL SOURCES</b>	<b>-</b>	<b>48,714</b>	<b>48,714</b>
<b>EXPENDITURES</b>			
250 Finance and Operations:			
253 Facilities Acquisition & Construction:			
300 Purchased Services	462	460	2
400 Supplies and Materials	27,469	27,469	-
500 Capital Outlay:			
520 Construction Services	211,700	11,700	200,000
545 Technology, Equipment and Software	245,561	183,124	62,437
600 Other Objects:			
690 Other Objects	31,316	31,316	-
Total Support Services	516,508	254,069	262,439
<b>TOTAL EXPENDITURES</b>	<b>516,508</b>	<b>254,069</b>	<b>262,439</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
5999 Arbitrage Refund	-	4,602,374	4,602,374
Interfund Transfers, From (To) Other Funds:			
423-710 Transfer to BEST - Debt Service Fund	-	(1,862,367)	(1,862,367)
424-710 Transfer to Capital Projects Fund	-	(4,706,425)	(4,706,425)
TOTAL OTHER FINANCING SOURCES (USES)	-	(1,966,418)	(1,966,418)
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(516,508)</b>	<b>(2,171,773)</b>	<b>(1,655,265)</b>
FUND BALANCE, Beginning of Year	6,910,386	6,910,386	-
<b>FUND BALANCE, End of Year</b>	<b>\$ 6,393,878</b>	<b>4,738,613</b>	<b>\$ (1,655,265)</b>

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

**Schedule E-1**

**FOOD SERVICE FUND**

**SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**

**YEAR ENDED JUNE 30, 2013**

	<u>ACTUAL</u>
<b>REVENUES</b>	
1000 Revenues from Local Sources:	
1500 Earnings on Investments:	
1510 Interest on Investments	\$ 27,469
1600 Food Service:	
1610 Lunch Sales to Pupils	4,603,771
1620 Breakfast Sales to Pupils	238,331
1630 Special Sales to Pupils	6,697,006
1640 Lunch Sales to Adults	462,622
1650 Breakfast Sales to Adults	30,353
1660 Special Sales to Adults	280,969
1900 Other Revenue from Local Sources:	
1992 Canteen Operations	12,376
1999 Revenue from Other Local Sources	498,771
Total Revenue from Local Sources	<u>12,851,668</u>
3000 Revenue from State Sources:	
3100 Restricted State Funding:	
3140 School Lunch:	
3142 Program Aid	2,071
Total Revenue from State Sources	<u>2,071</u>
4000 Revenue from Federal Sources:	
4800 USDA Reimbursement:	
4810 School Lunch and After School Snacks Program	14,932,909
4830 School Breakfast Program	4,472,586
4860 Fresh Fruit & Vegetable Program (FFVP) (Carryover Provision)	234,448
4900 Other Federal Sources:	
4991 USDA Commodities (Food Distribution Program) (Carryover Provision)	1,785,256
Total Revenue from Federal Sources	<u>21,425,199</u>
<b>TOTAL REVENUE ALL SOURCES</b>	<u>\$ 34,278,938</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 POSITION**

**YEAR ENDED JUNE 30, 2013**

	<u><b>ACTUAL</b></u>
<b>EXPENSES</b>	
256 Food Service:	
100 Salaries	\$ 10,495,734
300 Purchased Services (Exclude Gas, Oil, Electricity and Other Heating Fuels)	1,239,084
400 Supplies and Materials (Include Gas, Oil, Electricity and Other Heating Fuels)	19,105,084
500 Capital Outlay	1,214,413
600 Other Objects	119,927
Total Food Services Expenses	<u>32,174,242</u>
 <b>TOTAL EXPENSES</b>	 <b><u>32,174,242</u></b>
 <b>OTHER FINANCING SOURCES (USES)</b>	
Interfund Transfers, From (To) Other Funds:	
432-791 Food Service Fund Indirect Costs	(1,848,177)
Contributed Capital	207,275
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b><u>(1,640,902)</u></b>
 <b>EXCESS/DEFICIENCY OF REVENUES AND EXPENDITURES</b>	 <b>463,794</b>
 FUND NET POSITION, Beginning of Year	 <u>19,435,190</u>
 <b>FUND NET POSITION, End of Year</b>	 <b><u>\$ 19,898,984</u></b>

PUPIL ACTIVITY FUND

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

YEAR ENDED JUNE 30, 2013

	<u>ACTUAL</u>
<b>RECEIPTS</b>	
1000 Receipts from Local Sources:	
1500 Earnings on Investments:	
1510 Interest on Investments	\$ 25,335
1700 Pupil Activities:	
1710 Admissions	1,514,121
1720 Bookstore Sales	30,369
1730 Pupil Organization Membership Dues and Fees	232,695
1740 Student Fees	197,965
1790 Other	18,519,608
1900 Other Revenue from Local Sources	
1920 Contributions and Donations Private Sources	2,090,498
Total Receipts from Local Sources	<u>22,610,591</u>
<b>TOTAL RECEIPTS ALL SOURCES</b>	<b><u>22,610,591</u></b>
<b>DISBURSEMENTS</b>	
190 Instructional Pupil Activity:	
660 Pupil Activity	1,596,964
Total Instruction	<u>1,596,964</u>
270 Support Services Pupil Activity:	
271 Pupil Service Activities:	
660 Pupil Activity	7,511,118
272 Enterprise Activities:	
660 Pupil Activity	8,942,213
273 Trust and Agency Activities:	
660 Enterprise Activity	4,314,014
Total Pupil Activity Expenditures	<u>20,767,345</u>
<b>TOTAL DISBURSEMENTS</b>	<b><u>22,364,309</u></b>
<b>EXCESS/DEFICIENCY OF REVENUES AND EXPENDITURES</b>	<b>246,282</b>
STUDENT ORGANIZATIONS, Beginning of Year	<u>9,208,246</u>
<b>STUDENT ORGANIZATIONS, End of Year</b>	<b><u>\$ 9,454,528</u></b>

PUPIL ACTIVITY FUND

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

YEAR ENDED JUNE 30, 2013

	<u>BEGINNING BALANCE</u>	<u>ADDITIONS</u>	<u>REDUCTIONS</u>	<u>ENDING BALANCE</u>
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 1,734,547	681,837	322,722	\$ 2,093,662
Accounts Receivable	8,351,000	170,500	-	8,521,500
<b>TOTAL ASSETS</b>	<b><u>\$ 10,085,547</u></b>	<b><u>852,337</u></b>	<b><u>322,722</u></b>	<b><u>\$ 10,615,162</u></b>
<b>LIABILITIES</b>				
Accounts Payable	\$ 877,301	1,160,634	877,301	\$ 1,160,634
Due to Student Organizations	9,208,246	246,282	-	9,454,528
<b>TOTAL LIABILITIES</b>	<b><u>\$ 10,085,547</u></b>	<b><u>1,406,916</u></b>	<b><u>877,301</u></b>	<b><u>\$ 10,615,162</u></b>

DISCRETELY PRESENTED COMPONENT UNITS - CHARTER SCHOOLS

COMBINING SCHEDULE OF NET POSITION

JUNE 30, 2013

	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
<b>ASSETS</b>								
Cash and Cash Equivalents	\$ 115,128	208,795	434,038	824,639	3,144	357,994	122,277	\$ 2,066,015
Cash and Cash Equivalents - Restricted	-	134,131	-	-	-	-	-	134,131
Investments	555,316	17,298	-	250,000	-	-	-	822,614
Accounts Receivable, Net	165,242	73,378	81,582	175,927	357,174	-	153,494	1,006,797
Other Assets	13,548	5,000	5,465	67,339	1,761	130,332	-	223,445
Depreciable Capital Assets, Net	406,500	3,300,489	87,562	119,919	559,493	841,314	44,552	5,359,829
<b>TOTAL ASSETS</b>	<b>\$ 1,255,734</b>	<b>3,739,091</b>	<b>608,647</b>	<b>1,437,824</b>	<b>921,572</b>	<b>1,329,640</b>	<b>320,323</b>	<b>\$ 9,612,831</b>
<b>LIABILITIES</b>								
Accounts Payable and Accrued Expenses	\$ 212,835	43,361	257,511	253,840	426,849	194,389	15,841	\$ 1,404,626
Unearned Revenue	33,248	-	71,251	7,771	102,712	-	-	214,982
Non-Current Liabilities - Due in One Year	-	-	-	-	597,107	-	-	597,107
Non-Current Liabilities - Due in More than One Year	487,555	573,161	-	392,644	-	332,777	-	1,786,137
<b>TOTAL LIABILITIES</b>	<b>733,638</b>	<b>616,522</b>	<b>328,762</b>	<b>654,255</b>	<b>1,126,668</b>	<b>527,166</b>	<b>15,841</b>	<b>4,002,852</b>
<b>NET POSITION</b>								
Net Investment in Capital Assets	406,500	2,727,328	87,562	119,919	559,493	841,314	44,552	4,786,668
Restricted - Other	203,094	238,096	-	-	-	-	-	441,190
Unrestricted	(87,498)	157,145	192,323	663,650	(764,589)	(38,840)	259,930	382,121
<b>TOTAL NET POSITION</b>	<b>\$ 522,096</b>	<b>3,122,569</b>	<b>279,885</b>	<b>783,569</b>	<b>(205,096)</b>	<b>802,474</b>	<b>304,482</b>	<b>\$ 5,609,979</b>

DISCRETELY PRESENTED COMPONENT UNITS - CHARTER SCHOOLS

COMBINING SCHEDULE OF ACTIVITIES

YEAR ENDED JUNE 30, 2013

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								
<b>Governmental Activities:</b>												
Greenville Technical Charter												
Instruction	\$ 2,274,262	15,173	487,582	-	(1,771,507)							\$(1,771,507)
Support Services	1,133,167	32,000	34,581	-	(1,066,586)							(1,066,586)
	<u>3,407,429</u>	<u>47,173</u>	<u>522,163</u>	<u>-</u>	<u>(2,838,093)</u>							
Meyer Center for Special Children												
Instruction	1,992,580	965,726	119,459	-		(907,395)						(907,395)
Support Services	973,562	-	-	-		(973,562)						(973,562)
Interest and Other Charges	35,125	-	-	-		(35,125)						(35,125)
Depreciation - Unallocated	164,977	-	-	-		(164,977)						(164,977)
	<u>3,166,244</u>	<u>965,726</u>	<u>119,459</u>	<u>-</u>		<u>(2,081,059)</u>						
Langston Charter Middle												
Instruction	1,644,221	-	-	-			(1,644,221)					(1,644,221)
Support Services	1,014,219	-	-	-			(1,014,219)					(1,014,219)
Depreciation - Unallocated	25,873	-	-	-			(25,873)					(25,873)
	<u>2,684,313</u>	<u>-</u>	<u>-</u>	<u>-</u>			<u>(2,684,313)</u>					
Brashier Middle College												
Instruction	1,722,100	9,422	313,853	-			(1,398,825)					(1,398,825)
Support Services	968,921	-	15,192	-			(953,729)					(953,729)
	<u>2,691,021</u>	<u>9,422</u>	<u>329,045</u>	<u>-</u>			<u>(2,352,554)</u>					
Legacy Charter School												
Instruction	4,835,056	-	3,647,993	-				(1,187,063)				(1,187,063)
Support Services	3,117,737	-	2,363,086	-				(754,651)				(754,651)
	<u>7,952,793</u>	<u>-</u>	<u>6,011,079</u>	<u>-</u>				<u>(1,941,714)</u>				
Greer Middle College												
Instruction	1,751,277	309	378,078	-					(1,372,890)			(1,372,890)
Support Services	976,097	-	21,636	-					(954,461)			(954,461)
	<u>2,727,374</u>	<u>309</u>	<u>399,714</u>	<u>-</u>					<u>(2,327,351)</u>			
Lead Academy Charter School												
Instruction	620,505	-	618,358	-							(2,147)	(2,147)
Support Services	352,040	-	350,822	-							(1,218)	(1,218)
	<u>972,545</u>	<u>-</u>	<u>969,180</u>	<u>-</u>							<u>(3,365)</u>	
<b>Total Governmental Activities</b>	<u>23,601,719</u>	<u>1,022,630</u>	<u>8,350,640</u>	<u>-</u>	<u>(2,838,093)</u>	<u>(2,081,059)</u>	<u>(2,684,313)</u>	<u>(2,352,554)</u>	<u>(1,941,714)</u>	<u>(2,327,351)</u>	<u>(3,365)</u>	<u>(14,228,449)</u>
<b>Business-Type Activities:</b>												
Legacy Charter School												
Student Nutrition	563,214	-	533,866	-					(29,348)			(29,348)
Lead Academy Charter School												
Student Nutrition	70,106	9,718	60,492	-							104	104
<b>Total Business-Type Activities</b>	<u>633,320</u>	<u>9,718</u>	<u>594,358</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(29,348)</u>	<u>-</u>	<u>104</u>	<u>(29,244)</u>
<b>Total</b>	<u>\$24,235,039</u>	<u>1,032,348</u>	<u>8,944,998</u>	<u>-</u>	<u>(2,838,093)</u>	<u>(2,081,059)</u>	<u>(2,684,313)</u>	<u>(2,352,554)</u>	<u>(1,971,062)</u>	<u>(2,327,351)</u>	<u>(3,261)</u>	<u>(14,257,693)</u>
<b>GENERAL REVENUES</b>												
General Revenues:												
Grants and Contributions Not Restricted to Specific Programs	-					1,716,220	34,560	-	1,739,097	-	-	3,489,877
Unrestricted Investment Earnings	22,366					5,257	1,554	3,149	-	1,223	-	33,549
Miscellaneous	151,020					107,935	102,723	30,986	-	102,838	73,662	569,164
Intergovernmental Revenue	2,734,233					238,539	2,456,284	2,555,622	-	2,506,282	-	10,490,960
Contributions to Permanent Endowment	46,923					-	-	-	-	-	-	46,923
Total General Revenues and Contributions to Permanent Endowmen	<u>2,954,542</u>					<u>2,067,951</u>	<u>2,595,121</u>	<u>2,589,757</u>	<u>1,739,097</u>	<u>2,610,343</u>	<u>73,662</u>	<u>14,630,473</u>
<b>CHANGE IN NET POSITION</b>					<b>116,449</b>	<b>(13,108)</b>	<b>(89,192)</b>	<b>237,203</b>	<b>(231,965)</b>	<b>282,992</b>	<b>70,401</b>	<b>372,780</b>
NET POSITION, Beginning of Year					405,647	3,135,677	369,077	546,366	26,869	519,482	234,081	5,237,199
<b>NET POSITION, End of Year</b>					<u>522,096</u>	<u>3,122,569</u>	<u>279,885</u>	<u>783,569</u>	<u>(205,096)</u>	<u>802,474</u>	<u>304,482</u>	<u>\$ 5,609,979</u>

LOCATION RECONCILIATION SCHEDULE

YEAR ENDED JUNE 30, 2013

LOCATION ID	LOCATION DESCRIPTION	EDUCATION LEVEL	COST TYPE	TOTAL EXPENDITURES
012	Alexander Elementary School	Elementary Schools	School	3,289,497
020	Rudolph Gordon Elementary School	Elementary Schools	School	3,878,492
031	Armstrong Elementary School	Elementary Schools	School	3,474,436
045	Augusta Circle Elementary School	Elementary Schools	School	3,407,130
050	Baker's Chapel Elementary School	Elementary Schools	School	2,906
052	Buena Vista Elementary School	Elementary Schools	School	5,121,325
054	Sterling School	Elementary Schools	School	4,911,254
056	Beck Academy	Middle Schools	School	7,281,397
058	Northwest Crescent CDC	Other Schools	School	1,235,398
061	Berea Elementary School	Elementary Schools	School	4,057,379
062	Berea Middle School	Middle Schools	School	7,523,197
066	Berea High School	High Schools	School	7,473,193
068	Bryson Elementary School	Elementary Schools	School	5,166,999
072	Bryson Middle School	Middle Schools	School	6,398,452
080	Blue Ridge High School	High Schools	School	7,466,006
082	Blue Ridge Middle School	Middle Schools	School	6,021,878
086	Blythe Academy	Elementary Schools	School	5,540,294
096	Brushy Creek Elementary School	Elementary Schools	School	5,201,565
107	Carolina Academy	High Schools	School	6,050,088
108	VHS Program	Non-Schools	Central	2,177,615
110	Audiology Services	Non-Schools	Central	245,270
115	Crestview Elementary School	Elementary Schools	School	5,317,493
121	Chandler Creek Elementary School	Elementary Schools	School	5,156,638
123	Greer Middle School	Middle Schools	School	5,509,711
126	Activity Bus Shop / Donaldson	Non-Schools	Central	194,851
128	Donaldson CAREER Center	Other Schools	School	1,678,838
129	Donaldson MSAP	Other Schools	School	328,078
132	Meyers Center Charter	Other Schools	School	357,201
133	Greenville Tech. Charter	Other Schools	School	3,254,700
135	Heritage Elementary School	Elementary Schools	School	6,045,834
141	Duncan Chapel Elementary School	Elementary Schools	School	4,476,287
150	East Gantt Elementary School	Elementary Schools	School	1,811
151	Robert E. Cashion Elementary School	Elementary Schools	School	4,100,135
153	Brook Glenn Elementary School	Elementary Schools	School	3,446,933
156	East North Street Academy	Elementary Schools	School	5,393,777
161	Eastside High School	High Schools	School	8,310,980
168	Ellen Woodside Elementary School	Elementary Schools	School	3,432,818
172	Enoree CAREER Center	Other Schools	School	2,169,803
174	Enoree Bus Center	Non-Schools	Central	1,406,600
178	Fine Arts Center	Other Schools	School	2,339,723
181	Fork Shoals Elementary School	Elementary Schools	School	4,366,505
186	Fountain Inn Elementary School	Elementary Schools	School	5,123,489
188	Gateway Elementary School	Elementary Schools	School	4,187,626
190	Golden Strip CAREER Center	Other Schools	School	1,898,247
200	Greenbrier Elementary School	Elementary Schools	School	4,971,323
202	Greenview CDC	Other Schools	School	2,296,952
203	Thomas E. Kerns Elementary School	Elementary Schools	School	4,597,518

(Continued)

LOCATION RECONCILIATION SCHEDULE

YEAR ENDED JUNE 30, 2013

LOCATION ID	LOCATION DESCRIPTION	EDUCATION LEVEL	COST TYPE	TOTAL EXPENDITURES
205	Greenville Middle School	Middle Schools	School	5,541,387
210	Greenville High School	High Schools	School	8,713,123
214	Greer High School	High Schools	School	9,479,554
218	J. Harley Bonds Resource Center	Other Schools	School	2,763,241
232	Hillcrest High School	High Schools	School	13,279,258
240	Hughes Academy	Middle Schools	School	5,672,009
251	Hollis Academy	Elementary Schools	School	4,373,763
254	Lake Forest Elementary School	Elementary Schools	School	5,367,524
263	League Academy	Middle Schools	School	5,369,798
269	J.L. Mann Academy	High Schools	School	12,823,018
271	Bonds MSAP	Other Schools	School	353,298
273	Mauldin High School	High Schools	School	12,830,441
274	Mauldin Middle School	Middle Schools	School	7,489,001
275	Dr. Phinnize J. Fisher Middle	Middle Schools	School	7,887,636
276	Bethel Elementary School	Elementary Schools	School	5,718,467
277	Hillcrest Middle School	Middle Schools	School	6,176,581
279	Mauldin Elementary School	Elementary Schools	School	5,709,869
280	Mitchell Road Elementary School	Elementary Schools	School	4,286,461
286	Monaview Elementary School	Elementary Schools	School	4,212,069
292	Simpsonville ES at Morton Place	Elementary Schools	School	5,080,891
296	Mountain View Elementary School	Elementary Schools	School	5,215,840
300	Overbrook CDC	Other Schools	School	1,152,123
303	Northwest Middle School	Middle Schools	School	5,298,981
308	Grove Elementary School	Elementary Schools	School	4,722,733
316	Paris Elementary School	Elementary Schools	School	3,956,137
333	Sara Collins Elementary School	Elementary Schools	School	6,031,106
336	Pelham Road Elementary School	Elementary Schools	School	4,500,034
338	Plain Elementary School	Elementary Schools	School	5,741,959
340	Marshall Pickens	Alternative Schools	School	109,628
342	Homebound	Alternative Schools	School	113,152
343	White Horse Academy	Alternative Schools	School	33,703
349	Riverside High School	High Schools	School	9,348,688
352	Riverside Middle School	Middle Schools	School	6,732,620
355	Roper Mountain Science Center	Other Schools	School	3,884,931
365	Oakview Elementary School	Elementary Schools	School	6,870,851
381	Cherrydale Elementary School	Elementary Schools	School	3,685,610
385	Lakeview Middle School	Middle Schools	School	4,936,543
386	Northwood Middle School	Middle Schools	School	5,424,795
389	Sevier Middle School	Middle Schools	School	3,961,344
396	Bell's Crossing Elementary School	Elementary Schools	School	6,020,326
401	Skyland Elementary School	Elementary Schools	School	4,565,324
402	Monarch Elementary School	Elementary Schools	School	4,378,894
403	Ralph Chandler Middle School	Middle Schools	School	4,196,294
405	New South High School	High Schools	School	7,227
406	Slater-Marietta Elementary School	Elementary Schools	School	3,773,659
414	Southside High School	High Schools	School	6,854,164
415	M.T. Anderson Support Center	Non-Schools	Central	598,907

(Continued)

LOCATION RECONCILIATION SCHEDULE

YEAR ENDED JUNE 30, 2013

LOCATION ID	LOCATION DESCRIPTION	EDUCATION LEVEL	COST TYPE	TOTAL EXPENDITURES
425	Stone Academy	Elementary Schools	School	4,157,079
431	Sue Cleveland Elementary School	Elementary Schools	School	3,962,932
436	Sullivan Center / Alternative Schools	Alternative Schools	School	1,308,290
441	Summit Drive Elementary School	Elementary Schools	School	3,578,277
444	Tanglewood Middle School	Middle Schools	School	5,268,999
446	Taylor's Bus Center	Non-Schools	Central	7,368,400
448	Golden Strip Bus Center	Non-Schools	Central	2,013,507
449	Taylor's Elementary School	Elementary Schools	School	4,137,580
451	Donaldson Bus Center	Non-Schools	Central	4,397,911
452	Transportation Special Ed	Non-Schools	Central	470,574
453	Donaldson Bus Office	Non-Schools	Central	15,822
456	Tigerville Elementary School	Elementary Schools	School	2,232,914
462	Riley Child Development Center	Other Schools	School	977,306
464	Paul Lawrence Dunbar CDC	Other Schools	School	1,391,208
466	Travelers Rest High School	High Schools	School	7,390,261
471	Waddell Road	Non-Schools	Central	44,530
475	Welcome Elementary School	Elementary Schools	School	5,098,479
476	Wade Hampton High School	High Schools	School	9,436,684
478	AJ Whittenberg ES	Elementary Schools	School	3,511,293
479	Westcliffe Elementary School	Elementary Schools	School	2,946,008
501	Washington Center	Other Schools	School	3,867,676
502	Washington Center at Hollis	Other Schools	School	541,412
506	Woodland Elementary School	Elementary Schools	School	6,749,720
509	Woodmont High School	High Schools	School	15,594,003
510	Woodmont Middle School	Middle Schools	School	4,793,716
522	Legacy Charter School	Other Schools	School	6,098,158
523	Langston Charter	Other Schools	School	2,462,034
526	Brashier Middle Charter HS	Other Schools	School	2,778,938
527	Greer MS College Charter HS	Other Schools	School	2,559,753
529	LEAD Academy	Other Schools	School	862,206
599	All private schools	Other Schools	School	33,161
701	Superintendent	Non-Schools	Central	574,866
703	Depty Supt for Operations	Non-Schools	Central	178,254
705	Communications	Non-Schools	Central	956,077
706	Enforce & Investigation	Non-Schools	Central	446,260
708	Sirrine Scholarship	Non-Schools	Central	1,508,753
709	District Office Operations	Non-Schools	Central	300,917
711	General Counsel	Non-Schools	Central	264,364
712	Human Resources	Non-Schools	Central	2,210,289
714	School Facilities	Non-Schools	Central	1,876,580
715	Maintenance	Non-Schools	Central	10,079,727
716	Transportation	Non-Schools	Central	1,456,437
717	Building Security	Non-Schools	Central	1,155,941
718	Social Work	Non-Schools	Central	1,104,871
720	Student Personnel Services	Non-Schools	Central	700,651
721	Testing and Analysis	Non-Schools	Central	188,971
724	Attendance Office	Non-Schools	Central	502,702

(Continued)

LOCATION RECONCILIATION SCHEDULE

YEAR ENDED JUNE 30, 2013

LOCATION ID	LOCATION DESCRIPTION	EDUCATION LEVEL	COST TYPE	TOTAL EXPENDITURES
725	Intervention Specialist	Non-Schools	Central	229,571
728	Preschool Team	Non-Schools	Central	717,930
730	Operations	Non-Schools	Central	1,105,575
731	Warehouse	Non-Schools	Central	924,828
732	Energy Management	Non-Schools	Central	198,058
733	Board Liaison	Non-Schools	Central	185,363
734	Public Policy / Comm. Relations	Non-Schools	Central	129,161
735	Research, Development and Evaluation	Non-Schools	Central	693,703
736	Asst. Superintendent - Info Assurance	Non-Schools	Central	203,293
737	Planning	Non-Schools	Central	539,724
739	Building Services	Non-Schools	Central	1,196,460
741	Finance	Non-Schools	Central	4,402,338
746	Technology Support	Non-Schools	Central	1,261,430
747	User Support	Non-Schools	Central	821,792
748	Information Services	Non-Schools	Central	1,084,323
749	Food & Nutrition Services	Non-Schools	Central	5,110,239
753	Management Info Services	Non-Schools	Central	1,674,652
754	Systems Support	Non-Schools	Central	3,335,981
755	Internal Audit	Non-Schools	Central	357,878
757	Special Education Programs	Non-Schools	Central	372,524
758	Deputy Super. Of Schools	Non-Schools	Central	2,621,656
761	Federal Programs	Non-Schools	Central	2,283,947
763	CAREER Tech Education	Non-Schools	Central	796,476
768	Special Education Services	Non-Schools	Central	5,945,474
777	District Disbursements	Non-Schools	Central	1,882,376
778	Athletic Department	Non-Schools	Central	124,786
783	Early Childhood / ACT 135	Non-Schools	Central	263,707
784	Medical Health Services	Non-Schools	Central	671,912
785	Fine Arts	Non-Schools	Central	263,682
786	Psychological Services	Non-Schools	Central	2,694,439
787	Summer School	Non-Schools	Central	2,488
788	Speech	Non-Schools	Central	7,021,807
797	Virtual High School	Non-Schools	Central	710,498
798	Eval & Acct. - Elementary	Non-Schools	Central	190,351
799	Eval & Acct. - Elementary	Non-Schools	Central	183,593
800	Eval & Acct. - High	Non-Schools	Central	202,815
801	Professional Growth and Leadership	Non-Schools	Central	794,650
805	Gifted and Talented Programs	Non-Schools	Central	343,266
806	Health Education Programs	Non-Schools	Central	427,933
810	Science Programs	Non-Schools	Central	162,163
821	ESOL Programs	Non-Schools	Central	627,504
822	Golden Strip CDC	Other Schools	School	1,305,345
829	Bonds CC Twilight	Other Schools	School	49,071
830	Enoree CC - Twilight School	Other Schools	School	33,403
831	Greenville HS - Twilight School	Other Schools	School	73,931
833	Woodmont HS - Twilight School	Other Schools	School	48,126
834	Evaluation and Accountability - MS	Non-Schools	Central	186,459

(Continued)

LOCATION RECONCILIATION SCHEDULE

YEAR ENDED JUNE 30, 2013

LOCATION ID	LOCATION DESCRIPTION	EDUCATION LEVEL	COST TYPE	TOTAL EXPENDITURES
836	Textbook Depository	Non-Schools	Central	121,234
838	Early College Program	Non-Schools	Central	649,173
900	J. Floyd Hall Admin Office	Non-Schools	Central	13,322,466
903	District Office Annex	Non-Schools	Central	18,063
904	Golden Strip Support	Non-Schools	Central	22,551
909	Print Shop Enoree	Non-Schools	Central	71,141
910	Procurement Department	Non-Schools	Central	387,461
912	Assoc. Supt/Student Performance	Non-Schools	Central	24,975
929	Venie Group Home (RTF)	Alternative Schools	School	122,862
931	Avalonia Group Homes	Alternative Schools	School	197,814
934	Crossroads Group Home	Alternative Schools	School	73,133
935	Excalibur Youth Services	Alternative Schools	School	127,413
936	Generations Group Home	Alternative Schools	School	259,755
938	Springbrook Beh, Health System	Other Schools	School	285
939	Generations PRTF	Alternative Schools	School	99,065
940	Juvenile Detention Center	Alternative Schools	School	10,824
949	Teen Parent Program	Other Schools	School	260,245
950	West Greenville School	Other Schools	School	1,417,817
951	West Greenville MSAP	Other Schools	School	290,858
955	Boys Home of the South	Alternative Schools	School	21,990
956	Pendleton Place / Smith House	Alternative Schools	School	28,138
957	Miracle Hills Boys Shelter	Alternative Schools	School	9,903
958	Greenville Group Home	Non-Schools	Central	613,313
970	Lifelong Learning	Other Schools	School	1,740,356
971	Workplace Resource Center	Other Schools	School	154,020
990	Building Equity Sooner for Tomorrow ("BEST")	Other Schools	School	144,384,504
<b>TOTAL EXPENDITURES / EXPENSES / DISBURSEMENTS FOR ALL FUNDS</b>				<b>\$ 789,971,133</b>

The above expenditures/expenses are reconciled to the School District's financial statements as follows:

General Fund	\$ 460,013,225
Special Revenue Fund	48,343,336
Special Revenue Fund - EIA Fund	30,169,179
Debt Service - District Fund	11,439,137
Debt Service - BEST Fund	144,384,504
Capital Projects - District Fund	40,828,863
Capital Projects - BEST Fund	254,069
Permanent Fund	269
Food Service Fund	32,174,242
Pupil Activity Fund	22,364,309
<b>TOTAL EXPENDITURES / EXPENSES / DISBURSEMENTS FOR ALL FUNDS</b>	<b>\$ 789,971,133</b>

## STATISTICAL SECTION

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

<u>Contents</u>	<u>Page</u>
Financial Trends <i>These schedules contain trend information to help the reader understand how the School District’s financial performance and well-being have changed over time.</i>	137
Revenue Capacity <i>These schedules contain information to help the reader assess the School District’s most significant local revenue source, the property tax.</i>	143
Debt Capacity <i>These schedules present information to help the reader assess the affordability of the School District’s current levels of outstanding debt and the School District’s ability to issue additional debt in the future.</i>	147
Demographic and Economic Information <i>These schedules offer demographic and economic indicators to help the reader understand the environment within the School District’s financial activities take place.</i>	151
Operating Information <i>These schedules contain service and infrastructure data to help the reader understand how the information in the School District’s financial report related to the services the School District provides and the activities it performs.</i>	153

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

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

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

**Table 1**

**NET POSITION BY COMPONENT**

**LAST TEN FISCAL YEARS**

(accrual basis of accounting)

**UNAUDITED**

	<b>Fiscal Year</b>									
	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>
Governmental Activities										
Net Investment in Capital Assets	\$444,027,108	486,666,594	488,183,354	480,631,114	486,203,030	489,390,229	486,054,515	487,718,027	474,927,052	\$ 457,356,388
Restricted	8,914,389	8,885,616	8,141,112	6,810,678	4,027,946	7,611,863	9,096,510	3,288,234	3,570,138	4,546,417
Unrestricted	36,584,964	40,212,194	47,560,783	48,124,342	49,415,789	46,926,181	51,846,591	77,961,123	77,053,972	83,831,610
Total Governmental Activities Net Position	<u>\$489,526,461</u>	<u>535,764,404</u>	<u>543,885,249</u>	<u>543,885,249</u>	<u>539,646,765</u>	<u>543,928,273</u>	<u>546,997,616</u>	<u>568,967,384</u>	<u>555,551,162</u>	<u>\$ 545,734,415</u>
Business-Type Activities										
Net Investment in Capital Assets	\$ 6,424,014	6,209,817	6,066,076	6,413,141	6,847,163	6,258,168	5,345,741	5,274,884	4,913,335	\$ 4,642,260
Unrestricted	4,939,370	6,814,674	8,349,274	9,386,896	8,193,585	8,328,797	10,622,352	12,945,034	14,521,855	15,256,724
Total Business-Type Activities Net Position	<u>\$ 11,363,384</u>	<u>13,024,491</u>	<u>14,415,350</u>	<u>14,415,350</u>	<u>15,040,748</u>	<u>14,586,965</u>	<u>15,968,093</u>	<u>18,219,918</u>	<u>19,435,190</u>	<u>\$ 19,898,984</u>
Primary Government										
Net Investment in Capital Assets	\$450,451,122	492,876,411	494,249,430	487,044,255	493,050,193	495,648,397	491,400,256	492,992,911	479,840,387	\$ 461,998,648
Restricted	8,914,389	8,885,616	8,141,112	6,810,678	4,027,946	7,611,863	9,096,510	3,288,234	3,570,138	4,546,417
Unrestricted	41,524,334	47,026,868	55,910,057	57,511,235	57,609,374	55,254,978	62,468,943	90,906,157	91,575,827	99,088,334
Total Primary Government Net Position	<u>\$500,889,845</u>	<u>548,788,895</u>	<u>558,300,599</u>	<u>558,300,599</u>	<u>554,687,513</u>	<u>558,515,238</u>	<u>562,965,709</u>	<u>587,187,302</u>	<u>574,986,352</u>	<u>\$ 565,633,399</u>

THE SCHOOL DISTRICT OF GREENVILLE COUNTY  
GREENVILLE, SOUTH CAROLINA

Table 2

CHANGES IN NET POSITION

LAST TEN FISCAL YEARS

(accrual basis of accounting)

UNAUDITED

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>Expenses</b>										
Governmental Activities:										
Instruction	\$ 245,771,141	266,621,447	287,062,759	317,433,608	338,942,590	348,968,064	345,293,018	334,767,109	348,550,613	\$ 363,473,044
Support Services	153,547,857	171,051,626	186,471,634	204,454,373	223,459,573	219,231,518	208,918,608	204,117,940	226,944,532	241,550,077
Community Services	703,355	809,914	865,928	653,033	765,487	615,256	1,427,135	1,322,110	1,272,166	1,263,039
Intergovernmental	2,149,603	3,112,120	5,084,855	-	-	-	-	-	-	51,044,131
Interest And Other Charges	49,614,896	54,296,376	54,958,718	61,697,569	58,400,669	57,539,897	56,531,888	56,195,999	54,227,239	-
Total Governmental Activities Expenses	<u>451,786,852</u>	<u>495,891,483</u>	<u>534,443,894</u>	<u>584,238,583</u>	<u>621,568,319</u>	<u>626,354,735</u>	<u>612,170,649</u>	<u>596,403,158</u>	<u>630,994,550</u>	<u>657,330,291</u>
Business-Type Activities:										
Food Services	20,588,775	21,460,105	23,016,625	25,510,774	29,157,884	29,467,981	28,732,833	28,976,881	30,748,202	32,174,242
Total Business-Type Activities Expenses	<u>20,588,775</u>	<u>21,460,105</u>	<u>23,016,625</u>	<u>25,510,774</u>	<u>29,157,884</u>	<u>29,467,981</u>	<u>28,732,833</u>	<u>28,976,881</u>	<u>30,748,202</u>	<u>32,174,242</u>
Total Primary Government Expenses	<u>\$ 472,375,627</u>	<u>517,351,588</u>	<u>557,460,519</u>	<u>609,749,357</u>	<u>650,726,203</u>	<u>655,822,716</u>	<u>640,903,482</u>	<u>625,380,039</u>	<u>661,742,752</u>	<u>\$ 689,504,533</u>
<b>Program Revenues</b>										
Governmental Activities:										
Charges For Services:										
Instruction	\$ 1,107,725	1,171,644	1,276,306	1,171,904	1,340,758	1,059,726	1,016,603	758,867	910,380	\$ 615,780
Support Services	696,529	697,465	2,239,862	3,044,863	2,680,945	2,394,302	1,175,328	1,462,915	1,523,076	1,427,667
Operating Grants And Contributions	219,296,373	237,240,184	264,290,110	279,953,292	315,883,558	300,199,015	290,153,113	287,176,789	280,964,485	298,904,917
Capital Grants And Contributions	-	3,634,162	983,925	1,097,947	1,330,064	-	791,146	1,318,436	22,807	-
Total Governmental Activities Program Revenues	<u>221,100,627</u>	<u>242,743,455</u>	<u>268,790,203</u>	<u>285,268,006</u>	<u>321,235,325</u>	<u>303,653,043</u>	<u>293,136,190</u>	<u>290,717,007</u>	<u>283,420,748</u>	<u>300,948,364</u>
Business-Type Activities:										
Charges For Services:										
Food Services	10,451,994	10,505,517	11,252,443	12,579,502	12,974,062	12,906,205	12,767,383	12,129,629	12,470,466	12,824,199
Operating Grants And Contributions	11,472,471	12,686,756	13,263,339	13,945,698	15,340,136	17,147,013	18,987,497	19,809,959	20,879,664	21,427,270
Capital Grants And Contributions	1,372,600	871,939	992,702	1,602,261	1,256,397	275,980	-	-	-	-
Total Business-Type Activities Program Revenues	<u>23,297,065</u>	<u>24,064,212</u>	<u>25,508,484</u>	<u>28,127,461</u>	<u>29,570,595</u>	<u>30,329,198</u>	<u>31,754,880</u>	<u>31,939,588</u>	<u>33,350,130</u>	<u>34,251,469</u>
Total Primary Government Program Revenues	<u>\$ 244,397,692</u>	<u>266,807,667</u>	<u>294,298,687</u>	<u>313,395,467</u>	<u>350,805,920</u>	<u>333,982,241</u>	<u>324,891,070</u>	<u>322,656,595</u>	<u>316,770,878</u>	<u>\$ 335,199,833</u>
<b>Net (Expense)/Revenue</b>										
Governmental Activities	\$ (230,686,225)	(253,148,028)	(265,653,691)	(298,970,577)	(300,332,994)	(322,701,692)	(319,034,459)	(305,686,151)	(347,573,802)	\$ (356,381,927)
Business-Type Activities	2,708,290	2,604,107	2,491,859	2,616,687	412,711	861,217	3,022,047	2,962,707	2,601,928	2,077,227
Total Primary Government Net (Expense)/Revenue	<u>\$ (227,977,935)</u>	<u>(250,543,921)</u>	<u>(263,161,832)</u>	<u>(296,353,890)</u>	<u>(299,920,283)</u>	<u>(321,840,475)</u>	<u>(316,012,412)</u>	<u>(302,723,444)</u>	<u>(344,971,874)</u>	<u>\$ (354,304,700)</u>

(Continued)

CHANGES IN NET POSITION

LAST TEN FISCAL YEARS

(accrual basis of accounting)

UNAUDITED

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>General Revenues And Other Changes In Net Position</b>										
Governmental Activities:										
Property Taxes	\$ 229,141,319	239,127,675	242,607,812	242,607,812	261,802,159	197,467,739	208,100,759	219,430,314	222,109,881	\$ 237,266,503
State Revenue in Lieu of Taxes	-	-	-	-	-	80,486,671 C	84,052,934 C	87,833,137	89,801,146	92,818,040
Intergovernmental Revenue	-	-	-	-	-	-	-	521,190	1,175,710	1,322,053
Unrestricted Grants And Contributions	11,586	276,341	274,145	120,669	266,183	229,075	251,722	162,698	155,386	5,027
Unrestricted Investment Earnings	11,706,265	52,976,497 A	58,909,355	26,402,402	27,170,846	24,702,384	32,949,534	18,149,261	18,366,628	7,715,958
Miscellaneous	950,543	134,565	131,796	3,542,653 B	180,274	355,756	313,251	816,614	1,131,849	5,796,697 D
Gain On Disposal Of Capital Assets	-	1,320,275	-	-	-	-	-	-	-	-
Transfers	825,290	857,810	943,000	1,101,000	1,232,000	1,172,000	1,315,000	742,705	1,416,980	1,640,902
<b>Total Governmental Activities</b>	<b>242,635,003</b>	<b>294,693,163</b>	<b>302,866,108</b>	<b>273,774,536</b>	<b>290,651,462</b>	<b>304,413,625</b>	<b>326,983,200</b>	<b>327,655,919</b>	<b>334,157,580</b>	<b>346,565,180</b>
Business-Type Activities:										
Intergovernmental Revenue	44,891	-	-	-	-	-	-	-	-	-
Unrestricted Investment Earnings	-	-	-	-	-	-	-	31,823	30,324	27,469
Transfers	(962,563)	(1,008,749)	(943,000)	(1,101,000)	(1,232,000)	(1,172,000)	(1,315,000)	(742,705)	(1,416,980)	(1,640,902)
<b>Total Business-Type Activities</b>	<b>(917,672)</b>	<b>(1,008,749)</b>	<b>(943,000)</b>	<b>(1,101,000)</b>	<b>(1,232,000)</b>	<b>(1,172,000)</b>	<b>(1,315,000)</b>	<b>(710,882)</b>	<b>(1,386,656)</b>	<b>(1,613,433)</b>
<b>Total Primary Government</b>	<b>\$ 241,717,331</b>	<b>293,684,414</b>	<b>301,923,108</b>	<b>272,673,536</b>	<b>289,419,462</b>	<b>303,241,625</b>	<b>325,668,200</b>	<b>326,945,037</b>	<b>332,770,924</b>	<b>\$ 344,951,747</b>
Change In Net Position:										
Governmental Activities	\$ 11,948,778	41,545,135	37,212,417	(25,196,041)	(8,319,115)	(18,288,067)	7,948,741	21,969,768	(13,416,222)	\$ (9,816,747)
Business-Type Activities	1,790,618	1,595,358	1,548,859	1,515,687	1,384,687	(310,783)	1,707,047	2,251,825	1,215,272	463,794
<b>Total Primary Government</b>	<b>\$ 13,739,396</b>	<b>43,140,493</b>	<b>38,761,276</b>	<b>(23,680,354)</b>	<b>(6,934,428)</b>	<b>(18,598,850)</b>	<b>9,655,788</b>	<b>24,221,593</b>	<b>(12,200,950)</b>	<b>\$ (9,352,953)</b>

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

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

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

(D) The School District settled a legal claim, receiving \$47,345.

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

**Table 3**

**GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE**

**LAST TEN FISCAL YEARS**

(accrual basis of accounting)

**UNAUDITED**

	<b>Fiscal Year</b>									
	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008 (A)</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>
Property Tax-General Operations	\$160,933,598	170,943,978	173,465,886	190,815,430	123,600,499	131,372,809	134,821,203	137,024,178	139,463,265	\$153,010,289
Property Tax-Debt Service	\$ 68,207,721	68,183,697	69,141,926	70,986,729	73,867,240	76,727,950	78,983,736	82,406,136	82,646,616	\$ 84,256,214

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

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

**Table 4**

**FUND BALANCES OF GOVERNMENTAL FUNDS**

**LAST TEN FISCAL YEARS**

(modified accrual basis of accounting)

**UNAUDITED**

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011 (B)	2012	2013
General Fund										
<u>Pre-GASB #54<sup>B</sup></u>										
Reserved	\$ 545,645	698,366	353,122	248,623	337,979	1,389,805	383,283	-	-	\$ -
Unreserved	38,880,153	40,469,946	48,390,733	49,319,741	50,053,111	46,950,288	51,605,098	-	-	-
<u>Post GASB #54<sup>B</sup></u>										
Nonspendable	-	-	-	-	-	-	-	1,749,933	741,374	2,283,822
Restricted	-	-	-	-	-	-	-	-	-	-
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	17,828,606	16,175,000	12,598,000
Unassigned	-	-	-	-	-	-	-	59,761,467	63,178,917	68,003,757
Total General Fund	<u>\$ 39,425,798</u>	<u>41,168,312</u>	<u>48,743,855</u>	<u>49,568,364</u>	<u>50,391,090</u>	<u>48,340,093</u>	<u>51,988,381</u>	<u>79,340,006</u>	<u>80,095,291</u>	<u>\$ 82,885,579</u>
All Other Governmental Funds										
<u>Pre-GASB #54<sup>B</sup></u>										
Reserved	\$670,199,356	531,309,033	452,166,387	289,139,624	227,804,646	238,955,337	238,348,299	-	-	\$ -
Unreserved, Reported In:										
Permanent Fund	1,452	2,225	3,772	6,493	6,509	6,081	6,842	-	-	-
<u>Post GASB #54<sup>B</sup></u>										
Nonspendable	-	-	-	-	-	-	-	136,261	136,261	136,261
Restricted	-	-	-	-	-	-	-	231,630,917	228,515,027	133,564,125
Assigned	-	-	-	-	-	-	-	6,786	5,368	3,630,588
Unassigned <sup>C</sup>	-	-	-	-	-	-	-	-	(14,875,153)	(13,960,994)
Total All Other Governmental Funds	<u>\$670,200,808</u>	<u>531,311,258</u>	<u>452,170,159</u>	<u>289,146,117</u>	<u>227,811,155</u>	<u>238,961,418</u>	<u>238,355,141</u>	<u>231,773,964</u>	<u>213,781,503</u>	<u>\$123,369,980</u>

(A) Building Equity Sooner for Tomorrow (a blended component unit of the School District) issued \$800 million in installment purchase revenue bonds to begin a facility building and renovation program in 2002. There have been additional issuances totaling \$231 million. These funds have been and are continuing to be expended from 2003 through 2011.

(B) The School District implemented GASB #54 "Fund Balance Reporting and Governmental Fund Type Definitions" ("GASB #54") in 2011. GASB #54 established new 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 has elected to apply GASB #54 prospectively - and thus has provided fund balance information before ("Pre") and after ("Post") its implementation.

(C) The negative unassigned fund balance was due to the School District issuing a short term obligation bond for approximately \$22,390,000 and \$21,645,000 in fiscal year 2012 and 2013, respectively, that was required to be recorded as a fund liability at June 30, 2012 and 2013, respectively.

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS

(modified accrual basis of accounting)

UNAUDITED

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>Revenues</b>										
Taxes:										
General Operations	\$ 132,866,982	137,511,156	140,311,489	156,850,268	122,943,560	131,534,209	133,058,264	137,113,801	142,215,688	\$ 152,341,397
Debt Service	65,392,038	64,578,404	65,723,525	67,544,820	73,654,936	76,893,468	78,265,776	82,406,136	82,646,616	84,256,214
Investment Earnings	52,976,498 A	71,531,509	23,774,837 C	26,198,441	24,767,438	34,035,535	16,920,690	18,384,262	18,150,628	7,224,958
Other Local Sources	4,449,173	3,463,712	8,834,933	6,172,324	6,632,139	6,088,706	5,831,047	5,371,828	5,757,429	4,913,049
State Sources	221,038,880	237,891,798	263,409,277 D	278,425,406	354,717,760	334,118,108	304,131,954	311,444,558	321,760,408	349,472,230
Federal Sources	31,587,390	37,823,264	36,707,154	38,630,384	40,967,428	48,064,136	71,567,345	63,234,259	48,167,002	41,902,528
Total Revenues	<u>\$ 508,310,961</u>	<u>552,799,843</u>	<u>538,761,215</u>	<u>573,821,643</u>	<u>623,683,261</u>	<u>630,734,162</u>	<u>609,775,076</u>	<u>617,954,844</u>	<u>618,697,771</u>	<u>\$ 640,110,376</u>
<b>Expenditures</b>										
Current:										
Instruction	\$ 232,973,522	250,545,686	267,715,158	287,153,756	306,917,043	315,392,403	307,900,537	292,921,846	303,241,262	\$ 317,391,227
Support Services	144,391,649	155,147,961	166,272,431	191,020,215	208,426,118	202,123,261	195,471,586	185,163,964	199,003,535	206,532,696
Community Services	695,840	809,914	865,172	653,034	760,767	615,256	1,427,136	1,322,110	1,272,166	1,263,039
Intergovernmental	2,149,603	3,112,121	5,084,855	6,166,743	7,714,672	9,322,163	11,056,779	13,676,753	16,017,874	18,792,623
Capital Outlay	142,699,503 B	311,925,808	229,521,995	178,597,252	88,516,892	44,166,384	45,721,302	31,617,904	39,848,135	35,464,411
Debt Service:										
Principal	70,000,000	6,605,000	7,190,000	10,925,000	11,795,000	13,735,000	21,185,000	34,052,000	38,274,945	86,664,945
Interest And Fiscal Charges	52,393,244	53,829,573	55,924,188	56,339,680	57,365,584	56,694,768	55,607,931	55,441,511	53,608,995	49,003,190
Bond Issuance Costs	-	2,946,550	6,515,362	6,993,682 F	4,431,554 F	- F	418,510 F	-	-	-
Other Expenditures	-	-	-	-	-	-	-	-	-	20,320,451
Total Expenditures	<u>645,303,361</u>	<u>784,922,613</u>	<u>739,089,161</u>	<u>737,849,362</u>	<u>685,927,630</u>	<u>642,049,235</u>	<u>638,788,781</u>	<u>614,196,088</u>	<u>651,266,912</u>	<u>735,432,582</u>
Excess Of Revenues Over (Under)										
Expenditures	(136,992,400)	(232,122,770)	(200,327,946)	(164,027,719)	(62,244,369)	(11,315,073)	(29,013,705)	3,758,756	(32,569,141)	(95,322,206)
<b>Other Financing Sources (Uses)</b>										
Premium On Bonds Sold	6,645,747	18,037,521	27,340,851	-	-	853,927	431,861	123,540	-	9,762,353
Issuance Of General Obligation & Revenue										
Bonds/Anticipation Notes	170,765,000	68,000,000 E	61,615,000	-	-	15,795,000	27,860,000	14,302,000	13,888,652	-
Issuance Of Refunding Bonds	-	216,905,000	574,790,000	-	-	-	-	-	-	109,805,000
Payment To Refunded Debt Escrow Agent	-	(210,307,182)	(537,166,076)	-	-	-	-	-	-	(118,542,306)
Sale Of Capital Assets	1,885,067	1,397,395	1,081,615	596,186	560,133	2,450,412	2,089,286	973,152	26,333	225,373
Arbitrage Refund	-	-	-	-	-	-	-	-	-	4,602,374
Transfers In	106,331,888	104,805,986	99,318,224	96,908,692	140,214,120	110,937,363	117,553,385	118,104,014	117,173,170	100,538,840
Transfers Out	(105,474,078)	(103,862,986)	(98,217,224)	(95,676,692)	(139,042,120)	(109,622,363)	(115,878,816)	(116,491,014)	(115,756,190)	(98,690,663)
Total Other Financing Sources (Uses)	<u>180,153,624</u>	<u>94,975,734</u>	<u>128,762,390</u>	<u>1,828,186</u>	<u>1,732,133</u>	<u>20,414,339</u>	<u>32,055,716</u>	<u>17,011,692</u>	<u>15,331,965</u>	<u>7,700,971</u>
<b>Net Change In Fund Balances</b>	<u>\$ 43,161,224</u>	<u>(137,147,036)</u>	<u>(71,565,556)</u>	<u>(162,199,533)</u>	<u>(60,512,236)</u>	<u>9,099,266</u>	<u>3,042,011</u>	<u>20,770,448</u>	<u>(17,237,176)</u>	<u>\$ (87,621,235)</u>
Debt Service As A Percentage Of										
Noncapital Expenditures	24%	12%	12%	12%	11%	12%	13%	15%	15%	19%

(A) The School District began a new investment program in order to recapture negative arbitrage.  
 (B) The first full year of expenditures for the facility building and renovation program; this program has continued through 2006.  
 (C) The School District significantly curtailed its investment program as it had recaptured all of its negative arbitrage.  
 (D) The State of South Carolina significantly increased its funding under the Education Finance Act.  
 (E) The School District began reporting GO Bonds as short term obligations when their maturities were less than one year.  
 (F) The School District paid arbitrage rebate.

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

**Table 6**

**ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY**

**LAST TEN FISCAL YEARS**

**UNAUDITED**

Fiscal Year Ended June 30	Real Property		Personal Property		Less: Tax Exempt Real Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Value Taxable Value	Assessed Value as a Percentage of Actual Value
	Residential Property	Commercial Property	Motor Vehicles	Other					
2004	\$ 239,814,296	767,061,904	215,084,028	219,759,376	-	\$ 1,441,719,604	144.1	\$ 22,746,354,881	6%
2005	229,529,506	801,957,167	211,218,809	211,340,775	-	1,454,046,257	147.8	23,248,788,963	6%
2006	224,112,893	844,316,393	202,634,992	203,838,873	-	1,474,903,151	147.9	23,919,832,768	6%
2007	245,407,593	869,745,030	207,481,653	211,364,230	-	1,533,998,506	156.4	25,025,086,120	6%
2008	658,330,850	615,958,470	203,817,054	219,575,220	-	1,697,681,594	150.7	31,861,865,607	5%
2009	697,714,940	663,753,000	192,593,941	247,069,119	-	1,801,131,000	156.7	33,728,363,931	5%
2010	730,707,500	681,590,820	170,849,914	359,174,818	-	1,942,323,052	156.7	34,879,363,615	6%
2011	808,811,250	716,349,790	166,267,346	351,849,013	-	2,043,277,399	157.8	37,193,084,549	5%
2012	816,058,980	703,731,150	184,188,563	332,090,892	-	2,036,069,585	162.5	37,309,222,407	5%
2013	\$ 829,023,520	708,753,330	198,416,230	327,314,925	-	\$ 2,063,508,005	168.6	\$ 37,931,749,964	5%

Source: Greenville County Assessor and Auditor Departments

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

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

THE SCHOOL DISTRICT OF GREENVILLE COUNTY  
GREENVILLE, SOUTH CAROLINA

Table 7

PROPERTY TAX RATES DIRECT AND OVERLAPPING GOVERNMENTS

LAST TEN FISCAL YEARS

UNAUDITED

Fiscal Year	Greenville County School District			Overlapping Rates						
	Operating Millage	Debt Service Millage	Total School Millage	Municipalities						Total Municipalities
				Fountain Inn Overall Operating Millage	Greenville Overall Operating Millage	Greer Overall Operating Millage	Mauldin Overall Operating Millage	Simpsonville Overall Operating Millage	Travelers Rest Overall Operating Millage	Overall Operating Millage
2004	101.6	42.5	144.1	58.4	90.9	93.9	58.5	50.7	86.9	439.3
2005	105.3	42.5	147.8	58.4	90.9	93.9	58.5	50.7	86.9	439.3
2006	105.4	42.5	147.9	58.4	90.9	93.9	58.5	50.7	86.9	439.3
2007	113.9	42.5	156.4	58.4	90.9	93.9	58.5	50.7	86.9	439.3
2008	108.2	42.5	150.7	52.9	89.9	93.1	51.7	48.6	86.9	423.1
2009	114.2	42.5	156.7	63.9	89.9	92.8	51.7	51.5	86.9	436.7
2010	114.2	42.5	156.7	63.9	89.9	92.8	51.7	64.3	86.9	449.5
2011	115.3	42.5	157.8	63.9	85.4	97.8	54.7	61.7	85.1	448.6
2012	120.0	42.5	162.5	63.6	85.4	97.8	56.3	61.7	85.1	449.9
2013	126.1	42.5	168.6	70.8	85.4	97.8	56.3	61.7	85.1	457.1

Fiscal Year	Greenville County					Overlapping Rates					
	Operating Millage	Debt Service Millage	Other Millage	Total School Millage	Art Museum	Greenville Technical College	Greenville County Library System	Recreation	Fire District Rates	Special Purpose Districts	Sewer Rates
2004	40.8	3.8	5.3	49.9	1.2	5.6	7.4	4.7	10.2 - 57.0	.8 - 55.40	5.8 - 19.5
2005	40.8	3.8	5.3	49.9	1.2	5.6	7.4	4.7	10.0 - 57.0	.8 - 55.40	8.4 - 19.5
2006	40.8	3.8	5.3	49.9	1.2	5.6	7.4	4.7	10.0 - 59.4	.8 - 63.40	8.4 - 19.5
2007	40.8	3.8	5.3	49.9	1.2	5.6	7.4	4.7	11.0-70.4	.8-41.50	5.8-21.5
2008	39.5	3.5	4.6	47.6	1.1	5.3	7.0	4.4	9.5-73.0	.6-24.0	5.4-20.2
2009	39.5	3.5	4.6	47.6	1.2	5.3	7.4	4.5	12.5-77.1	.4-24.0	5.4-20.4
2010	40.5	2.5	4.6	47.6	1.2	5.3	7.4	4.7	11.1-77.1	.4-24.0	5.7-20.9
2011	40.3	2.5	4.5	47.3	1.2	5.3	7.4	4.7	10.5 - 77.1	.8 - 15.7	9.6-22.4
2012	40.3	2.5	4.5	47.3	1.2	5.3	7.4	4.7	10.5 - 77.1	.8 - 15.5	9.6-22.9
2013	40.3	2.5	4.5	47.3	1.2	5.3	7.4	4.7	10.5-77.1	.8-15.5	10.3-23.6

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

Source: Greenville County Finance Department

PRINCIPAL PROPERTY TAXPAYERS

CURRENT YEAR AND NINE YEARS AGO

UNAUDITED

Taxpayer	Fiscal Year 2013 (Tax Year 2012)			Fiscal Year 2004 (Tax Year 2003)		
	Taxable Assessed Value (in 000's)	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value (in 000's)	Rank	Percentage of Total Taxable Assessed Value
Duke Energy Corporation	\$ 33,517	1	1.69%	\$ 29,881	1	1.93%
Bell South Telecommunications	12,995	2	0.66%	21,324	2	1.38%
Cellco Partnership/Verizon Wireless	11,646	3	0.59%	5,097	7	0.33%
Simon Haywood LLC & Bellwether	5,496	4	0.28%	4,814	6	0.31%
Michelin North America	6,165	5	0.31%	6,000	5	0.39%
Verdae Properties	4,222	6	0.21%	4,170	8	0.27%
Laurens Electric Coop Inc	4,675	7	0.24%			
Windstream Nuvox	3,630	8	0.18%			
Piedmont Natural Gas	3,869	9	0.20%	6,691	4	0.43%
Cryovac Inc	3,550	10	0.18%	9,550	3	0.62%
Hitachi Electronics				3,967	9	0.26%
IBM Credit LLC				3,886	10	0.25%
Totals	\$ 89,765		4.54%	\$ 95,380		6.17%

Source: Greenville County Finance Department

PROPERTY TAX LEVIES AND COLLECTIONS

LAST TEN FISCAL YEARS

UNAUDITED

Fiscal Year Ended June 30	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2004	\$ 207,751,795	\$ 174,511,713	84.0%	\$ 21,463,244	\$ 195,974,957	94.3%
2005	214,908,037	185,030,933	86.1%	17,940,338	202,971,271	94.4%
2006	218,138,176	183,649,258	84.2%	21,730,914	205,380,172	94.2%
2007	239,917,366	205,369,305	85.6%	19,730,419	225,099,724	93.8%
2008	184,719,855	165,745,712	89.7%	10,299,381	176,045,093	95.3%
2009	201,994,763	192,772,050	95.4%	5,454,181	198,226,231	98.1%
2010	204,405,988	188,897,959	92.4%	10,911,526	199,809,486	97.8%
2011	212,118,533	196,911,494	92.8%	3,898,513	200,810,007	94.7%
2012	208,906,795	201,292,797	96.4%	4,226,538	201,292,797	96.4%
2013	\$ 221,623,352	\$ 212,090,144	95.7%	\$ -	\$ 212,090,144	95.7%

Source: Greenville County Finance Department and Greenville County Auditor

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

Note: Fiscal Year 2008 reflects reassessment data and tax law changes due to Act 388.

**RATIOS OF OUTSTANDING DEBT BY TYPE**

**LAST TEN FISCAL YEARS**

**UNAUDITED**

<b>Fiscal Year Ended June 30</b>	<b>Governmental Activities</b>			<b>Total Primary Government</b>	<b>Percentage of Personal Income</b>	<b>Per Capita</b>
	<b>General Obligation Bonds</b>	<b>Installment Purchase Revenue Bonds</b>	<b>Other Debt</b>			
2004	\$ -	900,765,000	-	\$ 900,765,000	7.07%	\$ 2,292
2005	-	986,815,000	-	986,815,000	7.33%	2,486
2006	-	1,114,660,000	-	1,114,660,000	7.58%	2,736
2007	-	1,103,735,000	-	1,103,735,000	6.99%	2,579
2008	-	1,091,940,000	-	1,091,940,000	6.59%	2,489
2009	15,795,000	1,078,205,000	-	1,094,000,000	6.95%	2,449
2010	38,230,000	1,062,445,000	-	1,100,675,000	6.67%	2,428
2011	47,785,000	1,033,140,000	494,835	1,081,419,835	6.47%	2,344
2012	66,449,000	998,765,000	14,218,542	1,079,432,542	6.39%	2,308
2013	\$ 56,575,000	902,880,000	14,053,597	\$ 973,508,597	5.69%	\$ 2,063

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

Note: Fiscal years ended June 30, 2013 and 2012 include short-term general obligation bonds that were outstanding at year-end of \$21,645,000 and \$22,399,000, respectively.

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

**Table 11**

**RATIOS OF GENERAL BONDED DEBT OUTSTANDING**

**LAST TEN FISCAL YEARS**

**UNAUDITED**

<b>Fiscal Year Ended June 30</b>	<b>General Obligation Bonds</b>	<b>Less: Amounts Available in Debt Service Funds</b>	<b>Total</b>	<b>Percentage of Estimated Actual Taxable Value of Property</b>	<b>Per Capita</b>
2004	\$ -	-	\$ -	-	\$ -
2005	-	-	-	-	-
2006	-	-	-	-	-
2007	-	-	-	-	-
2008	-	-	-	-	-
2009	15,795,000	10,640,449	5,154,551	0.02%	12
2010	38,230,000	11,260,598	26,969,402	0.08%	60
2011	47,785,000	5,652,106	42,132,894	0.11%	91
2012	66,449,000	6,880,849	59,568,151	0.16%	127
2013	\$ 56,575,000	7,133,646	\$ 49,441,354	0.13%	\$ 105

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

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

AS OF JUNE 30, 2013

UNAUDITED

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
<b>School District:</b>			
Greenville County	\$ 973,508,597	100.00%	\$ 973,508,597
<b>Cities:</b>			
Fountain Inn	430,000	100.00%	430,000
Greenville	51,626,000	100.00%	51,626,000
Greer	2,655,000	100.00%	2,655,000
Mauldin	5,520,177	100.00%	5,520,177
Simpsonville	1,699,669	100.00%	1,699,669
Travelers Rest	815,000	100.00%	815,000
<b>Total cities</b>	<b>62,745,846</b>		<b>62,745,846</b>
<b>Special purpose districts:</b>			
Berea Public Service District	2,475,000	100.00%	2,475,000
Boiling Springs Fire District	262,799	100.00%	262,799
ClearSpring (East Simpsonville) Fire District	1,031,000	100.00%	1,031,000
Donaldson Fire Service Area	455,000	100.00%	455,000
Fountain Inn Fire Service Area	1,990,000	100.00%	1,990,000
Gantt Fire, Sewer & Police District	1,201,823	100.00%	1,201,823
Glassy Mountain Fire District	1,165,000	100.00%	1,165,000
Glassy Mountain Fire Service Area	780,000	100.00%	780,000
Greenville Arena District	20,900,000	100.00%	20,900,000
Mauldin Fire Service Area	1,870,000	100.00%	1,870,000
Recreation District	1,017,357	100.00%	1,017,357
North Greenville Fire District	1,675,000	100.00%	1,675,000
Simpsonville Fire Service Area	-	100.00%	-
South Greenville Fire & Sewer District	850,000	100.00%	850,000
Taylor's Fire & Sewer District	80,209	100.00%	80,209
Tigerville Fire District	455,000	100.00%	455,000
<b>Total special purpose districts</b>	<b>36,208,188</b>		<b>36,208,188</b>
<b>Greenville County</b>	<b>143,469,285</b>	<b>100.00%</b>	<b>143,469,285</b>
<b>Total overlapping debt</b>	<b>242,423,319</b>		<b>242,423,319</b>
<b>Total direct and overlapping debt</b>	<b>\$ 1,215,931,916</b>		<b>\$ 1,215,931,916</b>

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

Note: All governmental units listed above are included within Greenville County (the School District's geographic boundary).

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

LEGAL DEBT MARGIN INFORMATION

LAST TEN FISCAL YEARS

UNAUDITED

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Debt Limit	\$ 128,051,122	130,327,433	132,627,438	136,517,805	150,400,821	157,179,210	159,455,355	167,459,484	162,885,567	\$ 165,080,640
Total Net Debt Applicable To Limit	-	-	-	-	-	15,795,000	38,230,000	47,785,000	66,449,000	56,575,000
Legal Debt Margin	<u>\$ 128,051,122</u>	<u>130,327,433</u>	<u>132,627,438</u>	<u>136,517,805</u>	<u>150,400,821</u>	<u>141,384,210</u>	<u>121,225,355</u>	<u>119,674,484</u>	<u>96,436,567</u>	<u>\$ 108,505,640</u>
Total Net Debt Applicable To Limit As A Percentage Of Debt Limit	0.0%	0.0%	0.0%	0.0%	0.0%	10.0%	24.0%	28.5%	40.79%	34.27%

Legal Debt Margin Calculation For Fiscal Year 2013

Total Assessed Value	<u>\$ 2,063,508,005</u>
Debt Limit-8 Percent Of Total Assessed Value	165,080,640
Amount Of Debt Applicable To Debt Limit:	
Total Bonded Debt	56,575,000
Legal Debt Margin	<u>\$ 108,505,640</u>

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

**Table 14**

**DEMOGRAPHIC AND ECONOMIC STATISTICS - LAST TEN FISCAL YEARS**

**LAST TEN FISCAL YEARS**

**UNAUDITED**

<b>Fiscal Year Ended June 30</b>	<b>(1) Population</b>	<b>(2) Personal Income (in 000's)</b>	<b>(2) Personal Income by Population</b>	<b>(4) Median Age</b>	<b>(5) Education Attainment Bachelor Degree or Higher</b>	<b>(6) School Enrollment</b>	<b>(3) Unemployment Rate</b>
2004	399,319	\$ 12,740,095	\$ 31,905	36.5	26.3%	62,411	4.5%
2005	405,608	13,464,483	33,196	36.7	28.2%	63,240	5.4%
2006	415,957	14,699,855	35,340	36.9	29.2%	64,992	5.6%
2007	427,970	15,784,870	36,883	37.2	27.1%	66,682	4.8%
2008	438,742	16,558,751	37,741	37.4	29.3%	67,927	5.2%
2009	446,655	15,738,088	35,235	36.9	30.2%	68,453	10.4%
2010	453,263	16,510,427	36,426	37.2	30.1%	69,006	9.7%
2011	461,299	16,704,425	36,212	39.3	30.1%	69,141	10.5%
2012	467,605	16,900,702	36,143	39.6	30.0%	69,649	9.4%
2013	471,813	\$ 17,099,285	\$ 36,242	37.2	30.0%	70,607	7.1%

Data Sources:

- (1) Population figures for 2003-2011 provided by Bureau of Economic Analysis and US Census Bureau. Remaining years are estimates.
- (2) Personal income for 2003-2010 provided by Bureau of Economic Analysis, US Department of Commerce. Remaining years are estimates.
- (3) Unemployment rates provided by the SC Department of Employment and Workforce.
- (4) Median age for 2003 through 2011 provided by Population Estimates Program, US Bureau of the Census. Remaining years are estimates.
- (5) Education attainment estimates for 2003-2010 provided by US Census Bureau for ages 25 years and above. Remaining years are estimates.
- (6) Based on 135-day enrollment without charter schools.

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

**Table 15**

**PRINCIPAL EMPLOYERS**

**CURRENT YEAR AND NINE YEARS AGO**

**UNAUDITED**

<b>Employer</b>	<b>2013</b>			<b>2004</b>		
	<b>Number of Employees</b>	<b>Rank</b>	<b>Percentage of Total County Employment</b>	<b>Number of Employees</b>	<b>Rank</b>	<b>Percentage of Total County Employment</b>
Greenville Hospital System	10,925	1	4.8%	7,584	1	3.7%
The School District of Greenville County	10,850	2	4.7%	7,413	2	3.6%
Bon Secours St. Francis Health	4,500	3	2.0%	2,002	5	1.0%
Michelin North America	4,000	4	1.7%			
General Electric Co.	3,200	5	1.4%	3,600	3	1.8%
State of South Carolina	3,036	6	1.3%	2,524	4	1.2%
Fluor Corporation	2,500	7	1.1%	1,500	10	0.7%
Bi Lo Supermarkets	2,089	8	0.9%			
Greenville County	1,944	9	0.8%			
US Government	1,835	10	0.8%			
Bob Jones University				1,795	6	0.9%
Greenville County Government				1,627	8	0.8%
Sealed Air Corp/Cryovac				1,700	7	0.8%
Lockheed Martin Aircraft Logistics Center				1,531	9	0.7%
<b>Totals</b>	<b>44,879</b>		<b>19.5%</b>	<b>31,276</b>		<b>15.2%</b>
Estimated Total County Employment	229,886			205,298		

Source: Greenville Area Development Corporation

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

**FULL-TIME EQUIVALENT SCHOOL DISTRICT EMPLOYEES BY FUNCTION**

**LAST TEN FISCAL YEARS**

**UNAUDITED**

Function	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Directors/Consultants/Coordinators/Administrators	214	220	330	289	323	304	296	291	277	272
Principals	92	92	82	84	87	85	85	86	88	89
Assistant Principals	92	106	105	116	122	107	109	109	162	164
Nurses/LPNs	78	80	84	90	109	120	112	96	140	125
Secretaries/Clerical	492	495	468	490	502	495	446	408	459	477
Teachers	3,806	4,005	3,945	4,359	4,418	4,405	4,395	4,364	4,289	4,328
Aides	605	629	758	801	779	760	755	722	755	807
Food Service	508	515	506	589	615	620	610	570	498	556
Custodians	470	490	523	577	596	630	631	635	632	644
Guidance Counselors	129	135	135	160	165	157	142	149	182	183
Librarians	90	93	88	102	98	99	101	104	103	103
Maintenance	100	103	125	122	122	118	145	70	125	144
School Bus Drivers	357	360	333	369	402	427	428	435	468	468
Others	84	90	156	147	149	144	161	300	188	196
<b>Total Full-Time Equivalents</b>	<b>7,117</b>	<b>7,413</b>	<b>7,638</b>	<b>8,295</b>	<b>8,486</b>	<b>8,471</b>	<b>8,416</b>	<b>8,339</b>	<b>8,366</b>	<b>8,556</b>

Source: School District of Greenville County - Human Resources

THE SCHOOL DISTRICT OF GREENVILLE COUNTY  
GREENVILLE, SOUTH CAROLINA

OPERATING INDICATORS BY FUNCTION

LAST TEN FISCAL YEARS

UNAUDITED

Fiscal Year Ended June 30	Pupil Enrollment ADM	Modified Accrual Basis of Accounting		Teaching Staff	Pupil/Teacher Ratio	Percentage of Students Receiving Free or Reduced Meals		Statewide Minimum Teacher Salary (A)	Statewide Maximum Teacher Salary (A)	Statewide Average Salary	Greenville Average Salary
		Operating Expenditures	Cost per Pupil			Percentage Change	Statewide Teacher Salary (A)				
2004	61,777	\$ 380,210,614	\$ 6,155	4,025	15.3	33.2%	\$ 25,349	53,950	41,162	\$ 41,142	
2005	62,857	409,615,682	6,517	4,233	14.8	35.2%	25,665	54,624	42,189	42,098	
2006	64,289	439,937,616	6,843	4,168	15.4	42.0%	26,289	55,951	43,011	42,866	
2007	66,239	484,993,748	7,322	4,621	14.3	41.0%	26,975	57,412	44,336	43,000	
2008	67,588	523,818,600	7,750	4,680	14.4	42.0%	27,869	59,312	45,728	44,593	
2009	68,578	527,453,083	7,691	4,661	14.7	44.0%	28,943	61,599	47,421	46,310	
2010	69,136	515,856,038	7,461	4,638	14.9	48.0%	28,943	61,599	47,421	46,700	
2011	69,942	493,084,673	7,050	4,617	15.1	49.4%	28,943	61,599	47,050	46,695	
2012	70,555	519,534,837	7,364	4,574	15.4	49.1%	28,943	61,599	47,421	47,634	
2013	70,607	\$ 543,979,585	\$ 7,704	4,614	15.3	49.5%	29,523	62,834	47,428	\$ 47,417	

Sources: Greenville County Schools Attendance Reports  
Greenville County Schools CAFRS

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

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

THE SCHOOL DISTRICT OF GREENVILLE COUNTY  
GREENVILLE, SOUTH CAROLINA

CAPITAL ASSETS INFORMATION

LAST TEN FISCAL YEARS

UNAUDITED

Schools	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Elementary										
Buildings	50	50	51	48	49	49	49	50	50	51
Square Feet	3,967,547	3,995,689	4,459,687	4,456,885	4,644,288	4,651,424	4,653,558	4,776,916	4,790,170	4,897,566
Capacity	35,539	35,884	37,842	37,930	40,130	40,480	40,530	41,505	41,505	42,505
Enrollment	30,407	30,835	31,925	33,023	33,902	34,050	34,271	34,541	34,871	35,535
Middle										
Buildings	18	16	17	17	18	18	18	18	18	18
Square Feet	2,145,837	1,915,389	1,974,019	2,093,668	2,292,264	2,292,888	2,292,888	2,282,715	2,287,687	2,287,687
Capacity	15,445	14,195	14,760	15,197	16,820	16,820	16,820	16,820	16,820	16,820
Enrollment	14,846	15,013	15,158	15,228	15,056	15,140	15,400	15,470	15,708	15,796
High										
Buildings	14	14	16	16	14	14	14	14	14	14
Square Feet	2,479,338	2,479,338	2,867,114	3,688,436	3,448,208	3,454,114	3,454,114	3,479,095	3,486,508	3,486,508
Capacity	17,113	17,113	21,394	24,348	22,064	22,064	22,064	22,064	22,064	22,064
Enrollment	17,158	17,392	17,909	18,431	18,969	19,263	19,335	19,130	19,070	19,276
Other										
Buildings	13	14	14	15	15	16	16	16	15	15
Square Feet	634,329	645,964	678,154	771,874	771,874	817,874	817,874	812,457	812,457	805,874

Sources: Various School District of Greenville County departments

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

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

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

**YEAR ENDED JUNE 30, 2013**

<b>LEA Subfund Code</b>	<b>Federal Grantor/ Pass-Through Grantor/ Program Title</b>	<b>Federal CFDA Number</b>	<b>Pass Through Grantor's Number</b>	<b>Federal Expenditures</b>
<b>US DEPARTMENT OF AGRICULTURE</b>				
Pass-through State Department of Education:				
6000	National School Breakfast Program	10.553	N/A	\$ 4,472,586
6000	National School Lunch Program - Non-Cash Assistance	10.555	N/A	1,785,256
6000	National School Lunch Program - Cash Assistance	10.555	N/A	14,932,909
		Total 10.555		<u>16,718,165</u>
6000	Fresh Fruit and Veg Grant	10.582	N/A	234,448
<b>TOTAL US DEPARTMENT OF AGRICULTURE</b>				<b><u>21,425,199</u></b>
<b>US DEPARTMENT OF EDUCATION</b>				
Direct Programs:				
2080	Advance Placement Program	84.330C	S330C090137-11	176,310
		Total Direct Programs		<u>176,310</u>
Passed Through SC State Department of Education:				
<u>Title I:</u>				
2010	Title I - Low Income	84.010	12-BA-040	264,553
2020	Title I - Low Income	84.010	13-BA-40	19,241,987
2370.01	Title I - School Improvement	84.010	12-BJ-040	557,721
		Total 84.010		<u>20,064,261</u>
2210.01	Title I - N&D	84.013	13-ND-040	58,989
2210.02	Title I - N&D Carryover	84.013	12-ND-040	238,946
		Total 84.013		<u>297,935</u>
		Total Title I		<u>20,362,196</u>
2260	ARRA - School Improvement	84.388	13-SH-040	493,135
<u>IDEA:</u>				
2030	Public Law 101-476 - The Individuals with Disabilities Act	84.027	13-CA-040-1	14,107,574
2050	Handicapped Preschool Grant	84.173	13-CG-040-01	422,737
2990	Federal Miscellaneous (Substitute Reimbursements)	84.027A	N/A	200
		Total 84.027, 84.027A and 84.173		<u>14,530,511</u>
		Total IDEA		<u>14,530,511</u>
<u>Title II:</u>				
2670.01/02	Title II - Improving Teacher Quality, Reduce Class Size	84.367	13-TQ-040-01	1,959,089
<u>Drug Free:</u>				
2400.01	SC School Climate Initiative	84.184	12-CP-040-01	2,823
2400.02	SC School Climate Initiative	84.184	13-CP-040-01	40,154
		Total 84.184		<u>42,977</u>
<u>Adult Education:</u>				
2430.01	Adult Regular	84.002	13-EA-040-01	308,662
2430.02	English Literacy / Civics	84.002	13-ED-040	15,000
2430.03	Adult Regular (Carryover from 2011-2012)	84.002	12-EA-040-03	69,731
		Total 84.002		<u>\$ 393,393</u>

(Continued)

THE SCHOOL DISTRICT OF GREENVILLE COUNTY  
GREENVILLE, SOUTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2013

LEA Subfund Code	Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass Through Grantor's Number	Federal Expenditures
<b>US DEPARTMENT OF EDUCATION (CONTINUED)</b>				
Passed Through SC State Department of Education: (Continued)				
<u>Occupational Education:</u>				
2070.02	WBL Activities	84.048	13-VA-040	\$ 157,976
2070.03	Technology Training	84.048	13-VA-040	9,275
2070.04	Professional Development	84.048	13-VA-040	22,668
2070.06	Initiate and Improve Program	84.048	13-VA-040	81,995
2070.08	Special Populations	84.048	13-VA-040	24,876
2070.09	Career Guidance	84.048	13-VA-040	207,420
2070.10	Student Organizations	84.048	13-VA-040	85,288
2070.11	Equipment	84.048	13-VA-040	433,737
2070.15	Local Administration	84.048	13-VA-040	42,312
2070.16	Automobile Technology	84.048	13-VA-040	3,908
		Total 84.048		<u>1,069,455</u>
<u>Other Special Programs:</u>				
2640.01	Title III - English Language Acquisition	84.365A	13-BP-040	842,485
	Total Passed Through SC State Department of Education			<u>39,693,241</u>
<b>TOTAL US DEPARTMENT OF EDUCATION</b>				<b><u>39,869,551</u></b>
<b>US DEPARTMENT OF LABOR</b>				
Passed Through SC State Department of Commerce or other agency:				
2920.01	Jobs for SC Graduate - Woodmont	17.259	12-JAG-114	35,079
2920.01	Jobs for SC Graduate - Woodmont	17.278	12-JAG-114	19,696
2920.02	Jobs for SC Graduate - Carolina	17.259	12-JAG-121	27,094
2920.02	Jobs for SC Graduate - Carolina	23.002	12-JAG-121	27,094
<b>TOTAL US DEPARTMENT OF LABOR</b>				<b><u>108,963</u></b>
<b>US DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>				
Passed Through SC State Department of Education:				
2990	Federal Miscellaneous	93.938	N/A	112
	Total Passed Through SC State Department of Education			<u>112</u>
<b>TOTAL US DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>				<b><u>112</u></b>
<b>US DEPARTMENT OF DEFENSE</b>				
Direct Programs:				
2900.01	Navy ROTC	12.000	N/A	134,697
2900.02	Air Force ROTC	12.000	N/A	351,070
2900.03	Army ROTC	12.000	N/A	130,512
<b>TOTAL US DEPARTMENT OF DEFENSE</b>				<b><u>616,279</u></b>
<b>TOTAL FEDERAL ASSISTANCE EXPENDED</b>				<b><u>\$ 62,020,104</u></b>

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

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

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

**YEAR ENDED JUNE 30, 2013**

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**A – General**

The accompanying Schedule of Expenditures of Federal Awards (the “Schedule”) presents the activity of all federal award programs of the School District of Greenville County, South Carolina (the “School District”) for the year ended June 30, 2013. All federal awards received directly from the federal agencies, as well as those passed through other government agencies, are included on the Schedule.

**B – Basis of Accounting**

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

**C – Relationship to Financial Statements**

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

**D – Relationship to Federal Financial Reports**

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

**E – Sub-recipients**

Of the federal expenditures presented in the accompanying schedule, the School District provided federal awards of \$890,639 to the School District’s charter schools (sub-recipients) from the Title I cluster, \$425,488 from the IDEA cluster, \$66,320 from the Title II program, and \$46,609 for the Occupational Education program.

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

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

**INDEPENDENT AUDITOR'S REPORT**

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the 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, 2013, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements, and have issued our report thereon dated October 25, 2013. Our report includes a reference to other auditors who audited the financial statements of the discretely presented component units, as described in our report on the School District's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors. The financial statements of Langston Charter Middle School and Meyer Center for Special Children were not audited in accordance with *Government Auditing Standards*.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the School District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the School District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the School District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Greene, Finney & Horton LLP*

Greene, Finney & Horton, LLP  
Mauldin, South Carolina  
October 25, 2013

**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON  
INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133**

**INDEPENDENT AUDITOR'S REPORT**

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

**Report on Compliance for Each Major Federal Program**

We have audited The School District of Greenville County, South Carolina's (the "School District") compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the School District's major federal programs for the year ended June 30, 2013. The School District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the School District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the School District's compliance.

***Opinion on Each Major Federal Program***

In our opinion, the School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2013.

**Report on Internal Control Over Compliance**

Management of the School District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the School District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the School District's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.



Greene, Finney & Horton, LLP  
Mauldin, South Carolina  
October 25, 2013

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

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

**YEAR ENDED JUNE 30, 2013**

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There were no audit findings in the prior year.

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

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**YEAR ENDED JUNE 30, 2013**

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**Section I - Summary of Auditor's Results**

*Financial Statements*

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

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

*Federal Awards*

Internal control over major programs:

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

Type of auditor's report issued on compliance for major programs: Unmodified

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

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
10.553; 10.555	National School Breakfast and Lunch Programs Cluster
84.388	ARRA - School Improvement Grant

Dollar threshold used to distinguish between type A and type B programs: \$ 1,860,603

Auditee qualified as low-risk auditee?	_____ <u>X</u> Yes	_____ No
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**Section II - Findings - 2013 Financial Statement Findings**

None

**Section III - 2013 Federal Awards Findings and Questioned Costs**

None





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W.Burke Royster, Superintendent