ATLANTA PUBLIC SCHOOLS
Making A Difference

FY2012

Comprehensive Annual Financial Report

Fiscal Year Ended June 30, 2012

Atlanta Independent School System

Atlanta, Georgia



ATLANTA INDEPENDENT SCHOOL SYSTEM

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FISCAL YEAR ENDED
JUNE 30, 2012

Office of the Chief Financial Officer
Charles A. Burbridge

130 Trinity Avenue, SW

Atlanta, Georgia 30303

ATLANTA INDEPENDENT SCHOOL SYSTEM

Comprehensive Annual Financial Report
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INTRODUCTORY SECTION

ATLANTA PUBLIC SCHOOLS
Making A Difference

December 12, 2012

Dear Citizens of Atlanta,

Atlanta Public Schools (APS or District) is pleased to present the District's Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2012. After overcoming last year's considerable challenges, APS begins fiscal year 2013 as a more stable district, better positioned to take on the obstacles that lie ahead while fulfilling our mission to educate all students through academic excellence to prepare them for success in life, service and leadership.

APS financial management officials prepared this report to fulfill the requirement for audit prescribed by Georgia Statutes for local boards of education. The APS management assumes full responsibility for the completeness and reliability of the information contained in this report, based on a comprehensive framework of internal control established for this purpose. Since the cost of internal control should not exceed the anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements do not contain material misstatements.

Snapshot of Atlanta Public Schools

Atlanta Public Schools is one of the largest districts in the State of Georgia, serving approximately 49,000 students in 103 learning facilities throughout the city of Atlanta. Schools are organized into nine high school clusters with corresponding middle and elementary schools in each cluster.

Clusters help ensure equitable access to resources, continuity of academic programs from Kindergarten through 12th grade and multiple layers of support for students. The cluster model also provides for a greater degree of collaboration and professional development among the elementary, middle and high school teachers and administrators within the individual school clusters.

Beginning in the 2012-13 school year, APS adopted the Common Core Georgia Performance Standards (CCGPS), which are more rigorous than our previous standards. These standards outline high expectations for what students should know in the 21st century and make APS part of the nation-wide initiative to standardize expectations.

District Highlights

APS is committed to providing consistent excellent customer service to all stakeholders. The District is improving its educational services for students by redirecting more resources to schools in a manner that is equitable, engaging, excellent, and ethical.

Organizational Effectiveness

- Refocused the District on ethics, integrity, and transparency

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- Replaced K-8 School Reform Teams and the Office of High Schools with regions and clusters to create a seamless academic and student support structure
- Reorganized the Curriculum and Instruction division to ensure quality programs for all school regions
- Created a district, cluster, and school profile aligned with the College and Career Readiness Performance Index, for better post-secondary preparation
- Used stronger security measures for the Criterion-Referenced Competency Tests (CRCT) to preserve the integrity of the testing environment
- Completed construction and renovation at Continental Colony Elementary, Peyton Forest Elementary, Mays High School, and Lakewood Stadium
- Centralized textbook management to ensure efficient distribution of materials
- Standardized World Language and Performing Arts offerings K-12
- Opened access to accelerated math to all middle school students
- Gained voter approval of SPLOST IV to fund state-of-the art facilities and other capital projects

Student Achievement

- Achieved the nation's largest gains in three of four categories of fourth and eighth graders tested on the National Assessment of Educational Progress
- Reduced the achievement gap with the state average on End of Course Tests in Math 1 by three percentage points and U.S. History by four percentage points
- Received over $86 million in scholarships for the Class of 2012, which had more than 2,100 students
- Increased achievement in Math 1, Biology, U.S. History, Economics and ninth grade Literature and Composition on End of Course Tests

Quality Workforce

- Invested in Common Core professional learning for teachers, principals and other employees
- Established daily common planning for all high school teachers to analyze student work, student performance data and adjust instruction based upon findings
- Created a principal mentor position to support novice principals
- Identified the first cohort of math and science recruits for the new Atlanta Urban Teacher Residency program
- Launched the Excellence Project to identify and implement the most effective instructional programs, and eliminate obstacles that distract teachers and impose on their time

Local Economy

The nationwide economic downturn continues to impact District funding. Local taxes make up almost 75.0% of the District's General Fund revenue. Last year's actual property tax revenues fell short of the budget projection and are below actual revenues in previous years.

The second major revenue stream for the District is State funding through the Quality Basic Education Act. State budgets continue to make major cuts to this revenue stream, which accounts for roughly 23.0% of the District's General Fund revenue sources.

The declining revenues prompted APS leaders to make tough economic decisions with a renewed emphasis on student educational needs. These hard economic realities prompted the District to adopt a revised budget mid-year in fiscal year 2012. By focusing on living within the District's means and reducing its reliance on reserves to fund normal operations, APS was able to end fiscal year 2012 with a higher than planned reserve balance and develop a budget for fiscal year 2013 that better meets students' needs.

Long-Term Financial Planning

APS plans capital improvements as future capital needs arise due to student population changes and facility repair and maintenance needs. Specific capital expenditure plans are formalized in conjunction with special-purpose, local-option sales tax receipts and anticipated annual receipts of capital outlay funds from the Georgia Department of Education. The District regularly monitors anticipated capital outlay needs.

Strategic Planning

By aligning budget recommendations with the District's strategic objectives, APS leaders continue to use strategy to drive budgets. Every APS division, department, office and employee is expected to align with the District's goals to support student achievement. Employees evaluate and execute their work based on how well it supports schools and students.

Financial Information

The CAFR is prepared pursuant to OCGA 36-81-7. Mauldin & Jenkins, LLC, has issued an unqualified ("clean") opinion on the financial statements for fiscal year ended June 30, 2012. The independent auditor's report is located at the front of the financial section of this report.

Using the full accrual basis of accounting, APS has total net assets of approximately $1.39 billion, an increase of $22.20 million from fiscal year 2011. Further discussion is included in Management's Discussion and Analysis (MD&A), which immediately follows the independent auditor's report and provides an overview and analysis of the basic financial statements. The MD&A section complements this letter of transmittal and should be read in conjunction with it.

Fund Accounting: APS reports its financial activities through the use of fund accounting. This is a system wherein transactions are reported in self-balancing sets of accounts to reflect the results of activities. Please see Note A of the Notes to the Basic Financial Statements for a summary of significant accounting policies and a description of the fund types.

Internal Control Structure: APS financial management officials are responsible for implementing and enforcing a system of internal controls to protect the assets of APS from loss, theft or misuse and to ensure that reliable accounting data are available for the timely preparation of financial statements in accordance with Generally Accepted Accounting Principles (GAAP). The internal control structure is

designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of control should not exceed the benefits likely to be derived and that the evaluation of costs and benefits relies upon estimates and judgments by management.

Financial Awards

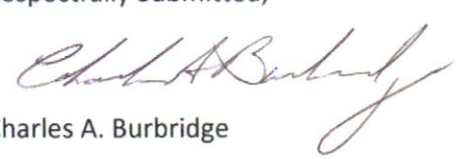
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to APS for its CAFR for the fiscal year ended June 30, 2011. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must also satisfy generally accepted accounting principles and applicable legal requirements.

Further, APS received the Association of School Business Officials (ASBO) International's Certificate of Excellence in Financial Reporting for the CAFR for fiscal year 2011. This is the third year the District submitted the CAFR to ASBO. This award certifies that the report substantially conforms to the principles and standards of financial reporting as recommended and adopted by the Association of School Business Officials International. The award is valid for one year, and is granted only after an expert panel of certified public accountants and practicing school business officials complete an intensive review of all financial reports.

Closing

Again, we are pleased to present to the Atlanta community our CAFR for fiscal year 2012. Our community deserves a student-centered, high performing school district where all students become successful, life-long learners and leaders. Equally important, our community deserves accurate financial information and tight fiscal controls that result in greater accountability to our stakeholders and government entities that serve the needs of our students. We will continue to do our very best to meet both goals.

Respectfully Submitted,



Charles A. Burbridge

Chief Financial Officer



Erroll B. Davis, Jr.

Superintendent

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Atlanta Independent School District, Georgia

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2011

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



Christopher P Morrill
President

Jeffrey L. Esser
Executive Director

ASSOCIATION OF SCHOOL BUSINESS OFFICIALS INTERNATIONAL



This Certificate of Excellence in Financial Reporting

is presented to

Atlanta Independent School System

For its Comprehensive Annual Financial Report (CAFR)
For the Fiscal Year Ended June 30, 2011
upon recommendation of the Association's Panel of Review
which has judged that the Report substantially conforms
to principles and standards of ASBO's Certificate of Excellence

President

Executive Director

JSSCO

ATLANTA INDEPENDENT SCHOOL SYSTEM

List of Principal Officials
June 30, 2012

SCHOOL SYSTEM BOARD MEMBERS

At-Large Seat 8: Reuben R. McDaniel, III, *Chair*



In May 1999, Reuben R. McDaniel, III was named President/CEO of Jackson Securities, LLC an Atlanta based investment banking firm. With over 25 years of investment banking experience in finance management, capital markets and municipal finance, McDaniel relies on his proven financial insights, exceptional talents in building relationships, strong analytical background and consummate corporate management skills. Selected as one of Black Enterprises' "75 Most Powerful Blacks on Wall Street," Mr. McDaniel was responsible for transforming the firm from a regional public finance boutique into a national institutional investment bank. Under his leadership, Jackson Securities has sustained double-digit revenue growth and diversified revenue streams by establishing a Corporate Finance Group, Wealth Management Group and an Institutional Sales & Trading Group.

District 2: Byron D. Amos, *Vice Chair*



Byron D. Amos, the CEO of Capacity Builders, Inc. is a native Atlantan who has been involved in community organizing for over 20 years and has established deep-roots in the Atlanta community. As a dedicated father, community leader and resident of Vine City, he has demonstrated a passionate commitment to service that comes from a desire to see the residents of his community grow and prosper.

Byron has served as the Chairperson of Neighborhood Planning Unit L and as President of the Vine City Civic Association, Inc. In these positions he served the interests of the community with a deep sense of commitment, dignity, integrity, and dedication over the past several years. As a result of his stewardship, Byron has received many honors and awards, including being recognized as a WATL 36 Unsung Hero as well as an Outstanding Atlantan. Both awards were a testament to his unwavering commitment to community service and leadership. He is also a graduate of the FBI Citizens Academy and the City of Atlanta Citizen Police and Fire Academy. Along with these awards and accomplishments, Byron has had the responsibility of addressing many difficult issues faced by his beloved community.

District 1: Brenda J. Muhammad,



Brenda Muhammad is the executive director of the Atlanta Victim Assistance, Inc. (AVA), an organization that advocates for the fundamental rights of victims and witnesses of crime with compassion, dignity and respect. AVA provides comprehensive services which remove barriers, strengthen victims and their families and foster a healthy transition from victim to survivor. Passionate about children and their educational needs, particularly those who are underserved, Brenda currently serves as the School Board Representative for District 1. She has also served the Atlanta School Board in times past as president and vice president.

District 3: Cecily Harsch-Kinnane



Cecily Harsch-Kinnane has been involved in Atlanta Public Schools for nine years. She and her husband, Paul, have three children in APS and she has served as PTA president at Morningside E.S., on the PTA boards at Inman M.S. and Grady H.S., as co-president of the Council of Intown Neighborhoods and Schools and on the principal selection committee at several schools. She has been involved with Habitat for Humanity, served on the City Of Atlanta Elected Officials Compensation Commission and on the board of the Atlanta Youth Soccer Association. Ms. Harsch-Kinnane is a former middle and high school math teacher and has recently been the coordinator of an after school-mentoring program. She is a native of Atlanta and received a BA in Mathematics from Brown University and has done graduate work in Math Education and Educational Psychology at Georgia State University.

District 4: Nancy M. Meister



As a parent and stakeholder, Nancy Meister is passionate about the future of the Atlanta Public Schools and has been personally involved in the district for many years and recognizes the importance of public education. She and her husband have watched their children grow and thrive in the Atlanta Public Schools system. As a residential real estate agent, she understands and appreciates the importance of great neighborhood schools, their impact on attracting new businesses to our city and their contribution to the overall sustainable growth of the metro area.

District 5: LaChandra Butler Burks



Ms. Burks previously served as Chair of the Atlanta Board of Education. Born and raised in Atlanta, Georgia, LaChandra Butler Burks' passion for children and commitment to education has been evident all of her life. As a product of Atlanta Public Schools, she considers it an honor to now serve as a member of the Atlanta Board of Education because it allows her to fight daily to have quality, public education for the children of a city she dearly loves. It is her strong belief that everyone must be involved in making sure that children are whole and well.

On November 8, 2005, the residents of Atlanta elected LaChandra Butler Burks out of six candidates with 58% of the votes as the Atlanta Board of Education District 5 Representative. She is a graduate of L.P. Miles Elementary School and C.L. Harper High School; with a Bachelor's Degree from State University of West Georgia, (formerly West Georgia College) and a Masters of Business Administration from Keller Graduate School of Management. LaChandra Butler Burks received most of her political experience from having worked under the leadership of three Atlanta mayors for 13 years.

District 6: Yolanda K. Johnson



Yolanda Johnson is a proud resident of the Adams Park Community of Southwest Atlanta. She is a product of public schools and a practicing attorney who has been actively engaged in the community since she made Atlanta her home more than a decade ago.

She began volunteering with the Atlanta Public Schools (APS) when she agreed to serve on a committee redeveloping the curriculum for the Law and Government Magnet at Therrell High School. This experience gave her unique system insight and firsthand knowledge of how even a small group of dedicated people can make differences in the lives of our children: our future.

At-Large Seat 7: Courtney D. English



Courtney English is a former Atlanta Public Schools middle school teacher and community activist. Born and raised in Atlanta, he is a proud graduate of Morehouse College. English was a founding teacher at the new All-Male BEST Academy at Benjamin Carson where he taught seventh grade Social Studies. Ironically, English's lessons were delivered in the same room where he learned the subject content as a student. English is a member of the 2007 Atlanta Corps of Teach for America and now direct his efforts toward enhancing the quality of education for students.

As a teacher, English designed and implemented a unique curriculum to teach "Applied Social Studies," in which students learn the subject through the lens of all academic disciplines. His talents as an educator have been reinforced by his success rate in the classroom. Eighty percent of his students have met learning

objectives with at least 80 percent proficiency for two consecutive years on the Criterion Reference Competency Test (CRCT).

At-Large Seat 9: Emmett D. Johnson



Mr. Johnson has proven that he is a person dedicated to making a positive difference. He is committed to serving the need of our youth. He is knowledgeable about educational issues. As a member of the Atlanta Board of Education, Mr. Johnson received the 2009 Richard R. Green Award- the Richard R. Green Award is the nation's highest honor for urban education leadership, at the Council of the Great City Schools 2009 Fall conference. The Council represents 66 of the largest urban school districts in the nation, educating 7.1 million students. The Green Award is named in honor of the first African-American chancellor of the New York City school system, who had also headed Minneapolis Public Schools. As the recipient of the Richard Green Award, Johnson received a $10,000 college scholarship to present to a high school senior of his choice in the Atlanta Public Schools or from his high school alma mater.

ATLANTA INDEPENDENT SCHOOL SYSTEM
APPOINTED OFFICIALS
JUNE 30, 2012

SUPERINTENDENT

Erroll B. Davis

SENIOR CABINET

Charles A. Burbridge…….…..…….Chief Financial Officer

Michael Grey (Interim) …….…... Chief Human Resources Officer

Larry Hoskins…….……..Deputy Superintendent for Operations

Alexis Kirijan……..……..……Chief Strategy and Development Officer

Sharon Pitts (Interim)……..……General Counsel

Steve Smith…….……..Associate Superintendent

Karen Waldon…….....Deputy Superintendent Instruction

David Williamson……..……..Chief Information Officer

ATLANTA PUBLIC SCHOOLS
Making A Difference

Organizational Chart



PUBLIC

ATLANTA BOARD OF EDUCATION

Office of Internal Compliance
William Scott

SUPERINTENDENT
Erroll B. Davis, Jr.

Associate Superintendent
Steven W. Smith
- Office of Communications
- Office of External Affairs
- Office of Innovation

Deputy Superintendent for Curriculum & Instruction
Karen L. Waldon
- North Region
- East Region
- West Region
- South Region
- Teaching & Learning
- Administrative Services
- Student Programs & Services
- School Improvement & Leadership

Deputy Superintendent Operations
Larry L. Hoskins
- Facilities Services
- Security
- Nutrition
- Transportation
- Warehouse Services

Chief Financial Officer
Chuck Burbridge
- Grant Accounting
- General Accounting
- Disbursements
- Financial Planning
- Procurement

Chief Strategy & Development Officer
Dr. Alexis Kirijan
(Organizational Advancement)
- Balanced Scorecard
- Continuous Improvement
- Policy & Regulations
- Strategy Management
- Systems & Processes

General Counsel
Sharron Pitts
(Interim)
- Legal



Chief Human Resources Officer
Michael Gray *(Interim)*
- Employee Benefits / Risk Management
- Employee Services
- Employee Resolution
- HR Information Management

Chief Information Officer
David Williamson
- Applications
- Support / TIG
- Instructional Technology
- Infrastructure
- Governance and Policy



Atlanta Public Schools is educating today's students for tomorrow's world. We are committed to ensuring that all students graduate from our schools ready for success in college and life.

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FINANCIAL SECTION

MAULDIN & JENKINS
CERTIFIED PUBLIC ACCOUNTANTS, LLC

INDEPENDENT AUDITOR'S REPORT

To the Superintendent and Members of the
Atlanta Independent School System
Atlanta, Georgia

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the **Atlanta Independent School System** (the "School System") as of and for the fiscal year ended June 30, 2012, which collectively comprise the School System's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the School System's management. Our responsibility is to express opinions on these financial statements based on our audit.

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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to previously present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Atlanta Independent School System as of June 30, 2012, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 12, 2012, on our consideration of the Atlanta Independent School System's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the Schedule of Funding Progress, the General Fund Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget to Actual and the Title I Special Revenue Fund Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget to Actual as presented on pages 3 through 14 and pages 49 through 52, respectively, 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.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School System's basic financial statements. The other supplementary information and schedules, as listed in the accompanying table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The 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 financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School System's basic financial statements. The introductory and statistical sections, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has 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 it.

Mauldin & Jenkins, LLC

Atlanta, Georgia
December 12, 2012

MANAGEMENT'S DISCUSSION AND ANALYSIS

ATLANTA INDEPENDENT SCHOOL SYSTEM
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2012

The discussion and analysis of the Atlanta Independent School System's (the System or District) financial performance provides an overview of the fiscal year ended June 30, 2012. The intent of this discussion and analysis is to examine the School System's financial performance as a whole, identify changes in financial position as well as to provide basic financial statements. The basic financial statements and notes to the basic financial statements should be reviewed by the readers to enhance their understanding of the School System's financial performance as a whole or as an entire operating entity. The basic financial statements contain the following components:

1) Government-wide financial statements including the Statement of Net Assets and the Statement of Activities, which provide a broad, long-term overview of the School System's finances.

2) Fund-level financial statements provide a greater level of detail about the School System's major funds and focus on how well the School System has performed in the short-term in the most significant funds.

3) Notes to the Basic Financial Statements.

This report also presents the highlights for the fiscal year ended June 30, 2012 and contains other supplementary information.

FINANCIAL HIGHLIGHTS

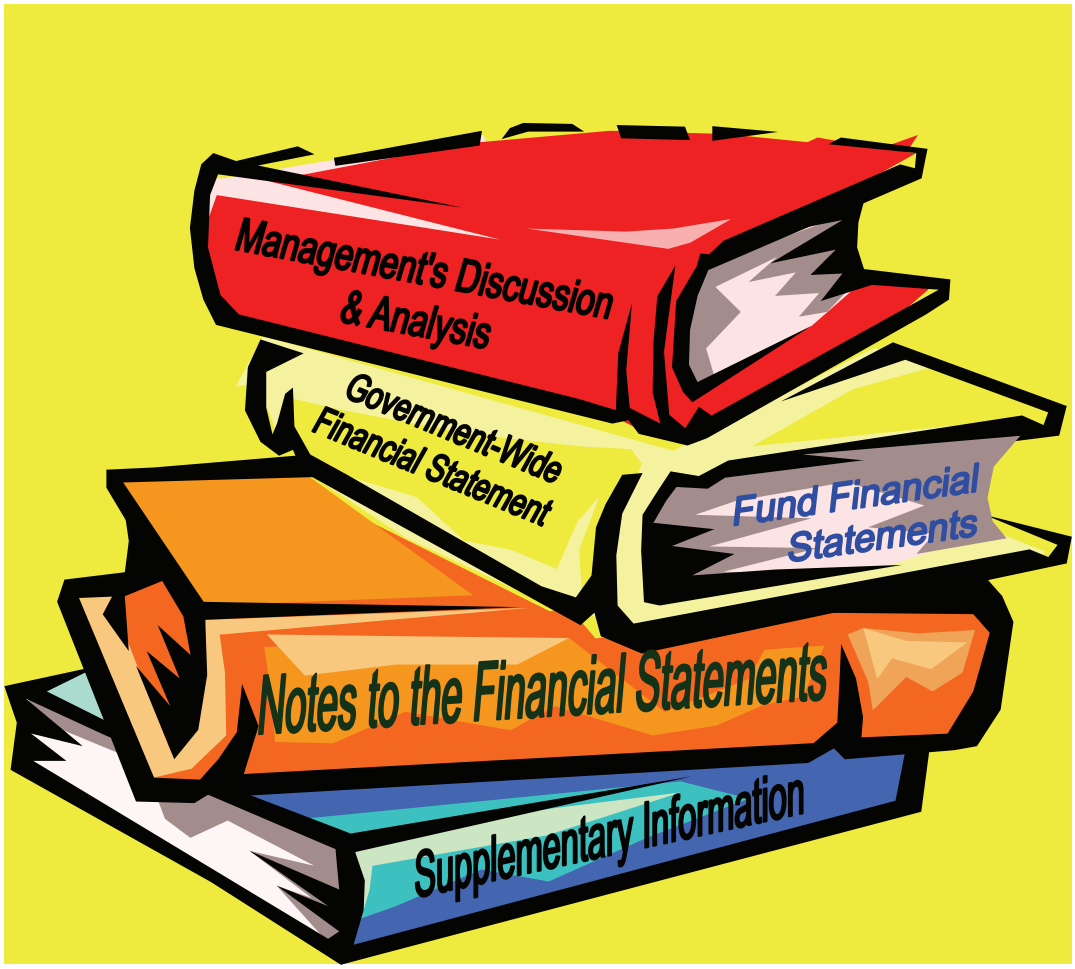
Overall, net assets in fiscal year 2012 increased by 1.6% over fiscal year 2011. This is evidence of management's ability to maintain a balanced budget and control expenses despite austerity reductions due to economic downturns affecting the School System's revenues. The key financial highlights for fiscal year 2012 include the following:

- Total net assets for the School System increased from approximately $1,367.47 million in fiscal year 2011 to approximately $1,389.66 million in fiscal year 2012, an increase of approximately $22.19 million or 1.6% due to revenues exceeding expenses primarily due to budget cuts and one-time revenues such as E-Rate. Net assets increased by approximately $19.48 million for Governmental Activities and increased by $2.71 million for Business-type Activities.

- Total revenues decreased from approximately $803.28 million in fiscal year 2011 to approximately $775.09 million in fiscal year 2012, a decrease of approximately $28.19 million or 3.5%. Revenue for Governmental Activities decreased approximately $29.66 million while revenue for Business-type activities increased by approximately $1.47 million.

- Total expenses increased approximately $18.17 million or 2.5% from approximately $734.73 million in fiscal year 2011 to approximately $752.90 million in fiscal year 2012. Expenses increased in Governmental Activities by approximately $19.27 million and decreased by approximately $1.10 million in Business-type Activities.

The School System has prepared its annual financial reports according to the Governmental Accounting Standards Board Statement No. 34 financial reporting model, illustrated by the following graphic.



OVERVIEW OF FINANCIAL STATEMENTS

Government-wide Financial Statements

The Government–wide financial statements are designed to provide the reader with a broad overview of the School System's finances in a manner similar to those used by private-sector businesses. The Statement of Net Assets and the Statement of Activities provide information about the activities of the whole School System, presenting an aggregate and long-term perspective of the finances. These statements include all assets and liabilities using the accrual basis of accounting. This basis of accounting includes all of the current fiscal year's revenues and expenses, regardless of when cash is received or paid.

- The ***Statement of Net Assets*** presents information on all of the Schools System's assets and liabilities, with the difference between the two reported as net assets. Increases or decreases in net assets may serve as a useful indicator of whether the financial position is improving or deteriorating.

- The ***Statement of Activities*** presents information showing how net assets changed during the fiscal year. All changes in the net assets are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of the related cash flows*. Thus, revenues and expenses are

reported in the statement for some items that will result in cash flows in future fiscal periods (for example, uncollected taxes and earned but unused vacation leave).

Included in the Statement of Net Assets and Statement of Activities for the School System are two distinct kinds of activities:

- *Governmental Activities* – Most of the School System's programs and services are reported here including instruction, pupil services, improvement of instruction, educational media, general administrative, school administrative, business administration, maintenance and operation of facilities, student transportation, and central support.

- *Business-type Activities* – This service is provided on a charge for goods or services basis to recover all of the expenses of the goods or services provided. The Food Services proprietary fund is reported as a business-type activity.

Table 1 - Condensed Statement of Net Assets (in millions of dollars)

	Governmental Activities		Business-type Activities		Total School System		
	2012	2011	2012	2011	2012	2011	percentage change
Current and other assets	$ 357.90	$ 383.91	$ 5.21	$ 3.19	$ 363.11	$ 387.10	-6.2%
Net capital assets	1,248.73	1,248.63	-	-	1,248.73	1,248.63	0.0%
Total assets	1,606.63	1,632.54	5.21	3.19	1,611.84	1,635.73	-1.5%
Long-term debt outstanding	152.75	158.20	-	-	152.75	158.20	-3.4%
Other liabilities	69.11	109.05	0.32	1.01	69.43	110.06	-36.9%
Total liabilities	221.86	267.25	0.32	1.01	222.18	268.26	-17.2%
Net assets							
Invested in capital assets, net of related debt	1,171.49	1,104.60	-	-	1,171.49	1,104.60	6.1%
Restricted for debt services	0.30	1.10	-	-	0.30	1.10	-72.7%
Restricted for capital projects	65.80	107.59	-	-	65.80	107.59	-38.8%
Restricted for federal programs	-	0.01	-	-	-	0.01	-100.0%
Restricted for state and local programs	6.26	4.15	-	-	6.26	4.15	50.8%
Restricted for school construction	43.66	-	-	-	43.66	-	100.0%
Unrestricted	97.26	147.84	4.89	2.18	102.15	150.02	-31.9%
Total net assets	$ 1,384.77	$ 1,365.29	$ 4.89	$ 2.18	$ 1,389.66	$ 1,367.47	1.6%

- **Total assets** decreased by roughly $23.89 million or 1.5%.

- **Current and other assets** decreased by roughly $23.99 million or 6.2%.

- **Capital assets, net of accumulated depreciation** for all governmental activities increased by roughly $0.10 million. The increase primarily represents current fiscal year additions to buildings and building improvements less the current fiscal year's depreciation expense.

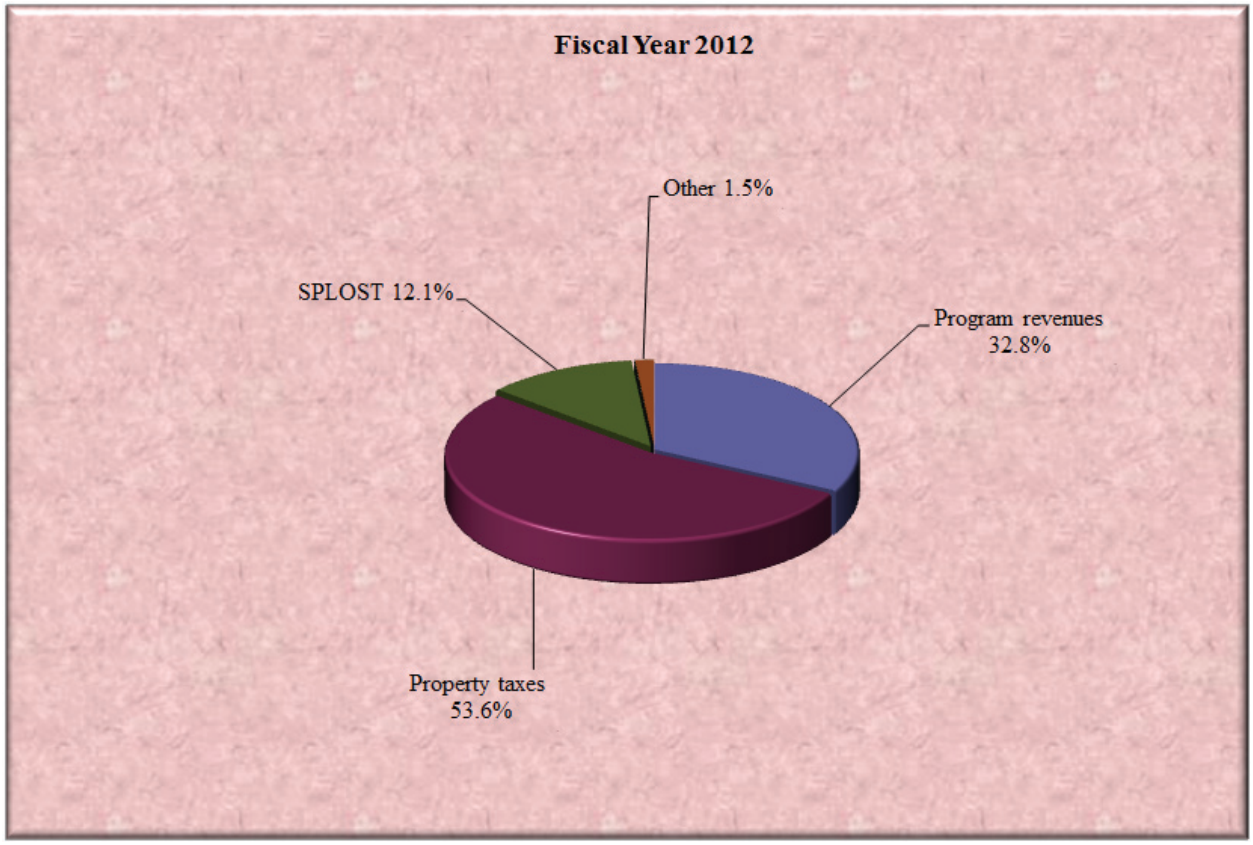
- **Long-term debt outstanding** decreased by roughly $5.45 million or 3.4%. The decrease was primarily due to scheduled principal payments and the current fiscal year's amortization of the premium associated with the Certificates of Participation issued in fiscal year 2011.

Table 2 - Condensed Changes in Net Assets (in millions of dollars)

	Governmental Activities		Business-type Activities		Total School System		
	2012	2011	2012	2011	2012	2011	Percentage Change
Revenues							
Program revenues							
Charges for services	$ 1.72	$ 1.49	$ 1.64	$ 1.69	$ 3.36	$ 3.18	5.7%
Operating grants and contributions	218.28	221.76	23.77	22.23	242.05	243.99	-0.8%
Capital grants and contributions	8.80	25.37	-	-	8.80	25.37	-65.3%
General revenues							
Property taxes, levied for general purposes	414.32	469.31	-	-	414.32	469.31	-11.7%
Special Purpose Local Option Sales Tax	93.70	52.90	-	-	93.70	52.90	77.1%
Investment earnings	0.13	0.12	-	0.02	0.13	0.14	-7.1%
Grants and Contributions not restricted to specific programs	11.62	1.31	-	-	11.62	1.31	787.0%
Property taxes levied for debt service	1.11	1.17	-	-	1.11	1.17	-5.1%
Other	-	5.30	-	-	-	5.30	-100.0%
Gain on Sale of Assets	-	0.61	-	-	-	0.61	-100.0%
Total Revenues	749.68	779.34	25.41	23.94	775.09	803.28	-3.5%
Expenses:							
Instruction	406.00	377.49	-	-	406.00	377.49	7.6%
Support Services:					-		
Pupil services	29.54	39.02	-	-	29.54	39.02	-24.3%
Improvement of instructional services	38.21	50.50	-	-	38.21	50.50	-24.3%
Educational media	8.96	9.61	-	-	8.96	9.61	-6.8%
Federal grant administration	1.12	-	-	-	1.12	-	100.0%
General administration	17.88	14.51	-	-	17.88	14.51	23.2%
School administration	30.83	33.29	-	-	30.83	33.29	-7.4%
Business administration	22.61	17.89	-	-	22.61	17.89	26.4%
Maintenance and operation of facilities	97.08	96.33	-	-	97.08	96.33	0.8%
Student transportation	29.77	28.90	-	-	29.77	28.90	3.0%
Central support	28.38	36.73	-	-	28.38	36.73	-22.7%
Nutrition	0.36	0.02	22.70	23.80	23.06	23.82	-3.2%
Other support services	13.04	4.38	-	-	13.04	4.38	197.7%
Interest and fiscal charges	6.42	2.26	-	-	6.42	2.26	184.1%
Total Expenses	730.20	710.93	22.70	23.80	752.90	734.73	2.5%
Change in Net Assets	19.48	68.41	2.71	0.14	22.19	68.55	-67.6%
Beginning Net Assets	1,365.29	1,296.88	2.18	2.04	1,367.47	1,298.92	
Ending Net Assets	$ 1,384.77	$ 1,365.29	$ 4.89	$ 2.18	$ 1,389.66	$ 1,367.47	

Primary Government

Sources of Revenues



Total revenues overall, decreased $28.19 million or 3.5% from fiscal year 2011 to fiscal year 2012, due to continued decreases in property tax revenues.

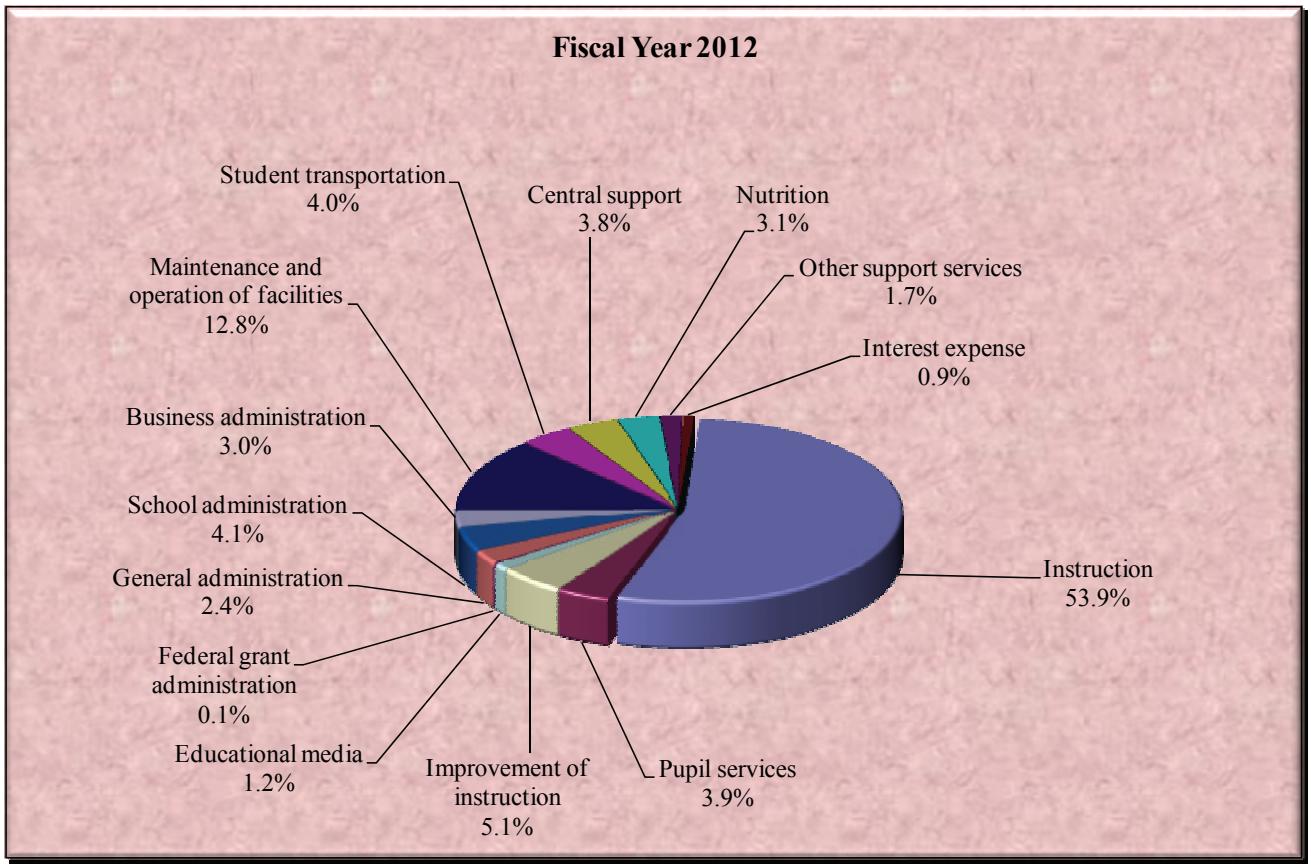
- Program revenues are primarily grant related and account for approximately $254.21 million or 32.8% of total revenues received and include State QBE revenue.

- General revenues represent the major revenue stream for the School System. They account for 67.2% or $520.88 million of total revenues received in FY 2012. Between fiscal years 2011 and 2012, a decrease of $54.99 million in property tax revenues and an increase in SPLOST sales tax revenues of $40.80 million occurred.

- Business-type activities revenues increased from 2011 to 2012 by $1.47 million or 6.1%. Revenues increased due to an increase in charges for services.

Primary Government

Expenses



Total expenses increased from 2011 to 2012 by 2.5% or $18.17 million. Management continues to forecast spending levels and manage spending throughout the fiscal year.

- Governmental activities account for 97.0% or $730.20 million of total School System spending. Four groups of activities account for 88.0% or $642.15 million of governmental spending: instruction ($406.00 million or 55.6%); pupil services and improvement of instructional services ($67.75 million or 9.3%); administration and business services ($71.32 million or 9.8%); and maintenance and operations ($97.08 million or 13.3%).

- Business-type activities expenses decreased by $1.10 million or 4.6%. Expenses decreased as the result of improved managed spending.

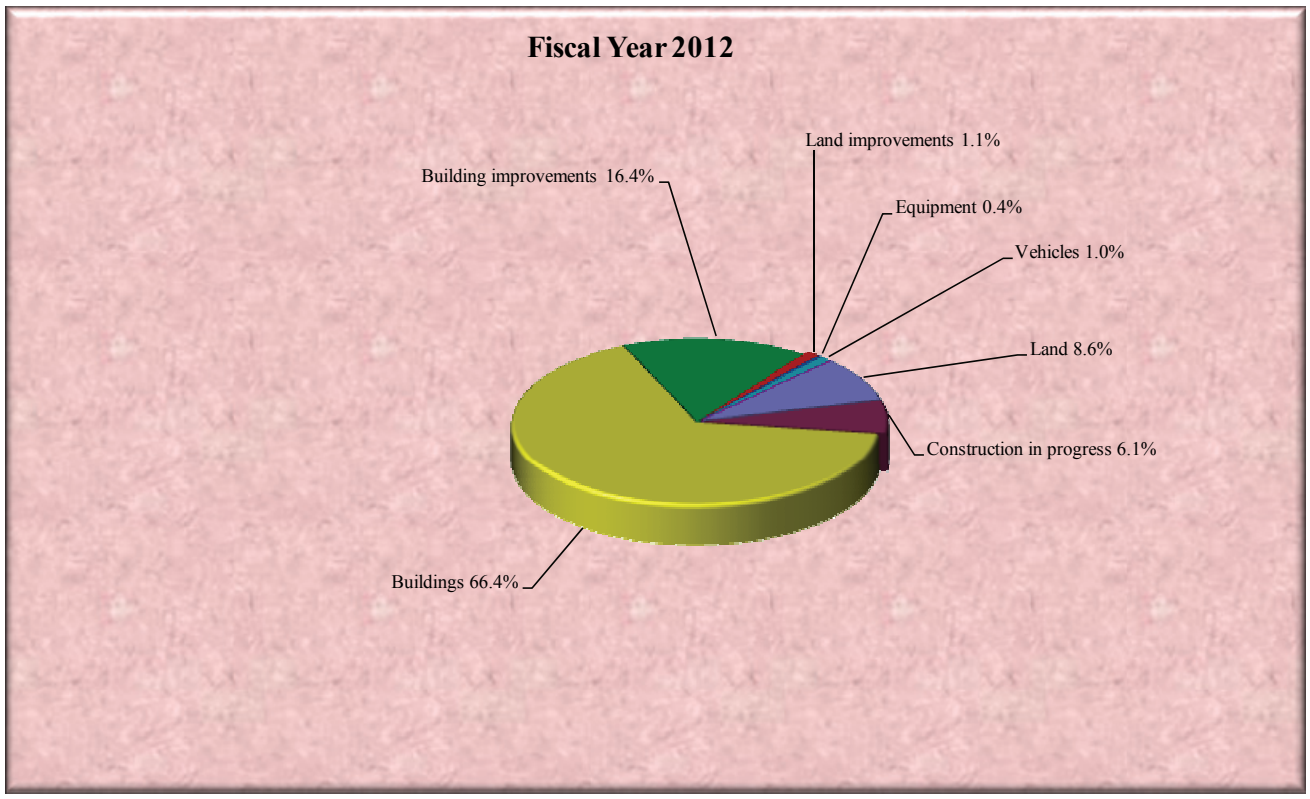
Table 3 - Net Cost of Governmental Activities (in millions of dollars)

	Total Cost of Services			Net Cost of Services		
	2012	2011	Percentage Change	2012	2011	Percentage Change
Instruction	$ 406.00	$ 377.49	7.6%	$ 286.97	$ 240.67	19.2%
Support Services :						
Pupil services	29.54	39.02	-24.3%	17.76	20.38	-12.9%
Improvement of instructional services	38.21	50.50	-24.3%	7.73	17.17	-55.0%
Educational media	8.96	9.61	-6.8%	8.96	7.62	17.6%
Federal grant administration	1.12	-	0.0%	-	-	0.0%
General administration	17.88	14.51	23.2%	10.19	9.46	7.7%
School administration	30.83	33.29	-7.4%	23.50	25.33	-7.2%
Business administration	22.61	17.89	26.4%	18.50	13.81	34.0%
Maintenance and operation of facilities	97.08	96.33	0.8%	73.80	75.13	-1.8%
Student transportation	29.77	28.90	3.0%	21.55	22.16	-2.8%
Central support	28.38	36.73	-22.7%	20.42	27.47	-25.7%
Other support services	13.04	4.38	197.7%	8.10	0.87	831.0%
Nutrition	0.36	0.02	1700.0%	-	-	0.0%
Interest and fiscal charges	6.42	2.26	184.1%	3.90	2.26	72.6%
Total Expenses	$ 730.20	$ 710.93	2.7%	$ 501.38	$ 462.33	8.4%

The net cost of governmental activities represents the cost of operating the School System to be covered by general revenues, including property taxes. The net cost of services increase is attributable to an unanticipated increase in costs combined with a decrease in program revenues.

Table 4 - Capital Assets (net of accumulated depreciation, in millions of dollars)

	Governmental Activities		
	2012	2011	Percentage change
Land	$ 107.07	$ 106.45	0.6%
Construction in progress	76.40	160.67	-52.4%
Buildings	828.50	851.34	-2.7%
Building improvements	205.32	99.99	105.3%
Land Improvements	14.13	11.27	25.4%
Furniture and fixtures	0.04	0.04	0.0%
Equipment	5.06	4.59	10.2%
Vehicles	12.22	14.28	-14.4%
Total	$ 1,248.74	$ 1,248.63	0.0%



Construction in Progress and Buildings

SPLOST III construction programs to renovate or construct academic facilities are in the 60th month of a 60 month program. For more detailed information on the School System's capital assets, see Note G in the notes to the basic financial statements.

Table 5 - Outstanding Long-Term Debt (in millions of dollars)

	Total School System		
	2012	2011	percentage change
Capital leases	$ 7.91	$ 9.68	-18.3%
Intergovernmental agreement-			
City of Atlanta	17.40	18.44	-5.6%
ERS, Inc (COPS, Series 2006/2007)	7.78	8.40	-7.4%
ERS, Inc (COPS, Series 2011A)	72.46	72.46	0.0%
ERS, Inc (COPS, Series 2011B)	31.96	31.96	0.0%
Unamortized premium 2011B	2.56	3.10	-17.4%
Compensated absences	5.20	5.60	-7.1%
Contingent Liabilities - Legal	1.75	1.31	33.6%
Workers' compensation	5.73	7.25	-21.0%
	$ 152.75	$ 158.20	-3.4%

Outstanding long-term debt decreased in the current fiscal year due to scheduled principal payments and the current fiscal year's amortization of the premium related to the Certificates of Participation issued in fiscal year 2011. For more detailed information on the School System's long-term debt, see Notes H and I in the notes to the basic financial statements.

Fund Financial Statements

Fund financial statements provide detailed information regarding the resources segregated for specific activities or objectives, not Government-wide. Funds are used to track specific sources of revenue and expenditures for particular programs.

The School System has three kinds of funds:

Governmental funds – These funds are used to account for most of the School System's basic services and focus on providing cash flow available for spending. These funds include the General Fund, Title I Fund, Capital Projects Fund, Education Reform Success Fund, and other governmental funds of lesser magnitude. Fund accounting statements use the modified accrual method of accounting, which measures cash and other financial assets that can be readily converted to cash. These statements present a short-term view of the School System's operations and services and do not include the long-term focus presented in the Government-wide financial statements. For an explanation of the differences, see the reconciliations included with the Governmental Fund Statements.

Proprietary fund – This fund consists of services provided by the School System for a fee and employs the full accrual method of accounting in a manner similar to the Government-wide statements. The School System has one proprietary fund, Food Services. This fund provides student meals at a cost based on the student's ability to pay, subsidized by Federal funds and the School System.

Fiduciary fund – This fund accounts for assets not owned by the School System but for which the School System is responsible for ensuring that the assets in the funds are used for their designated purposes. This fund is not included in the Government-wide financial statements because it cannot be used to finance the School System operations. The School System has one fiduciary fund - Agency Funds (Local School, Club and Class Funds).

The following presents a summary of the General Fund, Title I Fund, Capital Projects Fund, Education Reform Success (ERS), and other non-major governmental funds by type of revenue for the fiscal year ended June 30, 2012 as compared to June 30, 2011.

Table 6 - Revenues and other financing sources (in millions of dollars)

	Governmental Funds			
	2012	2011	Increase (Decrease)	Percentage Change
Local taxes	$ 445.18	$ 445.99	$ (0.81)	-0.2%
Sales taxes income	93.10	57.68	35.42	61.4%
State revenues	142.66	132.03	10.63	8.1%
Federal revenues	75.79	84.05	(8.26)	-9.8%
Investment income	0.13	0.28	(0.15)	-53.6%
Facility rental fees	1.00	0.78	0.22	28.2%
Tuition charges	0.00	0.03	(0.03)	-90.0%
Charges for services	0.72	0.67	0.05	7.5%
Other	20.72	13.90	6.82	49.1%
Proceeds from bonds	-	104.42	(104.42)	-100.0%
Premium on bonds	-	3.10	(3.10)	-100.0%
Capital leases	4.47	-	4.47	100.0%
Proceeds from sale of capital assets	0.25	0.70	(0.45)	-64.3%
Total Revenues and other financing sources	$ 784.02	$ 843.63	$ (59.61)	-7.0%

The following table presents a summary of the General Fund, Title I Fund, Capital Projects Fund, ERS Fund, and other governmental funds by type of expenditures for the fiscal year ended June 30, 2012 as compared to June 30, 2011.

Table 7 - Expenditures (in millions of dollars)

	Governmental Funds			
	2012	2011	Increase (Decrease)	Percentage Change
Instruction	$ 369.98	$ 373.89	$ (3.91)	-1.0%
Support services				
Pupil services	29.46	38.47	(9.01)	-23.4%
Improvement of instructional services	38.22	49.82	(11.60)	-23.3%
Educational media	8.91	9.45	(0.54)	-5.7%
Federal grant administration	1.12	-	1.12	100.0%
General administration	17.88	14.32	3.56	24.9%
School administration	30.83	32.84	(2.01)	-6.1%
Business administration	16.65	16.84	(0.19)	-1.1%
Maintenance and operation of facilities	98.72	96.15	2.57	2.7%
Student transportation	27.60	26.02	1.58	6.1%
Central support	28.29	36.24	(7.95)	-21.9%
Other support services and nutrition	13.39	4.34	9.05	208.5%
Capital outlays	46.05	170.37	(124.32)	-73.0%
Debt service	13.24	9.20	4.04	43.9%
Total Expenditures	740.34	877.95	(137.61)	-15.7%
Excess (deficiency) of revenues over (under) expenditures - See Table 6	43.68	(34.32)	78.00	
Transfers in	0.60	10.97	(10.37)	
Transfers out	(0.60)	(10.97)	10.37	
Fund Balances, Beginning of Fiscal Year	224.13	258.45	(34.32)	
Fund Balances, End of Fiscal Year	$ 267.81	$ 224.13	$ 43.68	

Analysis of Major Funds

The School System has four major governmental funds: the General Fund, Title I Fund, Capital Projects Fund, and Education Reform Success Fund. The General Fund is the general operating fund of the School System and is used to account for all financial resources except those funds accounted for in other funds. The Title I Fund is used to account for federal grant funds passed through the Georgia Department of Education to provide remedial education in the areas of reading and mathematics. The Capital Projects Fund is used for the acquisition or construction of major capital facilities and to account for the bond proceeds restricted to renovation and school construction. The Education Reform Success Fund is used for the purpose of providing financing sources for a significant portion of the costs related to the property and buildings at the new North Atlanta High School location.

General Fund

As of June 30, 2012, total fund balance in the General Fund was approximately $82.02 million. This balance includes $1.02 million nonspendable, $0.30 million restricted, $1.59 million committed, $28.35 million assigned, and $50.75 million unassigned fund balance. As a result of operations in fiscal year 2012, the fund balance increased by $0.75 million. The increase in fund balance is attributable to continued diligence in monitoring costs. Additionally, the District recognized some one-time revenues in the current year from E-Rate and Tax Allocation Districts (TAD).

For Budget to Actual comparison purposes, the General Fund reported excess expenditures over final budget for the following functions:

Instruction		
Salary	$26,081,308	Due to budgets being based on larger class sizes.
Pupil Services		
Non-Salary	$2,799,451	Due to school based supply purchases, which were are Never budgeted in the General Fund, but are the result of consolidation.
General Administration		
Non-Salary	$151,660	Due to an increase in professional purchased services.
Maintenance and Operations		
Non-Salary	$24,752,955	Due to unfunded pension costs, which were budgeted in Business Administration.
Student Transportation		
Salary	$2,945,721	Due to new program initiatives including Saturday School and Athletics trips, which were Not budgeted.
Non-Salary	$8,901,371	Due to unfunded pension costs, which were budgeted in Business Administration.
Other Support		
Salary	$4,651,960	Due to unanticipated CRCT expenditures.
Debt Service		
Principal	$3,509,432	Due to refinancing of leases.
Interest	$661,912	Due to budget for interest being grouped with principal.

Title I Fund

As of June 30, 2012, the Title I Fund has a zero fund balance as the fund is used to account for a reimbursable grant and therefore, revenues equaled expenditures.

Capital Projects Fund

As of June 30, 2012, total fund balance in the Capital Projects Fund was approximately $133.73 million. This balance includes $112.37 million restricted and $21.36 million assigned. The fund balance increased by $47.93 million due primarily to a decrease in SPLOST capital expenditures and an increase in SPLOST revenues.

Education Reform Success (ERS) Fund

As of June 30, 2012, total fund balance in the ERS Fund was $43.66 million, all of which is restricted. Total fund balance decreased approximately $7.02 million from the prior fiscal year. This decrease is attributable to the School System beginning to use proceeds from the issuance of Certificates of Participation for capital outlays as well as the maturity of the first interest payments on the outstanding long-term debt.

Other Governmental Funds

As of June 30, 2012, total fund balance in Non-major Governmental Funds was approximately $8.39 million. This balance included approximately $6.26 million restricted and approximately $2.13 million assigned. The fund balance increased by $2.02 million in the current fiscal year as additional funding was received.

Current Issues

Currently known facts, decisions or conditions that are expected to significantly affect the financial position or results of operations are as follows:

Tax revenues as well as State Quality Basic Education funding have suffered reductions. The continued support of our schools by the public, by local community organizations, and by businesses continues to be an integral part of our ability to educate our students.

Revenue from the Special Purpose Local Option Sales Tax IV was approved in November of 2011 and the funding, beginning in August 2012, should facilitate our ability to replace and improve existing schools and add additional classrooms. Our operating budget will continue to be tight, as we expect decreased funding from the State of Georgia due to current financial conditions. Despite these challenges, we remain committed to using our financial resources efficiently to provide an exceptional educational experience for our students.

General Fund Budgetary Highlights

The School System's budget is prepared by the Finance Division and is a collaborative effort between the School System and the Atlanta community. The basis for preparation utilizes a zero-based approach because it has systematically provided a more accurate account of anticipated spending levels for the fiscal year.

Details of the General Fund original budget and amended budget are presented in the Financial Section of this report.

Requests for Information

This financial report is designed to provide a general overview of the School System's finances for all those with an interest in the School System's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the School System's Chief Financial Officer, 130 Trinity Street SW, Atlanta Georgia 30303.

BASIC FINANCIAL STATEMENTS

ATLANTA INDEPENDENT SCHOOL SYSTEM

Statement of Net Assets

June 30, 2012

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current Assets:			
Cash and cash equivalents	$ 183,396,761	$ 9,015,434	$ 192,412,195
Investments	93,241,598	-	93,241,598
Receivables (net of allowance for uncollectibles):			
Taxes	21,197,149	-	21,197,149
Other	1,321,606	2,316	1,323,922
Due from other governments	40,656,804	305,822	40,962,626
Internal balances	4,249,630	(4,249,630)	-
Inventory	-	142,577	142,577
Prepaid items	1,023,447	-	1,023,447
Total Current Assets	345,086,995	5,216,519	350,303,514
Noncurrent Assets:			
Net pension asset	11,439,420	-	11,439,420
Deferred charges	1,381,985	-	1,381,985
Capital Assets:			
Nondepreciable capital assets	183,467,940	-	183,467,940
Depreciable capital assets, net	1,065,271,582	-	1,065,271,582
Total Noncurrent Assets	1,261,560,927	-	1,261,560,927
TOTAL ASSETS	1,606,647,922	5,216,519	1,611,864,441
LIABILITIES			
Current Liabilities:			
Accounts payable	21,195,565	222,587	21,418,152
Contracts payable	1,321,379	-	1,321,379
Accrued liabilities	42,238,419	-	42,238,419
Retainage payable	1,146,757	-	1,146,757
Due to other governments	3,212,440	-	3,212,440
Deposits and unearned revenues	-	100,751	100,751
Compensated absences payable, current portion	2,686,254	-	2,686,254
Capital leases payable, current portion	1,887,421	-	1,887,421
Certificates of participation, current portion	6,565,000	-	6,565,000
Claims payable, current portion	2,143,287	-	2,143,287
Intergovernmental agreement, current portion	1,086,875	-	1,086,875
Contingent liabilities, current portion	216,176	-	216,176
Total Current Liabilities	83,699,573	323,338	84,022,911
Noncurrent Liabilities:			
Compensated absences payable	2,517,063	-	2,517,063
Capital leases payable	6,018,173	-	6,018,173
Certificates of participation	108,199,042	-	108,199,042
Claims payable	3,584,735	-	3,584,735
Intergovernmental agreement	16,311,250	-	16,311,250
Contingent liabilities	1,535,000	-	1,535,000
Total Noncurrent Liabilities	138,165,263	-	138,165,263
TOTAL LIABILITIES	221,864,836	323,338	222,188,174
NET ASSETS			
Invested in capital assets, net of related debt	1,171,493,160	-	1,171,493,160
Restricted for:			
Debt service	299,867	-	299,867
Capital projects	65,802,017	-	65,802,017
School construction	43,661,927	-	43,661,927
Other state and local programs	6,264,675	-	6,264,675
Unrestricted	97,261,440	4,893,181	102,154,621
TOTAL NET ASSETS	$ 1,384,783,086	$ 4,893,181	$ 1,389,676,267

See accompanying notes to the basic financial statements.

ATLANTA INDEPENDENT SCHOOL SYSTEM

Statement of Activities
For the Fiscal Year Ended June 30, 2012

		Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
PRIMARY GOVERNMENT:							
Governmental Activities:							
Instruction	$ 405,995,101	$ 3,490	$ 110,219,318	$ 8,803,308	$ (286,968,985)	$ -	$ (286,968,985)
Support services:							
Pupil services	29,543,231	-	11,780,166	-	(17,763,065)	-	(17,763,065)
Improvement of instructional services	38,215,985	-	30,489,786	-	(7,726,199)	-	(7,726,199)
Educational media	8,958,197	-	-	-	(8,958,197)	-	(8,958,197)
Federal grant administration	1,118,206	-	1,118,206	-	-	-	-
General administration	17,882,230	-	7,689,306	-	(10,192,924)	-	(10,192,924)
School administration	30,826,584	-	7,325,735	-	(23,500,849)	-	(23,500,849)
Business administration	22,610,577	-	4,105,440	-	(18,505,137)	-	(18,505,137)
Maintenance and operation of facilities	97,084,662	996,731	22,290,143	-	(73,797,788)	-	(73,797,788)
Student transportation	29,770,071	-	8,218,788	-	(21,551,283)	-	(21,551,283)
Central support	28,379,529	-	7,961,419	-	(20,418,110)	-	(20,418,110)
Other support services	13,035,152	724,400	4,210,388	-	(8,100,364)	-	(8,100,364)
Nutrition	358,681	-	358,681	-	-	-	-
Interest and fiscal charges	6,418,786	-	2,520,803	-	(3,897,983)	-	(3,897,983)
Total Governmental Activities	730,196,992	1,724,621	218,288,179	8,803,308	(501,380,884)	-	(501,380,884)
Business-Type Activities:							
Food services	22,705,598	1,638,841	23,774,887	-	-	2,708,130	2,708,130
Total Business-Type Activities	22,705,598	1,638,841	23,774,887	-	-	2,708,130	2,708,130
Total - Primary Government	$ 752,902,590	$ 3,363,462	$ 242,063,066	$ 8,803,308	(501,380,884)	2,708,130	(498,672,754)
		GENERAL REVENUES:					
		Taxes:					
		Property taxes levied for general purposes			414,313,637	-	414,313,637
		Property taxes levied for debt service			1,111,471	-	1,111,471
		Special purpose local option sales tax			93,699,732	-	93,699,732
		Unrestricted grants and contributions			11,613,774	-	11,613,774
		Unrestricted investment earnings			134,088	1,407	135,495
		Total General Revenues			520,872,702	1,407	520,874,109
		Change in Net Assets			19,491,818	2,709,537	22,201,355
		NET ASSETS BEGINNING OF FISCAL YEAR			1,365,291,268	2,183,644	1,367,474,912
		NET ASSETS END OF FISCAL YEAR			$ 1,384,783,086	$ 4,893,181	$ 1,389,676,267

See accompanying notes to the basic financial statements.

ATLANTA INDEPENDENT SCHOOL SYSTEM

Balance Sheet

Governmental Funds

June 30, 2012

	General Fund	Title I Fund	Capital Projects Fund	Education Reform Success, Inc. Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS						
Cash and cash equivalents	$ 95,911,434	$ -	$ 40,915,296	$ 46,570,031	$ -	$ 183,396,761
Investments	24,999,730	-	68,241,868	-	-	93,241,598
Receivables (net of allowance for uncollectibles):						
Taxes	12,422,004	-	8,775,145	-	-	21,197,149
Other	1,184,845	72,698	64,063	-	-	1,321,606
Due from other governments	20,509,367	15,008,564	-	-	5,138,873	40,656,804
Due from other funds	32,117,160	27,690	25,653,386	91,021	10,263,912	68,153,169
Prepaid items	1,023,447	-	-	-	-	1,023,447
TOTAL ASSETS	$ 188,167,987	$ 15,108,952	$ 143,649,758	$ 46,661,052	$ 15,402,785	$ 408,990,534
LIABILITIES AND FUND BALANCES						
LIABILITIES						
Accounts payable	$ 20,315,273	$ 72,698	$ 576,981	$ -	$ 230,613	$ 21,195,565
Contracts payable	-	-	1,030,558	290,821	-	1,321,379
Accrued liabilities	40,168,043	-	-	-	-	40,168,043
Retainage payable	-	-	835,252	311,505	-	1,146,757
Due to other governments	-	-	2,838,824	-	373,616	3,212,440
Due to other funds	36,036,009	15,036,254	4,029,942	2,396,799	6,404,535	63,903,539
Deferred revenues	9,630,973	-	602,649	-	-	10,233,622
TOTAL LIABILITIES	106,150,298	15,108,952	9,914,206	2,999,125	7,008,764	141,181,345
FUND BALANCES						
Nonspendable:						
Prepaid items	1,023,447	-	-	-	-	1,023,447
Restricted:						
Debt service	299,867	-	-	-	-	299,867
Capital projects	-	-	112,372,048	-	-	112,372,048
School construction	-	-	-	43,661,927	-	43,661,927
Other state and local programs	-	-	-	-	6,264,675	6,264,675
Committed:						
School based activities	809,097	-	-	-	-	809,097
School closures	780,000	-	-	-	-	780,000
Assigned:						
Fiscal year 2013 operations	18,351,208	-	-	-	-	18,351,208
Capital projects	5,000,000	-	21,363,504	-	-	26,363,504
Instruction and support services	5,000,000	-	-	-	-	5,000,000
Local school programs	-	-	-	-	2,129,346	2,129,346
Unassigned	50,754,070	-	-	-	-	50,754,070
TOTAL FUND BALANCES	82,017,689	-	133,735,552	43,661,927	8,394,021	267,809,189
TOTAL LIABILITIES AND FUND BALANCES	$ 188,167,987	$ 15,108,952	$ 143,649,758	$ 46,661,052	$ 15,402,785	$ 408,990,534

See accompanying notes to the basic financial statements.

ATLANTA INDEPENDENT SCHOOL SYSTEM

Reconciliation of Total Governmental Fund Balances to
Net Assets of Governmental Activities
June 30, 2012

TOTAL GOVERNMENTAL FUND BALANCES		$ 267,809,189
Amounts reported for governmental activities in the Statement of Net Assets are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		
Nondepreciable	$ 183,467,940	
Depreciable, net of accumulated depreciation	1,065,271,582	1,248,739,522
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.		
Property taxes	8,814,195	
Special purpose local option sales taxes	602,649	
Other revenues	816,778	10,233,622
Accumulated pension contributions in excess of annual required contributions are reported as assets for governmental activities		11,439,420
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.		
Accrued interest	(2,070,376)	
Bonds premium, net of amortization	(2,569,042)	
Bond issuance costs, net of amortization	1,381,985	
Capital leases payable	(7,905,594)	
Certificates of participation	(112,195,000)	
Intergovernmental agreement - City of Atlanta	(17,398,125)	
Compensated absences	(5,203,317)	
Workers compensation claims payable	(5,728,022)	
Contingent liabilities	(1,751,176)	(153,438,667)
NET ASSETS OF GOVERNMENTAL ACTIVITIES		$ 1,384,783,086

See accompanying notes to the basic financial statements.

ATLANTA INDEPENDENT SCHOOL SYSTEM

Statement of Revenues, Expenditures, and Changes in Fund Balances

Governmental Funds

For the Fiscal Year Ended June 30, 2012

	General Fund	Title I Fund	Capital Projects Fund	Education Reform Success, Inc. Fund	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES						
Local taxes	$ 445,177,849	$ -	$ -	$ -	$ -	$ 445,177,849
Sales tax income	-	-	93,097,083	-	-	93,097,083
State revenues	140,134,932	-	-	-	2,526,390	142,661,322
Federal revenues	1,409,596	48,911,423	-	2,520,803	22,952,805	75,794,627
Investment income	41,607	-	33,824	58,657	-	134,088
Facility rental fees	996,731	-	-	-	-	996,731
Tuition charges	3,490	-	-	-	-	3,490
Charges for services	724,400	-	-	-	-	724,400
Other	12,759,202	-	-	-	7,958,550	20,717,752
TOTAL REVENUES	$ 601,247,807	$ 48,911,423	$ 93,130,907	$ 2,579,460	$ 33,437,745	$ 779,307,342
EXPENDITURES						
Current:						
Instruction	$ 332,890,354	$ 23,740,922	$ 11,115	$ -	$ 13,334,698	$ 369,977,089
Support services:						
Pupil services	23,126,330	1,980,559	-	-	4,354,270	29,461,159
Improvement of instructional services	12,851,838	16,577,399	-	-	8,786,748	38,215,985
Educational media	8,916,740	-	-	-	-	8,916,740
Federal grant administration	-	800,660	-	-	317,546	1,118,206
General administration	13,203,694	3,475,166	98,178	-	1,105,192	17,882,230
School administration	30,738,565	86,318	-	-	1,701	30,826,584
Business administration	16,272,999	98,970	106,315	-	174,822	16,653,106
Maintenance and operation of facilities	94,644,576	-	3,956,532	111,319	5,613	98,718,040
Student transportation	25,344,838	797,967	819	-	1,453,113	27,596,737
Central support	25,665,921	30,076	710,937	-	1,888,033	28,294,967
Other support services	11,496,809	1,323,386	-	-	214,957	13,035,152
Nutrition	-	-	-	-	358,681	358,681
Capital outlays	-	-	40,315,395	5,738,420	-	46,053,815
Debt service:						
Principal	7,904,791	-	-	-	-	7,904,791
Interest and fiscal charges	1,577,366	-	-	3,753,957	-	5,331,323
TOTAL EXPENDITURES	604,634,821	48,911,423	45,199,291	9,603,696	31,995,374	740,344,605
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(3,387,014)	-	47,931,616	(7,024,236)	1,442,371	38,962,737
OTHER FINANCING SOURCES (USES)						
Transfers in	8,802	-	-	-	591,288	600,090
Transfers out	(590,943)	-	-	-	(9,147)	(600,090)
Capital leases	4,467,505	-	-	-	-	4,467,505
Proceeds from sale of capital assets	251,784	-	-	-	-	251,784
TOTAL OTHER FINANCING SOURCES (USES)	4,137,148	-	-	-	582,141	4,719,289
NET CHANGE IN FUND BALANCES	750,134	-	47,931,616	(7,024,236)	2,024,512	43,682,026
FUND BALANCES - BEGINNING OF FISCAL YEAR	81,267,555	-	85,803,936	50,686,163	6,369,509	224,127,163
FUND BALANCES - END OF FISCAL YEAR	$ 82,017,689	$ -	$ 133,735,552	$ 43,661,927	$ 8,394,021	$ 267,809,189

See accompanying notes to the basic financial statements.

ATLANTA INDEPENDENT SCHOOL SYSTEM

Reconciliation of Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Government-wide Statement of Activities

For the Fiscal Year Ended June 30, 2012

NET CHANGES IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS		$ 43,682,026
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceeded depreciation expense in the current period.		
Depreciation expense	$ (45,958,724)	
Capital outlay	47,769,598	1,810,874
In the statement of activities, the loss on the disposal of capital assets is included with instruction expenses. However, in the governmental fund, the proceeds from the sale increase financial resources. Thus, the change in net assets differs from the change in fund balance by the net book value of the capital assets sold.		
Proceeds from the sale of capital assets	(251,784)	
Net book value of capital assets disposed	(1,454,503)	(1,706,287)
Revenues in the statement of activities that do not provide current financial resources are reported as deferred revenues in the funds.		
Property taxes	(29,752,741)	
Special purpose local option sales taxes	602,649	
State revenues	676,988	
Other revenues	139,790	(28,333,314)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. This amount is the net effect of the differences in the treatment of long-term debt and related items.		
Capital lease proceeds	(4,467,505)	
Principal retirement - capital leases	6,243,916	
Principal retirement - certificates of participation	620,000	
Principal retirement - intergovernmental agreement	1,040,875	
Amortization of bond premium	528,667	
Amortization of bond issuance costs	(84,562)	3,881,391
The current fiscal year's increase to the net pension asset decreases net expenses on the government-wide statement of activities		285,564
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 governmental funds.		
Compensated absences	396,916	
Workers compensation claims payable	1,529,978	
Contingent legal liabilities	(439,200)	
Change in accrued interest	(1,616,130)	(128,436)
CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES		$ 19,491,818

See accompanying notes to the basic financial statements.

ATLANTA INDEPENDENT SCHOOL SYSTEM

Statement of Net Assets
Proprietary Fund - Food Services
June 30, 2012

ASSETS		
Current Assets:		
Cash and cash equivalents	$	9,015,434
Due from other governments		305,822
Other receivables		2,316
Inventory		142,577
TOTAL ASSETS		9,466,149
LIABILITIES AND NET ASSETS		
Current Liabilities:		
Accounts payable	$	222,587
Due to other funds		4,249,630
Deposits and unearned revenue		100,751
TOTAL LIABILITIES		4,572,968
NET ASSETS		
Unrestricted	$	4,893,181
TOTAL NET ASSETS		4,893,181
TOTAL LIABILITIES AND NET ASSETS	$	9,466,149

See accompanying notes to the basic financial statements.

ATLANTA INDEPENDENT SCHOOL SYSTEM

Statement of Revenues, Expenses, and Changes in Fund Net Assets
Proprietary Fund - Food Services
For the Fiscal Year Ended June 30, 2012

OPERATING REVENUES	
Charges for services	$ 1,638,841
OPERATING EXPENSES	
Personnel costs	3,214,901
Purchased and contractual services	16,166,077
Supplies and materials	2,555,935
Other operating costs	768,685
TOTAL OPERATING EXPENSES	22,705,598
OPERATING LOSS	(21,066,757)
NON-OPERATING INCOME	
Intergovernmental	23,774,887
Investment income	1,407
TOTAL NON-OPERATING INCOME	23,776,294
CHANGE IN NET ASSETS	2,709,537
NET ASSETS, BEGINNING OF FISCAL YEAR	2,183,644
NET ASSETS, END OF FISCAL YEAR	$ 4,893,181

See accompanying notes to the basic financial statements.

ATLANTA INDEPENDENT SCHOOL SYSTEM

Statement of Cash Flows
Proprietary Fund - Food Services
For the Fiscal Year Ended June 30, 2012

CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from customers	$	1,657,305
Cash payments to employees for services		(3,140,313)
Cash payments for goods and services		(19,652,482)
NET CASH USED IN OPERATING ACTIVITIES		(21,135,490)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES		
Intergovernmental revenue		23,744,792
NET CASH PROVIDED BY NON-CAPITAL FINANCING ACTIVITIES		23,744,792
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest earned		1,407
NET CASH PROVIDED BY INVESTING ACTIVITIES		1,407
NET INCREASE IN CASH AND CASH EQUIVALENTS		2,610,709
CASH AND CASH EQUIVALENTS - BEGINNING OF FISCAL YEAR		6,404,725
CASH AND CASH EQUIVALENTS - END OF FISCAL YEAR	$	9,015,434
RECONCILIATION OF OPERATING LOSS TO NET CASH USED IN OPERATING ACTIVITIES		
Operating loss	$	(21,066,757)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Changes in assets and liabilities		
Decrease in accounts receivable		1,415
Decrease in inventories		538,533
Increase in deposits and unearned revenue		17,049
Increase in due to other funds		74,588
Decrease in accounts payable		(700,318)
Net cash used used in operating activities	$	(21,135,490)
NONCASH NON-CAPITAL FINANCING ACTIVITIES		
USDA donated food commodities	$	1,676,746

See accompanying notes to the basic financial statements.

ATLANTA INDEPENDENT SCHOOL SYSTEM

Statement of Fiduciary Assets and Liabilities

June 30, 2012

	Agency Fund Local School Club and Class Funds
ASSETS	
Cash and cash equivalents	$ 621,016
LIABILITIES	
Due to local schools and student groups	$ 621,016

See accompanying notes to the basic financial statements.

NOTES TO THE BASIC FINANCIAL STATEMENTS

Atlanta Independent School System

Notes to the Basic Financial Statements

June 30, 2012

A. Summary of Significant Accounting Policies

The financial statements of the School System have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applicable to government units. The more significant of the School System's accounting policies are summarized here.

1. Reporting Entity

   The Atlanta Independent School System (School System) was established by the Georgia State Legislature and is composed of nine publicly elected members serving four-year terms. The School System has the authority to approve its own budget and to provide for the levy of taxes to cover the cost of operations and maintenance and to cover debt service payments. Additionally, the School System has decision-making authority, the power to approve selection of management personnel, the ability to significantly influence operations, and primary accountability for fiscal matters. Accordingly, the School System is a primary government and consists of all the organizations that compose its legal entity.

   As required by generally accepted accounting principles, these financial statements present the School System and its component units, entities for which the School System is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the School System's operations. Therefore, data from these units are combined with data of the School System.

   Blended Component Unit
   Education Reform Success, Inc., (ERS) (a non-profit corporation) was established by the School System for the purpose of providing financing for some of the School System's buildings and equipment. The School System has a voting majority on the Board. ERS has issued certificates of participation (COPS) for the acquisition and construction of facilities and equipment. The COPS are repayable solely from payments made by the School System to ERS under a lease agreement for the related facilities and equipment. Accordingly, the COPS and the related capital assets are reported in the government-wide financial statements. Separate financial statements for ERS are not prepared.

2. Government-Wide and Fund Financial Statements

   The government-wide financial statements (i.e., the Statement of Net Assets and the Statement of Activities) report information on all of the non-fiduciary activities of the School System. The effects of inter-fund activity have been netted in these statements. *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.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to applicants who 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 included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the governmental fund financial statements.

3. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. The agency fund does not have a measurement focus. Revenues are 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 fiscal 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.

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 School System considers revenues to be available if they are collected within 30 days of the end of the fiscal period.

The State of Georgia reimburses the School System for teachers' salaries and operating costs through the Quality Basic Education (QBE) Formula Earnings program. State of Georgia law defines the formula driven grant that determines the cost of an academic school year and the State of Georgia's share in this cost. Generally teachers are contracted for the school year (July 1 – June 30) and paid over a twelve month contract period, generally September 1 through August 31. In accordance with the requirements of the enabling legislation of the QBE program, the State of Georgia reimburses the School System over the same twelve month period in which teachers are paid, funding the academic school year expenditures. At June 30, the amount of teachers' salaries incurred but not paid until July and August of the subsequent fiscal year are accrued as the State of Georgia has only postponed the final payment of their share of the cost until the subsequent appropriations for cash management purposes. By June 30 of each fiscal year, the State of Georgia has a signed appropriation that includes this final amount, which represents the State of Georgia's intent to fund this final payment. Based on guidance in Government Accounting Standards Board (GASB) Statement No. 33, paragraph 74, the State of Georgia recognizes its QBE liability for the July and August salaries at June 30, and the School System recognizes the same QBE as a receivable and revenue, consistent with symmetrical recognition.

Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

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

The School System reports the following major government funds:

General Fund - The General Fund is the School System's primary operating fund. It accounts for all financial transactions of the School System, except those required to be accounted for in another fund.

Title I Special Revenue Fund – This fund was established to account for federal grant funds passed through the Georgia Department of Education to provide remedial education in the areas of reading and mathematics and to provide a special education program for children who are physically handicapped.

Capital Projects Fund - This fund accounts for resources which are used exclusively for acquiring school sites, constructing and equipping new school facilities, and renovating existing facilities. The major revenue sources are proceeds from debt proceeds, bond sales, property tax revenue, special purpose local option sales tax revenues, and amounts received from the State of Georgia.

Education Reform Success (ERS) Capital Projects Fund - This fund was established by the School System for the purpose of providing financing for some of the School System's buildings and equipment. ERS has issued certificates of participation (COPS) for the acquisition and construction of facilities and equipment.

The School System reports the following major proprietary fund:

Food Services Fund - The primary purpose of the Food Services Fund is to account for activities of the School System's school breakfast and lunch programs, which are funded primarily by the United States Department of Agriculture, passed through the Georgia Department of Education.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The School System has elected not to follow subsequent private-sector guidance.

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. Operating expenses for the enterprise fund include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. Proprietary funds and fiduciary funds employ the economic resources measurement focus and are accounted for on the accrual basis.

The fiduciary fund accounts for assets held by the School System in a trustee capacity or as an agent on behalf of others.

The School System reports the following fiduciary fund:

Agency Fund - This fund is used to account for local school student club and class accounts. It is custodial in nature and does not involve measurement of results of operations.

The fiduciary fund is excluded from the government-wide financial statements.

4. Assets, Liabilities, and Net Assets or Equity

a. Cash Equivalents

The School System considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. Georgia Laws, OCGA 45-8-14, authorizes the School System to deposit its funds in one or more solvent banks or insured Federal savings and loan associations.

b. Investments

Investments made by the School System in nonparticipating interest-earning contracts (such as certificates of deposit) and repurchase agreements are reported at cost. Participating interest-earning contracts and money market investments with a maturity at purchase of one year or less are reported at amortized cost. Both participating interest-earning contracts and money market investments with a maturity at purchase greater than one year and equity investments are reported at fair value. The Official Code of Georgia Annotated Section 36-83-4 authorizes the School System to invest its funds. In selecting among options for investment or among institutional bids for deposits, the highest rate of return shall be the objective, given equivalent conditions of safety and liquidity. Funds may be invested in the following:

1) Obligations issued by the State of Georgia or by other states

2) Obligations issued by the United States government

3) Obligations fully insured or guaranteed by the United States government or a United States government agency

4) Obligations of any corporation of the United States government

5) Prime banker's acceptances

6) The Local Government Investment Pool administered by the State of Georgia, Office of the State Treasurer

7) Repurchase agreements

8) Obligations of other political subdivisions of the State of Georgia

c. Receivables

Receivables consist of amounts due from property and sales taxes, grant reimbursements due on Federal, State or other grants for expenditures made but not reimbursed, and other receivables disclosed from information available. Receivables are recorded when either the asset or revenue recognition criteria has been met.

d. Inventories and Prepaid Items

Inventories are valued at cost using the first-in, first-out method of accounting. Donated food commodities are recorded at fair value. The costs of Food Services Fund inventories are recorded as expenses when consumed (consumption method). Prepaid items are payments made to vendors for services that will benefit periods beyond June 30, 2012 and are recorded as prepaid items in the government-wide and fund financial statements.

e. Capital Assets

Capital assets purchased, including capital outlay costs, are recorded as expenditures in the fund financial statements at the time of purchase (including ancillary charges). On the government-wide financial statements, all purchased capital assets are valued at cost where historical records are available and at estimated historical cost based on appraisals or deflated current replacement cost where no historical records exist. Donated capital assets are recorded at their estimated market value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not included in the cost of capital assets. The School System does not capitalize book collections or works of art. Capitalization thresholds and estimated useful lives of capital assets reported in the government-wide statements and proprietary funds are as follows:

	Capitalization Policy	Estimated Useful Life
Land	All	N/A
Land Improvements	$ 50,000	10 to 20 years
Buildings	50,000	20 to 50 years
Building Improvements	50,000	10 to 30 years
Furniture & Fixtures	50,000	3 to 15 years
Vehicles	50,000	5 to 8 years
Equipment	50,000	3 to 15 years
Capital Leases	50,000	3 to 8 years
Intangible Assets	50,000	5 to 10 years

Capital assets donated to proprietary fund type operations are recorded at their estimated fair value at the date of donation. Depreciation is computed using the straight-line method over the estimated useful life of the assets.

f. Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive salary related compensation are attributable to services already rendered and it is probable that the School System will compensate the employees for the benefits through paid time off or some other means. Amounts of vested or accumulated vacation leave that are not expected to be liquidated with expendable available financial resources are reported as long-term obligations in the government-wide financial statements and are not liabilities of the governmental funds.

g. Long-term Obligations

In the governmental-wide financial statements and proprietary fund types in the fund financial statements, long-term debt, and other long-term obligations are reported as liabilities in the applicable governmental activities or business-type activities statement of net assets. Long-term debt and other long-term liabilities that will be paid from governmental funds are not recognized as a liability in the fund financial statements until due but are reported in the government-wide statements as long-term debt.

h. Fund Equity

In the fund financial statements, governmental funds report limitations on the purpose for which all or a portion of the resources of the fund balance can be used. The limitations can vary depending upon their source. Financial statements for governmental funds report up to five components of fund balance:

Nonspendable – Amounts that cannot be spent either because they are in a nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted – Amounts that can be spent only for specific purposes because of state or federal laws, or externally imposed conditions by grantors or creditors.

Committed – Amounts that can be used only for specific purposes determined by formal action by the Board of Education. The Board of Education is the School District's highest level of decision-making authority, and the formal action that is required to be taken to establish, modify, or rescind a fund balance commitment is a resolution approved by the Board.

Assigned – Amounts that are designated by the Superintendent, or designee (Chief Financial Officer), for a particular purpose.

Unassigned – Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criterion. The School System reports positive unassigned fund balance only in the General Fund. Negative unassigned fund balances may be reported in all funds.

When multiple categories of fund balance are available for expenditure, the School System will use restricted amounts first and then unrestricted amounts as they are needed. For

unrestricted amounts of fund balance, the School System will use fund balance in the following order: committed, assigned, and then unassigned.

i. Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

The School System applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

j. Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts of assets, liabilities, revenue and expenses including the disclosure of contingent assets and liabilities. Actual amounts could differ from those estimates.

Workers Compensation:

The School System recognizes in the government-wide financial statements the liabilities for estimated losses to be incurred from pending worker compensation claims and for worker compensation claims incurred but not reported (IBNR). IBNR claims are estimates of claims that are incurred through the end of the fiscal year but have not yet been reported. These liabilities are based on actuarial valuations.

k. Deferred(Unearned) Revenue

The government-wide financial statements use the accrual basis of accounting. Revenue is recognized when earned. Property taxes are recognized as revenue in the fiscal year for which they are levied. Deferred revenues reported in governmental fund financial statements represent unearned revenues or revenues, which are measurable but not available and, in accordance with the modified basis of accounting.

B. Budgets and Budgetary Accounting

Atlanta Independent School System employs zero-based budgeting for budget preparation. The zero-based budgeting process provides for the identification and prioritization of school system activities and resources starting from zero and accumulating to the targeted funding level. Each activity is linked to the goal, objectives and mission of the System and ranked as to its importance. As the proposed budget moves through each level of the organization, program activities, and goals are aggregated further and ranked again. The final budget produced and presented is one, which includes all program activities ranked in order of importance in reaching the System's mission. Our basis of budget presentation is in accordance with GAAP.

The School System follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Budget requests are completed in December.

2. Proposed budgets are consolidated and reviewed by the CFO, and submitted to the Superintendent of Schools and Budget Commission for additional review prior to approval by the Atlanta Board of Education.

3. Public hearings on the proposed budget are held in March and April.

4. The annual budget is legally adopted by the Board in May for the General Fund and Special Revenue Funds in June.

5. The administrative level of budgetary control upon adoption is at the program level. The Atlanta Board of Education must approve revisions between salary and non-salary expenditures. Transfer of budgeted amounts between object categories within program functions requires the approval of the budget center manager.

6. Revenues and expenditures of the Capital Projects Fund are budgeted on an annual basis.

7. Education Reform Success (ERS) Inc. Fund does not have a legally adopted budget.

8. The Atlanta Board of Education approves the budget for the Special Revenue Funds as a whole, which is the legal level of budgetary control (the level at which expenditures may not legally exceed appropriations). The combined Special Revenue Funds budget to actual schedule does not include the Proprietary Fund which is included when provided to the board for approval.

C. Fund Deficit/Excess Expenditures over Appropriations of Individual Funds

The following funds reported excess expenditures over final budget:

GENERAL FUND

Instruction		**Pupil Services**		**General Administration**	
Salary	$26,081,308	*Non-salary*	$2,799,451	*Non-salary*	$151,660
Maintenance and Operation		**Student Transportation**		**Student Transportation**	
Non-salary	$24,752,955	*Salary*	$2,945,721	*Non-salary*	$8,901,371
Other Support Services		**Debt Service**		**Debt Service**	
Salary	$4,651,960	*Principal*	$3,509,432	*Interest*	$661,912

SPECIAL REVENUE FUND - COMBINED

School Administration		**Business Administration**		**Central Support**	
Salary	$16,765	*Salary*	$142,212	*Non-salary*	$1,237,827

CAPITAL PROJECTS FUND

Business Administration		**Maintenance and Operations**		**Capital Outlays**	
Salary	$106,315	*Salary*	$35,525	*Salary*	$75,749

D. Deposits and Investments Risks

Deposits (Governmental Funds)

The School System's cash and investment policy limits deposits to demand and money market accounts and time deposits at local banks. The School System's deposit shall be secured by Federal Depositary Insurance Corporation (FDIC) coverage and /or bank pledges. State statutes require banks holding public funds to secure the funds by FDIC insurance, securities pledged at par value, and surety bonds at face value in combined aggregate totaling not less than 110 percent of the public funds held. State statutes define acceptable security for collateralization.

Georgia Fund 1, created by OCGA 36-83-8, is a stable net asset value investment pool which follows Standard and Poor's criteria for AAAm rated money market funds. However, Georgia 1 Fund operates in a manner consistent with Rule 2a-7 of the Investment Company Act of 1940 and is considered to be a 2a-7 like pool. The pool is not registered with the SEC as an investment company. The pool's primary objectives are safety of capital, investment income, liquidity, and diversification while maintaining principal ($1.00 per share value). Net asset value is calculated weekly to ensure stability. The pool distributes earnings (net of management fees) on a monthly basis and determines participant's shares sold and redeemed based on a $1.00 per share value. The fair value of the School System's position in the pool is the same as the value of pool shares ($1 per share value). The regulatory oversight agency for Georgia Fund 1 is the Office of the State Treasurer of the State of Georgia.

Funds included in this Pool are not required to be collateralized. The fair value of the School System's position in the pool approximates the value of the School System's pool shares. Credit risk, value, and interest risk at June 30, 2012 are as follows:

Credit Risk	Value	Interest Risk
AAAm rated	$ 20,188,617 *	48 day WAM
AAAm rated	46,570,031 **	48 day WAM

The School System classifies its investments in Georgia Fund I as cash and cash equivalents.
*Represents funds reported in the School System's General Fund.
**Represents funds held in the School System's blended component unit, ERS Fund, which are held by the U.S. Bank as custodian for the issuances of the Certificates of Participation debt.

Categorization of Deposits

As of June 30, 2012, all of the School System's deposits were covered either by FDIC or collateralized by the financial institution or a combination of both.

Categorization of Investments

The School System's investments as of June 30, 2012, are presented below. All investments are presented by investment type and debt securities are presented by maturity.

Investment Type	Fair Value	Investment Maturity Less than One Year
Debt Securities		
U.S. Agencies		
Implicitly Guaranteed:		
FNMA, FHLM, FHLB Discount Notes	$ 50,992,437	$ 50,992,437
Repurchase Agreements	32,000,000	32,000,000
	82,992,437	82,992,437
Other Investments		
Certificates of Deposits –Cash Equivalents	5,000,000	5,000,000
Municipal Securities	3,250,000	3,250,000
U.S. Government Obligations	6,999,161	6,999,161
U.S. Treasury Money Market		
Mutual Funds (Open End) – Cash Equivalents	21,384,408	21,384,408
Georgia Fund 1– Cash Equivalents–General Fund	20,188,617	20,188,617
Georgia Fund 1– Cash Equivalents –ERS Fund	46,570,031	46,570,031
Total Investments	$ 186,384,654	$ 186,384,654

Investment Reconciliation

	Total Investments	Reclass to Cash and Cash Equivalents	Investments on Balance Sheet as of June 30, 2012
General Fund Investments	$ 36,145,470	$ (11,145,740)	$ 24,999,730
Capital Projects Investments	83,480,536	(15,238,668)	68,241,868
Georgia Fund 1 – Cash Equivalents	20,188,617	(20,188,617)	-
Georgia Fund 1 (USBA) – Cash Equivalents	46,570,031	(46,570,031)	-
	$ 186,384,654	$ (93,143,056)	$ 93,241,598

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates of debt investment will adversely affect the fair value of an investment. The School System's investment management policy limits investment maturities to 3 years as a means of managing its exposure to fair value losses arising from increasing interest rates.

Custodial Credit Risk

Custodial credit risks for investments, is the risk that in the event of the failure of the counterparty, the School System will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Because of the collateralization requirements, the School System has no custodial credit risk for its investments.

Credit Quality Risk

Credit quality risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The School System's policy for managing credit quality risk related to community bank certificates of deposits and repurchase agreements states such investments will only be purchased through banks having at least an AA rating.

The investment policy states Repurchase Agreements may only be purchased from a financial institution that has short-term ratings of AA or higher by Standard & Poor's (S&P) or Aa2 by Moody's. The U.S. Agencies investments are not required to be rated.

The investments subject to credit quality risk are reflected here:

		Quality Ratings		
Rated Debt Instruments	Fair Value	AAA	AA	A1
U.S. Treasury Money Market Funds	$ 21,384,408	$ 21,384,408		
U.S. Government Obligations	6,999,161		$ 6,999,161	
Georgia Fund 1 – Cash Equivalents	20,188,617	20,188,617		
Georgia Fund 1 – Cash Equivalents	46,570,031	46,570,031		
Debt Securities				
U.S. Agencies				
Implicitly Guaranteed				
FNMA, FHLM, FHLB Discount Note	50,992,437	50,992,437		
Certificates of Deposits	5,000,000	N/A		
Municipal Securities	3,250,000	1,000,000	2,250,000	
Repurchase Agreements	32,000,000			32,000,000
Total by Quality Rating	$ 186,384,654	$ 140,135,493	$ 9,249,161	$ 32,000,000

Concentration of Credit Risk

Concentration of credit risk is the risk of loss that may be attributed to the magnitude of a government's investment in a single issuer. The School System does have a policy concerning the composition of its investment portfolio and is in compliance with its investment policy.

The investment policy establishes the following eligible investments individually are not to exceed the following composition in the portfolios of the General Fund, Capital Projects Fund, and the Education Reform Success Fund:

U.S. Treasury Bills	100%
Federal Agencies (No more than 40% per issuer)	65%
Repurchase Agreements	30%
State of Georgia – Georgia Fund 1	25%
Bank Special Purpose Money Market Funds	25%
Certificates of Deposits	10%
Municipal Securities (No more than 5%)	25%

Investments in any one issuer that represents 5% or more of the total investments were as follows as of June 30, 2012:

Issuer	Investment Type	% of Total Investment
Tri Party Repo Agreement	Repurchase Agreement	17.17%
BOFA Government Reserves Capital	Money Market Funds	11.47%
Georgia Fund 1	Money Market Funds	35.82%
Federal National Mortgage Association	Federal Agency Securities	6.71%
Federal Home Loan Mortgage Corporation	Federal Agency Securities	12.87%

Federal Home Loan Bank	Federal Agency Securities	7.78%
United States Government	Treasury Bills	3.76%
Financial Institutions	Certificates of Deposits	2.68%
Municipal Bonds	Municipal Securities	1.74%

Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or deposit. Foreign investments are prohibited by law in Georgia.

E. Due from Other Governments

Due from other governments consists of grant reimbursements due primarily from the Georgia Department of Education for expenditures made, but not yet reimbursed and amounts due from City of Atlanta for bonds issued and unspent tax collections, collected and held by the City of Atlanta on behalf of the School System.

F. Property Taxes and Other Receivables

Property taxes are normally levied and billed by July 1, based on property values assessed as of January 1, on all real and personal property located within the City of Atlanta. Property taxes are due by October 15, 2011 at which time they become delinquent and penalties and interest may be assessed and liens may be attached to property. An allowance has been established for estimated amounts that will not be collected. The School System considers revenues to be available if they are collected within 30 days of the end of the current fiscal year.

	Property Taxes Receivable	Allowance for Uncollectible	Net Property Receivable
General Fund	$ 27,633,158	$ (15,211,154)	$ 12,422,004

	Other Receivables	Allowance for Uncollectible	Net Other Receivables
General Fund	$ 1,695,646	$ (510,801)	$ 1,184,845

	Other Receivables	Allowance for Uncollectible	Net Other Receivables
Title I Fund	$ 72,698	$ -	$ 72,698

	SPOST Tax Receivable	Allowance for Uncollectible	Net SPLOST Tax Receivable
Capital Projects Fund	$ 8,775,145	$ -	$ 8,775,145

	Other Receivables	Allowance for Uncollectible	Other Receivables
Capital Projects Fund	$ 64,063	$ -	$ 64,063

	Other Receivables	Allowance for Uncollectible	Net Other Receivables
Food Services Fund	$ 2,316	$ -	$ 2,316

G. Capital Assets

The following is a summary of changes in capital assets during the fiscal year ended June 30, 2012:

	Beginning Balance	Increases	Decreases & Transfers to Service	Ending Balance
Governmental Activities:				
Land	$ 106,452,003	$ 613,300	$ -	$ 107,065,303
Construction in Progress	160,678,356	38,095,784	(122,371,503)	76,402,637
Total Non-Depreciable Assets	267,130,359	38,709,084	(122,371,503)	183,467,940
Buildings	1,108,039,426	878,121	(2,972,833)	1,105,944,714
Building Improvements	138,094,695	119,406,557	-	257,501,252
Land Improvements	19,087,747	4,155,635	-	23,243,382
Equipment	8,985,682	5,336,528	(932,668)	13,389,542
Furniture & Fixtures	56,030	-	-	56,030
Vehicles	26,732,750	1,655,176	(283,095)	28,104,831
Total Depreciable Assets	1,300,996,330	131,432,017	(4,188,596)	1,428,239,751
Total at Historical Cost	1,568,126,689	170,141,101	(126,560,099)	1,611,707,691
Less Accumulated Depreciation				
Buildings	256,704,169	22,223,323	(1,484,326)	277,443,166
Building Improvements	38,105,262	14,077,388	-	52,182,650
Land Improvements	7,817,484	1,300,240	-	9,117,724
Equipment	4,399,657	4,636,120	(714,888)	8,320,889
Furniture & Fixtures	11,673	5,603	-	17,276
Vehicles	12,453,509	3,716,050	(283,095)	15,886,464
Total Accumulated Depreciation	319,491,754	45,958,724	(2,482,309)	362,968,169
Governmental activities capital assets, net	$ 1,248,634,935	$ 124,182,377	$ (124,077,790)	$ 1,248,739,522

For the fiscal year ended June 30, 2012, the School System transferred $122,371,503 from construction in progress to nondepreciable and depreciable capital assets in the amounts of $568,300 and $121,803,203, respectively.

Depreciation expense was charged to governmental functions as follows:

Instruction	$ 36,336,767
Support Services	
Educational Media Services	41,457
Maintenance & Operations	82,405
Pupil Services	82,072
Student Transportation	3,458,552
Support Services – Business	5,957,471
Total	$ 45,958,724

H. Long-term Debt

Capital Leases

The School System has entered into various lease agreements for the purchase of equipment. These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of the future minimum lease payments as of the date of inception.

During fiscal year 2012, the School System refinanced one of the outstanding leases to achieve lower interest rates. As of June 30, 2012, all the advance funds have been used to purchase capitalized assets.

The capital assets acquired through capital leases are as follows:

Asset		Governmental Activities
Buses	$	9,899,536
Less: Accumulated Depreciation		(4,475,781)
Net Capital Assets	$	5,423,755

The following is a schedule of the future minimum lease payments under capital leases and the total present value:

Fiscal Year Ending		Governmental Activities
2013	$	2,071,986
2014		1,412,990
2015		1,412,990
2016		1,413,062
2017		1,092,703
2018		1,102,105
Total minimum payments		8,505,836
Less: Amount representing interest		(600,242)
Present value of minimum payments	$	7,905,594

Intergovernmental Agreement

Over the years, the City of Atlanta has issued various annual general obligation bonds and general obligation refunding bonds on behalf of the School System. The debt service for the bonds has been funded through the School System's bonded debt portion of the annual tax levy. The maturity date for the bonds is December 21, 2027. The bonded debt portion of property taxes collected by the City on behalf of the School System is retained by the City and used to pay the annual debt service on the outstanding bonds. The debt service payments are calculated using assumptions and estimates based on information available. As of June 30, 2012, $299,867 is available and held by the City.

General Obligation Bonds currently outstanding at the City of Atlanta on behalf of the School System are as follows:

Purpose	Interest Rate	Amount
Governmental activities	3-5%	$17,398,125

In prior fiscal years, the City of Atlanta School System defeased certain bonds by placing funds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the School System's basic financial statements. At June 30, 2012, $49,955,000 of bonds is outstanding and is considered defeased.

Education Reform Success, Inc. (COPS)

In October 2006, ERS issued certificates of participation (COPS) on behalf of the School System in the amount of $10,115,000. The proceeds from the certificates were used to finance the renovations and improvements to the Instructional Service Center.

In June 2011, ERS issued COPS on behalf of the School System in the amount of $104,415,000, (Series 2011A, $72,460,000) and (Series 2011B, $31,955,000). The proceeds from the certificates will be used to finance the construction and or renovation of North Atlanta High School. Payments are due on March 1 and September 1 of each year until maturity (maturity dates for series 2011A is March 1, 2027 and March 1, 2017 for Series 2011B). Interest rates varies (5.457% - 5.657% for Series 2011A and 2% - 5% for Series 2011B).

I. Long-Term Obligations

Changes in long-term obligations during the fiscal year ended June 30, 2012, were as follows:

	Beginning Balance	Additions	Deductions	Ending Balance	Amounts Due within One Year
Governmental activities:					
Long-term debt					
Capital leases	$ 9,682,005	$ 4,467,505	$ (6,243,916)	$ 7,905,594	$ 1,887,421
Intergovernmental agreement – City of Atlanta	18,439,000	-	(1,040,875)	17,398,125	1,086,875
ERS, Inc (COPS, Series 2006/2007)	8,400,000	-	(620,000)	7,780,000	645,000
ERS, Inc (COPS, Series 2011A)	72,460,000	-	-	72,460,000	-
ERS, Inc (COPS, Series 2011B)	31,955,000	-	-	31,955,000	5,920,000
Unamortized premium	3,097,709	-	(528,667)	2,569,042	-
Total long-term debt	144,033,714	4,467,505	(8,433,458)	140,067,761	9,539,296
Other long-term liabilities					
Compensated absences	5,600,233	2,979,832	(3,376,748)	5,203,317	2,686,254
Contingent legal liabilities	1,311,976	1,349,200	(910,000)	1,751,176	216,176
Workers' compensation	7,258,000	1,080,663	(2,610,641)	5,728,022	2,143,287
Total other long-term liabilities	14,170,209	5,409,695	(6,897,389)	12,682,515	5,045,717
Total long-term obligations	$ 158,203,923	$ 9,877,200	$ (15,330,847)	$ 152,750,276	$ 14,585,013

The General Fund has been typically used to liquidate the liability for compensated absences, contingent liabilities, and workers' compensation.

At June 30, 2012, payments due by fiscal year, which includes principal and interest for these items, are as follows:

Fiscal Year Ending	Capital Leases		Intergovernmental Agreements City of Atlanta	
	Principal	Interest	Principal	Interest
2013	$ 1,887,421	$ 184,566	$ 1,086,875	$ 832,790
2014	1,265,322	147,668	1,143,625	787,004
2015	1,297,777	115,213	1,264,500	736,419
2016	1,331,332	81,730	1,325,750	680,609
2017	1,045,535	47,168	1,333,000	621,974
2018-2022	1,078,207	23,897	6,794,625	1,732,205
2023-2027	-	-	4,449,750	360,910
Total Principal and Interest	$ 7,905,594	$ 600,242	$ 17,398,125	$ 5,751,911

Fiscal Year Ending	Education Reform Success, Inc Certificates of Participation 2006/2007		Education Reform Success, Inc Certificates of Participation 2011A		Education Reform Success, Inc Certificates of Participation 2011B	
	Principal	Interest	Principal	Interest	Principal	Interest
2013	$ 645,000	$ 321,275	$ -	$ 4,029,142	$ 5,920,000	$ 1,420,150
2014	670,000	294,640	-	4,029,142	6,040,000	1,301,750
2015	700,000	266,972	-	4,029,142	6,340,000	999,750
2016	730,000	238,066	-	4,029,142	6,660,000	682,750
2017	755,000	207,920	-	4,029,142	6,995,000	349,750
2018-2022	4,280,000	544,267	-	20,145,710	-	-
2023-2027	-	-	72,460,000	16,305,177	-	-
Total Principal and Interest	$ 7,780,000	$ 1,873,140	$ 72,460,000	$ 56,596,597	$ 31,955,000	$ 4,754,150

J. Inter-fund Receivables and Payables

Inter-fund receivables and payables balances as of June 30, 2012 are as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Title I Fund	$ 15,036,254
General Fund	Capital Projects Fund	4,029,942
General Fund	Education Reform Success Inc. Fund	2,396,799
General Fund	Nonmajor Governmental Funds	6,404,535
General Fund	Food Service Food	4,249,630
Title I Fund	General Fund	27,690
Capital Projects Fund	General Fund	25,653,386
Education Reform Success Inc. Fund	General Fund	91,021
Nonmajor Governmental Funds	General Fund	10,263,912
		$ 68,153,169

During the course of its operations, the School System makes transfers between funds to finance operations, provide services, and acquire assets. To the extent that certain transfers among funds had not been received as of fiscal year-end, balances of inter-fund amounts receivable or payable have been recorded. It is management's intent to repay inter-fund balances within the next fiscal year.

K. Inter-fund Transfers

Transfers within the governmental funds for the fiscal year ended June 30, 2012 are as follows:

	Transfers In	Transfers Out
Governmental Funds		
General Fund	$ 8,802	$ (590,943)
Nonmajor governmental funds	591,288	(9,147)
	$ 600,090	$ (600,090)

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that the statute or budget requires to expend them, and (2) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

L. Risk Management

The School System is exposed to various risks of losses related to torts, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. The School System is self-insured for workers' compensation claims and unemployment compensation. The School System purchases commercial insurance in amounts deemed prudent by management for all other risks of loss. Settled claims have not yet exceeded purchased commercial insurance coverage in any of the past three fiscal years.

Unemployment Compensation:

The School System is self-insured for unemployment compensation. The State bills the School System quarterly for the outstanding claims and the School System pays the claims at that time. Changes in the unemployment compensation claims liability during the last two fiscal years are as follows:

	Beginning of Fiscal Year Liability	Claims and Changes in Estimates	Claims Paid	End of Fiscal Year Liability
Fiscal Year 2011	$ -	$ 657,496	$ (657,496)	$ -
Fiscal Year 2012	$ -	$ 623,853	$ (623,853)	$ -

Workers' Compensation:

The School System is fully self-insured for workers' compensation claims of its employees. The School System accounts for claims within the General Fund with expenditures and liabilities being reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. An accrued liability for the estimated costs of claims and related settlement costs incurred but not paid and/or reported as of fiscal year-end is reported on the governmental activities financial statements. The calculation of the present value of future workers' compensation liabilities is based on a discount rate of 3.5%. There have not been any significant changes in insurance coverage from the prior fiscal year.

Changes in the claims liability during the last two fiscal years are as follows:

	Beginning of Fiscal Year Liability	Claims and Changes in Estimates	Claims Paid	Balance at End of Fiscal Year
Fiscal Year 2011	$ 6,382,039	$ 3,767,909	$ (2,891,948)	$ 7,258,000
Fiscal Year 2012	$ 7,258,000	$ 1,080,663	$ (2,610,641)	$ 5,728,022

M. Nonmonetary Transactions

The School System received from the United States Department of Agriculture through the Georgia Department of Education approximately $1,676,746 in donated food commodities for its lunchroom programs. The federally assigned value of these commodities is reflected as revenue and expensed as used in the Food Services Fund financial statements.

N. On-behalf Payments for Fringe Benefits

The School System has recognized revenues and expenditures in the amount of $180,753 for health insurance and pension costs paid by the Georgia Department of Education to the Georgia Department of Community Health for non-certified personnel on the School System's behalf. Additionally, $30,974,915 was paid by the Georgia Department of Education to the Department of Community Health for group health insurance of the School System.

O. Retirement Plans

Teachers Retirement System of Georgia (TRS)

Plan Description

Substantially all teachers, administrative and clerical personnel employed by local school systems of the State of Georgia are covered by the Teachers Retirement System of Georgia (TRS), which is a cost sharing multiple employer public employee retirement system sponsored by the State of Georgia. Most School Systems' employees participate in TRS.

TRS provides service retirement, disability retirement and survivor's benefits for its members. A member is eligible for service retirement after 30 years of creditable service, regardless of age, or after 10 years of service and attainment of age 60. A member is eligible for early retirement after 25 years of creditable service. Early retirement benefits are reduced by the lesser of 1/12 of 7% of each month the member is below age 60, or by 7% of each year or fraction thereof by which the member has less than 30 years of service.

Normal retirement benefits paid to members are equal to 2% of the average of the member's two consecutive highest paid years of service multiplied by the number of years of creditable service up to 40 years. The normal retirement pension is payable monthly for life. Options are available for distribution of the member's monthly pension at a reduced rate to a designated beneficiary on the member's death.

Retirement benefits also include death and disability benefits whereby the disabled member or surviving spouse is entitled to receive annually an amount equal to the member's service retirement benefit or disability retirement, whichever is greater. The benefit is based on member's creditable service (minimum of 10 years) and compensation up to the date of death.

The TRS Board of Trustees has the authority to establish and amend benefit provisions of the pension plan under Title 47, chapter 3. TRS issues a publicly available financial report that includes financial statements and required supplementary information for the Plan. That report may be obtained by calling 404-352-6500 or by accessing their website at www.trsga.com.

Funding Policy

Employees of the School System who are covered by TRS are required to pay 5.53% of their gross earnings to TRS. The School System makes monthly employer contributions to TRS at rates adopted by the TRS Board of Trustees as advised by their independent actuary. The employer contribution rate is 10.28% at June 30, 2012.

Total actual and required contributions were as follows (the School System contributed 100% of the annual required contribution):

	2012	2011	2010
School System	$ 33,138,997	$ 32,515,502	$ 32,863,759
Employees	17,584,629	18,178,891	17,724,959
	$ 50,723,626	$ 50,694,393	$ 50,588,718

City of Atlanta General Employees Pension Plan

Plan Description

All permanent employees of the School System who are not covered under the TRS are eligible to participate in the City of Atlanta General Employees' Pension Plan (the "Plan"). In addition, certain School System employees employed prior to July 1, 1979, also participate in the Plan.

The Plan provides retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. The Plan is an agent multiple-employer pension plan administered by a Board of Trustees, which includes the Mayor of the City of Atlanta or designee, the City's Chief Financial Officer, one member of City Council, one member of the School System, one member elected by eligible employees of the City, one member elected by eligible employees of the School System, one member elected by retired employees of the School System and one member elected by retired employees of the City. The Board of Trustees has the authority to establish and amend the benefit provisions of the Plan.

On December 12, 2005, the School System adopted the following changes to the Plan:

1. 10 year vesting;
2. 2.5% benefit multiplier (capped at 80%); and
3. Unreduced retirement at 30 years of service regardless of age.

The Plan issues a publicly available financial report that includes financial statements and required supplementary information for the Plan. The report may be obtained by writing or by calling the Plan at:

GEM Group
225 Peachtree Street Northeast
Suite 1460
Atlanta, Georgia 30303
404-525-4191

The Plan provides retirement benefits that, initially, are 2% of the employee's highest average monthly base compensation over any 36-month period. A participant may retire at age 65 or, after 15 years of service, at age 60. Cost-of-living increases are awarded annually, up to a 3% maximum increase. Partial vesting percentages based on years of creditable service and provisions for early retirement are included in the Plan. Benefits also may be payable at termination, death, or disability.

The School System's membership in the Plan as of July 1, 2011 is as follows:

Active employees	803
Inactive members	28
Retirees and beneficiaries	2,312
Total Membership	3,143

Method Used to Value Investments

Investments are stated at fair value. Fair value of Plan assets at July 1, 2011 was $125,642,000.

Funding Policy and Annual Pension Cost

The School System's funding policy is to contribute a percentage of covered employee payroll as developed in the actuarial valuation for the Plan. Obligations to contribute to the Plan are established by the Board, subject to minimum financing standards established by the State of Georgia.

Active participants are required to contribute 7% of pay (8% if participant has a covered beneficiary or is married). The School System's contribution percentage is the actuarial determined amount necessary to fund Plan benefits after consideration of employee contributions.

The actuarial determined contribution amount is the sum of the annual normal cost (determined under the entry age normal actuarial cost method) and the amortization of the unfunded actuarial accrued liability as a level percentage of future payrolls. The remaining amortization period is closed 19 years remaining as of July 1, 2011.

The Plan's annual pension cost for the current fiscal year, based on actuarial valuations performed as of July 1, 2011 and related information for the Plan is as follows:

Contribution rates as a percent of covered payroll:		
Employee		7.00% or 8.00%
Employer		8.00%
Annual required contribution	$	38,830,014
Employer contributions made	$	39,000,000
Actuarial valuation date		07/01/2011
Actuarial cost method		Entry age normal
Amortization method		Level % of payroll
Actuarial assumptions:		
Investment rate of return		8.00% per year
Projected salary increases:		
Inflation		3.00% per year
Merit or seniority and productivity		4.50% per year
Post-retirement benefit increases		N/A

The asset valuation method used is the actuarial value from the prior year plus net new money plus 20% of the asset appreciation/depreciation for the current year and each of the prior four years.

Three-Year Trend Information is as follows:

Fiscal Year	Annual Pension Cost (APC)	% of APC Contributed	Net Pension (Asset) Obligation
2010	$ 43,560,100	104.00%	$ (9,212,450)
2011	37,058,594	105.24	(11,153,856)
2012	38,714,436	100.74	(11,439,420)

Net Pension Asset - The School System's actuarially required contribution, pension cost and increase in the beginning net pension asset for the fiscal year ended June 30, 2012, were computed as follows:

Actuarially required contribution	$	38,830,014
Interest on net pension asset		(892,308)
ARC adjustment		776,730
Annual pension cost		38,714,436
Actual contributions made		(39,000,000)
Increase in net pension asset		285,564
Net pension asset, June 30, 2011		11,153,856
Net pension asset, June 30, 2012	$	11,439,420

Plan Funded Status – The School System's funding status, based upon the most recent actuarial valuation, is as follows:

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ration (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll* ((b-a)/c)
07/01/2011	$ 113,553,224	$ 646,444,083	$ 532,890,859	17.57%	$ 24,562,775	2,169.51%

*Not less than zero

The schedule of funding progress, presented as RSI following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future.

Actuarial calculations reflect a long-term perspective. Calculations are based on the substantive plan in effect as of July 1, 2011.

P. Post-Employment Benefits

Georgia Retiree Health Benefit Fund

Plan Description. The Georgia School Personnel Post-employment Health Benefit Fund (School OPEB Fund) is a cost-sharing multiple-employer defined benefit postemployment healthcare plan that covers eligible former employees of public school systems, libraries, and regional educational service agencies. The School OPEB Fund provides health insurance benefits to eligible former employees and their qualified beneficiaries through the State Employees Health Insurance Plan administered by the Georgia Department of Community Health. The Official Code of Georgia Annotated (OCGA) assigns the authority to establish and amend the benefit provisions of the group health plans, including benefits for retirees, to the Board of Community Health (Board). The Georgia Department of Community Health issues a publicly available financial report that includes financial statements and required supplementary information for the School OPEB Fund. That report may be obtained from the Georgia Department of Community Health at 2 Peachtree Street, Atlanta, Georgia 30303.

Funding Policy. The contribution requirements of Plan members and participating employers are established by the Board in accordance with the current Appropriations Act and may be amended by the Board. Contributions of Plan members or beneficiaries receiving benefits vary based on Plan election, dependent coverage, and Medicare eligibility and election. On average, Plan members pay approximately twenty-five percent (25%) of the cost of health insurance coverage.

Participating employers are statutorily required to contribute in accordance with the employer contribution rate established by the Board. This contribution rate is established to fund all benefits due under the health insurance plans for both the active and retired employees based on projected pay-as-you-go financing requirements. Contributions are not based on the actuarially calculated annual required contribution (ARC) which represents a level of funding that, if paid on an on-going basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

The employer contribution rates for the combined active and retiree plans for the fiscal year ended June 30, 2012, were as follows:

Certificated Employees

July 2011	1.429% of state-base salaries
August 2011	18.534% of state-base salaries
September 2011 – April 2012	24.000% of state-base salaries
May 2012 – June 2012	3.958% of state-base salaries

Non-Certificated Employees

July 2011 – September 2011	$246.20 per month
October 2011 – June 2012	$296.20 per month

The School System's contribution to the health insurance plans for the fiscal year ended June 30, 2012, June 30, 2011, and June 30, 2010 were $41,358,813, $43,496,218, and $38,330,627, respectively. These contributions equaled the required contribution/annual OPEB cost.

Q. Commitments and Contingencies

Construction Commitments

The School System has active construction projects as of June 30, 2012. The projects relate to construction, renovation of school buildings, and other projects. At fiscal year-end, the School System's commitments with contractors were $74,186,043.

Litigation and Other Contingencies

The School System is a defendant in various lawsuits, which arose, in the ordinary course of its activities. The School System believes its liability in these matters is $1,751,176.

Amounts received or receivable principally from the Federal government are subject to audit and review by grantor agencies. This could result in requests for reimbursement to the grantor agency for any costs which are disallowed under grant terms. The School System believes that such disallowances, if any, will be immaterial to its overall financial position.

Encumbrances

The School System's Board reauthorized $5 million to fund $8,656,751 of General Fund encumbrances that were outstanding as of June 30, 2012.

R. Pollution Remediation Obligations

GASB Statement No. 49, Accounting and Financial Reporting for Pollution Remediation Obligations, establishes accounting and financial reporting criteria for liabilities that address current or potential detrimental effects of existing pollution by participating in pollution remediation activities. When one of five obligating events identified by the GASB occurs, the components of the expected pollution remediation outlays must be estimated and a determination made whether the outlays should be accrued as a liability or capitalized when goods and services are acquired, as appropriate. Pollution remediation liabilities must be measured based on the pollution remediation outlays expected to be incurred to settle these liabilities. It must be based on "reasonable and supportable" assumptions of future events that may affect the eventual settlement of the liability, and should be measured and reported at current value. The current value of the liability should be based on applicable federal, state or local laws or regulations that have been approved, regardless of their effective date and the technology expected to be used for the cleanup.

Outlays for pollution remediation obligations should be recognized as liabilities if goods and services used for pollution remediation activities are liquidated with expendable available financial resources (modified accrual accounting). However, pollution remediation outlays should be capitalized in the government-wide or proprietary fund statements when goods and services are acquired for certain specific purposes; these amounts are recorded as expenditures at the fund level. In government-wide and proprietary fund financial statements, the liability should be recorded at the current value of the costs the government expects to incur to perform the work. This amount should be estimated using the expected cash flow technique, which measures the liability as the sum of probability-weighted amounts in a range of possible estimated amounts – the estimated mean or average.

As of June 30, 2012, the School System was the responsible party in the remediation of mold removal, asbestos abatement, expired chemical disposal, paint disposal, tire disposal and air quality testing. A site assessment and preliminary evaluation of required remediation indicated that the amount of liability is immaterial as of June 30, 2012 and therefore, not recorded in the governmental activities statement of net assets. The potential liability is deemed immaterial at this time to record to the School System's financial statements. APS paid $177,603 for current financial fiscal year remediation activities.

REQUIRED SUPPLEMENTARY INFORMATION

ATLANTA INDEPENDENT SCHOOL SYSTEM

Required Supplementary Information

June 30, 2012

SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL)	(3) Funded Ratio (1)/(2)	(4) Unfunded / (Surplus) AAL (2)-(1)	(5) Annual Covered Payroll	(6) UAAL as a Percentage of Covered Payroll (4)/(5)
1/1/2006	$ 116,866,067	$ 600,055,443	19.48%	$ 483,189,376	$ 26,185,568	1845.25%
7/1/2007	133,058,241	643,301,615	20.68%	510,243,374	29,105,414	1753.09%
7/1/2008	150,876,105	655,110,071	23.03%	504,233,966	28,272,933	1783.45%
7/1/2009	112,295,208	644,788,188	17.42%	532,492,980	29,404,892	1810.90%
7/1/2010	114,615,676	669,032,859	17.13%	554,417,183	26,304,364	2107.70%
7/1/2011	113,553,224	646,444,083	17.57%	532,890,859	24,562,775	2169.51%

Note: See assumptions used for these schedules disclosed in the notes to the financial statements.

ATLANTA INDEPENDENT SCHOOL SYSTEM

General Fund

Schedule of Revenues, Expenditures, and Changes in

Fund Balances - Budget and Actual

For the Fiscal Year Ended June 30, 2012

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES				
Local taxes	$ 425,312,646	$ 425,312,646	$ 445,177,849	$ 19,865,203
Investment income	300,000	300,000	41,607	(258,393)
Tuition charges	100,000	100,000	3,490	(96,510)
Facility rental fees	1,050,000	1,050,000	996,731	(53,269)
State revenues	130,247,925	136,886,417	140,134,932	3,248,515
Federal revenues	5,000,000	5,000,000	1,409,596	(3,590,404)
Charges for services	50,000	50,000	724,400	674,400
Other	-	-	12,759,202	12,759,202
TOTAL REVENUES	$ 562,060,571	$ 568,699,063	$ 601,247,807	$ 32,548,744
EXPENDITURES				
Current:				
Instruction	**$ 304,887,947**	**$ 309,687,400**	**$ 332,890,354**	**$ (23,202,954)**
Salary	249,642,017	249,850,598	275,931,906	(26,081,308)
Non-salary	55,245,930	59,836,802	56,958,448	2,878,354
Support services				
Pupil services	**30,880,246**	**29,659,556**	**23,126,330**	**6,533,226**
Salary	25,844,354	24,023,075	14,690,398	9,332,677
Non-salary	5,035,892	5,636,481	8,435,932	(2,799,451)
Improvement of instructional services	**19,515,753**	**17,769,019**	**12,851,838**	**4,917,181**
Salary	15,170,399	13,744,829	10,337,291	3,407,538
Non-salary	4,345,354	4,024,190	2,514,547	1,509,643
Educational media	**9,326,962**	**9,392,904**	**8,916,740**	**476,164**
Salary	8,617,444	8,618,059	8,177,781	440,278
Non-salary	709,518	774,845	738,959	35,886
General administration	**11,189,303**	**14,822,452**	**13,203,694**	**1,618,758**
Salary	7,924,748	8,099,571	6,329,153	1,770,418
Non-salary	3,264,555	6,722,881	6,874,541	(151,660)
School administration	**34,455,361**	**31,994,275**	**30,738,565**	**1,255,710**
Salary	32,955,194	31,439,143	30,624,281	814,862
Non-salary	1,500,167	555,132	114,284	440,848
Business administration	**15,712,240**	**31,194,198**	**16,272,999**	**14,921,199**
Salary	13,117,220	27,249,137	13,777,043	13,472,094
Non-salary	2,595,020	3,945,061	2,495,956	1,449,105
Maintenance and operation of facilities	**63,778,195**	**70,780,840**	**94,644,576**	**(23,863,736)**
Salary	23,857,970	22,851,073	21,961,854	889,219
Non-salary	39,920,225	47,929,767	72,682,722	(24,752,955)
Student transportation	**13,633,008**	**13,497,746**	**25,344,838**	**(11,847,092)**
Salary	10,330,466	10,330,466	13,276,187	(2,945,721)
Non-salary	3,302,542	3,167,280	12,068,651	(8,901,371)

Continued

ATLANTA INDEPENDENT SCHOOL SYSTEM

General Fund

Schedule of Revenues, Expenditures, and Changes in

Fund Balances - Budget and Actual

For the Fiscal Year Ended June 30, 2012

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
EXPENDITURES (CONTINUED)				
Current (Continued):				
Support services (continued)				
Central support	**68,591,651**	**67,435,431**	**25,665,921**	**41,769,510**
Salary	49,793,260	50,440,004	10,464,887	39,975,117
Non-salary	18,798,391	16,995,427	15,201,034	1,794,393
Other support services	**292,402**	**6,846,098**	**11,496,809**	**(4,650,711)**
Salary	91,464	6,091,464	10,743,424	(4,651,960)
Non-salary	200,938	754,634	753,385	1,249
Debt service				
Principal	6,798,370	4,395,359	7,904,791	(3,509,432)
Interest and fiscal charges	915,454	915,454	1,577,366	(661,912)
TOTAL EXPENDITURES	579,976,892	608,390,732	604,634,821	3,755,911
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(17,916,321)	(39,691,669)	(3,387,014)	36,304,655
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	8,802	8,802
Transfers out	-	-	(590,943)	(590,943)
Capital leases	-	-	4,467,505	4,467,505
Proceeds from sale of capital assets	-	-	251,784	251,784
TOTAL OTHER FINANCING SOURCES (USES)	-	-	4,137,148	4,137,148
NET CHANGE IN FUND BALANCES	(17,916,321)	(39,691,669)	750,134	40,441,803
FUND BALANCES - BEGINNING OF FISCAL YEAR	81,267,555	81,267,555	81,267,555	-
FUND BALANCES - END OF FISCAL YEAR	$ 63,351,234	$ 41,575,886	$ 82,017,689	$ 40,441,803

ATLANTA INDEPENDENT SCHOOL SYSTEM

Title I Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2012

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES				
Federal revenues	$ 49,394,304	$ 91,241,337	48,911,423	$ (42,329,914)
TOTAL REVENUES	$ 49,394,304	$ 91,241,337	$ 48,911,423	$ (42,329,914)
EXPENDITURES				
Current:				
Instruction	**$ 22,328,911**	**$ 43,086,693**	**$ 23,740,922**	**$ 19,345,771**
Salary	5,914,631	15,470,201	6,481,983	8,988,218
Non-salary	16,414,280	27,616,492	17,258,939	10,357,553
Support services				
Pupil services	**4,668,388**	**3,424,919**	**1,980,559**	**1,444,360**
Salary	4,528,396	3,158,194	1,866,203	1,291,991
Non-salary	139,992	266,725	114,356	152,369
Improvement of instructional services	**15,575,055**	**30,805,214**	**16,577,399**	**14,227,815**
Salary	12,376,143	22,363,111	13,946,733	8,416,378
Non-salary	3,198,912	8,442,103	2,630,666	5,811,437
Federal grant administration	**-**	**1,728,101**	**800,660**	**927,441**
Salary	-	1,495,101	792,945	702,156
Non-salary	-	233,000	7,715	225,285
General administration	**3,466,310**	**2,907,081**	**3,475,166**	**(568,085)**
Salary	1,163,731	684,878	203,616	481,262
Non-salary	2,302,579	2,222,203	3,271,550	(1,049,347)
School administration	**377,027**	**743,060**	**86,318**	**656,742**
Salary	-	175	28,593	(28,418)
Non-salary	377,027	742,885	57,725	685,160
Business administration	**457,350**	**12,044**	**98,970**	**(86,926)**
Salary	457,350	12,044	98,970	(86,926)
Non-salary	-	-	-	-
Student transportation	**545,595**	**5,403,819**	**797,967**	**4,605,852**
Salary	-	-	-	-
Non-salary	545,595	5,403,819	797,967	4,605,852
Central support	**206,478**	**33,527**	**30,076**	**3,451**
Salary	206,478	33,527	30,076	3,451
Non-salary	-	-	-	-
Other support services	**1,769,190**	**3,096,879**	**1,323,386**	**1,773,493**
Salary	1,038,252	2,104,055	1,033,403	1,070,652
Non-salary	730,938	992,824	289,983	702,841
TOTAL EXPENDITURES	49,394,304	91,241,337	48,911,423	42,329,914
NET CHANGE IN FUND BALANCES	-	-	-	-
FUND BALANCES - BEGINNING OF FISCAL YEAR	-	-	-	-
FUND BALANCES - END OF FISCAL YEAR	$ -	$ -	$ -	$ -

OTHER SUPPLEMENTARY INFORMATION

Combining and Individual Fund Statements and Schedules:

Combining Balance Sheet – Nonmajor Governmental Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Non-major Governmental Funds

Schedules of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – All Special Revenue Funds:

Schedules of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Non-major Special Revenue Funds Combined:

Title II Fund

Title VI-B Fund

Lottery Grants Fund

Other Federal Programs Fund

Other Special Projects Fund

Schedules of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Capital Projects Fund

Statement of Changes in Assets and Liabilities - Agency Fund

NON-MAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of specific revenues that are legally restricted or committed for specific purposes.

The School System's Special Revenue Funds have been established primarily on the basis of program purpose and include the following funds and primary funding sources:

Title II Fund was established to account for federal grant funds passed through the Georgia Department of Education, for the purpose of improving teacher quality and increasing the number of highly quality teachers, para-professionals, and principals.

Title VI-B Fund was established to account for federal grant funds passed through the Georgia Department of Education, for the purpose of providing special education programs for children in pre-kindergarten through the twelfth grade.

Lottery Grants Fund was established to account for State of Georgia lottery funds passing through the State of Georgia Department of Education for various programs as established by the State.

Other Federal Programs Fund was established to account for other federal funds for which separate presentation is not considered necessary.

Other Special Projects Fund was established to account for other state and local funds for which separate presentation in not considered necessary.

ATLANTA INDEPENDENT SCHOOL SYSTEM

Combining Balance Sheet

Non-major Governmental Funds

June 30, 2012

	Title II Fund	Title VI-B Fund	Lottery Grants Fund	Other Federal Programs Fund	Other Special Projects Fund	Total Non-major Governmental Funds
ASSETS						
Due from other governments	$ 842,650	$ 2,762,226	$ -	$ 1,157,771	$ 376,226	$ 5,138,873
Due from other funds	31,500	620,568	671,167	78,659	8,862,018	10,263,912
TOTAL ASSETS	$ 874,150	$ 3,382,794	$ 671,167	$ 1,236,430	$ 9,238,244	$ 15,402,785
LIABILITIES AND FUND BALANCES						
LIABILITIES						
Accounts payable	$ -	$ -	$ -	$ 62,340	$ 168,273	$ 230,613
Due to other governments	-	373,616	-	-	-	373,616
Due to other funds	874,150	3,009,178	671,167	1,174,090	675,950	6,404,535
TOTAL LIABILITIES	874,150	3,382,794	671,167	1,236,430	844,223	7,008,764
FUND BALANCES						
Restricted:						
Other state and local programs	-	-	-	-	6,264,675	6,264,675
Assigned:						
Local school programs	-	-	-	-	2,129,346	2,129,346
TOTAL FUND BALANCES	-	-	-	-	8,394,021	8,394,021
TOTAL LIABILITIES AND FUND BALANCES	$ 874,150	$ 3,382,794	$ 671,167	$ 1,236,430	$ 9,238,244	$ 15,402,785

ATLANTA INDEPENDENT SCHOOL SYSTEM

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Non-major Governmental Funds
For the Fiscal Year Ended June 30, 2012

	Title II Fund	Title VI-B Fund	Lottery Grants Fund	Other Federal Programs Fund	Other Special Projects Fund	Total Non-major Governmental Funds
REVENUES						
State revenues	$ -	$ -	$ 2,086,232	$ -	$ 440,158	$ 2,526,390
Federal revenues	4,251,173	11,552,901	7,556	6,650,531	490,644	22,952,805
Other	-	-	-	-	7,958,550	7,958,550
TOTAL REVENUES	4,251,173	11,552,901	2,093,788	6,650,531	8,889,352	33,437,745
EXPENDITURES						
Current:						
Instruction	1,822,424	6,627,761	2,108,149	1,445,304	1,331,060	13,334,698
Support services						
Pupil services	363,361	3,153,868	25,791	342,600	468,650	4,354,270
Improvement of instructional services	2,002,592	587,153	29,227	3,699,076	2,468,700	8,786,748
Federal grant administration	-	-	-	317,546	-	317,546
General administration	-	13,272	-	214,831	877,089	1,105,192
School administration	-	-	-	848	853	1,701
Business administration	-	33,258	-	-	141,564	174,822
Maintenance and operation of facilities	-	-	-	-	5,613	5,613
Student transportation	-	1,137,589	-	230,537	84,987	1,453,113
Central support	62,796	-	-	-	1,825,237	1,888,033
Other support services	-		-	55,185	159,772	214,957
Nutrition	-	-	-	358,681	-	358,681
TOTAL EXPENDITURES	4,251,173	11,552,901	2,163,167	6,664,608	7,363,525	31,995,374
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(69,379)	(14,077)	1,525,827	1,442,371
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	450	-	590,838	591,288
Transfers out	-	-	-	-	(9,147)	(9,147)
TOTAL OTHER FINANCING SOURCES (USES)	-	-	450	-	581,691	582,141
NET CHANGE IN FUND BALANCES	-	-	(68,929)	(14,077)	2,107,518	2,024,512
FUND BALANCES, BEGINNING OF FISCAL YEAR	-	-	68,929	14,077	6,286,503	6,369,509
FUND BALANCES, END OF FISCAL YEAR	$ -	$ -	$ -	$ -	$ 8,394,021	$ 8,394,021

ATLANTA INDEPENDENT SCHOOL SYSTEM

All Special Revenue Funds Combined
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2012

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES				
State revenues	$ 3,199,880	$ 2,745,023	$ 2,526,390	$ (218,633)
Federal revenues	88,908,911	146,721,631	71,864,228	(74,857,403)
Other	9,687,113	12,410,877	7,958,550	(4,452,327)
TOTAL REVENUES	101,795,904	161,877,531	82,349,168	(79,528,363)
EXPENDITURES				
Current:				
Instruction	**36,767,542**	**64,297,837**	**37,075,620**	**27,222,217**
Salary	17,196,334	28,554,186	15,498,593	13,055,593
Non-salary	19,571,208	35,743,651	21,577,027	14,166,624
Support services				
Pupil services	**9,045,007**	**7,724,179**	**6,334,829**	**1,389,350**
Salary	5,675,278	5,071,640	4,286,272	785,368
Non-salary	3,369,729	2,652,539	2,048,557	603,982
Improvement of instructional services	**40,769,006**	**63,357,933**	**25,364,147**	**37,993,786**
Salary	16,546,350	31,873,016	17,237,495	14,635,521
Non-salary	24,222,656	31,484,917	8,126,652	23,358,265
Educational media	**12,220**	**-**	**-**	**-**
Salary	12,220	-	-	-
Non-salary	-	-	-	-
Federal grant administration	**-**	**5,496,354**	**1,118,206**	**4,378,148**
Salary	-	4,109,904	1,077,350	3,032,554
Non-salary	-	1,386,450	40,856	1,345,594
General administration	**7,124,701**	**5,858,012**	**4,580,358**	**1,277,654**
Salary	1,564,870	952,808	220,068	732,740
Non-salary	5,559,831	4,905,204	4,360,290	544,914
School administration	**427,487**	**785,834**	**88,019**	**697,815**
Salary	11,660	11,835	28,600	(16,765)
Non-salary	415,827	773,999	59,419	714,580
Business administration	**711,803**	**787,493**	**273,792**	**513,701**
Salary	457,350	27,828	170,040	(142,212)
Non-salary	254,453	759,665	103,752	655,913
Maintenance and operation of facilities	**529,984**	**506,765**	**5,613**	**501,152**
Salary	44,000	2,742	-	2,742
Non-salary	485,984	504,023	5,613	498,410
Student transportation	**2,430,128**	**8,038,104**	**2,251,080**	**5,787,024**
Salary	773,458	1,077,815	1,045,888	31,927
Non-salary	1,656,670	6,960,289	1,205,192	5,755,097
Central support	**1,212,211**	**1,082,297**	**1,918,109**	**(835,812)**
Salary	840,727	976,732	574,717	402,015
Non-salary	371,484	105,565	1,343,392	(1,237,827)

Continued

ATLANTA INDEPENDENT SCHOOL SYSTEM

All Special Revenue Funds Combined
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2012

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
Other support services	**2,765,815**	**3,565,758**	**1,538,343**	**2,027,415**
Salary	1,185,752	2,442,841	1,158,175	1,284,666
Non-salary	1,580,063	1,122,917	380,168	742,749
Nutrition	**-**	**376,965**	**358,681**	**18,284**
Salary	-	-	-	-
Non-salary	-	376,965	358,681	18,284
TOTAL EXPENDITURES	101,795,904	161,877,531	80,906,797	80,970,734
EXCESS OF REVENUES OVER EXPENDITURES	-	-	1,442,371	1,442,371
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	591,288	591,288
Transfers out	-	-	(9,147)	(9,147)
TOTAL OTHER FINANCING SOURCES (USES)	-	-	582,141	582,141
NET CHANGE IN FUND BALANCES	-	-	2,024,512	2,024,512
FUND BALANCES - BEGINNING OF FISCAL YEAR	6,369,509	6,369,509	6,369,509	-
FUND BALANCES - END OF FISCAL YEAR	$ 6,369,509	$ 6,369,509	$ 8,394,021	$ 2,024,512

ATLANTA INDEPENDENT SCHOOL SYSTEM

Title II Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2012

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES				
Federal revenues	$ 9,454,695	$ 8,971,072	4,251,173	$ (4,719,899)
TOTAL REVENUES	9,454,695	8,971,072	4,251,173	(4,719,899)
EXPENDITURES				
Current:				
Instruction	**2,405,553**	**3,372,939**	**1,822,424**	**1,550,515**
Salary	2,283,634	3,263,944	1,799,924	1,464,020
Non-salary	121,919	108,995	22,500	86,495
Support services				
Pupil services	**-**	**-**	**363,361**	**(363,361)**
Salary	-	-	363,361	(363,361)
Non-salary	-	-	-	-
Improvement of instructional services	**6,720,743**	**5,382,552**	**2,002,592**	**3,379,960**
Salary	1,288,183	2,845,250	1,101,901	1,743,349
Non-salary	5,432,560	2,537,302	900,691	1,636,611
Federal grant administration	**-**	**87,059**	-	**87,059**
Salary	-	87,059	-	87,059
Non-salary	-	-	-	-
Central support	**328,399**	**128,522**	**62,796**	**65,726**
Salary	25,072	92,314	62,796	29,518
Non-salary	303,327	36,208	-	36,208
TOTAL EXPENDITURES	9,454,695	8,971,072	4,251,173	4,719,899
NET CHANGE IN FUND BALANCES	-	-	-	-
FUND BALANCES - BEGINNING OF FISCAL YEAR	-	-	-	-
FUND BALANCES - END OF FISCAL YEAR	$ -	$ -	$ -	$ -

ATLANTA INDEPENDENT SCHOOL SYSTEM

Title VI-B Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2012

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES				
Federal revenues	$ 11,723,604	$ 15,094,877	$ 11,552,901	$ (3,541,976)
TOTAL REVENUES	11,723,604	15,094,877	11,552,901	(3,541,976)
EXPENDITURES				
Current:				
Instruction	**5,638,231**	**10,090,306**	**6,627,761**	**3,462,545**
Salary	4,235,145	4,219,279	3,309,519	909,760
Non-salary	1,403,086	5,871,027	3,318,242	2,552,785
Support services				
Pupil services	**3,723,771**	**3,124,162**	**3,153,868**	**(29,706)**
Salary	827,133	1,152,464	1,536,279	(383,815)
Non-salary	2,896,638	1,971,698	1,617,589	354,109
Improvement of instructional services	**1,155,255**	**565,530**	**587,153**	**(21,623)**
Salary	980,927	501,679	523,402	(21,723)
Non-salary	174,328	63,851	63,751	100
General administration	**75,889**	**41,224**	**13,272**	**27,952**
Salary	75,889	41,224	13,272	27,952
Non-salary	-	-	-	-
Business administration	**-**	**-**	**33,258**	**(33,258)**
Salary	-	-	33,258	(33,258)
Non-salary	-	-	-	-
Maintenance and operation of facilities	**44,000**	**-**	**-**	**-**
Salary	44,000	-	-	-
Non-salary	-	-	-	-
Student transportation	**1,086,458**	**1,273,655**	**1,137,589**	**136,066**
Salary	773,458	1,077,815	1,045,663	32,152
Non-salary	313,000	195,840	91,926	103,914
TOTAL EXPENDITURES	11,723,604	15,094,877	11,552,901	3,541,976
NET CHANGE IN FUND BALANCES	-	-	-	-
FUND BALANCES - BEGINNING OF FISCAL YEAR	-	-	-	-
FUND BALANCES - END OF FISCAL YEAR	$ -	$ -	$ -	$ -

ATLANTA INDEPENDENT SCHOOL SYSTEM

Lottery Grants Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2012

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES				
State revenues	$ 2,668,318	$ 2,199,462	2,086,232	$ (113,230)
Federal revenues	57,650	4,100	7,556	3,456
Other	-	26,742	-	(26,742)
TOTAL REVENUES	2,725,968	2,230,304	2,093,788	(136,516)
EXPENDITURES				
Current:				
Instruction	**2,717,177**	**2,216,571**	**2,108,149**	**108,422**
Salary	2,584,132	2,141,095	2,048,606	92,489
Non-salary	133,045	75,476	59,543	15,933
Support services				
Pupil services	**-**	**13,188**	**25,791**	**(12,603)**
Salary	-	4,697	17,490	(12,793)
Non-salary	-	8,491	8,301	190
Improvement of instructional services	**8,791**	**-**	**29,227**	**(29,227)**
Salary	8,791	-	-	-
Non-salary	-	-	29,227	(29,227)
Other support services	**-**	**545**	**-**	**545**
Salary	-	-	-	-
Non-salary	-	545	-	545
TOTAL EXPENDITURES	2,725,968	2,230,304	2,163,167	67,137
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(69,379)	(69,379)
OTHER FINANCING SOURCES				
Transfers in	-	-	450	450
TOTAL OTHER FINANCING SOURCES	-	-	450	450
NET CHANGE IN FUND BALANCES	-	-	(68,929)	(68,929)
FUND BALANCES - BEGINNING OF FISCAL YEAR	68,929	68,929	68,929	-
FUND BALANCES - END OF FISCAL YEAR	$ 68,929	$ 68,929	$ -	$ (68,929)

ATLANTA INDEPENDENT SCHOOL SYSTEM

Other Federal Programs Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2012

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES				
Federal revenues	$ 16,847,560	$ 30,059,204	6,650,531	(23,408,673)
TOTAL REVENUES	16,847,560	30,059,204	6,650,531	(23,408,673)
EXPENDITURES				
Current:				
Instruction	**1,838,145**	**3,070,102**	**1,445,304**	**1,624,798**
Salary	1,010,414	2,207,708	890,932	1,316,776
Non-salary	827,731	862,394	554,372	308,022
Support services				
Pupil services	**384,006**	**533,435**	**342,600**	**190,835**
Salary	77,995	316,353	191,275	125,078
Non-salary	306,011	217,082	151,325	65,757
Improvement of instructional services	**12,256,934**	**19,908,300**	**3,699,076**	**16,209,224**
Salary	1,525,712	4,835,659	1,447,212	3,388,447
Non-salary	10,731,222	15,072,641	2,251,864	12,820,777
Educational media	**12,220**	**-**	**-**	**-**
Salary	12,220	-	-	-
Non-salary	-	-	-	-
Federal grant administration	**-**	**3,681,194**	**317,546**	**3,363,648**
Salary	-	2,527,744	284,405	2,243,339
Non-salary	-	1,153,450	33,141	1,120,309
General administration	**1,298,233**	**1,765,908**	**214,831**	**1,551,077**
Salary	325,250	226,706	15	226,691
Non-salary	972,983	1,539,202	214,816	1,324,386
School administration	**16,800**	**9,114**	**848**	**8,266**
Salary	-	-	-	-
Non-salary	16,800	9,114	848	8,266
Business administration	**6,250**	**16,784**	**-**	**16,784**
Salary	-	15,784	-	15,784
Non-salary	6,250	1,000	-	1,000
Maintenance and operation of facilities	**-**	**2,742**	**-**	**2,742**
Salary	-	2,742	-	2,742
Non-salary	-	-	-	-
Student transportation	**175,847**	**407,325**	**230,537**	**176,788**
Salary	-	-	-	-
Non-salary	175,847	407,325	230,537	176,788
Central support	**10,000**	**6,500**	**-**	**6,500**
Salary	10,000	6,500	-	6,500
Non-salary	-	-	-	-
Other support services	**849,125**	**280,835**	**55,185**	**225,650**
Salary	-	186,287	-	186,287
Non-salary	849,125	94,548	55,185	39,363
Nutrition	**-**	**376,965**	**358,681**	**18,284**
Salary	-	-	-	-
Non-salary	-	376,965	358,681	18,284
TOTAL EXPENDITURES	16,847,560	30,059,204	6,664,608	23,394,596
NET CHANGE IN FUND BALANCES	-	-	(14,077)	(14,077)
FUND BALANCES - BEGINNING OF FISCAL YEAR	14,077	14,077	14,077	-
FUND BALANCES - END OF FISCAL YEAR	$ 14,077	$ 14,077	$ -	$ (14,077)

ATLANTA INDEPENDENT SCHOOL SYSTEM

Other Special Projects Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2012

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES				
State revenues	$ 531,562	$ 545,561	$ 440,158	$ (105,403)
Federal revenues	1,431,098	1,351,041	490,644	(860,397)
Other	9,687,113	12,384,135	7,958,550	(4,425,585)
TOTAL REVENUES	11,649,773	14,280,737	8,889,352	(5,391,385)
EXPENDITURES				
Current:				
Instruction	**1,839,525**	**2,461,226**	**1,331,060**	**1,130,166**
Salary	1,168,378	1,251,959	967,629	284,330
Non-salary	671,147	1,209,267	363,431	845,836
Support services				
Pupil services	**268,842**	**628,475**	**468,650**	**159,825**
Salary	241,754	439,932	311,664	128,268
Non-salary	27,088	188,543	156,986	31,557
Improvement of instructional services	**5,052,228**	**6,696,337**	**2,468,700**	**4,227,637**
Salary	366,594	1,327,317	218,247	1,109,070
Non-salary	4,685,634	5,369,020	2,250,453	3,118,567
General administration	**2,284,269**	**1,143,799**	**877,089**	**266,710**
Salary	-	-	3,165	(3,165)
Non-salary	2,284,269	1,143,799	873,924	269,875
School administration	**33,660**	**33,660**	**853**	**32,807**
Salary	11,660	11,660	7	11,653
Non-salary	22,000	22,000	846	21,154
Business administration	**248,203**	**758,665**	**141,564**	**617,101**
Salary	-	-	37,812	(37,812)
Non-salary	248,203	758,665	103,752	654,913
Maintenance and operation of facilities	**485,984**	**504,023**	**5,613**	**498,410**
Salary	-	-	-	-
Non-salary	485,984	504,023	5,613	498,410
Student transportation	**622,228**	**953,305**	**84,987**	**868,318**
Salary	-	-	225	(225)
Non-salary	622,228	953,305	84,762	868,543
Central support	**667,334**	**913,748**	**1,825,237**	**(911,489)**
Salary	599,177	844,391	481,845	362,546
Non-salary	68,157	69,357	1,343,392	(1,274,035)
Other support services	**147,500**	**187,499**	**159,772**	**27,727**
Salary	147,500	152,499	124,772	27,727
Non-salary	-	35,000	35,000	-
TOTAL EXPENDITURES	11,649,773	14,280,737	7,363,525	6,917,212
EXCESS OF REVENUES OVER EXPENDITURES	-	-	1,525,827	1,525,827
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	590,838	590,838
Transfers out	-	-	(9,147)	(9,147)
TOTAL OTHER FINANCING SOURCES (USES)	-	-	581,691	581,691
NET CHANGE IN FUND BALANCES	-	-	2,107,518	2,107,518
FUND BALANCES - BEGINNING OF FISCAL YEAR	6,286,503	6,286,503	6,286,503	-
FUND BALANCES - END OF FISCAL YEAR	$ 6,286,503	$ 6,286,503	$ 8,394,021	$ 2,107,518

ATLANTA INDEPENDENT SCHOOL SYSTEM

Capital Projects Fund
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2012

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES				
Sales tax income	$ 29,359,596	$ 104,459,377	93,097,083	$ (11,362,294)
Investment income	-	-	33,824	33,824
Other	43,920,580	135,045,961	-	(135,045,961)
TOTAL REVENUES	73,280,176	239,505,338	93,130,907	(146,374,431)
EXPENDITURES				
Current:				
Instruction	**10,099**	**21,214**	**11,115**	**10,099**
Salary	-	-	-	-
Non-salary	10,099	21,214	11,115	10,099
Support services				
General administration	**132,956**	**516,776**	**98,178**	**418,598**
Salary	-	-	-	-
Non-salary	132,956	516,776	98,178	418,598
Business administration	**1,074,300**	**785,670**	**106,315**	**679,355**
Salary	-	-	106,315	(106,315)
Non-salary	1,074,300	785,670	-	785,670
Maintenance and operation of facilities	**1,593,478**	**8,452,583**	**3,956,532**	**4,496,051**
Salary	-	-	35,525	(35,525)
Non-salary	1,593,478	8,452,583	3,921,007	4,531,576
Student transportation	**1,040,329**	**1,635,113**	**819**	**1,634,294**
Salary	-	-	-	-
Non-salary	1,040,329	1,635,113	819	1,634,294
Central support	**14,636,993**	**15,348,611**	**710,937**	**14,637,674**
Salary	-	-	-	-
Non-salary	14,636,993	15,348,611	710,937	14,637,674
Capital outlays:				
Facilities acquisition and construction	**54,792,021**	**212,016,335**	**40,270,037**	**171,746,298**
Salary	3,752	18,000	93,749	(75,749)
Non-salary	54,788,269	211,998,335	40,176,288	171,822,047
Other outlays	**-**	**729,036**	**45,358**	**683,678**
Salary	-	-	-	-
Non-salary	-	729,036	45,358	683,678
TOTAL EXPENDITURES	73,280,176	239,505,338	45,199,291	194,306,047
NET CHANGE IN FUND BALANCES	-	-	47,931,616	47,931,616
FUND BALANCES - BEGINNING OF FISCAL YEAR	85,803,936	85,803,936	85,803,936	-
FUND BALANCES - END OF FISCAL YEAR	$ 85,803,936	$ 85,803,936	$ 133,735,552	$ 47,931,616

ATLANTA INDEPENDENT SCHOOL SYSTEM

Statement of Changes in Assets and Liabilities
Agency Fund
For the Fiscal Year Ended June 30, 2012

	Balance July 1, 2011	Additions	Deductions	Balance June 30, 2012
ASSETS				
Cash and cash equivalents	$ 573,842	$ 1,716,632	$ (1,669,458)	$ 621,016
LIABILITIES				
Due to local schools and student groups	$ 573,842	$ 1,716,632	$ (1,669,458)	$ 621,016

Quality Basic Education Programs – Program Expenditures

General Fund – Quality Basic Education Project (QBE) - Schedule of Allotments and Expenditures by Program

Lottery Programs - Schedule of Expenditures by Object

Schedule of Approved Local Options Sales Tax Projects

Schedule of State Revenues

Atlanta Independent School System
QUALITY BASIC EDUCATION PROGRAMS -

PROGRAM EXPENDITURES
For the Fiscal Year Ended June 30, 2012

The Official Code of Georgia Annotated Section 20-2-172 (a) Expenditure Controls for fiscal years 2007 and 2008 state:

For each program identified in Code Section 20-2-161, each local School System shall spend 100 percent of funds designated for direct instructional costs on the direct instructional costs of such program on one or more of the programs identified in Code Section 20-2-161 at the system level, with no requirement that the School System spend any specific portion of such funds at the site where such funds were earned.

The following pages are presented for purposes of additional analysis and reflect overall minimum expenditure requirements compared to overall program expenditures made by the School System as described above and also reflect minimum program expenditure requirements compared to actual expenditures made by the School System on a program basis.

ATLANTA INDEPENDENT SCHOOL SYSTEM

General Fund - Quality Basic Education Program (QBE)

Schedule of Allotments and Expenditures By Program

For the Fiscal Year Ended June 30, 2012

	DESCRIPTION	ALLOTMENTS FROM GEORGIA DEPARTMENT OF EDUCATION (1)	ELIGIBLE QBE PROGRAM COSTS SALARIES	ELIGIBLE QBE PROGRAM COSTS OPERATIONS	TOTAL
	Direct Instructional Programs				
1011	Kindergarten Program	$ 19,781,212	$ 21,099,939	$ -	$ 21,099,939
1061	Kindergarten Program-Early Intervention Program	2,744,455	1,451,940	-	1,451,940
1021	Primary Grades (1-3) Program	43,736,772	63,452,034	23,115,470	86,567,504
1071	Primary Grades-Early Intervention (1-3) Program	7,372,356	14,815,961	2,243	14,818,204
1051	Upper Elementary Grades (4-5) Program	19,723,258	22,191,601	2,934,818	25,126,419
1091	Upper Elem Grades-Early Intervention (4-5) Program	5,322,391	1,893,651	-	1,893,651
1031	Middle Grades (6-8) Program	849,386	-	-	-
1081	Middle School (6-8) Program	28,521,078	37,851,613	2,769,588	40,621,201
1041	High School General Education (9-12) Program	26,120,097	49,945,611	2,879,899	52,825,510
3011	Vocational Laboratory (9-12) Program	5,877,208	7,848,286	349,037	8,197,323
	Students with Disabilities				
2021	Category I	1,398,252	35,468,601	3,104,039	38,572,640
2031	Category II	2,300,430	1,349,342	-	1,349,342
2041	Category III	14,201,790	3,166,143	456,886	3,623,029
2051	Category IV	3,515,704	-	-	-
2011	Category V	351,638	-	-	-
2111	Gifted Student - Category VI	7,322,584	8,579,821	31,362	8,611,183
2211	Remedial Education Program	2,192,158	2,455,124	130,584	2,585,708
5071	Alternative Education Program	2,275,867	1,895,655	74,681	1,970,336
1351	English Speakers of Other Languages (ESOL)	2,524,425	4,240,926	30,852	4,271,778
	TOTAL DIRECT INSTRUCTIONAL PROGRAMS	$ 196,131,061	$ 277,706,248	$ 35,879,459	$ 313,585,707
1310	Media Center Program	5,825,824	8,353,105	748,400	9,101,505
1210	Staff and Professional Development	1,146,579	1,450,657	470,766	1,921,423
	TOTAL QBE FORMULA FUNDS	$ 203,103,464	$ 287,510,010	$ 37,098,625	$ 324,608,635
1100	Twenty days additional Instruction		589,237	-	589,237
1320	Pupil Transprtaion		13,501,296	6,602,515	20,103,811
1445	On behalf		180,753	-	180,753
1450	Indirect costs - Central Admin.		-	-	-
1455	Indirect costs - School Admin.		-	-	-
1457	Indirect costs - Facilities M&O		-	-	-
1500	Nurses		85,530	-	85,530
			$ 301,866,826	$ 43,701,140	$ 345,567,966

(1) Comprised of State Funds plus Local Five Mill Share.

ATLANTA INDEPENDENT SCHOOL SYSTEM
Lottery Programs
Schedule of Expenditures by Object
For the Fiscal Year Ended June 30, 2012

	Pre-Kindergarten Program
Salaries	$ 1,676,518
Employee benefits	389,578
Professional and technical Services	29,227
Other purchased services	4,266
Materials and supplies	63,578
	$ 2,163,167

ATLANTA INDEPENDENT SCHOOL SYSTEM

Schedule of Approved Local Option Sales Tax Projects
For the Fiscal Year Ended June 30, 2012

PROJECT	ORIGINAL ESTIMATED COST (1)	CURRENT ESTIMATED COSTS (2)	AMOUNT EXPENDED IN CURRENT YEAR (3)	AMOUNT EXPENDED IN PRIOR YEARS (4)	PROJECT STATUS
SPLOST II					
DeKalb County					
Renovations, modifications, additions and equipment for the following facilities: Crim High School, Coan Middle School, Burgess/Peterson Elementary School, East Lake Elementary School, Lin Elementary School, Toomer Elementary School, and Whitefoord Elementary	$ 21,355,321	$ 28,389,797	$ 38,433	$ 28,351,364	Ongoing
Fulton County					
New school construction, classroom additions, renovations, infrastructure improvements, security system improvements, technology improvements, land acquisition, site preparation, new staff development and instructional support facilities, new maintenance .	486,538,295	433,994,521	155,961	433,838,560	Ongoing
SPLOST III					
Fulton County					
Capital outlay projects including new school construction, classroom additions, renovations, infrastructure improvements, upgrading security system, technology improvements, land acquisition, site preparation, providing staff development and instructional.	552,357,776	440,299,913	36,319,309	311,792,580	Ongoing
DeKalb County					
Capital outlay projects consisting of construction, renovations, modifications, additions and equipment for the following facilities: The Howard School, Lin Elementary School and Whitefoord Elementary School and any future updates: Crim High School, Coan.	20,511,000	20,906,706	1,150,198	20,906,706	Ongoing
SPLOST IV					
Fulton County					
Capital outlay projects including new school construction, classroom additions, renovations, infrastructure improvements, upgrading security system, technology improvements, land acquisition, site preparation, providing staff development and instructional.	499,962,831	499,962,831	-	-	Ongoing
DeKalb County					
Capital outlay projects including new school construction, classroom additions, renovations, infrastructure improvements, upgrading security system, technology improvements,relocations, site preparation, providing staff development and instructional.	19,500,463	19,500,463	-	-	Ongoing
	$ 1,600,225,686	$ 1,443,054,231	$ 37,663,901	$ 794,889,210	

(1) The School System's original cost estimate as specified in the resolution calling for the imposition of the Local Option Sales Tax.

(2) The School System's current estimate of total cost for the projects. Includes all cost from project inception to completion.

(3) The voters of Fulton and DeKalb Counties approved the imposition of a 1% sales tax to fund the above projects and retire associated debt. Amounts expended for these projects may include sales tax proceeds, state, local property taxes and/or other funds over the life of the projects.

(4) The School System's amounts expended in prior fiscal years related to the above projects.

(5) The SPLOST III Amount Expended in Prior Fiscal Years (4) balances have been adjusted for reclassification of Springdale and Morningside expenditures from Fulton to DeKalb.

ATLANTA INDEPENDENT SCHOOL SYSTEM

Schedule of State Revenues

For the Fiscal Year Ended June 30, 2012

AGENCY/FUNDING	Governmental Fund Types: General Fund	Governmental Fund Types: Non Major Governmental Funds	Total
Early Care and Learning, Georgia Department of			
Bright from the Start (Lottery)			
Pre-Kindergarten Program	$ -	$ 2,086,232	$ 2,086,232
Education, Georgia Department of			
Quality Basic Education			
Direct Instructional Cost			
Kindergarten Program	11,278,922	-	11,278,922
Kindergarten Program - Early Intervention Program	875,083	-	875,083
Primary Grades (1-3) Program	23,331,740	-	23,331,740
Primary Grades - Early Intervention (1-3) Program	2,783,329	-	2,783,329
Upper Elementary Grades (4-5) Program	10,616,453	-	10,616,453
Upper Elementary Grades - Early Intervention (4-5) Program	2,041,842	-	2,041,842
Middle Grades (6-8) Program	386,454	-	386,454
Middle School (6-8) Program	15,535,643	-	15,535,643
High School General Education (9-12) Program	12,959,749	-	12,959,749
Vocational Laboratory (9-12) Program	2,897,688	-	2,897,688
Students with Disabilities - All Categories	11,287,100	-	11,287,100
Gifted Student - Category VI	4,301,303	-	4,301,303
Remedial Education Program	1,416,308	-	1,416,308
Alternative Education Program	1,179,723	-	1,179,723
English Speakers of Other Languages (ESOL)	1,309,849	-	1,309,849
Media Center Program	3,053,847	-	3,053,847
20 Days Additional Instruction	924,816	-	924,816
Staff and Professional Development	586,710	-	586,710
Indirect Cost			
Central Administration	2,403,223	-	2,403,223
School Administration	7,115,428	-	7,115,428
Facility Maintenance and Operations	7,505,608	-	7,505,608
Categorical Grants			
Pupil Transportation			
Regular	3,059,676	-	3,059,676
Bus Replacement	991,796	-	991,796
Nursing Services	679,632	-	679,632
Austerity Reduction	(22,746,932)	-	(22,746,932)
Other State Programs			
Charter Schools - Facilities	660,000	-	660,000
Dual Enrollment Funding	126,630	-	126,630
CTAE - Apprenticeship	36,470	-	36,470
CTAE - CTE Extended Day	129,251	-	129,251
CTAE - Industry Certification	29,539	-	29,539
CTAE - Supervision	56,375	-	56,375
Health Insurance	30,974,914	-	30,974,914
Industry Certification Related Equipment - State Bonds	29,991	-	29,991
Math and Science Supplement	22,916	-	22,916
Preschool Handicapped State Grant	480,055	-	480,055
Residential Treatment Centers Grant	280,989	-	280,989
State Health Reimbursement	1,347,033	-	1,347,033
Teachers Retirement	180,753	-	180,753
Virtual Schools Grants	5,025	-	5,025
Technical and Adult Education, Georgia Department of			
Adult Education	-	440,158	440,158
	$ 140,134,932	$ 2,526,390	$ 142,661,322

STATISTICAL SECTION

(Unaudited)

Atlanta Independent School System

Introduction to the Statistical Section

(Unaudited)

This part of Atlanta Independent School Systems Comprehensive Annual Financial Report presents detailed information as a context for understanding this fiscal year's financial statements, note disclosures, and supplementary information. This information is unaudited.

Contents **Schedule**

Financial Trends **1 - 6**

These tables contain trend information that may assist the reader in assessing the School System's current financial performance by placing it in a historical perspective.

Operating Information **7 - 13**

These tables contain service indicators that can inform ones' understanding how the information in the School System's financial statements relates to the services the School System provides and the activities it performs.

Demographic and Economic Information **14 - 22**

These tables present demographic and economic information intended (1) to assist users in understanding the socioeconomic environment within which the School System operates and (2) to provide information that facilitates comparisons of financial statement information over time.

Data Source:

Unless otherwise noted, the information in these tables is derived from the Comprehensive Annual Financial Report for the applicable fiscal year.

ATLANTA INDEPENDENT SCHOOL SYSTEM
NET ASSETS BY COMPONENT
LAST TEN FISCAL YEARS
Schedule 1

Fiscal Year Ended June 30,	**2003**	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**
Governmental Activities										
Invested in Capital Assets, Net of Related Debt	$ 629,768,301	$ 733,997,697	$ 803,563,172	$ 831,829,656	$ 893,683,701	$ 854,305,957	$ 959,621,519	$ 1,056,744,474	$ 1,104,601,221	$ 1,171,493,160
Restricted	-	-	3,988,606	26,478,370	106,980,587	182,517,605	152,371,189	111,943,417	112,855,070	116,028,486
Unrestricted	182,053,270	95,404,253	115,840,477	125,881,509	157,963,991	191,270,394	168,743,024	128,194,970	147,834,977	97,261,440
Total Governmental Activities Net Assets	811,821,571	829,401,950	923,392,255	984,189,535	1,158,628,279	1,228,093,956	1,280,735,732	1,296,882,861	1,365,291,268	1,384,783,086
Business-Type Activities										
Invested in Capital Assets, Net of Related Debt	2,887,616	3,897,068	5,055,963	5,776,388	8,504,052	-	-	-	-	-
Unrestricted	(18,572,353)	(22,325,064)	(25,805,372)	(26,121,644)	(9,964,379)	484,935	1,972,799	2,038,487	2,183,644	4,893,181
Total Business-Type Activities Net Assets	(15,684,737)	(18,427,996)	(20,749,409)	(20,345,256)	(1,460,327)	484,935	1,972,799	2,038,487	2,183,644	4,893,181
Primary Government Activities										
Invested in Capital Assets, Net of Related Debt	632,655,917	737,894,765	808,619,135	837,606,044	902,187,753	854,305,957	959,621,519	1,056,744,474	1,104,601,221	1,171,493,160
Restricted	-	-	3,988,606	26,478,370	106,980,587	182,517,605	152,371,189	111,943,417	112,855,070	116,028,486
Unrestricted	163,480,917	73,079,189	90,035,105	99,759,865	147,999,612	191,755,329	170,715,823	130,233,457	150,018,621	102,154,621
Total Primary Government Activities Net Assets	**$ 796,136,834**	**$ 810,973,954**	**$ 902,642,846**	**$ 963,844,279**	**$ 1,157,167,952**	**$ 1,228,578,891**	**$ 1,282,708,531**	**$ 1,298,921,348**	**$ 1,367,474,912**	**$ 1,389,676,267**

Source: **Atlanta Independent School System Financial Reports for previous years and fiscal year ended June 30, 2012.**

ATLANTA INDEPENDENT SCHOOL SYSTEM
CHANGE IN NET ASSETS
LAST TEN FISCAL YEARS
Schedule 2

Fiscal Year Ended June 30,	**2003**	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**
Expenses										
Governmental Activities										
Instruction	$ 404,300,173	$ 424,091,453	$ 435,352,357	$ 393,121,077	$ 384,275,604	$ 442,325,531	$ 427,131,947	$ 438,036,127	$ 377,491,180	$ 405,995,101
Pupil Services	21,649,868	21,890,649	24,009,140	29,201,941	20,424,786	36,915,697	36,130,943	37,303,898	39,024,421	29,543,231
Improvement of instructional services	23,447,177	21,135,004	20,011,373	31,910,382	27,779,791	42,180,829	38,598,585	40,427,290	50,496,694	38,215,985
Educational media	7,615,931	6,746,870	7,087,158	11,326,263	8,112,792	11,637,527	9,220,728	8,394,083	9,616,559	8,958,197
Federal grant administration	-	-	-	-	-	-	-	-	-	1,118,206
General administration	13,622,969	21,539,082	18,908,200	22,244,328	22,613,568	18,659,059	15,698,105	14,110,681	14,514,905	17,882,230
School administration	25,948,073	24,230,800	23,247,406	36,313,409	25,103,296	34,558,215	26,425,185	28,239,428	33,287,126	30,826,584
Business administration	6,452,828	5,482,136	6,685,755	12,973,297	14,960,540	11,483,553	24,150,131	15,327,591	17,889,836	22,610,577
Maintenance and operation of facilities	58,896,420	61,354,665	48,321,284	60,098,358	57,871,414	91,600,184	88,484,674	90,747,017	96,333,469	97,084,662
Student transportation	16,678,855	15,189,582	14,678,214	21,658,991	19,865,342	42,709,556	53,662,233	39,593,169	28,898,209	29,770,071
Central support	23,404,234	29,129,882	26,204,018	26,764,937	25,086,693	32,899,945	38,798,862	48,566,805	36,729,914	28,379,529
Community services	6,116,012	-	-	-	(13,721)	-	-	-	-	-
Other support services	-	-	423,301	837,701	2,267,033	9,330,309	3,707,098	3,350,291	4,382,181	13,035,152
Nutrition	-	-	-	-	-	-	-	-	15,657	358,681
Interest and fiscal charges	-	690,836	538,613	1,855,674	1,031,588	1,788,213	2,295,941	2,022,585	2,258,183	6,418,786
Depreciation	249,094	204,969	-	-	-	-	-	-	-	-
Total Governmental Activities Expenses	608,381,634	631,685,928	625,466,819	648,306,358	609,378,726	776,088,617	764,304,432	766,118,965	710,938,335	730,196,992
Business-Type Activities										
Food services	27,325,463	26,552,371	25,772,181	21,711,551	19,204,656	30,519,130	21,752,821	23,222,029	23,800,532	22,705,598
Total Business-Type Activities Expenses	27,325,463	26,552,371	25,772,181	21,711,551	19,204,656	30,519,130	21,752,821	23,222,029	23,800,532	22,705,598
Total Primary Government Activities Expenses	**$ 635,707,097**	**$ 658,238,299**	**$ 651,239,000**	**$ 670,017,909**	**$ 628,583,382**	**$ 806,607,747**	**$ 786,057,253**	**$ 789,340,994**	**$ 734,738,867**	**$ 752,902,590**
Program Revenues										
Governmental Activities										
Charges for Services										
Instruction	$ -	$ -	$ -	$ -	$ 1,004,517	$ 114,350	$ 140,047	$ 90,084	$ 31,492	$ 3,490
School administration	-	-	-	2,097,124	-	-	-	-	-	-
Maintenance and operation of facilities	-	-	-	-	1,067,404	-	1,246,236	995,042	783,989	996,731
Other support services									670,918	724,400
Nutrition	-	-	-	-	-	3,749,416	767,347	754,773	-	-
Operating Grants and Contributions										
Instruction	211,745,193	187,402,434	170,977,158	176,215,716	156,075,020	168,958,774	108,327,712	110,873,809	111,426,958	110,219,318
Pupil services	4,428,193	6,558,788	8,414,003	7,400,136	14,951,701	18,133,132	20,282,835	14,470,057	18,641,247	11,780,166
Improvement of instructional services	13,528,687	17,556,463	16,447,379	11,712,590	16,073,230	16,110,597	20,193,588	27,647,132	33,328,056	30,489,786
Educational media	121,737	30,954	182,646	1,491,330	2,424,655	3,745,884	2,899,356	1,404,768	2,000,787	-
Federal grant administration	-	-	-	-	-	-	-	-	-	1,118,206
General administration	2,648,088	3,756,784	4,151,612	4,516,383	3,336,077	3,104,288	5,788,541	3,705,087	5,053,926	7,689,306
School administration	2,097,074	381,845	238,704	355,600	6,065,020	3,498,951	5,874,998	6,841,227	7,958,215	7,325,735
Business administration	-	-	366,225	1,115,379	1,102,416	9,106,449	3,933,403	2,925,304	4,077,543	4,105,440
Maintenance and operation of facilities	222,320	58,967	27,511	261,388	8,740,838	9,262,487	17,293,612	15,521,798	20,416,518	22,290,143
Student transportation	1,046,705	379,673	1,409,015	1,960,211	5,206,251	5,337,639	8,537,786	8,286,759	6,735,023	8,218,788
Central support	108,992	754,227	1,105,539	104,874	984,451	660,429	7,680,398	9,984,164	9,260,421	7,961,419
Community Services	3,597,754	-	-	-	65,551	226,806	2,811,038	2,116,177	-	-
Other support services	-	2,524,240	1,444,714	677,385	7,365,780	1,307,102	-	-	2,845,306	4,210,388
Nutrition	-	-	-	-	-	-	12,691	-	14,696	358,681
Interest and fiscal charges	-	-	-	-	-	-	-	-	-	2,520,803
Capital Grants and Contributions										
Instruction	2,124,937	2,717,420	2,230,799	8,927	-	-	-	-	25,367,686	8,803,308
Maintenance and operation of facilities	-	-	-	-	1,191,630	2,207,605	-	-	-	-
Student transportation	-	-	-	1,640,644	-	653,047	-	-	-	-
Total Governmental Activities Program Revenues	241,669,680	222,121,795	206,995,305	209,611,500	225,654,541	246,176,956	205,789,588	205,616,181	248,612,781	228,816,108
Business-Type Activities										
Charges for Services										
Food Services	2,388,324	1,966,090	3,566,337	2,580,828	2,534,746	2,187,375	2,291,777	1,836,912	1,695,061	1,638,841
Operating Grants and Contributions										
Food Services	19,527,656	20,250,537	18,088,139	18,265,689	19,068,852	20,877,018	20,948,908	21,442,603	22,233,560	23,774,887
Total Business-Type Activities Program Revenues	21,915,980	22,216,627	21,654,476	20,846,517	21,603,598	23,064,393	23,240,685	23,279,515	23,928,621	25,413,728
Total Primary Government Activities Program Revenues	**$ 263,585,660**	**$ 244,338,422**	**$ 228,649,781**	**$ 230,458,017**	**$ 247,258,139**	**$ 269,241,349**	**$ 229,030,273**	**$ 228,895,696**	**$ 272,541,402**	**$ 254,229,836**

ATLANTA INDEPENDENT SCHOOL SYSTEM
CHANGE IN NET ASSETS
LAST TEN FISCAL YEARS
Schedule 2

Fiscal Year Ended June 30,	**2003**	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**
Net (Expense)/Revenue										
Governmental Activities										
Instruction	$ (190,430,043)	$ (233,971,599)	$ (262,144,400)	$ (216,896,434)	$ (227,196,067)	$ (273,252,407)	$ (318,664,187)	$ (327,072,234)	$ (240,665,044)	$ (286,968,985)
Pupil Services	(17,221,675)	(15,331,861)	(15,595,137)	(21,801,805)	(5,473,085)	(18,782,565)	(15,848,107)	(22,833,841)	(20,383,174)	(17,763,065)
Improvement of instructional services	(9,918,490)	(3,578,541)	(3,563,994)	(20,197,792)	(11,706,561)	(26,070,232)	(18,404,997)	(12,780,158)	(17,168,638)	(7,726,199)
Educational media	(7,494,194)	(6,715,916)	(6,904,512)	(9,834,933)	(5,688,137)	(7,891,643)	(6,321,372)	(6,989,315)	(7,615,772)	(8,958,197)
General administration	(10,974,881)	(17,782,298)	(14,756,588)	(17,727,945)	(19,277,491)	(15,554,771)	(9,909,564)	(10,405,594)	(9,460,979)	(10,192,924)
School administration	(23,850,999)	(23,848,955)	(23,008,702)	(33,860,685)	(19,038,276)	(31,059,264)	(20,550,187)	(21,398,201)	(25,328,911)	(23,500,849)
Business administration	(6,452,828)	(5,482,136)	(6,319,530)	(11,857,918)	(13,858,124)	(2,377,104)	(20,216,730)	(12,402,287)	(13,812,293)	(18,505,137)
Maintenance and operation of facilities	(58,674,100)	(61,295,698)	(48,293,773)	(59,836,970)	(48,063,172)	(80,130,092)	(69,944,826)	(74,230,177)	(75,132,962)	(73,797,788)
Student transportation	(15,632,150)	(14,809,909)	(13,269,199)	(18,058,136)	(13,467,461)	(36,718,870)	(45,124,446)	(31,306,410)	(22,163,186)	(21,551,283)
Central support	(23,295,242)	(28,375,655)	(25,098,479)	(26,660,063)	(24,102,242)	(32,239,516)	(31,118,464)	(38,582,641)	(27,469,493)	(20,418,110)
Community Services	-	-	-	-	79,272	(8,023,207)	2,811,038	2,116,177	-	-
Other support services	(2,518,258)	2,524,240	1,021,413	(106,503)	5,098,747	226,806	(3,707,098)	(3,350,291)	(865,957)	(8,100,364)
Nutrition	-	-	-	-	-	3,749,416	780,038	754,773	(961)	-
Interest and fiscal charges	-	(690,836)	(538,613)	(1,855,674)	(1,031,588)	(1,788,213)	(2,295,941)	(2,022,585)	(2,258,183)	(3,897,983)
Depreciation	(249,094)	(204,969)	-	-	-	-	-	-	-	-
Total Governmental Activities Net (Expenses)/Revenues	(366,711,954)	(409,564,133)	(418,471,514)	(438,694,858)	(383,724,185)	(529,911,661)	(558,514,843)	(560,502,784)	(462,325,554)	(501,380,884)
Business-Type Activities										
Food Services	(5,409,483)	(4,335,744)	(4,117,705)	(865,034)	2,398,942	(7,454,737)	1,487,864	57,486	128,089	2,708,130
Total Business-Type Activities Net (Expenses)/Revenues	(5,409,483)	(4,335,744)	(4,117,705)	(865,034)	2,398,942	(7,454,737)	1,487,864	57,486	128,089	2,708,130
Total Primary Government Activities Net Expense	**(372,121,437)**	**(413,899,877)**	**(422,589,219)**	**(439,559,892)**	**(381,325,243)**	**(537,366,398)**	**(557,026,979)**	**(560,445,298)**	**(462,197,465)**	**(498,672,754)**
General Revenues and Other Charges in Net Assets										
Governmental Activities										
Taxes										
Property Taxes levied for general purposes	353,451,241	373,487,358	377,215,701	361,839,014	436,902,846	470,036,120	479,629,504	498,921,379	469,310,346	414,313,637
Property Taxes levied for debt Services	-	-	-	-	1,036,250	1,153,847	1,262,460	1,271,739	1,174,306	1,111,471
Special Local Option Sales Tax & Other Taxes	79,256,916	85,604,946	91,202,366	117,933,347	121,568,835	115,735,907	108,957,224	63,438,076	52,901,075	93,699,732
Grants and Contributions not restricted to specific programs	-	-	-	9,411,373	-	1,347,241	4,328,538	1,306,947	1,310,441	11,613,774
Investment Earnings	11,616,090	1,995,307	4,658,043	7,319,327	13,315,151	13,648,335	6,419,960	230,484	124,833	134,088
Other	5,935,088	3,786,290	5,900,535	6,316,574	15,129,339	6,855,522	15,296,550	10,583,834	5,298,494	-
Gain on sale of capital assets	-	-	-	2,505,987	3,129,377	-	528,432	897,453	614,466	-
Transfers	-	(1,592,485)	(1,796,292)	(1,036,966)	(16,416,074)	(9,400,000)	-	-	-	-
Extraordinary items	-	-	-	-	(1,981,811)	-	-		-	-
Total Governmental Activities	450,259,335	463,281,416	477,180,353	504,288,656	572,683,913	599,376,972	616,422,668	576,649,912	530,733,961	520,872,702
Business-Type Activities										
Investment Earnings	-	-	-	59,711	(9,535)	-	-	8,202	17,068	1,407
Transfers	-	1,592,485	1,796,292	1,036,966	16,416,074	9,400,000	-	-	-	-
Other	-	-	-	-	79,445	-	-	-	-	-
Total Business-Type Activities	-	1,592,485	1,796,292	1,096,677	16,485,984	9,400,000	-	8,202	17,068	1,407
Total Primary Government Activities	**450,259,335**	**464,873,901**	**478,976,645**	**505,385,333**	**589,169,897**	**608,776,972**	**616,422,668**	**576,658,114**	**530,751,029**	**520,874,109**
Change in Net Assets										
Governmental Activities	83,547,381	53,717,283	58,708,839	65,593,798	188,959,728	69,465,311	57,907,825	16,147,128	68,408,407	19,491,818
Business-Type Activities	(5,409,483)	(2,743,259)	(2,321,413)	231,643	18,884,926	1,945,263	1,487,864	65,688	145,157	2,709,537
Total Primary Government	**$ 78,137,898**	**$ 50,974,024**	**$ 56,387,426**	**$ 65,825,441**	**$ 207,844,654**	**$ 71,410,574**	**$ 59,395,689**	**$ 16,212,816**	**$ 68,553,564**	**$ 22,201,355**

Source: **Atlanta Independent School System Financial Reports for previous years and fiscal year ended June 30, 2012**

Notes:

Restatement in year 2008 due to prior period adjustments for change in accounting principle and estimates.
In fiscal year 2008, change in pension expense allocation.
In fiscal year 2007, change in allocation of capital assets.
Changes in Instruction support 2007 to 2008 due to proper allocation of salary and benefits in 2008.
GASB 34 implemented in 2002.
In fiscal year 2010, sales tax decreased due to sales tax refund/repayment.
Decrease in Sales Tax revenue in fiscal year 2011 to 2012 due in part to the economic downturn.

ATLANTA INDEPENDENT SCHOOL SYSTEM
GOVERNMENTAL FUND BALANCES
LAST TEN FISCAL YEARS
Schedule 3

Fiscal Year Ended June 30,	**2003**	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**
Pre-GASB 54								
General Fund								
Reserved	$ 11,938,879	$ 11,159,630	$ 7,325,684	$ 13,692,102	$ 21,785,030	$ 20,198,038	$ 72,359,684	$ 33,799,205
Unreserved	62,084,468	37,292,448	68,098,575	73,372,473	91,809,975	131,566,427	85,541,272	75,928,012
Total General Fund	74,023,347	48,452,078	75,424,259	87,064,575	113,595,005	151,764,465	157,900,956	109,727,217
All Other Governmental Funds								
Reserved	80,968,852	70,077	70,078	22,216,154	103,139,827	168,623,662	149,939,551	136,951,993
Unreserved, reported in:								
Capital Project Funds	12,000,000	32,778,625	30,060,165	39,512,697	34,183,429	23,702,646	-	-
Special Revenue Funds	18,027,458	17,571,631	11,868,263	12,177,524	12,652,472	14,193,822	11,995,289	11,767,769
Total All Other Governmental Funds	110,996,310	50,420,333	41,998,506	73,906,375	149,975,728	206,520,130	161,934,840	148,719,762
Total	$ 185,019,657	$ 98,872,411	$ 117,422,765	$ 160,970,950	$ 263,570,733	$ 358,284,595	$ 319,835,796	$ 258,446,979

	2011	**2012**
GASB 54		
General Fund		
Nonspendable	$ 456,347	$ 1,023,447
Restricted	1,104,717	299,867
Committed	16,995,134	1,589,097
Assigned	16,000,000	28,351,208
Unassigned	46,711,357	50,754,070
Total General Fund	81,267,555	82,017,689
All Other Governmental Funds		
Restricted	111,750,353	162,298,650
Assigned	31,109,255	23,492,850
Total All Other Governmental Funds	142,859,608	185,791,500
Total	$ 224,127,163	$ 267,809,189

Source: **Atlanta Independent School System Financial Report for previous years and fiscal year ended June 30, 2012.**

Note: **GASB Statement number 54 established a hierarchy of fund balance classifications based primarily on the extent to which governments are bound by constraints placed on resources. The effective date for implementation of GASB 54 was for periods beginning after June 15, 2010. Presentation for years 2003-2010 is pre GASB 54. Fiscal Year 2011 is when the standard was implemented.**

ATLANTA INDEPENDENT SCHOOL SYSTEM
CHANGES IN GOVERNMENTAL FUND BALANCES
LAST TEN FISCAL YEARS
Schedule 4

Fiscal Year Ended June 30,	**2003**	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**
Revenues										
Local Taxes	$ 346,768,390	$ 365,523,133	$ 370,256,829	$ 369,492,043	$ 415,687,665	$ 471,313,094	$ 507,895,487	$ 493,825,791	$ 445,986,671	$ 445,177,849
Sales taxes income	79,256,916	85,604,946	91,202,366	115,953,787	122,980,958	106,562,802	103,765,261	95,443,229	57,678,243	93,097,083
State revenues	177,702,841	152,497,189	137,310,665	141,640,201	151,924,389	163,747,188	129,106,908	110,942,787	132,033,597	142,661,322
Federal revenues	57,560,015	63,594,376	65,118,135	66,535,863	71,658,231	71,651,548	70,336,278	82,463,268	84,046,858	75,794,627
Investment income	11,616,090	1,995,307	4,658,043	7,319,327	13,315,151	13,648,335	6,419,960	410,218	282,686	134,088
Facility rental fees	436,094	709,320	876,965	949,298	-	1,604,301	1,246,236	995,042	783,989	996,731
Tuition charges	30,800	45,748	11,707	243,698	-	114,350	140,047	90,084	31,492	3,490
Charges for services	-	-	-	904,128	2,071,921	3,749,416	767,348	754,773	670,918	724,400
Other	11,875,018	9,545,822	9,578,369	15,066,259	15,884,882	13,512,915	23,817,861	22,081,274	13,897,009	20,717,752
Total Revenues	**685,246,164**	**679,515,841**	**679,013,079**	**718,104,604**	**793,523,197**	**845,903,950**	**843,495,386**	**807,006,466**	**735,411,463**	**779,307,342**
Expenditures										
Current Expenditures										
Instruction	387,299,503	405,869,137	395,383,620	358,003,139	405,189,908	373,703,960	394,246,196	403,804,829	373,889,853	369,977,089
Support Services:										
Pupil Services	21,612,774	21,853,555	23,972,046	28,296,328	23,654,225	33,795,599	35,859,316	36,234,070	38,474,947	29,461,159
Improvement of instructional services	32,991,181	21,181,874	20,071,788	31,811,061	31,501,828	38,823,821	38,318,666	39,447,284	49,820,431	38,215,985
Educational media	7,601,608	6,738,907	7,080,214	11,128,439	9,119,001	10,507,784	9,081,715	8,145,710	9,446,870	8,916,740
Federal grant administration	-	-	-	-	-	-	-	-	-	1,118,206
General administration	13,026,341	13,504,910	9,832,227	15,066,526	15,833,120	17,134,640	15,572,414	13,763,790	14,320,518	17,882,230
School administration	35,456,730	24,230,800	23,525,692	35,579,029	28,207,534	32,147,765	26,227,397	27,509,235	32,841,337	30,826,584
Business administration	6,452,828	5,482,136	6,795,841	12,959,536	15,632,317	23,625,597	17,182,008	15,934,176	16,837,414	16,653,106
Maintenance and operation of facilities	62,044,973	61,539,367	48,442,054	59,941,395	60,202,421	84,456,521	89,297,173	90,301,296	96,145,841	98,718,040
Student transportation	14,295,463	13,022,959	12,815,478	19,331,040	17,344,114	37,822,559	51,723,141	36,256,980	26,016,620	27,596,737
Central Support	26,264,962	30,515,657	26,393,782	26,567,407	28,680,154	29,586,277	38,517,074	47,399,446	36,238,019	28,294,967
Other support services	8,582,226	526,684	220,262	-	-	983,284	3,676,062	-	4,323,494	13,035,152
Nutrition	-	-	-	-	-	49,014	12,500	-	15,657	358,681
Other	-	-	-	796,364	2,386,576	-	-	3,274,650	-	-
Other Operations of Non-Instructional Services	-	-	-	48,270	-	7,974,781	-	-	-	-
Capital Outlays	141,088,759	169,069,406	107,635,321	78,371,573	56,735,237	67,911,787	151,389,516	139,770,104	170,374,153	46,053,815
Debt Service:										
Principal	8,417,826	6,066,632	4,386,236	2,700,668	3,840,761	2,387,590	6,800,416	2,022,585	5,934,366	7,904,791
Interest and fiscal charges	-	690,836	538,613	403,266	-	1,788,213	2,295,941	5,755,506	1,803,937	5,331,323
Bond issuance cost	-	-	-	-	-	-	-	-	1,466,547	-
Total Expenditures	**765,135,174**	**780,292,860**	**687,093,174**	**681,004,041**	**698,327,196**	**762,699,192**	**880,199,535**	**869,619,661**	**877,950,004**	**740,344,605**

ATLANTA INDEPENDENT SCHOOL SYSTEM
CHANGES IN GOVERNMENTAL FUND BALANCES
LAST TEN FISCAL YEARS
Schedule 4

Fiscal Year Ended June 30,	**2003**	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**
Excess / (Deficiency) of Revenues over (under) Expenditures	**(79,889,010)**	**(100,777,019)**	**(8,080,095)**	**37,100,563**	**95,196,001**	**83,204,756**	**(36,704,149)**	**(62,613,195)**	**(142,538,541)**	**38,962,737**
Other Financing Sources (Uses)										
Proceeds from bonds	2,129,553	13,270,248	11,875,815	3,907,884	3,921,678	-	-	-	104,415,000	-
Premium on bonds	-	-	-	-	-	-	-	-	3,097,709	-
Capital leases	3,814,304	2,952,010	-	-	2,638,066	20,000,000	-	-	-	4,467,505
Proceeds from sale of capital assets	-	-	-	3,131,798	3,169,238	909,104	932,980	1,224,378	706,016	251,784
Proceeds from notes	-	-	-	40,000	10,115,000	-	-	-	-	-
Transfers in	2,482,792	18,158,072	18,128,500	19,874,172	27,635,695	25,307,215	34,055,410	44,664,147	10,974,126	600,090
Transfers out	(2,482,792)	(19,750,557)	(19,924,792)	(19,874,172)	(44,051,769)	(34,707,215)	(34,055,410)	(44,664,147)	(10,974,126)	(600,090)
Total Other Financing Sources/(Uses)	**5,943,857**	**14,629,773**	**10,079,523**	**7,079,682**	**3,427,908**	**11,509,104**	**932,980**	**1,224,378**	**108,218,725**	**4,719,289**
Extraordinary Items	-	-	-	-	**(1,981,811)**	-	-	-	-	-
Net Change in Fund Balances	(73,945,153)	(86,147,246)	1,999,428	44,180,245	96,642,098	94,713,862	(35,771,169)	(61,388,817)	(34,319,816)	43,682,026
Fund Balance at Beginning of Fiscal Year	258,964,810	185,019,657	115,423,338	116,292,413	166,928,634	263,570,733	355,606,965	323,846,887	258,446,979	224,127,163
Prior Period Corrections	-	-	-	498,296	-	-	-	-	-	-
Change in accounting practice	-	-	-	-	-	-	-	(4,011,091)	-	-
FUND BALANCE AT END OF FISCAL YEAR	**$ 185,019,657**	**$ 98,872,411**	**$ 117,422,766**	**$ 160,970,954**	**$ 263,570,733**	**$ 358,284,596**	**$ 319,835,796**	**$ 258,446,979**	**$ 224,127,163**	**$ 267,809,189**
FUND BALANCE AT END OF FISCAL YEAR	185,019,657	98,872,411	117,422,766	160,970,954	263,570,733	358,284,596	319,835,796	258,446,979	224,127,163	267,809,189
Debt service as a percentage of noncapital expenditures	1.11%	0.87%	0.72%	0.46%	0.60%	0.60%	1.26%	1.08%	1.30%	1.91%

Source: **Atlanta Independent School System Financial Reports for previous years and fiscal year ended June 30, 2012.**

Notes: **Extraordinary item in 2007 closing of two charter schools.**
Changes in Instruction support 2007 to 2008 due to proper allocation of salary and benefits in 2008.
In fiscal year 2008 change in pension expenditure.
Large fluctuations in expenditures due to reclasses within functions in FY2009-2011 .
Decrease in Sales tax income between FY10 and FY11 was due in part to the adjustment for overpayement of Splost proceeds.

ATLANTA INDEPENDENT SCHOOL SYSTEM
GENERAL FUND EXPENDITURES BY FUNCTION
LAST TEN FISCAL YEARS
Schedule 5

Fiscal Year	Instruction [1]	Pupil Services	General and School Admin. Services	Business Services [2]	Capital Outlay	Other [3]	Total	total current expenditures % of change from prior fiscal year	total capital outlay % of change from prior fiscal year	total expenditures % of change from prior fiscal year
2003	$343,085,735	$ 17,131,932	$ 59,678,758	$69,558,556	$ -	$ 27,740,683	##########	4.52%	0.00%	1.42%
2004	359,444,397	15,259,936	52,257,050	68,966,619	-	37,341,209	533,269,211	1.32%	0.00%	3.11%
2005	360,922,790	15,635,773	23,265,642	65,285,140	3,029,090	34,293,523	502,431,958	-6.21%	100.00%	-5.78%
2006	328,733,992	20,886,301	42,964,459	85,768,267	-	31,105,339	509,458,358	2.85%	0.00%	1.40%
2007	371,030,700	10,491,218	34,463,418	87,064,138	2,638,066	31,071,989	536,759,529	5.16%	100.00%	5.36%
2008	346,276,544	16,742,092	41,041,883	140,274,918	8,257,558	39,184,963	591,777,958	8.21%	68.05%	10.25%
2009	385,984,855	20,045,172	36,636,052	133,410,584	-	42,590,714	618,667,377	5.83%	0.00%	4.54%
2010 [4]	397,022,707	19,336,072	36,787,333	136,817,366	-	40,770,273	630,733,751	2.41%	0.00%	1.95%
2011 [4]	370,061,246	24,014,862	42,918,150	133,081,824	-	39,937,929	610,014,011	-3.37%	0.00%	-3.29%
2012	354,658,932	23,126,330	43,942,259	136,262,413	-	46,644,887	604,634,821	-2.12%	0.00%	-0.88%

Source: **Atlanta Independent School System Financial Reports for previous years and fiscal year ended June 30, 2012.**

Notes:
1 Instruction includes Improvement of Instructional Services and Educational Media.
2 Business Services includes Business Administration , Maintenance and Facilites and Student Transportation.
3 Other includes Central Support, Community Services, Other Operations, Principal and Interest.
4 Expenditures for Charter Schools were reclassed to Instruction in fiscal year 2010 and 2011.

ATLANTA INDEPENDENT SCHOOL SYSTEM
GENERAL FUND REVENUES BY SOURCE
LAST TEN FISCAL YEARS
Schedule 6

						% of total			
Fiscal Year	**Taxes**	**State Grants**	**Federal Grants**	**Other**	**Total**	Local	State	Federal	Other
2003	$ 346,768,390	$ 170,033,573	$ 427,849	$ 14,822,888	$ 532,052,700	65.18%	31.96%	0.08%	2.79%
2004	362,726,900	141,848,193	1,153,791	8,086,373	513,815,257	70.59%	27.61%	0.22%	1.57%
2005	370,256,829	124,113,881	1,326,039	13,084,964	508,781,713	72.77%	24.39%	0.26%	2.57%
2006	384,221,179	133,943,879	3,870,753	15,437,607	537,473,418	71.49%	24.92%	0.72%	2.87%
2007	430,844,808	145,105,716	1,112,951	19,069,158	596,132,633	72.27%	24.34%	0.19%	3.20%
2008	480,152,929	154,892,058	1,347,241	17,353,301	653,745,529	73.45%	23.69%	0.21%	2.65%
2009	514,075,346	122,514,004	4,328,538	16,548,410	657,466,298	78.19%	18.63%	0.66%	2.52%
2010	493,825,791	107,237,545	15,452,007	9,262,323	625,777,666	78.91%	17.14%	2.47%	1.48%
2011	445,986,671	127,235,844	10,747,543	7,841,900	591,811,958	75.36%	21.50%	1.82%	1.33%
2012	445,177,849	140,134,932	1,409,596	14,525,430	601,247,807	74.04%	23.31%	0.23%	2.42%

Source: **Atlanta Independent School System Financial Reports for previous years and fiscal year ended June 30, 2012.**

ATLANTA INDEPENDENT SCHOOL SYSTEM
ASSESSED AND ESTIMATED ACTUAL VALUE OF
TAXABLE PROPERTY
LAST TEN FISCAL YEARS
Schedule 7

Fiscal Year Ended [4]	Residential Property	Commercial Property	Industrial Property	Other Property [1]	Less Tax-Exempt Property [2]	Total Taxable Assessed Value [3]	Total Direct Tax Rate
December 31, 2003	$ 9,578,478,978	$ 7,104,858,403	$ 323,814,720	$ 1,590,030,109	$ 160,151,146	$ 18,437,031,064	32.08%
December 31, 2004	10,282,698,452	7,433,699,007	308,725,135	1,626,457,946	1,732,722,383	17,918,858,157	31.00%
December 31, 2005	10,842,205,309	7,255,025,020	618,322,584	1,590,005,363	186,756,118	20,118,802,158	30.09%
June 30, 2006	11,954,278,920	8,069,483,015	699,409,813	1,621,488,855	1,720,017,791	20,624,642,812	32.13%
June 30, 2007	13,202,618,136	9,744,120,546	776,908,905	1,595,456,173	1,887,341,520	23,431,762,240	31.61%
June 30, 2008	13,980,076,949	13,067,992,615	1,031,326,231	1,615,241,347	2,093,949,974	27,600,687,168	30.49%
June 30, 2009	13,611,726,261	11,379,465,585	801,084,215	1,758,938,922	2,409,353,965	25,141,861,018	30.49%
June 30, 2010	12,749,326,810	11,746,535,282	806,421,455	1,542,422,321	2,831,876,995	24,012,828,873	33.63%
June 30, 2011	12,609,751,900	10,924,151,062	775,954,220	1,525,316,851	2,731,195,758	23,103,978,275	33.63%
June 30, 2012	11,506,413,986	11,148,297,009	758,400,890	1,528,992,043	2,880,803,214	22,061,300,714	33.63%

Source: **Statistical section of the City of Atlanta, Georgia Comprehensive Annual Financial Report For the Fiscal Year Ended June 30, 2012.**

Notes:

1 Other Property consist of Historical, Agricultural, Conservation, Utility, Motor Vehicle, Heavy Equipment, Timber, Motor Homes, etc.

2 Tax Exempt Property consist of Basic Homestead, Elderly, Disabled Veteran, Freeport, etc.

3 Assessed values are established by the Fulton & DeKalb Counties Board of Tax Assessors on January 1 of each year at 40% of the market valueas required by State Law.

4 The City of Atlanta changed from a December 31 calendar year to a June 30 fiscal year in 2006.

ATLANTA INDEPENDENT SCHOOL SYSTEM
PROPERTY TAX RATES - ALL OVERLAPPING GOVERNMENTS
(Per $1,000 Assessed Value) LAST TEN FISCAL YEARS
Schedule 8

	City Direct Rates						Overlapping Rates					
									Fulton County, Georgia			
Fiscal Year Ended [4]	General Levy	School Levy	Parks Levy	City Bond Levy	School Bond Levy	Total Direct Tax Rate [2]	Atlanta/ DeKalb County Special Tax District	Downtown Improvement District Special Tax District [1]	County Levy [3]	County Bond Levy	Georgia State Levy	Total
December 31, 2003	8.71	21.46	0.50	1.30	0.11	32.08	1.14	3.60	12.05 (3)	0.27	0.25	12.57
December 31, 2004	8.25	20.87	0.50	1.27	0.11	31.00	1.05	4.20	11.59 (3)	0.07	0.25	11.91
December 31, 2005	7.64	20.42	0.50	1.43	0.10	30.09	2.05	5.00	11.58 (3)	0.06	0.25	11.89
June 30, 2006	7.53	22.64	0.50	1.41	0.05	32.13	0.99	5.00	11.40 (3)	0.06	0.25	11.72
June 30, 2007	7.09	22.64	0.50	1.33	0.05	31.61	0.96	5.00	10.28 (3)	0.06	0.25	10.58
June 30, 2008	7.12	21.64	0.50	1.18	0.05	30.49	0.83	5.00	10.28 (3)	0.60	0.25	10.59
June 30, 2009	7.12	21.64	0.50	1.18	0.05	30.49	0.83	5.00	10.28 (3)	0.00	0.25	10.53
June 30, 2010	10.24	21.64	0.50	1.20	0.05	33.63	1.00	5.00	10.28 (3)	0.00	0.25	10.53
June 30, 2011	10.24	21.64	0.50	1.20	0.05	33.63	0.88	5.00	10.28 (3)	0.00	0.25	10.53
June 30, 2012	10.24	21.64	0.50	1.20	0.05	33.63	0.88	5.00	10.28 (3)	0.27	0.25	10.80

Source: **Statistical section of the City of Atlanta, Georgia Comprehensive Annual Financial Report For the Fiscal Year Ended June 30, 2012.**

Notes:
1 Tax imposed by property owners in the District pursuant to State authorization.
2 Reduced by debt service payment of $3,052,000 by the Atlanta Board of Education using its existing resources.
3 Hospital levy included in County levy.
4 The City of Atlanta changed from a December 31 calendar year to a June 30 fiscal year in 2006.

ATLANTA INDEPENDENT SCHOOL SYSTEM
PRINCIPAL PROPERTY TAXPAYERS
JUNE 30, 2011 AND NINE YEARS AGO [1]
Schedule 9

2011

Tax Payer	Type of Business	Taxable Assessed Value [1]	Rank	Percentage of Total City Taxable Assessed Value
Development Authority of Fulton [2]	Government	$ 652,260,501	1	3.09%
Georgia Power Company	Utility Service	258,789,449	2	1.23%
Coca-Cola Company	Marketing and Manufacturing	160,539,113	3	0.76%
BF ATL, LLC	Commercial Real Estate	135,349,360	4	0.64%
Post Apartment Homes	Residential Real Estate	128,772,451	5	0.61%
Sun Trust Plaza Association	Commercial Real Estate	96,150,900	6	0.46%
IEP PEACHTREE, LLC	Commercial Real Estate	91,879,110	7	0.44%
Corporate Property Corporation	Commercial Real Estate	87,232,239	8	0.41%
Georgia Pacific Company	Pulp and Paper Manufacturing	84,328,320	9	0.40%
Hines One Atlantic Center LP	Commercial Real Estate	74,287,820	10	0.35%
Total		**$ 1,769,589,263**		**8.39%**

2002

Tax Payer	Type of Business	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Bell South	Communication Service	$ 296,305,165	1	1.69%
Coca-Cola Company	Marketing and Manufacturing	175,126,510	2	1.00%
Georgia Power Company	Utility Service	125,185,211	3	0.72%
Post Apartment Homes	Residential Real Estate	111,937,620	4	0.64%
Georgia Pacific Company	Pulp and Paper Manufacturing	91,552,200	5	0.52%
CSC Associates	Commercial Real Estate	87,329,610	6	0.50%
Sun Trust Plaza Association	Commercial Real Estate	76,491,240	7	0.44%
One Ninety One Peachtree Association	Commercial Real Estate	73,646,450	8	0.42%
Sumito Life Realty, Inc.	Commercial Real Estate	68,164,600	9	0.39%
Atlanta Center LTD	Commercial Real Estate	63,761,840	10	0.36%
Total		**$ 1,169,500,446**		**6.68%**

Sources:

2012 - Statistical section of the City of Atlanta, Georgia Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2012.
2002 - Statistical section of the City of Atlanta, Georgia Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2011.

Notes:

1. **Information for FY2012 was not available.**
2. **Development Authority of Fulton does not pay taxes but does temporarily hold property for others who pay taxes.**

ATLANTA INDEPENDENT SCHOOL SYSTEM
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
Schedule 10

Fiscal Year Ended [3]	Taxes Levies for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections To Date	
		Amount [1]	Percentage of Levy		Amount	Percentage of Levy
December 31, 2003	$ 178,909,014	$ 166,815,658	93.24%	$ 11,462,115 [2]	$178,277,773	99.65%
December 31, 2004	180,733,587	170,502,285	1	9,752,408 [2]	180,254,693	99.74%
December 31, 2005	178,703,068	160,301,279	1	17,909,963 [2]	178,211,242	99.72%
June 30, 2006	6,750,195	6,750,195	1	-	6,750,195	100.00%
June 30, 2007	179,606,933	164,976,460	1	13,929,773 [2]	178,906,233	99.61%
June 30, 2008	182,020,745	173,030,142	1	7,984,231	181,014,373	99.45%
June 30, 2009	198,377,854	190,475,498	1	6,292,394	196,767,892	99.19%
June 30, 2010	264,371,198	257,062,077	1	4,473,563	261,535,640	98.93%
June 30, 2011	240,585,957	234,894,781	1	2,379,716	237,274,497	98.62%
June 30, 2012	222,632,704	218,471,864	1	-	218,471,864	98.13%

Source: Statistical section of the City of Atlanta, Georgia Comprehensive Annual Financial Report For the Fiscal Year Ended June 30, 2012.

Notes:
1 Does not include tax revenues retained by Fulton and DeKalb County for administrative expenditures, therefore the collection rate shown is slightly less than actual.
2 Adjusted to collection in subsequent year.
3 The City of Atlanta changed from a December 31 calendar year to a June 30 fiscal year in 2006.

ATLANTA INDEPENDENT SCHOOL SYSTEM
COMPARISON OF PROPERTY TAX MILLAGE RATES
AS OF JUNE 30, 2012
Schedule 11

	TOTAL RATE	MAINTENANCE AND OPERATION	DEBT SERVICE
Atlanta Public Schools	21.74	21.64	0.10
Clayton County Schools	20.00	20.00	0.00
Cobb County Schools	18.90	18.90	0.00
DeKalb County Schools	23.98	23.98	0.00
Douglas County Schools	21.95	19.85	2.10
Fulton County Schools	18.50	18.50	0.00
Gwinnett County Schools	20.55	19.25	1.30
Rockdale County Schools	24.50	24.50	0.00

Sources: **Department of Revenue, Tax Digest Millage Rates**

Note: **All tax rates are per $1000 assessed valuation.**

ATLANTA INDEPENDENT SCHOOL SYSTEM
TAX MILLAGE RATES
LAST TEN TAX YEARS
Schedule 12

Tax Year	Maintenance and Operations	Sinking Bond Fund	Total Levy	Comments
2003	21.46	0.11	21.569	Decrease of 0.215 mills
2004	20.42	0.10	20.524	Decrease of 1.05 mills
2005	20.42	0.10	20.524	No change from 2004
2006	22.64	0.054	22.694	Increase of 2.17 mills
2007	22.64	0.054	22.694	No change from 2006
2008	21.64	0.054	21.694	Decrease of 1.000 mills
2009	21.64	0.054	21.694	No change from 2008
2010	21.64	0.054	21.694	No change from 2009
2011	21.64	0.054	21.694	No change from 2010
2012	21.64	0.100	21.740	Increase of .046 mills

Sources: **Atlanta Public Schools June 2010 Tax Levy Board Resolutions for tax year 2011**
Georgia Department of Revenue for tax years 2003-2010, 2012

ATLANTA INDEPENDENT SCHOOL SYSTEM
RATIOS OF TOTAL DEBT OUTSTANDING BY TYPE (UNAUDITED)
GOVERNMENTAL ACTIVITIES
FOR THE LAST TEN FISCAL YEARS
Schedule 13

Fiscal Year Ended June 30,		Education Reform Success (COPS)	Intergovernmental Agreement	Capital Leases	Total Debt 2	Ratio of Total Debt to Est. Actual Value 3	Ratio of Total Debt to Personal Income 4	Per Capita 4
2003	(1)	$ -	$ -	$ 14,363,415	$ 14,363,415	0.08%	9.38%	33.18
2004	(1)	-	-	11,248,793	11,248,793	0.06%	6.93%	25.87
2005	(1)	-	-	6,862,557	6,862,557	0.03%	3.96%	15.52
2006		-	18,697,134	4,219,951	22,917,085	0.11%	12.44%	50.75
2007		10,115,000	22,112,675	5,159,414	37,387,089	0.16%	20.30%	82.79
2008		10,115,000	21,385,800	23,618,868	55,119,668	0.20%	28.02%	119.32
2009		9,565,000	20,488,750	18,255,388	48,309,138	0.19%	24.33%	101.21
2010		8,995,000	19,461,875	13,998,496	42,455,371	0.18%	20.56%	88.32
2011		115,912,709	18,439,000	9,682,005	144,033,714	0.65%	70.90%	342.93
2012		114,764,042	17,398,125	7,905,594	140,067,761	0.63%	69.14%	323.91

Source: **Atlanta Independent School System Financial Reports for previous years and fiscal year ended June 30, 2012.**

Notes:
1 The City of Atlanta changed from a December 31 calendar year to a June 30 fiscal year in 2006.
2 See the schedule of Long Term Debt in the Notes for each year for more information on the debt.
3 See schedule 7 - Assessed and Estimated Actual Value of Taxable Property.
4 See schedule 15 - Demographics Statistics.

ATLANTA INDEPENDENT SCHOOL SYSTEM
SCHOOL BUILDINGS, ACREAGE, AND CAPACITY
JUNE 30, 2012
Schedule 14

School Acreage, Square Footage, Planning Capacity, Area per Student, Effective Age

Elementary Schools		Acres	Sq.Ft.	Planning Capacity	SF per Student	Original Construction	Renovation	Actual Age (2011 basis)	Effective Age Basis	Effective Age (2011 basis)
1	Adamsville	4.9	84,961	540	157	1970	2001	41	2001	10
2	Beecher Hills	9.5	49,925	378	132	1959	1999	52	1999	12
3	Benteen	4.0	68,440	432	158	1957	2000	54	2000	11
4	Bethune	4.5	70,151	594	118	1949	1999	62	1999	12
5	Bolton Academy	4.0	83,286	648	129	2003		8	2003	8
6	Boyd	19.7	72,313	414	175	1971		40	1971	40
7	Brandon	10.0	86,138	630	137	1947	1994	64	1994	17
8	Brandon Primary	9.8	57,112	450	127	1954	2009	57	2009	2
9	Burgess-Peterson	8.3	85,518	630	136	2004		7	2004	7
10	Capitol View	4.0	60,509	306	198	1929	2004	82	2004	7
11	Cascade	10.0	70,286	450	156	1995		16	1995	16
12	Centennial Place	5.0	63,850	468	136	1998		13	1998	13
13	Cleveland	4.8	67,513	486	139	1996		15	1996	15
14	Connally	3.7	90,440	720	126	1975	2000	36	2000	11
15	Continental Colony	8.7	81,360	432	188	1963	2011	48	2011	0
16	Cook	2.6	85,856	522	164	2000		11	2000	11
17	Deerwood Academy	21.0	82,261	648	127	2004		7	2004	7
18	Dobbs	19.6	86,300	648	133	2003		8	2003	8
19	Dunbar	5.3	92,496	360	257	1969	2009	42	2009	2
20	East Lake	2.7	79,378	414	192	1949	1994	62	1994	17
21	Fain	8.0	83,782	504	166	1987		24	1987	24
22	Fickett	12.0	78,341	648	121	1972	1994	39	1994	17
23	Finch	3.8	94,423	684	138	2005		6	2005	6
24	Garden Hills	8.0	80,566	558	144	1938	2003	73	2003	8
25	Gideons	4.5	75,323	594	127	1958	2000	53	2000	11
26	Grove Park	7.0	83,808	522	161	1967	2000	44	2000	11
27	Heritage Academy	7.0	80,997	612	132	2002		9	2002	9
28	Herndon	6.5	85,046	576	148	2002		9	2002	9
29	Hope	2.4	57,369	504	114	2002		9	2002	9
30	Humphries	8.2	65,274	468	139	1940	1998	71	1998	13
31	Hutchinson	8.5	67,953	594	114	1956	1994	55	1994	17
32	Jackson	12.5	97,041	612	159	1967	1994	44	1994	17
33	Jackson Primary	7.2	48,666	360	135	1959	2008	52	2008	3
34	Jones, M. A.	7.5	90,848	630	144	2005		6	2005	6
35	Kimberly	7.2	73,316	594	123	1958	1999	53	1999	12
36	Lin, Mary	2.3	60,414	432	140	1930	1994	81	1994	17
37	Miles	15.0	82,014	648	127	2003		8	2003	8
38	Morningside	5.2	105,847	648	163	1930	1994	81	1994	17
39	Parkside	8.3	78,671	558	141	2001		10	2001	10
40	Perkerson	9.0	79,517	504	158	1994		17	1994	17
41	Peyton Forest	25.0	66,236	450	147	1968	1999	43	1999	12
42	Rivers	8.0	81,721	432	189	1950	1999	61	1999	12
43	Scott	8.0	77,536	576	135	1951	2002	60	2002	9
44	Slater	13.0	79,342	576	138	1952	2002	59	2002	9
45	Smith, Sarah	10.3	66,582	540	123	1952	1994	59	1994	17
46	Smith Intermediate	6.2	78,400	540	145	2009		2	2009	2
47	Springdale Park	5.5	63,650	450	141	2009		2	2009	2

ATLANTA INDEPENDENT SCHOOL SYSTEM
SCHOOL BUILDINGS, ACREAGE, AND CAPACITY
JUNE 30, 2012
Schedule 14

School Acreage, Square Footage, Planning Capacity, Area per Student, Effective Age

Elementary Schools		Acres	Sq.Ft.	Planning Capacity	SF per Student	Original Construction	Renovation	Actual Age (2011 basis)	Effective Age Basis	Effective Age (2011 basis)
48	Stanton, D. H.	6.0	75,674	594	127	1959	2000	52	2000	11
49	Stanton, F. L.	5.2	62,930	306	206	1928	2000	83	2000	11
50	Thomasville Heights	11.2	89,475	684	131	1971	2001	40	2001	10
51	Toomer	10.6	66,593	504	132	1967	1998	44	1998	13
52	Towns	8.9	68,766	486	141	1963	2000	48	2000	11
53	Usher	14.0	90,570	648	140	1969	2003	42	2003	8
54	Venetian Hills	9.3	60,313	432	140	1954	1994	57	1994	17
55	West Manor	10.8	42,474	288	147	1956	2000	55	2000	11
56	White	8.0	63,603	540	118	1964	1999	47	1999	12
57	Whitefoord	2.3	62,712	468	134	1928	1994	83	1994	17
58	Woodson	4.1	86,596	486	178	1971	1998	40	1998	13
Elementary School Totals		**478.5**	**4,370,482**	**30,420**	**146**	**1971**		**40**	**2,000**	**11**
Middle Schools		**Acres**	**Sq.Ft.**	**Planning Capacity**	**SF per Student**	**Original Construction**	**Renovation**	**Actual Age (2011 basis)**	**Effective Age Basis**	**Effective Age (2011 basis)**
1	Brown	15.6	153,243	1,014	151	1928	2001	83	2001	10
2	Bunche	42.3	134,185	884	152	1979	2001	32	2001	10
3	Coan	16.1	167,169	1,066	157	1967	2003	44	2003	8
4	Harper-Archer	18.1	229,745	1,144	201	1963	2002	48	2002	9
5	Inman	4.2	134,042	910	147	1923	2005	88	2005	6
6	Kennedy	5.0	228,028	1,066	214	1970	2004	41	2004	7
7	King M.L.	6.5	192,300	1,040	185	1973	2003	38	2003	8
8	Long	15.6	141,210	936	151	1958	2006	53	2006	5
9	Parks	5.8	79,440	650	122	1966	1996	45	1996	15
10	Price	19.0	152,791	1,014	151	1954	2002	57	2002	9
11	Sutton	12.5	144,737	1,040	139	1960	2006	51	2006	5
12	Sylvan	13.0	130,780	936	140	1949		62	1949	62
13	Young	15.0	158,377	1,014	156	1951	2009	60	2009	2
Middle School Totals		**188.7**	**2,046,047**	**12,714**	**159**	**1957**		**54**	**1999**	**12**
High Schools		**Acres**	**Sq.Ft.**	**Planning Capacity**	**SF per Student**	**Original Construction**	**Renovation**	**Actual Age (2011 basis)**	**Effective Age Basis**	**Effective Age (2011 basis)**
1	BEST	15.1	233,421	1,400	167	2009		2	2009	2
2	Carver	35.4	271,429	1,586	171	1920	2005	91	2005	6
3	Crim	17.9	203,949	962	212	1940	2007	71	2007	4
4	Douglass	32.0	336,101	2,028	166	1968	2004	43	2004	7
5	Forrest Hill	5.8	69,254	780	89	2008		3	2008	3
6	Grady	19.5	274,560	1,326	207	1924	2005	87	2005	6
7	Jackson, Maynard	25.0	314,251	1,690	186	1985		26	1985	26
8	King, C.S.	27.2	264,874	1,400	189	2009		2	2009	2
9	Mays	70.4	339,758	1,600	212	1981	2011	30	2011	0
10	North Atlanta	17.5	280,032	1,340	209	1951	2011	60	2011	0
11	South Atlanta	50.2	277,779	1,560	178	1973	2008	38	2008	3
12	Therrell	35.2	261,273	1,200	218	1960	2011	51	2011	0
13	Washington	21.1	261,269	1,690	155	1924	2005	87	2005	6
High School Totals		**372.3**	**3,387,950**	**18,562**	**181**	**1966**		**45**	**2006**	**5**

ATLANTA INDEPENDENT SCHOOL SYSTEM
DEMOGRAPHIC STATISTICS
LAST TEN FISCAL YEARS
Schedule 15

Fiscal Year Ended [1]	Population	Personal Income (thousands of dollars)	Per Capita Personal Income	Median Age	School Enrollment	Unemployment Rate
December 31, 2003	432,900	$ 153,070	$ 32,739	34.0	53,485	7.7%
December 31, 2004	434,900	162,297	33,838	33.8	51,358	7.4%
December 31, 2005	442,100	173,159	34,825	34.7	50,188	5.9%
June 30, 2006	451,600	184,186	35,846	34.7	49,924	5.3%
June 30, 2007	451,600	184,186	35,846	34.7	49,707	4.5%
June 30, 2008	461,956	196,683	36,309	32.0	51,377	5.9%
June 30, 2009	477,300	198,580	37,744	35.0	48,093	10.3%
June 30, 2010	480,700	206,462	38,336	35.0	48,696	10.0%
June 30, 2011	420,003	203,137	37,101	34.0	49,874	10.5%
June 30, 2012	432,427	202,577	38,321	32.9	49,474	8.9%

Sources: **1 Statistical section of the City of Atlanta, Georgia 2012 Comprehensive Annual Financial Report For the Fiscal Year Ended June 30, 2012.**

Note: **1 The City of Atlanta changed from a December 31 calendar year to a June 30 fiscal year in 2006.**

ATLANTA INDEPENDENT SCHOOL SYSTEM
PRINCIPAL EMPLOYERS
JUNE 30, 2012 AND NINE YEARS AGO
Schedule 16

		2012	
Employer	**Type Of Business**	**Employees**	**Percentage of Total City Employment**
Delta Air Lines, Inc	Transportation	3,678	1.87%
The Coca-Cola Company	Marketing and Manufacturing	3,670	1.87%
International Business Machine Corp.	Technology Services	3,561	1.81%
Turner Broadcasting System, Inc.	Media/Entertainment	2,090	1.06%
Cable News Network, Inc.	Media	1,884	0.96%
AT & T Services Inc.	Telecommunication	1,845	0.94%
Air Service Corp	Transportation	1,733	0.88%
Accenture LLP	Consulting	1,725	0.88%
Allied Barton Security Systems	Security Services	1,465	0.74%
Tenet Health System, Inc.	Healthcare	1,166	0.59%
Total		**22,817**	**11.60%**

		2003	
Employer	**Type Of Business**	**Employees**	**Percentage of Total City Employment**
International Business Machine Corp.	Technology Services	3,683	1.90%
Georgia-Pacific Corporation	Pulp and Paper Manufacturing	3,352	1.73%
Efficiency Plus Consultants	Consulting	3,200	1.65%
The Coca-Cola Company	Marketing and Manufacturing	3,095	1.60%
Cable News Network, Inc.	Media	2,087	1.08%
Atlanta Journal and Constitution	Media	1,664	0.86%
Tenet Health System, Inc.	Healthcare	1,400	0.72%
Turner Entertainment Networks	Entertainment	1,029	0.53%
Turner Broadcasting System, Inc.	Media/Entertainment	912	0.47%
Skanska USA Building, Inc	Construction-related Services	793	0.41%
Total		**21,215**	**10.95%**

Source: 2012 - Statistical section of the City of Atlanta, Georgia 2012 Comprehensive Annual Financial Report For the Fiscal Year Ended June 30, 2012.

2003 -Statistical section of the City of Atlanta, Georgia 2011 Comprehensive Annual Financial Report For the Fiscal Year Ended June 30, 2011.

ATLANTA INDEPENDENT SCHOOL SYSTEM
GENERAL FUND PER PUPIL COST
LAST TEN FISCAL YEARS
Schedule 17

Fiscal Year	Expenditures [1]	Active Enrollment [2]	Cost Per Pupil Enrolled	Average Daily Attendance [3]	Cost Per Pupil Attended
2003	$ 517,196	54,946	$ 9,413	52,398	$ 9,871
2004	533,269	52,103	10,235	49,565	10,759
2005	502,432	51,377	9,779	49,138	10,225
2006	509,458	50,631	10,062	44,534	11,440
2007	536,734	50,631	10,601	48,720	11,017
2008	591,778	49,991	11,838	44,935	13,170
2009	618,667	49,032	12,618	51,449	12,025
2010	630,734	48,909	12,896	52,368	12,044
2011	610,014	49,796	12,250	52,925	11,526
2012	604,635	50,009	12,091	47,192	12,812

Sources: **1 Atlanta Independent School System General Fund Expenditures by Function schedule for fiscal year ended June 30, 2012 ; (amounts expressed in thousands).**

2 GA Department of Education, Enrollment by Grade report, based on the October count of each fiscal year.

3 Average daily attendance figures from the APS Attendance/Membership Summary Report as of June 30 of each fiscal year.

ATLANTA INDEPENDENT SCHOOL SYSTEM
SCHOOL BREAKFAST PROGRAM
LAST TEN FISCAL YEARS
MEALS SERVED
Schedule 18

Fiscal Year	Total	Free	Reduced	Paid
2003	3,022,747	2,744,137	71,277	207,333
2004	3,249,614	2,935,318	72,924	241,372
2005	2,788,851	2,499,934	83,064	205,853
2006	2,707,493	2,435,219	85,014	187,260
2007	2,782,559	2,490,514	105,082	186,963
2008	2,854,746	2,597,420	85,533	171,793
2009	2,884,599	2,634,544	78,887	171,168
2010	3,077,775	2,822,180	77,739	177,856
2011	3,499,392	3,173,080	78,260	248,052
2012	3,869,946	3,487,626	86,082	296,238

Source: **Nutrition Department of APS**

ATLANTA INDEPENDENT SCHOOL SYSTEM
SCHOOL LUNCH PROGRAM
LAST TEN FISCAL YEARS
MEALS SERVED
Schedule 19

Fiscal Year	Total	Free	Reduced	Paid
2003	6,834,927	5,720,433	260,505	853,989
2004	6,597,114	5,420,054	230,992	946,068
2005	6,040,086	4,929,194	283,294	827,598
2006	5,980,314	4,924,894	289,292	766,128
2007	5,938,199	4,886,222	314,070	737,907
2008	5,894,475	4,943,800	272,290	678,385
2009	5,919,633	4,961,606	252,189	705,838
2010	5,835,665	4,968,698	223,230	643,737
2011	5,840,231	5,032,509	168,063	639,659
2012	5,803,075	5,043,598	158,924	600,553

Source: **Nutrition Department of APS**

ATLANTA INDEPENDENT SCHOOL SYSTEM
NUMBER OF SCHOOLS
LAST TEN FISCAL YEARS
Schedule 20

Fiscal Year	Total	Elementary	Middle	High
2003	89	63	16	10
2004	89	63	16	10
2005	85	59	16	10
2006	89	59	16	14
2007	94	58	16	20
2008	93	57	17	19
2009	95	57	19	19
2010	96	55	18	23
2011	96	55	16	25
2012	100	58	18	24

Source: **Atlanta Public Schools - General Fund and Special Revenue Budget book- Fast Facts**

ATLANTA INDEPENDENT SCHOOL SYSTEM
ENROLLMENT BY GRADE LEVEL
LAST TEN FISCAL YEARS
Schedule 21

Grade Level	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
PK	775	788	841	805	858	890	885	965	991	1,111
KK	4,618	4,481	4,562	4,762	4,758	4,476	4,351	4,501	4,598	4,795
Grade 1	4,723	4,503	4,530	4,501	4,739	4,711	4,503	4,377	4,601	4,609
Grade 2	4,605	4,319	4,290	4,284	4,348	4,545	4,543	4,431	4,248	4,379
Grade 3	5,011	4,383	4,351	4,264	4,286	4,330	4,337	4,431	4,481	4,269
Grade 4	4,742	4,392	3,930	4,086	3,992	4,065	4,040	4,168	4,221	4,266
Grade 5	4,636	4,393	4,261	3,921	3,948	3,874	3,903	3,904	4,177	4,172
Grade 6	4,307	3,898	3,979	3,807	3,526	3,509	3,314	3,451	3,623	3,563
Grade 7	4,161	3,998	3,757	3,794	3,622	3,309	3,347	3,204	3,490	3,503
Grade 8	4,014	3,828	3,815	3,597	3,739	3,580	3,190	3,303	3,242	3,465
Grade 9	4,456	4,131	4,253	4,332	4,073	4,204	4,309	4,420	4,412	4,475
Grade 10	3,458	3,352	3,380	3,268	3,291	3,197	2,948	2,873	2,982	3,003
Grade 11	3,099	2,999	2,885	2,925	2,900	2,854	2,893	2,354	2,299	2,352
Grade 12	2,341	2,638	2,543	2,424	2,551	2,447	2,469	2,527	2,431	2,047
Totals	54,946	52,103	51,377	50,770	50,631	49,991	49,032	48,909	49,796	50,009

Source: **GA Department of Education, Enrollment by Grade report, based on the October count of each fiscal year.**

ATLANTA INDEPENDENT SCHOOL SYSTEM
EMPLOYEES BY FUNCTION
FOR THE LAST TEN FISCAL YEARS
Schedule 22

Function	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Instruction	6,154	5,887	5,464	5,300	5,212	5,298	5,137	5,170	4,892	4,743
Pupil Services	381	381	386	335	297	341	365	348	350	303
Improvement of Instructional Services	166	93	110	97	272	265	303	327	314	387
Educational Media Services	130	128	123	122	127	126	124	121	123	118
General Administration	91	63	64	65	46	47	68	79	84	57
School Administration	483	470	453	443	429	453	449	434	438	431
Business Administration	89	87	91	75	159	162	189	188	199	187
Maintenance and Operations	813	802	733	639	564	540	632	628	630	667
Student Transportation Services	414	425	415	412	425	421	424	439	446	431
Central Services	248	198	174	168	132	136	129	128	136	132
Other Supporting Services	104	52	55	56	52	79	81	86	93	180
Nutrition Operations	631	370	218	175	154	143	136	122	119	108
Facilities, Acquisition, and Construction	7	6	5	3	0	0	1	1	2	2
Totals	9,711	8,962	8,291	7,890	7,869	8,011	8,038	8,071	7,826	7,746

Source: **Information Technology Department of APS**