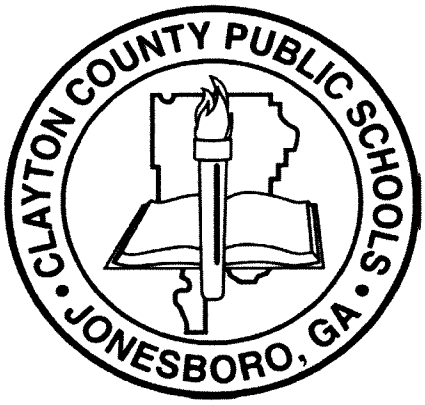
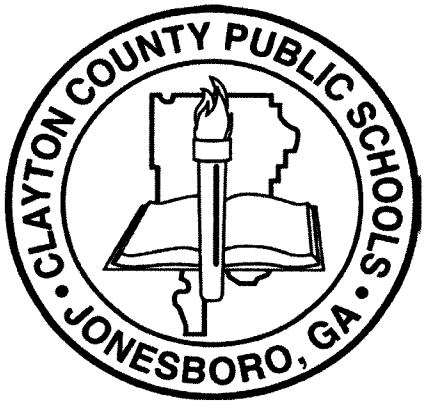


Comprehensive Annual Financial Report

Fiscal Year Ended June 30, 2010

1058 Fifth Avenue · Jonesboro, Georgia 30236



Comprehensive Annual Financial Report

Fiscal Year Ended June 30, 2010

Prepared by:
Division of Business Services

1058 Fifth Avenue · Jonesboro, Georgia 30236

Clayton County Board of Education
Comprehensive Annual Financial Report
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Clayton County
Public Schools

Clayton County Public Schools
Business Services

1058 Fifth Avenue • Jonesboro, Georgia 30236 (770) 473-2700 • FAX (770) 473-2722

EDMOND T. HEATLEY, Ed.D.
Superintendent of Schools

May 27, 2011

Clayton County Board of Education
Jonesboro, Georgia

The Comprehensive Annual Financial Report (CAFR) of the Clayton County Board of Education (Board) for the fiscal year ended June 30, 2010 is submitted herewith. This report was prepared by the Business Services Division. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education.

We believe the data, as presented, is accurate in all material aspects. We believe that it is presented in a manner designed to fairly set forth the financial position and results of operations of the Board of Education as measured overall and by the financial activity of its various funds. The data includes all disclosures and required supplementary information necessary to enable the reader to gain the maximum understanding of the Board's financial activity.

Readers of this report are encouraged to consider the information presented here in conjunction with additional information presented in Management's Discussion and Analysis beginning on page 3 of this report.

The Board's History and Services

Clayton County, Georgia was created by an act of the State Legislature on November 30, 1858. It was named for the Honorable Augustin S. Clayton (1783-1839), a judge of the Western Circuit of Georgia, a member of the legislature and of Congress. The City of Jonesboro is the county seat and was originally called "Leaksville". The State of Georgia granted a charter for the Leaksville Academy on December 22, 1823 and Mr. Allen D. Candler organized the Clayton High School around the year 1858.

Georgia had no regularly organized system of common schools supported by public taxation before the War Between the States, although unsuccessful efforts were made in 1845 and again in 1856 to inaugurate such a program. The first real school organization came about as a result of an act on October 13, 1870.

The Clayton County School System operated from 1870-1890 under the supervision of a County Commission of Education. Data indicates that the Clayton County School System as it is known today was formally established by an act of the State Legislature at Jonesboro on September 21, 1891. A tax was levied on taxable property in the amount

of 7 ½ mills. A Board of Education composed of nine members was authorized and provision was made to receive a pro-rata share of county funds for schools.

Today the nine-member elected Board of Education has full authority to control and manage the schools within Clayton County. Clayton County Public Schools is the fifth largest school system in the State of Georgia with approximately 50,000 students currently enrolled in 36 elementary schools, 14 middle schools, 9 high schools and 4 special entity facilities for the current budget year of 2009-10. The district has also approved two charter schools within the county, the Elite Scholars Charter School serving students in sixth through eighth grade and the Unidos Dual Language Charter School serving students in grades kindergarten through fifth grade.

The Board provides all basic services required by state law and policies of the State Board of Education and State Department of Education. These services include: preschool for three and four-year old handicapped students, regular preschool for four-year olds students, regular and special education instructional programs at the elementary (kindergarten through 5th grade), middle (6th through 8th grade), and secondary (9th through 12th grade) levels. Additional services include programs for Career Technical Education in partnership with post-secondary institutions in the area as well as joint enrollment opportunities for high school students with Clayton State University.

Economic Condition and Outlook

Clayton County is part of the Metropolitan Atlanta Area. The County is south of the City of Atlanta. Hartsfield-Jackson Atlanta International Airport is within the boundaries of Clayton County and as the country's largest passenger airport and the second largest cargo facility in the world, Hartsfield is one of the primary revenue sources in the county. Because of this location, the school district is impacted by the economy of the airport and the airline industry. Four of the School System's largest taxpayers have business directly related to operations at the airport.

During FY2010, the recession continued to impact the School System's major revenue sources. Both property tax revenues and state funding through the "Quality Basic Education" Act funding have been impacted by the economy. The mortgage industry crisis brought about a significant decline in property values. The overall tax base for the county decreased by approximately $1.2 billion. Additionally, the county recognized reduced tax revenue from the relocation of the car rental sites from Clayton County to Fulton County which negatively impacted the amount of local revenue received by approximately $5 million in FY 2010. Because of the economy, the Governor has made numerous austerity reductions in state funding. In FY2010, the School System's state funding was reduced by $28.1 million.

In addition to private industry, the county is also home to a military facility that is scheduled to be closed in 2011. Plans for the revitalization of the Fort Gillem property are underway with the hope that this will bring new economic opportunities to the county.

Several cities within the county are pursuing livable community grants and access to funding through the formation of tax allocation districts in an attempt to breathe new life into certain areas of the county, especially on the northern end that abuts Fulton County and the City of Atlanta.

Major Initiatives

During fiscal year 2009, the Board revised its vision, mission and beliefs of the school system. The process involved principals, central office administrators, the superintendent's cabinet and the community. After several months of discussion and review, the Board adopted the revised Mission, Vision and Beliefs in July, 2010.

Mission
The mission of Clayton County Public Schools is to be accountable for providing a globally competitive education that empowers students to achieve academic and personal goals and to become productive, responsible citizens.

Vision
The vision of Clayton County Public Schools is to be a district of excellence preparing ALL students to successfully compete in a global economy.

Beliefs

- Education is the shared responsibility of the home, the school, and the community.
- An involved parent will enhance the educational experience of every child.
- Communication and understanding among all stakeholders of our diverse community are essential to achieving the goals of education.
- Learning is most productive when the needs of each child are met through instruction provided by competent teachers.
- We believe that learning is a continuous process.
- A learning environment where children experience security, care, dignity, and respect is essential.
- We believe that children have first priority on all of our resources.
- Children must accept responsibility for their learning and improvement of their future.

In April 2009, Dr. Valya Lee was appointed Interim Superintendent while a search began to locate a candidate for the permanent position. In July, 2009, Dr. Edmond T. Heatley was named the new superintendent of Clayton County Public Schools.

Accounting System

Internal Controls

In developing and evaluating the Board of Education's accounting system, consideration is given to the adequacy of internal controls. Internal accounting controls are designed to provide assurance within reasonable constraints:

- the safeguarding of assets and gains and loss from unauthorized use and/or disposition
- the reliability of financial records for preparing financial statements and maintaining accountability for assets.

Budgetary Controls

An annual budget is prepared in accordance with state law. Budgetary control is maintained at the fund level by encumbrance accounting.

The budget process is comprised of five phases – planning, preparation, adoption, implementation and evaluation. These phases ensure adequate administration and control of all Board funds. To maintain compliance with Board budget policies and State of Georgia law, a budget development calendar is adopted by the Board of Education in September of each year. The calendar outlines the budget development process for the next fiscal year.

The budget process is inclusion of central level and school level staff as well as a citizen's budget committee. Work sessions with the Board and public hearings are held prior to the adoption of the budget in June of each year.

Single Audit

As a recipient of federal financial assistance, the Board is responsible for ensuring that adequate internal controls are in place to ensure compliance with applicable laws and regulations related to these programs. These internal controls are subject to periodic evaluation by the Board's management.

Cash Management

The Board is authorized by state statutes to invest in obligations of the U.S. Treasury agencies and instrumentalities, repurchase agreements, bank certificates of deposit, and the Georgia Fund 1 administered by the State of Georgia. Board policies and procedures with regard to cash and investments provide guidelines for the daily operations in the cash and investment area. The Chief Financial Officer acts as the investment officer for the Board.

Independent Audit

The Clayton County Board of Education and the State of Georgia requires an annual audit of its financial statements by independent certified public accountants. The firm of Mauldin and Jenkins is the current accounting firm under contract with the Board to perform this function. The Independent Auditor's Report on the Basic Financial Statements is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the Single Audit section.

Financial Reporting Awards

For the three consecutive periods ending June 30, 2007, June 30, 2008, and June 30, 2009, the Clayton County Public School System submitted its comprehensive annual financial report (CAFR) for review by the Association of School Business Officials (ASBO) for consideration in the Certificate of Excellence in Financial Reporting Program. With great pride, the Clayton County Public School System received the ASBO Certificate of Excellence for each financial reporting period. The receipt of this award confirmed that the reports substantially conform to the principles and standards of financial reporting as recommended and adopted by the Association of School Business Officials International. The award was granted only after an extensive review of financial reports by an expert panel of certified public accountants and practicing school business officials. We believe that the CAFR for the current year ending June 30, 2010 also conforms to the exact same principles and standards.

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Clayton County Public Schools for its comprehensive annual financial report for the fiscal year ended June 30, 2009. This was the first year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

Acknowledgements

We wish to express our appreciation to the Business Services Division staff members whose dedicated efforts have enabled this report to be prepared.

Respectfully submitted,

Edmond T. Heatley, Ph.D.
Superintendent

ASSOCIATION OF SCHOOL BUSINESS OFFICIALS INTERNATIONAL

This Certificate of Excellence in Financial Reporting is presented to

CLAYTON COUNTY PUBLIC SCHOOLS

For its Comprehensive Annual Financial Report (CAFR)
For the Fiscal Year Ended June 30, 2009

Upon recommendation of the Association's Panel of Review which has judged that the Report substantially conforms to principles and standards of ASBO's Certificate of Excellence Program

Erin Green

President

John D. Musso

Executive Director

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Clayton County Public Schools

Georgia

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2009

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.



President

Executive Director

Clayton County Board of Education
Function and Composition

All matters relating to education and operation of the Clayton County Board of Education schools are governed and controlled by the Board of Education (Board), as provided by Georgia Law.

The Board has the responsibility to maintain a reasonably uniform system of public schools providing quality education for all young people of Clayton County. With the advice of the Superintendent, it must determine the policies and prescribe the rules and regulations for the management of the school system.

The Board holds a work session and a regular public meeting once a month to conduct normal business. Additional called meetings are sometimes necessary for a specific purpose.

The Board is composed of nine members who are elected on a district basis. Each member resides within one of the nine voting districts.

The Board elects a Chairperson for a two year term and a Vice Chairperson for a one year term from its members.

As of January 1, 2009 the members of the Board and years of expiration of their terms are as follows:

TITLE	NAME	TERM EXPIRES
Chairperson	Dr. Alieka Anderson	12-31-2010
Vice Chairperson	Ms. Ophelia Burroughs	12-31-2012
Board Member	Dr. Pam Adamson	12-31-2010
Board Member	Ms. Mary Baker	12-31-2012
Board Member	Mr. Charlton Bivins	12-31-2010
Board Member	Ms. Trinia Garrett	12-31-2012
Board Member	Ms. Jessie Goree	12-31-2012
Board Member	Mr. Michael King	12-31-2010
Board Member	Ms. Wanda Smith	12-31-2012

MISSION STATEMENT

To provide a safe and supportive environment that promotes the highest quality education for each child.

Clayton County Board of Education
Elected Officials
and
Superintendent of Schools



Chairperson
Dr. Alieka Anderson



Vice Chairperson
Ophelia Burroughs



Dr. Pam Adamson



Mary Baker



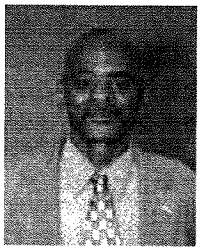
Charlton Bivins



Trinia Garrett



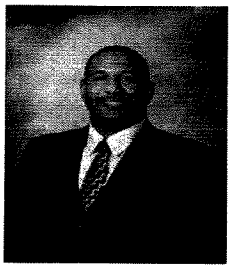
Jessie Goree



Michael King



Wanda Smith



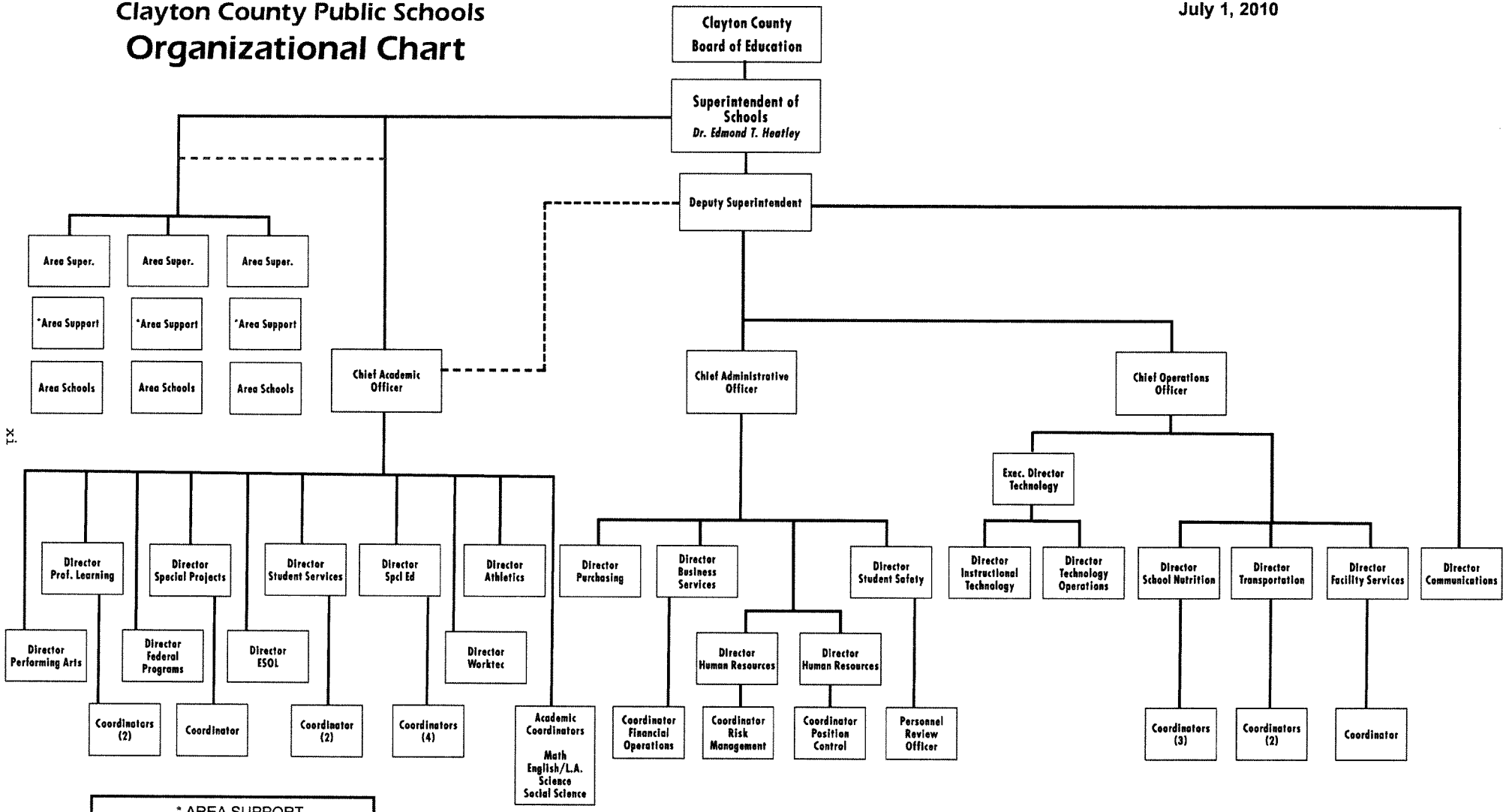
Superintendent
Edmond T. Heatley, Ph.D

Clayton County Public Schools
Executive Staff

Superintendent's Office	
Dr. Edmond Heatley	Superintendent
Dr. Stefanie Phillips	Deputy Superintendent
Mr. Charles White	Director Communication
Assistant Superintendents	
Ms. Susan Patrick	Area 1
Dr. Anthony Smith	Area 2
Dr. Janice Davis	Area 3
Division of Teaching & Learning	
Dr. Diana Carry	Chief Academic Officer
Dr. Mildred McCoy	Director Professional Learning
Mr. William Greene	Executive Director Perry Learning Center
Ms. Katrina Thompson	Director Federal, State, Local Programs
Ms. Kay Sledge	Director Fine Arts, Magnet Schools, Accreditation
Dr. Chantel Normil	Director English as Second Language
Ms. Betty Jones	Director Vocational Education
Mr. Bob Brannon	Director of Athletics
Ms. Delphia Young	Director of Special Projects
Dr. John Staten	Director Worktec
Division of Student Services	
Ms. Tamera Foley	Director Student Services
Ms. Amanda Scott-Kaigler	Director Elementary Exceptional Students
Dr. Susan Funderburk	Director Ash Street/South Metro
Division of Information	
Dr. Angie Bacon	Executive Director of Technology
Mr. Anthony Rogers	Director Technology Operations
Ms. Lisa Young	Director Instructional Technology
Division of Human Resources	
Dr. Doug Hendrix	Chief Administrative Officer
Dr. Morris Blasingame	Director Human Resources
Dr. Damaris Garrett	Director Human Resources
Mr. John Walker	Director Student Safety
Division of Budgets & Finance	
Vacant	Chief Financial Officer
Ms. Ramona Thurman	Director Budgets & Grants
Ms. Lonita Collier	Director Purchasing and Risk Management
Division of Operations	
Dr. Cephus Jackson	Chief Operations Officer
Ms. Audrey Hamilton	Director Nutrition Services
Mr. John Lyles	Director Transportation

Clayton County Public Schools
Organizational Chart

July 1, 2010



* AREA SUPPORT

Instructional Implementation Specialist
Data Analyst
Instructional Facilitators - Math (3)
Instructional Facilitators - English/L.A. (3)
Special Ed Coordinator
Supervising Health Care Professional (2)

Updated 8-2-10

Financial Section

Clayton County
Public Schools

MAULDIN & JENKINS
CERTIFIED PUBLIC ACCOUNTANTS, LLC

INDEPENDENT AUDITOR'S REPORT

To the Superintendent and Members of the
Clayton County Board of Education
Jonesboro, 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 **Clayton County Board of Education** as of and for the year ended June 30, 2010, which collectively comprise Clayton County Board of Education's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Clayton County Board of Education'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 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 above 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 Clayton County Board of Education as of June 30, 2010, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 26, 2011 on our consideration of the Clayton County Board of Education's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The Management's Discussion and Analysis (on pages 3 through 14) is not a required part of the basic financial statements, but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Clayton County Board of Education's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements of the Clayton County Board of Education. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U. S. Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements of the Clayton County Board of Education. The combining and individual nonmajor fund financial statements and schedules and the schedule of expenditures of federal awards have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly presented in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Mauldin & Jenkins, LLC

Macon, Georgia
May 26, 2011

Management's Discussion and Analysis

Clayton County
Public Schools

Management's Discussion and Analysis

This section of Clayton County Board of Education's (the Board's) annual financial report presents its discussion and analysis of the Board's financial performance during the fiscal year ended June 30, 2010. The intent of this discussion and analysis is to examine the Board's financial performance as a whole. Readers should also review the financial statements and notes to the basic financial statements to enhance their understanding of the Board's financial condition.

The reporting model is a combination of both government-wide financial statements and fund financial statements. The basic financial statements contain three components:

1. Government-wide financial statements including the Statement of Net Assets and the Statement of Activities which provide a broad, long-term view of the Board's finances.
2. Fund financial statements including the balance sheets that provide a greater level of detail and focus on how well the Board has performed in the short term in the most significant or major funds.
3. Notes to the financial statements.

This report presents the financial highlights for the year ended June 30, 2010 and other supplementary information.

As with other sections of this financial report, the information contained with this MD&A should be considered only a part of a greater whole. The reader of this analysis should take the time to read and evaluate all sections of the report, including the notes to the financial statements.

Financial Highlights

Key financial highlights for fiscal year 2010 are as follows:

❖ On the government-wide financial statements:

- The assets of the Clayton County Board of Education (Board) exceeded its liabilities at the fiscal year ended June 30, 2010 by $616.3 million. Of this amount, $23.9 million was unrestricted net assets and available to meet the Board's ongoing obligations.
- The Board's net assets of its governmental activities increased by $36 million. This increase is primarily the result of a net increase in capital assets. The Board experienced an increase of $54.9 million in net capital assets in its governmental activities. This is the amount by which capital outlays exceeded depreciation in the current period. In addition, the fund balance amount of the total governmental funds decreased $19.6 million.

- Program revenues of the governmental activities accounted for $266.5 million, or 53.9 % of the $494.5 million in total revenues of the governmental activities. General revenues of the governmental activities accounted for $228.5 million, or 46.2% of the total.
- The Board reported $458.9 million in expenses for the governmental activities. $266.5 million were offset by program specific grants, charges for services or contributions. General revenues, primarily property taxes and sales taxes were used to provide for the remaining expenses of these programs.
- The net assets of the Board's business-type activities decreased $1.4 million. The Board has two business-type funds reported. The first is the school nutrition program and the second is the Performing Arts Center. Total expenses for food service activities were $28.8 million, while expenses of the Performing Arts Center were $352,312. Program revenues, operating grants and contributions, and capital contributions for these business type activities totaled $27.6 million. This revenue, along with general revenues of interest earnings in the amount of $14,188 resulted in the decrease in net assets referenced above of $1.4 million.
- The General Fund (the primary operating fund), presented on a current financial resources basis, ended the year with a fund balance of $15,660,602, a decrease of $21,355,296 from June 30, 2009.
- The Capital Projects Fund ended the year with a fund balance of $76,436,913, an increase of $1,266,414.
- The Board decreased its outstanding long-term indebtedness by $569,121.

Overview of the Financial Statements

This annual report consists of three parts: management's discussion and analysis (this section), the basic financial statements, and required supplementary information. The basic financial statements include two kinds of statements that present different views of the Board:

- The first two statements are government-wide financial statements that provide both short-term and long-term information about the Board's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the Board, reporting the Board's operations in more detail than the government-wide statements.
  - ❖ The governmental funds statements tell how basic services such as instruction and instructional support services were financed in the short term as well as what remains for future spending.
  - ❖ Proprietary fund statements offer short and long-term financial information about the activities the Board operates like businesses, specifically the school nutrition program and the Performing Arts Center.

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the financial statements with a comparison of the Board's budget for the year.

Figure A-1 shows how the various parts of this annual report are arranged and related to one another.

Figure A-1
Organization of Clayton County Board of Education's Annual Financial Report

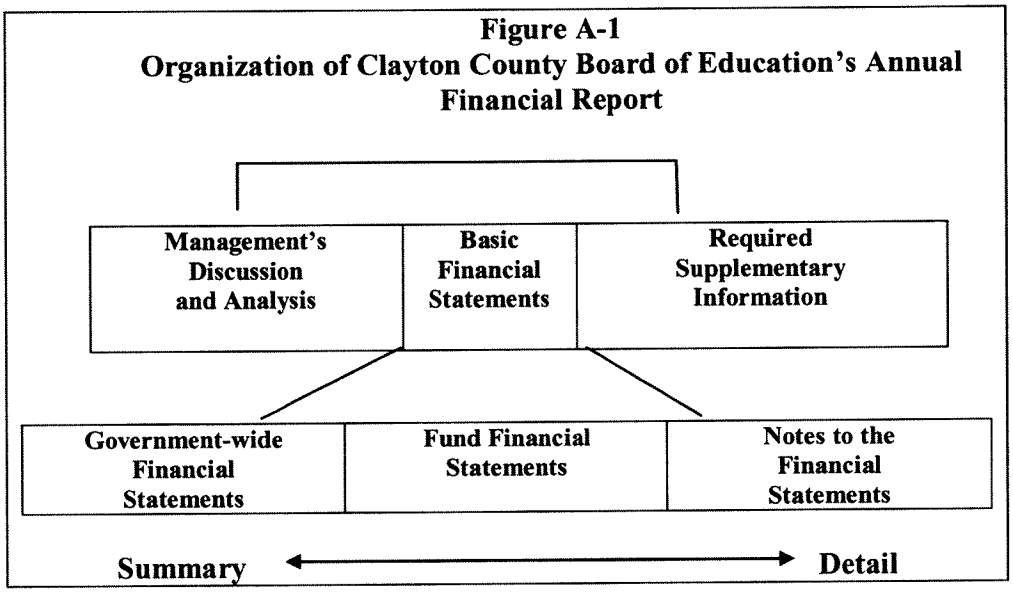


Figure A-2 summarizes the major features of the Board's financial statements, including the portion of the Board's activities they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis highlights the structure and contents of each of the statements.

	Government-wide Statements	Governmental Funds	Proprietary Funds
Scope	Entire Board (except fiduciary funds)	The activities of the Board that are not proprietary or fiduciary, such as instruction, school administration, and building maintenance	Activities the Board operates similar to private businesses: food services.
Required financial statements	• Statement of net assets • Statement of activities	• Balance sheet • Statement of revenues, expenditures, and changes in fund balance	• Statement of net assets • Statement of revenues, expenses, and changes in fund net assets • Statement of cash flows
Accounting Basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, short-term and long-term	Generally assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets and liabilities, both financial and capital, and short-term and long-term
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable	All revenues and expenses during the year, regardless of when cash is received or paid

Government-wide Statements

The government-wide statements report information about the Board as a whole using accounting methods similar to those used by private-sector companies. The statement of net assets includes all of the Board's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the Board's net assets and how they have changed. Net assets, the difference between the Board's assets and liabilities, are one way to measure the Board's financial health or position.

Over time, increases or decreases in the Board's net assets are an indication of whether its financial health is improving or deteriorating, respectively.

To assess the overall health of the Board, additional non-financial factors, such as changes in the property tax base, community support for education and student achievement should be considered.

The government-wide financial statements of the Board are divided into two categories:

- Governmental activities – All of the Board's basic services are included here, such as instruction and instructional support, administration, student transportation and maintenance and operation of facilities.
- Business type activities – The Board operates a food service operation and charges fees to staff, students and visitors to help cover the cost of the food service operation. The Board also operates a performing arts center that is accounted for as a business-type activity.

Fund Financial Statements

The Board's fund financial statements, which begin on page 18, provide detailed information about the most significant funds, not the Board as a whole.

Governmental funds – Most of the Board's activities are reported in governmental funds, which focus on the determination of financial position and change in financial position, not on income determination. They are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Board's operations and the services it provides. Governmental fund information helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance the Board's programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds is reconciled in the financial statements.

Proprietary funds – Services for which the Board charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the government-wide statements. The Board's *enterprise fund* (one type of proprietary fund) are the same as its business-type activities but provide more detail and additional information, such as cash flows. The Board uses *internal service funds* (the other kind of proprietary fund) to report activities that provide supplies and services for its other programs and activities. As of June 30, 2010, the Board's only internal service fund for the employee dental benefit program was closed.

Financial Analysis of the Board as a Whole

Table A-1, below, provides a summary of the Board's net assets for the year ended
June 30, 2010 compared to June 30, 2009

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

	Governmental Activities		Business-type Activities		Total		Percentage Change
	2010	2009	2010	2009	2010	2009	2009-2010
Current and other Assets	$ 166.1	$ 189.0	6.1	7.3	172.2	196.3	-12.3%
Net capital assets	509.7	454.7	6.3	6.7	516.0	461.4	11.8%
Total Assets	675.8	643.7	12.4	14.0	688.2	657.7	4.6%
Current and other liabilities	68.0	67.4	1.8	2.0	69.8	69.4	0.6%
Long-term liabilities	2.1	6.7	-	-	2.1	6.7	-68.7%
Total Liabilities	70.1	74.1	1.8	2.0	71.9	76.1	-5.5%
Net Assets							
Invested in capital assets net of related debt	509.7	454.7	6.3	6.7	516.0	461.4	11.8%
Restricted for Capital Projects	76.4	75.2	-	-	76.4	75.2	1.6%
Unrestricted	19.6	39.7	4.3	5.3	23.9	45.0	-46.9%
Total net assets	$ 605.7	$ 569.6	10.6	12.0	616.3	581.6	6.0%

The Board's combined nets assets increased by 6% to $616.3 million. Most of this improvement in the financial position came from governmental activities, the net assets of which grew by $36.1 million. The net assets of the Board's business –type activities decreased $1.4 million or 11.7%. The reasons for the increase in governmental activities is the result of the large capital program underway funded without debt through a Special Purpose Local Option Sales Tax (SPLOST) and capital outlay grants from the state of Georgia. The decrease in the business-type activities is attributed to the increased cost for school nutrition cafeteria operations.

The Board reported a restricted net asset amount of $76.4 million. This is an increase of 1.6% from the restricted amount reported as of June 30, 2009. The change is due to the increased activity in the capital projects fund and cash reserves being drawn down for the projects under way. The amount set aside as restricted in the governmental activities is related to net assets required by a third party or state law to be spent for a specific purpose.

Table A-2
Changes in Net Assets
Fiscal Year Ended June 30, 2010

Table A-2 takes the information from the Statement of Activities and presents it in a format that shows total revenues first and then expenses and the resulting increase in net assets.

Table A-2
Changes in Net Assets from Operating Results (in millions of dollars)

	Governmental Activities		Business-type Activities		Total		Percentage Change
	2010	2009	2010	2009	2010	2009	2009-2010
Revenues:							
Program revenues:							
Charges for services	$ 16.1	18.0	2.6	3.0	18.7	21.0	-11.0%
Operating grants and contributions	237.2	242.6	25.1	25.2	262.3	267.8	-2.1%
Capital grants and contributions	13.2	11.3	-	-	13.2	11.3	16.8%
General revenues:					-	-	
Property taxes	148.0	161.5	-	-	148.0	161.5	-8.4%
Sales taxes	53.7	49.1	-	-	53.7	49.1	9.4%
Other taxes	1.0	1.4	-	-	1.0	1.4	-28.6%
Non-program specific state and federal aid	20.9	26.9	-	-	20.9	26.9	-22.3%
Local school activity	4.2	5.4	-	-	4.2	5.4	-22.2%
Interest and investment earnings	0.4	1.8	-	-	0.4	1.8	-77.8%
Gain on Sale of Capital Assets	0.3	-	-	-	0.3	-	0.0%
Total Revenues	495.0	518.0	27.7	28.2	522.7	546.2	-4.3%
Expenses:							
Instruction	299.2	326.2	-	-	299.2	326.2	-8.3%
Pupil Services	16.4	16.7	-	-	16.4	16.7	-1.8%
Instructional services	23.2	25.5	-	-	23.2	25.5	-9.0%
Educational media services	7.8	7.8	-	-	7.8	7.8	0.0%
General administration	4.4	5.0	-	-	4.4	5.0	-12.0%
School administration	23.9	24.5	-	-	23.9	24.5	-2.4%
Business administration	2.8	3.5	-	-	2.8	3.5	-20.0%
Maintenance and operations	32.2	35.6	-	-	32.2	35.6	-9.6%
Pupil transportation	22.0	22.5	-	-	22.0	22.5	-2.2%
Support services-central	9.3	11.8	-	-	9.3	11.8	-21.2%
Other support services	5.5	4.4	-	-	5.5	4.4	25.0%
Non-instructional services	1.4	1.3	-	-	1.4	1.3	7.7%
Community services	10.8	12.0	-	-	10.8	12.0	-10.0%
Interest	-	-	-	-	-	-	
Food services	-	-	29.1	33.3	29.1	33.3	-12.6%
Total Expenses	458.9	496.8	29.1	33.3	488.0	530.1	-7.9%
Excess (deficiency) in net assets before transfers	36.1	21.2	(1.4)	(5.1)	34.7	16.1	115.5%
Transfers	-	0.1	-	(0.1)	-	-	
Net assets - beginning of year	569.6	548.3	12.0	17.2	581.6	565.5	
Net assets - end of year	$ 605.7	569.6	10.6	12.0	616.3	581.6	

Table A-2 on the previous page shows that revenues from governmental activities for 2010 were $495 million, while total expenses were $458.9 million. Governmental activities contributed $36.1 million to the total increase in net assets, while business-type net assets resulted in a decrease of $1.4 million in net assets.

Program revenues, in the form of charges for services, operating grants and contributions and capital grants and contributions decreased $5.9 million. This decrease was primarily the result of a decrease in state and federal grants received for instructional programs.

Property taxes comprise the largest percentage of the general revenues for the Board with 29.9% of total revenues coming from this source. The decrease of 8.4% from the previous year is due in large part to the declining value of the tax digest. Sales tax revenues generated by the Special Purpose Local Option Sales Tax (SPLOST) increased $4.6 million to a total of $53.7 million. Interest and investment earnings decreased by 77.8% as interest rates continued to decline over the course of the year.

Table A-3 summarizes the cost of the Board's activities into nine functional categories—Instruction; Pupil services, Instructional staff and Media services; General and Business Administration; School administration; Maintenance and operations; Pupil transportation; Central support; Interest expense; and Other. The table also shows each activity's *net cost* (total cost less fees generated by the activities and intergovernmental aid provided for specific programs). The net cost shows the financial burden placed on the Board's local taxpayers by each of these functions.

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

	Total Cost of Services		Percentage Change	Net Cost of Services		Percentage Change
	2010	2009	2009-2010	2010	2009	2009-2010
Instruction	$ 299.2	326.2	-8.3%	99.4	121.7	-18.3%
Pupil, Instructional and Media Services	47.4	50.0	-5.2%	23.8	25.6	-7.0%
General and Business Administration	7.2	8.5	-15.3%	4.2	5.8	-27.6%
School administration	23.9	24.5	-2.4%	14.5	15.7	-7.6%
Maintenance and operations	32.2	35.6	-9.6%	19.6	23.3	-15.9%
Pupil transportation	22.0	22.5	-2.2%	18.9	18.5	2.2%
Central Support and other support	14.8	16.2	-8.6%	12.3	13.7	-10.2%
Community Services and non-instructional	12.2	13.3	-8.3%	-0.3	0.5	-
Total Governmental Activities	$ 458.9	496.8	-7.6%	192.4	224.8	-14.4%
Less: Unrestricted federal and state aid:				20.9	26.8	-22.0%
Total needs from local taxes and other revenues:				$ 171.5	198	-13.4%

The total cost of governmental activities decreased 7.6%, while the net cost of services decreased 14.4%.

Business Type Activities

Revenues for the Board's business-type activities (school nutrition and performing arts center) were comprised of charges for services, federal and state reimbursements and investment earnings. (See Table A-2).

- Business type expenses exceeded revenues during the year for a decrease of $1.4 million in net assets.
- Charges for services represents $2.6 million of revenue. This represents amounts paid by students, teachers and other customers of the cafeteria operations and the performing arts center.
- Federal and state reimbursement for meals, including payments for free and reduced lunches, was $25.1 million.

The Statement of Revenues, Expenses and Changes in Fund Net Assets for these proprietary funds will further detail the actual results of operations.

Analysis of the Board's Funds

At June 30, 2010, the Board's governmental funds reported a combined fund balance of $97,530,075. This is a decrease of $19,600,467. The primary reason for this decrease is attributed to the General Fund which decreased by $21,355,296.

The fund balance of the General Fund was $15,660,602 at June 30, 2010. The Capital Projects ending fund balance was $76,436,913 while all other Governmental Funds had a total fund balance of $5,432,560 at June 30, 2010.

The fund balance of the General Fund declined significantly primarily because of the loss of approximately 3,500 students in FY2009 due to the loss of accreditation. Although the district regained its accreditation in FY2010, the loss of state QBE funding lingered through late spring of FY2010. This coupled with state budget cuts and the decline in property tax revenue significantly impacted the Board's fund balance.

The increase in the Capital Projects Funds is the result of the large capital program underway that is funded, through a Special Purpose Local Option Sales Tax (SPLOST) and capital outlay grants from the State of Georgia.

General Fund Budgeting Highlights

The Board's budget is prepared according to Georgia state law. The most significant budgeted fund is the General Operating Fund.

In accordance with GAAP, the Board amended its General Fund to reflect funding changes.

The total expenditures realized a positive variance of $18.4 million. This was due to overall budget reductions implemented by the Board to reduce expenditures. The Board took measures such as reducing the calendar days worked for its central office staff and imposed a large reduction in force.

The total revenue was under the total budget by $10.4 million. Local sources experienced a negative variance in the amount of $6.9 million primarily because of unbudgeted tax losses due to a decreased tax digest.

Capital Asset and Debt Administration

Capital Assets

At June 30, 2010, the Board had $515,978,704 invested in a broad range of capital assets, including land, buildings and furniture and equipment for its governmental activities. The Board is currently funding a five-year capital improvement program with revenue from a one-cent local option sales tax that was approved by the citizens of Clayton County in September, 2004. The maximum amount of collections approved by this referendum was $269.6 million. The sales tax revenue, along with state capital outlay grants will fund the program through 2010.

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

	Governmental Activities		Business-type Activities		Total		Total Percentage Change
	2010	2009	2010	2009	2010	2009	2009-2010
Land	$ 33.6	33.6	-	-	33.6	33.6	0.0%
Construction in progress	33.3	19.5	-	-	33.3	19.5	70.8%
Buildings and improvements	430.5	388.7	4.3	4.5	434.8	393.2	10.6%
Equipment and furniture	12.3	12.9	2.0	2.3	14.3	15.2	6.3%
Total capital assets net of depreciation	$ 509.7	454.7	6.5	6.8	516.0	461.5	11.8%

More detailed information about capital assets can be found in note 7 of the Notes to the Basic Financial Statements.

Debt Administration

At June 30, 2010, the Board had no outstanding long-term bond debt. Because of the availability of the one cent sales tax for capital improvements since 1997, the Board has not had the need to issue any new debt and used proceeds from the sales tax to retire all of the previously existing long-term bond debt.

Economic Factors

The downturn in the economy has had a significant impact on the state and the local community:

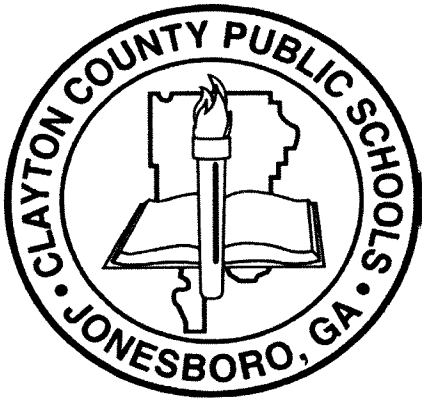
- For the budget year 2009-2010, the school district implemented measures to reduce spending. The Board made the difficult decision to mandate layoffs and reduced the number of days worked and reduced the salaries for its administrative and operational staff by 1.5%. These reductions were necessary to help offset the reduction in revenue. Due to the continued decline in the economy, the School System's primary revenue sources experienced reductions. The continued mortgage industry crisis has significantly impacted property values which resulted in the decrease of $1.2 billion in the overall tax base for Clayton County. Additionally, the Governor has made huge reductions in the state budget that lead to a $28.1 million loss in QBE revenue to the School System.
- The County has seen significant changes in the demographic makeup of its population. The percentage of students that qualify for free or reduced priced lunches exceeds approximately 80% district-wide.

As a result, the district has now become a district wide Title I School which means all schools in the district are eligible to receive federal funding under the No Child Left Behind Act for the Economically Disadvantaged.

Despite the economic challenges of the area and the district, support for public education remains strong as evidenced by the passage of the continuation of the one-cent sales tax referendum in September, 2004. In FY2010, a fourth Special Purpose Local Option Sales Tax was passed by the citizens of Clayton County. In addition, despite these challenges, the School System continues to strive for excellence in education for all students.

Contacting the Board's Financial Management

This financial report is designed to provide the Board's citizens, taxpayers, customers, and investors and creditors with a general overview of the Board's finances and to demonstrate the Board's accountability for the money it receives. If you have questions about this report or need additional financial information, Business Services Division, Clayton County Public Schools, 1058 Fifth Avenue, Jonesboro, Ga. 30236.



Basic Financial Statements

Clayton County
Public Schools

Clayton County Board of Education
Statement of Net Assets
June 30, 2010

	Governmental Activities	Business-type Activities	Total
Assets			
Cash	$ 105,795,923	$ 5,260,034	$ 111,055,957
Investments	2,563,071	-	2,563,071
Receivables:			
Accounts	8,066,123	-	8,066,123
Intergovernmental	49,939,928	16,892	49,956,820
Internal balances	(199,554)	199,554	-
Inventories	-	589,956	589,956
Capital assets, nondepreciable	66,941,222	-	66,941,222
Capital assets, depreciable (net of accumulated depreciation)	442,714,073	6,323,409	449,037,482
Total assets	675,820,786	12,389,845	688,210,631
Liabilities			
Accounts payable	2,157,953	970	2,158,923
Intergovernmental accounts payable	15,112	-	15,112
Contracts payable	6,974,741	-	6,974,741
Retainage payable	3,559,110	-	3,559,110
Accrued payroll and payroll withholdings	51,250,147	1,754,985	53,005,132
Other current liabilities	70	-	70
Claims payable due within one year	1,396,027	-	1,396,027
Compensated absences due within one year	2,629,168	47,835	2,677,003
Claims payable due in more than one year	110,214	-	110,214
Compensated absences due in more than one year	2,002,054	12,199	2,014,253
Total liabilities	70,094,596	1,815,989	71,910,585
Net Assets:			
Invested in capital assets	509,655,295	6,323,409	515,978,704
Restricted for capital projects	76,436,913	-	76,436,913
Unrestricted	19,633,982	4,250,447	23,884,429
Total net assets	$ 605,726,190	$ 10,573,856	$ 616,300,046

The accompanying notes are an intergral part of these financial statements.

Clayton County Board of Education
Statement of Activities
Year Ended June 30, 2010

Activities and Functions	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Governmental activities:				
Instruction	$ 299,228,401	$ 7,360,729	$ 179,348,500	$ 13,158,977
Pupil services	16,355,400	-	3,840,784	-
Improvement of instructional services	23,188,322	8,416	14,652,112	-
Educational media services	7,839,592	-	5,048,222	-
General administration	4,429,848	-	2,245,639	-
School administration	23,897,928	-	9,417,316	-
Business services	2,816,870	-	770,916	-
Maintenance and operations	32,152,942	-	12,530,318	-
Student transportation	22,035,391	-	3,106,713	-
Central support services	9,325,934	-	2,482,733	-
Other support services	5,464,771	3,233	4,625	-
Other non-instructional services	1,398,357	300,636	1,289,553	-
Community services	10,737,821	8,425,266	2,494,785	-
Interest on long-term debt	-	-	-	-
Total governmental activities	$ 458,871,577	$ 16,098,280	$ 237,232,216	$ 13,158,977
Business-type activities:				
School food service	$ 28,756,695	$ 2,321,346	$ 25,084,941	$ -
Performing arts center	352,312	236,175	-	-
Total business-type activities	29,109,007	2,557,521	25,084,941	-
Total	$ 487,980,584	$ 18,655,801	$ 262,317,157	$ 13,158,977
General revenues:				
Property taxes				
Sales taxes				
Other taxes				
Grants and contributions not restricted to specific programs				
Local school activity				
Unrestricted investment earnings				
Gain on sale of capital assets				
Transfers				
Total general revenues and transfers				
Change in net assets				
Net assets - beginning of year				
Net assets - end of year				

The accompanying notes are an intergral part of these financial statements.

Net (Expenses) Revenues and Changes in Net Assets		
Governmental Activities	Business-type Activities	Total Activities
$ (99,360,195)	$ -	$ (99,360,195)
(12,514,616)	-	(12,514,616)
(8,527,794)	-	(8,527,794)
(2,791,370)	-	(2,791,370)
(2,184,209)	-	(2,184,209)
(14,480,612)	-	(14,480,612)
(2,045,954)	-	(2,045,954)
(19,622,624)	-	(19,622,624)
(18,928,678)	-	(18,928,678)
(6,843,201)	-	(6,843,201)
(5,456,913)	-	(5,456,913)
191,832	-	191,832
182,230	-	182,230
-	-	-
(192,382,104)	-	(192,382,104)
$ -	$ (1,350,408)	$ (1,350,408)
-	(116,137)	(116,137)
-	(1,466,545)	(1,466,545)
$ (192,382,104)	$ (1,466,545)	$ (193,848,649)
148,094,346	-	148,094,346
53,669,034	-	53,669,034
983,594	-	983,594
20,855,861	-	20,855,861
4,229,182	-	4,229,182
396,312	14,188	410,500
268,841	-	268,841
(20,313)	20,313	-
228,476,857	34,501	228,511,358
36,094,753	(1,432,044)	34,662,709
569,631,437	12,005,900	581,637,337
$ 605,726,190	$ 10,573,856	$ 616,300,046

Clayton County Board of Education
Balance Sheet
Governmental Funds
June 30, 2010

	Major Funds		Other Governmental Funds	Total Governmental Funds
	General	Capital Projects		
Assets:				
Cash	$ 25,629,093	$ 76,700,817	$ 3,466,013	$ 105,795,923
Investments	1,398,693	1,164,378	-	2,563,071
Receivables:				
Accounts	1,266,276	3,293,742	3,506,105	8,066,123
Intergovernmental	32,873,981	7,174,239	9,891,708	49,939,928
Due from other funds	6,927,963	-	1,919,711	8,847,674
Total assets	$ 68,096,006	$ 88,333,176	$ 18,783,537	$ 175,212,719
Liabilities and fund balances:				
Liabilities:				
Accounts payable	$ 1,161,681	$ -	$ 996,272	$ 2,157,953
Contracts payable	-	6,974,741	-	6,974,741
Retainage payable	-	3,559,110	-	3,559,110
Due to other funds	2,328,010	-	6,719,218	9,047,228
Accrued payroll and payroll withholdings	45,643,261	7,669	5,599,217	51,250,147
Other current liabilities	-	-	70	70
Intergovernmental	-	-	15,112	15,112
Deferred revenue	3,302,452	1,354,743	21,088	4,678,283
Total liabilities	52,435,404	11,896,263	13,350,977	77,682,644
Fund Balances:				
Unreserved, reported in:				
General fund	15,660,602	-	-	15,660,602
Special revenue funds	-	-	5,432,560	5,432,560
Capital projects fund	-	76,436,913	-	76,436,913
Total fund balances	15,660,602	76,436,913	5,432,560	97,530,075
Total liabilities and fund balances	$ 68,096,006	$ 88,333,176	$ 18,783,537	

Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not financial resoures and, therefore, are not reported in the funds.	509,655,295
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds.	4,678,283
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.	(6,137,463)
Net assets of governmental activities	$ 605,726,190

The accompanying notes are an intergral part of these financial statements.

Clayton County Board of Education
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2010

	Major Funds		Other Governmental Funds	Total Governmental Funds
	General	Capital Projects		
Revenues:				
Local sources	$ 154,356,135	$ 53,669,034	$ 16,054,985	$ 224,080,154
State sources	189,424,574	13,158,977	8,578,375	211,161,926
Federal sources	23,198,968	-	35,702,542	58,901,510
Interest earned on investments	165,923	229,223	1,166	396,312
Total revenues	367,145,600	67,057,234	60,337,068	494,539,902
Expenditures:				
Current:				
Instructional services	262,603,874	-	28,876,635	291,480,509
Pupil services	13,377,810	-	3,059,967	16,437,777
Improvement of instructional services	9,757,080	-	13,508,574	23,265,654
Educational media services	7,826,726	-	12,441	7,839,167
General administration	2,949,437	-	1,443,366	4,392,803
School administration	23,831,925	-	25,588	23,857,513
Business services	2,820,123	-	-	2,820,123
Maintenance and operations	31,999,964	-	31,923	32,031,887
Student transportation	19,253,808	-	621,299	19,875,107
Central support services	9,018,767	-	13,917	9,032,684
Other support services	4,169,912	-	1,294,859	5,464,771
Other non-instructional services	720,553	-	646,525	1,367,078
Community service	-	-	10,736,383	10,736,383
Capital outlay	-	65,790,820	-	65,790,820
Total expenditures	388,329,979	65,790,820	60,271,477	514,392,276
Excess (deficiency) of revenues over (under) expenditures	(21,184,379)	1,266,414	65,591	(19,852,374)
Other financing sources (uses):				
Sale of capital assets	272,220	-	-	272,220
Transfer in	-	-	422,824	422,824
Transfers out	(443,137)	-	-	(443,137)
Total other financing sources (uses)	(170,917)	-	422,824	251,907
Net change in fund balances	(21,355,296)	1,266,414	488,415	(19,600,467)
Fund balances - beginning of year	37,015,898	75,170,499	4,944,145	117,130,542
Fund balances - end of year	$ 15,660,602	$ 76,436,913	$ 5,432,560	$ 97,530,075

The accompanying notes are an intergral part of these financial statements.

Clayton County Board of Education
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities
Year Ended June 30, 2010

Net change in fund balances-total governmental funds	$ (19,600,467)
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, assets with an initial, individual cost of more than $5,000 for furniture and equipment and $100,000 for buildings and improvements are capitalized and the cost is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	54,936,305
The net effect of various miscellaneous transactions involving capital assets(i.e., sales, trade-ins, and donations) is to decrease net assets.	(3,379)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	177,900
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.	584,394
Change in net assets of governmental activities	$ 36,094,753

The accompanying notes are an intergral part of these financial statements.

Clayton County Board of Education
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget (Non-GAAP) and Actual
General Fund
Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variance with Final Budget - Over
	Original	Final	Amounts	(Under)
Revenues:				
Local sources	$ 154,385,884	$ 161,237,310	$ 154,356,135	$ (6,881,175)
State sources	219,272,749	193,043,978	187,820,391	(5,223,587)
Federal sources	12,654,145	19,076,254	23,198,968	4,122,714
Interest income	2,610,000	2,610,000	165,923	(2,444,077)
Total revenues	388,922,778	375,967,542	365,541,417	(10,426,125)
Expenditures:				
Current:				
Instructional services	271,296,317	271,472,850	263,339,499	8,133,351
Pupil services	12,653,791	12,656,375	13,346,860	(690,485)
Improvement of instructional services	12,746,568	12,768,661	9,729,807	3,038,854
Educational media services	8,227,023	8,305,199	7,810,001	495,198
General administration	3,210,288	3,180,288	2,942,795	237,493
School administration	25,725,110	25,737,286	23,770,524	1,966,762
Business services	3,548,355	3,619,933	2,814,344	805,589
Maintenance and operations	33,240,629	34,240,912	31,953,246	2,287,666
Student transportation	18,391,044	18,958,209	19,210,853	(252,644)
Central support services	12,065,708	12,066,308	9,000,451	3,065,857
Other support services	3,216,428	3,486,473	4,168,522	(682,049)
Other non-instructional services	-	685,000	720,553	(35,553)
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	404,321,261	407,177,494	388,807,455	18,370,039
Excess (deficiency) of revenues over (under) expenditures	(15,398,483)	(31,209,952)	(23,266,038)	7,943,914
Other financing sources (uses):				
Sale of capital assets	-	-	272,220	272,220
Transfer out	(571,321)	(514,096)	(443,137)	70,959
Total other financing uses	(571,321)	(514,096)	(170,917)	343,179
Net change in fund balances	$ (15,969,804)	$ (31,724,048)	$ (23,436,955)	$ 8,287,093

The accompanying notes are an intergral part of these financial statements.

Clayton County Board of Education
Statement of Net Assets
Proprietary Funds
June 30, 2010

	Business-type Activities - Enterprise Funds		
	School Food Service	Nonmajor Performing Arts Center	Totals
Assets:			
Current assets:			
Cash	$ 5,260,034	$ -	$ 5,260,034
Intergovernmental accounts receivable	16,892	-	16,892
Inventories	589,956	-	589,956
Due from other funds	20,313	220,332	240,645
Total current assets	5,887,195	220,332	6,107,527
Noncurrent assets:			
Capital assets:			
Buildings	-	7,308,375	7,308,375
Furniture and equipment	5,560,278	6,167	5,566,445
Total depreciable assets	5,560,278	7,314,542	12,874,820
Less accumulated depreciation	(3,550,354)	(3,001,057)	(6,551,411)
Total capital assets	2,009,924	4,313,485	6,323,409
Total assets	7,897,119	4,533,817	12,430,936
Liabilities:			
Current liabilities:			
Accounts payable	523	447	970
Accrued payroll and payroll withholdings	1,810,791	4,228	1,815,019
Due to other funds	41,091	-	41,091
Total liabilities	1,852,405	4,675	1,857,080
Net assets:			
Invested in capital assets	2,009,924	4,313,485	6,323,409
Unrestricted	4,034,790	215,657	4,250,447
Total net assets	$ 6,044,714	$ 4,529,142	$ 10,573,856

The accompanying notes are an intergral part of these financial statements.

Clayton County Board of Education
Statement of Revenues, Expenses, and Changes in Fund Net Assets
Proprietary Funds
Year Ended June 30, 2010

	Business-type Activities - Enterprise Funds		
	School Food Service	Nonmajor Performing Arts Center	Totals
Operating revenues:			
Local sources	$ 2,321,346	$ 236,175	$ 2,557,521
Total operating revenues	2,321,346	236,175	2,557,521
Operating expenses:			
Food service operations	27,959,306	-	27,959,306
Enterprise operation	-	205,528	205,528
Maintenance and operations	391,928	-	391,928
Depreciation	405,461	146,784	552,245
Total operating expenses	28,756,695	352,312	29,109,007
Operating loss	(26,435,349)	(116,137)	(26,551,486)
Nonoperating income:			
Intergovernmental revenues	25,084,941	-	25,084,941
Interest earned on investments	14,188	-	14,188
Total nonoperating income	25,099,129	-	25,099,129
Net loss before transfers	(1,336,220)	(116,137)	(1,452,357)
Transfer in (out)	20,313	-	20,313
Change in net assets	(1,315,907)	(116,137)	(1,432,044)
Total net assets, beginning of year	7,360,621	4,645,279	12,005,900
Total net assets, end of year	$ 6,044,714	$ 4,529,142	$ 10,573,856

The accompanying notes are an intergral part of these financial statements.

Clayton County Board of Education
Statement of Cash Flows
Proprietary Funds
Year Ended June 30, 2010

	Business-type Activities - Enterprise Funds		
	School Food Service	Nonmajor Performing Arts Center	Totals
Cash flows from operating activities:			
Receipts from local sources	$ 2,567,430	$ 214,118	$ 2,781,548
Payment to suppliers	(16,466,934)	(56,361)	(16,523,295)
Payments to employees	(10,262,546)	(145,917)	(10,408,463)
Payments on behalf of employees	(2,129,245)	(11,840)	(2,141,085)
Net cash used in operating activities	(26,291,295)	-	(26,291,295)
Cash flows from noncapital financing activities:			
Transfers in (out)	20,313	-	-
Subsidy from federal and state grants	25,084,941	-	25,084,941
Net cash provided by noncapital financing activities	25,105,254	-	25,084,941
Cash flows from capital and related financing activities:			
Acquisition of capital assets	(130,045)	-	(130,045)
Net cash used by capital and related financing activities	(130,045)	-	(130,045)
Cash flows from investing activities:			
Interest received	14,188	-	14,188
Net cash provided by investing activities	14,188	-	14,188
Net decrease in cash and cash equivalents	(1,301,898)	-	(1,322,211)
Cash and cash equivalents - beginning	6,561,932	-	6,561,932
Cash and cash equivalents - ending	$ 5,260,034	$ -	$ 5,239,721

The accompanying notes are an intergral part of these financial statements.

Reconciliation of operating loss to net cash used in operating activities:

Clayton County Board of Education
Statement of Cash Flows
Proprietary Funds
Year Ended June 30, 2010

	Business-type Activities - Enterprise Funds		
	School Food Service	Nonmajor Performing Arts Center	Totals
Operating loss	$ (26,435,349)	$ (116,137)	$ (26,551,486)
Adjustments to reconcile operating loss to net cash used in operating activities:			
Depreciation expense	405,460	146,784	552,244
Decrease in intergovernmental receivables	200,429	4,257	204,686
Decrease in due from other funds	45,654	(26,314)	19,340
Increase in inventories	(25,407)	-	(25,407)
Decrease in accounts payable	(206,232)	(61)	(206,293)
Decrease in due to other funds	(269,123)	-	(269,123)
Decrease in accrued payroll and payroll withholdings	(6,727)	(8,529)	(15,256)
Total adjustments	144,054	116,137	260,191
Net cash used in operating activities	$ (26,291,295)	$ -	(26,291,295)

Noncash investing, capital, and financing activities:

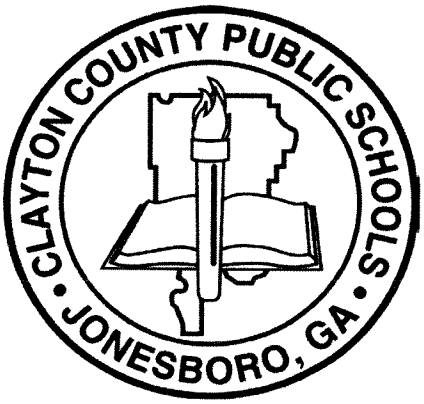
During the year ended June 30, 2010, the School Food Service Fund received $1,686,983 in commodities from the United States Department of Agriculture.

The accompanying notes are an intergral part of these financial statements.

Clayton County Board of Education
Statement of Fiduciary Fund Assets and Liabilities
Agency Fund
June 30, 2010

	Student Activities Fund
Assets:	
Cash	$ 361,390
Total assets	$ 361,390
Liabilities:	
Due to others	$ 361,390
Total liabilities	$ 361,390

The accompanying notes are an intergral part of these financial statements.



Notes to Financial Statements

Clayton County
Public Schools

NOTE 1. DESCRIPTION OF SCHOOL DISTRICT AND REPORTING ENTITY

A. Reporting Entity

The Clayton County Board of Education (the 'School System") operates under a Board/Superintendent form of government. The nine member Board is elected by the public and the Board appoints the superintendent. These nine elected members have decision making authority, the power to designate management, and the ability to significantly influence operations. The Board determines the millage rate at which school taxes are levied and may incur bonded indebtedness with voter approval.

B. 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 nonfiduciary activities of the School System. For the most part, the effect of interfund activity has been removed from 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 services.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to those who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

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 and major individual enterprise funds are reported as separate columns in the fund financial statements.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus, Basis of Accounting and Basis of 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 financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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. For this purpose, the School System considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

The fiduciary fund financial statements are reported using the accrual basis of accounting.

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

The State of Georgia reimburses the School System for teachers' salaries and operating costs through Quality Based Education Formula Earnings program (QBE). 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 respective rules and regulations of the QBE program, the State of Georgia reimburses the School System over the same twelve month period in which teachers are paid. At June 30, the amount of teachers' salaries incurred but not paid until July and August of the subsequent year are accrued. Since the State of Georgia recognizes its QBE liability for the July and August salaries at June 30, the School System recognizes the same QBE as a receivable and revenue, consistent with symmetrical recognition.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The School System reports the following major governmental funds:

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

The ***Capital Projects Fund*** accounts for the proceeds of a one percent Special Purpose Local Option Sales Tax as well as revenues from local and state sources to be used for land and building acquisitions and construction and renovations of new educational and administrative facilities.

The School System reports the following major proprietary fund:

The ***School Food Service Fund*** accounts for the monies and commodities received from the federal and state governments and the School Food Service's cafeteria sales for the purpose of maintaining the School System's breakfast, lunch, and snack programs.

Additionally, the School System reports the following fund types:

The ***special revenue funds*** account for Federal and state funded programs. These grants are awarded to the School System for the purpose of accomplishing specific educational tasks as defined in the grant agreements. These funds also contain several locally funded programs whose expenditures are limited to specific purposes. School Activity Funds are also reported as special revenue funds. The School Activity Funds are used to account for funds collected primarily through the fund raising efforts of the individual school. Each school's principal is responsible, under the authority of the Board, for collecting, controlling, disbursing, and accounting for his or her school's funds. All resources of the fund, including earnings on invested resources, may be used to support the schools' activities.

The ***Agency Fund*** is used to account for student club and class accounts.

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.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the School System's school food service program and the General Fund. Elimination of these charges would distort the direct costs reported for the various functions concerned.

Amounts reported as program revenues include 1) charges for services provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds are charges for goods and services provided. Operating expenses of the enterprise funds include the cost of these goods and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

D. Cash and Investments

The School System's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year as well as all other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

F. On-Behalf Payments

The State of Georgia makes certain health insurance and pension plan payments on behalf of the School System for its employees. The School System records these payments as both a revenue and expenditure in the General Fund. The total of the on-behalf payments for the fiscal year ended June 30, 2010 was $908,426.

G. Inventories and Prepaid Items

Inventories are stated at cost using the first-in, first-out method. Donated food commodities are recorded at fair value. The School System utilizes the consumption method to recognize inventory usage. Under the consumption method, inventories are recorded as expenses when used rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

H. Non-Monetary Transactions

The School System received from the United States Department of Agriculture through the Georgia Department of Education approximately $1,686,983 in donated food commodities for its lunchroom programs. The federally assigned value of these commodities is reflected as revenue and an expense in the financial statements.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. Capital Assets

Capital Assets, which include property, plant, and equipment, are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the School System as assets with an initial, individual cost of more than $5,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair 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 assets lives are not capitalized.

Property, plant and equipment are depreciated using the straight line method over the following estimated useful lives:

Asset	Years
Improvements	20-50
Buildings	20-50
Machinery and equipment	4-12

J. Long-Term Obligations

In the government-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, business-type activities, or proprietary fund type statement of net assets. In the fund financial statements, governmental fund types report the face amount of debt issued as other financing sources.

K. Compensated Absences

It is the School System's policy to permit employees to accumulate unused vacation and sick pay benefits. Accumulated unpaid sick leave benefits do not vest and therefore are not accrued in any fund, but are recognized as expenditures or expenses when incurred. Accumulated unpaid vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

M. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE FINANCIAL STATEMENTS AND FUND FINANCIAL STATEMENTS

A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net assets

The governmental fund balance sheet includes reconciliation between fund balance – total governmental funds and net assets – governmental activities as reported in the government-wide statement of net assets. One element of that reconciliation explains that "long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds." The details of this $6,137,463 difference are as follows:

Workers' compensation claims payable	$ 1,506,241
Compensated absences	4,631,222
Net adjustment to reduce fund balance – total governmental funds to arrive at net assets – governmental activities	$ 6,137,463

NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE FINANCIAL STATEMENTS AND FUND FINANCIAL STATEMENTS (CONTINUED)

B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities

The governmental fund statement of revenues, expenditures, and changes in fund balances includes reconciliation between *net changes in fund balances – total governmental funds* and *changes in net assets of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that "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 and reported as depreciation expense." The details of this $54,936,305 difference are as follows:

Capital outlay	$ 68,279,924
Depreciation expense	(13,343,619)
Net adjustment to increase net changes in fund balances – total governmental funds To arrive at net assets of governmental activities	$ 54,936,305

Another element of that reconciliation states that "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." The details of this $584,394 difference are as follows:

Compensated absences	$ 447,975
Claims payable	136,419
Net adjustment to reduce fund balance – total governmental funds To arrive at net assets –governmental activities	$ 584,394

NOTE 3. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

The School System adopts annual budgets for its general fund and all special revenue funds except the After School Programs Fund and the School Discretionary Fund. The School System does not employ encumbrance accounting and accordingly, all appropriations lapse at year end. After the Board of Education has tentatively adopted a budget, such budget is advertised at least one time in a local newspaper of general circulation. At the next regular meeting of the Board members after the advertisement, the budget is revised as necessary and adopted as the final budget. This final budget is then submitted to the Georgia Department of Education in accordance with provisions of the Quality Basic Education Act (QBE).

NOTE 3. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)

The level of budgetary control (the level at which expenditures may not exceed appropriations) is at the fund level.

The Statement of Revenues and Expenditures – Budget to Actual presents actual and budget data for the general fund. To facilitate comparison with the budget, adjustments have been made to actual revenues and expenditures to reflect actual amounts on the budget basis.

The primary differences between the budget basis and accounting principles generally accepted in the United States of America ("GAAP") are:

a. State QBE revenue is recorded when received (budget) rather than when susceptible to accrual (GAAP).
b. Salaries and employee benefits paid to teachers under contract are recorded when paid (budget) rather than when the liability is incurred (GAAP).
c. Payments made by the State of Georgia for School System employee benefits are recognized as revenues and expenditures under GAAP and are not recognized on the budget basis.

Adjustments necessary to convert the General Fund's net change in fund balance from the GAAP basis to the budgetary basis are as follows:

GAAP basis net change in fund balance	$ (21,355,296)
Adjustments for:	
State QBE revenue	(695,757)
Salaries and employee benefits	(1,385,902)
State paid employee benefit revenue	(908,426)
State paid employee benefit expenditures	908,426
Budget basis net change in fund balance	$ (23,436,955)

NOTE 4. DEPOSITS AND INVESTMENTS

Credit risk. State statutes authorize the School System to invest in: obligations of the United States, the State of Georgia and other political subdivisions of the State of Georgia, and other states; prime bankers' acceptances; repurchase agreements; and the Georgia local government investment pool (Georgia Fund 1). 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 Fund 1 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 ($1.00 per share value). The regulatory oversight agency for Georgia Fund 1 is the Office of Treasury and Fiscal Services of the State of Georgia. As of June 30, 2010, the School System's investment in the Georgia Fund 1 was rated AAAm by Standard & Poor's.

At June 30, 2010, the School System had the following investments:

Investment	Maturities	Fair Value
Georgia Fund 1	41 day weighted average	$2,563,071

Interest rate risk. The School System does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Custodial credit risk – deposits. Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the School System will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes require all deposits and investments (other than federal and state government instruments) to be collateralized by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties, or municipalities. As of June 30, 2010, the School System's bank balance was fully collateralized.

Custodial credit risk – investments. Custodial credit risk for investments is the risk that, in the event of the failure of the depository financial institution, 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. As of June 30, 2010 the School System was not exposed to custodial credit risk for investments.

NOTE 5: RECEIVABLES

Receivables at June 30, 2010, for the School System's individual major funds and nonmajor funds in the aggregate, including the applicable allowances for uncollectible accounts are as follows:

	General	Capital Projects	Nonmajor Governmental Funds	School Food Service	Total
Intergovernmental	$ 36,176,433	$ 7,174,239	$ 10,132,433	$ 16,892	$ 53,499,997
Accounts	1,266,276	3,293,742	3,506,105	-	8,066,123
	37,442,709	10,467,981	13,638,538	16,892	61,566,120
Less allowance for uncollectable	(3,302,452)		(240,725)	-	(3,543,177)
Net total receivable	$ 34,140,257	$ 10,467,981	$ 13,397,813	$ 16,892	$ 58,022,943

Intergovernmental receivables consist of grant reimbursements and QBE accruals of $39,209,895 due primarily from the Georgia Department of Education, sales taxes of $5,459,716 which are collected by the state on the School System's behalf, and property taxes of $8,818,986 collected by Clayton County Tax Commissioner on the School System's behalf.

NOTE 6. PROPERTY TAXES

Clayton County bills and collects property taxes for the School System. Property taxes are levied (assessed) on all taxable real, public utility and personal property (including vehicles) located within the County as of January 1st of each year. State law limits the School System's tax levy for operations to 20 mills (one mill equal $1 per thousand dollars of assessed value). Assessed values for property tax purposes are determined by the Clayton County Board of Tax Assessors for all property except public utilities and motor vehicles. Assessed value is set at 40% of market value. The State of Georgia establishes values for public utilities and motor vehicles.

Real property taxes were levied on September 15, 2010 and were due November 15, 2010. Clayton County may place liens on property once the related tax payments become delinquent. The property tax receivable allowance is equal to 50% of outstanding property taxes at June 30, 2010, net of amounts collected within 60 days of year end.

Vehicle personal property taxes are due upon each respective payor's date of birth on an annual basis.

NOTE 7. CAPITAL ASSETS

Capital asset activity for the fiscal year end June 30, 2010, is a follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental activities:					
Capital assets, not being depreciated					
Land	$ 33,636,988	$ -	$ -	$ -	$ 33,636,988
Construction in progress	19,501,462	65,995,824	-	(52,193,052)	33,304,234
Total capital assets, not being depreciated	53,138,450	65,995,824	-	(52,193,052)	66,941,222
Capital assets, being depreciated:					
Buildings	483,386,136	-	-	52,193,052	535,579,188
Improvements	3,774,164	-	-	-	3,774,164
Machinery and equipment	40,482,640	2,284,100	(4,093,318)	-	38,673,422
Total capital assets, being depreciated	527,642,940	2,284,100	(4,093,318)	52,193,052	578,026,774
Less accumulated depreciation for:					
Buildings	(96,854,593)	(10,253,620)	-	-	(107,108,213)
Improvements	(1,599,212)	(161,679)	-	-	(1,760,891)
Machinery and equipment	(27,605,216)	(2,928,320)	4,089,939	-	(26,443,597)
Total accumulated depreciation	(126,059,021)	(13,343,619)	4,089,939	-	(135,312,701)
Total capital assets, being depreciated, net	401,583,919	(11,059,519)	(3,379)	52,193,052	442,714,073
Governmental activities capital assets, net	$ 454,722,369	$ 54,936,305	$ (3,379)	$ -	$ 509,655,295
Business-Type activities					
Capital assets, being depreciated:					
Buildings	$ 7,308,375	$ -	$ -	$ -	$ 7,308,375
Machinery and equipment	5,436,400	130,045	-	-	5,566,445
Total capital assets, being depreciated	12,744,775	130,045	-	-	12,874,820
Less accumulated depreciation for:					
Buildings	(2,850,880)	(146,167)	-	-	(2,997,047)
Machinery and equipment	(3,148,286)	(406,078)	-	-	(3,554,364)
Total accumulated depreciation	(5,999,166)	(552,245)	-	-	(6,551,411)
Total capital assets, being depreciated, net	6,745,609	(422,200)	-	-	6,323,409
Business activities capital assets, net	$ 6,745,609	$ (422,200)	$ -	$ -	$ 6,323,409

NOTE 7. CAPITAL ASSETS (CONTINUED)

Depreciation expense was charged to functions/programs of the School System as follows:

Governmental activities:	
Instructional	$ 10,251,992
Pupil Services	4,996
Improvement of instructional services	5,142
Educational Media Services	425
General administration	137,441
School administration	88,885
Support Services - Business	718
Maintenance and operations	294,598
Student transportation	2,200,454
Central support services	328,464
Enterprise Operations	30,504
Total depreciation expense, governmental activities	$ 13,343,619
Business-Type activities	
School food services	405,461
Other activtities	146,784
Total depreciation expense, business-type activities	$ 552,245

NOTE 8: SHORT-TERM DEBT

Tax Anticipation Note. On August 18, 2009, the School System borrowed $30,000,000 in the form of a tax anticipation note for cash flow purposes. The interest rate on the tax anticipation note was 2.79%. The note was paid off on December 18, 2009.

The following is a summary of short-term debt transactions for the School System for the year ended June 30, 2010:

	Beginning Balance	Additions	Reductions	Ending Balance
Tax anticipation note:	$ -	$ 30,000,000	$ (30,000,000)	$ -

NOTE 9. LONG-TERM DEBT

Changes in long-term debt related to governmental activities for the year ended June 30, 2010, are as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Claims payable	$ 1,642,660	$ 1,262,315	$ (1,398,734)	$ 1,506,241	$ 1,396,027
Compensated absences	5,079,197	2,145,107	(2,593,182)	4,631,122	2,629,168
Total governmental activity long-term liabilities	$ 6,721,857	$ 3,407,422	$ (3,991,916)	$ 6,137,363	$ 4,025,195
Business-type activities					
Compensated absences payable	$ 44,761	$ 59,839	$ (44,566)	$ 60,034	$ 47,835
Total governmental activity long-term liabilities	$ 44,761	$ 59,839	$ (44,566)	$ 60,034	$ 47,835

For governmental activities, compensated absences and claims payable are liquidated primarily by the General Fund. For business-type activities, compensated absences are liquidated primarily by the School Food Service Fund.

NOTE 10: INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The composition of interfund balances as of June 30, 2010, is as follows:

	Due From			
Due To	**General Fund**	**School Food Service SFS**	**Nonmajor Governmental Funds**	**Total**
General Fund	$ -	$ 41,091	$ 6,886,872	$ 6,927,963
School Food Service Fund	20,313	-	-	20,313
Nonmajor enterprise	220,332	-	-	220,332
Nonmajor governmental	2,087,365	-	-	2,087,365
	$ 2,328,010	$ 41,091	$ 6,886,872	$ 9,255,973

These balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

NOTE 10: INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS (CONTINUED)

Interfund transfers:

	Transfers out			
Transfers in	General Fund	Nonmajor Governmental Funds	School Food Service SFS	Total
School Food Service Fund	$ 20,313	$ -	$ -	$ 20,313
Nonmajor governmental	422,824	-	-	422,824
	$ 443,137	$ -	$ -	$ 443,137

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, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

NOTE 11. RETIREMENT PLANS

Teachers Retirement System. Substantially all teachers, administrators, and clerical personnel employed by the School System are members of the Teachers Retirement System of Georgia (TRS), a cost-sharing multiple employer public employee retirement system administered by the TRS Board of Trustees. TRS provides retirement and disability benefits, and death benefits to plan members and beneficiaries. Title 47, Chapter 3 of the Official Code of Georgia Annotated, assigns the authority to establish and amend benefit provisions to the TRS Board of Trustees. The TRS board of Trustees issues a publicly available financial report that includes financial statements and required supplementary information for TRS. That report may be obtained by writing to TRS of Georgia, Two Northside 75, Suite 400, Atlanta, GA 30331, or by calling 1-800-352-0650.

Covered employees are required by state law to contribute 5.25% of their annual covered salary to the plan and the School System is required to contribute 9.74% of current covered payroll. Covered employees' contributions for the years ended June 30, 2010, 2009, and 2008, were $14,353,803, $13,953,182, and $13,069,352, respectively. The School System's contributions to TRS for the year ended June 30, 2010, 2009, and 2008, were $26,581,471, $25,957,234, and $24,346,925, respectively, equal to the required contribution for each year.

NOTE 11. RETIREMENT PLANS (CONTINUED)

Active members may retire and receive benefits after 30 years of creditable service regardless of age, or after 10 years of creditable service and reaching age 60. Upon retirement, an employee receives a retirement benefit, payable monthly for life. The amount is determined by multiplying 2% by the years of service up to 40 years. This amount in turn is multiplied by the employee's average monthly salary for the two highest paid consecutive years of service. Early retirement benefits are reduced by the lesser of 1/12 of 7% for each month the member is below age 60, or by 7% for each year of fraction thereof by which the member has less than 30 years of service. It is also assumed that certain cost-of-living adjustments, based on the CPI, will be made in future years. Retirement benefits are payable monthly for life. Options are available for distribution of the member's monthly pension at a reduced rate to a designated beneficiary at the member's death.

Public School Employees Retirement System. Substantially all bus drivers, maintenance, custodial, and lunchroom personnel employed by the School System are members of the Public School Employees Retirement System of Georgia (PSERS), which is also a cost-sharing multiple employer public employee retirement system. The Board of the Public School Employees Retirement System of Georgia issues a publicly available financial report that includes financial statements and supplementary information for PSERS. That report may be obtained by writing Public School Employee Retirement System, Two Northside 75, Atlanta, Georgia 30318-7778, or by calling 1-800-805-4609.

PSERS provides service retirement, disability retirement and survivors' benefits for its members. A member is eligible for normal service retirement with 10 years of service and attainment of age 65. A member applying for service retirement with 10 years of service and retirees between the ages of 60 and 65 receive a reduced benefit. Monthly retirement benefits paid to members are equal to eight dollars per month multiplied by the number of years of creditable service. Retirement provisions include death and disability benefits. Benefits are established by state statue.

Covered employees are required by state statute to contribute four dollars per month for the nine month school year. Unlike TRS, the School System makes no contributions to PSERS. Total contributions from employees of the School System made during the fiscal year ended June 30, 2010, totaled $52,580.

The State of Georgia is required by statute to make an annual contribution to PSERS based upon an actuarial calculation. The state's contribution for employees for the fiscal year ended June 30, 2010, totaled $192,656.

Members become fully vested after 10 years of service. If a member terminates with less than 10 years of service, no vesting of employer contributions occurs, but the member's contributions are refunded with interest.

There were 1,556 employees covered under PSERS for the year ended June 30, 2010.

NOTE 12: OTHER POST EMPLOYMENT BENEFITS

The Georgia School Personnel Post-Employment Health Benefit Fund
The School System participates in the Georgia School Personnel Post-Employment Health Benefit Fund (School OPEB), a cost-sharing multiple-employer defined benefit postemployment healthcare plan that covers eligible former employees of public school systems, libraries, and regional education service agencies. The school OPEB fund provides health insurance benefits to the eligible former employees and their qualified beneficiaries through the State Employees Health Insurance Plan administered by the 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.

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 25 percent of the cost of the health insurance coverage.

Participating employers are statutorily required to contribute in accordance with the employer contribution rates established by the Board. The contribution rates are established to fund all benefits due under the health insurance plans for both 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 ongoing basis, is projected to cover normal costs each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

The combined active and retiree contribution rates established by the Board for employers participating in the School OPEB Fund were as follows for the fiscal year ended June 30, 2010:

For certificated teachers, librarians and regional educational service agencies:

Period	Percentage of Covered Payroll
July 2009	18.534% of covered payroll for August coverage
August 2009 - October 2009	14.492% of covered payroll for September through November coverage
November 2009 - June 2010	18.534% of covered payroll for December through July coverage

For non-certified school personnel:

July 2009 – June 2010	$162.72 per month per member plus the Department of Education contribution of $670,593.

NOTE 12: OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

No additional contribution was required by the Board for fiscal year 2010 nor contributed to the OPEB Fund to prefund retiree benefits. Such additional contribution amounts are determined annually by the Board in accordance with the State plan for other postemployment benefits and are subject to appropriation.

The School System's contribution to the health insurance plans for fiscal year ended June 30, 2010, 2009, and 2008, were $36,891,247, $28,754,530, $38,262,909 respectively, which equaled the required contribution.

NOTE 13: RISK MANAGEMENT

The School System is exposed to various risk of loss for claims associated with torts; theft of, damage to and destruction of assets; errors and omissions; natural disaster; Workers' Compensation; and unemployment compensation. The School System is self-insured for workers' compensation. The School System purchases commercial insurance for all other risks of loss. The School System has not experienced any significant reduction in insurance coverage from the previous years nor has it paid any settlements in excess of insurance coverage in the past three years.

Workers' Compensation

The School System is partially self-insured for Workers' Compensation claims of its employees. Claims exceeding $250,000 but less than $2,000,000 per occurrence are covered through a private insurance carrier. The School System is liable for any claims filed. The School System has entered into a contract with a third party to administer the program. Activity is accounted for in the General Fund.

	June 30, 2010	June 30, 2009
Unpaid claims, beginning of fiscal year	$ 1,642,660	$ 1,291,273
Incurred claims (including IBNRs)	1,262,315	1,724,377
Claim payments and changes in estimates	(1,398,734)	(1,372,990)
Unpaid claims, end of fiscal year	$ 1,506,241	$ 1,642,660

NOTE 14. COMMITMENTS AND CONTINGENCIES

The School System is involved in a number of legal matters which either have or could result in litigation. Although the outcome of these lawsuits is not presently determinable, in the opinion of the School System's legal counsel, the resolution of these matters will not have a material adverse effect on the financial condition of the School System.

The School System participates in numerous state and federal grant programs, which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the School System has not complied with the rules and regulations governing grants, refunds of any money received may be required and the collectability of any related receivables at June 30, 2010, may be impaired. In the opinion of the School System, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying financial statements for such contingencies.

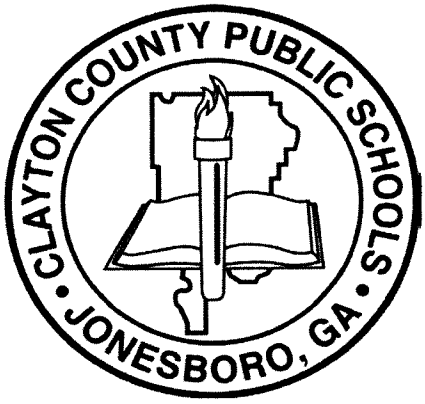
The School System is committed under outstanding construction contracts in the Capital Projects Fund in the amount of $20,020,003. Construction contracts include new school construction and expansion and renovation of existing facilities.

NOTE 15. SUBSEQUENT EVENT

On August 24, 2010, the School System borrowed $32,000,000 in the form of a tax anticipation note for cash flow purposes. The interest rate on the tax anticipation note is 2.45%. The entire amount, plus accrued interest was repaid on December 29, 2010.

Supplemental Information

Clayton County
Public Schools



Combining Fund Statements

Clayton County
Public Schools

CLAYTON COUNTY BOARD OF EDUCATION

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Adult Education Fund is used to account for federal grants funds passed through the Georgia Department of Technical and Adult Education for the purpose of providing a vocational curriculum program for adults.

After School Program Fund is used to account for the after school program in place at all Clayton County elementary schools. Revenues consist of fees paid for the after school care of students.

Athletics Fund is used to account for athletic events held on behalf of Clayton County's Schools. Revenues consist primarily of ticket and concession sales.

Lottery Fund is used to account for the state grant funds flowing through the State of Georgia Department of Education for various programs as established by the state.

South Metro Fund is used to account for the development center for children with physical and mental handicaps.

Title I Fund is used to account for federal grant funds passed through the State of Georgia Department of Education to the Board to provide remedial education in the area of reading and math and to provide a special education program for children who are physically handicapped.

Title II Fund is used to account for federal grant fund passed through the State of Georgia Department of Education to the Board for the purpose of training teachers in the math, science, foreign language, and computer science programs.

Title III Fund is used to account for federal grant funds passed through the State of Georgia Department of Education to the Board for the purpose of providing assistance to limited English proficient children and youth in Clayton County schools in attaining English proficiency.

Title V Fund is used to account for federal grant funds passed through the State of Georgia Department of Education to the School System for the purpose of providing continuing innovation and educational improvement in Clayton County schools.

Title VI-B Preschool Fund is used to account for federal funds authorized by the Individuals with Disabilities Education Act that are passed through the State of Georgia Department of Education to the School System for the purpose of providing special education programs for children with disabilities ages three to five.

SPECIAL REVENUE FUNDS (CONTINUED)

Title VI-B Fund is used to account for federal funds in connection with the Individuals with Disabilities Education Act that are passed through the State of Georgia Department of Education to the School System for the purpose of providing special education programs for children in pre-kindergarten through 12th grade.

Vocational Programs Fund is used to account for federal grant funds passed through the State of Georgia Department of Education to the School System for the purpose of providing a vocational curriculum program.

WorkTec Fund is used to account for the activities of the WorkTec Rehabilitation Center, which assists economically, academically, and physically disadvantaged youths in preparing for or engaging in gainful employment. Programs are funded primarily by federal awards or federal service contracts.

School Discretionary Fund is used to account for the portion of the school activity resources used for general governmental expenditures.

All Other Special Revenue Funds is used to account for the activities of various other programs funded by local, state, and Federal funds.

Clayton County Board of Education

Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2010

	Special Revenue Funds		
	Adult Education	After School Programs	Athletics
Assets:			
Cash and investments	$ -	$ -	$ 12,563
Receivables:			
Accounts	-	-	-
Intergovernmental	147,991	-	-
Due from other funds	2,053	499,213	-
Total assets	$ 150,044	$ 499,213	$ 12,563
Liabilities:			
Accounts payable	$ 17	$ 56	$ 2,649
Accrued payroll and payroll withholdings	4,937	-	-
Other current liabilities	-	-	70
Intergovernmental accounts payable	-	-	-
Deferred revenue	-	-	-
Due to other funds	144,631	-	-
Total liabilities	149,585	56	2,719
Fund balances:			
Unreserved:			
Undesignated	459	499,157	9,844
Total fund balances	459	499,157	9,844
Total liabilities and fund balances	$ 150,044	$ 499,213	$ 12,563

Lottery	South Metro	Title I	Title II	Title III	Title IV
$ -	$ -	$ -	$ -	$ -	$ -
-	-	286	-	-	-
-	1,053,465	5,080,030	569,563	111,366	18,263
455,681	-	910,626	-	-	-
$ 455,681	$ 1,053,465	$ 5,990,942	$ 569,563	$ 111,366	$ 18,263
$ 2,376	$ 522	$ 609,618	$ 25,596	$ 487	$ 148
438,215	679,983	2,617,357	85,509	28,402	5,746
-	-	-	-	-	-
15,090	-	-	-	-	-
-	-	-	-	-	-
-	372,960	2,763,967	458,458	82,477	12,369
455,681	1,053,465	5,990,942	569,563	111,366	18,263
-	-	-	-	-	-
-	-	-	-	-	-
$ 455,681	$ 1,053,465	$ 5,990,942	$ 569,563	$ 111,366	$ 18,263

(continued on following page)

Clayton County Board of Education

Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2010

(continued)

	Title VI-B Preshool	Title VI-B	Vocational Programs
Assets:			
Cash and investments	$ -	$ -	$ -
Receivables:			
Accounts	-	-	-
Intergovernmental	57,253	2,340,250	417,609
Due from other funds	-	-	-
Total assets	$ 57,253	$ 2,340,250	$ 417,609
Liabilities:			
Accounts payable	$ -	$ 3,218	$ 259,053
Accrued payroll and payroll withholdings	38,432	1,472,047	-
Other current liabilities	-	-	-
Intergovernmental accounts payable	-	-	-
Deferred revenue	-	-	-
Due to other funds	18,821	864,985	158,556
Total liabilities	57,253	2,340,250	417,609
Fund balances:			
Unreserved:			
Undesignated	-	-	-
Total fund balances	-	-	-
Total liabilities and fund balances	$ 57,253	$ 2,340,250	$ 417,609

WorkTec	School Discretionary	All Other Special Revenue	Total Nonmajor Governmental Funds
$ 23,143	$ 3,430,307	$ -	$ 3,466,013
3,505,819	-	-	3,506,105
-	-	95,918	9,891,708
-	-	52,138	1,919,711
$ 3,528,962	$ 3,430,307	$ 148,056	$ 18,783,537
$ 41,514	$ 40,486	$ 10,532	$ 996,272
194,585	-	34,004	5,599,217
-	-	-	70
-	-	22	15,112
-	-	21,088	21,088
1,679,052	86,197	76,745	6,719,218
1,915,151	126,683	142,391	13,350,977
1,613,811	3,303,624	5,665	5,432,560
1,613,811	3,303,624	5,665	5,432,560
$ 3,528,962	$ 3,430,307	$ 148,056	$ 18,783,537

Clayton County Board of Education
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2010

	Special Revenue Funds		
	Adult Education	After School Programs	Athletics
Revenues:			
Local sources	$ 35,821	$ 1,504,251	$ 300,636
State sources	196,301	-	-
Federal sources	290,668	-	-
Interest earned on investments	-	-	152
Total revenues	522,790	1,504,251	300,788
Expenditures:			
Current:			
Instruction	369,224	-	-
Pupil services	-	-	-
Improvement of instructional services	161,539	-	-
Educational media services	-	-	-
General administration	-	-	-
School administration	-	-	-
Maintenance and operations	7,442	-	-
Student transportation	-	-	-
Central support services	-	-	-
Other support services	-	-	-
Other non-instructional services	-	-	616,452
Community service	-	1,447,423	-
Total expenditures	538,205	1,447,423	616,452
Excess (deficiency) of revenues over (under) expenditures	(15,415)	56,828	(315,664)
Other financing sources:			
Transfer in (out)	15,415	(130,000)	309,200
Total other financing sources	15,415	(130,000)	309,200
Net change in fund balances	-	(73,172)	(6,464)
Fund balances - beginning	459	572,329	16,308
Fund balances - ending	$ 459	$ 499,157	$ 9,844

Lottery	South Metro	Title I	Title II	Title III	Title IV
$ -	$ -	$ -	$ -	$ -	$ -
2,933,318	4,503,466	-	-	-	-
13,600	489,531	20,285,838	1,575,342	606,992	188,071
-	-	-	-	-	-
2,946,918	4,992,997	20,285,838	1,575,342	606,992	188,071
2,680,394	3,481,084	6,423,839	288,044	115,164	43,668
211,311	860,902	246,555	-	170,578	16,056
149,311	362,766	10,688,232	1,209,360	277,759	85,447
-	-	4,878	-	-	-
-	253,215	1,047,176	64,021	20,870	32,339
-	18,087	3,302	-	-	-
-	16,943	1,864	-	-	5,674
-	-	607,953	-	(6)	-
-	-	-	13,917	-	-
3,235	-	1,262,039	-	22,627	4,887
-	-	-	-	-	-
-	-	-	-	-	-
3,044,251	4,992,997	20,285,838	1,575,342	606,992	188,071
(97,333)	-	-	-	-	-
81,333	-	-	-	-	-
81,333	-	-	-	-	-
(16,000)	-	-	-	-	-
16,000	-	-	-	-	-
$ -	$ -	$ -	$ -	$ -	$ -

(continued on following page)

Clayton County Board of Education
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2010
(continued)

	Title VI-B Preshool	Title VI-B	Vocational Programs
Revenues:			
Local sources	$ -	$ -	$ -
State sources	-	-	-
Federal sources	231,983	9,285,320	538,425
Interest earned on investments	-	-	-
Total revenues	231,983	9,285,320	538,425
Expenditures:			
Current:			
Instruction	231,983	7,851,226	372,642
Pupil services	-	1,092,639	-
Improvement of instructional services	-	341,455	165,783
Educational media services	-	-	-
General administration	-	-	-
School administration	-	-	-
Maintenance and operations	-	-	-
Student transportation	-	-	-
Central support services	-	-	-
Other support services	-	-	-
Other non-instructional services	-	-	-
Community service	-	-	-
Total expenditures	231,983	9,285,320	538,425
Excess (deficiency) of revenues over (under) expenditures	-	-	-
Other financing sources:			
Transfer in (out)	-	-	-
Total other financing sources	-	-	-
Net change in fund balances	-	-	-
Fund balances - beginning	-	-	-
Fund balances - ending	$ -	$ -	$ -

WorkTec	School Discretionary	All Other Special Revenue	Total Nonmajor Governmental Funds
$ 6,921,015	$ 7,284,846	$ 8,416	$ 16,054,985
755,870	-	189,420	8,578,375
1,738,915	-	457,857	35,702,542
1,014	-	-	1,166
9,416,814	7,284,846	655,693	60,337,068
-	6,920,440	98,927	28,876,635
-	-	461,926	3,059,967
-	-	66,922	13,508,574
-	-	7,563	12,441
-	-	25,745	1,443,366
-	-	4,199	25,588
-	-	-	31,923
-	-	13,352	621,299
-	-	-	13,917
-	-	2,071	1,294,859
-	-	30,073	646,525
9,288,960	-	-	10,736,383
9,288,960	6,920,440	710,778	60,271,477
127,854	364,406	(55,085)	65,591
125,000	-	21,876	422,824
125,000	-	21,876	422,824
252,854	364,406	(33,209)	488,415
1,360,957	2,939,218	38,874	4,944,145
$ 1,613,811	$ 3,303,624	$ 5,665	$ 5,432,560

Clayton County Board of Education

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget (Non-GAAP) and Actual
Non-Major Governmental Funds
Year Ended June 30, 2010

	Adult Education		
	Final Budget	Actual Amounts	Variance with Final Budget
Revenues:			
Local sources	$ -	$ 35,821	$ 35,821
State sources	197,152	196,301	(851)
Federal sources	330,254	290,668	(39,586)
Interest earned on investments	-	-	-
Total revenues	527,406	522,790	(4,616)
Expenditures:			
Current:			
Instruction	357,809	369,224	(11,415)
Pupil services	-	-	-
Improvement of instructional services	175,597	161,539	14,058
Educational media services	-	-	-
General administration	-	-	-
School administration	-	-	-
Business services	-	-	-
Maintenance and operations	17,040	7,442	9,598
Student transportation	-	-	-
Central support services	-	-	-
Other support services	-	-	-
Other non-instructional services	-	-	-
Community service	-	-	-
Capital outlay	-	-	-
Debt service:			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
Total expenditures	550,446	538,205	12,241
Excess (deficiency) of revenues over (under) expenditures	(23,040)	(15,415)	7,625
Other financing sources:			
Transfer in	23,040	-	(23,040)
Total other financing sources	23,040	-	(23,040)
Net change in fund balances	$ -	$ (15,415)	$ (15,415)

Clayton County Board of Education
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget (Non-GAAP) and Actual
Non-Major Governmental Funds
Year Ended June 30, 2010

	Athletics		
	Final Budget	Actual Amounts	Variance with Final Budget
Revenues:			
Local sources	$ 400,000	$ 300,636	$ (99,364)
State sources	-	-	-
Federal sources	-	-	-
Interest earned on investments	10,000	152	(9,848)
Total revenues	410,000	300,788	(109,212)
Expenditures:			
Current:			
Instruction	-	-	-
Pupil services	-	-	-
Improvement of instructional services	-	-	-
Educational media services	-	-	-
General administration	-	-	-
School administration	-	-	-
Business services	-	-	-
Maintenance and operations	-	-	-
Student transportation	-	-	-
Central support services	-	-	-
Other support services	-	-	-
Other non-instructional services	719,199	616,452	102,747
Community service	-	-	-
Capital outlay	-	-	-
Debt service:	-		
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
Total expenditures	719,199	616,452	102,747
Excess (deficiency) of revenues over (under) expenditures	(309,199)	(315,664)	(6,465)
Other financing sources:			
Transfer in	309,199	-	(309,199)
Total other financing sources	309,199	-	(309,199)
Net change in fund balances	$ -	$ (315,664)	$ (315,664)

Clayton County Board of Education
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget (Non-GAAP) and Actual
Non-Major Governmental Funds
Year Ended June 30, 2010

	Lottery		
	Final Budget	Actual Amounts	Variance with Final Budget
Revenues:			
Local sources	$ -	$ -	$ -
State sources	2,933,318	2,933,318	-
Federal sources	13,600	13,600	-
Interest earned on investments	-	-	-
Total revenues	2,946,918	2,946,918	-
Expenditures:			
Current:			
Instruction	2,680,408	2,680,394	14
Pupil services	211,296	211,311	(15)
Improvement of instructional services	149,312	149,311	1
Educational media services	-	-	-
General administration	-	-	-
School administration	-	-	-
Business services	-	-	-
Maintenance and operations	-	-	-
Student transportation	-	-	-
Central support services	-	-	-
Other support services	3,235	3,235	-
Other non-instructional services	-	-	-
Community service	-	-	-
Capital outlay	-	-	-
Debt service:			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
Total expenditures	3,044,251	3,044,251	-
Excess (deficiency) of revenues over (under) expenditures	(97,333)	(97,333)	-
Other financing sources:			
Transfer in	81,333	-	(81,333)
Total other financing sources	81,333	-	(81,333)
Net change in fund balances	$ (16,000)	$ (97,333)	$ (81,333)

Clayton County Board of Education
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget (Non-GAAP) and Actual
Non-Major Governmental Funds
Year Ended June 30, 2010

	South Metro		
	Final Budget	Actual Amounts	Variance with Final Budget
Revenues:			
Local sources	$ -	$ -	$ -
State sources	4,503,467	4,503,466	(1)
Federal sources	686,380	489,531	(196,849)
Interest earned on investments	-	-	-
Total revenues	5,189,847	4,992,997	(196,850)
Expenditures:			
Current:			
Instruction	3,265,273	3,481,084	(215,811)
Pupil services	1,030,009	860,902	169,107
Improvement of instructional services	524,254	362,766	161,488
Educational media services	6,600	-	6,600
General administration	305,511	253,215	52,296
School administration	13,100	18,087	(4,987)
Business services	-	-	-
Maintenance and operations	45,100	16,943	28,157
Student transportation	-	-	-
Central support services	-	-	-
Other support services	-	-	-
Other non-instructional services	-	-	-
Community service	-	-	-
Capital outlay	-	-	-
Debt service:			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
Total expenditures	5,189,847	4,992,997	196,850
Excess (deficiency) of revenues over (under) expenditures	-	-	-
Other financing sources:			
Transfer in	-	-	-
Total other financing sources	-	-	-
Net change in fund balances	$ -	$ -	$ -

Clayton County Board of Education
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget (Non-GAAP) and Actual
Non-Major Governmental Funds
Year Ended June 30, 2010

	Title I		
	Final Budget	Actual Amounts	Variance with Final Budget
Revenues:			
Local sources	$ -	$ -	$ -
State sources	-	-	-
Federal sources	37,651,376	20,285,838	(17,365,538)
Interest earned on investments	-	-	-
Total revenues	37,651,376	20,285,838	(17,365,538)
Expenditures:			
Current:			
Instruction	12,517,816	6,423,839	6,093,977
Pupil services	670,482	246,555	423,927
Improvement of instructional services	17,862,840	10,688,232	7,174,608
Educational media services	887	4,878	(3,991)
General administration	1,734,837	1,047,176	687,661
School administration	4,586	3,302	1,284
Business services	-	-	-
Maintenance and operations	2,718	1,864	854
Student transportation	2,282,659	607,953	1,674,706
Central support services	-	-	-
Other support services	2,574,551	1,262,039	1,312,512
Other non-instructional services	-	-	-
Community service	-	-	-
Capital outlay	-	-	-
Debt service:			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
Total expenditures	37,651,376	20,285,838	17,365,538
Excess (deficiency) of revenues over (under) expenditures	-	-	-
Other financing sources:			
Transfer in	-	-	-
Total other financing sources	-	-	-
Net change in fund balances	$ -	$ -	$ -

Clayton County Board of Education

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget (Non-GAAP) and Actual

Non-Major Governmental Funds

Year Ended June 30, 2010

	Title II		
	Final Budget	Actual Amounts	Variance with Final Budget
Revenues:			
Local sources	$ -	$ -	$ -
State sources	-	-	-
Federal sources	3,489,724	1,575,342	(1,914,382)
Interest earned on investments		-	-
Total revenues	3,489,724	1,575,342	(1,914,382)
Expenditures:			
Current:			
Instruction	351,438	288,044	63,394
Pupil services	-	-	-
Improvement of instructional services	2,861,667	1,209,360	1,652,307
Educational media services	-	-	-
General administration	181,183	64,021	117,162
School administration	-	-	-
Business services	-	-	-
Maintenance and operations	-	-	-
Student transportation	-	-	-
Central support services	95,436	13,917	81,519
Other support services	-	-	-
Other non-instructional services	-	-	-
Community service	-	-	-
Capital outlay		-	-
Debt service:			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
Total expenditures	3,489,724	1,575,342	1,914,382
Excess (deficiency) of revenues over (under) expenditures	-	-	-
Other financing sources:			
Transfer in	-	-	-
Total other financing sources	-	-	-
Net change in fund balances	$ -	$ -	$ -

Clayton County Board of Education
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget (Non-GAAP) and Actual
Non-Major Governmental Funds
Year Ended June 30, 2010

	Title III		
	Final Budget	Actual Amounts	Variance with Final Budget
Revenues:			
Local sources	$ -	$ -	$ -
State sources	-	-	-
Federal sources	897,057	606,992	(290,065)
Interest earned on investments	-	-	-
Total revenues	897,057	606,992	(290,065)
Expenditures:			
Current:			
Instruction	270,524	115,164	155,360
Pupil services	200,126	170,578	29,548
Improvement of instructional services	361,126	277,759	83,367
Educational media services	-	-	-
General administration	28,506	20,870	7,636
School administration	-	-	-
Business services	-	-	-
Maintenance and operations	-	-	-
Student transportation	4,875	(6)	4,881
Central support services	-	-	-
Other support services	31,900	22,627	9,273
Other non-instructional services	-	-	-
Community service	-	-	-
Capital outlay	-	-	-
Debt service:			-
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
Total expenditures	897,057	606,992	290,065
Excess (deficiency) of revenues over (under) expenditures	-	-	-
Other financing sources:			
Transfer in	-	-	-
Total other financing sources	-	-	-
Net change in fund balances	$ -	$ -	$ -

Clayton County Board of Education

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget (Non-GAAP) and Actual

Non-Major Governmental Funds

Year Ended June 30, 2010

	Title IV		
	Final Budget	Actual Amounts	Variance with Final Budget
Revenues:			
Local sources	$ -	$ -	$ -
State sources	-	-	-
Federal sources	276,990	188,071	(88,919)
Interest earned on investments	-	-	-
Total revenues	276,990	188,071	(88,919)
Expenditures:			
Current:			
Instruction	82,823	43,668	39,155
Pupil services	23,370	16,056	7,314
Improvement of instructional services	129,786	85,447	44,339
Educational media services	-	-	-
General administration	26,437	32,339	(5,902)
School administration	-	-	-
Business services	-	-	-
Maintenance and operations	8,574	5,674	2,900
Student transportation	-	-	-
Central support services	-	-	-
Other support services	6,000	4,887	1,113
Other non-instructional services	-	-	-
Community service	-	-	-
Capital outlay	-	-	-
Debt service:			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
Total expenditures	276,990	188,071	88,919
Excess (deficiency) of revenues over (under) expenditures	-	-	-
Other financing sources:			
Transfer in	-	-	-
Total other financing sources	-	-	-
Net change in fund balances	$ -	$ -	$ -

Clayton County Board of Education
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget (Non-GAAP) and Actual
Non-Major Governmental Funds
Year Ended June 30, 2010

	Title VI-B Preschool		
	Final Budget	Actual Amounts	Variance with Final Budget
Revenues:			
Local sources	$ -	$ -	$ -
State sources	-	-	-
Federal sources	3,581,443	231,983	(3,349,460)
Interest earned on investments	-	-	-
Total revenues	3,581,443	231,983	(3,349,460)
Expenditures:			
Current:			
Instruction	651,443	231,983	419,460
Pupil services	-	-	-
Improvement of instructional services	-	-	-
Educational media services	-	-	-
General administration	-	-	-
School administration	-	-	-
Business services	-	-	-
Maintenance and operations	-	-	-
Student transportation	-	-	-
Central support services	-	-	-
Other support services	-	-	-
Other non-instructional services	-	-	-
Community service	-	-	-
Capital outlay	-	-	-
Debt service:			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
Total expenditures	651,443	231,983	419,460
Excess (deficiency) of revenues over (under) expenditures	2,930,000	-	(2,930,000)
Other financing sources:			
Transfer in	-	-	-
Total other financing sources	-	-	-
Net change in fund balances	$ 2,930,000	$ -	$ (2,930,000)

Clayton County Board of Education

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget (Non-GAAP) and Actual

Non-Major Governmental Funds

Year Ended June 30, 2010

	Title VI-B		
	Final Budget	Actual Amounts	Variance with Final Budget
Revenues:			
Local sources	$ -	$ -	$ -
State sources	-	-	-
Federal sources	18,582,689	9,285,320	(9,297,369)
Interest earned on investments	-	-	-
Total revenues	18,582,689	9,285,320	(9,297,369)
Expenditures:			
Current:			
Instruction	13,550,728	7,851,226	5,699,502
Pupil services	3,173,456	1,092,639	2,080,817
Improvement of instructional services	1,858,505	341,455	1,517,050
Educational media services	-	-	-
General administration	-	-	-
School administration	-	-	-
Business services	-	-	-
Maintenance and operations	-	-	-
Student transportation	-	-	-
Central support services	-	-	-
Other support services	-	-	-
Other non-instructional services	-	-	-
Community service	-	-	-
Capital outlay	-	-	-
Debt service:			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
Total expenditures	18,582,689	9,285,320	9,297,369
Excess (deficiency) of revenues over (under) expenditures	-	-	-
Other financing sources:			
Transfer in	-	-	-
Total other financing sources	-	-	-
Net change in fund balances	$ -	$ -	$ -

Clayton County Board of Education

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget (Non-GAAP) and Actual

Non-Major Governmental Funds

Year Ended June 30, 2010

	Vocational Programs		
	Final Budget	Actual Amounts	Variance with Final Budget
Revenues:			
Local sources	$ -	$ -	$ -
State sources	-	-	-
Federal sources	574,523	538,425	(36,098)
Interest earned on investments	-	-	-
Total revenues	574,523	538,425	(36,098)
Expenditures:			
Current:			
Instruction	415,600	372,642	42,958
Pupil services	-	-	-
Improvement of instructional services	158,923	165,783	(6,860)
Educational media services	-	-	-
General administration	-	-	-
School administration	-	-	-
Business services	-	-	-
Maintenance and operations	-	-	-
Student transportation	-	-	-
Central support services	-	-	-
Other support services	-	-	-
Other non-instructional services	-	-	-
Community service	-	-	-
Capital outlay	-	-	-
Debt service:			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
Total expenditures	574,523	538,425	36,098
Excess (deficiency) of revenues over (under) expenditures	-	-	-
Other financing sources:			
Transfer in	-	-	-
Total other financing sources	-	-	-
Net change in fund balances	$ -	$ -	$ -

Clayton County Board of Education
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget (Non-GAAP) and Actual
Non-Major Governmental Funds
Year Ended June 30, 2010

	WorkTec		
	Final Budget	Actual Amounts	Variance with Final Budget
Revenues:			
Local sources	$ 6,427,721	$ 6,921,015	$ 493,294
State sources	66,000	755,870	689,870
Federal sources	881,541	1,738,915	857,374
Interest earned on investments	-	1,014	1,014
Total revenues	7,375,262	9,416,814	2,041,552
Expenditures:			
Current:			
Instruction	1,759,103	-	1,759,103
Pupil services	564,199	-	564,199
Improvement of instructional services	1,009,861	-	1,009,861
Educational media services	-	-	-
General administration	69,919	-	69,919
School administration	-	-	-
Business services	-	-	-
Maintenance and operations	4,070,180	-	4,070,180
Student transportation	-	-	-
Central support services	27,000	-	27,000
Other support services	-	-	-
Other non-instructional services	-	-	-
Community service	-	9,288,960	(9,288,960)
Capital outlay	-	-	-
Debt service:			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
Total expenditures	7,500,262	9,288,960	(1,788,698)
Excess (deficiency) of revenues over (under) expenditures	(125,000)	127,854	252,854
Other financing sources:			
Transfer in	125,000	-	(125,000)
Total other financing sources	125,000	-	(125,000)
Net change in fund balances	$ -	$ 127,854	$ 127,854

Clayton County Board of Education
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget (Non-GAAP) and Actual
Non-Major Governmental Funds
Year Ended June 30, 2010

	All Other Special Revenue		
	Final Budget	Actual Amounts	Variance with Final Budget
Revenues:			
Local sources	$ 2,500	$ 8,416	$ 5,916
State sources	180,000	189,420	9,420
Federal sources	765,787	457,857	(307,930)
Interest earned on investments		-	-
Total revenues	948,287	655,693	(292,594)
Expenditures:			
Current:			
Instruction	111,480	98,927	12,553
Pupil services	722,285	461,926	260,359
Improvement of instructional services	160,972	66,922	94,050
Educational media services	7,605	7,563	42
General administration	27,266	25,745	1,521
School administration	6,380	4,199	2,181
Business services	-	-	-
Maintenance and operations	-	-	-
Student transportation	20,430	13,352	7,078
Central support services	-	-	-
Other support services	1,250	2,071	(821)
Other non-instructional services	31,765	30,073	1,692
Community service	-	-	-
Capital outlay	-	-	-
Debt service:			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
Total expenditures	1,089,433	710,778	378,655
Excess (deficiency) of revenues over (under) expenditures	(141,146)	(55,085)	86,061
Other financing sources:			
Transfer in	105,524	-	(105,524)
Total other financing sources	105,524	-	(105,524)
Net change in fund balances	$ (35,622)	$ (55,085)	$ (19,463)

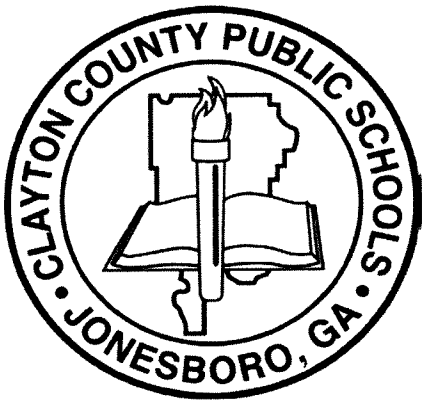
Clayton County Board of Education
Statement of Changes in Assets and Liabilities
Student Activities Agency Fund
Year Ended June 30, 2010

	Balance at July 1, 2009	Additions	Deductions	Balance at June 30, 2010
Assets:				
Cash and investments	$ 379,615	$ 1,779,039	$ 1,797,264	$ 361,390
Liabilities:				
Due to student organizations:				
Elementary Schools:				
Anderson	$ 458	$ 7,021	$ 6,157	$ 1,322
Arnold	800	2,556	3,127	229
Brown	1,799	10,583	11,675	707
Callaway	(3,259)	13,573	6,820	3,494
Church St	1,236	15,251	16,066	421
East Clayton	1,076	7,366	6,905	1,537
Edmonds	734	3,831	3,647	918
Fountain	703	2,636	2,864	475
Harper	3,766	3,110	4,486	2,390
Hawthorne	1,877	5,909	6,706	1,080
Haynie	5,576	7,650	7,065	6,161
Hendrix Dr	1,992	39	1,142	889
Huie	3,967	4,318	4,443	3,842
Jackson	1,280	17,107	11,674	6,713
Kemp	(393)	17,954	17,321	240
Kemp Primary	66	1,354	1,415	5
Kilpatrick	1,604	4,537	4,036	2,105
King	3,162	16,059	16,671	2,550
Lake City	4,524	4,499	4,503	4,520
Lake Ridge	745	3,586	3,251	1,080
Lee Street	3,050	7,377	7,515	2,912
Marshall	1,464	5,048	4,459	2,053
McGarrah	3,304	9,496	4,676	8,124
Morrow	844	1,215	1,130	929
Mt Zion	935	7,276	6,672	1,539
Mt Zion Primary	334	4,092	3,949	477
Northcutt	1,748	11,047	10,659	2,136
Oliver	763	11,266	9,710	2,319
Pointe South	1,826	5,036	5,113	1,749
Riverdale	752	4,356	3,353	1,755
Rivers Edge	1,678	22,324	23,668	334
Smith	2,187	44,129	43,773	2,543
Suder	6,009	5,397	5,420	5,986
Swint	2,349	2,796	3,721	1,424
Tara	2,953	4,555	4,885	2,623
Unidos	968	5,042	4,843	1,167
West Clayton	(64)	2,642	2,369	209
Total elementary schools	62,813	302,033	285,889	78,957

(continued)

Clayton County Board of Education
Statement of Changes in Assets and Liabilities (Concluded)
Student Activities Agency Fund
Year Ended June 30, 2010

	Balance at July 1, 2009	Additions	Deductions	Balance at June 30, 2010
Liabilities (continued):				
Due to student organizations (continued):				
Middle Schools:				
Adamson	$ 6,180	$ 19,617	$ 20,046	$ 5,751
Babb	7,039	65,867	65,943	6,963
Elite Scholars	500	806	1,333	(27)
Forest Park	1,414	7,698	7,915	1,197
Jonesboro	16,639	18,942	28,034	7,547
Kendrick	13,141	41,490	42,283	12,348
Lovejoy	12,069	34,755	44,528	2,296
Morrow	3,884	25,744	25,104	4,524
Mundys Mill	14,189	20,400	26,066	8,523
North Clayton	2,381	90,434	89,053	3,762
Pointe South	6,095	15,146	14,972	6,269
Rex Mill	21,117	147,786	147,999	20,904
Riverdale	2,082	31,493	30,562	3,013
Roberts	11,167	39,421	36,605	13,983
Sequoyah	3,687	14,247	12,354	5,580
Total middle schools	121,584	573,846	592,797	102,633
High Schools and Special Purpose Programs:				
Drew	$ -	$ 23,025	$ 16,131	$ 6,894
Forest Park	18,282	61,635	60,199	19,718
Jonesboro	15,491	58,852	66,570	7,773
Lovejoy	30,066	134,786	136,134	28,718
Morrow	27,929	78,993	85,628	21,294
Mount Zion	35,314	151,122	163,408	23,028
Mundy's Mill	25,865	143,693	144,836	24,722
North Calyton	9,240	105,744	106,709	8,275
Riverdale	31,439	139,500	134,044	36,895
Perry Center	-	4,784	3,764	1,020
Alternative	294	374	35	633
Flint River	33	50	32	51
South Metro	1,265	602	1,088	779
Total high schools and special purpose programs	195,218	903,160	918,578	179,800
Total due to student organizations	379,615	1,779,039	1,797,264	361,390
Total liabilities	$ 379,615	$ 1,779,039	$ 1,797,264	$ 361,390



Statistical Section

Clayton County
Public Schools

Introduction to Statistical Section

This part of the Clayton County Board of Education's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, required supplementary information, and supplementary information says about the School System's overall financial health.

Contents:

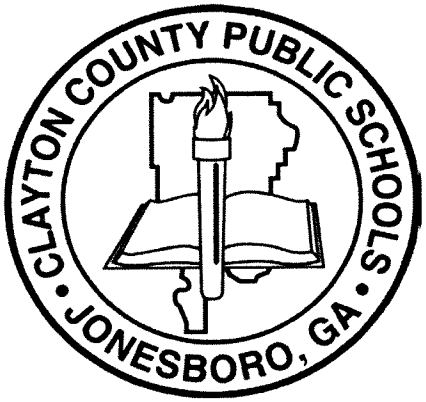
Financial Trends
These schedules contain trend information to help the reader understand how the Board's financial position has changed over time.

Revenue Capacity
These schedules contain information to help the reader assess the Board's most significant local revenue sources.

Debt Capacity
These schedules present information to help the reader assess the affordability of the Board's current levels of outstanding debt and the Board's ability to issue additional debt in the future.

Demographic and Economic Information
These schedules offer demographic and economic indicators to help the reader understand the environment within which the Board's financial activities take place.

Operating Information
These schedules contain service and infrastructure data to help the reader understand how the information in the Board's financial report relates to the services the Board provides and the activities it performs.



Financial Trends

Clayton County
Public Schools

CLAYTON COUNTY BOARD OF EDUCATION

Net Assets by Component
Last Seven Fiscal Years
(accrual basis of accounting)

Fiscal Year Ended June 30,	Invested in capital assets	Restricted	Unrestricted	Total Net Assets
2004	$ 211,503,325	46,810,178	57,589,341	315,902,844
2005	294,769,145	49,730,079	10,276,117	354,775,341
2006	312,268,008	80,930,059	20,233,916	413,431,983
2007	364,856,644	73,348,770	10,680,978	448,886,392
2008	406,113,481	90,559,654	51,630,832	548,303,967
2009	454,722,369	75,170,499	39,738,569	569,631,437
2010	509,655,295	76,436,913	19,633,982	605,726,190

Note: FY2003 Statement of Government Activities was restated in FY2004.
Note: FY2005 Statement of Government Activities was restated in FY2006.
Note: Information prior to FY2004 is available but not comparable.

Clayton County Board of Education
Changes in Net Assets
Last Seven Fiscal Years
Year Ended June 30, 2010

	2004	2005	2006	2007	2008	2009	2010
Expenses:							
Governmental activities							
Instructional services	259,438,818	279,040,459	280,507,442	284,656,120	320,457,976	326,173,396	299,228,401
Pupil services	8,236,161	7,970,510	9,586,304	12,303,138	16,214,795	16,664,267	16,355,400
Improvement of instructional services	10,932,517	16,019,905	16,447,052	22,658,292	25,443,649	25,553,694	23,188,322
Educational media services	6,504,893	6,856,554	6,579,784	6,930,008	7,594,192	7,789,435	7,839,592
General administration	4,061,884	3,556,380	3,664,557	4,809,647	3,742,791	5,008,540	4,429,848
School administration	19,687,994	20,235,069	21,061,645	21,414,697	24,287,809	24,529,652	23,897,928
Business administration	1,300,253	1,465,535	2,016,911	2,722,265	2,890,990	3,490,943	2,816,870
Maintenance and operations	25,318,187	25,770,642	27,537,489	28,614,235	32,548,593	35,601,121	32,152,942
Pupil transportation	14,880,892	14,985,960	17,795,290	22,222,626	22,975,264	22,484,075	22,035,391
Support services - central	8,439,183	8,347,455	8,514,016	15,059,973	11,291,357	11,774,644	9,325,934
Other support services	1,119,304	1,211,974	2,508,914	2,730,189	4,013,534	4,436,898	5,464,771
Non-instructional services	1,169,936	1,451,483	1,295,127	1,158,476	988,288	1,293,256	1,398,357
Community services	9,114,684	9,744,508	10,554,673	10,279,962	10,535,333	11,956,697	10,737,821
Interest	159,034	110,996	62,593	15,605	2,030	2,995	-
Food Services	-	-	-	-	-	-	-
Total governmental activities expenses	370,363,740	396,767,430	408,131,797	435,575,233	482,986,601	496,759,613	458,871,577
Business-type activities							
School food service	20,263,101	21,231,337	23,772,468	25,031,796	27,611,912	32,860,220	28,756,695
Performing arts center	407,573	277,398	301,175	328,682	370,864	426,702	352,312
Total business-type activities expenses	20,670,674	21,508,735	24,073,643	25,360,478	27,982,776	33,286,922	29,109,007
Total primary government expenses	391,034,414	418,276,165	432,205,440	460,935,711	510,969,377	530,046,535	487,980,584
Program Revenues:							
Governmental activities							
Charges for services:							
Instructional services	13,226,303	11,551,965	10,366,020	189,571	9,333,417	8,073,750	7,360,729
Pupil services	158,853	-	116,125	78,415	-	-	-
Instructional staff	-	-	-	10,455	-	5,624	8,416
Support services	-	-	-	140	-	-	-
Other support services	498,875	598	37,633	566	1,614	2,620	3,233
Non-instructional services	484,437	438,088	423,368	13,396,684	309,240	272,591	300,636
Community services	6,563,909	7,279,101	8,166,405	5,388,630	8,529,620	9,610,775	8,425,266
Operating grants and contributions							
Instructional services	158,614,569	172,660,606	175,822,013	194,953,512	203,773,082	185,098,116	179,348,500
Pupil services	3,672,957	3,757,727	3,847,847	5,656,282	4,507,765	3,681,184	3,840,784
Improvement of instructional services	5,680,955	10,763,481	10,723,888	10,056,464	15,581,205	15,719,475	14,652,112
Educational media services	3,633,262	4,029,657	4,277,109	4,769,039	5,308,086	4,980,672	5,048,222
General administration	1,938,392	1,830,776	2,025,376	2,158,239	1,436,808	1,906,241	2,245,639
School administration	7,434,084	7,967,269	8,275,510	8,769,853	9,545,589	8,822,397	9,417,316
Business administration	336,467	363,600	613,185	684,838	694,299	726,203	770,916
Maintenance and operations	12,639,197	12,875,167	12,964,693	13,186,473	13,603,315	12,346,817	12,530,318
Pupil transportation	2,854,252	3,095,062	3,122,515	4,153,936	5,335,415	4,020,197	3,106,713
Support services-central	5,324,195	2,456,442	2,333,145	2,269,802	2,935,988	2,508,607	2,482,733
Other support services	590,162	641,769	826,234	-	553,095	7,487	4,625
Non-instructional services	21,085	456,145	139,523	425,063	-	360,911	1,289,553
Community services	-	2,303,024	2,073,423	2,518,975	2,787,765	2,447,997	2,494,785
Capital grants and contributions							
Instructional services	13,330,193	1,703,636	7,130,175	7,375,103	17,412,902	11,322,264	13,158,977
Total governmental activities revenue	237,002,147	244,174,113	253,284,187	276,042,040	301,649,205	271,913,928	266,489,473

Clayton County Board of Education
Changes in Net Assets
Last Seven Fiscal Years
Year Ended June 30, 2010

	2004	2005	2006	2007	2008	2009	2010
Business-type activities							
Charge for services							
School food service	4,757,462	4,030,613	3,744,923	3,134,147	2,861,587	2,684,373	2,321,346
Performing Arts center	220,566	208,909	188,838	213,115	298,144	249,268	236,175
Operating grants and contributions							
School food service	16,699,129	18,628,126	20,975,820	21,527,062	23,411,943	25,159,432	25,084,941
Total business-type activities program revenues	21,677,157	22,867,648	24,909,581	24,874,324	26,571,674	28,093,073	27,642,462
Total primary government program revenues	258,679,304	267,041,761	278,193,768	300,916,364	328,220,879	300,007,001	294,131,935
Net(Expense) Revenue							
Governmental Activities	(133,361,593)	(152,593,317)	(154,847,610)	(159,533,193)	(181,337,396)	(224,845,685)	(192,382,104)
Business-type activities	1,006,483	1,358,913	835,938	(486,154)	(1,411,102)	(5,193,849)	(1,466,545)
Total primary government net expense	(132,355,110)	(151,234,404)	(154,011,672)	(160,019,347)	(182,748,498)	(230,039,534)	(193,848,649)
General revenues and other changes in net assets							
Property taxes	114,127,752	123,958,375	122,894,927	148,448,796	151,424,563	161,522,560	148,094,346
Sales taxes	46,165,205	50,642,568	54,411,505	53,538,851	54,423,793	49,121,173	53,669,034
Other taxes	6,909,348	6,903,391	6,973,978	7,109,991	8,917,565	1,377,987	983,594
Non-program specific state and federal aid	6,905,282	9,298,139	16,894,461	17,409,359	14,142,824	26,847,151	20,855,861
Local school activity	1,279,122	841,901	2,649,154	4,036,302	3,632,980	5,361,901	4,229,182
Interest and investment earnings	574,743	1,483,671	3,690,941	6,991,393	5,534,144	1,790,719	396,312
Gain on sale of assets	-	-	622	73,472	58,300	14,390	268,841
Transfers	-	-	-	-	-	137,274	(20,313)
Total government activities	175,961,452	193,128,045	207,515,588	237,608,164	238,134,169	246,173,155	228,476,857
Business-type activities:							
Interest and investment earnings	62,839	166,319	356,087	526,739	350,446	69,790	14,188
Transfers	-	-	-	-	-	(137,274)	20,313
Total business-type activities	62,839	166,319	356,087	526,739	350,446	(67,484)	34,501
Total primary government	176,024,291	193,294,364	207,871,675	238,134,903	238,484,615	246,105,671	228,511,358
Change in Net Assets							
Governmental activities	42,599,859	40,534,728	52,667,978	78,074,971	56,796,773	21,327,470	36,094,753
Business-type activities	1,069,322	1,525,232	1,186,025	40,585	(1,060,656)	(5,261,333)	(1,432,044)
Total primary government	43,669,181	42,059,960	53,854,003	78,115,556	55,736,117	16,066,137	34,662,709

Note: FY2003 Statement of Government Activities was restated in FY2004.
Note: FY2005 Statement of Government Activities was restated in FY2006.
Note: Information prior to FY2004 is available but not comparable.

CLAYTON COUNTY BOARD OF EDUCATION

Fund Balances, Governmental Funds

Last Ten Fiscal Years

(modified accrual basis of accounting)

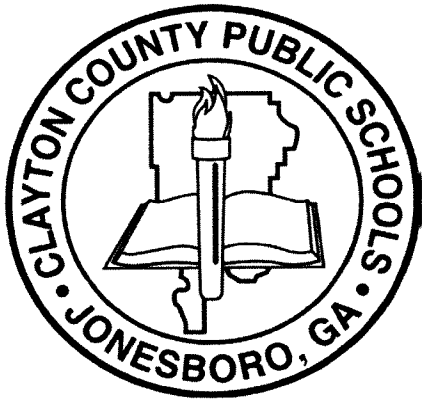
Fiscal Year Ended June 30,	General Fund			
	Reserved	Unreserved Designated	Unreserved Undesignated	Total
2001	190,233	-	25,125,082	25,315,315
2002	190,233	-	30,710,086	30,900,319
2003	492,414	-	16,301,637	16,794,051
2004	-	-	2,064,580	2,064,580
2005	-	-	9,690,850	9,690,850
2006	-	-	14,087,652	14,087,652
2007	2,376,397	-	44,782,464	47,158,861
2008	-	-	49,131,625	49,131,625
2009	-	-	37,015,898	37,015,898
2010	-	-	15,660,602	15,660,602

Fiscal Year Ended June 30,	All Other Governmental Funds				
	Reserved	Unreserved Special Revenue	Capital Projects	Debt Service	Total
2001	-	4,958,341	39,152,208	-	44,110,549
2002	-	5,556,432	38,067,675	-	43,624,107
2003	-	5,968,798	46,042,756	-	52,011,554
2004	-	3,119,748	46,810,178	-	49,929,926
2005	-	3,340,797	49,730,079	-	53,070,876
2006	-	3,093,521	80,930,059	-	84,023,580
2007	-	3,595,866	73,348,770	-	76,944,636
2008	-	4,802,157	90,559,654	-	95,361,811
2009	-	4,944,145	75,170,499	-	80,114,644
2010	-	5,432,560	76,436,913	-	81,869,473

Clayton County Board of Education
Changes in Fund Balances, Governmental Funds
Last Nine Fiscal Years

	2002	2003	2004	2005	2006	2007	2008	2009	2010
Revenues:									
Local sources	$ 173,681,674	$ 173,865,444	$ 183,968,056	$ 199,988,595	$ 196,000,977	$ 227,174,904	$ 236,387,341	$ 236,158,812	$ 224,080,154
State sources	206,752,881	215,148,835	203,339,338	197,832,717	215,063,542	239,246,916	264,830,746	239,563,950	211,161,926
Federal sources	27,752,457	33,655,899	24,545,613	38,720,305	39,547,241	39,671,292	37,089,659	39,790,750	58,901,510
Interest earned on investments	-	-	574,743	1,483,671	3,690,941	6,991,392	5,534,144	1,790,719	396,312
On behalf payments	-	-	3,150,426	3,311,531	7,622,873	7,227,583	-	-	-
Other sources	-	-	75,179	-	-	-	-	-	-
Total revenues	408,187,012	422,670,178	415,653,355	441,336,819	520,312,087	520,312,087	543,841,890	517,304,231	494,539,902
Expenditures:									
Current:									
Instructional services	224,390,871	250,693,236	258,625,347	260,960,087	263,210,908	276,138,696	304,155,211	300,620,268	291,480,509
Pupil services	7,454,054	7,865,132	8,188,368	7,966,497	9,578,188	12,188,388	16,167,627	16,636,729	16,437,777
Improvement of instructional services	7,639,490	10,888,732	10,863,587	16,050,498	16,361,601	22,610,922	25,069,320	25,550,792	23,265,654
Educational media services	6,086,938	6,171,007	6,493,723	6,849,810	6,569,947	6,921,917	7,573,123	7,788,758	7,839,167
General administration	3,425,482	3,840,469	3,907,327	3,423,249	3,429,391	4,437,129	3,656,928	4,674,133	4,392,803
School administration	18,583,335	19,341,620	19,569,553	20,107,379	20,911,160	21,071,990	23,996,116	24,325,141	23,857,513
Business services	1,223,830	1,594,999	1,284,832	1,465,963	1,992,348	2,725,317	2,885,605	3,470,348	2,820,123
Maintenance and operations	22,962,626	24,847,734	25,376,816	25,747,334	27,285,453	28,257,473	32,293,341	35,200,907	32,031,887
Student transportation	11,016,544	13,391,076	16,183,916	13,239,495	14,997,106	20,307,028	23,415,849	20,227,700	19,875,107
Central support services	5,496,321	7,828,157	7,840,640	7,164,566	7,565,608	14,320,703	11,630,765	11,339,185	9,032,684
Other support services	1,187,042	737,588	1,117,683	1,210,801	2,500,260	2,725,457	3,577,663	4,449,389	5,464,771
On behalf payments	-	-	3,150,426	3,311,531	7,622,873	7,227,583	-	-	-
Other non-instructional services	-	17,530	1,167,078	1,451,522	1,296,284	1,158,911	1,018,735	1,282,815	1,367,078
Community service	6,407,398	6,719,596	9,099,984	9,733,870	10,549,645	10,251,046	10,538,956	11,977,565	10,736,383
Capital outlay	71,192,588	62,363,856	51,763,317	49,744,718	30,580,662	62,254,348	57,502,959	77,176,502	65,790,820
Food Services	18,572,856	20,000,688	-	-	-	-	-	-	-
Debt service:									
Principal retirement	680,000	-	1,980,887	2,031,283	2,077,328	1,420,440	26,262	24,793	-
Interest and fiscal charges	18,591	-	159,034	110,996	62,593	15,605	2,030	2,995	-
Total expenditures	406,337,966	436,301,420	426,772,518	430,569,599	426,591,355	494,032,953	523,510,490	544,748,020	514,392,276
Excess (deficiency) of revenues over (under) expenditures	1,849,046	(13,631,242)	(11,119,163)	10,767,220	35,334,219	26,279,134	20,331,400	(27,443,789)	(19,852,374)
Other financing sources (uses):									
Proceeds from capital leases	-	7,900,000	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	15,287	104,651	58,300	26,785	272,220
Transfer in	16,741,761	25,619,622	320,749	1,768,836	951,842	382,922	1,613,919	734,177	422,824
Transfers out	(16,719,894)	(25,607,203)	(320,749)	(1,768,836)	(951,842)	(774,442)	(1,613,679)	(680,067)	(443,137)
Total other financing sources (uses)	21,867	7,912,419	-	-	15,287	(286,869)	58,540	80,895	251,907
Net change in fund balances	1,870,913	(5,718,823)	(11,119,163)	10,767,220	35,349,506	25,992,265	20,389,940	(27,362,894)	(19,600,467)
Debt service as a percentage of noncapital expenditure	0.21%	-	0.57%	0.56%	0.54%	0.33%	0.01%	0.01%	0.00%

Note: FY2003 Statement of Government Activities was restated in FY2004.
Note: FY2005 Statement of Government Activities was restated in FY2006.
Note: Information prior to FY2002 is available but not comparable.



Revenue Capacity

Clayton County
Public Schools

CLAYTON COUNTY BOARD OF EDUCATION
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Tax Years
(Unaudited - in Thousands)
Maintenance and Operations
December 31, 2001 through 2010

	Real & Personal Property		Privately Owned Public Utilities		Motor Vehicles and Mobile Homes		Total School Board						
Tax Year	Assesed Value	Estimated Actual Value	Assesed Value	Estimated Actual Value	Assesed Value	Estimated Actual Value	Assesed Value	Estimated Actual Value	Tax payer Exemptions	Net Assessed Value	Millage Rate	Total Tax Levy	Assessed Value as a Percentage of Actual Value
2001	4,794,151	11,985,378	568,588	1,421,470	625,793	1,564,483	5,988,532	14,971,330.00	789,072	5,199,460	0.0179	93,154	40.00%
2002	5,238,649	13,096,623	702,964	1,757,410	696,730	1,741,825	6,638,343	16,595,857.50	888,093	5,750,250	0.0179	103,021	40.00%
2003	6,018,206	15,045,515	759,616	1,899,040	699,494	1,748,735	7,477,316	18,693,290.00	912,706	6,564,610	0.0189	124,176	40.00%
2004	6,207,454	15,518,635	788,279	1,970,698	628,532	1,571,330	7,624,265	19,060,662.50	944,993	6,679,272	0.0189	126,345	40.00%
2005	6,604,086	16,510,215	809,799	2,024,498	656,209	1,640,523	8,070,094	20,175,235.00	1,000,661	7,069,433	0.0189	133,725	40.00%
2006	7,103,414	17,758,535	903,746	2,259,365	646,348	1,615,870	8,653,508	21,633,770.00	979,974	7,673,534	0.0200	153,471	40.00%
2007	7,486,980	18,717,450	958,005	2,395,013	725,291	1,813,228	9,170,276	22,925,690.00	1,024,163	8,146,113	0.0198	161,586	40.00%
2008	7,883,623	19,709,058	918,347	2,295,868	731,920	1,829,800	9,533,890	23,834,725.00	1,264,115	8,269,775	0.0198	164,039	40.00%
2009	7,788,733	19,471,832	1,004,944	2,512,359	740,214	1,850,534	9,533,891	23,834,725.00	1,264,115	8,269,776	0.0198	164,039	40.00%
2010	7,549,508	18,873,770	1,007,183	2,517,958	621,749	1,554,373	9,178,440	22,946,100.00	1,145,096	8,033,344	0.0200	160,667	40.00%

Source: Property Tax Division, Clayton CountyTax Commission

Note: Total Taxable Assessed Values were calculated by reducing the fair market/market value of primary residential property by 45%, representing a partial property tax exemption for such property.

Clayton County Board of Education
Direct and Overlapping Property Tax Rates,
Last Ten Fiscal Years
(rate per $1,000 of assessed value)

Fiscal Year	District Direct Rates			Overlapping Rates				
	School M & O	Debt Service	Total	State of Georgia	City of College Park	City of Forest Park	City of Morrow	City of Riverdale
2001	17.916	-	17.916	0.250	6.930	3.043	-	1.000
2002	17.916	-	17.916	0.250	15.870	3.043	-	5.000
2003	17.916	-	17.916	0.250	9.560	5.043	-	6.500
2004	18.916	-	18.916	0.250	9.560	4.793	-	7.500
2005	18.916	-	18.916	0.250	9.560	5.593	4.000	7.500
2006	18.916	-	18.916	0.250	9.560	6.593	4.000	7.500
2007	20.000	-	20.000	0.250	9.560	6.593	5.000	7.500
2008	19.836	-	19.836	0.250	9.560	10.343	5.000	7.500
2009	19.836	-	19.836	0.250	9.560	6.593	5.000	7.500
2010	20.000	-	20.000	0.250	9.560	12.343	6.000	7.500

Overlapping Rates (*continue*):

Fiscal Year	City of Jonesboro		City of Lake City	City of LoveJoy Fire District	Clayton Board of Commissioners		
	M & O	Fire District			M & O	Fire District	Total
2001	-	-	-	-	3.913	4.625	8.538
2002	-	-	-	4.207	4.047	4.351	8.398
2003	-	-	-	3.900	5.882	4.207	10.089
2004	-	3.900	6.000	3.900	6.882	3.900	10.782
2005	-	3.900	5.886	3.900	7.781	3.900	11.681
2006	3.000	3.900	5.768	3.900	7.781	-	7.781
2007	1.000	3.900	5.768	3.900	8.764	-	8.764
2008	3.000	3.900	5.740	3.900	8.535	-	8.535
2009	2.000	3.900	5.768	3.900	8.962	-	8.962
2010	-	3.900	5.737	3.900	11.436	-	11.436

Source: Clayton County Tax Commisioner's Office

CLAYTON COUNTY BOARD OF EDUCATION
Principal Property Tax Payers
Current Year and Nine Years Ago

Taxpayer	December 31, 2010 Taxable Assessed Value	Rank	Percent of District's Total Taxable Value(1)	December 31, 2001 Taxable Assessed Value	Rank	Percent of District's Total Taxable Value (2)
Delta Airlines, Inc	$ 691,402,010	1	7.55%	$ 1,925,166,203	1	32.41%
Air Tran Airways	133,586,841	2	1.46%	-		0.00%
Georgia Power Co	109,306,126	3	1.19%	80,760,955	4	1.36%
City of Atlanta	85,536,770	4	0.93%	84,974,808	3	1.43%
Atlantic Southeast	69,980,822	5	0.76%	92,932,894	2	1.56%
AMB Partners	49,367,616	6	0.54%	-		0.00%
Atlanta Gas Light	36,572,078	7	0.40%	-		0.00%
Bellsouth	32,442,908	8	0.35%	42,835,530	8	0.72%
Clorox Company	29,094,800	9	0.32%	-		0.00%
Southlake Mall	28,949,090	10	0.32%	-		0.00%
Hertz	-		0.00%	46,466,335	6	0.78%
Avis	-		0.00%	28,327,352	9	0.48%
National Car Rental	-		0.00%	26,025,082	10	0.44%
JCPenny	-		0.00%	45,586,647	7	0.77%
Northwest Airlines	-		0.00%	48,967,398	5	0.82%
Totals	$ 1,266,239,061		13.83%	$ 2,422,043,204		40.78%

Source: Clayton County Assessor and State Tax Commission

(1) District 's total taxable value for 2010 $9,156,849,631

(2) District 's total taxable value for 2001 $5,939,822,208

CLAYTON COUNTY BOARD OF EDUCATION
Property Tax Levies and Collections
Last Ten Tax Years

Tax Year	Taxes Levied For The Tax Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2000	93,153,516	85,935,697	92.25%	(2)	85,935,695	92.25%
2001	103,021,471	104,235,822	101.18% (1)	(2)	104,235,820	101.18%
2002	112,319,107	103,992,925	92.59%	8,316,890	112,309,815	99.99%
2003	124,176,153	114,042,199	91.84%	10,130,402	124,172,601	100.00%
2004	133,573,932	119,369,020	89.37%	14,172,994	133,542,014	99.98%
2005	153,470,689	135,543,274	88.32%	1,777,716	137,320,990	89.48%
2006	161,586,307	143,875,651	89.04%	17,536,330	161,411,981	99.89%
2007	164,039,251	147,237,288	89.76%	3,323,502	150,560,790	91.78%
2008	161,250,713	156,339,150	96.95%	3,158,472	159,497,622	98.91%
2009	142,878,841	137,950,010	96.55%	-	137,950,010	96.55%

Source: Clayton County Tax Commissioner

(1) Includes some prior year tax levy
(2) Information not available

Clayton County Board of Education
Schedule of Revenues by Source
Governmental Funds Last Ten Fiscal Years

	2001	2002	2003	2004	2005
Revenues:					
Local sources	$ 151,062,736	$ 173,681,674	$ 173,865,444	$183,968,056	$ 199,988,595
State sources	187,559,435	206,752,881	215,148,835	203,339,338	197,832,717
Federal sources	23,705,622	27,752,457	33,655,899	24,545,613	38,720,305
Interest earned on investments	-	-	-	574,743	1,483,671
On behalf payments	-	-	-	3,150,426	3,311,531
Other sources	-	-	-	75,179	-
Total revenues	362,327,793	408,187,012	422,670,178	415,653,355	441,336,819

Clayton County Board of Education
Schedule of Revenues by Source
Governmental Funds Last Ten Fiscal Years
(continued)

	2006	2007	2008	2009	2010
Revenues:					
Local sources	$ 196,000,977	$ 227,174,904	$ 236,387,341	$ 236,158,812	$ 224,080,154
State sources	215,063,542	239,246,916	264,830,746	239,563,950	211,161,926
Federal sources	39,547,241	39,671,292	37,089,659	39,790,750	58,901,510
Interest earned on investments	3,690,941	6,991,392	5,534,144	1,790,719	396,312
On behalf payments	7,622,873	7,227,583	-	-	-
Other sources	-	-	-	-	-
Total revenues	520,312,087	520,312,087	543,841,890	517,304,231	494,539,902

Debt Capacity

Clayton County
Public Schools

CLAYTON COUNTY BOARD OF EDUCATION
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Capital Lease	General Obligation Bonds***	Total Primary Government	Percentage of Personal Income*	Per Capita*
2001	356,208	680,000	1,036,208	0.02%	20
2002	165,487	-	165,487	0.00%	1
2003	7,560,993	-	7,560,993	0.15%	29
2004	5,580,106	-	5,580,106	0.11%	21
2005	3,548,823	-	3,548,823	0.07%	13
2006	1,471,495	-	1,471,495	0.03%	5
2007	51,055	-	51,055	0.00%	0
2008	24,793	-	24,793	0.00%	0
2009	-	-	-	0.00%	0
2010	-	-	-	0.00%	0

Notes:
*See Schedule of Demographic and Economic Statistics
***The School System had no outstanding General Obligation Bonded Debt after 2001

Clayton County Board of Education
Direct and Overlapping Governmental Activities Debt
As of June 30, 2010

		Estimated Outstanding Debt	Percentage Applicable to Clayton County Board of Education*	Amount Applicable to Clayton County Board of Education
Direct Debt				
	Clayton County Board of Education	$ -	-	$ -
Overlapping Debt				
	Clayton County	35,724,744	100%	35,724,744
	Landfill Authority	14,204,800	100%	14,204,800
Total Direct and Overlapping Debt		49,929,544		49,929,544

Source: 2010 Clayton County Board Commissioners

* The percentage of overlapping debt applicable is calculated using taxable assessed property values. Applicable percentages were determined by the portion of the board's taxable assessed value that is within the county's boundaries and dividing it by the board's total taxable assessed value.

CLAYTON COUNTY BOARD OF EDUCATION
Legal Debt Margin Information
Last Ten Tax Years

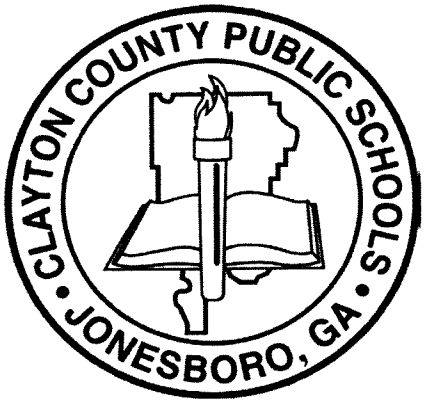
	Tax Year					
	2001	2002	2003	2004	2005	2006
Debt limit	$ 531,787,189	$ 59,061,328	$ 644,653,196	$ 676,984,575	$ 690,157,367	$ 730,100,335
Total net debt applicable to limit	55,560,000	27,945,000	-	-	-	-
Legal debt margin	$ 587,347,189	$ 87,006,328	$ 644,653,196	$ 676,984,575	$ 690,157,367	$ 730,100,335
Total net debt applicable to the limit as a percentage of debt limit	10.45%	47.32%	0.00%	0.00%	0.00%	0.00%

CLAYTON COUNTY BOARD OF EDUCATION
Legal Debt Margin Information (continued)
Last Ten Tax Years

	2007	2008	2009	2010
Debt limit	$ 793,727,347	$ 843,099,880	$ 953,389,012	$ 915,685,000
Total net debt applicable to limit	-	-	-	-
Legal debt margin	$ 793,727,347	$ 843,099,880	$ 953,389,012	$ 915,685,000
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%

Legal Debt Margin Calculation for Fiscal Year 2010

Assessed Value*	$ 915,685,000
Debt Limit (10% of assessed value)**	91,568,500
Debt applicable to limit:	
General Obligation Bonds	-
Total net debt applicable to limit	-
Legal debt margin	$ 91,568,500



Demographic & Economic Information

Clayton County
Public Schools

CLAYTON COUNTY BOARD OF EDUCATION
Demographic and Economic Statistics
Last Ten Calendar Years

Year	Population	Personal Income* (in thousands)	Per Capita Personal Income	County Unemployment Rate**
2001	248,060	4,882,680	19,683	4.0%
2002	253,480	4,942,960	19,500	6.6%
2003	259,740	5,127,060	19,739	6.8%
2004	262,930	5,283,080	20,093	4.6%
2005	266,290	5,437,080	20,418	5.9%
2006	272,600	5,460,710	20,032	5.1%
2007	274,220	6,635,480	24,198	4.7%
2008	273,690	5,979,930	21,849	7.9%
2009	275,580	5,960,557	21,629	12.5%
2010	277,463	6,140,280	22,130	12.3%

* Woods & Poole Economics Data Pamphlet 2010

** Georgia Department of Labor/Clayton County Chamber of Commerce

CLAYTON COUNTY BOARD OF EDUCATION
Principal Employers
Current Year and Four Years Ago

	2009			2005		
Taxpayer	Number of Employees	Rank	Percent of Total County Employment	Number of Employees	Rank	Percent of Total County Employment
Delta Airlines, Inc	16,515	1	11.43%	23,500	1	16.09%
Clayton County School System	7,300	2	5.05%	7,010	2	4.80%
Clayton County Board of Commissioners	3,419	3	2.37%	1,901	5	1.30%
Southern Regional Medical Center	2,569	4	1.78%	–	–	0.00%
Fresh Express	1,935	5	1.34%	450	8	0.31%
Wal-Mart	1,500	6	1.04%	650	7	0.44%
Southern Company	1,085	7	0.75%	–	–	0.00%
Gate Gourmet, Inc.	1,050	8	0.73%	–	–	0.00%
Fed Ex Ground	400	9	0.28%	–	–	0.00%
Clayton State University	390	10	0.27%	950	6	0.65%
Fort Gillum (U.S. Army)	–	–	0.00%	4,200	3	2.87%
Southern Regional Health Systems	–	–	0.00%	2,250	4	1.54%
ToTO, USA, Inc	–	–	0.00%	450	9	0.31%
Hartsfield-Jackson International Airport	–	–	0.00%	400	10	0.27%
Totals	36,163		25.03%	41,761		28.59%

Source: Clayton County Chamber of Commerce

Total employment in Clayton County for 2009 was 144,468 and 2005 it was 146,090 (Woods & Poole Economics Data Pamphlet 2005 and 2009)

Note: Information subsequent to 2005 is not available and information for 2010 is not yet available.

CLAYTON COUNTY BOARD OF EDUCATION
Student Ethnicity Statistics
Last Ten Years

Sex	Race	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Female	American Indian/Alaskan Native	30	23	23	23	23	22	20	18	18	56
	Asian, Pacific Islander	1,021	1,050	1,048	1,077	1,067	1,056	1,061	1,030	1,030	1,153
	Black, not of Hispanic origin	14,966	15,980	16,994	17,757	18,269	18,921	18,643	17,408	17,387	17,454
	Hispanic	1,350	1,662	1,958	2,286	2,619	2,962	3,181	3,576	3,582	4,116
	Multi-racial	670	737	777	778	841	897	964	904	904	741
	White, not of Hispanic origin	4,837	4,082	3,371	2,790	2,215	1,790	1,355	1,042	1,043	932
	Sub Total	**22,874**	**23,534**	**24,171**	**24,711**	**25,034**	**25,648**	**25,224**	**23,978**	**23,964**	**24452**
Male	American Indian/Alaskan Native	25	23	20	21	16	23	20	30	30	55
	Asian, Pacific Islander	1,135	1,173	1,176	1,160	1,153	1,155	1,157	1,148	1,147	1,213
	Black, not of Hispanic origin	15,497	16,448	17,511	18,185	18,795	19,605	19,385	18,488	18,514	18,411
	Hispanic	1,440	1,785	2,132	2,534	2,966	3,264	3,367	3,720	3,736	4,256
	Multi-racial	715	791	852	861	897	937	930	939	938	767
	White, not of Hispanic origin	5,244	4,478	3,732	3,083	2,544	2,025	1,514	1,176	1,179	1,050
	Sub Total	**24,056**	**24,698**	**25,423**	**25,844**	**26,371**	**27,009**	**26,373**	**25,501**	**25,544**	**25,752**
	System Total	**46,930**	**48,232**	**49,594**	**50,555**	**51,405**	**52,657**	**52,657**	**49,479**	**49,508**	**50,204**

Source: Georgia Department of Education Website

CLAYTON COUNTY BOARD OF EDUCATION
Student Enrollment Statistics
Last Ten School Years

Year Ended June 30,	Average Daily Membership	Average Daily Attendance	Attendance Percentage	Official State October 1 Enrollment Count
2001	46,502	43,433	93.40%	46,930
2002	47,716	44,805	93.90%	48,232
2003	48,238	45,344	94.00%	49,594
2004	48,583	45,717	94.10%	50,555
2005	50,914	48,012	94.30%	51,405
2006	51,905	48,947	94.30%	52,657
2007	52,261	50,013	95.70%	52,533
2008	51,955	48,740	93.81%	49,479
2009	48,945	46,478	94.96%	49,508
2010	49,474	47,111	95.22%	50,204

Operating Information

Clayton County
Public Schools

CLAYTON COUNTY BOARD OF EDUCATION
Teachers' Base Salaries
Last Ten Fiscal Years

FISCAL YEAR	MINIMUM SALARY	MEDIAN SALARY	MAXIMUM SALARY	PERCENT CHANGE
2001	$31,018	$47,825	$64,631	2.88%
2002	$32,238	$49,796	$67,353	4.21%
2003	$33,159	$51,300	$69,441	3.10%
2004	$34,059	$52,200	$70,341	1.30%
2005	$34,449	$53,435	$72,422	2.96%
2006	$35,241	$54,999	$74,756	3.22%
2007	$38,859	$58,130	$77,400	3.54%
2008	$39,809	$59,635	$79,461	2.66%
2009	$40,624	$61,527	$82,430	3.74%
2010	$40,624	$61,452	$82,280	-0.18%

CLAYTON COUNTY BOARD OF EDUCATION

History of High School Graduates
Last Ten School Years

School Year	Drew High	Forest Park High	Jonesboro High	Lovejoy High	Morrow High	Mount Zion High	Mundy's Mill High	North Clayton High	Riverdale High	Alternative Programs	Total
2001	-	231	300	400	276	265	-	191	246	2	1,911
2002	-	241	282	456	315	301	-	207	262	2	2,066
2003	-	239	323	485	362	273	-	240	285	2	2,209
2004	-	208	346	475	334	286	4	257	318	5	2,233
2005	-	219	279	321	331	299	319	249	265	5	2,287
2006	-	224	316	350	360	285	406	246	345	1	2,533
2007	-	232	293	374	330	297	374	254	303	8	2,465
2008	-	236	272	360	366	249	387	236	302	105	2,513
2009	-	230	271	361	316	238	355	215	294	234	2,514
2010	-	218	214	297	284	240	305	225	293	279	2,355

CLAYTON COUNTY BOARD OF EDUCATION
RATIO OF PUPILS TO PROFESSIONAL PERSONNEL
Last Ten Fiscal Years

Fiscal Year	Classroom Teachers (1)	Support Personnel (2)	Administrators (3)	Total Personnel	Average Daily Enrollment	Ratio of Pupils to Classroom Teachers
2001	2,766	3,298	236	6,300	43,433	15.7
2002	2,829	3,420	197	6,446	44,805	15.8
2003	3,065	3,525	212	6,802	45,344	14.8
2004	3,333	3,727	219	7,279	45,717	13.7
2005	3,451	3,722	201	7,374	48,012	13.9
2006	3,535	3,791	227	7,553	48,947	13.8
2007	3,535	3,826	263	7,624	50,013	14.1
2008	3,748	3,934	291	7,973	48,740	13.0
2009	3,819	3,482	215	7,516	46,478	12.2
2010	3,576	3,159	219	6,954	49,475	13.8

Notes:

1. Classroom Teachers - All Teachers, certified and non-certified.

2. Support Personnel- Includes Media Specialist, Counselors, Clerical, Paraprofessionals, Custodians, Maintenance, Transportation, Nutritional Services and other Support Personnel.

3. Administrators - Includes the Superintendent, Assistant Superintendents, Principals, Assistant Principals, Directors, Coordinators and Instructional Supervisors.

CLAYTON COUNTY BOARD OF EDUCATION
Cost Per Pupil Enrolled
Last Ten Fiscal Years

Fiscal Year	Expenditures	Average Daily Enrollment	Cost Per Pupil Enrolled	Percentage of Change
2001 (1)	N/A	43,433	N/A	N/A
2002	$ 315,971,689	44,805	$ 7,052	N/A
2003	353,924,007	45,344	7,805	10.68%
2004	370,363,740	45,717	8,101	3.79%
2005	396,767,430	48,012	8,264	2.01%
2006	408,131,797	48,947	8,338	0.90%
2007	435,575,233	50,013	8,709	4.45%
2008	477,786,670	48,740	9,803	12.56%
2009	496,759,613	46,478	10,688	9.03%
2010	458,871,577	47,111	9,740	-8.87%

Notes:
(1) Data not available for years prior to implementation of GASB Statement No. 34

CLAYTON COUNTY BOARD OF EDUCATION
Nutrition Services - Facts and Figures
Last Ten Fiscal Years

	Year Ending June 30,									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Number of schools participating in:										
Lunch - regular schedule	49	50	52	54	57	58	59	59	60	61
Lunch - year round										
Breakfast program	49	50	52	54	57	58	59	59	60	61
Student lunches served:										
Free	3,054,285	3,353,373	3,548,170	3,988,217	4,361,509	4,964,652	5,094,162	5,019,989	5,163,769	5,523,779
Reduced	881,771	953,130	1,075,147	1,041,779	1,022,892	873,018	864,873	899,588	793,806	683,265
Fully paid	2,209,919	2,164,857	2,138,718	1,951,825	1,762,341	1,598,251	1,431,720	1,356,064	1,198,349	1,007,164
Total	6,145,975	6,471,360	6,762,035	6,981,821	7,146,742	7,435,921	7,390,755	7,275,641	7,155,924	7,214,208
Adult lunches served	260,700	265,811	277,827	288,583	251,685	236,721	359,700	337,678	337,667	300,910
Student breakfasts served:										
Free	1,287,343	1,398,556	1,464,613	1,681,764	1,901,633	2,182,362	2,325,198	2,403,475	2,611,826	2,766,691
Reduced	214,339	243,955	281,371	277,304	292,261	269,025	272,792	308,777	299,277	271,852
Fully paid	249,555	289,618	300,474	297,873	290,479	301,172	293,284	333,376	322,811	285,175
Total	1,751,237	1,932,129	2,046,458	2,256,941	2,484,373	2,752,559	2,891,274	3,045,628	3,233,914	3,323,718
Number of serving days:										
Regular schedule	179	180	180	179	196	197	195	180	185	179
Year-round schedule										
Weighted average	179.00	180.00	180.00	179.00	196.00	197.30	194.70	180.00	185.00	179.00
Average daily participation:										
Student lunch	34,335	35,952	37,567	39,005	36,463	37,688	37,960	40,420	38,681	40,303
Adult lunch	1,456	1,477	1,543	1,612	1,284	1,200	1,847	1,876	1,825	1,681
Student breakfast	9,783	10,734	11,369	12,609	12,675	13,951	14,850	16,920	17,481	18,568
October 1 pupil count (Kindergarten not included)	46,232	48,232	49,594	50,555	51,405	52,657	49,479	48,814	45,399	45,579
Percentage of students daily eating school lunch	74.27%	74.54%	75.75%	77.15%	70.93%	71.57%	76.72%	82.80%	85.20%	88.42%
October 1 count of benefits										
Students on free lunch	17,639	18,957	20,040	22,869	24,623	27,803	28,538	32,535	32,807	37,773
Student on reduced lunch	5,122	5,488	6,273	6,029	5,939	5,038	5,092	6,393	5,459	3,746
Percentage of students on:										
Free lunch	38.15%	39.30%	40.41%	45.24%	47.90%	52.80%	57.68%	66.65%	72.26%	82.87%
Reduced lunch	11.08%	11.38%	12.65%	11.93%	11.55%	9.57%	10.29%	13.10%	12.02%	8.22%
Total	49.23%	50.68%	53.06%	57.16%	59.45%	62.37%	67.97%	79.75%	84.29%	91.09%

CLAYTON COUNTY BOARD OF EDUCATION
School Building Information
Last Ten Fiscal Years

	Fiscal Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
School										
Elementary										
Anderson (1971)										
Square feet	54,221	54,221	54,221	54,221	54,221	54,221	54,221	54,221	54,221	54,221
Capacity	450	450	450	450	450	450	450	450	450	450
Enrollment	449	509	455	449	450	507	519	484	482	497
Arnold (1963)										
Square feet	57,177	57,177	57,177	57,177	57,177	57,177	57,177	57,177	57,177	57,177
Capacity	500	500	500	500	500	500	500	500	500	500
Enrollment	482	467	478	508	506	510	520	467	469	477
Brown (1975)										
Square feet	81,615	81,615	81,615	81,615	81,615	81,615	81,615	81,615	81,615	81,615
Capacity	750	750	750	750	750	750	750	750	750	750
Enrollment	903	953	1,014	1,030	843	815	796	743	745	789
Callaway (2002)										
Square feet	91,014	91,014	91,014	91,014	91,014	91,014	105,494	105,494	105,494	105,494
Capacity	725	725	725	725	725	725	900	900	900	900
Enrollment	-	777	872	892	866	896	921	821	844	855
Church St (1966)										
Square feet	78,651	78,651	78,651	78,651	78,651	78,651	78,651	78,651	78,651	78,651
Capacity	825	825	825	825	825	825	825	825	825	825
Enrollment	1,083	1,001	1,018	906	896	929	949	813	868	832
East Clayton (1958)										
Square feet	68,818	68,818	68,818	68,818	68,818	68,818	68,818	68,818	68,818	68,818
Capacity	650	650	650	650	650	650	650	650	650	650
Enrollment	821	862	915	967	570	601	649	592	615	632
Edmonds (1957)										
Square feet	57,307	57,307	57,307	57,307	57,307	57,307	57,307	57,307	57,307	57,307
Capacity	450	450	450	450	450	450	450	450	450	450
Enrollment	494	478	476	468	446	418	470	515	560	587
Fountain (1952)										
Square feet	68,965	68,965	68,965	68,965	68,965	68,965	68,965	68,965	68,965	68,965
Capacity	650	650	650	650	650	650	650	650	650	650
Enrollment	882	915	980	584	569	537	499	496	549	626
Harper (2002)										
Square feet	x	91,014	91,014	91,014	91,014	91,014	91,014	91,014	91,014	105,994
Capacity	-	725	725	725	725	725	725	725	725	900
Enrollment	-	784	784	800	811	831	817	748	728	812

Note: "X" represent the year the building did not exist.

CLAYTON COUNTY BOARD OF EDUCATION
School Building Information (continued)
Last Ten Fiscal Years

	Fiscal Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Hawthorne (1998)										
Square feet	89,226	89,226	89,226	89,226	89,226	89,226	102,500	102,500	102,500	102,500
Capacity	738	738	738	738	738	738	900	900	900	900
Enrollment	850	880	942	914	886	949	868	913	943	964
Haynie (1969)										
Square feet	72,107	72,107	72,107	72,107	72,107	72,107	72,107	72,107	72,107	72,107
Capacity	738	738	738	738	738	738	738	738	738	738
Enrollment	1,059	1,007	738	776	764	780	801	745	712	663
Hendrix (1955)										
Square feet	47,794	54,748	54,748	54,748	54,748	54,748	54,748	54,748	54,748	54,748
Capacity	413	450	450	450	450	450	450	450	450	450
Enrollment	442	411	419	354	338	338	254	124	119	27
Huie (1966)										
Square feet	67,085	71,569	71,569	71,569	71,569	71,569	71,569	71,569	71,569	71,569
Capacity	625	675	675	675	675	675	675	675	675	675
Enrollment	731	709	696	708	666	611	633	597	655	658
Jackson (2003)										
Square feet	x	x	90,229	90,229	90,229	90,229	90,229	90,229	105,209	105,209
Capacity	-	-	725	725	725	725	725	725	900	900
Enrollment	-	-	-	822	885	956	947	734	736	882
Kemp (1981)										
Square feet	71,882	71,882	71,882	71,882	71,882	71,882	71,882	71,882	71,882	71,882
Capacity	850	850	850	850	850	850	850	850	850	850
Enrollment	932	990	1,067	1,160	733	754	742	706	718	699
Kemp Primary (2004)										
Square feet	x	x	x	90,229	90,229	90,229	90,229	90,229	90,229	90,229
Capacity	-	-	-	663	663	663	663	663	663	650
Enrollment	-	-	-	-	688	720	741	605	718	693
Kilpatrick (1973)										
Square feet	67,727	67,727	67,727	75,379	75,379	75,379	75,379	75,379	75,379	75,379
Capacity	575	575	575	650	650	650	650	650	650	650
Enrollment	832	805	808	715	672	672	618	550	562	611
King (2003)										
Square feet	x	x	92,044	92,044	92,044	92,044	92,044	92,044	92,044	92,044
Capacity	-	-	700	700	700	700	700	700	700	700
Enrollment	-	-	-	910	972	1,048	993	870	906	957
Lake City (1957)										
Square feet	51,245	51,245	51,245	51,245	51,245	51,245	51,245	51,245	51,245	51,245
Capacity	463	463	463	463	463	463	463	463	463	463
Enrollment	563	574	492	540	479	456	490	501	510	535
Lake Ridge (1994)										
Square feet	85,000	85,000	85,000	85,000	85,000	85,000	94,662	94,662	94,662	94662
Capacity	650	650	650	650	650	650	788	788	788	788
Enrollment	1,210	673	754	780	839	841	866	729	750	730

Note: "X" represent the year the building did not exist.

CLAYTON COUNTY BOARD OF EDUCATION
School Building Information (continued)
Last Ten Fiscal Years

	Fiscal Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Lee St (1960)										
Square feet	54,220	54,220	54,220	54,220	54,220	54,220	54,220	54,220	54,220	54,220
Capacity	500	500	500	500	500	500	500	500	500	500
Enrollment	725	724	707	495	515	580	622	541	596	562
Marshall (2004)										
Square feet	x	x	x	89,854	89,854	89,854	89,854	89,854	89,854	89,854
Capacity	-			725	725	725	725	725	725	725
Enrollment	-	-	-	-	852	950	901	852	826	828
McGarrah (1967)										
Square feet	73,782	73,782	73,782	73,782	73,782	73,782	73,782	73,782	73,782	73,782
Capacity	750	750	750	750	750	750	750	750	750	750
Enrollment	1,004	946	914	925	708	684	705	608	621	641
Morrow (1952)										
Square feet	54,382	54,382	54,382	54,382	54,382	54,382	54,382	54,382	54,382	54,382
Capacity	450	450	450	450	450	450	450	450	450	450
Enrollment	661	603	586	611	546	523	509	481	515	505
Mt Zion (1976)										
Square feet	85,815	85,815	85,815	85,815	450	85,815	85,815	85,815	85,815	85,815
Capacity	700	700	700	700	700	700	700	700	700	700
Enrollment	926	1,004	1,108	961	905	975	927	558	550	575
Mt Zion Primary (2008)										
Square feet	x	x	x	x	x	x	x	93,275	93,275	93,275
Capacity	-	-	-	-	-	-	-	750	750	750
Enrollment	-	-	-	-	-	-	-	540	548	660
Northcutt (1970)										
Square feet	78,013	78,013	78,013	78,013	78,013	78,013	78,013	78,013	78,013	78,013
Capacity	750	750	750	750	750	750	750	750	750	750
Enrollment	550	815	772	732	610	615	568	628	658	699
Oliver (1976)										
Square feet	67,194	67,194	67,194	67,194	67,194	67,194	67,194	67,194	67,194	67,194
Capacity	675	675	675	675	675	675	675	675	675	675
Enrollment	923	993	1,075	816	832	842	884	784	739	664
Pointe South (1981)										
Square feet	57,441	57,441	57,441	57,441	57,441	57,441	57,441	57,441	57,441	57,441
Capacity	675	675	675	675	675	675	675	675	675	675
Enrollment	880	795	761	807	827	736	775	643	697	674
River's Edge (1994)										
Square feet	85,000	85,000	85,000	85,000	85,000	85,000	100,300	100,300	100,300	100,300
Capacity	650	650	650	650	650	650	863	863	863	863
Enrollment	784	776	823	825	807	978	1,153	1,102	1,142	604
Riverdale (1954)										
Square feet	56,013	65,084	65,084	65,084	65,084	65,084	65,084	65,084	65,084	65,084
Capacity	575	700	700	700	700	700	700	700	700	700
Enrollment	764	715	677	637	667	708	660	608	606	669
Smith (2000)										
Square feet	95,132	95,132	95,132	95,132	95,132	95,132	95,132	95,132	109,612	109,612
Capacity	725	725	725	725	725	725	725	725	900	900
Enrollment	896	985	1,043	917	954	922	937	938	938	871
Suder (1966)										
Square feet	72,115	72,115	79,783	79,783	79,783	79,783	79,783	79,783	79,783	79,783
Capacity	675	675	775	775	775	775	775	775	775	765
Enrollment	767	736	693	713	739	781	804	662	683	665

Note: "X" represent the year the building did not exist.

CLAYTON COUNTY BOARD OF EDUCATION
School Building Information (continued)
Last Ten Fiscal Years

	Fiscal Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
School										
Elementary										
Swint (1968)										
Square feet	71,785	71,785	71,785	71,785	71,785	71,785	71,785	71,785	71,785	71,785
Capacity	788	788	788	788	788	788	788	788	788	776
Enrollment	927	827	821	706	638	649	565	524	571	642
Tara (1964)										
Square feet	76,224	76,224	76,224	76,224	76,224	76,224	76,224	76,224	76,224	76,224
Capacity	735	735	735	735	735	735	735	735	735	725
Enrollment	961	1,031	614	626	591	609	590	598	667	601
West Clayton (1964)										
Square feet	66,917	66,917	66,917	66,917	66,917	66,917	66,917	66,917	66,917	66,917
Capacity	600	600	600	600	600	600	600	600	600	600
Enrollment	998	666	676	516	537	507	527	499	510	462
White Academy (2010)										
Square feet	X	X	X	X	X	X	X	X	X	201,679
Capacity										1,425
Enrollment										-
Middle										
Adamson (1977)										
Square feet	120,015	120,015	120,015	120,015	120,015	120,015	120,015	120,015	120,015	120,015
Capacity	775	775	775	775	775	775	775	775	775	775
Enrollment	963	1,076	1,186	1,223	1,239	1,273	787	654	656	658
Babb (1966)										
Square feet	103,443	103,443	103,443	103,443	103,443	103,443	103,443	103,443	103,443	103,443
Capacity	775	775	775	775	775	775	775	775	775	775
Enrollment	985	1,044	1,092	1,120	1,057	891	869	793	783	766
Forest Park (1940)										
Square feet	84,964	84,964	84,964	84,964	84,964	84,964	84,964	84,964	84,964	84,964
Capacity	570	570	570	570	570	570	570	570	570	600
Enrollment	780	808	788	736	767	655	593	505	510	674
Jonesboro (2004)										
Square feet	x	x	x	128,170	128,170	128,170	128,170	128,170	128,170	128,170
Capacity	-	-	-	875	875	875	875	875	875	875
Enrollment	558	593	585	609	928	973	938	883	834	743
Kendrick (1996)										
Square feet	123,458	123,458	123,458	123,458	123,458	123,458	123,458	143,828	143,724	143,724
Capacity	850	850	850	850	850	850	850	1,075	1,100	1,100
Enrollment	1,149	1,262	1,318	1,429	1,506	936	921	770	787	852
Lovejoy (1990)										
Square feet	123,731	123,731	123,731	123,731	123,731	123,731	123,731	123,731	123,731	123,731
Capacity	738	738	738	738	738	738	738	738	738	725
Enrollment	934	1,011	1,050	1,068	1,131	1,312	1,280	1,175	1,172	584

Note: "X" represent the year the building did not exist.

CLAYTON COUNTY BOARD OF EDUCATION
School Building Information (continued)
Last Ten Fiscal Years

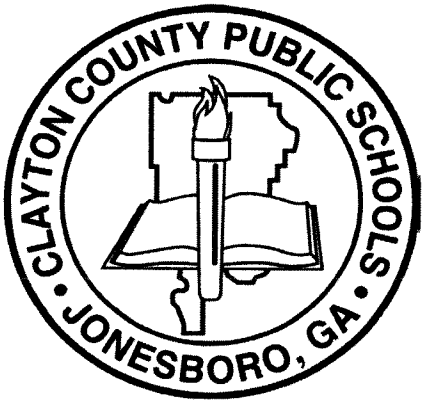
	Fiscal Year									
School	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Middle										
Morrow (1967)										
Square feet	96,109	96,109	96,109	96,109	96,109	96,109	96,109	96,109	96,109	96,109
Capacity	650	650	650	650	650	650	650	650	650	650
Enrollment	1,042	1,062	1,042	1,036	782	791	824	704	681	725
Mundy's Mill (1973)										
Square feet	116,822	116,822	116,822	116,822	116,822	116,822	116,822	116,822	116,822	116,822
Capacity	850	850	850	850	850	850	850	850	850	850
Enrollment	822	843	887	916	959	983	961	887	869	804
N. Clayton Middle (1969)										
Square feet	99,989	99,989	99,989	99,989	99,989	99,989	99,989	118,794	118,794	118,794
Capacity	738	738	738	738	738	738	738	1,000	1,000	1,000
Enrollment	976	1,022	1,035	960	929	920	961	949	920	843
Pointe South (1978)										
Square feet	141,792	141,792	141,792	141,792	141,792	141,792	141,792	141,792	141,792	141,792
Capacity	875	875	875	875	875	875	875	875	875	875
Enrollment	1,055	1,067	1,115	1,134	1,144	968	954	814	803	822
Rex Mill (2007)										
Square feet	x	x	x	x	x	x	152,570	152,570	152,570	152,570
Capacity	-	-	-	-	-	-	1,100	1,100	1,100	1,100
Enrollment	-	-	-	-	-	-	578	981	953	1035
Riverdale (1968)										
Square feet	108,738	108,738	108,738	108,738	108,738	108,738	108,738	108,738	108,738	108,738
Capacity	850	850	850	850	850	850	850	850	850	850
Enrollment	1,055	1,109	1,027	1,063	1,070	853	859	841	833	741
Roberts (2000)										
Square feet	123,458	123,458	123,458	123,458	123,458	123,458	123,458	144,014	146,007	146,007
Capacity	838	838	838	838	838	838	838	1,100	1,100	1,100
Enrollment	975	1,112	1,141	1,167	1,064	1,053	815	644	649	699
Sequoyah (2004)										
Square feet	x	x	x	128,170	128,170	128,170	128,170	128,170	128,170	128,170
Capacity	-	-	-	875	875	875	875	875	875	875
Enrollment	-	-	-	-	-	996	926	769	737	808

Note: "X" represent the year the building did not exist.

CLAYTON COUNTY BOARD OF EDUCATION
School Building Information (continued)
Last Ten Fiscal Years

	Fiscal Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
School										
High										
Drew (2009)										
Square feet	x	x	x	x	x	x	x	x	297,918	297,918
Capacity	-	-	-	-	-	-	-	-	1,850	1,850
Enrollment	-	-	-	-	-	-	-	-	-	1,132
Forest Park (1962)										
Square feet	206,766	206,766	206,766	206,766	206,766	206,766	206,766	206,766	206,766	206,766
Capacity	1,550	1,550	1,550	1,550	1,550	1,550	1,550	1,550	1,550	1,550
Enrollment	1,591	1,594	1,630	1,567	1,567	1,518	1,626	1,545	1,436	1,592
Jonesboro (1963)										
Square feet	193,634	193,634	193,634	193,634	193,634	193,634	193,634	263,036	263,036	263,036
Capacity	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,725	1,725	1,725
Enrollment	1,735	1,800	1,723	1,647	1,693	1,828	1,697	1,268	1,153	1,212
Lovejoy (1989)										
Square feet	217,450	217,450	217,450	217,450	217,450	217,450	217,450	217,450	217,450	231,852
Capacity	1,625	1,625	1,625	1,625	1,625	1,625	1,625	1,625	1,625	1,850
Enrollment	2,342	2,533	1,980	1,886	1,795	1,837	1,903	1,804	1,662	1,815
Morrow (1970)										
Square feet	183,836	183,836	183,836	183,836	183,836	183,836	183,836	183,836	183,836	183,836
Capacity	1,375	1,375	1,375	1,375	1,375	1,375	1,375	1,375	1,375	1,375
Enrollment	1,785	1,811	1,920	1,905	2,064	2,149	2,074	1,742	1,534	1,722
Mt. Zion (1990)										
Square feet	231,952	231,952	231,952	231,952	231,952	216,241	231,952	231,952	231,952	231,952
Capacity	1,350	1,350	1,350	1,350	1,350	1,350	1,575	1,575	1,575	1,575
Enrollment	1,738	1,794	1,727	1,778	1,844	1,662	1,731	1,722	1,547	1,563
Mundy's Mill (2002)										
Square feet	x	254,667	254,667	254,667	254,667	254,667	254,667	254,667	292,512	292,512
Capacity	-	1,350	1,350	1,350	1,350	1,350	1,350	1,350	1,850	1,850
Enrollment	-	-	941	1,407	1,970	2,081	2,104	1,815	1,659	1,629
N. Clayton (1967)										
Square feet	149,727	149,727	149,727	149,727	171,755	171,755	171,755	171,755	171,755	115,784
Capacity	1,075	1,075	1,075	1,075	1,325	1,325	1,325	1,325	1,325	1,325
Enrollment	1,327	1,404	1,470	1,477	1,458	1,568	1,527	1,526	1,360	1,068
Riverdale (1977)										
Square feet	203,067	203,067	203,067	203,067	203,067	203,067	203,067	203,067	203,067	130,699
Capacity	1,325	1,325	1,325	1,325	1,325	1,325	1,325	1,325	1,325	1,325
Enrollment	1,619	1,660	1,759	1,857	1,831	1,933	1,961	1,670	1,532	1,053

Note: "X" represent the year the building did not exist.



Single Audit Reports Section

Clayton County
Public Schools

MAULDIN & JENKINS
CERTIFIED PUBLIC ACCOUNTANTS, LLC

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

To the Superintendent and Members of the
Clayton County Board of Education
Jonesboro, Georgia

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Clayton County Board of Education as of and for the year ended June 30, 2010, which collectively comprise the Clayton County Board of Education's basic financial statements and have issued our report thereon dated May 26, 2011. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Clayton County Board of Education's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Clayton County Board of Education's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Clayton County Board of Education's internal control over financial reporting.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying schedule of findings and questioned costs, we identified a certain deficiency in internal control over financial reporting that we consider to be a material weakness.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiency described in the accompanying schedule of findings and questioned costs as 10-01 to be a material weakness.

Compliance and Other Matters

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

We noted certain matters that we reported to management of the Clayton County Board of Education in a separate letter dated May 26, 2011.

Clayton County Board of Education's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit Clayton County Board of Education's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of management, the Superintendent and members of the Clayton County Board of Education and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Mauldin & Jenkins, LLC

Macon, Georgia
May 26, 2011

MAULDIN & JENKINS
CERTIFIED PUBLIC ACCOUNTANTS, LLC

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

To the Superintendent and Members of the
Clayton County Board of Education
Jonesboro, Georgia

Compliance

We have audited Clayton County Board of Education's compliance with the types of compliance requirements described in the OMB *Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Clayton County Board of Education's major federal programs for the year ended June 30, 2010. The Clayton County Board of Education's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the Clayton County Board of Education's management. Our responsibility is to express an opinion on the Clayton County Board of Education's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States; and OMB Circular A-133. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Clayton County Board of Education's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the Clayton County Board of Education's compliance with those requirements.

In our opinion, the Clayton County Board of Education complied, in all material respects, with the requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2010.

Internal Control Over Compliance

Management of the Clayton County Board of Education is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the Clayton County Board of Education's internal control over compliance with requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Clayton County Board of Education's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be *material weaknesses,* as defined above.

This report is intended solely for the information and use of management, the Superintendent and members of the Clayton County Board of Education and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Mauldin & Jenkins, LLC

Macon, Georgia
May 26, 2011

CLAYTON COUNTY PUBLIC SCHOOLS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2010

FUNDING AGENCY PROGRAM/GRANT		CFDA NUMBER	PASS-THROUGH ENTITY ID NUMBER	EXPENDITURES IN PERIOD
Agriculture, U.S. Department of				
Child Nutrition Cluster				
Pass-Through From Georgia Department of Education				
Food and Nutrition Program				
Food Services				
School Breakfast Program		10.553	N/A	$ 5,286,671
USDA Commodities		10.555	N/A	1,686,983
National School Lunch Program		10.555	N/A	16,757,647
National School Snack Program		10.555	N/A	305,254
Total Child Nutrition Cluster				24,036,555
Other Programs				
Pass-Through From Georgia Department of Education				
Food and Nutrition Program				
ARRA - School Lunch Equipment		10.579A	N/A	88,000
Fresh Fruits & Vegetables		10.582	N/A	30,073
Total U.S. Department of Agriculture				$ 24,154,628
Education, U.S. Department of				
Special Education Cluster				
Pass-Through From Georgia Department of Education				
Part B-Special Education Cluster				
Flow Through		84.027	N/A	$ 7,383,781
Preschool		84.173	N/A	186,506
ARRA - Flow Through		84.391	N/A	1,901,539
ARRA - Preschool		84.392	N/A	45,477
Federal VI-B South Metro		84.027	N/A	489,531
Total Special Education Cluster				10,006,834
Pass-Through From Georgia Department of Education				
Title I, Part A Cluster:				
Improving Academic Achievement		84.010	N/A	14,471,175
School Improvement		84.010	N/A	418,567
Distinguished School		84.010	N/A	57,924
ARRA - Improving Academic Achievement		84.389	N/A	4,429,050
ARRA - School Improvement		84.389	N/A	56,587
Total Title I, Part A Cluster				19,433,303
School Improvement Grants Cluster:				
School Improvement Federal G Funds		84.377	N/A	20,989
Reading First		84.357	N/A	687,335
B3 Even Start		84.213	N/A	144,210
Title II				
Improving Teacher Quality		84.367	N/A	1,371,568
Advanced Placement		84.367	N/A	17,310
	Subtotal			1,388,878
ED Technology		84.318	N/A	141,634
Engaging AP Students		84.318	N/A	44,830
	Subtotal			186,464
Title III				
Limited English Proficient		84.365	N/A	467,103
Immigrant		84.365	N/A	139,889
	Subtotal			606,992
Title IV				
Safe and Drug Free Schools And Communities		84.186	N/A	188,071

CLAYTON COUNTY PUBLIC SCHOOLS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2010

FUNDING AGENCY PROGRAM/GRANT	CFDA NUMBER	PASS-THROUGH ENTITY ID NUMBER	EXPENDITURES IN PERIOD
Education of Homeless Children & Youth Cluster			
Education of Homeless Children & Youth	84.196	N/A	45,322
ARRA - Education of Homeless Children & Youth	84.387	N/A	28,762
Subtotal			74,084
State Fiscal Stabilization Fund Cluster			
ARRA - State Fiscal Stabilization Funds	84.394	N/A	22,528,277
Vocational Education-Basic Grants to States			
Professional Development	84.048	N/A	72,254
Program Improvement	84.048	N/A	421,934
CTE Perkins	84.048	N/A	44,237
Subtotal			538,425
Charter Schools	84.282	N/A	167,906
Pass-Though from Georgia Department of Technical and Adult Education			
Adult Education	84.002	N/A	268,725
Adult Ed/Institutional	84.002	N/A	12,942
English Literacy / Civics Education	84.002	N/A	9,001
Subtotal			290,668
U. S. Department of Education			
Direct Awards			
Teaching American History	84.215X	U215X050278	37,181
Early Reading First	84.359B	S359B050047	4,189
Total U.S. Department of Education			$ 56,303,806
U.S. Department of Health & Human Services			
Pass-Though from Georgia Department of Early Care & Learning			
Child Care & Development Cluster			
ARRA - Child Care and Development Block Grant	93.713	N/A	$ 13,600
Pass-Though from Georgia Department of Human Services			
Temporary Assistance for Needy Families (TANF) Cluster			
Temporary Assistance for Needy Families (TANF) State Programs	93.558	427-93-09090849-99	34,539
Temporary Assistance for Needy Families (TANF) State Programs	93.558	42700-040-0000004050	16,412
Temporary Assistance for Needy Families (TANF) State Programs	93.558	427-93-09090850-99	16,084
Temporary Assistance for Needy Families (TANF) State Programs	93.558	42700-040-0000004021	27,202
Total TANF Cluster			94,237
Total U.S. Department of Health and Human Services			$ 107,837
U. S. Department of Defense			
Direct Award			
ROTC	12.unknown	N/A	$ 670,990
U. S. Department of Justice			
G.R.E.A.T. Grant	16.737	2008-JV-FX-0087	$ 85,810
Total Federal Financial Assistance			$ 81,323,071

CLAYTON COUNTY BOARD OF EDUCATION

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

A. SUMMARY OF AUDIT RESULTS

Financial Statements

Type of auditor's report issued	Unqualified
Internal control over financial reporting: Material weaknesses identified?	_X_ yes ____ no
Significant deficiencies identified not considered to be material weaknesses?	____ yes _X_ none reported
Noncompliance material to financial statements noted?	____ yes _X_ no

Federal Awards

Internal Control over major programs: Material weaknesses identified?	____ yes _X_ no
Significant deficiencies identified not considered to be material weaknesses?	____ yes _X_ none reported
Type of auditor's report issued on compliance for major programs	Unqualified
Any audit findings disclosed that are required to be reported in accordance with OMB Circular A-133, Section 510(a)?	____ yes _X_ no

Identification of major program:

CFDA Number	Name of Federal Program or Cluster
	U.S. Department of Agriculture
	Child Nutrition Cluster:
10.553	School Breakfast Program
10.555	National School Lunch Program
	U.S. Department of Education:
	Title I, Part A Cluster:
84.010	Title I, Improving Academic Achievement
84.389	ARRA – Title I, Part A, Improving Academic Achievement
	Special Education Cluster:
84.027	Title VIB – Flowthrough
84.391	ARRA – Title VIB Flowthrough
84.173	Title VIB – Preschool
84.392	ARRA – Title VIB – Preschool
	State Fiscal Stabilization Fund Cluster:
84.394	ARRA - State Fiscal Stabilization Funds

Dollar threshold used to distinguish between Type A and Type B programs:	$2,439,692
Auditee qualified as low-risk auditee?	____ yes _X_ no

CLAYTON COUNTY BOARD OF EDUCATION

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

B. FINDINGS: FINANCIAL STATEMENTS AUDIT

10-01. Accounts Payable and Accounts Receivable

Criteria: Internal controls should be in place to ensure all amounts owed to vendors for goods received and/or services provided are properly recorded as accounts payable and any expenditures qualifying for grant reimbursement are properly recorded as accounts receivable at year end.

Condition: The School System determined that $552,011 of expenditures related to the Title I and Title II grants were not properly included in accounts payable at year end. These expenditures were reimbursable under the terms of the grant.

Context: We addressed this matter with School System officials who determined the need for journal entries to record accounts payable and expenditures and the related accounts receivable and revenues in the Title I and Title II Funds.

Effect: See above context.

Recommendation: We recommend the School System strengthen internal controls to ensure that all accounts payable and accounts receivable are properly stated.

Views of Responsible Officials and Planned Corrective Action: Management concurs and has implemented steps to ensure that all grant related items are properly stated.

C. FINDINGS AND QUESTIONED COSTS: MAJOR FEDERAL AWARD PROGRAMS AUDIT

None reported.

CLAYTON COUNTY BOARD OF EDUCATION

SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED JUNE 30, 2010

09-01. Benefits Payable

Criteria: Internal controls should be in place to ensure that all amounts owed on behalf of employees are properly recorded as benefits payable at year end.

Condition: The School System determined that $5,199,931 of accrued benefits related to the State Health Benefit Plan would be more accurately reported in the June 30, 2008 financial statements.

Auditee Response/Status: Resolved.

09-02. Error in Calculation of Indirect Costs

Criteria: Internal controls should be in place to ensure that indirect costs charged to the School Nutrition Program do not exceed the allowable percentage as determined by the grantor agency.

Condition: Internal controls did not detect misstatements in the amount of indirect cost charged to the School Nutrition Program, causing the total indirect costs charged to the Program to exceed the allowable percentage established by the grantor agency.

Auditee Response/Status: Resolved.