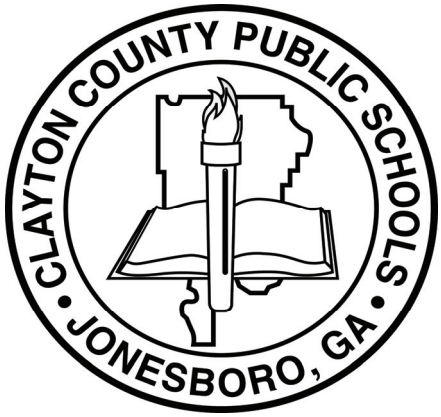
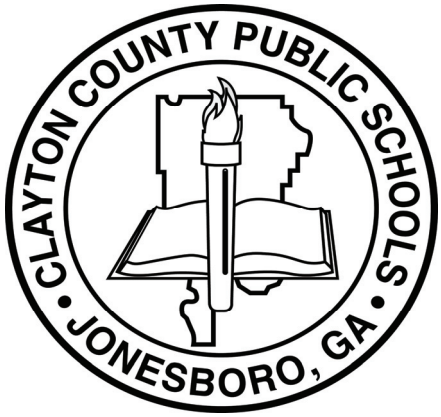


Comprehensive Annual Financial Report

Fiscal Year Ended June 30, 2012

1058 Fifth Avenue · Jonesboro, Georgia 30236



Comprehensive Annual Financial Report

Fiscal Year Ended June 30, 2012

Prepared by:
Division of Business Services

1058 Fifth Avenue · Jonesboro, Georgia 30236

CLAYTON COUNTY BOARD OF EDUCATION
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

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CLAYTON COUNTY BOARD OF EDUCATION
COMPREHENSIVE ANNUAL FINANCIAL REPORT
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Introductory Section

Clayton County
Public Schools

Clayton County Public Schools
Office of the Superintendent

1058 Fifth Avenue • Jonesboro, Georgia 30236 • (770) 473-2700 • FAX (770) 473-2778

LUVENIA JACKSON
Interim Superintendent of Schools

September 24, 2013

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, 2012, 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 in Jonesboro on

September 21, 1891, and 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 2011-12. The district has also approved two charter schools within the county, the Elite Scholars Charter School serving students in sixth through tenth grade and the Unidos Dual Language Charter School serving students in grades kindergarten through seventh 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 students with disabilities, 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, and 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, 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. Three of the school system's largest taxpayers have businesses directly related to operations at the airport.

During FY2012, 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 of the county decreased by approximately $646 million, resulting in a loss of $10.7 million in local tax revenues to the school system. Because of the economy, the Governor has made numerous austerity reductions in state funding. In FY2012, the school system's state funding was reduced by $34.2 million.

In addition to private industry, the county is also home to a military facility that closed in 2012. Plans for the revitalization of the Fort Gillem property are underway with the hope that this will bring new economic opportunities to the county. The county is exploring many ideas to revitalize various areas of the county to help boost the local economy.

Long-Term Financial Planning

The school system prioritizes its capital improvements based upon the approved referendums adopted by the citizens of Clayton County. Capital needs are prioritized by student population and facility repair and maintenance needs. These projects are funded by the 2009 Special Purpose Local Option Sales Tax (SPLOST) and remaining projects from the 2004 SPLOST, in addition to, state capital outlay funds from the State of Georgia Department of Education. Renovations, additions, and new construction are continuously underway as the school system works to ensure that its facilities provide a safe and welcoming environment.

The school system has financial policies that provide us with an infrastructure for our future financial management decisions. These policies cover topics including operating budget, reserve fund balances, accounting and financial reporting, and purchasing.

Major Initiatives

During fiscal year 2009, the Board of Education revised its mission, vision, and beliefs statements of the school system. The process involved principals, central office administrators, the superintendent's cabinet, and the community. The Board adopted these revisions in July 2010. The Mission, Vision, and Core Belief statements and the Strategic Goals of the district are reviewed annually.

Mission Statement

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

Vision Statement

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

Core Belief Statement

- We believe children have first priority on all of our resources.
- We believe education is the shared responsibility of the student, the parent/guardian, the school, and the community.
- We believe communication and understanding among all stakeholders of our diverse community are essential to achieving the goals of education.
- We believe that learning is a continuous process and most productive when the needs of each child are met through instruction provided by competent and caring teachers.
- We believe a learning environment where children experience security, care, dignity, and respect is essential.

Strategic Goals

1. To increase academic achievement for all students in Clayton County Public Schools as evidenced by state, national and international assessment results.
2. To provide and maintain a safe, orderly and secure learning environment.

3. To create an environment that promotes active engagement, accountability, and collaboration of all stakeholders to maximize student achievement.
4. To effectively communicate the system's vision and purpose and allow stakeholder involvement in an effort to build understanding and support.
5. To provide high quality support services delivered on time and within budget to promote student academic success in the Clayton County Public Schools.
6. To recruit and retain highly qualified and effective staff.

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 of the following 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 October of each year. The calendar outlines the budget development process for the next fiscal year.

The budget process is inclusive 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.

Independent Audit

The Clayton County Board of Education and the State of Georgia require an annual audit of the school district's financial statements by independent certified public accountants. 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 five consecutive periods ending June 30, 2007; June 30, 2008; June 30, 2009; June 30, 2010; and June 30, 2011; 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, 2012, also conforms to the exact same principles and standards.

The Government Finance Officers Association of the United States and Canada (GFOA) awarded the Certificate of Achievement for Excellence in Financial Reporting to Clayton County Public Schools for its comprehensive annual financial report for the third consecutive period for fiscal years ended June 30, 2009; June 30, 2010; and June 30, 2011. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must 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 will submit 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,

Luvenia Jackson

Luvenia Jackson
Interim Superintendent

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, 2011

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



Christopher P Morrill

President

Jeffrey R. Esser

Executive Director

Association of School Business Officials International

The Certificate of Excellence in Financial Reporting Award
is presented to

Clayton County Public Schools

For Its Comprehensive Annual Financial Report (CAFR)
For the Fiscal Year Ended June 30, 2011

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

Brian L. Mee, SFO, RSBA
President

John D. Musso, CAE, RSBA
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, 2011 the members of the Board and years of expiration of their terms are as follows:

TITLE	NAME	TERM EXPIRES
Chairperson	Dr. Pam Adamson	12-31-2014
Vice Chairperson	Ms. Mary Baker	12-31-2012
Board Member	Dr. Alieka Anderson	12-31-2014
Board Member	Mr. Charlton Bivins	12-31-2014
Board Member	Ms. Ophelia Burroughs	12-31-2012
Board Member	Ms. Trinia Garrett	12-31-2012
Board Member	Ms. Jessie Goree	12-31-2012
Board Member	Mr. Michael King	12-31-2014
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. Pam Adamson



Vice Chairperson
Mary Baker



Dr. Alieka Anderson



Charlton Bivins



Ophelia Burroughs



Trinia Garrett



Jessie Goree



Michael King



Wanda Smith

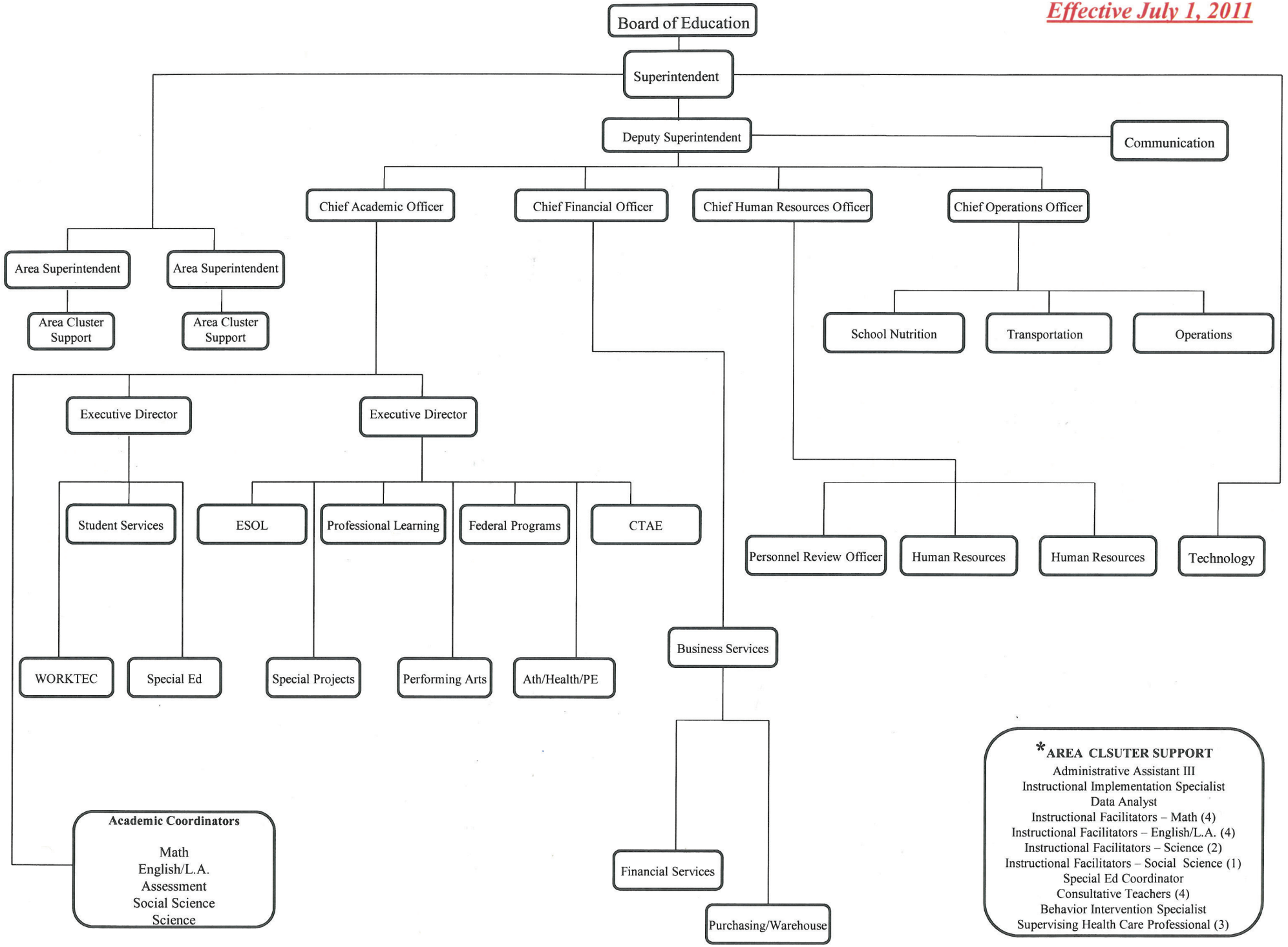


Superintendent
Edmond T. Heatley, Ph.D

Clayton County Board of Education
Executive Staff

Superintendent's Office	
Dr. Edmond Heatley	Superintendent
Dr. Stefanie Phillips	Deputy Superintendent
Mr. David Waller	Manager Communication
Assistant Superintendents	
Ms. Susan Patrick	Area 1
Dr. Anthony Smith	Area 2
Division of Teaching & Learning	
Dr. Diana Carry	Chief Academic Officer
Dr. Gloria Duncan	Director Professional Learning
Mr. Melvin Blocker	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. Kevin May	Director of Athletics
Ms. Delphia Young	Director of Special Projects
Ms. Tamera Foley	Director Worktec
Division of Student Services	
Ms. Tamera Foley	Director Student Services
Ms. Alicia Dunn	Director Exceptional Students
Dr. Susan Funderburk	Director Ash Street/South Metro
Division of Information	
Ms. Lisa Young	Director Technology Operations
Division of Human Resources	
Dr. Morris Blasingame	Director Human Resources
Mr. Greg Curry	Director Human Resources
Dr. Damaris Garrett	Director Human Resources
Ms. Teresa Reese	Director Human Resources
Mr. John Walker	Manager Safety and Security
Division of Budgets & Finance	
Dr. Denise Stephens	Chief Financial Officer
Ms. Lonita Collier	Director Business Services
Division of Operations	
Dr. Cephus Jackson	Chief Operations Officer
Ms. Audrey Hamilton	Director Nutrition Services
Mr. Harold Walker	Director Transportation

Effective July 1, 2011



CLAYTON COUNTY BOARD OF EDUCATION

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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, 2012, 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, 2012, 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.

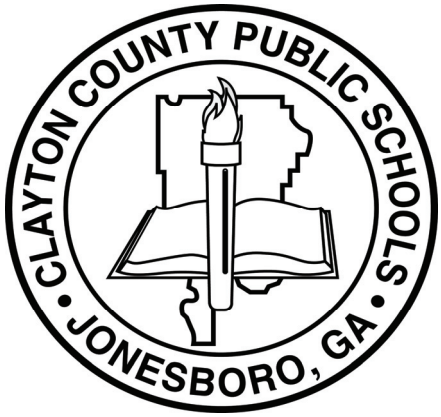
In accordance with *Government Auditing Standards*, we have also issued our report dated September 20, 2013 on our consideration of the Clayton County Board of Education's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts 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.

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis (on pages 3 through 12) be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Clayton County Board of Education's basic financial statements. The combining and individual nonmajor fund financial statements and schedules 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. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records use to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole. The introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Mauldin & Jenkins, LLC

Macon, Georgia
September 20, 2013



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, 2012. 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, 2012, and other supplementary information.

As with other sections of this financial report, the information contained within this Management's Discussion and Analysis should be considered only as 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 2012 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, 2012 by $704.8 million. Of this amount, $48.2 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 $37.5 million. This increase is primarily the result of a net increase in capital assets. The Board experienced an increase of $41.3 million in net capital assets in its governmental activities. This is the amount by which capital outlays exceeded depreciation in the current period. The fund balance amount of the total governmental funds decreased $4.1 million.
- Program revenues of the governmental activities accounted for $268.7 million, or 58% of the $463.7 million in total revenues of the governmental activities. General revenues of the governmental activities accounted for $195.0 million, or 42% of the total.

- The Board reported $426.2 million in expenses for the governmental activities. $268.7 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 increased $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 $28.1 million, while expenses of the Performing Arts Center were $211,090. Program revenues, operating grants and contributions, and capital contributions for these business type activities totaled $29.7 million. This revenue, along with general revenues of interest earnings in the amount of $13,736 resulted in the increase 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 $38,362,401, an increase of $10,073,284 from June 30, 2011.
- The Capital Projects Fund ended the year with a fund balance of $94,949,301, a decrease of $12,376,973.
- The Board increased its outstanding long-term liability by $802,401.

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

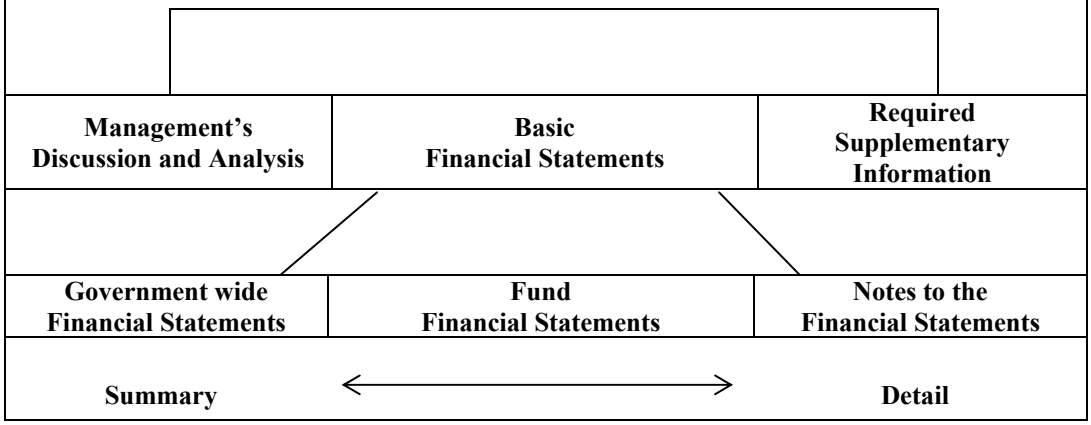


Figure A-2 summarizes the major features of the Board's financial statements, including the portion of the Board's activities they cover and the types of information they contain.

Figure A-2
Major Features of the Board of Education's Financial 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 business: 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
Types 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

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

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 19, 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) is 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, 2011, 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, 2012 compared to June 30, 2011.

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

	Governmental Activities		Business-type Activities		Total		Percentage Change
	2012	2011	2012	2011	2012	2011	2011-2012
Current and other Assets	$ 223.1	$ 199.9	7.2	5.4	230.3	205.3	12.2%
Net capital assets	556.3	515.0	5.3	5.8	561.6	520.8	7.8%
Total Assets	779.4	714.9	12.5	11.2	791.9	726.1	9.1%
Current and other liabilities	84.6	56.7	1.6	1.7	86.2	58.4	47.6%
Long-term liabilities	1.3	1.8	-	-	1.3	1.8	-27.8%
Total Liabilities	85.9	58.5	1.6	1.7	87.5	60.2	45.3%
Net Assets							
Invested in capital assets net of related debt	556.3	515.0	5.3	5.8	561.6	520.8	7.8%
Restricted for Capital Projects	94.9	107.3	-	-	94.9	107.3	-11.6%
Unrestricted	42.7	34.1	5.6	3.7	48.3	37.8	27.8%
Total net assets	$ 693.9	$ 656.4	10.9	9.5	704.8	665.9	5.8%

The Board's combined net assets increased by 5.8% to $704.8 million. Most of this improvement in the financial position came from governmental activities, the net assets of which grew by $37.5 million. The net assets of the Board's business – type activities increased $1.4 million or 14.7%. The reasons for the increase in governmental activities are 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 increase in the business-type activities is attributed to increased federal reimbursement for school nutrition cafeteria operations.

The Board reported a restricted net asset amount of $94.9 million. This is a decrease of 11.6% from the restricted amount reported as of June 30, 2011. 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, 2012

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
	2012	2011	2012	2011	2012	2011	2011-2012
Revenues:							
Program revenues:							
Charges for services	$ 19.2	$ 19.8	2.3	2.2	21.5	22.0	-2.3%
Operating grants and contributions	249.5	243.3	27.4	25.1	276.9	268.4	3.2%
Capital grants and contributions	-	5.5	-	-	-	5.5	-100.0%
General revenues:					-	-	
Property taxes	121.4	131.7	-	-	121.4	131.7	-7.8%
Sales taxes	48.7	48.4	-	-	48.7	48.4	0.6%
Other taxes	0.9	0.9	-	-	0.9	0.9	0.0%
Non-program specific state and federal aid	23.5	20.9	-	-	23.5	20.9	12.4%
Interest and investment earnings	0.5	0.4	-	-	0.5	0.4	25.0%
Gain on Sale of Capital Assets	-	-	-	-	-	-	0.0%
Total Revenues	463.7	470.9	29.7	27.3	493.4	498.2	-1.0%
Expenses:							
Instruction	296.4	289.7	-	-	296.4	289.7	2.3%
Pupil Services	14.6	13.5	-	-	14.6	13.5	8.1%
Instructional services	15.2	11.9	-	-	15.2	11.9	27.7%
Educational media services	5.2	5.3	-	-	5.2	5.3	-1.9%
General administration	3.5	3.5	-	-	3.5	3.5	0.0%
School administration	21.2	22.1	-	-	21.2	22.1	-4.1%
Business administration	2.1	2.6	-	-	2.1	2.6	-19.2%
Maintenance and operations	30.6	29.3	-	-	30.6	29.3	4.4%
Pupil transportation	18.0	18.5	-	-	18.0	18.5	-2.7%
Support services-central	11.0	9.7	-	-	11.0	9.7	13.4%
Other support services	5.1	3.5	-	-	5.1	3.5	45.7%
Non-instructional services	0.9	0.8	-	-	0.9	0.8	12.5%
Community services	2.4	9.8	-	-	2.4	9.8	-75.5%
Interest	-	-	-	-	-	-	
Food services	-	-	28.3	28.4	28.3	28.4	-0.4%
Total Expenses	426.2	420.2	28.3	28.4	454.5	448.6	1.3%
Excess (deficiency) in net assets before transfers	37.5	50.7	1.4	(1.1)	38.9	49.6	-21.6%
Transfers	-	-	-	-	-	-	
Net assets - beginning of year	656.4	605.7	9.5	10.6	665.9	616.3	
Net assets - end of year	$ 693.9	656.4	10.9	9.5	704.8	665.9	

Table A-2 on the previous page shows that revenues from governmental activities for 2012 were $463.3 million, while total expenses were $426.2 million. Governmental activities contributed $37.7 million to the total increase in net assets, while business-type net assets resulted in an increase 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 increased $2.5 million. This increase was primarily the result of an increase in state and federal grants received for instructional programs.

Property taxes comprise the largest percentage of the general revenues for the Board with 26% of total revenues coming from this source. The decrease of 8% 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 $.3 million to a total of $48.7 million. Interest and investment earnings increased by $62,699.

Table A-3 summarizes the cost of the Board's activities into eight functional categories—Instruction; Pupil, Instructional and Media services; General and Business Administration; School administration; Maintenance and operations; Pupil transportation; Central support and other support; and Community Services and non-instructional. 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
	2012	2011	2011-2012	2012	2011	2011-2012
Instruction	$ 296.4	289.7	2.3%	93.2	85.6	8.9%
Pupil, Instructional and Media Services	35.0	30.7	14.0%	13.9	13.3	4.5%
General and Business Administration	5.6	6.1	-8.2%	2.3	3.6	-36.1%
School administration	21.2	22.0	-3.6%	12.3	12	2.5%
Maintenance and operations	30.6	29.3	4.4%	16.2	16.7	-3.0%
Pupil transportation	18.0	18.5	-2.7%	14.2	15.3	-7.2%
Central Support and other support	16.1	13.3	21.1%	12.4	9.3	33.3%
Community Services and non-instructional	3.3	10.6	-68.9%	-7.0	-4.2	66.7%
Total Governmental Activities	$ 426.2	420.2	1.4%	157.5	151.6	3.9%
Less: Unrestricted federal and state aid:				23.5	20.9	12.4%
Total needs from local taxes and other revenues:				$ 134.0	130.7	2.5%

The total cost of governmental activities increased 1.4%, while the net cost of services increased 3.9%.

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 revenues exceeded expenses during the year for an increase of $1.4 million in net assets.
- Charges for services represent $2.3 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 $27.4 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, 2012, the Board's governmental funds reported a combined fund balance of $138,040,232. This is a decrease of $4,096,855. The primary reason for this decrease is attributed to the Capital Projects Fund which decreased by $12,376,973.

The fund balance of the General Fund was $38,362,401 at June 30, 2012. The Capital Projects ending fund balance was $94,949,301 while all other Governmental Funds had a total fund balance of $4,728,530 at June 30, 2012.

The fund balance of the General Fund improved significantly primarily because of the school system's conscious efforts to reduce expenditures. Amid state budget cuts and the decline in property tax revenue, a reduction in expenses was necessary to ensure a positive ending fund balance. The Board approved a reduction in force and reduced transportation and programs to curb spending.

The decrease in the Capital Projects Funds is the result of the large capital program underway that is funded through a 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 $12.9 million. This was due to overall budget reductions implemented by the Board to reduce expenditures. The Board took measures such as imposing a large reduction in force and reduced transportation and programs to reduce expenditures to counter the anticipated reduction in revenues.

The total revenue exceeded the total budget by $11.7 million. While property tax collections continued to decline, the amount collected exceeded estimates.

Capital Asset and Debt Administration

Capital Assets

At June 30, 2012, the Board had $561,589,464 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, 2009. The maximum amount of collections approved by this referendum was $280.3 million. The sales tax revenue, along with state capital outlay grants will fund the program through 2015.

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

	Governmental Activities		Business-type Activities		Total		Total Percentage Change
	2012	2011	2012	2011	2012	2011	2011-2012
Land	$ 33.6	33.6	-	-	33.6	33.6	0.0%
Construction in progress	47.9	13.9	-	-	47.9	13.9	344.6%
Buildings and improvements	466.1	457.5	4.0	4.1	470.1	461.6	1.8%
Equipment and furniture	8.6	10.0	1.3	1.7	9.9	11.7	-15.4%
Total capital assets net of depreciation	$ 556.2	515.0	5.3	5.8	561.5	520.8	7.8%

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, 2012, 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 2011-2012, the school district implemented measures to reduce spending. The Board made the difficult decision to mandate layoffs. 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 $646 million in the overall tax base for Clayton County. Additionally, the Governor has made huge reductions in the state budget that lead to a $34.2 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, all schools in the district are eligible to receive Title I federal funding under the No Child Left Behind Act for the Economically Disadvantaged.

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, please contact the 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, 2012

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	$ 161,805,975	$ 6,165,796	$ 167,971,771
Investments	1,369,662	-	1,369,662
Receivables:			
Accounts	2,230,040	-	2,230,040
Intergovernmental	57,722,084	80,488	57,802,572
Internal balances	(36,399)	36,399	-
Inventories	-	890,901	890,901
Prepaid items	35,000	-	35,000
Capital assets, nondepreciable	81,566,550	-	81,566,550
Capital assets, depreciable (net of accumulated depreciation)	474,677,880	5,345,034	480,022,914
Total assets	779,370,792	12,518,618	791,889,410
LIABILITIES			
Accounts payable	3,250,538	2,151	3,252,689
Contracts payable	20,490,260	-	20,490,260
Retainage payable	3,298,095	-	3,298,095
Due to other governments	120,257	-	120,257
Accrued payroll and payroll withholdings	49,784,043	1,554,268	51,338,311
Other current liabilities	70	-	70
Unearned revenue	2,576,866	-	2,576,866
Claims payable due within one year	1,379,396	-	1,379,396
Claims payable due in more than one year	1,120,708	-	1,120,708
Compensated absences due within one year	2,163,339	54,304	2,217,643
Compensated absences due in more than one year	1,257,339	39,264	1,296,603
Total liabilities	85,440,911	1,649,987	87,090,898
NET ASSETS			
Invested in capital assets, net of related debt	556,244,430	5,345,034	561,589,464
Restricted for student programs	10,460	-	10,460
Restricted for capital projects	94,949,301	-	94,949,301
Unrestricted	42,725,690	5,523,597	48,249,287
Total net assets	$ 693,929,881	$ 10,868,631	$ 704,798,512

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

CLAYTON COUNTY BOARD OF EDUCATION

STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Governmental activities:				
Instruction	$ 296,417,202	$ 7,122,767	$ 196,060,639	$ -
Pupil services	14,551,823	-	4,666,461	-
Improvement of instructional services	15,202,766	-	11,820,745	-
Educational media services	5,225,436	-	4,603,200	-
General administration	3,473,960	-	2,096,166	-
School administration	21,176,371	-	8,885,059	-
Business services	2,143,768	-	1,272,151	-
Maintenance and operations	30,606,213	1,738,894	12,672,840	-
Student transportation	17,990,667	-	3,765,960	-
Central support services	10,956,308	-	1,415,583	-
Other support services	5,066,385	2,754	2,225,391	-
Other non-instructional services	918,407	8,813,883	-	-
Community services	2,446,409	1,543,621	-	-
Total governmental activities	426,175,715	19,221,919	249,484,195	-
Business-type activities:				
School food service	28,097,834	2,229,141	27,354,321	-
Performing arts center	211,090	62,508	-	-
Total business-type activities	28,308,924	2,291,649	27,354,321	-
Total	$ 454,484,639	$ 21,513,568	$ 276,838,516	$ -
General revenues:				
Property taxes				
Sales taxes				
Other taxes				
Grants and contributions not restricted to specific programs				
Unrestricted investment earnings				
Gain on sale of capital assets				
Total general revenues				
Change in net assets				
Net assets, beginning of year				
Net assets, end of year				

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

Net (Expenses) Revenues and Changes in Net Assets		
Governmental Activities	Business-type Activities	Total
$ (93,233,796)	$ -	$ (93,233,796)
(9,885,362)	-	(9,885,362)
(3,382,021)	-	(3,382,021)
(622,236)	-	(622,236)
(1,377,794)	-	(1,377,794)
(12,291,312)	-	(12,291,312)
(871,617)	-	(871,617)
(16,194,479)	-	(16,194,479)
(14,224,707)	-	(14,224,707)
(9,540,725)	-	(9,540,725)
(2,838,240)	-	(2,838,240)
7,895,476	-	7,895,476
(902,788)	-	(902,788)
(157,469,601)	-	(157,469,601)
-	1,485,628	1,485,628
-	(148,582)	(148,582)
-	1,337,046	1,337,046
(157,469,601)	1,337,046	(156,132,555)
121,423,671	-	121,423,671
48,656,878	-	48,656,878
875,671	-	875,671
23,494,466	-	23,494,466
473,966	13,736	487,702
69,525	-	69,525
194,994,177	13,736	195,007,913
37,524,576	1,350,782	38,875,358
656,405,305	9,517,849	665,923,154
$ 693,929,881	$ 10,868,631	$ 704,798,512

CLAYTON COUNTY BOARD OF EDUCATION

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2012

ASSETS	General	Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
Cash	$ 43,988,558	$ 113,436,131	$ 4,381,286	$ 161,805,975
Investments	201,798	1,167,864	-	1,369,662
Receivables:				
Accounts	16,467	-	2,213,573	2,230,040
Intergovernmental	36,490,530	4,469,386	16,762,168	57,722,084
Due from other funds	11,872,242	-	1,494,931	13,367,173
Prepaid items	35,000	-	-	35,000
Total assets	$ 92,604,595	$ 119,073,381	$ 24,851,958	$ 236,529,934
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts payable	$ 930,372	$ -	$ 2,320,166	$ 3,250,538
Intergovernmental accounts payable	-	-	120,257	120,257
Contracts payable	-	20,490,260	-	20,490,260
Retainage payable	-	3,298,095	-	3,298,095
Due to other funds	1,823,859	-	11,579,713	13,403,572
Accrued payroll and payroll withholdings	45,921,962	3,884	3,858,197	49,784,043
Other current liabilities	-	-	70	70
Deferred revenue	5,566,001	331,841	2,245,025	8,142,867
Total liabilities	54,242,194	24,124,080	20,123,428	98,489,702
FUND BALANCES				
Fund balances:				
Nonspendable - prepaid items	35,000	-	-	35,000
Restricted for capital projects	-	94,949,301	-	94,949,301
Restricted for student programs	-	-	10,460	10,460
Assigned for Worktec programs	-	-	224,543	224,543
Assigned for student programs	-	-	4,536,378	4,536,378
Unassigned (deficit)	38,327,401	-	(42,851)	38,284,550
Total fund balances	38,362,401	94,949,301	4,728,530	138,040,232
Total liabilities and fund balances	$ 92,604,595	$ 119,073,381	$ 24,851,958	

Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	556,244,430
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds.	5,566,001
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.	(5,920,782)
Net assets of governmental activities	$ 693,929,881

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

CLAYTON COUNTY BOARD OF EDUCATION

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	General	Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES				
Local sources	$ 129,567,895	$ 48,656,878	$ 10,794,080	$ 189,018,853
State sources	218,167,339	-	7,622,134	225,789,473
Federal sources	879,416	-	46,325,071	47,204,487
Interest income	132,626	339,202	2,138	473,966
Total revenues	348,747,276	48,996,080	64,743,423	462,486,779
EXPENDITURES				
Current:				
Instruction	239,541,100	-	42,403,516	281,944,616
Pupil services	10,706,217	-	3,923,038	14,629,255
Improvement of instructional services	4,504,701	-	10,747,623	15,252,324
Educational media services	5,224,585	-	-	5,224,585
General administration	2,523,284	-	823,927	3,347,211
School administration	20,923,313	-	353,817	21,277,130
Business services	2,189,673	-	-	2,189,673
Maintenance and operations	27,907,225	-	2,544,121	30,451,346
Student transportation	15,610,245	-	430,859	16,041,104
Central support services	6,512,301	-	135,332	6,647,633
Other support services	2,861,733	-	2,204,652	5,066,385
Other non-instructional services	347,963	-	547,100	895,063
Community service	-	-	2,446,409	2,446,409
Capital outlay	-	61,373,053	-	61,373,053
Total expenditures	338,852,340	61,373,053	66,560,394	466,785,787
Excess (deficiency) of revenues over (under) expenditures	9,894,936	(12,376,973)	(1,816,971)	(4,299,008)
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	202,153	-	-	202,153
Transfers in	-	-	23,805	23,805
Transfers out	(23,805)	-	-	(23,805)
Total other financing sources (uses)	178,348	-	23,805	202,153
Net change in fund balances	10,073,284	(12,376,973)	(1,793,166)	(4,096,855)
FUND BALANCE, beginning of year	28,289,117	107,326,274	6,521,696	142,137,087
FUND BALANCE, end of year	$ 38,362,401	$ 94,949,301	$ 4,728,530	$ 138,040,232

The accompanying notes are an integral 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 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances - total governmental funds	$	(4,096,855)
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. This is the amount by which capital outlays exceeded depreciation in the current period.		41,401,422
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net assets.		(132,628)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		1,143,987
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.		(791,350)
Change in net assets - governmental activities	$	37,524,576

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

CLAYTON COUNTY BOARD OF EDUCATION

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Local sources	$ 121,863,000	$ 121,608,980	$ 129,567,895	$ 7,958,915
State sources	213,084,668	213,410,502	216,906,667	3,496,165
Federal sources	655,682	655,682	879,416	223,734
Interest income	122,500	122,500	132,626	10,126
Total revenues	335,725,850	335,797,664	347,486,604	11,688,940
EXPENDITURES				
Current:				
Instruction	246,416,568	247,842,726	235,487,119	12,355,607
Pupil services	8,207,955	9,514,186	10,687,387	(1,173,201)
Improvement of instructional services	5,013,703	5,143,014	4,495,411	647,603
Educational media services	5,357,986	5,357,986	5,214,655	143,331
General administration	2,108,620	2,699,120	2,519,729	179,391
School administration	20,857,974	21,157,047	20,880,071	276,976
Business services	2,289,215	2,363,871	2,186,206	177,665
Maintenance and operations	26,173,889	27,248,672	27,878,887	(630,215)
Student transportation	13,340,473	14,790,779	15,585,778	(794,999)
Central support services	6,984,811	7,182,288	6,500,734	681,554
Other support services	2,385,079	3,785,079	2,860,916	924,163
Other non-instructional services	685,000	430,980	347,963	83,017
Total expenditures	339,821,273	347,515,748	334,644,856	12,870,892
Excess (deficiency) of revenues over (under) expenditures	(4,095,423)	(11,718,084)	12,841,748	24,559,832
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	-	-	202,153	202,153
Transfers out	(324,005)	(324,005)	(23,805)	300,200
Total other financing sources (uses)	(324,005)	(324,005)	178,348	502,353
Net change in fund balances	$ (4,419,428)	$ (12,042,089)	$ 13,020,096	$ 25,062,185

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

CLAYTON COUNTY BOARD OF EDUCATION

STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
JUNE 30, 2012

	Business-type Activities - Enterprise Funds		
ASSETS	School Food Service	Nonmajor Performing Arts Center	Totals
CURRENT ASSETS			
Cash and cash equivalents	$ 6,165,796	$ -	$ 6,165,796
Intergovernmental accounts receivable	80,488	-	80,488
Inventories	890,901	-	890,901
Due from other funds	49,695	279,233	328,928
Total current assets	7,186,880	279,233	7,466,113
CAPITAL ASSETS			
Buildings	-	7,308,375	7,308,375
Furniture and equipment	5,540,001	6,167	5,546,168
Total depreciable assets	5,540,001	7,314,542	12,854,543
Less accumulated depreciation	(4,214,884)	(3,294,625)	(7,509,509)
Total capital assets	1,325,117	4,019,917	5,345,034
Total assets	8,511,997	4,299,150	12,811,147
LIABILITIES			
Accounts payable	2,151	-	2,151
Accrued payroll and payroll withholdings	1,645,684	2,152	1,647,836
Due to other funds	292,529	-	292,529
Total liabilities	1,940,364	2,152	1,942,516
NET ASSETS			
Invested in capital assets	1,325,117	4,019,917	5,345,034
Unrestricted	5,246,516	277,081	5,523,597
Total net assets	$ 6,571,633	$ 4,296,998	$ 10,868,631

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

CLAYTON COUNTY BOARD OF EDUCATION

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Business-type Activities - Enterprise Funds		
	School Food Service	Nonmajor Performing Arts Center	Totals
OPERATING REVENUES			
Local sources	$ 2,229,141	$ 62,508	$ 2,291,649
Total operating revenues	2,229,141	62,508	2,291,649
OPERATING EXPENSES			
Food service operations	27,467,955	-	27,467,955
Enterprise operation	-	64,305	64,305
Maintenance and operations	257,648	-	257,648
Depreciation	370,276	146,785	517,061
Total operating expenses	28,095,879	211,090	28,306,969
Operating loss	(25,866,738)	(148,582)	(26,015,320)
NONOPERATING REVENUES (EXPENSES)			
Intergovernmental revenues	27,354,321	-	27,354,321
Loss on disposal of assets	(1,955)	-	(1,955)
Interest earned on investments	13,736	-	13,736
Total nonoperating revenues (expenses)	27,366,102	-	27,366,102
Change in net assets	1,499,364	(148,582)	1,350,782
NET ASSETS, beginning of year	5,072,269	4,445,580	9,517,849
NET ASSETS, end of year	$ 6,571,633	$ 4,296,998	10,868,631

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

CLAYTON COUNTY BOARD OF EDUCATION

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Business-type Activities - Enterprise Funds		
	School Food Service	Nonmajor Performing Arts Center	Totals
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from local sources	$ 2,117,448	$ 65,559	$ 2,183,007
Payments to suppliers	(19,315,315)	(4,670)	(19,319,985)
Payments to employees	(7,236,381)	(51,954)	(7,288,335)
Payments on behalf of employees	(1,454,706)	(8,935)	(1,463,641)
Net cash used in operating activities	(25,888,954)	-	(25,888,954)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Subsidy from federal and state grants	27,354,321	-	27,354,321
Net cash provided by noncapital financing activities	27,354,321	-	27,354,321
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received	13,736	-	13,736
Net cash provided by investing activities	13,736	-	13,736
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Purchase of capital assets	(25,561)	-	(25,561)
Proceeds from disposition of capital assets	8,855	-	8,855
Net cash used in capital and related financing activities	(16,706)	-	(16,706)
Net increase in cash and cash equivalents	1,462,397	-	1,462,397
Cash and cash equivalents, beginning of year	4,703,399	-	4,703,399
Cash and cash equivalents, end of year	$ 6,165,796	$ -	$ 6,165,796

CLAYTON COUNTY BOARD OF EDUCATION

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Business-type Activities - Enterprise Funds		
	School Food Service	Nonmajor Performing Arts Center	Totals
Operating loss	$ (25,866,738)	$ (148,582)	$ (26,015,320)
Adjustments to reconcile operating loss to net cash used in operating activities			
Depreciation	370,276	146,785	517,061
Increase in intergovernmental receivable	(64,285)	-	(64,285)
(Increase) decrease in due from other funds	(47,408)	3,051	(44,357)
Increase in inventories	(370,971)	-	(370,971)
Decrease in accounts payable	(92,082)	-	(92,082)
Increase in due to other funds	94,884	-	94,884
Increase (decrease) in accrued payroll and other withholdings	87,370	(1,254)	86,116
Net cash used in operating activities	$ (25,888,954)	$ -	$ (25,888,954)

SCHEDULE OF NONCASH ACTIVITIES

During the year ended June 30, 2012, the School Food Service Fund received $2,035,286 in commodities from the United States Department of Agriculture.

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

CLAYTON COUNTY BOARD OF EDUCATION

STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUND
JUNE 30, 2012

	Agency Fund Student Activities
ASSETS	
Cash	$ 386,816
Total assets	$ 386,816
LIABILITIES	
Due to others	$ 386,816
Total liabilities	$ 386,816

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

Notes to Financial Statements

Clayton County
Public Schools

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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.

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.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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 the current fiscal period.

Revenue from grants and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the School System must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the School System on a reimbursement basis.

The State of Georgia reimburses the School System for teachers' salaries and operating costs through the Quality Basic Education (QBE) Formula Earnings program. State of Georgia law defines the formula driven grant that determines the cost of an academic school year and the State of Georgia's share in this cost. Generally, teachers are contracted for the school year (July 1 – June 30) and paid over a 12-month contract period, generally, September 1 through August 31. In accordance with the requirements of the enabling legislation of the QBE program, the State of Georgia reimburses the School System over the same 12-month period in which teachers are paid, funding the academic school year expenditures.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

At June 30, the amount of teachers' salaries incurred but not paid until July and August of the subsequent year are accrued, as the State of Georgia has only postponed the final payment of their share of the cost until the subsequent appropriations for cash management purposes. By June 30 of each year, the State of Georgia has a signed appropriation that includes this final amount, which represents the State of Georgia's intent to fund this final payment. Based on guidance in Government Accounting Standards Board (GASB) Statement No. 33, paragraph 74, the State of Georgia recognizes its QBE liability for the July and August salaries at June 30, and the School System recognizes the same QBE as a receivable and revenue, consistent with symmetrical recognition.

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.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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.

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 and of the School System's internal service fund are charges for goods and services provided. Operating expenses of the enterprise funds and internal service 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, 2012 was $619,832.

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.

Payments made to vendors for services that will benefit periods beyond year-end are recorded as prepaid items using the consumption method by recording an asset for the prepaid amount and reflecting expenditure/expense in the year in which services are consumed.

H. Non-Monetary Transactions

The School System received from the United States Department of Agriculture through the Georgia Department of Education approximately $2,035,286 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	4-10

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

Fund equity at the governmental fund financial reporting level is classified as "fund balance." Fund equity for all other reporting is classified as "net assets."

Generally, fund balance represents the difference between current assets and current liabilities. In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the Board of Education is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Fund balances are classified as follows:

Nonspendable: Fund balances that are not in spendable form (e.g., inventory) or are legally or contractually required to be maintained intact (e.g., permanent fund principal).

Restricted: Fund balances that can be spent only for the specific purposes stipulated by external parties, either constitutionally or through enabling legislation (e.g., grants or donations).

Committed: Fund balances that can be used only for the specific purposes determined by an approved resolution of the Clayton County Board of Education. Commitments may be changed or lifted only by referring to formal action that imposed the original constraint on the fund (e.g., the School System's commitment in connection with future construction projects).

Assigned: Fund balances intended to be used by the School System for specific purposes. Pursuant to the fund balance policy, intent can be expressed by the Clayton County Board of Education or by a designee to whom the Clayton County Board of Education delegates authority. The Clayton County Board of Education has authorized the Superintendent and the Chief Financial Officer as officials authorized to assign fund balance to specific purposes. In governmental funds other than the General Fund, assigned fund balance represents the amount that is not restricted or committed. This indicates that resources in other governmental funds are, at minimum, intended to be used for the purpose of that fund.

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

The responsibility for designating funds to specific classifications shall be as follows:

Committed: The Clayton County Board of Education is the School System's highest level of decision-making authority, and the formal action that is required to be taken to establish, modify, or rescind a fund balance commitment is a resolution approved by the Board.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. Fund Equity (Continued)

Assigned: The Clayton County Board of Education has authorized the Superintendent and the Chief Financial Officer as officials authorized to assign fund balance to a specific purpose as approved by this fund balance policy.

When multiple categories of fund balance are available for expenditures (e.g., a project is being funded partly by a grant, funds set aside by the Clayton County Board of Education, and unassigned fund balance), the School System will start with the most restricted category and spend those funds first before moving down to the next category with available funds.

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 a 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 $5,920,782 difference are as follows:

Workers' compensation claims payable	$	2,500,104
Compensated absences		3,420,678
Net adjustment to reduce *fund balance - total governmental funds* to arrive at *net assets - governmental activities*	$	5,920,782

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 a 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 $41,401,422 difference are as follows:

Capital outlay	$	55,682,646
Depreciation expense		(14,281,224)
Net adjustment to increase *net changes in fund balanes - total governmental funds* to arrive at *changes in net assets of governmental activities*	$	41,401,422

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 $791,350 difference are as follows:

Compensated absences	$	566,547
Claims payable		(1,357,897)
Net adjustment to decrease *net change in fund balances* - governmental funds to arrive at *change in net assets - governmental activities*	$	(791,350)

NOTE 3. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgets. The School System adopts annual budgets for its general and special revenue funds, except that an annual budget is not adopted for the School Discretionary special revenue fund. The School System does not employ encumbrance accounting and, accordingly, all appropriations lapse at year end. After the School System 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 (Non-GAAP) 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	$	10,073,284
Adjustment for:		
State QBE revenue		(640,840)
Salaries and employee benefits		3,587,652
State paid employee benefit revenue		(619,832)
State paid employee benefit expenditures		619,832
Budget basis net change in fund balance	$	13,020,096

Deficit Fund Balances: For the year ended June 30, 2012, the School System's All Other Special Revenue Fund had a deficit fund balance of $42,851. This deficit fund balance will be eliminated through future transfers from the General Fund.

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 & 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 per share value). The regulatory oversight agency for Georgia Fund 1 is the Georgia Office of State Treasurer. As of June 30, 2012, the School System's investment in Georgia Fund 1 was rated AAAm by Standard & Poor's. The School System does not have a policy for credit risk beyond the types of investments authorized by Georgia State law.

At June 30, 2012, the School System had the following investments:

Investment	Maturities	Fair Value
Georgia Fund 1	48 day weighted average	$ 1,369,662

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, a government 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, 2012, School System's bank balance was fully collateralized.

NOTE 5. RECEIVABLES

Receivables at June 30, 2012, 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	$ 42,056,531	$ 4,469,386	$ 16,762,168	$ 80,488	$ 63,368,573
Accounts	16,467	-	2,349,440	-	2,365,907
	42,072,998	4,469,386	19,111,608	80,488	65,734,480
Less allowance for uncollectible	(5,566,001)	-	(135,867)	-	(5,701,868)
Net total receivable	$ 36,506,997	$ 4,469,386	$ 18,975,741	$ 80,488	$ 60,032,612

Intergovernmental receivables consist of grant reimbursements due primarily from the Georgia Department of Education, sales taxes which are collected by the state on the School System's behalf, and property taxes 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 equals $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, 2011 and were due November 15, 2011. 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, 2012, 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 ended June 30, 2012, is as 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	13,908,744	54,520,523	-	(20,499,705)	47,929,562
Total	47,545,732	54,520,523	-	(20,499,705)	81,566,550
Capital assets, being depreciated:					
Buildings	573,741,474	-	-	20,499,705	594,241,179
Improvements	3,774,164	-	-		3,774,164
Machinery and equipment	34,886,585	1,162,123	(2,349,534)	-	33,699,174
Total	612,402,223	1,162,123	(2,349,534)	20,499,705	631,714,517
Less accumulated depreciation for:					
Buildings	(118,204,667)	(11,686,779)	-	-	(129,891,446)
Improvements	(1,922,570)	(161,679)	-	-	(2,084,249)
Machinery and equipment	(24,845,082)	(2,432,766)	2,216,906	-	(25,060,942)
Total	(144,972,319)	(14,281,224)	2,216,906	-	(157,036,637)
Total capital assets, being depreciated, net	467,429,904	(13,119,101)	(132,628)	20,499,705	474,677,880
Governmental activities capital assets, net	$ 514,975,636	$ 41,401,422	$ (132,628)	$ -	$ 556,244,430
Business-type activities:					
Capital assets, being depreciated:					
Buildings	$ 7,308,375	$ -	$ -	$ -	$ 7,308,375
Machinery and equipment	5,582,326	25,561	(61,719)	-	5,546,168
Total	12,890,701	25,561	(61,719)	-	12,854,543
Less accumulated depreciation for:					
Buildings	(3,142,598)	(146,167)	-	-	(3,288,765)
Machinery and equipment	(3,900,760)	(370,894)	50,910	-	(4,220,744)
Total	(7,043,358)	(517,061)	50,910	-	(7,509,509)
Total capital assets, being depreciated, net	5,847,343	(491,500)	(10,809)	-	5,345,034
Business-type activities capital assets, net	$ 5,847,343	$ (491,500)	$ (10,809)	$ -	$ 5,345,034

NOTE 7. CAPITAL ASSETS (CONTINUED)

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

Governmental activities:		
Instruction	$	11,638,913
Pupil services		6,378
Improvement of instructional services		6,840
Educational - media services		851
General administration		145,997
School administration		47,605
Business administration		718
Maintenance and operations		262,536
Student transportation		1,795,464
Central support services		307,600
Other non-instructional services		68,322
Total depreciation expense - governmental activities	$	14,281,224
Business-type activities:		
School food services	$	370,276
Other activities		146,785
Total depreciation expense - business-type activities	$	517,061

NOTE 8. SHORT-TERM DEBT

Tax Anticipation Note. On August 26, 2011, the School System borrowed $15,700,000 in the form of a tax anticipation note for cash flow purposes. The interest rate on the tax anticipation note was .72%. The entire amount plus accrued interest was repaid on December 30, 2011.

The following is a summary of short-term debt transactions for the School System for the year ended June 30, 2012:

	Beginning Balance	Additions	Reductions	Ending Balance
Tax anticipation note	$ -	$ 15,700,000	$ (15,700,000)	$ -

NOTE 9. LONG-TERM DEBT

Changes in long-term debt for the year ended June 30, 2012 are as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Claims payable	$ 1,142,207	$ 2,817,007	$ (1,459,110)	$ 2,500,104	$ 1,379,396
Compensated absences	3,987,225	1,391,897	(1,958,444)	3,420,678	2,163,339
Governmental activities Long-term liabilities	$ 5,129,432	$ 4,208,904	$ (3,417,554)	$ 5,920,782	$ 3,542,735
Business-type activities:					
Compensated absences	$ 82,517	$ 46,145	$ (35,094)	$ 93,568	$ 39,264
Business-type activities Long-term liabilities	$ 82,517	$ 46,145	$ (35,094)	$ 93,568	$ 39,264

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, 2012, is as follows:

Due to/from other funds:

	Due from			
Due to	General	School Food Service Fund	Nonmajor Governmental Funds	Total
General Fund	$ -	$ 292,529	$ 11,579,713	$ 11,872,242
School food service fund	49,695	-	-	49,695
Nonmajor enterprise fund	279,233	-	-	279,233
Nonmajor governmental funds	1,494,931	-	-	1,494,931
	$ 1,823,859	$ 292,529	$ 11,579,713	$ 13,696,101

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

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.

Interfund transfers:

Transfers in	Transfers out
	General Fund
Nonmajor Governmental Funds	$ 23,805

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

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.

NOTE 11. RETIREMENT PLANS (CONTINUED)

Covered employees are required by state law to contribute 5.53% of their annual covered salary to the plan and the School System is required to contribute 10.28% of current covered payroll. Covered employees' contributions for the years ended June 30, 2012, 2011, and 2010, were $13,039,042, $13,691,853, and $14,353,803, respectively. The School System's contributions to TRS for the years ended June 30, 2012, 2011, and 2010, were $24,231,110, $25,426,260, and $26,581,471, respectively, equal to the required contribution for each year.

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 or 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 after 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 statute.

NOTE 11. RETIREMENT PLANS (CONTINUED)

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 contribution to PSERS. Total contributions from employees of the School System made during the fiscal years ended June 30, 2012, 2011 and 2010 were $41,796, $48,432, and $52,580, respectively, which represented 100% of the required contributions for each of the respective years.

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 years ended June 30, 2012, 2011, and 2010 for School System employees was $574,988, $261,648, and $192,656 respectively. These amounts were recognized as revenue and an expenditure during each of the years ended June 30.

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 1,161 employees covered under PSERS for the year ended June 30, 2012.

NOTE 12. OTHER POST EMPLOYMENT BENEFITS

Georgia Retiree Health Benefit Fund

Plan Description. The School System participates in the Georgia Retiree Health Benefit Fund ("GRHBF"), a cost-sharing multiple-employer defined benefit postemployment healthcare plan administered by the State of Georgia Department of Community Health. GRHBF provides health insurance benefits to eligible retirees and their qualified beneficiaries. Pursuant to Title 45, Chapter 18 of the Official Code of Georgia Annotated, the authority to establish and amend the benefit provisions of the plan is assigned to the Board of the State of Georgia Department of Community Health. The Department of Community Health issues a publicly available financial report that includes financial statements and required supplementary information for GRHBF. That report may be obtained from the Department of Community Health at 2 Peachtree Street, Atlanta, Georgia 30303.

Funding Policy. The contribution requirements of plan members and participating employers are established and may be amended by the Board of the State of Georgia Department of Community Health. Contributions of plan members or beneficiaries receiving benefits vary based on plan election, dependent coverage, and Medicare eligibility and election.

NOTE 12. OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

Participating state employers, including local Boards of Education, are statutorily required to contribute in accordance with the employer contribution rate established by the Board. The contribution rate is established to fund both the active and retired employee health insurance plans based on projected pay-as-you-go financing requirements. The combined rate for the active and retiree plans (pay-as-you go basis) for the fiscal year ended June 30, 2012 were as follows:

Period	Percentage of Covered Payroll
July 2011	18.534% of covered payroll for August 2011 coverage
August 2011- March 2012	24% of covered payroll for Sept 2011 - April 2012 coverage
April 2012 - June 2012	3.958% of covered payroll for May 2012 - July 2012 coverage

Currently, the state is requiring that local Boards of Education pay only on active employees. The School System's contribution to the health insurance plans for the fiscal years ended June 30, 2012, 2011, and 2010 were $37,796,104, $38,345,656 and $36,891,247 respectively, which equaled the required contribution. Currently, the State of Georgia has been making the remaining contributions to fund the pay as you go financing on behalf of all local Boards of Education (see Note 1 for discussion of on-behalf payments).

NOTE 13. RISK MANAGEMENT

The School System is exposed to various risks of loss for claims associated with torts; theft of, damage to and destruction of assets; errors and omissions; natural disaster; Workers' Compensation; unemployment compensation; and dental benefits. 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.

NOTE 13. RISK MANAGEMENT (CONTINUED)

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 other 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.

Changes in the balances of workers' compensation claims liabilities for the past two fiscal years for which the School System is self-insured are as follows:

Workers' Compensation	June 30, 2012	June 30, 2011
Unpaid claims, beginning of fiscal year	$ **1,142,207**	$ 1,506,241
Incurred claims (including IBNRs)	**2,817,007**	935,647
Claim payments and changes in estimates	**(1,459,110)**	(1,299,681)
Unpaid claims, end of fiscal year	$ **2,500,104**	$ 1,142,207

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 collectibility of any related receivable at June 30, 2012, 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 $88,651,113. Construction contracts include new school construction and expansion and renovation of existing facilities.

NOTE 15. SUBSEQUENT EVENT

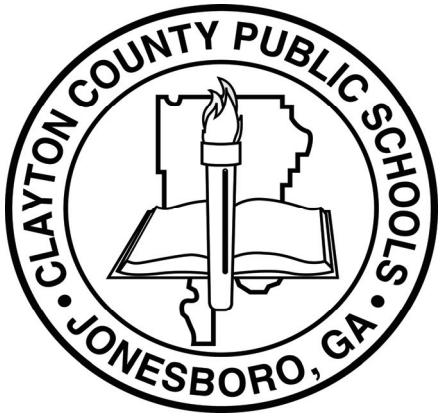
On August 6, 2012, the School System borrowed $9,500,000 in the form of a tax anticipation note for cash flow purposes. The interest rate on the tax anticipation note was .86%. The note was paid at maturity on December 20, 2012.

CLAYTON COUNTY BOARD OF EDUCATION

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Supplemental Information

Clayton County
Public Schools



Combining Fund Schedules

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 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 areas 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 funds 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 IV 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 safe and drug free schools and communities.

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.

CLAYTON COUNTY BOARD OF EDUCATION

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CLAYTON COUNTY BOARD OF EDUCATION

NONMAJOR GOVERNMENTAL FUNDS

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.

Race To The Top Fund is used to account for federal grant funds passed through the State of Georgia to the School System for the purpose of implementing coherent, compelling, and comprehensive education reform.

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, 2012

	Special Revenue Funds			
ASSETS	**Adult Education**	**After School Program**	**Athletics**	**Lottery**
Cash	$ -	$ -	$ 98,870	$ -
Receivables:				
Accounts	-	-	-	-
Intergovernmental	96,837	-	-	-
Due from other funds	6,585	493,719	-	675,250
Total assets	$ 103,422	$ 493,719	$ 98,870	$ 675,250
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts payable	$ 2,784	$ -	$ 40,369	$ 55,025
Intergovernmental accounts payable	-	-	-	-
Accrued payroll and payroll withholdings	20,794	-	-	266,766
Other current liabilities	-	-	70	-
Deferred revenue	-	-	-	353,459
Due to other funds	79,384	-	-	-
Total liabilities	102,962	-	40,439	675,250
FUND BALANCES				
Restricted	460	-	-	-
Assigned	-	493,719	58,431	-
Unassigned (deficit)	-	-	-	-
Total fund balances	460	493,719	58,431	-
Total liabilities and fund balances	$ 103,422	$ 493,719	$ 98,870	$ 675,250

South Metro	Title I	Title II	Title III	Title IV
$ -	$ -	$ -	$ -	$ -
-	-	-	-	-
1,504,230	4,994,724	300,224	135,369	337
-	154,136	-	-	-
$ 1,504,230	$ 5,148,860	$ 300,224	$ 135,369	$ 337
$ 254,400	$ 1,629,694	$ 6,827	$ 731	$ -
-	118,297	-	-	-
637,966	1,071,286	65,441	76,255	-
-	-	-	-	-
-	-	-	-	-
611,864	2,329,583	217,956	58,383	337
1,504,230	5,148,860	290,224	135,369	337
-	-	10,000	-	-
-	-	-	-	-
-	-	-	-	-
-	-	10,000	-	-
$ 1,504,230	$ 5,148,860	$ 300,224	$ 135,369	$ 337

(Continued)

CLAYTON COUNTY BOARD OF EDUCATION

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2012

	Special Revenue Funds			
ASSETS	**Title VI-B Preschool**	**Title VI-B**	**Vocational Programs**	**WorkTec**
Cash	$ -	$ -	$ -	$ 249,236
Receivables:				
Accounts	-	-	-	2,213,573
Intergovernmental	66,585	8,874,531	212,432	235,326
Due from other funds	-	-	-	-
Total assets	$ 66,585	$ 8,874,531	$ 212,432	$ 2,698,135
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts payable	$ 243	$ 70,555	$ 109,311	$ 38,616
Intergovernmental accounts payable	-	1,960	-	-
Accrued payroll and payroll withholdings	16,417	1,290,812	-	64,495
Other current liabilities	-	-	-	-
Deferred revenue	-	-	-	1,891,566
Due to other funds	49,925	7,511,204	103,121	478,915
Total liabilities	66,585	8,874,531	212,432	2,473,592
FUND BALANCES				
Restricted	-	-	-	-
Assigned	-	-	-	224,543
Unassigned (deficit)	-	-	-	-
Total fund balances	-	-	-	224,543
Total liabilities and fund balances	$ 66,585	$ 8,874,531	$ 212,432	$ 2,698,135

Race To The Top	School Discretionary	All Other Special Revenue	Total Nonmajor Governmental Funds
$ -	$ 4,033,180	$ -	$ 4,381,286
-	-	-	2,213,573
251,039	-	90,534	16,762,168
128,026	-	37,215	1,494,931
$ 379,065	$ 4,033,180	$ 127,749	$ 24,851,958
$ 62,031	$ 41,704	$ 7,876	$ 2,320,166
-	-	-	120,257
317,034	-	30,931	3,858,197
-	-	-	70
-	-	-	2,245,025
-	7,248	131,793	11,579,713
379,065	48,952	170,600	20,123,428
-	-	-	10,460
-	3,984,228	-	4,760,921
-	-	(42,851)	(42,851)
-	3,984,228	(42,851)	4,728,530
$ 379,065	$ 4,033,180	$ 127,749	$ 24,851,958

CLAYTON COUNTY BOARD OF EDUCATION

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Special Revenue Funds			
	Adult Education	After School Program	Athletics	Lottery
REVENUES				
Local sources	$ 32,710	$ 1,543,621	$ 430,448	$ -
State sources	202,607	-	-	1,885,838
Federal sources	276,028	-	-	11,900
Interest earned on investments	-	-	638	-
Total revenues	511,345	1,543,621	431,086	1,897,738
EXPENDITURES				
Current:				
Instruction	349,884	-	-	1,754,691
Pupil services	-	-	-	-
Improvement of instructional services	173,048	-	-	140,483
General administration	-	-	-	-
School administration	-	-	-	-
Maintenance and operations	12,218	-	-	727
Student transportation	-	-	-	177
Central support services	-	-	-	-
Other support services	-	-	-	1,660
Other non-instructional services	-	-	475,162	-
Community service	-	1,491,521	-	-
Total expenditures	535,150	1,491,521	475,162	1,897,738
Excess (deficiency) of revenues over (under) expenditures	(23,805)	52,100	(44,076)	-
OTHER FINANCING SOURCES				
Transfers in	23,805	-	-	-
Total other financing sources	23,805	-	-	-
Net change in fund balances	-	52,100	(44,076)	-
FUND BALANCES, beginning of year	460	441,619	102,507	-
FUND BALANCES (DEFICIT), end of year	$ 460	$ 493,719	$ 58,431	$ -

South Metro	Title I	Title II	Title III	Title IV
$ -	$ -	$ -	$ -	$ -
4,511,637	-	-	-	-
511,504	25,612,448	1,350,199	618,950	-
-	-	-	-	-
5,023,141	25,612,448	1,350,199	618,950	-
3,735,088	17,363,851	11,880	193,052	-
764,338	240,836	-	198,871	-
119,393	4,854,923	1,300,064	219,420	-
51,341	647,095	28,255	-	-
352,883	934	-	-	-
98	800	-	-	-
-	307,817	-	807	-
-	-	-	-	-
-	2,196,192	-	6,800	-
-	-	-	-	-
-	-	-	-	-
5,023,141	25,612,448	1,340,199	618,950	-
-	-	10,000	-	-
-	-	-	-	-
-	-	-	-	-
-	-	10,000	-	-
-	-	-	-	-
$ -	$ -	$ 10,000	$ -	$ -

(Continued)

CLAYTON COUNTY BOARD OF EDUCATION

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Special Revenue Funds			
	Title VI-B Preschool	Title VI-B	Vocational Programs	WorkTec
REVENUES				
Local sources	$ -	$ -	$ -	$ 1,738,894
State sources	-	-	-	829,274
Federal sources	322,291	12,229,742	364,780	1,267,229
Interest earned on investments	-	-	-	1,500
Total revenues	322,291	12,229,742	364,780	3,836,897
EXPENDITURES				
Current:				
Instruction	317,971	8,965,953	301,399	1,066,194
Pupil services	266	1,800,891	-	258,562
Improvement of Instructional Services	4,054	1,348,894	63,381	847,470
General administration	-	-	-	-
School administration	-	-	-	-
Maintenance and operations	-	-	-	2,530,278
Student transportation	-	114,004	-	-
Central support services	-	-	-	-
Other support services	-	-	-	-
Other non-instructional services	-	-	-	-
Community service	-	-	-	954,888
Total expenditures	322,291	12,229,742	364,780	5,657,392
Excess (deficiency) of revenues over (under) expenditures	-	-	-	(1,820,495)
OTHER FINANCING SOURCES				
Transfers in	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	-	-	-	(1,820,495)
FUND BALANCES, beginning of year	-	-	-	2,045,038
FUND BALANCES (DEFICIT), end of year	$ -	$ -	$ -	$ 224,543

Race To The Top	School Discretionary	All Other Special Revenue	Total Nonmajor Governmental Funds
$ -	$ 7,043,894	$ 4,513	$ 10,794,080
-	-	192,778	7,622,134
3,230,232	-	529,768	46,325,071
-	-	-	2,138
3,230,232	7,043,894	727,059	64,743,423
1,345,453	6,987,087	11,013	42,403,516
49,857	-	609,417	3,923,038
1,604,155	-	72,338	10,747,623
95,435	-	1,801	823,927
-	-	-	353,817
-	-	-	2,544,121
-	-	8,054	430,859
135,332	-	-	135,332
-	-	-	2,204,652
-	-	71,938	547,100
-	-	-	2,446,409
3,230,232	6,987,087	774,561	66,560,394
-	56,807	(47,502)	(1,816,971)
-	-	-	23,805
-	-	-	23,805
-	56,807	(47,502)	(1,793,166)
-	3,927,421	4,651	6,521,696
$ -	$ 3,984,228	$ (42,851)	$ 4,728,530

CLAYTON COUNTY BOARD OF EDUCATION

SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Adult Education		
	Final Budget	Actual	Variance With Final Budget
REVENUES			
Local sources	$ 31,112	$ 32,710	$ 1,598
State sources	204,365	202,607	(1,758)
Federal sources	297,583	276,028	(21,555)
Interest earned on investments	-	-	-
Total revenues	533,060	511,345	(21,715)
EXPENDITURES			
Current:			
Instruction	368,746	349,884	18,862
Pupil services	-	-	-
Improvement of instructional services	173,870	173,048	822
Educational media services	-	-	-
General administration	-	-	-
School administration	-	-	-
Maintenance and operations	12,332	12,218	114
Student transportation	-	-	-
Central support services	-	-	-
Other support services	-	-	-
Other non-instructional services	-	-	-
Community service	-	-	-
Total expenditures	554,948	535,150	19,798
Excess (deficiency) of revenues over (under) expenditures	(21,888)	(23,805)	(1,917)
TRANSFERS IN	21,888	23,805	1,917
Net change in fund balances	-	-	-
FUND BALANCES, beginning of year	460	460	-
FUND BALANCES (DEFICIT), end of year	$ 460	$ 460	$ -

After School Program			Athletics		
Final Budget	Actual	Variance With Final Budget	Final Budget	Actual	Variance With Final Budget
$ 1,445,000	$ 1,543,621	$ 98,621	$ 400,000	$ 430,448	$ 30,448
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	10,000	638	(9,362)
1,445,000	1,543,621	98,621	410,000	431,086	21,086
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	603,739	475,162	128,577
1,445,000	1,491,521	(46,521)	-	-	-
1,445,000	1,491,521	(46,521)	603,739	475,162	128,577
-	52,100	52,100	(193,739)	(44,076)	149,663
-	-	-	193,739	-	(193,739)
-	52,100	52,100	-	(44,076)	(44,076)
441,619	441,619	-	102,507	102,507	-
$ 441,619	$ 493,719	$ 52,100	$ 102,507	$ 58,431	$ (44,076)

(Continued)

CLAYTON COUNTY BOARD OF EDUCATION

SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Lottery		
	Final Budget	Actual	Variance With Final Budget
REVENUES			
Local sources	$ -	$ -	$ -
State sources	2,577,885	1,885,838	(692,047)
Federal sources	-	11,900	11,900
Interest earned on investments	-	-	-
Total revenues	2,577,885	1,897,738	(680,147)
EXPENDITURES			
Current:			
Instruction	2,195,900	1,754,691	441,209
Pupil services	265,000	-	265,000
Improvement of instructional services	109,700	140,483	(30,783)
Educational media services	-	-	-
General administration	-	-	-
School administration	-	-	-
Maintenance and operations	1,600	727	873
Student transportation	-	177	(177)
Central support services	5,685	-	5,685
Other support services	-	1,660	(1,660)
Other non-instructional services	-	-	-
Community service	-	-	-
Total expenditures	2,577,885	1,897,738	680,147
Excess (deficiency) of revenues over (under) expenditures	-	-	-
TRANSFERS IN	-	-	-
Net change in fund balances	-	-	-
FUND BALANCES, beginning of year	-	-	-
FUND BALANCES (DEFICIT), end of year	$ -	$ -	$ -

South Metro			Title I		
Final Budget	Actual	Variance With Final Budget	Final Budget	Actual	Variance With Final Budget
$ -	$ -	$ -	$ -	$ -	$ -
4,511,690	4,511,637	(53)	-	-	-
1,022,147	511,504	(510,643)	43,180,210	25,612,448	(17,567,762)
-	-	-	-	-	-
5,533,837	5,023,141	(510,696)	43,180,210	25,612,448	(17,567,762)
4,034,964	3,735,088	299,876	25,525,969	17,363,851	8,162,118
820,999	764,338	56,661	102,086	240,836	(138,750)
129,704	119,393	10,311	11,138,502	4,854,923	6,283,579
-	-	-	195	-	195
44,670	51,341	(6,671)	1,439,307	647,095	792,212
488,500	352,883	135,617	1,227	934	293
15,000	98	14,902	820	800	20
-	-	-	1,305,560	307,817	997,743
-	-	-	-	-	-
-	-	-	3,666,544	2,196,192	1,470,352
-	-	-	-	-	-
-	-	-	-	-	-
5,533,837	5,023,141	510,696	43,180,210	25,612,448	17,567,762
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
$ -	$ -	$ -	$ -	$ -	$ -

(Continued)

CLAYTON COUNTY BOARD OF EDUCATION

SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Title II		
	Final Budget	Actual	Variance With Final Budget
REVENUES			
Local sources	$ -	$ -	$ -
State sources	-	-	-
Federal sources	3,884,392	1,350,199	(2,534,193)
Interest earned on investments	-	-	-
Total revenues	3,884,392	1,350,199	(2,534,193)
EXPENDITURES			
Current:			
Instruction	19,749	11,880	7,869
Pupil services	-	-	-
Improvement of instructional services	3,528,333	1,300,064	2,228,269
Educational media services	-	-	-
General administration	270,364	28,255	242,109
School administration	-	-	-
Maintenance and operations	-	-	-
Student transportation	-	-	-
Central support services	65,946	-	65,946
Other support services	-	-	-
Other non-instructional services	-	-	-
Community service	-	-	-
Total expenditures	3,884,392	1,340,199	2,544,193
Excess (deficiency) of revenues over (under) expenditures	-	10,000	10,000
TRANSFERS IN	-	-	-
Net change in fund balances	-	10,000	10,000
FUND BALANCES, beginning of year	-	-	-
FUND BALANCES (DEFICIT), end of year	$ -	$ 10,000	$ 10,000

Title III			Title IV		
Final Budget	Actual	Variance With Final Budget	Final Budget	Actual	Variance With Final Budget
$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-
1,054,936	618,950	(435,986)	-	-	-
-	-	-	-	-	-
1,054,936	618,950	(435,986)	-	-	-
335,183	193,052	142,131	-	-	-
326,856	198,871	127,985	-	-	-
359,774	219,420	140,354	-	-	-
-	-	-	-	-	-
3,859	-	3,859	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
4,100	807	3,293	-	-	-
-	-	-	-	-	-
25,164	6,800	18,364	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,054,936	618,950	435,986	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
$ -	$ -	$ -	$ -	$ -	$ -

(Continued)

CLAYTON COUNTY BOARD OF EDUCATION

SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Title VI-B Preschool		
	Final Budget	Actual	Variance With Final Budget
REVENUES			
Local sources	$ -	$ -	$ -
State sources	-	-	-
Federal sources	695,485	322,291	(373,194)
Interest earned on investments	-	-	-
Total revenues	695,485	322,291	(373,194)
EXPENDITURES			
Current:			
Instruction	692,485	317,971	374,514
Pupil services	-	266	(266)
Improvement of instructional services	3,000	4,054	(1,054)
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	695,485	322,291	373,194
Excess (deficiency) of revenues over (under) expenditures	-	-	-
TRANSFERS IN	-	-	-
Net change in fund balances	-	-	-
FUND BALANCES, beginning of year	-	-	-
FUND BALANCES (DEFICIT), end of year	$ -	$ -	$ -

Title VI-B			Vocational Programs		
Final Budget	Actual	Variance With Final Budget	Final Budget	Actual	Variance With Final Budget
$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-
23,477,539	12,229,742	(11,247,797)	467,779	364,780	(102,999)
-	-	-	-	-	-
23,477,539	12,229,742	(11,247,797)	467,779	364,780	(102,999)
17,789,479	8,965,953	8,823,526	408,106	301,399	106,707
2,904,134	1,800,891	1,103,243	-	-	-
2,243,286	1,348,894	894,392	59,673	63,381	(3,708)
-	-	-	-	-	-
300,000	-	300,000	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
160,715	114,004	46,711	-	-	-
-	-	-	-	-	-
79,925	-	79,925	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
23,477,539	12,229,742	11,247,797	467,779	364,780	102,999
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
$ -	$ -	$ -	$ -	$ -	$ -

CLAYTON COUNTY BOARD OF EDUCATION

SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	WorkTec		
	Final Budget	Actual	Variance With Final Budget
REVENUES			
Local sources	$ 6,546,471	$ 1,738,894	$ (4,807,577)
State sources	66,000	829,274	763,274
Federal sources	881,541	1,267,229	385,688
Interest earned on investments	-	1,500	1,500
Total revenues	7,494,012	3,836,897	(3,657,115)
EXPENDITURES			
Current:			
Instruction	1,752,853	1,066,194	686,659
Pupil services	564,199	258,562	305,637
Improvement of instructional services	1,009,861	847,470	162,391
Educational media services	-	-	-
General administration	69,919	-	69,919
School administration	-	-	-
Maintenance and operations	4,070,180	2,530,278	1,539,902
Student transportation	-	-	-
Central support services	27,000	-	27,000
Other support services	-	-	-
Other non-instructional services	-	-	-
Community service	-	954,888	(954,888)
Total expenditures	7,494,012	5,657,392	1,836,620
Excess (deficiency) of revenues over (under) expenditures	-	(1,820,495)	(1,820,495)
TRANSFERS IN	-	-	-
Net change in fund balances	-	(1,820,495)	(1,820,495)
FUND BALANCES, beginning of year	2,045,038	2,045,038	-
FUND BALANCES (DEFICIT), end of year	$ 2,045,038	$ 224,543	$ (1,820,495)

Race To The Top			All Other Special Revenue		
Final Budget	Actual	Variance With Final Budget	Final Budget	Actual	Variance With Final Budget
$ -	$ -	$ -	$ -	$ 4,513	$ 4,513
-	-	-	232,146	192,778	(39,368)
6,645,069	3,230,232	(3,414,837)	1,071,806	529,768	(542,038)
-	-	-	-	-	-
6,645,069	3,230,232	(3,414,837)	1,303,952	727,059	(576,893)
1,607,700	1,345,453	262,247	72,681	11,013	61,668
163,100	49,857	113,243	1,015,704	609,417	406,287
3,688,230	1,604,155	2,084,075	237,956	72,338	165,618
-	-	-	402	-	402
136,939	95,435	41,504	10,236	1,801	8,435
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	7,740	8,054	(314)
1,049,100	135,332	913,768	-	-	-
-	-	-	-	-	-
-	-	-	67,611	71,938	(4,327)
-	-	-	-	-	-
6,645,069	3,230,232	3,414,837	1,412,330	774,561	637,769
-	-	-	(108,378)	(47,502)	60,876
-	-	-	108,378	-	(108,378)
-	-	-	-	(47,502)	(47,502)
-	-	-	4,651	4,651	-
$ -	$ -	$ -	$ 4,651	$ (42,851)	$ (47,502)

CLAYTON COUNTY BOARD OF EDUCATION

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Balance July 1, 2011	Increases	Decreases	Balance June 30, 2012
STUDENT ACTIVITY FUND				
ASSETS				
Cash and investments	$ 386,693	$ 1,861,823	$ 1,861,700	$ 386,816
LIABILITIES				
Due to student organizations				
Elementary Schools:				
Anderson	$ 1,594	6,099	6,281	1,412
Arnold	703	4,342	2,791	2,254
Brown	1,453	8,956	8,125	2,284
Callaway	4,542	2,157	1,834	4,865
Church Street	1,226	14,921	14,648	1,499
East Clayton	1,032	8,834	9,095	771
Edmonds	2,252	3,281	3,017	2,516
Fountain	1,133	3,778	4,082	829
Harper	2,562	4,091	4,840	1,813
Hawthorne	2,453	6,967	7,268	2,152
Haynie	5,579	8,999	9,164	5,414
Hendrix Drive	458	-	384	74
Huie	3,006	3,255	3,619	2,642
Jackson	8,408	16,990	20,076	5,322
Kemp	103	5,442	5,159	386
Kemp Primary	3	1,620	1,434	189
Kilpatrick	1,447	1,955	1,908	1,494
King	1,901	2,685	2,945	1,641
Lake City	6,005	4,769	3,810	6,964
Lake Ridge	809	5,409	5,929	289
Lee Street	2,550	1,058	3,321	287
Marshall	1,028	749	742	1,035
McGarrah	10,788	6,190	5,344	11,634
Morrow	169	647	684	132
Mt. Zion	1,170	6,612	6,763	1,019
Mt. Zion Primary	560	2,488	2,730	318
Northcutt	1,589	9,883	9,553	1,919
Oliver	1,731	19,976	20,023	1,684
Pointe South	2,407	5,046	4,612	2,841
Riverdale	328	4,710	3,058	1,980
River's Edge	2,808	17,239	18,923	1,124
Smith	3,311	15,161	14,860	3,612
Suder	5,528	4,503	4,243	5,788
Swint	1,977	3,943	4,789	1,131
Tara	2,855	1,290	931	3,214
Unidos	762	159	411	510
West Clayton	321	1,881	1,524	678
White Academy	1,329	37,223	33,989	4,563
Total Elementary Schools	87,880	253,308	252,909	88,279

CLAYTON COUNTY BOARD OF EDUCATION

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Balance July 1, 2011	Increases	Decreases	Balance June 30, 2012
LIABILITIES (continued)				
Due to student organizations (continued)				
Middle Schools:				
Adamson	$ 4,787	$ 28,653	$ 29,415	$ 4,025
Babb	6,772	47,622	47,906	6,488
Elite Scholars	1,130	4,591	4,542	1,179
Forest Park	1,203	7,052	7,205	1,050
Jonesboro	6,562	16,825	16,451	6,936
Kendrick	8,887	46,213	37,208	17,892
Lovejoy	3,407	24,691	23,347	4,751
Morrow	5,666	21,278	21,755	5,189
Mundy's Mill	6,549	21,940	22,242	6,247
North Clayton	5,699	39,906	41,455	4,150
Pointe South	4,022	20,316	21,947	2,391
Rex Mill	28,010	63,151	62,070	29,091
Riverdale	3,023	19,862	20,548	2,337
Roberts	13,506	71,187	64,926	19,767
Sequoyah	3,518	13,358	17,084	(208)
Total Middle Schools	102,741	446,645	438,101	111,285
High Schools and Special Purpose Programs:				
Drew	$ 15,130	$ 98,334	$ 101,078	$ 12,386
Forest Park	17,760	72,133	73,295	16,598
Jonesboro	10,680	103,821	96,668	17,833
Lovejoy	49,904	277,856	290,429	37,331
Morrow	17,937	101,674	99,530	20,081
Mt. Zion	31,115	159,379	154,378	36,116
Mundy's Mill	16,812	183,069	176,758	23,123
North Clayton	9,464	79,497	82,356	6,605
Riverdale	23,434	82,559	89,757	16,236
Perry Center	3,205	3,331	5,858	678
Alternative	171	-	171	-
Flint River	18	-	-	18
South Metro	442	217	412	247
Total High Schools and Special Purpose Programs	196,072	1,161,870	1,170,690	187,252
Total due to student organizations	386,693	1,861,823	1,861,700	386,816
Total Liabilities	$ 386,693	$ 1,861,823	$ 1,861,700	$ 386,816

CLAYTON COUNTY BOARD OF EDUCATION

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Statistical Section

Clayton County
Public Schools

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 **Page**

Financial Trends ..... **66 - 73**
These schedules contain trend information to help the reader understand how the School System's financial performance and well-being have changed over time.

Revenue Capacity ..... **74 - 79**
These schedules contain information to help the reader assess the School System's most significant local revenue sources.

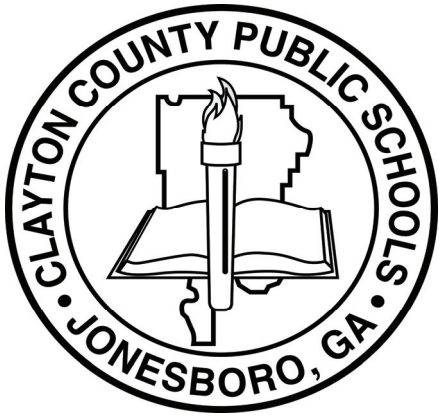
Debt Capacity ..... **80 - 83**
These schedules present information to help the reader assess the affordability of the School System's current levels of outstanding debt and the School System's ability to issue additional debt in the future.

Demographic and Economic Information ..... **84 - 87**
These schedules offer demographic and economic indicators to help the reader understand the environment within which the School System's financial activities take place.

Operating Information ..... **88 - 98**
These schedules contain service and infrastructure data to help the reader understand how the information in the School System's financial report relates to the services the School System provides and the activities it performs.

CLAYTON COUNTY BOARD OF EDUCATION

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Financial Trends

Clayton County
Public Schools

CLAYTON COUNTY BOARD OF EDUCATION

NET ASSETS BY COMPONENT
LAST NINE FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

Fiscal Year Ended June 30,	Invested in capital assets net of related debt	Restricted	Unrestricted	Total Net Assets
Governmental Activities				
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	364,805,589	73,348,770	53,352,595	491,506,954
2008	406,113,481	90,559,654	56,830,763	553,503,898
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
2011	514,975,636	107,326,734	34,102,935	656,405,305
2012	556,244,430	94,959,761	42,725,690	693,929,881
Business type Activities				
2004	$ 7,926,248	$ -	$ 7,222,268	$ 15,148,516
2005	7,616,988	-	9,056,760	16,673,748
2006	7,534,451	-	10,554,550	18,089,001
2007	7,448,608	-	10,680,978	18,129,586
2008	7,247,134	-	10,020,099	17,267,233
2009	6,745,609	-	5,260,291	12,005,900
2010	6,323,409	-	4,250,447	10,573,856
2011	5,847,343	-	3,670,506	9,517,849
2012	5,345,034	-	5,523,597	10,868,631
Total				
2004	$ 219,429,573	$ 46,810,178	$ 64,811,609	$ 331,051,360
2005	302,386,133	49,730,079	19,332,877	371,449,089
2006	319,802,459	80,930,059	30,788,466	431,520,984
2007	372,254,197	73,348,770	64,033,573	509,636,540
2008	413,360,615	90,559,654	66,850,862	570,771,131
2009	461,467,978	75,170,499	44,998,860	581,637,337
2010	515,978,704	76,436,913	23,884,429	616,300,046
2011	520,822,979	107,326,734	37,773,441	665,923,154
2012	561,589,464	94,959,761	48,249,287	704,798,512

Note: Information prior to FY2004 is available but not comparable.

CLAYTON COUNTY BOARD OF EDUCATION

CHANGES IN NET ASSETS
LAST NINE FISCAL YEARS

	2004	2005	2006	2007	2008
Expenses:					
Governmental activities					
Instructional services	$ 259,438,818	$ 279,040,459	$ 280,507,442	$ 284,656,120	$ 315,439,752
Pupil services	8,236,161	7,970,510	9,586,304	12,303,138	16,178,872
Improvement of instructional services	10,932,517	16,019,905	16,447,052	22,658,292	25,400,221
Educational media services	6,504,893	6,856,554	6,579,784	6,930,008	7,491,836
General administration	4,061,884	3,556,380	3,664,557	4,809,647	3,742,791
School administration	19,687,994	20,235,069	21,061,645	21,414,697	24,287,809
Business administration	1,300,253	1,465,535	2,016,911	2,722,265	2,890,990
Maintenance and operations	25,318,187	25,770,642	27,537,489	28,614,235	32,548,593
Pupil transportation	14,880,892	14,985,960	17,795,290	22,222,626	22,975,264
Support services - central	8,439,183	8,347,455	8,514,016	15,059,973	11,291,357
Other support services	1,119,304	1,211,974	2,508,914	2,730,189	4,013,534
Non-instructional services	1,169,936	1,451,483	1,295,127	1,158,476	988,288
Community services	9,114,684	9,744,508	10,554,673	10,279,962	10,535,333
Interest	159,034	110,996	62,593	15,605	2,030
Food Services	-	-	-	-	-
Total governmental activities expenses	370,363,740	396,767,430	408,131,797	435,575,233	477,786,670
Business-type activities					
School food service	20,263,101	21,231,337	23,772,468	25,031,796	27,611,912
Performing arts center	407,573	277,398	301,175	328,682	370,864
Total business-type activities expenses	20,670,674	21,508,735	24,073,643	25,360,478	27,982,776
Total primary government expenses	$ 391,034,414	$ 418,276,165	$ 432,205,440	$ 460,935,711	$ 505,769,446
Program Revenues:					
Governmental activities					
Charges for services:					
Instructional services	$ 13,226,303	$ 11,551,965	$ 10,366,020	$ 189,571	$ 9,333,417
Pupil services	158,853	-	116,125	78,415	-
Instructional staff	-	-	-	10,455	-
Maintenance and operations	-	-	-	-	-
Support services	-	-	-	140	-
Other support services	498,875	598	37,633	566	1,614
Non-instructional services	484,437	438,088	423,368	13,396,684	309,240
Community services	6,563,909	7,279,101	8,166,405	5,388,630	8,529,620
Operating grants and contributions					
Instructional services	158,614,569	172,660,606	175,822,013	194,953,512	203,773,082
Pupil services	3,672,957	3,757,727	3,847,847	5,656,282	4,507,765
Improvement of instructional services	5,680,955	10,763,481	10,723,888	10,056,464	15,581,205
Educational media services	3,633,262	4,029,657	4,277,109	4,769,039	5,308,086
General administration	1,938,392	1,830,776	2,025,376	2,158,239	1,436,808
School administration	7,434,084	7,967,269	8,275,510	8,769,853	9,545,589
Business administration	336,467	363,600	613,185	684,838	694,299
Maintenance and operations	12,639,197	12,875,167	12,964,693	13,186,473	13,603,315
Pupil transportation	2,854,252	3,095,062	3,122,515	4,153,936	5,335,415
Support services-central	5,324,195	2,456,442	2,333,145	2,269,802	2,935,988
Other support services	590,162	641,769	826,234	-	553,095
Non-instructional services	21,085	456,145	139,523	425,063	-
Community services	-	2,303,024	2,073,423	2,518,975	2,787,765
Capital grants and contributions					
Instructional services	13,330,193	1,703,636	7,130,175	7,375,103	17,412,902
Total governmental activities revenue	237,002,147	244,174,113	253,284,187	276,042,040	301,649,205

2009	2010	2011	2012
$ 326,173,396	$ 299,228,401	$ 289,659,696	$ 296,417,202
16,664,267	16,355,400	13,464,906	14,551,823
25,553,694	23,188,322	11,912,843	15,202,766
7,789,435	7,839,592	5,277,130	5,225,436
5,008,540	4,429,848	3,537,595	3,473,960
24,529,652	23,897,928	22,068,201	21,176,371
3,490,943	2,816,870	2,574,738	2,143,768
35,601,121	32,152,942	29,342,130	30,606,213
22,484,075	22,035,391	18,493,121	17,990,667
11,774,644	9,325,934	9,666,757	10,956,308
4,436,898	5,464,771	3,550,816	5,066,385
1,293,256	1,398,357	858,066	918,407
11,956,697	10,737,821	9,783,485	2,446,409
2,995	-	-	-
-	-	-	-
496,759,613	458,871,577	420,189,484	426,175,715
32,860,220	28,756,695	28,142,446	28,097,834
426,702	352,312	271,104	211,090
33,286,922	29,109,007	28,413,550	28,308,924
$ 530,046,535	$ 487,980,584	$ 448,603,034	$ 454,484,639
$ 8,073,750	$ 7,360,729	$ 7,268,417	$ 7,122,767
-	-	-	-
5,624	8,416	-	-
-	-	-	1,738,894
-	-	-	-
2,620	3,233	1,851	2,754
272,591	300,636	4,574,055	8,813,883
9,610,775	8,425,266	7,982,611	1,543,621
185,098,116	179,348,500	191,262,473	196,060,639
3,681,184	3,840,784	3,870,407	4,666,461
15,719,475	14,652,112	8,241,160	11,820,745
4,980,672	5,048,222	5,250,269	4,603,200
1,906,241	2,245,639	1,736,626	2,096,166
8,822,397	9,417,316	10,105,190	8,885,059
726,203	770,916	807,810	1,272,151
12,346,817	12,530,318	12,616,895	12,672,840
4,020,197	3,106,713	3,195,117	3,765,960
2,508,607	2,482,733	2,678,889	1,415,583
7,487	1,294,178	1,209,526	2,225,391
360,911	-	-	-
2,447,997	2,494,785	2,303,110	-
11,322,264	13,158,977	5,521,459	-
271,913,928	266,489,473	268,625,865	268,706,114

CLAYTON COUNTY BOARD OF EDUCATION

CHANGES IN NET ASSETS
LAST NINE FISCAL YEARS

	2004	2005	2006	2007	2008
Business-type activities					
Charges for services					
School food service	$ 4,757,462	$ 4,030,613	$ 3,744,923	$ 3,134,147	$ 2,861,587
Performing Arts center	220,566	208,909	188,838	213,115	298,144
Operating grants and contributions					
School food service	16,699,129	18,628,126	20,975,820	21,527,062	23,411,943
Total business-type activities program revenues	21,677,157	22,867,648	24,909,581	24,874,324	26,571,674
Total primary government program revenues	258,679,304	267,041,761	278,193,768	300,916,364	328,220,879
Net (Expense) Revenue					
Governmental activities	(133,361,593)	(152,593,317)	(154,847,610)	(159,533,193)	(176,137,465)
Business-type activities	1,006,483	1,358,913	835,938	(486,154)	(1,411,102)
Total primary government net expense	$ (132,355,110)	$ (151,234,404)	$ (154,011,672)	$ (160,019,347)	$ (177,548,567)
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
Sales taxes	46,165,205	50,642,568	54,411,505	53,538,851	54,423,793
Other taxes	6,909,348	6,903,391	6,973,978	7,109,991	8,917,565
Non-program specific state and federal aid	6,905,282	9,298,139	16,894,461	17,409,359	14,142,824
Local school activity	1,279,122	841,901	2,649,154	4,036,302	3,632,980
Interest and investment earnings	574,743	1,483,671	3,690,941	6,991,393	5,534,144
Gain on sale of assets	-	-	622	73,472	58,300
Transfers	-	-	-	-	-
Total government activities	175,961,452	193,128,045	207,515,588	237,608,164	238,134,169
Business-type activities:					
Interest and investment earnings	62,839	166,319	356,087	526,739	350,446
Transfers	-	-	-	-	-
Total business-type activities	62,839	166,319	356,087	526,739	350,446
Total primary government	$ 176,024,291	$ 193,294,364	$ 207,871,675	$ 238,134,903	$ 238,484,615
Change in Net Assets					
Governmental activities	$ 42,599,859	$ 40,534,728	$ 52,667,978	$ 78,074,971	$ 61,996,704
Business-type activities	1,069,322	1,525,232	1,186,025	40,585	(1,060,656)
Total primary government	$ 43,669,181	$ 42,059,960	$ 53,854,003	$ 78,115,556	$ 60,936,048

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.

***** In fiscal year 2011, various revenues were reclassified from general revenues to program revenues - charges for services.

2009	2010	2011	2012
$ 2,684,373	$ 2,321,346	$ 2,050,732	$ 2,229,141
249,268	236,175	187,542	62,508
25,159,432	25,084,941	25,085,843	27,354,321
28,093,073	27,642,462	27,324,117	29,645,970
300,007,001	294,131,935	295,949,982	298,352,084
(224,845,685)	(192,382,104)	(151,563,619)	(157,469,601)
(5,193,849)	(1,466,545)	(1,089,433)	1,337,046
$ (230,039,534)	$ (193,848,649)	$ (152,653,052)	$ (156,132,555)
$ 161,522,560	$ 148,094,346	$ 131,696,730	$ 121,423,671
49,121,173	53,669,034	48,353,695	48,656,878
1,377,987	983,594	859,735	875,671
26,847,151	20,855,861	20,855,861	23,494,466
5,361,901	4,229,182	-	-
1,790,719	396,312	412,878	473,966
14,390	268,841	85,136	69,525
137,274	(20,313)	(21,301)	-
246,173,155	228,476,857	202,242,734	194,994,177
69,790	14,188	12,125	13,736
(137,274)	20,313	21,301	-
(67,484)	34,501	33,426	13,736
$ 246,105,671	$ 228,511,358	$ 202,276,160	$ 195,007,913
$ 21,327,470	$ 36,094,753	$ 50,679,115	$ 37,524,576
(5,261,333)	(1,432,044)	(1,056,007)	1,350,782
$ 16,066,137	$ 34,662,709	$ 49,623,108	$ 38,875,358

CLAYTON COUNTY BOARD OF EDUCATION

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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
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

	All Other Governmental Funds			
	Reserved	Unreserved Special Revenue	Capital Projects	Total
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

	General Fund				
	Nonspendable	Restricted	Assigned	Unassigned	Total
2011	$ 41,250	$ -	$ -	$ 28,247,867	$ 28,289,117
2012	35,000	-	-	38,327,401	38,362,401

	All Other Governmental Funds				
	Nonspendable	Restricted	Assigned	Unassigned	Total
2011	$ -	$ 107,326,734	$ 6,521,236	$ -	$ 113,847,970
2012	-	94,959,761	4,760,921	(42,851)	99,677,831

Note: In fiscal year 2011, the School System adopted GASB 54 which changed the classifications of fund balance.

CLAYTON COUNTY BOARD OF EDUCATION

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	2003	2004	2005	2006	2007
Revenues:					
Local sources	$ 173,865,444	$ 183,968,056	$ 199,988,595	$ 196,000,977	$ 227,174,904
State sources	215,148,835	203,339,338	197,832,717	215,063,542	239,246,916
Federal sources	33,655,899	24,545,613	38,720,305	39,547,241	39,671,292
Interest earned on investments	-	574,743	1,483,671	3,690,941	6,991,392
On behalf payments	-	3,150,426	3,311,531	7,622,873	7,227,583
Other sources	-	75,179	-	-	-
Total revenues	422,670,178	415,653,355	441,336,819	520,312,087	520,312,087
Expenditures:					
Current:					
Instructional services	250,693,236	258,625,347	260,960,087	263,210,908	276,138,696
Pupil services	7,865,132	8,188,368	7,966,497	9,578,188	12,188,388
Improvement of instructional services	10,888,732	10,863,587	16,050,498	16,361,601	22,610,922
Educational media services	6,171,007	6,493,723	6,849,810	6,569,947	6,921,917
General administration	3,840,469	3,907,327	3,423,249	3,429,391	4,437,129
School administration	19,341,620	19,569,553	20,107,379	20,911,160	21,071,990
Business services	1,594,999	1,284,832	1,465,963	1,992,348	2,725,317
Maintenance and operations	24,847,734	25,376,816	25,747,334	27,285,453	28,257,473
Student transportation	13,391,076	16,183,916	13,239,495	14,997,106	20,307,028
Central support services	7,828,157	7,840,640	7,164,566	7,565,608	14,320,703
Other support services	737,588	1,117,683	1,210,801	2,500,260	2,725,457
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
Community service	6,719,596	9,099,984	9,733,870	10,549,645	10,251,046
Capital outlay	62,363,856	51,763,317	49,744,718	30,580,662	62,254,348
Food Services	20,000,688				
Debt service:					
Principal retirement	-	1,980,887	2,031,283	2,077,328	1,420,440
Interest and fiscal charges	-	159,034	110,996	62,593	15,605
Total expenditures	436,301,420	426,772,518	430,569,599	426,591,355	494,032,953
Excess (deficiency) of revenues over (under) expenditures	(13,631,242)	(11,119,163)	10,767,220	35,334,219	26,279,134
Other financing sources (uses):					
Proceeds from capital leases	7,900,000	-	-	-	-
Sale of capital assets	-	-	-	15,287	104,651
Transfer in	25,619,622	320,749	1,768,836	951,842	382,922
Transfers out	(25,607,203)	(320,749)	(1,768,836)	(951,842)	(774,442)
Total other financing sources (uses)	7,912,419	-	-	15,287	(286,869)
Net change in fund balances	(5,718,823)	(11,119,163)	10,767,220	35,349,506	25,992,265
Debt service as a percentage of noncapital expenditures	0.00%	0.57%	0.56%	0.54%	0.33%

Note: FY2003 Statement of Governmental Activities was restated in FY2004
Note: FY2005 Statement of Governmental Activities was restated in FY2006
Note: In fiscal year 2008, the School System began reporting on behalf payments with state sources.

2008	2009	2010	2011	2012
$ 236,387,341	$ 236,158,812	$ 224,080,154	$ 202,005,781	$ 189,018,853
264,830,746	239,563,950	211,161,926	225,951,240	225,789,473
37,089,659	39,790,750	58,901,510	42,691,134	47,204,487
5,534,144	1,790,719	396,312	412,878	473,966
-	-	-	-	-
-	-	-	-	-
543,841,890	517,304,231	494,539,902	471,061,033	462,486,779
304,155,211	300,620,268	291,480,509	276,880,679	281,944,616
16,167,627	16,636,729	16,437,777	13,599,670	14,629,255
25,069,320	25,550,792	23,265,654	12,115,303	15,252,324
7,573,123	7,788,758	7,839,167	5,276,279	5,224,585
3,656,928	4,674,133	4,392,803	3,475,667	3,347,211
23,996,116	24,325,141	23,857,513	21,982,071	21,277,130
2,885,605	3,470,348	2,820,123	2,551,289	2,189,673
32,293,341	35,200,907	32,031,887	29,180,214	30,451,346
23,415,849	20,227,700	19,875,107	15,643,181	16,041,104
11,630,765	11,339,185	9,032,684	8,386,233	6,647,633
3,577,663	4,449,389	5,464,771	3,550,816	5,066,385
-	-	-	-	-
1,018,735	1,282,815	1,367,078	828,279	895,063
10,538,956	11,977,565	10,736,383	9,783,485	2,446,409
57,502,959	77,176,502	65,790,820	23,264,690	61,373,053
26,262	24,793	-	-	-
2,030	2,995	-	-	-
523,510,490	544,748,020	514,392,276	426,517,856	466,785,787
20,331,400	(27,443,789)	(19,852,374)	44,543,177	(4,299,008)
-	-	-	-	-
58,300	26,785	272,220	85,136	202,153
1,613,919	734,177	422,824	237,682	23,805
(1,613,679)	(680,067)	(443,137)	(258,983)	(23,805)
58,540	80,895	251,907	63,835	202,153
20,389,940	(27,362,894)	(19,600,467)	44,607,012	(4,096,855)
0.01%	0.01%	0.00%	0.00%	0.00%

CLAYTON COUNTY BOARD OF EDUCATION

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Revenue Capacity

Clayton County
Public Schools

CLAYTON COUNTY BOARD OF EDUCATION

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(UNAUDITED - IN THOUSANDS)
MAINTENANCE AND OPERATIONS

Fiscal Year	Real & Personal Property		Privately Owned Public Utilities		Motor Vehicles and Mobile Homes		Total School Board		Tax payer Exemptions	Net Assessed Value	Millage Rate	Total Tax Levy	Assessed Value as a Percentage of Actual Value
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value					
2003	$ 6,018,206	$ 15,045,515	$ 759,616	$ 1,899,040	$ 699,494	$ 1,748,735	$ 7,477,316	$ 18,693,290	$ 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	19,060,663	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	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	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	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	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	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	22,946,101	1,145,096	8,033,344	0.0200	160,667	40.00%
2011	6,533,685	16,334,212	907,396	2,268,490	621,749	1,554,374	8,062,830	20,157,076	1,022,513	7,040,317	0.0200	140,806	40.00%
2012	6,126,861	15,317,153	856,786	2,141,965	433,061	1,082,651	7,416,708	18,541,769	1,038,686	6,378,022	0.0200	127,560	40.00%

Source: Property Tax Division, Clayton County Tax Commission

Note: Tax rates are per $1,000 of assessed value.

Note: Property in Clayton County is reassessed once every three years. The County assesses property at 40% of actual value for all types of property. Estimated Actual Taxable Value is calculated by dividing Total Taxable Assessed Value by this percentage.

CLAYTON COUNTY BOARD OF EDUCATION

DIRECT AND OVERLAPPING PROPERTY TAX RATES, LAST TEN FISCAL YEARS (RATE PER $1,000 OF ASSESSED VALUE)

				Overlapping Rates				
	District Direct Rates			State	City of	City of	City	City
Fiscal Year	School M & O	Debt Service	Total	of Georgia	College Park	Forest Park	of Morrow	of Riverdale
2003	18.916	-	18.916	0.250	9.560	5.043	-	6.500
2004	18.916	-	18.916	0.250	9.560	4.793	4.000	7.500
2005	18.916	-	18.916	0.250	9.560	4.793	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	10.343	5.000	7.500
2010	20.000	-	20.000	0.250	9.560	12.343	6.000	7.500
2011	20.000	-	20.000	0.250	11.560	13.343	6.000	7.500
2012	20.000	-	20.000	0.250	11.560	14.743	7.500	7.500

Overlapping Rates (*continued*):

	City of Jonesboro		City of	City of	Clayton County Board of Commissioners		
Fiscal Year	M & O	Fire District	Lake City	LoveJoy Fire District	M & O	Fire District	Total
2003	-	-	-	3.900	5.882	-	5.882
2004	-	3.900	5.886	3.900	6.882	-	6.882
2005	3.000	3.900	5.886	3.900	7.781	-	7.781
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	-	3.900	5.740	3.900	8.535	-	8.535
2009	-	3.900	5.737	3.900	8.962	-	8.962
2010	-	-	5.737	-	11.436	3.900	15.336
2011	-	-	5.737	-	11.327	3.900	15.227
2012	1.500	-	7.500	-	15.813	4.400	20.213

Source: Clayton County Tax Commissioner's Office

CLAYTON COUNTY BOARD OF EDUCATION

PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO

	2011			2002		
Taxpayer	Taxable Assessed Value	Rank	Percent of District's Total Taxable Value(1)	Taxable Assessed Value	Rank	Percent of District's Total Taxable Value (1)
Delta Airlines	$ 708,708,998	1	10.07%	$ 1,925,166,203	1	33.48%
Atlantic Southeast	107,280,753	2	1.52%	92,932,894	2	1.62%
Air Tran Airways	104,447,459	3	1.48%	-	-	0.00%
Georgia Power Company	101,786,025	4	1.45%	80,760,955	4	1.40%
AMB Partners	95,882,959	5	1.36%	-	-	0.00%
City of Atlanta	51,432,576	6	0.73%	84,974,808	3	1.48%
Clorox Company	35,988,013	7	0.51%	-	-	0.00%
Atlanta Gas Light	33,564,647	8	0.48%	-	-	0.00%
BellSouth	29,352,522	9	0.42%	42,835,530	8	0.74%
Highwoods Realty	29,202,781	10	0.41%	-	-	0.00%
Northwest Airlines	-	11	0.00%	48,967,398	5	0.85%
Hertz	-	12	0.00%	46,466,335	6	0.81%
J.C. Penney	-	13	0.00%	45,586,647	7	0.79%
Avis	-	14	0.00%	28,327,352	9	0.49%
National Car Rental	-	15	0.00%	26,025,082	10	0.45%
	$ 1,297,646,733		15.69%	$ 2,422,043,204		42.12%

Source: Clayton County Tax Commissioner's Office

(1) District's total taxable value for 2011 $ 7,040,317,000

(2) District's total taxable value for 2002 $ 5,750,250,000

CLAYTON COUNTY BOARD OF EDUCATION

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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
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%	14,200,143	133,569,163	100.00%
2005	153,470,689	135,543,274	88.32%	1,808,644	137,351,918	89.50%
2006	161,586,307	143,875,651	89.04%	17,585,073	161,460,724	99.92%
2007	164,039,251	147,237,288	89.76%	3,491,519	150,728,807	91.89%
2008	161,250,713	156,339,150	96.95%	4,543,574	160,882,724	99.77%
2009	142,878,841	137,950,010	96.55%	4,907,948	142,857,958	99.99%
2010	124,420,945	117,648,366	94.56%	2,554,748	120,203,114	96.61%
2011	115,034,230	108,845,913	94.62%	-	108,845,913	94.62%

Source: Clayton County Tax Commissioner's Office

Note: This schedule recognizes collections on a calendar year (tax year) basis, whereas property tax collections reported in the basic financial statements are on a fiscal year basis.

CLAYTON COUNTY BOARD OF EDUCATION

SCHEDULE OF REVENUES BY SOURCE
GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

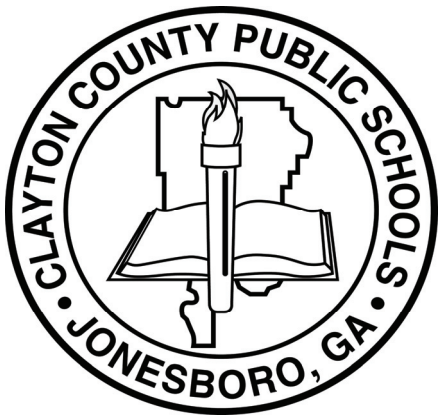
	2003	2004	2005	2006	2007
Revenues:					
Local sources	$ 173,865,444	$ 183,968,056	$ 199,988,595	$ 196,000,977	$ 227,174,904
State sources	215,148,835	203,339,338	197,832,717	215,063,542	239,246,916
Federal sources	33,655,899	24,545,613	38,720,305	39,547,241	39,671,292
Interest earned on investments	-	574,743	1,483,671	3,690,941	6,991,392
On behalf payments	-	3,150,426	3,311,531	7,622,873	7,227,583
Other sources	-	75,179	-	-	-
Total revenues	$ 422,670,178	$ 415,653,355	$ 441,336,819	$ 461,925,574	$ 520,312,087

Note: In fiscal year 2008, the School System began reporting On behalf payments with State sources.

2008	2009	2010	2011	2012
$ 236,387,341	$ 236,387,341	$ 224,080,154	$ 202,005,781	$ 189,018,853
264,830,746	264,830,746	211,161,926	225,951,240	225,789,473
37,089,659	37,089,659	58,901,510	42,691,134	47,204,487
5,534,144	5,534,144	396,312	412,878	473,966
-	-	-	-	-
-	-	-	-	-
$ 543,841,890	$ 543,841,890	$ 494,539,902	$ 471,061,033	$ 462,486,779

CLAYTON COUNTY BOARD OF EDUCATION

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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*
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%	-
2008	24,793	-	24,793	0.00%	-
2009	-	-	-	0.00%	-
2010	-	-	-	0.00%	-
2011	-	-	-	0.00%	-
2012	-	-	-	0.00%	-

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

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CLAYTON COUNTY BOARD OF EDUCATION

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2012

	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	34,169,223	100%	34,169,223
Landfill Authority	11,660,000	100%	11,660,000
Total Direct and Overlapping Debt	$ 45,829,223		$ 45,829,223

NOTE: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the School System. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses within the School System's boundaries. This process recognizes that, when considering the School System's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the county/authority's taxable assessed value that is within the School System's boundaries and dividing it by the county/authority's total taxable assessed value.

Source: Clayton County Board of Education and Clayton County Board of Commissioners

CLAYTON COUNTY BOARD OF EDUCATION

LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

	2003	2004	2005	2006	2007	2008
Debt limit	$ 747,731,600	$ 762,426,500	$ 807,009,400	$ 865,350,800	$ 917,027,600	$ 953,389,000
Total net debt applicable to limit	-	-	-	-	-	-
Legal debt margin	$ 747,731,600	$ 762,426,500	$ 807,009,400	$ 865,350,800	$ 917,027,600	$ 953,389,000
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

2009	2010	2011	2012
$ 953,389,100	$ 917,844,000	$ 806,283,000	$ 741,670,800
-	-	-	-
$ 953,389,100	$ 917,844,000	$ 806,283,000	$ 741,670,800
0.00%	0.00%	0.00%	0.00%

Legal Debt Margin Calculation for Fiscal Year 2012

Assessed Value*	$ 7,416,708,000
Debt Limit (10% of assessed value)**	741,670,800
Debt applicable to limit:	
General obligation bonds	-
Total net debt applicable to limit	-
Legal debt margin	$ 741,670,800

CLAYTON COUNTY BOARD OF EDUCATION

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Demographic & Economic Information

Clayton County
Public Schools

CLAYTON COUNTY BOARD OF EDUCATION

DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

Year	Population	Personal Income* (in thousands)	Per Capita Personal Income	County Unemployment Rate**
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%
2011	279,580	6,274,560	22,443	13.0%
2012	267,180	6,551,330	24,520	11.5%

* Woods & Poole Economics Data Pamphlet 2012

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

CLAYTON COUNTY BOARD OF EDUCATION

PRINCIPAL EMPLOYERS
CURRENT YEAR AND FIVE YEARS AGO

	2010			2005		
Taxpayer	Number of Employees	Rank	Percent of Total County Employment	Number of Employees	Rank	Percent of Total County Employment
Clayton County School System	6,820	1	4.84%	7,010	2	4.80%
Delta Airlines, Inc./Tech Ops	6,200	2	4.40%	23,500	1	16.09%
Clayton County Board of Commissioners	2,484	3	1.76%	1,901	5	1.30%
Southern Regional Medical Center	1,731	4	1.23%	2,250	4	1.54%
Clayton State University	1,500	5	1.06%	950	6	0.65%
Fresh Express, Inc.	1,100	6	0.78%	450	8	0.31%
Wal-Mart, Inc.	800	7	0.57%	650	7	0.44%
Gate Gourmet, Inc.	760	8	0.54%	-	-	0.00%
FedEx Ground	750	9	0.53%	-	-	0.00%
Southern Company	543	10	0.39%	-	-	0.00%
Fort Gillum (U.S. Army)	-	-	0.00%	4,200	3	2.87%
ToTo, USA, Inc.	-	-	0.00%	450	9	0.31%
Hartsfield Jackson International Airport	-	-	0.00%	400	10	0.27%
Totals	22,688		16.09%	41,761		28.59%

Source: Clayton County Chamber of Commerce

Note: Information prior to 2005 is not available. Information for 2011 not yet available

Note: Total employment in Clayton County for 2010 was 141,000 and in 2005 was 146,090.

CLAYTON COUNTY BOARD OF EDUCATION

STUDENT ETHNICITY STATISTICS
LAST TEN FISCAL YEARS

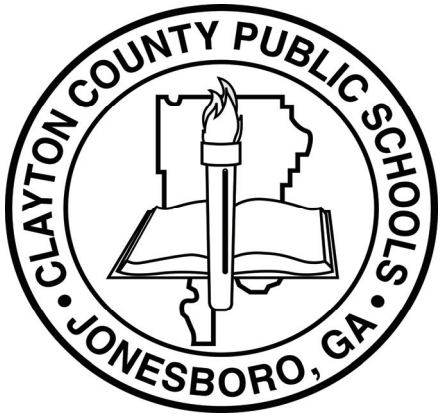
Sex	Race	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Female	American Indian/Alaskan Native	23	23	23	22	20	18	18	56	47	62
	Asian, Pacific Islander	1,048	1,077	1,067	1,056	1,061	1,030	1,030	1,153	1,159	1,151
	Black, not of Hispanic origin	16,994	17,757	18,269	18,921	18,643	17,408	17,387	17,454	17,667	17,720
	Hispanic	1,958	2,286	2,619	2,962	3,181	3,576	3,582	4,116	4,399	4,347
	Multi-racial	777	778	841	897	964	904	904	741	744	732
	White, not of Hispanic origin	3,371	2,790	2,215	1,790	1,355	1,042	1,043	932	844	813
	Sub Total	24,171	24,711	25,034	25,648	25,224	23,978	23,964	24,452	24,860	24,825
Male	American Indian/Alaskan Native	20	21	16	23	20	30	30	55	56	65
	Asian, Pacific Islander	1,176	1,160	1,153	1,155	1,157	1,148	1,147	1,213	1,228	1,222
	Black, not of Hispanic origin	17,511	18,185	18,795	19,605	19,385	18,488	18,514	18,411	18,708	18,548
	Hispanic	2,132	2,534	2,966	3,264	3,367	3,720	3,736	4,256	4,545	4,524
	Multi-racial	852	861	897	937	930	939	938	767	702	686
	White, not of Hispanic origin	3,732	3,083	2,544	2,025	1,514	1,176	1,179	1,050	919	895
	Sub Total	25,423	25,844	26,371	27,009	26,373	25,501	25,544	25,752	26,158	25,940
	System Total	49,594	50,555	51,405	52,657	51,597	49,479	49,508	50,204	51,018	50,765

Source: Georgia Department of Education Website

CLAYTON COUNTY BOARD OF EDUCATION

STUDENT ENROLLMENT STATISTICS
LAST TEN YEARS

Year Ended June 30,	Average Daily Membership	Average Daily Attendance	Attendance Percentage	Official State October 1 Enrollment Count
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%	51,597
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
2011	49,474	47,917	96.85%	50,366
2012	50,663	48,500	95.73%	51,018



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
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%
2011	$39,555	$59,908	$80,261	-2.45%
2012	$39,555	$59,908	$80,261	0.00%

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
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
2011	34	264	229	365	332	352	375	216	309	34	2,476
2012	251	307	201	389	283	258	329	175	209	251	2,402

CLAYTON COUNTY BOARD OF EDUCATION

RATIO OF PUPILS TO PROFESSIONAL PERSONNEL
LAST TEN FISCAL YEARS

Fiscal Year	Classroom (1) Teachers	Support (2) Personnel	Administrators (3)	Total Personnel	Average Daily Enrollment	Ratio of Pupils to Classroom Teachers
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
2011	3,412	2,917	209	6,538	47,917	14.0
2012	3,127	2,816	199	6,142	47,879	15.3

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, Asst. Superintendents, Principals, Asst. 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
2003	$ 353,924,007	45,344	$ 7,805	N/A
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%
2011	420,189,484	47,917	8,769	-9.97%
2012	431,561,709	50,663	8,518	-2.86%

CLAYTON COUNTY BOARD OF EDUCATION

NUTRITION SERVICES - FACTS AND FIGURES
LAST TEN FISCAL YEARS

		2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Number of schools participating in:											
Lunch - regular schedule		52	54	57	58	59	59	60	61	61	60
Lunch - year round		-	-	-	-	-	-	-	-	-	1
Breakfast program		52	54	57	58	59	59	60	61	61	61
Student lunches served:											
Free		3,548,170	3,988,217	4,361,509	4,964,652	5,094,162	5,019,989	5,163,769	5,523,779	5,742,787	5,998,933
Reduced		1,075,147	1,041,779	1,022,892	873,018	864,873	899,588	793,806	683,265	501,529	557,755
Fully paid		2,138,718	1,951,825	1,762,341	1,598,251	1,431,720	1,356,064	1,198,349	1,007,164	910,669	811,167
	Total	6,762,035	6,981,821	7,146,742	7,435,921	7,390,755	7,275,641	7,155,924	7,214,208	7,154,985	7,367,855
Adult lunches served		277,827	288,583	251,685	236,721	359,700	337,678	337,667	300,910	248,644	165,504
Student breakfasts served:											
Free		1,464,613	1,681,764	1,901,633	2,182,362	2,325,198	2,403,475	2,611,826	2,766,691	2,855,986	3,098,269
Reduced		281,371	277,304	292,261	269,025	272,792	308,777	299,277	271,852	213,274	247,560
Fully paid		300,474	297,873	290,479	301,172	293,284	333,376	322,811	285,175	263,094	246,104
	Total	2,046,458	2,256,941	2,484,373	2,752,559	2,891,274	3,045,628	3,233,914	3,323,718	3,332,354	3,591,933
Number of serving days:											
Regular schedule		180	179	196	197	195	180	185	179	175	175
Year-round schedule		-	-	-	-	-	-	-	-	-	175
Weighted average		180.00	179.00	196.00	197.30	194.70	180.00	185.00	179.00	175.00	175.00
Average daily participation:											
Student lunch		37,567	39,005	36,463	37,688	37,960	40,420	38,681	40,303	41,703	42,808
Adult lunch		1,543	1,612	1,284	1,200	1,847	1,876	1,825	1,681	778	945
Student breakfast		11,369	12,609	12,675	13,951	14,850	16,920	17,481	18,568	19,649	20,726
October 1 pupil count (Kindergarten not included)		49,594	50,555	51,405	52,657	49,479	48,814	45,399	45,579	50,366	46,734
Percentage of students daily eating school lunch		75.75%	77.15%	70.93%	71.57%	76.72%	82.80%	85.20%	88.42%	82.80%	91.60%
October 1 count of benefits											
Students on free lunch		20,040	22,869	24,623	27,803	28,538	32,535	32,807	37,773	38,395	38,911
Student on reduced lunch		6,273	6,029	5,939	5,038	5,092	6,393	5,459	3,746	3,896	3,691
Percentage of students on:											
Free lunch		40.41%	45.24%	47.90%	52.80%	57.68%	66.65%	72.26%	82.87%	76.23%	83.26%
Reduced lunch		12.65%	11.93%	11.55%	9.57%	10.29%	13.10%	12.02%	8.22%	7.74%	7.90%
	Total	53.06%	57.16%	59.45%	62.37%	67.97%	79.75%	84.29%	91.09%	83.97%	91.16%

CLAYTON COUNTY BOARD OF EDUCATION

SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
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	455	449	450	507	519	484	482	497	490	493
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	478	508	506	510	520	467	469	477	481	450
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	1,014	1,030	843	815	796	743	745	789	790	810
Callaway (2002)										
Square feet	91,014	91,014	91,014	91,014	105,494	105,494	105,494	105,494	105,494	105,494
Capacity	725	725	725	725	900	900	900	900	900	900
Enrollment	872	892	866	896	921	821	844	855	816	844
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	1,018	906	896	929	949	813	868	832	817	878
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	915	967	570	601	649	592	615	632	608	574
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	476	468	446	418	470	515	560	587	547	610
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	980	584	569	537	499	496	549	626	553	612
Harper (2002)										
Square feet	91,014	91,014	91,014	91,014	91,014	91,014	91,014	91,014	105,994	105,994
Capacity	725	725	725	725	725	725	725	725	900	900
Enrollment	784	800	811	831	817	748	728	812	810	918

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

CLAYTON COUNTY BOARD OF EDUCATION

SCHOOL BUILDING INFORMATION (CONTINUED)
LAST TEN FISCAL YEARS

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Hawthorne (1998)										
Square feet	89,226	89,226	89,226	89,226	102,500	102,500	102,500	102,500	102,500	102,500
Capacity	738	738	738	738	900	900	900	900	900	900
Enrollment	942	914	886	949	868	913	943	964	950	983
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	737
Enrollment	738	776	764	780	801	745	712	663	681	761
Hendrix (1955)										
Square feet	54,748	54,748	54,748	54,748	54,748	54,748	54,748	54,748	54,748	54,748
Capacity	450	450	450	450	450	450	450	450	450	450
Enrollment	419	354	338	338	254	124	119	27	27	27
Huie (1966)										
Square feet	71,569	71,569	71,569	71,569	71,569	71,569	71,569	71,569	71,569	71,569
Capacity	675	675	675	675	675	675	675	675	675	675
Enrollment	696	708	666	611	633	597	655	658	614	727
Jackson (2003)										
Square feet	90,229	90,229	90,229	90,229	90,229	90,229	90,229	90,229	90,229	105,209
Capacity	-	725	725	725	725	725	900	900	900	900
Enrollment	-	822	885	956	947	734	736	882	837	919
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	1,067	1,160	733	754	742	706	718	699	689	712
Kemp Primary (2004)										
Square feet	x	90,229	90,229	90,229	90,229	90,229	90,229	90,229	90,229	90,229
Capacity	-	663	663	663	663	663	663	663	650	650
Enrollment	-		688	720	741	605	718	693	624	709
Kilpatrick (1973)										
Square feet	67,727	75,379	75,379	75,379	75,379	75,379	75,379	75,379	75,379	75,379
Capacity	575	650	650	650	650	650	650	650	650	650
Enrollment	808	715	672	672	618	550	562	611	606	611
King (2003)										
Square feet	92,044	92,044	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	700	700
Enrollment	-	910	972	1,048	993	870	906	957	935	918
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	462
Enrollment	492	540	479	456	490	501	510	535	516	535
Lake Ridge (1994)										
Square feet	85,000	85,000	85,000	85,000	94,662	94,662	94,662	94,662	94,662	94,662
Capacity	650	650	650	650	788	788	650	788	788	788
Enrollment	754	780	839	841	866	729	750	730	694	730

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CLAYTON COUNTY BOARD OF EDUCATION

SCHOOL BUILDING INFORMATION (CONTINUED)
LAST TEN FISCAL YEARS

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
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	707	495	515	580	622	541	596	562	509	569
Marshall (2004)										
Square feet	x	89,854	89,854	89,854	89,854	89,854	89,854	89,854	89,854	89,854
Capacity	-	725	725	725	725	725	725	725	725	725
Enrollment	-	-	852	950	901	852	826	828	818	855
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	914	925	708	684	705	608	621	641	631	668
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	586	611	546	523	509	481	515	505	467	478
Mt Zion (1976)										
Square feet	85,815	85,815	450	85,815	85,815	85,815	85,815	85,815	85,815	85,815
Capacity	700	700	700	700	700	700	700	700	700	700
Enrollment	1,108	961	905	975	927	558	550	575	589	557
Mt Zion Primary (2008)										
Square feet	x	x	x	x	x	93,275	93,275	93,275	93,275	93,275
Capacity	-	-	-	-	-	750	750	750	750	750
Enrollment	-	-	-	-	-	540	548	660	629	717
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	772	732	610	615	568	628	658	699	686	623
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	1,075	816	832	842	884	784	739	664	672	604
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	761	807	827	736	775	643	697	674	662	677
River's Edge (1994)										
Square feet	85,000	85,000	85,000	85,000	100,300	100,300	100,300	100,300	100,300	100,820
Capacity	650	650	650	650	863	863	863	863	863	863
Enrollment	823	825	807	978	1,153	1,102	1,142	604	573	594
Riverdale (1954)										
Square feet	65,084	65,084	65,084	65,084	65,084	65,084	65,084	65,084	65,084	65,084
Capacity	700	700	700	700	700	700	700	700	700	700
Enrollment	677	637	667	708	660	608	606	669	643	626
Smith (2000)										
Square feet	95,132	95,132	95,132	95,132	95,132	95,132	109,612	109,612	109,612	109,612
Capacity	725	725	725	725	725	725	900	900	900	900
Enrollment	1,043	917	954	922	937	938	938	871	851	955
Suder (1966)										
Square feet	79,783	79,783	79,783	79,783	79,783	79,783	79,783	79,783	79,783	79,783
Capacity	775	775	775	775	775	775	775	765	765	765
Enrollment	693	713	739	781	804	662	683	665	640	701

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

CLAYTON COUNTY BOARD OF EDUCATION

SCHOOL BUILDING INFORMATION (CONTINUED)
LAST TEN FISCAL YEARS

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
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	776	776	776
Enrollment	821	706	638	649	565	524	571	642	605	639
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	725	725	725
Enrollment	614	626	591	609	590	598	667	601	547	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	676	516	537	507	527	499	510	462	436	438
White Academy (2010)										
Square feet	x	x	x	x	x	x	x	201,679	201,679	201,679
Capacity	-	-	-	-	-	-	-	1,425	1,425	1,425
Enrollment	-	-	-	-	-	-	-	-	1,414	1,401
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	1,186	1,223	1,239	1,273	787	654	656	658	649	633
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	1,092	1,120	1,057	891	869	793	783	766	796	737
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	600	600	600
Enrollment	788	736	767	655	593	505	510	674	683	696
Jonesboro (2004)										
Square feet	x	128,170	128,170	128,170	128,170	128,170	128,170	128,170	128,170	128,170
Capacity	-	875	875	875	875	875	875	875	875	875
Enrollment	585	609	928	973	938	883	834	743	753	788
Kendrick (1996)										
Square feet	123,458	123,458	123,458	123,458	123,458	143,828	143,724	143,724	143,828	143,724
Capacity	850	850	850	850	850	1,075	1,100	1,100	1,100	1,100
Enrollment	1,318	1,429	1,506	936	921	770	787	852	883	866
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	725	725	725
Enrollment	1,050	1,068	1,131	1,312	1,280	1,175	1,172	584	578	585
Morrow #7 (2012)										
Square feet	x	x	x	x	x	x	x	171,727	171,727	171,727
Capacity	-	-	-	-	-	-	-	900	900	900
Enrollment	-	-	-	-	-	-	-	803	742	684

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

CLAYTON COUNTY BOARD OF EDUCATION

SCHOOL BUILDING INFORMATION (CONTINUED)
LAST TEN FISCAL YEARS

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
School										
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	1,036	782	791	824	704	681	725	737	408
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	887	916	959	983	961	887	869	804	818	807
N. Clayton Middle (1969)										
Square feet	99,989	99,989	107,374	107,374	107,374	126,179	126,179	126,179	126,179	126,179
Capacity	738	738	738	738	738	1,000	738	738	1,000	1,000
Enrollment	1,035	960	929	920	961	949	920	843	860	812
Pointe South (1978)										
Square feet	141,792	141,792	141,792	141,792	141,792	141,792	141,792	141,792	160,835	160,835
Capacity	875	875	875	875	875	875	875	875	925	925
Enrollment	1,115	1,134	1,144	968	954	814	803	822	838	827
Rex Mill (2007)										
Square feet	x	x	x	x	152,570	152,570	152,570	152,570	152,570	152,570
Capacity	-	-	-	-	1,100	1,100	1,100	1,100	1,100	1,100
Enrollment	-	-	-	-	578	981	953	1,035	1,042	1,072
Riverdale (1968)										
Square feet	108,738	108,738	108,738	108,738	108,738	108,738	108,738	108,738	139,581	108,738
Capacity	850	850	850	850	850	850	850	850	850	850
Enrollment	1,027	1,063	1,070	853	859	841	833	741	752	762
Roberts (2000)										
Square feet	123,458	123,458	123,458	123,458	123,458	144,014	146,007	146,007	146,007	146,007
Capacity	838	838	838	838	838	1,100	1,100	1,100	1,100	1,100
Enrollment	1,141	1,167	1,064	1,053	815	644	649	699	667	700
Sequoyah (2004)										
Square feet	x	128,170	128,170	128,170	128,170	128,170	128,170	128,170	128,170	128,170
Capacity	-	875	875	875	875	875	875	875	875	875
Enrollment	-	-	-	996	926	769	737	808	804	876

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

CLAYTON COUNTY BOARD OF EDUCATION

SCHOOL BUILDING INFORMATION (CONTINUED)
LAST TEN FISCAL YEARS

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
School										
High										
Drew (2009)										
Square feet	x	x	x	x	x	x	297,918	297,918	297,918	297,918
Capacity	-	-	-	-	-	-	1,850	1,850	1,850	1,850
Enrollment	-	-	-	-	-	-	-	1,132	1,182	1,414
Forest Park (1962)										
Square feet	206,766	206,766	206,766	206,766	206,766	206,766	206,766	206,766	227,356	227,356
Capacity	1,550	1,550	1,550	1,550	1,550	1,550	1,550	1,550	1,550	1,550
Enrollment	1,630	1,567	1,567	1,518	1,626	1,545	1,518	1,626	1,643	1,643
Jonesboro (1963)										
Square feet	193,634	193,634	193,634	193,634	193,634	208,036	208,036	208,036	208,036	227,131
Capacity	1,500	1,500	1,500	1,500	1,500	1,725	1,500	1,500	1,725	1,725
Enrollment	1,723	1,647	1,693	1,828	1,697	1,268	1,153	1,212	1,235	1,221
Lovejoy (1989)										
Square feet	217,450	217,450	217,450	217,450	217,450	217,450	217,450	231,852	231,852	231,852
Capacity	1,625	1,625	1,625	1,625	1,625	1,625	1,625	1,850	1,850	1,850
Enrollment	1,980	1,886	1,795	1,837	1,903	1,804	1,662	1,815	1,894	1,899
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	1,920	1,905	2,064	2,149	2,074	1,742	1,534	1,722	1,819	1,656
Mt. Zion (1990)										
Square feet	231,952	231,952	231,952	216,241	231,952	231,952	216,241	231,952	231,952	231,952
Capacity	1,350	1,350	1,350	1,350	1,575	1,575	1,350	1,575	1,575	1,575
Enrollment	1,727	1,778	1,844	1,662	1,731	1,722	1,547	1,563	1,580	1,529
Mundy's Mill (2002)										
Square feet	254,667	254,667	254,667	254,667	254,667	254,667	292,512	292,512	292,512	292,512
Capacity	1,350	1,350	1,350	1,350	1,350	1,350	1,850	1,850	1,850	1,850
Enrollment	941	1,407	1,970	2,081	2,104	1,815	1,659	1,629	1,719	1,628
N. Clayton (1967)										
Square feet	172,110	194,138	194,138	194,138	194,138	194,138	194,138	194,138	194,138	211,657
Capacity	1,075	1,075	1,325	1,325	1,325	1,325	1,325	1,325	1,325	1,325
Enrollment	1,470	1,477	1,458	1,568	1,527	1,526	1,360	1,068	1,118	849
Riverdale (1977)										
Square feet	203,067	203,067	203,067	203,067	203,067	203,067	203,067	203,067	203,067	203,067
Capacity	1,325	1,325	1,325	1,325	1,325	1,325	1,325	1,325	1,325	1,325
Enrollment	1,759	1,857	1,831	1,933	1,961	1,670	1,532	1,053	1,416	1,189

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

CLAYTON COUNTY BOARD OF EDUCATION

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Single Audit 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, 2012, which collectively comprise the Clayton County Board of Education's basic financial statements and have issued our report thereon dated September 20, 2013. 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

Management of the Clayton County Board of Education is responsible for establishing and maintaining effective 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 preceding paragraph 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 and another deficiency that we consider to be a significant deficiency.

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 item 12-01 to be a material weakness.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiency described in the accompanying schedule of findings and questioned costs as item 12-02 to be a significant deficiency.

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 September 20, 2013.

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

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
September 20, 2013

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 the Clayton County Board of Education's compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (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, 2012. 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, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the 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 on 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 compliance requirements referred to above that could have direct and material effect on each of its major federal programs for the year ended June 30, 2012.

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 in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, 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 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 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
September 20, 2013

CLAYTON COUNTY BOARD OF EDUCATION

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Contract or Project Number	Total Expenditures
U. S. DEPARTMENT OF AGRICULTURE:			
Passed through Georgia Department of Education:			
Child Nutrition Cluster			
School Breakfast Program	10.553	N/A	$ 6,005,179
USDA Commodities	10.555	N/A	2,035,286
National School Lunch Program	10.555	N/A	18,297,184
National School Lunch Program - ARRA	10.555	N/A	11,882
National School Snack Program	10.555	N/A	256,466
Total Child Nutrition Cluster			26,605,997
Fresh Fruits and Vegetables	10.582	N/A	71,938
Total U. S. Department of Agriculture			26,677,935
U. S. DEPARTMENT OF EDUCATION:			
Passed through Georgia Department of Technical and Adult Education:			
Adult Education	84.002	N/A	263,212
Adult Education/Institutional	84.002	N/A	12,816
			276,028
Passed through Georgia Department of Education:			
Title I, Part A Cluster			
Title I Programs - Improving Academic Achievement	84.010	N/A	19,144,668
Title I Programs - School Improvement Grant	84.010	N/A	1,453,971
Title I Programs - Distinguished School	84.010	N/A	32,057
ARRA - Improving Academic Achievement	84.389	N/A	4,511,210
ARRA - School Improvement	84.389	N/A	470,542
Total Title I, Part A Cluster			25,612,448
Title IV-B, Special Education Cluster			
Title VI-B Flowthrough	84.027	N/A	10,351,934
Title VI-B South Metro	84.027	N/A	511,504
Title VI-B Preschool	84.173	N/A	322,291
ARRA - Title VI-B Flowthrough	84.391	N/A	1,877,808
Total Title IV-B, Special Education Cluster			13,063,537
Title II - Improving Teacher Quality	84.367	N/A	1,278,389
Title II - Advanced Placement	84.367	N/A	13,265
			1,291,654

(Continued)

CLAYTON COUNTY BOARD OF EDUCATION

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Contract or Project Number	Total Expenditures
U. S. DEPARTMENT OF EDUCATION (Continued):			
Passed through Georgia Department of Education (Continued):			
Title II - Enhancing Education Thru Technology	84.318	N/A	$ 47,301
Title II - Engaging AP Students Thru Mobile Computing	84.318	N/A	11,244
			58,545
Title III - Limited English Proficient	84.365	N/A	611,268
Title III - Immigrant	84.365	N/A	7,682
			618,950
Education for Homeless Children & Youth Cluster			
Education for Homeless Children and Youth	84.196	N/A	82,000
Total Education for Homeless Children & Youth Cluster			82,000
Vocational Education - Basic Grants to States			
Program Improvement	84.048	N/A	364,780
			364,780
Race To The Top - ARRA	84.395		3,230,232
State Jobs Fund	84.410	N/A	114,730
Charter Schools Implementation Grant	84.282	N/A	23,392
Subtotal - Passed through Georgia Department of Education			44,736,296
Passed through Georgia State University Research Foundation			
Teacher Quality Partnership Grants - Network for Enhancing Teacher Quality	84.336	N/A	39,916
Total U. S. Department of Education			44,776,212
U. S. DEPARTMENT OF DEFENSE:			
Direct Award:			
ROTC	12.unknown	N/A	744,566
U. S. DEPARTMENT OF JUSTICE:			
Passed through Governor's Office for Children and Families			
System of Care: Caring Communities	16.540	N/A	253,678
Total U. S. Department of Justice			253,678

(Continued)

CLAYTON COUNTY BOARD OF EDUCATION

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Contract or Project Number	Total Expenditures
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Passed through Georgia Department of Human Resources			
Afterschool Program Department			
TANF Cluster			
Hearts to Nourish Hope	93.558	42700-040-4050	$ 50,000
Passport Program	93.558	42700-040-6964	5,385
Total TANF Cluster			55,385
Passed through Georgia Department of Early Care and Learning			
Child Care and Development Fund Cluster			
Child Care and Development Fund Block Grant	93.575	N/A	11,900
Total Child Care and Development Fund Cluster			11,900
Total U. S. Department of Health and Human Services			67,285
U.S. DEPARTMENT OF TRANSPORTATION			
Passed through Georgia Governor's Office of Highway Safety			
Students Against Destructive Decisions	20.601	N/A	3,460
Total U. S. Department of Transportation			3,460
Total Expenditures of Federal Awards			$ 72,523,136

CLAYTON COUNTY BOARD OF EDUCATION

NOTE TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE FISCAL YEAR ENDED JUNE 30, 2012

NOTE 1. BASIS OF PRESENTATION

The Schedule of Expenditures of Federal Awards includes the federal grant activity of the Clayton County Board of Education and is presented on the accrual basis of accounting.

The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations.* Therefore, some amounts presented in this schedule may differ from amounts presented in or used in the preparation of the financial statements.

CLAYTON COUNTY BOARD OF EDUCATION

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

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?	__X__ yes _____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
	Title I A Cluster Program:
	U.S. Department of Education
84.010	Improving Academic Achievement
84.389	Improving Academic Achievement - ARRA
	Special Education Cluster Program:
	U.S. Department of Education:
84.027	Special Education – Flowthrough
84.391	Special Education – Flowthrough - ARRA
84.173	Special Education - Preschool
	U.S. Department of Eduction
84.395	Race to the Top Program - ARRA

Dollar threshold used to distinguish between Type A and Type B programs:	$2,175,694
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, 2012

B. FINDINGS: FINANCIAL STATEMENTS AUDIT

12-01. Receivables and Revenues

Criteria: Generally accepted accounting principles require revenue to be recognized in the accounting period in which it becomes both measurable and available to finance expenditures of the current period. Internal controls should be in place to ensure all revenues, receivables and deferred revenue amounts are properly recorded at year end and the need for an allowance for uncollectible accounts has been considered.

Condition: The School System did not properly record tax revenues and the related receivables, allowance for uncollectible accounts and deferred revenues at year end and did not properly record an allowance or deferred revenues for Worktec receivables not collected as of year end.

Context: We addressed this matter with School System officials who determined the appropriate entries to receivables, allowance for uncollectible accounts, deferred revenue, and revenue at June 30, 2012.

Effect: Adjustments to increase taxes receivable by $10,199,436, increase the allowance for uncollectible taxes receivable and deferred revenue by $5,566,001 and decrease tax revenues by $932,566 were required to be recorded in the General Fund. An adjustment to decrease sales tax revenue by $522,715, increase deferred revenue by $331,841, and decrease revenues by $190,874 was required to be recorded in the Capital Projects Fund. An adjustment to increase the allowance for uncollectible accounts receivable by $135,867, increase deferred revenue by $1,891,566, and decrease revenues by $2,027,433 was required to be recorded in the Worktec Fund.

Recommendation: We recommend the School System strengthen internal controls to ensure that all receivables, revenues, deferred revenues and allowances for uncollectible accounts are properly adjusted at year end.

Views of Responsible Officials and Planned Corrective Action: Management concurs and has implemented steps to ensure that all revenues, receivables, deferred revenues and allowances are properly adjusted at year end.

12-02. Accounts Payable and Accrued Liabilities

Criteria: Generally accepted accounting principles require reporting of all current liabilities whose liquidation is expected to require the use of current assets when the goods have been received or services have been performed.

Condition: The School System did not properly address the above criteria as of June 30, 2012 as it relates to accounts payable and accrued payroll liabilities in the Capital Projects Fund, School Food Service Fund, Title I Fund, and Race to the Top Grant Fund.

CLAYTON COUNTY BOARD OF EDUCATION

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

B. FINDINGS: FINANCIAL STATEMENTS AUDIT

12-02. Accounts Payable and Accrued Expenses

Context: We addressed this matter with School System officials who determined the appropriate entries to accounts payable, accrued liabilities, and expenditures/expenses at June 30, 2012.

Effect: An adjustment to decrease accounts payable and decrease expenditures by $114,406 was required to be recorded in the Capital Projects Fund. An adjustment to increase accounts payable by $69,569, decrease accrued liabilities by $210,582 and decrease expenditures by $141,013 was required to be recorded in the School Food Service Fund. An adjustment to decrease accounts payable and increase revenue by $113,587 was required to be recorded in the Title I Fund and an adjustment to increase accounts payable and decrease revenues by $9,880 was required to be recorded in the Race to the Top Grant Fund.

Recommendation: We recommend the School System strengthen internal controls to ensure that all accounts payable and accrued liabilities are properly adjusted at year end.

Views of Responsible Officials and Planned Corrective Action: Management concurs and has implemented steps to ensure that all accounts payable and accrued liabilities are properly adjusted at year end.

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, 2012

11-01. Retainage and Contract Payable

Criteria: Internal controls should be in place to ensure all amounts owed to contractors for construction projects are properly recorded as retainage and contracts payable at year end.

Condition: The School System determined that $444,317 of expenditures were not properly included in retainage and contracts payable at year end.

Auditee Response/Status: Resolved.