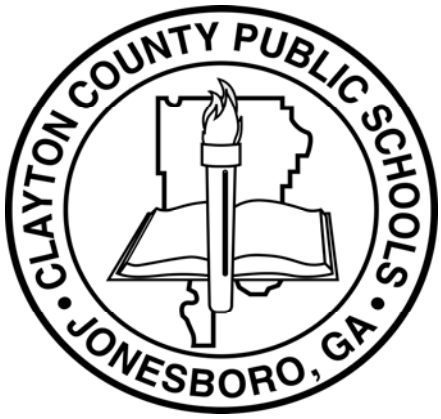
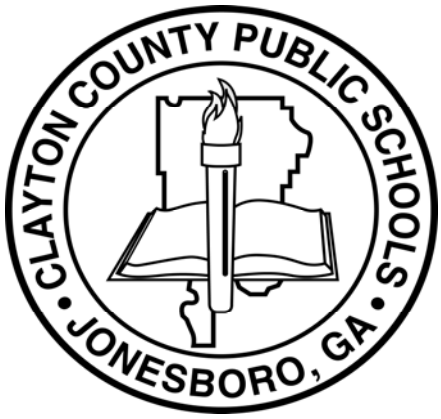


Comprehensive Annual Financial Report

Fiscal Year Ended June 30, 2013

1058 Fifth Avenue · Jonesboro, Georgia 30236



Comprehensive Annual Financial Report

Fiscal Year Ended June 30, 2013

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, 2013

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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

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

LUVENIA JACKSON
Superintendent of Schools

October 21, 2014

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, 2013, 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 4 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 52,000 students currently enrolled in 36 elementary schools, 14 middle schools, 9 high schools and 4 special entity facilities for the current budget year of 2012 - 2013. The district has also approved two charter schools within the county, the Elite Scholars Charter School serving students in sixth through eleventh grade and the Unidos Dual Language Charter School serving students in grades kindergarten through eighth 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 FY2013, 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 $446 million, resulting in a loss of $11.5 million in local tax revenues to the school system. Because of the economy, the Governor has made numerous austerity reductions in state funding. In FY2013, the school system's state funding was reduced by $34.8 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 Statements

- 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, 2013, 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.

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
Superintendent

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, 2013, 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	12-31-2016
Board Member	Mr. Mark Christmas	12-31-2016
Board Member	Ms. Jessie Goree	12-31-2016
Board Member	Mr. Michael King	12-31-2014
Board Member	Ms. Ophelia Burroughs	12-31-2016
Board Member	Ms. Judy Johnson	12-31-2016
Board Member	Dr. Alieka Anderson	12-31-2014
Board Member	Mr. Charlton Bivins	12-31-2014

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.

CLAYTON COUNTY BOARD OF EDUCATION
ELECTED OFFICIALS
AND
SUPERINTENDENT OF SCHOOLS



Chairperson
Dr. Pam Adamson



Vice Chairperson
Mary Baker



Mark Christmas



Jessie Goree



Michael King



Ophelia Burroughs



Judy Johnson



Dr. Alieka Anderson



Charlton Bivins



Interim Superintendent
Luvenia Jackson

CLAYTON COUNTY BOARD OF EDUCATION
EXECUTIVE STAFF

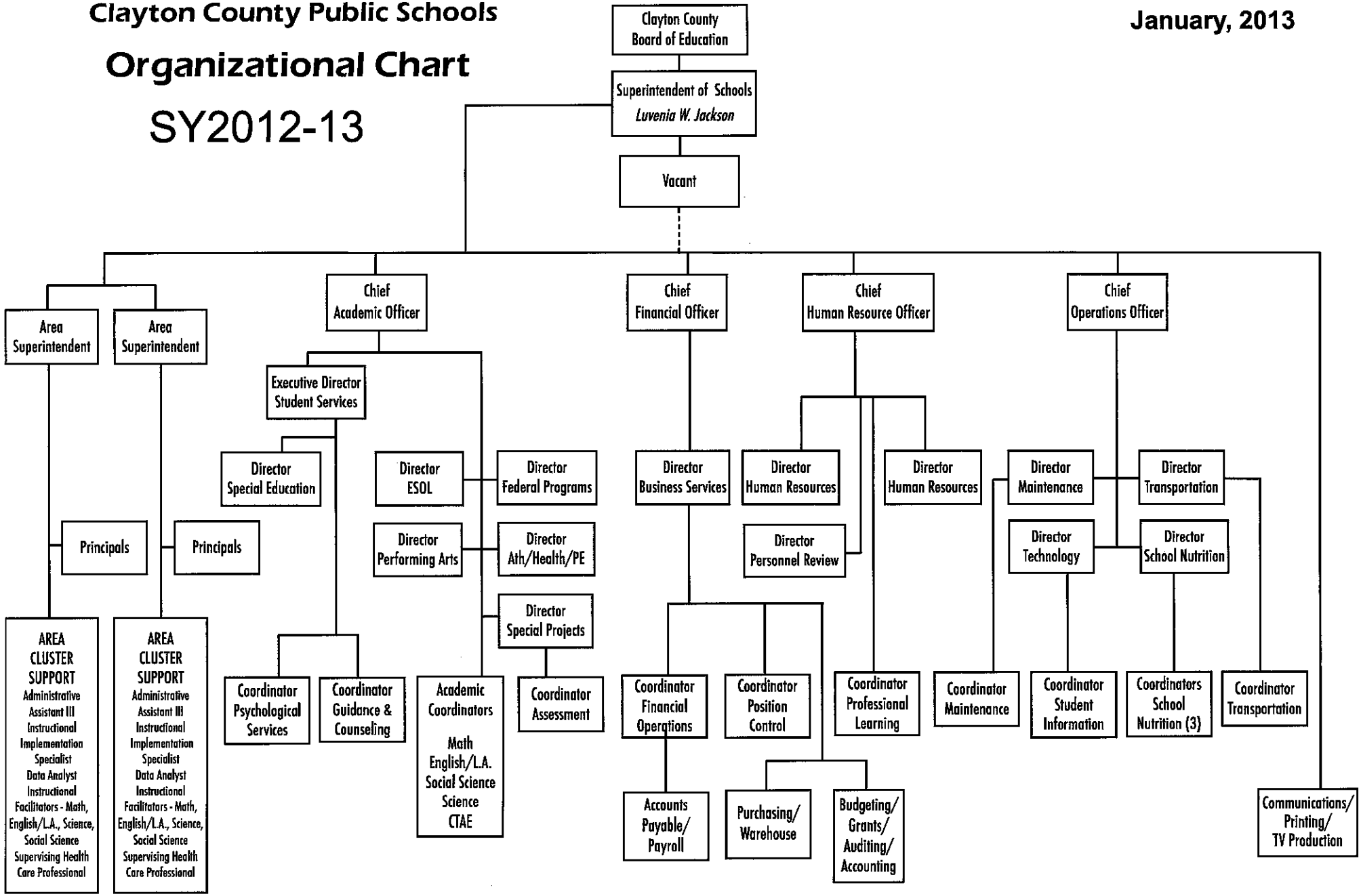
Superintendent's Office	
Ms. Luvenia Jackson	Interim Superintendent
Assistant Superintendents	
Ms. Susan Patrick	Area 1
Dr. Anthony Smith	Area 2
Division of Teaching & Learning	
Dr. Folasade Oladele	Chief Academic Officer
Dr. Gloria Duncan	Director Professional Learning
Dr. Terry Young	Executive Director Perry Learning Center
Ms. Katrina Thompson	Director Federal, State, Local Programs
Ms. Monika Wiley	Director Fine Arts, Magnet Schools, Accreditation
Dr. Chantel Normil	Director English as Second Language
Mr. Kevin May	Director of Athletics
Ms. Delphia Young	Director of Special Projects
Division of Student Services	
Ms. Tamera Foley	Director Student Services
Dr. Katrina King	Director Exceptional Students
Division of Human Resources	
Dr. Doug Hendrix	Chief Human Resources Officer
Mr. Greg Curry	Director Human Resources
Dr. Damaris Garrett	Director Human Resources
Division of Budgets & Finance	
Mr. Kenneth Thompson	Chief Financial Officer
Ms. Lonita Evans	Director Business Services
Division of Operations	
Dr. Cephus Jackson	Chief Operations Officer
Ms. Audrey Hamilton	Director Nutrition Services
Mr. Harold Walker	Director Transportation
Ms. Lisa Young	Director of Technology
Mr. Sam Coger	Director of Facilities and Maintenance

Clayton County Public Schools

Organizational Chart

SY2012-13

January, 2013



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

Report on the Financial Statements

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, 2013, and the related notes to the financial statements, which collectively comprise the Clayton County Board of Education's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, 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, 2013, and the respective changes in financial position and, where applicable, cash flows, thereof, and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Notes 1 and 16, the Clayton County Board of Education implemented Governmental Accounting Standards Board (GASB) Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position*, as well as Statement No. 65, *Items Previously Reported as Assets and Liabilities*, as of July 1, 2012. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis (on pages 4 through 13) 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Clayton County Board of Education's basic financial statements. The combining and individual fund financial statements and schedules, and the schedule of expenditures of federal awards, as required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The introductory and statistical sections are also presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules and the schedule of expenditures of federal awards, (collectively "the supplementary information") are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 17, 2014, on our consideration of 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Clayton County Board of Education's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Macon, Georgia
October 17, 2014



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, 2013. 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 Position 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, 2013, 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 2013 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, 2013 by $756.3 million. Of this amount, $71.2 million was unrestricted net position and available to meet the Board's ongoing obligations.
- The Board's net position of its governmental activities increased by $50.2 million. This increase is primarily the result of a net increase in capital assets. The Board experienced an increase of $73.3 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 $25.7 million.
- Program revenues of the governmental activities accounted for $254.6 million, or 57% of the $445.1 million in total revenues of the governmental activities. General revenues of the governmental activities accounted for $190.5 million, or 43% of the total.

- The Board reported $394.9 million in expenses for the governmental activities. Of this amount, $254.6 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 position of the Board's business-type activities increased $1.3 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 $29.6 million, while expenses of the Performing Arts Center were $237,737. Program revenues, operating grants and contributions, and capital contributions for these business type activities totaled $31.1 million. This revenue, along with general revenues of interest earnings in the amount of $2,044 resulted in the increase in net position referenced above of $1.3 million.
- The General Fund (the primary operating fund), presented on a current financial resources basis, ended the year with a fund balance of $56,520,113, an increase of $18,157,712 from June 30, 2012.
- The Capital Projects Fund ended the year with a fund balance of $50,649,431, a decrease of $44,299,870.
- The Board decreased its outstanding long-term liability by $822,678.

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

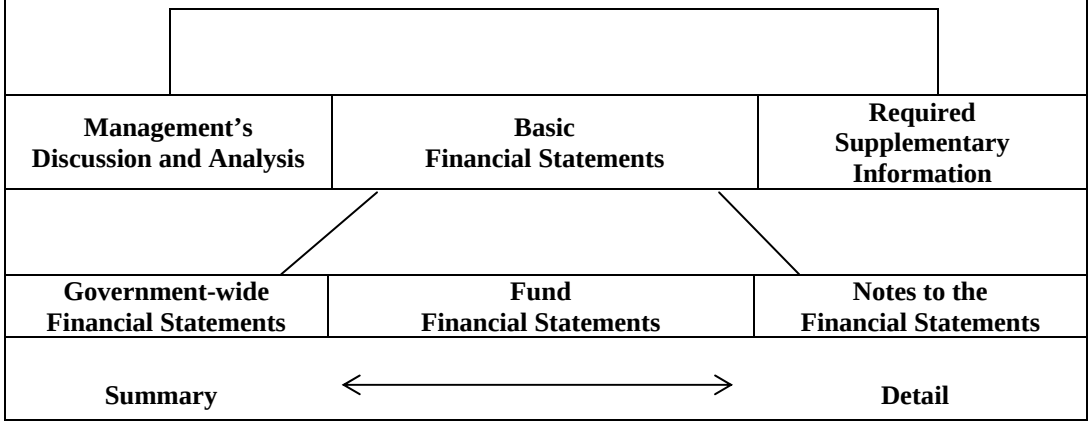


Figure A-2 summarizes the major features of the Board's financial statements, including the portion of the Board's activities they cover and the types of information they contain.

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 position - Statement of activities	- Balance sheet - Statement of revenues, expenditures, and changes in fund balance	- Statement of net position - Statement of revenues, expenses, and changes in fund net position - 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 position 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 position and how it has changed. Net position, the difference between the Board's assets and liabilities, is one way to measure the Board's financial health or position.

Over time, increases or decreases in the Board's net position 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 17, 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 Position 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 provides 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 position for the year ended June 30, 2013 compared to June 30, 2012.

	Governmental Activities		Business-type Activities		Total		Percentage Change
	2013	2012	2013	2012	2013	2012	2013-2012
Current and other Assets	$ 179.9	$ 223.1	8.9	7.2	188.8	230.3	-18.0%
Net capital assets	629.5	556.3	5.0	5.3	634.5	561.6	13.0%
Total Assets	809.4	779.4	13.9	12.5	823.3	791.9	4.0%
Current and other liabilities	63.7	83.1	1.7	1.6	65.4	84.7	-22.8%
Long-term liabilities	1.6	2.4	-	-	1.6	2.4	-33.3%
Total Liabilities	65.3	85.5	1.7	1.6	67.0	87.1	-23.1%
Net Position							
Invested in capital assets net of related debt	629.6	556.3	5.0	5.3	634.5	561.6	13.0%
Restricted for Capital Projects	50.6	94.9	-	-	50.6	94.9	-46.7%
Unrestricted	63.9	42.7	7.2	5.6	71.2	48.3	47.4%
Total net position	$ 744.1	$ 693.9	12.2	10.9	756.3	704.8	7.3%

The Board's combined net position increased by 7.3% to $756.3 million. Most of this improvement in the financial position came from governmental activities, the net position of which grew by $50.2 million. The net position of the Board's business-type activities increased $1.3 million or 11.9%. 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 position amount of $50.6 million. This is a decrease of 46.7% from the restricted amount reported as of June 30, 2012. The change is due to the increased

activity in the capital projects fund and cash reserves being drawn down for the projects underway. The amount set aside as restricted in the governmental activities is related to net position required by a third party or state law to be spent for a specific purpose.

Table A-2
Changes in Net Position
Fiscal Year Ended June 30, 2013

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 position.

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

	Governmental Activities		Business-type Activities		Total		Percentage Change
	2013	2012	2013	2012	2013	2012	2013-2012
Revenues:							
Program revenues:							
Charges for services	$ 14.1	$ 19.2	2.1	2.3	16.2	21.5	-24.7%
Operating grants and contributions	240.3	249.5	29.0	27.4	269.3	276.9	-2.7%
Capital grants and contributions	0.2	-	-	-	0.2	-	100.00%
General revenues:					-	-	
Property taxes	109.9	121.4	-	-	109.9	121.4	-9.5%
Sales taxes	50.3	48.7	-	-	50.3	48.7	3.3%
Other taxes	2.5	0.9	-	-	2.5	0.9	177.8%
Non-program specific state and federal aid	27.6	23.5	-	-	27.6	23.5	17.4%
Interest and investment earnings	0.1	0.5	-	-	0.1	0.5	-80.0%
Gain on Sale of Capital Assets	0.1	-	-	-	0.1	-	0.0%
Total Revenues	445.1	463.7	31.1	29.7	476.2	493.4	-3.5%
Expenses:							
Instruction	274.4	296.4	-	-	274.4	296.4	-7.4%
Pupil Services	14.7	14.6	-	-	14.7	14.6	0.7%
Instructional services	15.8	15.2	-	-	15.8	15.2	3.9%
Educational media services	5.1	5.2	-	-	5.1	5.2	-1.9%
General administration	3.6	3.5	-	-	3.6	3.5	2.9%
School administration	19.5	21.2	-	-	19.5	21.2	-8.0%
Business administration	1.9	2.1	-	-	1.9	2.1	-9.5%
Maintenance and operations	27.8	30.6	-	-	27.8	30.6	-9.2%
Pupil transportation	18.1	18.0	-	-	18.1	18.0	0.6%
Support services-central	6.7	11.0	-	-	6.7	11.0	-39.1%
Other support services	5.2	5.1	-	-	5.2	5.1	2.0%
Non-instructional services	0.7	0.9	-	-	0.7	0.9	-22.2%
Community services	1.4	2.4	-	-	1.4	2.4	-41.7%
Interest	-	-	-	-	-	-	
Food services	-	-	29.8	28.3	29.8	28.3	5.3%
Total Expenses	394.9	426.2	29.8	28.3	424.7	454.5	-6.6%
Excess (deficiency) in net position before transfers	50.2	37.5	1.3	1.4	51.5	38.9	32.4%
Transfers	-	-	-	-	-	-	
Net Position - beginning of year	693.9	656.4	10.9	9.5	704.8	665.9	
Net Position - end of year	$ 744.1	693.9	12.2	10.9	756.3	704.8	

Table A-2 on the previous page shows that revenues from governmental activities for 2013 were $445.1 million, while total expenses were $394.9 million. Governmental activities contributed $50.2 million to the total increase in net position, while business-type net position resulted in an increase of $1.3 million in net position.

Program revenues, in the form of charges for services, operating grants and contributions and capital grants and contributions decreased $12.7 million. This decrease was primarily the result of a decrease in state and federal grants received for instructional programs.

Property taxes comprise the largest percentage of the general revenues for the Board with 23% of total revenues coming from this source. The decrease of 9.5% 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 $1.6 million to a total of $50.3 million. Interest and investment earnings decreased by $368,311.

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
	2013	2012	2013-2012	2013	2012	2013-2012
Instruction	$ 274.4	$ 296.4	-7.4%	82	93.2	-12.0%
Pupil, Instructional and Media Services	35.6	35.0	1.7%	15.3	13.9	10.1%
General and Business Administration	5.5	5.6	-1.8%	2	2.3	-13.0%
School administration	19.5	21.2	-8.0%	9	12.3	-26.8%
Maintenance and operations	27.8	30.6	-9.2%	14.1	16.2	-13.0%
Pupil transportation	18.1	18.0	0.6%	14.1	14.2	-0.7%
Central Support and other support	11.9	16.1	-26.1%	8.1	12.4	-34.7%
Community Services and non-instructional	2.1	3.3	-36.4%	-4.3	-7.0	-38.6%
Total Governmental Activities	$ 394.9	$ 426.2	-7.3%	140.3	157.5	-10.9%
Less: Unrestricted federal and state aid:				27.6	20.9	32.1%
Total needs from local taxes and other revenues:				$ 112.7	136.6	-17.5%

The total cost of governmental activities decreased 7.3%, while the net cost of services decreased 10.9%.

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 $1.3 million in net position.
- Charges for services represent $2.1 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 $29.0 million.

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

Analysis of the Board's Funds

At June 30, 2013, the Board's governmental funds reported a combined fund balance of $112,289,810. This is a decrease of $25,750,422. The primary reason for this decrease is attributed to the Capital Projects Fund which decreased by $44,299,870.

The fund balance of the General Fund was $56,520,113 at June 30, 2013. The Capital Projects ending fund balance was $50,649,431 while all other Governmental Funds had a total fund balance of $5,120,266 at June 30, 2013.

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 $13.9 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 had a negative variance of $1.5 million. This was primarily due to an over estimation of property tax collections.

Capital Asset and Debt Administration

Capital Assets

At June 30, 2013, the Board had $629,552,909 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 2014.

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

	Governmental Activities		Business-type Activities		Total		Total Percentage Change
	2013	2012	2013	2012	2013	2012	2011-2013
Land	$ 33.6	33.6	-	-	33.6	33.6	0.0%
Construction in progress	75.9	47.9	-	-	75.9	47.9	58.5%
Buildings and improvements	508.6	466.1	3.9	4.0	512.5	470.1	9.0%
Equipment and furniture	11.4	8.6	1.1	1.3	12.5	9.9	26.3%
Total capital assets net of depreciation	$ 629.5	556.2	5.0	5.3	634.5	561.5	13.0%

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, 2013, 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 2012-2013, 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 $446 million in the overall tax base for Clayton County. Additionally, the Governor made huge reductions in the state budget that lead to a $34.8 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 POSITION
JUNE 30, 2013

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	$ 127,990,036	$ 7,906,058	$ 135,896,094
Investments	1,371,824	-	1,371,824
Receivables:			
Accounts	1,477,096	-	1,477,096
Intergovernmental	48,868,438	148,475	49,016,913
Internal balances	77,020	(77,020)	-
Inventories	-	994,502	994,502
Prepaid items	102,664	-	102,664
Capital assets, nondepreciable	109,554,835	-	109,554,835
Capital assets, depreciable (net of accumulated depreciation)	519,998,074	4,971,075	524,969,149
Total assets	809,439,987	13,943,090	823,383,077
LIABILITIES			
Accounts payable	5,352,683	15	5,352,698
Contracts payable	7,601,505	-	7,601,505
Retainage payable	4,375,106	-	4,375,106
Due to other governments	120,257	-	120,257
Accrued payroll and payroll withholdings	42,042,019	1,677,403	43,719,422
Unearned revenue	111,295	-	111,295
Other current liabilities	70	-	70
Claims payable due within one year	2,061,074	-	2,061,074
Claims payable due in more than one year	279,277	-	279,277
Compensated absences due within one year	2,071,076	44,484	2,115,560
Compensated absences due in more than one year	1,300,102	30,294	1,330,396
Total liabilities	65,314,464	1,752,196	67,066,660
NET POSITION			
Net investment in capital assets	629,552,909	4,971,075	634,523,984
Restricted for student programs	801	-	801
Restricted for capital projects	50,649,431	-	50,649,431
Unrestricted	63,922,382	7,219,819	71,142,201
Total net position	$ 744,125,523	$ 12,190,894	$ 756,316,417

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, 2013

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Governmental activities:				
Instruction	$ 274,436,343	$ 7,125,820	$ 185,064,312	$ 228,785
Pupil services	14,683,816	-	4,343,577	-
Improvement of instructional services	15,796,653	-	10,439,188	-
Educational media services	5,092,396	-	5,506,974	-
General administration	3,626,977	-	2,066,794	-
School administration	19,467,775	-	10,430,332	-
Business services	1,939,044	-	1,519,304	-
Maintenance and operations	27,785,685	358,066	13,334,558	-
Student transportation	18,086,692	201,163	3,753,867	-
Central support services	6,742,195	-	1,525,281	-
Other support services	5,230,988	1,937	2,326,854	-
Other non-instructional services	668,652	4,898,162	-	-
Community services	1,382,974	1,474,558	-	-
Total governmental activities	394,940,190	14,059,706	240,311,041	228,785
Business-type activities:				
School food service	29,584,227	1,997,313	28,983,556	-
Performing arts center	237,737	161,314	-	-
Total business-type activities	29,821,964	2,158,627	28,983,556	-
Total	$ 424,762,154	$ 16,218,333	$ 269,294,597	$ 228,785
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 position				
Net position, beginning of year				
Net position, end of year				

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

Net (Expenses) Revenues and Changes in Net Position		
Governmental Activities	Business-type Activities	Total
$ (82,017,426)	$ -	$ (82,017,426)
(10,340,239)	-	(10,340,239)
(5,357,465)	-	(5,357,465)
414,578	-	414,578
(1,560,183)	-	(1,560,183)
(9,037,443)	-	(9,037,443)
(419,740)	-	(419,740)
(14,093,061)	-	(14,093,061)
(14,131,662)	-	(14,131,662)
(5,216,914)	-	(5,216,914)
(2,902,197)	-	(2,902,197)
4,229,510	-	4,229,510
91,584	-	91,584
(140,340,658)	-	(140,340,658)
-	1,396,642	1,396,642
-	(76,423)	(76,423)
-	1,320,219	1,320,219
(140,340,658)	1,320,219	(139,020,439)
109,928,475	-	109,928,475
50,302,317	-	50,302,317
2,479,402	-	2,479,402
27,623,377	-	27,623,377
117,347	2,044	119,391
85,382	-	85,382
190,536,300	2,044	190,538,344
50,195,642	1,322,263	51,517,905
693,929,881	10,868,631	704,798,512
$ 744,125,523	$ 12,190,894	$ 756,316,417

CLAYTON COUNTY BOARD OF EDUCATION

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2013

ASSETS	General	Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
Cash	$ 65,868,137	$ 57,411,308	$ 4,710,591	$ 127,990,036
Investments	202,139	1,169,685	-	1,371,824
Receivables:				
Accounts	92,389	-	1,384,707	1,477,096
Intergovernmental	37,592,392	4,364,089	6,911,957	48,868,438
Due from other funds	4,008,696	17,797	2,269,093	6,295,586
Prepaid items	90,964	-	11,700	102,664
Total assets	$ 107,854,717	$ 62,962,879	$ 15,288,048	$ 186,105,644
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Accounts payable	$ 3,941,395	$ -	$ 1,411,288	$ 5,352,683
Intergovernmental accounts payable	-	-	120,257	120,257
Contracts payable	-	7,601,505	-	7,601,505
Retainage payable	-	4,375,106	-	4,375,106
Due to other funds	2,622,778	4,995	3,590,793	6,218,566
Accrued payroll and payroll withholdings	38,492,647	-	3,549,372	42,042,019
Unearned revenue	-	-	111,295	111,295
Other current liabilities	-	-	70	70
Total liabilities	45,056,820	11,981,606	8,783,075	65,821,501
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes	6,277,784	-	-	6,277,784
Unavailable revenue - grants	-	331,842	-	331,842
Unavailable revenue - charges for services	-	-	1,384,707	1,384,707
Total deferred inflows of resources	6,277,784	331,842	1,384,707	7,994,333
FUND BALANCES				
Fund balances:				
Nonspendable - prepaid items	90,964	-	-	90,964
Restricted for capital projects	-	50,649,431	-	50,649,431
Restricted for student programs	-	-	801	801
Assigned for Worktec programs	-	-	331,135	331,135
Assigned for student programs	-	-	4,788,330	4,788,330
Unassigned	56,429,149	-	-	56,429,149
Total fund balances	56,520,113	50,649,431	5,120,266	112,289,810
Total liabilities, deferred inflows of resources and fund balances	$ 107,854,717	$ 62,962,879	$ 15,288,048	$ 186,105,644

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

CLAYTON COUNTY BOARD OF EDUCATION

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION JUNE 30, 2013

Amounts reported for governmental activities in the statement of net position are different because:		
Fund balances - total governmental funds	$	112,289,810
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		629,552,909
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds.		7,994,333
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.		(5,711,529)
Net position of governmental activities	$	744,125,523

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, 2013

	General	Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES				
Local sources	$ 115,847,169	$ 50,302,317	$ 9,349,343	$ 175,498,829
State sources	227,035,398	228,785	6,735,630	233,999,813
Federal sources	937,099	-	32,069,030	33,006,129
Interest income	42,369	74,889	89	117,347
Total revenues	343,862,035	50,605,991	48,154,092	442,622,118
EXPENDITURES				
Current:				
Instruction	226,405,146	-	28,403,902	254,809,048
Pupil services	9,750,745	-	3,333,832	13,084,577
Improvement of instructional services	6,512,941	-	9,295,129	15,808,070
Educational media services	5,091,545	-	-	5,091,545
General administration	2,931,341	-	554,258	3,485,599
School administration	20,753,754	-	321,156	21,074,910
Business services	1,931,091	-	6,155	1,937,246
Maintenance and operations	27,595,240	-	278,272	27,873,512
Student transportation	15,182,849	-	1,499,656	16,682,505
Central support services	6,376,946	-	3,600	6,380,546
Other support services	2,960,173	-	2,270,815	5,230,988
Other non-instructional services	209,958	-	504,807	714,765
Community service	-	-	1,382,974	1,382,974
Capital outlay	-	94,905,861	-	94,905,861
Total expenditures	325,701,729	94,905,861	47,854,556	468,462,146
Excess (deficiency) of revenues over (under) expenditures	18,160,306	(44,299,870)	299,536	(25,840,028)
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	89,606	-	-	89,606
Transfers in	-	-	92,200	92,200
Transfers out	(92,200)	-	-	(92,200)
Total other financing sources (uses)	(2,594)	-	92,200	89,606
Net change in fund balances	18,157,712	(44,299,870)	391,736	(25,750,422)
FUND BALANCE, beginning of year	38,362,401	94,949,301	4,728,530	138,040,232
FUND BALANCE, end of year	$ 56,520,113	$ 50,649,431	$ 5,120,266	$ 112,289,810

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, 2013

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

Net change in fund balances - total governmental funds	$	(25,750,422)
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.		73,312,703
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net assets.		(4,224)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		2,428,332
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.		209,253
Change in net position - governmental activities	$	50,195,642

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, 2013

	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Local sources	$ 117,702,846	$ 118,685,846	$ 115,847,169	$ (2,838,677)
State sources	222,523,786	224,771,385	225,856,924	1,085,539
Federal sources	655,682	655,682	937,099	281,417
Interest income	122,500	122,500	42,369	(80,131)
Total revenues	341,004,814	344,235,413	342,683,561	(1,551,852)
EXPENDITURES				
Current:				
Instruction	233,376,280	235,731,409	228,431,771	7,299,638
Pupil services	8,707,106	9,306,961	9,720,965	(414,004)
Improvement of instructional services	5,369,228	7,606,131	6,500,666	1,105,465
Educational media services	5,404,193	5,435,243	5,076,554	358,689
General administration	3,284,979	3,269,274	2,926,670	342,604
School administration	21,412,373	21,528,260	20,691,091	837,169
Business services	3,293,273	2,499,862	1,925,806	574,056
Maintenance and operations	27,042,034	27,960,555	27,551,541	409,014
Student transportation	17,090,651	17,533,873	15,148,368	2,385,505
Central support services	7,037,979	7,064,262	6,363,041	701,221
Other support services	3,588,168	3,007,629	2,958,908	48,721
Other non-instructional services	-	430,980	209,958	221,022
Total expenditures	335,606,264	341,374,439	327,505,339	13,869,100
Excess of revenues over expenditures	5,398,550	2,860,974	15,178,222	12,317,248
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	-	-	89,606	89,606
Transfers out	(230,266)	(230,266)	(92,200)	138,066
Total other financing sources (uses)	(230,266)	(230,266)	(2,594)	227,672
Net change in fund balances	$ 5,168,284	$ 2,630,708	$ 15,175,628	$ 12,544,920

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

CLAYTON COUNTY BOARD OF EDUCATION

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2013

	Business-type Activities - Enterprise Funds		
	School Food Service	Nonmajor Performing Arts Center	Totals
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	$ 7,906,058	$ -	$ 7,906,058
Intergovernmental accounts receivable	148,475	-	148,475
Inventories	994,502	-	994,502
Due from other funds	6,552	347,133	353,685
Total current assets	9,055,587	347,133	9,402,720
CAPITAL ASSETS			
Buildings	-	7,308,375	7,308,375
Furniture and equipment	5,575,671	6,167	5,581,838
Total depreciable assets	5,575,671	7,314,542	12,890,213
Less accumulated depreciation	(4,478,038)	(3,441,100)	(7,919,138)
Total capital assets	1,097,633	3,873,442	4,971,075
Total assets	10,153,220	4,220,575	14,373,795
LIABILITIES			
Accounts payable	15	-	15
Accrued payroll and payroll withholdings	1,752,181	-	1,752,181
Due to other funds	430,705	-	430,705
Total liabilities	2,182,901	-	2,182,901
NET POSITION			
Net investment in capital assets	1,097,633	3,873,442	4,971,075
Unrestricted	6,872,686	347,133	7,219,819
Total net position	$ 7,970,319	$ 4,220,575	$ 12,190,894

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 POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	Business-type Activities - Enterprise Funds		
	School Food Service	Nonmajor Performing Arts Center	Totals
OPERATING REVENUES			
Local sources	$ 1,997,313	$ 161,314	$ 2,158,627
Total operating revenues	1,997,313	161,314	2,158,627
OPERATING EXPENSES			
Food service operations	28,944,455	-	28,944,455
Enterprise operation	-	91,262	91,262
Maintenance and operations	311,233	-	311,233
Depreciation	332,548	146,475	479,023
Total operating expenses	29,588,236	237,737	29,825,973
Operating loss	(27,590,923)	(76,423)	(27,667,346)
NONOPERATING REVENUES			
Intergovernmental revenues	28,983,556	-	28,983,556
Gain on disposal of assets	4,009	-	4,009
Interest earned on investments	2,044	-	2,044
Total nonoperating revenues	28,989,609	-	28,989,609
Change in net position	1,398,686	(76,423)	1,322,263
NET POSITION, beginning of year	6,571,633	4,296,998	10,868,631
NET POSITION, end of year	$ 7,970,319	$ 4,220,575	$ 12,190,894

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, 2013

	Business-type Activities - Enterprise Funds		
	School Food Service	Nonmajor Performing Arts Center	Totals
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from local sources	$ 2,040,456	$ 93,414	$ 2,133,870
Payments to suppliers	(20,045,433)	(12,985)	(20,058,418)
Payments to employees	(7,231,406)	(67,990)	(7,299,396)
Payments on behalf of employees	(1,839,913)	(12,439)	(1,852,352)
Net cash used in operating activities	(27,076,296)	-	(27,076,296)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Subsidy from federal and state grants	28,915,569	-	28,915,569
Net cash provided by noncapital financing activities	28,915,569	-	28,915,569
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received	2,044	-	2,044
Net cash provided by investing activities	2,044	-	2,044
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Purchase of capital assets	(108,299)	-	(108,299)
Proceeds from disposition of capital assets	7,244	-	7,244
Net cash used in capital and related financing activities	(101,055)	-	(101,055)
Net increase in cash and cash equivalents	1,740,262	-	1,740,262
Cash and cash equivalents, beginning of year	6,165,796	-	6,165,796
Cash and cash equivalents, end of year	$ 7,906,058	$ -	$ 7,906,058

CLAYTON COUNTY BOARD OF EDUCATION

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	Business-type Activities - Enterprise Funds		
	School Food Service	Nonmajor Performing Arts Center	Totals
Reconciliation of operating loss to net cash used in operating activities			
Operating loss	$ (27,590,923)	$ (76,423)	$ (27,667,346)
Adjustments to reconcile operating loss to net cash used in operating activities			
Depreciation	332,548	146,475	479,023
(Increase) decrease in due from other funds	43,143	(67,900)	(24,757)
Increase in inventories	(103,601)	-	(103,601)
Decrease in accounts payable	(2,136)	-	(2,136)
Increase in due to other funds	138,176	-	138,176
Increase (decrease) in accrued payroll and other withholdings	106,497	(2,152)	104,345
Net cash used in operating activities	$ (27,076,296)	$ -	$ (27,076,296)

NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES

The School System received $2,168,085 in commodities from the United States Department of Agriculture during the fiscal year ended June 30, 2013.

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, 2013

	Agency Fund Student Activities
ASSETS	
Cash	$ 431,481
Total assets	$ 431,481
LIABILITIES	
Due to others	$ 431,481
Total liabilities	$ 431,481

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 position 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)

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.

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."

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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, 2013 was $27,654.746.

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 $2,168,085 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.

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.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. Capital Assets (Continued)

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. Deferred Outflows / Inflows of Resources

The School System implemented GASB Statements No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* and No. 65, *Items Previously Reported as Assets and Liabilities*, as of July 1, 2012. These new standards establish accounting and financial reporting for deferred outflows / inflows of resources and the concept of net position as the residual of all other elements presented in a statement of net position.

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense / expenditure) until then. The School System did not have any items that qualified for reporting in this category for the year ended June 30, 2013.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of fund balance that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The School System has only one type of item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes, charges for services, and grants, and these amounts are deferred and will be recognized as an inflow of resources in the period in which the amounts become available.

K. 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 position. In the fund financial statements, governmental fund types report the face amount of debt issued as other financing sources.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. 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.

M. 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 position."

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. 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.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Fund Equity (Continued)

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 is 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.

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.

N. 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 position

The governmental fund balance sheet includes a reconciliation between *fund balance – total governmental funds* and *net position – governmental activities* as reported in the government-wide statement of net position. 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 $5,711,529 difference are as follows:

Workers' compensation claims payable	$	1,827,034
Claims & judgments payable		513,317
Compensated absences		3,371,178
Net adjustment to reduce *fund balance - total governmental funds* to arrive at *net position - governmental activities*	$	5,711,529

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 position 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 $73,312,702 difference are as follows:

Capital outlay	$	88,452,281
Depreciation expense		(15,139,578)
Net adjustment to increase *net changes in fund balances - total governmental funds* to arrive at *changes in net position of governmental activities*	$	73,312,703

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

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

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 $209,253 difference are as follows:

Compensated absences	$	49,500
Claims and judgments payable		159,753
Net adjustment to decrease *net change in fund balances* - governmental funds to arrive at *change in net position - governmental activities*	$	209,253

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).

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.

NOTE 3. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)

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	$	18,157,712
Adjustment for:		
State QBE revenue		(245,700)
Salaries and employee benefits		(2,736,384)
State paid employee benefit revenue		(932,774)
State paid employee benefit expenditures		932,774
Budget basis net change in fund balance	$	15,175,628

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, 2013, the School System's investment in Georgia Fund 1 was rated AAAf 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, 2013, the School System had the following investments:

Investment	Maturities	Fair Value
Georgia Fund 1	43 day weighted average	$ 1,371,824

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, 2013, School System's bank balance was fully collateralized.

NOTE 5. RECEIVABLES

Receivables at June 30, 2013, 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	$ 43,870,176	$ 4,364,089	$ 6,269,231	$ 148,475	$ 54,651,971
Accounts	92,389	-	2,534,291	-	2,626,680
	43,962,565	4,364,089	8,803,522	148,475	57,278,651
Less allowance for uncollectible	(6,277,784)	-	(506,858)	-	(6,784,642)
Net total receivable	$ 37,684,781	$ 4,364,089	$ 8,296,664	$ 148,475	$ 50,494,009

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 14, 2012 and were due November 15, 2012. 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, 2013, 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, 2013, 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	47,929,562	83,076,063	-	(55,087,778)	75,917,847
Total	81,566,550	83,076,063	-	(55,087,778)	109,554,835
Capital assets, being depreciated:					
Buildings	594,241,179	47,400	-	55,087,778	649,376,357
Improvements	3,774,164	-	-		3,774,164
Machinery and equipment	33,699,174	5,328,818	(768,446)	-	38,259,546
Total	631,714,517	5,376,218	(768,446)	55,087,778	691,410,067
Less accumulated depreciation for:					
Buildings	(129,891,446)	(12,383,453)	-	-	(142,274,899)
Improvements	(2,084,249)	(161,679)	-	-	(2,245,928)
Machinery and equipment	(25,060,942)	(2,594,446)	764,222	-	(26,891,166)
Total	(157,036,637)	(15,139,578)	764,222	-	(171,411,993)
Total capital assets, being depreciated, net	474,677,880	(9,763,360)	(4,224)	55,087,778	519,998,074
Governmental activities capital assets, net	$ 556,244,430	$ 73,312,703	$ (4,224)	$ -	$ 629,552,909
Business-type activities:					
Capital assets, being depreciated:					
Buildings	$ 7,308,375	$ -	$ -	$ -	$ 7,308,375
Machinery and equipment	5,546,168	108,299	(72,629)	-	5,581,838
Total	12,854,543	108,299	(72,629)	-	12,890,213
Less accumulated depreciation for:					
Buildings	(3,288,765)	(146,167)	-	-	(3,434,932)
Machinery and equipment	(4,220,744)	(332,856)	69,394	-	(4,484,206)
Total	(7,509,509)	(479,023)	69,394	-	(7,919,138)
Total capital assets, being depreciated, net	5,345,034	(370,724)	(3,235)	-	4,971,075
Business-type activities capital assets, net	$ 5,345,034	$ (370,724)	$ (3,235)	$ -	$ 4,971,075

NOTE 7. CAPITAL ASSETS (CONTINUED)

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

Governmental activities:	
Instruction	$ 12,340,112
Pupil services	5,135
Improvement of instructional services	7,369
Educational - media services	851
General administration	145,997
School administration	150,411
Business administration	718
Maintenance and operations	235,290
Student transportation	1,582,537
Central support services	603,417
Other non-instructional services	67,741
Total depreciation expense - governmental activities	$ 15,139,578
Business-type activities:	
School food services	$ 332,547
Other activities	146,476
Total depreciation expense - business-type activities	$ 479,023

NOTE 8. SHORT-TERM DEBT

Tax Anticipation Note. 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 entire amount plus accrued interest was repaid on December 20, 2012.

The following is a summary of short-term debt transactions for the School System for the year ended June 30, 2013:

	Beginning Balance	Additions	Reductions	Ending Balance
Tax anticipation note	$ -	$ 9,500,000	$ (9,500,000)	$ -

NOTE 9. LONG-TERM DEBT

Changes in long-term debt for the year ended June 30, 2013 are as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Claims payable	$ 2,500,104	$ 1,476,650	$ (1,636,403)	$ 2,340,351	$ 2,061,074
Compensated absences	3,420,678	1,593,428	(1,642,928)	3,371,178	2,071,076
Governmental activities Long-term liabilities	$ 5,920,782	$ 3,070,078	$ (3,279,331)	$ 5,711,529	$ 4,132,150
Business-type activities:					
Compensated absences	$ 93,568	$ 40,113	$ (58,903)	$ 74,778	$ 44,484
Business-type activities Long-term liabilities	$ 93,568	$ 40,113	$ (58,903)	$ 74,778	$ 44,484

Included in claims payable are payments of $513,317 for claims settled subsequent to year end. The remaining balance of claims payable, $1,827,034, is related to workers' compensation claims. 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, 2013, is as follows:

Due to/from other funds:

	Due from				
Due to	General	School Food Service Fund	Capital Projects Fumd	Nonmajor Governmental Funds	Total
General Fund	$ -	$ 430,705	$ 4,995	$ 3,572,996	$ 4,008,696
Capital Projects Fund	-	-	-	17,797	17,797
School food service fund	6,552	-	-	-	6,552
Nonmajor enterprise fund	347,133	-	-	-	347,133
Nonmajor governmental funds	2,269,093	-	-	-	2,269,093
	$ 2,622,778	$ 430,705	$ 4,995	$ 3,590,793	$ 6,649,271

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	$ 92,200

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 6.00% of their annual covered salary to the plan and the School System is required to contribute 11.41% of current covered payroll. Covered employees' contributions for the years ended June 30, 2013, 2012, and 2011, were $13,310,552, $13,039,042, and $13,691,853, respectively. The School System's contributions to TRS for the years ended June 30, 2013, 2012, and 2011, were $25,292,041, $24,231,110, and $25,426,620, 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, 2013, 2012 and 2011 were $46,344, $41,796, and $48,432, 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, 2013, 2012, and 2011 for School System employees was $882,268, $574,988, and $261,648 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 1,108 employees covered under PSERS for the year ended June 30, 2013.

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, 2013 were as follows:

Period	Required Contribution
July 2012 - Feburary 2013	$912.34 Per member per month
March 2013 - June 2013	$937.34 per member per month

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, 2013, 2012, and 2011 were $40,981,824, $37,796,104 and $38,345,656, 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, 2013	June 30, 2012
Unpaid claims, beginning of fiscal year	$ 2,500,104	$ 1,142,207
Incurred claims (including IBNRs)	963,333	2,817,007
Claim payments and changes in estimates	(1,636,403)	(1,459,110)
Unpaid claims, end of fiscal year	$ 1,827,034	$ 2,500,104

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, 2013, 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 $85,919,707. Construction contracts include new school construction and expansion and renovation of existing facilities.

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

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, 2013

	Special Revenue Funds			
ASSETS	**Adult Education**	**After School Program**	**Athletics**	**Lottery**
Cash	$ -	$ -	$ 37,641	$ -
Receivables:				
Accounts	-	-	-	-
Intergovernmental	128,929	-	-	-
Due from other funds	460	585,303	-	516,788
Prepaid items	-	-	-	-
Total assets	$ 129,389	$ 585,303	$ 37,641	$ 516,788
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES				
LIABILITIES				
Accounts payable	$ 20,745	$ -	$ 4,898	$ 197,783
Intergovernmental accounts payable	-	-	-	-
Accrued payroll and payroll withholdings	10,534	-	-	301,208
Other current liabilities	-	-	70	-
Unearned revenue	-	-	-	-
Due to other funds	97,309	-	2,783	17,797
Total liabilities	128,588	-	7,751	516,788
DEFERRED INFLOWS				
Unavailable revenue - charges for services	$ -	$ -	$ -	$ -
Total deferred inflows	-	-	-	-
FUND BALANCES				
Restricted	801	-	-	-
Assigned	-	585,303	29,890	-
Total fund balances	801	585,303	29,890	-
Total liabilities, deferred inflows, and fund balances	$ 129,389	$ 585,303	$ 37,641	$ 516,788

South Metro	Title I	Title II	Title III	Title IV
$ -	$ -	$ -	$ -	$ -
-	-	-	-	-
1,224,241	3,573,744	207,954	91,231	337
-	4,746	5,720	4,614	-
-	-	-	-	-
$ 1,224,241	$ 3,578,490	$ 213,674	$ 95,845	$ 337
$ 97,927	$ 836,725	$ 59,000	$ 4,736	$ -
-	118,297	-	-	-
641,668	1,015,345	43,126	28,639	-
-	-	-	-	-
-	-	695	-	-
484,646	1,608,123	110,853	62,470	337
1,224,241	3,578,490	213,674	95,845	337
$ -	$ -	$ -	$ -	$ -
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
$ 1,224,241	$ 3,578,490	$ 213,674	$ 95,845	$ 337

(Continued)

CLAYTON COUNTY BOARD OF EDUCATION

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2013

	Special Revenue Funds			
ASSETS	**Title VI-B Preschool**	**Title VI-B**	**Vocational Programs**	**WorkTec**
Cash	$ -	$ -	$ -	$ 468,788
Receivables:				
Accounts	-	-	-	1,384,707
Intergovernmental	114,068	203,401	181,928	-
Due from other funds	30,829	990,316	-	-
Prepaid items	-	-	-	-
Total assets	$ 144,897	$ 1,193,717	$ 181,928	$ 1,853,495
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES				
LIABILITIES				
Accounts payable	$ 30,829	$ 35,089	$ 33,614	$ -
Intergovernmental accounts payable	-	1,960	-	-
Accrued payroll and payroll withholdings	18,666	1,154,176	-	-
Other current liabilities	-	-	-	-
Unearned revenue	-	-	-	-
Due to other funds	95,402	2,492	148,314	137,653
Total liabilities	144,897	1,193,717	181,928	137,653
DEFERRED INFLOWS				
Unavailable revenue - charges for services	$ -	$ -	$ -	$ 1,384,707
Total deferred inflows	-	-	-	1,384,707
FUND BALANCES				
Restricted	-	-	-	-
Assigned	-	-	-	331,135
Total fund balances	-	-	-	331,135
Total liabilities, deferred inflows, and fund balances	$ 144,897	$ 1,193,717	$ 181,928	$ 1,853,495

Race To The Top	School Discretionary	All Other Special Revenue	Total Nonmajor Governmental Funds
$ -	$ 4,204,162	$ -	$ 4,710,591
-	-	-	1,384,707
321,777	-	864,347	6,911,957
-	-	130,317	2,269,093
11,700	-	-	11,700
$ 333,477	$ 4,204,162	$ 994,664	$ 15,288,048
$ 24,218	$ 34,696	$ 31,028	$ 1,411,288
-	-	-	120,257
284,438	-	51,572	3,549,372
-	-	-	70
-	-	110,600	111,295
24,821	-	797,793	3,590,793
333,477	34,696	990,993	8,783,075
$ -	$ -	$ -	$ 1,384,707
-	-	-	1,384,707
-	-	-	801
-	4,169,466	3,671	5,119,465
-	4,169,466	3,671	5,120,266
$ 333,477	$ 4,204,162	$ 994,664	$ 15,288,048

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, 2013

	Special Revenue Funds			
	Adult Education	After School Program	Athletics	Lottery
REVENUES				
Local sources	$ 35,197	$ 1,474,738	$ 421,490	$ -
State sources	198,438	-	-	2,040,203
Federal sources	252,170	-	-	-
Interest earned on investments	-	-	-	-
Total revenues	485,805	1,474,738	421,490	2,040,203
EXPENDITURES				
Current:				
Instruction	327,171	-	-	1,860,122
Pupil services	-	-	-	-
Improvement of instructional services	162,741	-	-	176,353
General administration	-	-	-	-
School administration	-	-	-	-
Business services	-	-	-	-
Maintenance and operations	15,316	180	-	-
Student transportation	-	-	-	2,155
Central support services	-	-	-	-
Other support services	-	-	-	1,573
Other non-instructional services	-	-	450,031	-
Community service	-	1,382,974	-	-
Total expenditures	505,228	1,383,154	450,031	2,040,203
Excess (deficiency) of revenues over (under) expenditures	(19,423)	91,584	(28,541)	-
OTHER FINANCING SOURCES				
Transfers in	19,764	-	-	-
Total other financing sources	19,764	-	-	-
Net change in fund balances	341	91,584	(28,541)	-
FUND BALANCES (DEFICIT), beginning of year	460	493,719	58,431	-
FUND BALANCES, end of year	$ 801	$ 585,303	$ 29,890	$ -

South Metro	Title I	Title II	Title III	Title IV
$ -	$ -	$ -	$ -	$ -
4,325,740	-	-	-	-
460,820	15,159,464	885,079	563,545	-
-	-	-	-	-
4,786,560	15,159,464	885,079	563,545	-
3,558,732	6,905,815	13,341	163,461	-
762,086	412,873	-	181,004	-
137,281	4,890,930	855,529	189,988	-
6,471	410,783	26,209	-	-
320,709	447	-	-	-
-	-	-	-	-
1,281	-	-	-	-
-	297,995	-	471	-
-	-	-	-	-
-	2,240,621	-	28,621	-
-	-	-	-	-
-	-	-	-	-
4,786,560	15,159,464	895,079	563,545	-
-	-	(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, 2013

	Special Revenue Funds			
	Title VI-B Preschool	Title VI-B	Vocational Programs	WorkTec
REVENUES				
Local sources	$ -	$ -	$ -	$ 357,886
State sources	-	-	-	1,707
Federal sources	260,821	8,527,512	487,659	19,488
Interest earned on investments	-	-	-	89
Total revenues	260,821	8,527,512	487,659	379,170
EXPENDITURES				
Current:				
Instruction	251,955	6,963,966	446,235	105
Pupil services	2,360	1,432,266	-	-
Improvement of Instructional Services	6,506	88,339	41,424	1,223
General administration	-	152	-	-
School administration	-	-	-	-
Business services	-	-	-	6,155
Maintenance and operations	-	-	-	261,495
Student transportation	-	42,789	-	-
Central support services	-	-	-	3,600
Other support services	-	-	-	-
Other non-instructional services	-	-	-	-
Community service	-	-	-	-
Total expenditures	260,821	8,527,512	487,659	272,578
Excess (deficiency) of revenues over (under) expenditures	-	-	-	106,592
OTHER FINANCING SOURCES				
Transfers in	-	-	-	-
Total other financing sources	-	-	-	-
Net change in fund balances	-	-	-	106,592
FUND BALANCES (DEFICIT), beginning of year	-	-	-	224,543
FUND BALANCES, end of year	$ -	$ -	$ -	$ 331,135

Race To The Top	School Discretionary	All Other Special Revenue	Total Nonmajor Governmental Funds
$ -	$ 7,045,313	$ 14,719	$ 9,349,343
-	-	169,542	6,735,630
3,644,606	-	1,807,866	32,069,030
-	-	-	89
3,644,606	7,045,313	1,992,127	48,154,092
1,005,102	6,860,074	47,823	28,403,902
-	-	543,243	3,333,832
2,528,861	-	215,954	9,295,129
110,643	-	-	554,258
-	-	-	321,156
-	-	-	6,155
-	-	-	278,272
-	-	1,156,246	1,499,656
-	-	-	3,600
-	-	-	2,270,815
-	-	54,776	504,807
-	-	-	1,382,974
3,644,606	6,860,074	2,018,042	47,854,556
-	185,239	(25,915)	299,536
-	-	72,436	92,200
-	-	72,436	92,200
-	185,239	46,521	391,736
-	3,984,227	(42,850)	4,728,530
$ -	$ 4,169,466	$ 3,671	$ 5,120,266

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, 2013

	Adult Education		
	Final Budget	Actual	Variance With Final Budget
REVENUES			
Local sources	$ 31,112	$ 35,197	$ 4,085
State sources	214,000	198,438	(15,562)
Federal sources	283,000	252,170	(30,830)
Interest earned on investments	-	-	-
Total revenues	528,112	485,805	(42,307)
EXPENDITURES			
Current:			
Instruction	362,514	327,171	35,343
Pupil services	-	-	-
Improvement of instructional services	168,966	162,741	6,225
Educational media services	-	-	-
General administration	-	-	-
School administration	-	-	-
Business services	-	-	-
Maintenance and operations	18,520	15,316	3,204
Student transportation	-	-	-
Central support services	-	-	-
Other support services	-	-	-
Other non-instructional services	-	-	-
Community service	-	-	-
Total expenditures	550,000	505,228	44,772
Excess (deficiency) of revenues over (under) expenditures	(21,888)	(19,423)	2,465
TRANSFERS IN	21,888	19,764	(2,124)
Net change in fund balances	-	341	341
FUND BALANCES, beginning of year	460	460	-
FUND BALANCES, end of year	$ 460	$ 801	$ 341

After School Program			Athletics		
Final Budget	Actual	Variance With Final Budget	Final Budget	Actual	Variance With Final Budget
$ 1,445,000	$ 1,474,738	$ 29,738	$ 400,000	$ 421,490	$ 21,490
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	10,000	-	(10,000)
1,445,000	1,474,738	29,738	410,000	421,490	11,490
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	180	(180)	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	593,739	450,031	143,708
1,445,000	1,382,974	62,026	-	-	-
1,445,000	1,383,154	61,846	593,739	450,031	143,708
-	91,584	91,584	(183,739)	(28,541)	155,198
-	-	-	193,739	-	(193,739)
-	91,584	91,584	10,000	(28,541)	(38,541)
493,719	493,719	-	58,431	58,431	-
$ 493,719	$ 585,303	$ 91,584	$ 68,431	$ 29,890	$ (38,541)

(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, 2013

	Lottery		
	Final Budget	Actual	Variance With Final Budget
REVENUES			
Local sources	$ -	$ -	$ -
State sources	2,104,723	2,040,203	(64,520)
Federal sources	-	-	-
Interest earned on investments	-	-	-
Total revenues	2,104,723	2,040,203	(64,520)
EXPENDITURES			
Current:			
Instruction	1,886,187	1,860,122	26,065
Pupil services	-	-	-
Improvement of instructional services	210,405	176,353	34,052
Educational media services	-	-	-
General administration	-	-	-
School administration	-	-	-
Business services	-	-	-
Maintenance and operations	-	-	-
Student transportation	5,000	2,155	2,845
Central support services	-	-	-
Other support services	3,131	1,573	1,558
Other non-instructional services	-	-	-
Community service	-	-	-
Total expenditures	2,104,723	2,040,203	64,520
Excess (deficiency) of revenues over (under) expenditures	-	-	-
TRANSFERS IN	-	-	-
Net change in fund balances	-	-	-
FUND BALANCES, beginning of year	-	-	-
FUND BALANCES, end of year	$ -	$ -	$ -

South Metro			Title I		
Final Budget	Actual	Variance With Final Budget	Final Budget	Actual	Variance With Final Budget
$ -	$ -	$ -	$ -	$ -	$ -
4,325,740	4,325,740	-	-	-	-
973,427	460,820	(512,607)	34,575,879	15,159,464	(19,416,415)
-	-	-	-	-	-
5,299,167	4,786,560	(512,607)	34,575,879	15,159,464	(19,416,415)
3,878,530	3,558,732	319,798	18,530,087	6,905,815	11,624,272
775,811	762,086	13,725	178,257	412,873	(234,616)
129,704	137,281	(7,577)	10,468,399	4,890,930	5,577,469
-	-	-	-	-	-
42,829	6,471	36,358	998,164	410,783	587,381
457,293	320,709	136,584	454	447	7
-	-	-	-	-	-
15,000	1,281	13,719	-	-	-
-	-	-	1,002,477	297,995	704,482
-	-	-	-	-	-
-	-	-	3,398,041	2,240,621	1,157,420
-	-	-	-	-	-
-	-	-	-	-	-
5,299,167	4,786,560	512,607	34,575,879	15,159,464	19,416,415
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
$ -	$ -	$ -	$ -	$ -	$ -

(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, 2013

	Title II		
	Final Budget	Actual	Variance With Final Budget
REVENUES			
Local sources	$ -	$ -	$ -
State sources	-	-	-
Federal sources	3,470,549	885,079	(2,585,470)
Interest earned on investments	-	-	-
Total revenues	3,470,549	885,079	(2,585,470)
EXPENDITURES			
Current:			
Instruction	13,530	13,341	189
Pupil services	-	-	-
Improvement of instructional services	3,232,788	855,529	2,377,259
Educational media services	-	-	-
General administration	215,533	26,209	189,324
School administration	-	-	-
Business services	-	-	-
Maintenance and operations	-	-	-
Student transportation	-	-	-
Central support services	8,698	-	8,698
Other support services	-	-	-
Other non-instructional services	-	-	-
Community service	-	-	-
Total expenditures	3,470,549	895,079	2,575,470
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	-	10,000	10,000
FUND BALANCES, end of year	$ -	$ -	$ -

Title III			Title IV		
Final Budget	Actual	Variance With Final Budget	Final Budget	Actual	Variance With Final Budget
$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-
1,047,152	563,545	(483,607)	-	-	-
-	-	-	-	-	-
1,047,152	563,545	(483,607)	-	-	-
336,146	163,461	172,685	-	-	-
162,206	181,004	(18,798)	-	-	-
410,414	189,988	220,426	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
4,070	471	3,599	-	-	-
-	-	-	-	-	-
134,316	28,621	105,695	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,047,152	563,545	483,607	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
$ -	$ -	$ -	$ -	$ -	$ -

(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, 2013

	Title VI-B Preschool		
	Final Budget	Actual	Variance With Final Budget
REVENUES			
Local sources	$ -	$ -	$ -
State sources	441,177	-	(441,177)
Federal sources	180,040	260,821	80,781
Interest earned on investments	-	-	-
Total revenues	621,217	260,821	(360,396)
EXPENDITURES			
Current:			
Instruction	496,064	251,955	244,109
Pupil services	86,549	2,360	84,189
Improvement of instructional services	25,215	6,506	18,709
Educational media services	-	-	-
General administration	13,389	-	13,389
School administration	-	-	-
Business services	-	-	-
Maintenance and operations	-	-	-
Student transportation	-	-	-
Central support services	-	-	-
Other support services	-	-	-
Other non-instructional services	-	-	-
Community service	-	-	-
Total expenditures	621,217	260,821	360,396
Excess (deficiency) of revenues over (under) expenditures	-	-	-
TRANSFERS IN	-	-	-
Net change in fund balances	-	-	-
FUND BALANCES, beginning of year	-	-	-
FUND BALANCES, end of year	$ -	$ -	$ -

Title VI-B			Vocational Programs		
Final Budget	Actual	Variance With Final Budget	Final Budget	Actual	Variance With Final Budget
$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-
15,097,371	8,527,512	(6,569,859)	497,671	487,659	(10,012)
-	-	-	-	-	-
15,097,371	8,527,512	(6,569,859)	497,671	487,659	(10,012)
11,635,407	6,963,966	4,671,441	445,171	446,235	(1,064)
2,670,205	1,432,266	1,237,939	-	-	-
331,170	88,339	242,831	52,500	41,424	11,076
-	-	-	-	-	-
340,344	152	340,192	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
120,245	42,789	77,456	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
15,097,371	8,527,512	6,569,859	497,671	487,659	10,012
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
$ -	$ -	$ -	$ -	$ -	$ -

(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, 2013

	WorkTec		
	Final Budget	Actual	Variance With Final Budget
REVENUES			
Local sources	$ -	$ 357,886	$ 357,886
State sources	-	1,707	1,707
Federal sources	-	19,488	19,488
Interest earned on investments	-	89	89
Total revenues	-	379,170	379,170
EXPENDITURES			
Current:			
Instruction	-	105	(105)
Pupil services	-	-	-
Improvement of instructional services	-	1,223	(1,223)
Educational media services	-	-	-
General administration	-	-	-
School administration	-	-	-
Business services	-	6,155	(6,155)
Maintenance and operations	-	261,495	(261,495)
Student transportation	-	-	-
Central support services	-	3,600	(3,600)
Other support services	-	-	-
Other non-instructional services	-	-	-
Community service	-	-	-
Total expenditures	-	272,578	(272,578)
Excess (deficiency) of revenues over (under) expenditures	-	106,592	106,592
TRANSFERS IN	-	-	-
Net change in fund balances	-	106,592	106,592
FUND BALANCES, beginning of year	224,543	224,543	-
FUND BALANCES, end of year	$ 224,543	$ 331,135	$ 106,592

Race To The Top			All Other Special Revenue		
Final Budget	Actual	Variance With Final Budget	Final Budget	Actual	Variance With Final Budget
$ -	$ -	$ -	$ -	$ 14,719	$ 14,719
-	-	-	208,931	169,542	(39,389)
6,645,069	3,644,606	(3,000,463)	2,108,858	1,807,866	(300,992)
-	-	-	-	-	-
6,645,069	3,644,606	(3,000,463)	2,317,789	1,992,127	(325,662)
1,607,700	1,005,102	602,598	61,489	47,823	13,666
163,100	-	163,100	933,055	543,243	389,812
3,688,230	2,528,861	1,159,369	228,210	215,954	12,256
-	-	-	-	-	-
136,939	110,643	26,296	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	1,160,252	1,156,246	4,006
1,049,100	-	1,049,100	-	-	-
-	-	-	-	-	-
-	-	-	57,206	54,776	2,430
-	-	-	-	-	-
6,645,069	3,644,606	3,000,463	2,440,212	2,018,042	422,170
-	-	-	(122,423)	(25,915)	96,508
-	-	-	122,423	72,436	(49,987)
-	-	-	-	46,521	46,521
-	-	-	(42,850)	(42,850)	-
$ -	$ -	$ -	$ (42,850)	$ 3,671	$ 46,521

CLAYTON COUNTY BOARD OF EDUCATION

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	Balance July 1, 2012	Increases	Decreases	Balance June 30, 2013
STUDENT ACTIVITY FUND				
ASSETS				
Cash and investments	$ 386,816	$ 1,947,014	$ 1,902,349	$ 431,481
LIABILITIES				
Due to student organizations				
Elementary Schools:				
Anderson	$ 1,412	2,929	2,839	1,502
Arnold	2,254	7,732	7,906	2,080
Brown	2,284	6,784	6,923	2,145
Callaway	4,865	4,712	5,246	4,331
Church Street	1,499	4,234	4,357	1,376
East Clayton	771	6,057	5,842	986
Edmonds	2,516	3,399	4,325	1,590
Fountain	829	4,034	3,796	1,067
Harper	1,813	4,984	5,410	1,387
Hawthorne	2,152	17,027	15,511	3,668
Haynie	5,414	6,996	5,244	7,166
Hendrix Drive	74	-	-	74
Huie	2,642	1,979	3,937	684
Jackson	5,322	46,952	49,686	2,588
Kemp	386	2,958	2,266	1,078
Kemp Primary	189	6,657	3,622	3,224
Kilpatrick	1,494	3,496	2,819	2,171
King	1,641	3,347	2,550	2,438
Lake City	6,964	4,899	1,987	9,876
Lake Ridge	289	4,415	3,770	934
Lee Street	287	844	1,010	121
Marshall	1,035	339	200	1,174
McGarrah	11,634	5,045	12,804	3,875
Morrow	132	920	83	969
Mt. Zion	1,019	14,694	14,492	1,221
Mt. Zion Primary	318	4,459	3,901	876
Northcutt	1,919	7,297	7,021	2,195
Oliver	1,684	16,529	15,886	2,327
Pointe South	2,841	3,288	3,277	2,852
Riverdale	1,980	4,760	3,954	2,786
River's Edge	1,124	47,132	48,142	114
Smith	3,612	16,885	14,955	5,542
Suder	5,788	18,440	18,161	6,067
Swint	1,131	11,725	10,218	2,638
Tara	3,214	2,097	2,273	3,038
Unidos	510	494	455	549
West Clayton	678	728	305	1,101
White Academy	4,563	59,594	57,727	6,430
Total Elementary Schools	88,279	358,861	352,900	94,240

CLAYTON COUNTY BOARD OF EDUCATION

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	Balance July 1, 2012	Increases	Decreases	Balance June 30, 2013
LIABILITIES (continued)				
Due to student organizations (continued)				
Middle Schools:				
Adamson	$ 4,025	$ 17,728	$ 17,157	$ 4,596
Babb	6,488	53,322	54,883	4,927
Elite Scholars	1,179	22,933	22,293	1,819
Forest Park	1,050	15,397	13,618	2,829
Jonesboro	6,936	12,465	16,099	3,302
Kendrick	17,892	42,936	49,422	11,406
Lovejoy	4,751	35,208	37,694	2,265
Morrow	5,189	19,531	15,562	9,158
Mundy's Mill	6,247	20,689	19,126	7,810
North Clayton	4,150	17,698	14,968	6,880
Pointe South	2,391	9,042	9,858	1,575
Rex Mill	29,091	66,058	70,248	24,901
Riverdale	2,337	39,670	37,672	4,335
Roberts	19,767	49,112	44,671	24,208
Sequoyah	(208)	28,441	27,908	325
Total Middle Schools	111,285	450,230	451,179	110,336
High Schools and Special Purpose Programs:				
Drew	$ 12,386	$ 113,940	$ 113,867	$ 12,459
Forest Park	16,598	41,878	42,025	16,451
Jonesboro	17,833	138,999	129,767	27,065
Lovejoy	37,331	223,933	212,240	49,024
Morrow	20,081	98,651	92,591	26,141
Mt. Zion	36,116	192,483	187,175	41,424
Mundy's Mill	23,123	175,989	165,644	33,468
North Clayton	6,605	73,330	71,423	8,512
Riverdale	16,236	75,678	80,843	11,071
Perry Center	678	2,101	2,299	480
Flint River	18	175	-	193
South Metro	247	766	396	617
Total High Schools and Special Purpose Programs	187,252	1,137,923	1,098,270	226,905
Total due to student organizations	386,816	1,947,014	1,902,349	431,481
Total Liabilities	$ 386,816	$ 1,947,014	$ 1,902,349	$ 431,481

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.

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

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These schedules contain information to help the reader assess the School System's most significant local revenue sources.

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These schedules offer demographic and economic indicators to help the reader understand the environment within which the School System's financial activities take place.

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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.

Financial Trends

Clayton County
Public Schools

CLAYTON COUNTY BOARD OF EDUCATION

NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

Fiscal Year Ended June 30,	Net investment in capital assets	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
2013	629,552,909	50,650,232	63,922,382	744,125,523
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
2013	4,971,075	-	7,219,819	12,190,894
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
2013	634,523,984	50,650,232	71,142,201	756,316,417

CLAYTON COUNTY BOARD OF EDUCATION

CHANGES IN NET POSITION
LAST TEN 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	-	-	-	-	-
Student transportation	-	-	-	-	-
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	2013
$ 326,173,396	$ 299,228,401	$ 289,659,696	$ 296,417,202	$ 274,436,343
16,664,267	16,355,400	13,464,906	14,551,823	14,683,816
25,553,694	23,188,322	11,912,843	15,202,766	15,796,653
7,789,435	7,839,592	5,277,130	5,225,436	5,092,396
5,008,540	4,429,848	3,537,595	3,473,960	3,626,977
24,529,652	23,897,928	22,068,201	21,176,371	19,467,775
3,490,943	2,816,870	2,574,738	2,143,768	1,939,044
35,601,121	32,152,942	29,342,130	30,606,213	27,785,685
22,484,075	22,035,391	18,493,121	17,990,667	18,086,692
11,774,644	9,325,934	9,666,757	10,956,308	6,742,195
4,436,898	5,464,771	3,550,816	5,066,385	5,230,988
1,293,256	1,398,357	858,066	918,407	668,652
11,956,697	10,737,821	9,783,485	2,446,409	1,382,974
2,995	-	-	-	-
-	-	-	-	-
496,759,613	458,871,577	420,189,484	426,175,715	394,940,190
32,860,220	28,756,695	28,142,446	28,097,834	29,584,227
426,702	352,312	271,104	211,090	237,737
33,286,922	29,109,007	28,413,550	28,308,924	29,821,964
$ 530,046,535	$ 487,980,584	$ 448,603,034	$ 454,484,639	$ 424,762,154
$ 8,073,750	$ 7,360,729	$ 7,268,417	$ 7,122,767	$ 7,125,820
-	-	-	-	-
5,624	8,416	-	-	-
-	-	-	1,738,894	358,066
-	-	-	-	201,163
-	-	-	-	-
2,620	3,233	1,851	2,754	1,937
272,591	300,636	4,574,055	8,813,883	4,898,162
9,610,775	8,425,266	7,982,611	1,543,621	1,474,558
185,098,116	179,348,500	191,262,473	196,060,639	185,064,312
3,681,184	3,840,784	3,870,407	4,666,461	4,343,577
15,719,475	14,652,112	8,241,160	11,820,745	10,439,188
4,980,672	5,048,222	5,250,269	4,603,200	5,506,974
1,906,241	2,245,639	1,736,626	2,096,166	2,066,794
8,822,397	9,417,316	10,105,190	8,885,059	10,430,332
726,203	770,916	807,810	1,272,151	1,519,304
12,346,817	12,530,318	12,616,895	12,672,840	13,334,558
4,020,197	3,106,713	3,195,117	3,765,960	3,753,867
2,508,607	2,482,733	2,678,889	1,415,583	1,525,281
7,487	1,294,178	1,209,526	2,225,391	2,326,854
360,911	-	-	-	-
2,447,997	2,494,785	2,303,110	-	-
11,322,264	13,158,977	5,521,459	-	228,785
271,913,928	266,489,473	268,625,865	268,706,114	254,599,532

CLAYTON COUNTY BOARD OF EDUCATION

CHANGES IN NET POSITION
LAST TEN 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: FY2005 Statement of Government Activities was restated in FY2006

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

2009	2010	2011	2012	2013
$ 2,684,373	$ 2,321,346	$ 2,050,732	$ 2,229,141	$ 1,997,313
249,268	236,175	187,542	62,508	161,314
25,159,432	25,084,941	25,085,843	27,354,321	28,983,556
28,093,073	27,642,462	27,324,117	29,645,970	31,142,183
300,007,001	294,131,935	295,949,982	298,352,084	285,741,715
(224,845,685)	(192,382,104)	(151,563,619)	(157,469,601)	(140,340,658)
(5,193,849)	(1,466,545)	(1,089,433)	1,337,046	1,320,219
$ (230,039,534)	$ (193,848,649)	$ (152,653,052)	$ (156,132,555)	$ (139,020,439)
$ 161,522,560	$ 148,094,346	$ 131,696,730	$ 121,423,671	$ 109,928,475
49,121,173	53,669,034	48,353,695	48,656,878	50,302,317
1,377,987	983,594	859,735	875,671	2,479,402
26,847,151	20,855,861	20,855,861	23,494,466	27,623,377
5,361,901	4,229,182	-	-	-
1,790,719	396,312	412,878	473,966	117,347
14,390	268,841	85,136	69,525	85,382
137,274	(20,313)	(21,301)	-	-
246,173,155	228,476,857	202,242,734	194,994,177	190,536,300
69,790	14,188	12,125	13,736	2,044
(137,274)	20,313	21,301	-	-
(67,484)	34,501	33,426	13,736	2,044
$ 246,105,671	$ 228,511,358	$ 202,276,160	$ 195,007,913	$ 190,538,344
$ 21,327,470	$ 36,094,753	$ 50,679,115	$ 37,524,576	$ 50,195,642
(5,261,333)	(1,432,044)	(1,056,007)	1,350,782	1,322,263
$ 16,066,137	$ 34,662,709	$ 49,623,108	$ 38,875,358	$ 51,517,905

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
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
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
2013	90,964	-	-	56,429,149	56,520,113

	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
2013	-	50,650,232	5,119,465	-	55,769,697

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

	2004	2005	2006	2007	2008
Revenues:					
Local sources	$ 183,968,056	$ 199,988,595	$ 196,000,977	$ 227,174,904	$ 236,387,341
State sources	203,339,338	197,832,717	215,063,542	239,246,916	264,830,746
Federal sources	24,545,613	38,720,305	39,547,241	39,671,292	37,089,659
Interest earned on investments	574,743	1,483,671	3,690,941	6,991,392	5,534,144
On behalf payments	3,150,426	3,311,531	7,622,873	7,227,583	-
Other sources	75,179	-	-	-	-
Total revenues	415,653,355	441,336,819	520,312,087	520,312,087	543,841,890
Expenditures:					
Current:					
Instructional services	258,625,347	260,960,087	263,210,908	276,138,696	304,155,211
Pupil services	8,188,368	7,966,497	9,578,188	12,188,388	16,167,627
Improvement of instructional services	10,863,587	16,050,498	16,361,601	22,610,922	25,069,320
Educational media services	6,493,723	6,849,810	6,569,947	6,921,917	7,573,123
General administration	3,907,327	3,423,249	3,429,391	4,437,129	3,656,928
School administration	19,569,553	20,107,379	20,911,160	21,071,990	23,996,116
Business services	1,284,832	1,465,963	1,992,348	2,725,317	2,885,605
Maintenance and operations	25,376,816	25,747,334	27,285,453	28,257,473	32,293,341
Student transportation	16,183,916	13,239,495	14,997,106	20,307,028	23,415,849
Central support services	7,840,640	7,164,566	7,565,608	14,320,703	11,630,765
Other support services	1,117,683	1,210,801	2,500,260	2,725,457	3,577,663
On behalf payments	3,150,426	3,311,531	7,622,873	7,227,583	-
Other non-instructional services	1,167,078	1,451,522	1,296,284	1,158,911	1,018,735
Community service	9,099,984	9,733,870	10,549,645	10,251,046	10,538,956
Capital outlay	51,763,317	49,744,718	30,580,662	62,254,348	57,502,959
Food Services					
Debt service:					
Principal retirement	1,980,887	2,031,283	2,077,328	1,420,440	26,262
Interest and fiscal charges	159,034	110,996	62,593	15,605	2,030
Total expenditures	426,772,518	430,569,599	426,591,355	494,032,953	523,510,490
Excess (deficiency) of revenues over (under) expenditures	(11,119,163)	10,767,220	35,334,219	26,279,134	20,331,400
Other financing sources (uses):					
Proceeds from capital leases	-	-	-	-	-
Sale of capital assets	-	-	15,287	104,651	58,300
Transfer in	320,749	1,768,836	951,842	382,922	1,613,919
Transfers out	(320,749)	(1,768,836)	(951,842)	(774,442)	(1,613,679)
Total other financing sources (uses)	-	-	15,287	(286,869)	58,540
Net change in fund balances	(11,119,163)	10,767,220	35,349,506	25,992,265	20,389,940
Debt service as a percentage of noncapital expenditures	0.57%	0.56%	0.54%	0.33%	0.01%

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.

2009	2010	2011	2012	2013
$ 236,158,812	$ 224,080,154	$ 202,005,781	$ 189,018,853	$ 175,498,829
239,563,950	211,161,926	225,951,240	225,789,473	233,999,813
39,790,750	58,901,510	42,691,134	47,204,487	33,006,129
1,790,719	396,312	412,878	473,966	117,347
-	-	-	-	-
-	-	-	-	-
517,304,231	494,539,902	471,061,033	462,486,779	442,622,118
300,620,268	291,480,509	276,880,679	281,944,616	254,809,048
16,636,729	16,437,777	13,599,670	14,629,255	13,084,577
25,550,792	23,265,654	12,115,303	15,252,324	15,808,070
7,788,758	7,839,167	5,276,279	5,224,585	5,091,545
4,674,133	4,392,803	3,475,667	3,347,211	3,485,599
24,325,141	23,857,513	21,982,071	21,277,130	21,074,910
3,470,348	2,820,123	2,551,289	2,189,673	1,937,246
35,200,907	32,031,887	29,180,214	30,451,346	27,873,512
20,227,700	19,875,107	15,643,181	16,041,104	16,682,505
11,339,185	9,032,684	8,386,233	6,647,633	6,380,546
4,449,389	5,464,771	3,550,816	5,066,385	5,230,988
-	-	-	-	-
1,282,815	1,367,078	828,279	895,063	714,765
11,977,565	10,736,383	9,783,485	2,446,409	1,382,974
77,176,502	65,790,820	23,264,690	61,373,053	94,905,861
24,793	-	-	-	-
2,995	-	-	-	-
544,748,020	514,392,276	426,517,856	466,785,787	468,462,146
(27,443,789)	(19,852,374)	44,543,177	(4,299,008)	(25,840,028)
-	-	-	-	-
26,785	272,220	85,136	202,153	89,606
734,177	422,824	237,682	23,805	92,200
(680,067)	(443,137)	(258,983)	(23,805)	(92,200)
80,895	251,907	63,835	202,153	89,606
(27,362,894)	(19,600,467)	44,607,012	(4,096,855)	(25,750,422)
0.01%	0.00%	0.00%	0.00%	0.00%

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					
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%
2013	5,642,283	14,105,706	872,445	2,181,112	455,950	1,139,876	6,970,678	17,426,694	1,167,967	5,802,711	0.0200	116,054	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
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
2013	20.000	-	20.000	0.200	12.619	14.743	7.500	9.980

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
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
2013	1.500	-	7.500	-	14.912	4.400	19.312

Source: Clayton County Tax Commissioner's Office

CLAYTON COUNTY BOARD OF EDUCATION

PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO

	Calendar Year 2012			Calendar Year 2003		
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	$ 641,579,854	1	10.06%	$ 558,441,497	1	8.51%
Georgia Power Company	131,769,857	2	2.07%	73,250,993	2	1.12%
Atlantic Southeast	67,607,697	3	1.06%	69,239,014	4	1.05%
Air Tran Airways	51,191,946	4	0.80%	-	-	0.00%
Clorox Company	39,942,917	5	0.63%	-	-	0.00%
AMB Partners	35,873,177	6	0.56%	36,402,708	8	0.55%
Atlanta Gas Light	34,410,459	7	0.54%	30,249,139	9	0.46%
BellSouth	27,397,162	8	0.43%	42,805,764	6	0.65%
Highwoods Realty	24,328,563	9	0.38%	-	-	0.00%
JC Penney	21,725,280	10	0.34%	-	-	0.00%
City of Atlanta	-	11	0.00%	70,857,814	3	1.08%
Hertz	-	12	0.00%	60,727,239	5	0.93%
J.C. Penney	-	13	0.00%	-		0.00%
Avis	-	14	0.00%	37,297,096	7	0.57%
Southlake Mall	-	15	0.00%	27,909,600	10	0.43%
	$ 1,075,826,912		13.01%	$ 1,007,180,864		15.34%

Source: Clayton County Tax Commissioner's Office

(1) District's total taxable value for 2012 $ 6,378,022,000

(2) District's total taxable value for 2003 $ 6,564,610,000

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
2003	124,176,153	114,042,199	91.84%	10,130,402	124,172,601	100.00%
2004	126,345,112	112,144,969	88.76%	14,200,143	126,345,112	100.00%
2005	133,573,932	131,765,288	98.65%	1,715,756	133,481,044	99.93%
2006	153,470,689	135,978,504	88.60%	17,486,529	153,465,033	100.00%
2007	161,586,307	158,094,788	97.84%	3,189,950	161,284,738	99.81%
2008	164,039,251	159,495,677	97.23%	4,130,797	163,626,474	99.75%
2009	161,250,712	156,342,764	96.96%	4,188,317	160,531,081	99.55%
2010	140,806,351	134,322,336	95.40%	3,420,318	137,742,654	97.82%
2011	127,560,448	121,851,194	95.52%	1,978,804	123,829,998	97.08%
2012	116,054,221	111,310,517	95.91%	-	111,310,517	95.91%

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

	2004	2005	2006	2007	2008
Revenues:					
Local sources	$ 183,968,056	$ 199,988,595	$ 196,000,977	$ 227,174,904	$ 236,387,341
State sources	203,339,338	197,832,717	215,063,542	239,246,916	264,830,746
Federal sources	24,545,613	38,720,305	39,547,241	39,671,292	37,089,659
Interest earned on investments	574,743	1,483,671	3,690,941	6,991,392	5,534,144
On behalf payments	3,150,426	3,311,531	7,622,873	7,227,583	-
Other sources	75,179	-	-	-	-
Total revenues	$ 415,653,355	$ 441,336,819	$ 461,925,574	$ 520,312,087	$ 543,841,890

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

2009	2010	2011	2012	2013
$ 236,387,341	$ 224,080,154	$ 202,005,781	$ 189,018,853	$ 175,498,829
264,830,746	211,161,926	225,951,240	225,789,473	233,999,813
37,089,659	58,901,510	42,691,134	47,204,487	33,006,129
5,534,144	396,312	412,878	473,966	117,347
-	-	-	-	-
-	-	-	-	-
$ 543,841,890	$ 494,539,902	$ 471,061,033	$ 462,486,779	$ 442,622,118

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*
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%	-
2013	-	-	-	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

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2013

	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

	2004	2005	2006	2007	2008	2009
Debt limit	$ 762,426,500	$ 807,009,400	$ 865,350,800	$ 917,027,600	$ 953,389,000	$ 953,389,100
Total net debt applicable to limit	-	-	-	-	-	-
Legal debt margin	$ 762,426,500	$ 807,009,400	$ 865,350,800	$ 917,027,600	$ 953,389,000	$ 953,389,100
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%

2010	2011	2012	2013
$ 917,844,000	$ 806,283,000	$ 741,670,800	$ 697,067,800
-	-	-	-
$ 917,844,000	$ 806,283,000	$ 741,670,800	$ 697,067,800
0.00%	0.00%	0.00%	0.00%

Legal Debt Margin Calculation for Fiscal Year 2013

Assessed Value*	$ 6,970,678,000
Debt Limit (10% of assessed value)**	697,067,800
Debt applicable to limit:	
General obligation bonds	-
Total net debt applicable to limit	-
Legal debt margin	$ 697,067,800

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**
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%
2013	269,610	6,551,720	24,301	11.0%

* Woods & Poole Economics Data Pamphlet 2013
** Georgia Department of Labor/Clayton County Chamber of Commerce

CLAYTON COUNTY BOARD OF EDUCATION

PRINCIPAL EMPLOYERS
CURRENT YEAR AND FIVE YEARS AGO

	2013			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	4.38%	7,010	2	4.80%
Delta Airlines, Inc./Tech Ops	6,200	2	3.98%	23,500	1	16.09%
Clayton County Board of Commissioners	2,016	3	1.30%	1,901	5	1.30%
Southern Regional Medical Center	1,731	4	1.11%	2,250	4	1.54%
Clayton State University	1,500	5	0.96%	950	6	0.65%
Fresh Express, Inc.	1,100	6	0.71%	450	8	0.31%
Wal-Mart, Inc.	800	7	0.51%	650	7	0.44%
Gate Gourmet, Inc.	760	8	0.49%	-	-	0.00%
FedEx Ground	750	9	0.48%	-	-	0.00%
Southern Company / Georgia Power	543	10	0.35%	-	-	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	22,220		14.27%	41,761		28.59%

Source: Clayton County Office of Business Development. Based on data provided, these numbers are estimates

Note: Information prior to 2005 is not available.

Note: Total employment in Clayton County for 2013 was 155,670 and in 2005 was 146,090.

CLAYTON COUNTY BOARD OF EDUCATION

STUDENT ETHNICITY STATISTICS
LAST TEN FISCAL YEARS

Sex	Race	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Female	American Indian/Alaskan Native	23	23	22	20	18	18	56	47	62	43
	Asian, Pacific Islander	1,077	1,067	1,056	1,061	1,030	1,030	1,153	1,159	1,151	1,162
	Black, not of Hispanic origin	17,757	18,269	18,921	18,643	17,408	17,387	17,454	17,667	17,720	17,876
	Hispanic	2,286	2,619	2,962	3,181	3,576	3,582	4,116	4,399	4,347	4,616
	Multi-racial	778	841	897	964	904	904	741	744	732	740
	White, not of Hispanic origin	2,790	2,215	1,790	1,355	1,042	1,043	932	844	813	792
	Sub Total	24,711	25,034	25,648	25,224	23,978	23,964	24,452	24,860	24,825	25,229
Male	American Indian/Alaskan Native	21	16	23	20	30	30	55	56	65	58
	Asian, Pacific Islander	1,160	1,153	1,155	1,157	1,148	1,147	1,213	1,228	1,222	1,242
	Black, not of Hispanic origin	18,185	18,795	19,605	19,385	18,488	18,514	18,411	18,708	18,548	18,768
	Hispanic	2,534	2,966	3,264	3,367	3,720	3,736	4,256	4,545	4,524	4,868
	Multi-racial	861	897	937	930	939	938	767	702	686	678
	White, not of Hispanic origin	3,083	2,544	2,025	1,514	1,176	1,179	1,050	919	895	914
	Sub Total	25,844	26,371	27,009	26,373	25,501	25,544	25,752	26,158	25,940	26,528
	System Total	50,555	51,405	52,657	51,597	49,479	49,508	50,204	51,018	50,765	51,757

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
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
2013	51,154	48,899	95.59%	51,757

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
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%
2013	$40,742	$61,706	$82,669	3.00%

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
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	2,510
2012	251	307	201	389	283	258	329	175	209	251	2,653
2013	275	230	254	335	276	253	300	125	188	168	2,404

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
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
2013	3,011	2,703	199	5,913	51,154	17.0

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
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	426,175,715	50,663	8,412	-4.07%
2013	394,940,190	51,154	7,721	-8.34%

CLAYTON COUNTY BOARD OF EDUCATION

NUTRITION SERVICES - FACTS AND FIGURES
LAST TEN FISCAL YEARS

		2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Number of schools participating in:											
Lunch - regular schedule		54	57	58	59	59	60	61	61	60	60
Lunch - year round		-	-	-	-	-	-	-	-	1	1
Breakfast program		54	57	58	59	59	60	61	61	61	61
Student lunches served:											
Free		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	6,177,665
Reduced		1,041,779	1,022,892	873,018	864,873	899,588	793,806	683,265	501,529	557,755	514,819
Fully paid		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	634,576
	Total	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	7,327,060
Adult lunches served		288,583	251,685	236,721	359,700	337,678	337,667	300,910	248,644	165,504	131,968
Student breakfasts served:											
Free		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	3,153,544
Reduced		277,304	292,261	269,025	272,792	308,777	299,277	271,852	213,274	247,560	230,084
Fully paid		297,873	290,479	301,172	293,284	333,376	322,811	285,175	263,094	246,104	192,917
	Total	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	3,576,545
Number of serving days:											
Regular schedule		179	196	197	195	180	185	179	175	175	175
Year-round schedule		-	-	-	-	-	-	-	-	175	175
Weighted average		179.00	196.00	197.30	194.70	180.00	185.00	179.00	175.00	175.00	175.00
Average daily participation:											
Student lunch		39,005	36,463	37,688	37,960	40,420	38,681	40,303	41,703	42,808	41,799
Adult lunch		1,612	1,284	1,200	1,847	1,876	1,825	1,681	1,421	946	754
Student breakfast		12,609	12,675	13,951	14,850	16,920	17,481	18,568	19,649	20,726	20,579
October 1 pupil count (Kindergarten not included)		50,555	51,405	52,657	49,479	48,814	45,399	45,579	50,366	46,734	50,899
Percentage of students daily eating school lunch		77.15%	70.93%	71.57%	76.72%	82.80%	85.20%	88.42%	82.80%	91.60%	82.12%
October 1 count of benefits											
Students on free lunch		22,869	24,623	27,803	28,538	32,535	32,807	37,773	38,395	38,911	40,087
Student on reduced lunch		6,029	5,939	5,038	5,092	6,393	5,459	3,746	3,896	3,691	3,660
Percentage of students on:											
Free lunch		45.24%	47.90%	52.80%	57.68%	66.65%	72.26%	82.87%	76.23%	83.26%	78.76%
Reduced lunch		11.93%	11.55%	9.57%	10.29%	13.10%	12.02%	8.22%	7.74%	7.90%	7.19%
	Total	57.16%	59.45%	62.37%	67.97%	79.75%	84.29%	91.09%	83.97%	91.16%	85.95%

CLAYTON COUNTY BOARD OF EDUCATION

SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
School										
Elementary										
Anderson (1971)										
Square feet	54,221	54,221	54,221	54,221	54,221	54,221	54,221	54,221	54,221	56,176
Capacity	450	450	450	450	450	450	450	450	450	450
Enrollment	449	450	507	519	484	482	497	490	493	554
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	508	506	510	520	467	469	477	481	450	518
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	1,030	843	815	796	743	745	789	790	810	784
Callaway (2002)										
Square feet	91,014	91,014	91,014	105,494	105,494	105,494	105,494	105,494	105,494	105,494
Capacity	725	725	725	900	900	900	900	900	900	900
Enrollment	892	866	896	921	821	844	855	816	844	848
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	906	896	929	949	813	868	832	817	878	890
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	967	570	601	649	592	615	632	608	574	621
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	468	446	418	470	515	560	587	547	610	590
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	584	569	537	499	496	549	626	553	612	634
Harper (2002)										
Square feet	91,014	91,014	91,014	91,014	91,014	91,014	91,014	105,994	105,994	105,994
Capacity	725	725	725	725	725	725	725	900	900	900
Enrollment	800	811	831	817	748	728	812	810	918	876

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

CLAYTON COUNTY BOARD OF EDUCATION

SCHOOL BUILDING INFORMATION (CONTINUED)
LAST TEN FISCAL YEARS

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Hawthorne (1998)										
Square feet	89,226	89,226	89,226	102,500	102,500	102,500	102,500	102,500	102,500	102,500
Capacity	738	738	738	900	900	900	900	900	900	900
Enrollment	914	886	949	868	913	943	964	950	983	927
Haynie (1969)										
Square feet	72,107	72,107	72,107	72,107	72,107	72,107	72,107	72,107	72,107	72,332
Capacity	738	738	738	738	738	738	738	738	737	737
Enrollment	776	764	780	801	745	712	663	681	761	872
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	354	338	338	254	124	119	27	27	27	676
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	708	666	611	633	597	655	658	614	727	690
Jackson (2003)										
Square feet	90,229	90,229	90,229	90,229	90,229	90,229	90,229	90,229	105,209	105,209
Capacity	725	725	725	725	725	900	900	900	900	900
Enrollment	822	885	956	947	734	736	882	837	919	1,023
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	1,160	733	754	742	706	718	699	689	712	689
Kemp Primary (2004)										
Square feet	90,229	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	650
Enrollment		688	720	741	605	718	693	624	709	737
Kilpatrick (1973)										
Square feet	75,379	75,379	75,379	75,379	75,379	75,379	75,379	75,379	75,379	75,379
Capacity	650	650	650	650	650	650	650	650	650	650
Enrollment	715	672	672	618	550	562	611	606	611	644
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	1,014
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	462	462
Enrollment	540	479	456	490	501	510	535	516	535	565
Lake Ridge (1994)										
Square feet	85,000	85,000	85,000	94,662	94,662	94,662	94,662	94,662	94,662	94,662
Capacity	650	650	650	788	788	650	788	788	788	788
Enrollment	780	839	841	866	729	750	730	694	730	726

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

CLAYTON COUNTY BOARD OF EDUCATION

SCHOOL BUILDING INFORMATION (CONTINUED)
LAST TEN FISCAL YEARS

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
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	495	515	580	622	541	596	562	509	569	581
Marshall (2004)										
Square feet	89,854	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	725
Enrollment	-	852	950	901	852	826	828	818	855	840
McGarrah (1967)										
Square feet	73,782	73,782	73,782	73,782	73,782	73,782	73,782	73,782	73,782	74,837
Capacity	750	750	750	750	750	750	750	750	750	750
Enrollment	925	708	684	705	608	621	641	631	668	711
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	611	546	523	509	481	515	505	467	478	488
Mt Zion (1976)										
Square feet	85,815	450	85,815	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	961	905	975	927	558	550	575	589	557	583
Mt Zion Primary (2008)										
Square feet	x	x	x	x	93,275	93,275	93,275	93,275	93,275	93,275
Capacity	-	-	-	-	750	750	750	750	750	750
Enrollment	-	-	-	-	540	548	660	629	717	657
Northcutt (1970)										
Square feet	78,013	78,013	78,013	78,013	78,013	78,013	78,013	78,013	78,013	79,394
Capacity	750	750	750	750	750	750	750	750	750	750
Enrollment	732	610	615	568	628	658	699	686	623	650
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	816	832	842	884	784	739	664	672	604	585
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	807	827	736	775	643	697	674	662	677	659
River's Edge (1994)										
Square feet	85,000	85,000	85,000	100,300	100,300	100,300	100,300	100,300	100,820	100,820
Capacity	650	650	650	863	863	863	863	863	863	863
Enrollment	825	807	978	1,153	1,102	1,142	604	573	594	609
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	637	667	708	660	608	606	669	643	626	626
Smith (2000)										
Square feet	95,132	95,132	95,132	95,132	95,132	109,612	109,612	109,612	109,612	109,612
Capacity	725	725	725	725	725	900	900	900	900	900
Enrollment	917	954	922	937	938	938	871	851	955	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	765	765	765	765
Enrollment	713	739	781	804	662	683	665	640	701	701

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

CLAYTON COUNTY BOARD OF EDUCATION

SCHOOL BUILDING INFORMATION (CONTINUED)
LAST TEN FISCAL YEARS

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
School										
Elementary										
Swint (1968)										
Square feet	71,785	71,785	71,785	71,785	71,785	71,785	71,785	71,785	71,785	72,665
Capacity	788	788	788	788	788	788	776	776	776	776
Enrollment	706	638	649	565	524	571	642	605	639	596
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	725	725	725	725
Enrollment	626	591	609	590	598	667	601	547	601	662
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	516	537	507	527	499	510	462	436	438	503
White Academy (2010)										
Square feet	x	x	x	x	x	x	201,679	201,679	201,679	201,679
Capacity	-	-	-	-	-	-	1,425	1,425	1,425	1,425
Enrollment	-	-	-	-	-	-	-	1,414	1,401	1,444
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	1,223	1,239	1,273	787	654	656	658	649	633	594
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	1,120	1,057	891	869	793	783	766	796	737	831
Forest Park (1940)										
Square feet	84,964	84,964	84,964	84,964	84,964	84,964	84,964	84,964	84,964	85,894
Capacity	570	570	570	570	570	570	600	600	600	600
Enrollment	736	767	655	593	505	510	674	683	696	663
Jonesboro (2004)										
Square feet	128,170	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	875
Enrollment	609	928	973	938	883	834	743	753	788	853
Kendrick (1996)										
Square feet	123,458	123,458	123,458	123,458	143,828	143,724	143,724	143,828	143,724	143,724
Capacity	850	850	850	850	1,075	1,100	1,100	1,100	1,100	1,100
Enrollment	1,429	1,506	936	921	770	787	852	883	866	777
Lovejoy (1990)										
Square feet	123,731	123,731	123,731	123,731	123,731	123,731	123,731	123,731	123,731	125,567
Capacity	738	738	738	738	738	738	725	725	725	725
Enrollment	1,068	1,131	1,312	1,280	1,175	1,172	584	578	585	659
Morrow #7 (2012)										
Square feet	x	x	x	x	x	x	171,727	171,727	171,727	171,727
Capacity	-	-	-	-	-	-	900	900	900	1200
Enrollment	-	-	-	-	-	-	803	742	684	683

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

CLAYTON COUNTY BOARD OF EDUCATION

SCHOOL BUILDING INFORMATION (CONTINUED)
LAST TEN FISCAL YEARS

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
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	1,036	782	791	824	704	681	725	737	408	495
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	916	959	983	961	887	869	804	818	807	809
N. Clayton Middle (1969)										
Square feet	99,989	107,374	107,374	107,374	126,179	126,179	126,179	126,179	126,179	118,255
Capacity	738	738	738	738	1,000	738	738	1,000	1,000	1,000
Enrollment	960	929	920	961	949	920	843	860	812	858
Pointe South (1978)										
Square feet	141,792	141,792	141,792	141,792	141,792	141,792	141,792	160,835	160,835	160,835
Capacity	875	875	875	875	875	875	875	925	925	925
Enrollment	1,134	1,144	968	954	814	803	822	838	827	836
Rex Mill (2007)										
Square feet	x	x	x	152,570	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	1,100
Enrollment	-	-	-	578	981	953	1,035	1,042	1,072	1,108
Riverdale (1968)										
Square feet	108,738	108,738	108,738	108,738	108,738	108,738	108,738	139,581	108,738	139,581
Capacity	850	850	850	850	850	850	850	850	850	850
Enrollment	1,063	1,070	853	859	841	833	741	752	762	712
Roberts (2000)										
Square feet	123,458	123,458	123,458	123,458	144,014	146,007	146,007	146,007	146,007	146,007
Capacity	838	838	838	838	1,100	1,100	1,100	1,100	1,100	1,100
Enrollment	1,167	1,064	1,053	815	644	649	699	667	700	789
Sequoyah (2004)										
Square feet	128,170	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	875
Enrollment	-	-	996	926	769	737	808	804	876	866

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

CLAYTON COUNTY BOARD OF EDUCATION

SCHOOL BUILDING INFORMATION (CONTINUED)
LAST TEN FISCAL YEARS

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
School										
High										
Drew (2009)										
Square feet	x	x	x	x	x	297,918	297,918	297,918	297,918	308,859
Capacity	-	-	-	-	-	1,850	1,850	1,850	1,850	1,850
Enrollment	-	-	-	-	-	-	1,132	1,182	1,414	1,555
Forest Park (1962)										
Square feet	206,766	206,766	206,766	206,766	206,766	206,766	206,766	227,356	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	1,567	1,567	1,518	1,626	1,545	1,518	1,626	1,643	1,643	1,742
Jonesboro (1963)										
Square feet	193,634	193,634	193,634	193,634	208,036	208,036	208,036	208,036	227,131	228,157
Capacity	1,500	1,500	1,500	1,500	1,725	1,500	1,500	1,725	1,725	1,725
Enrollment	1,647	1,693	1,828	1,697	1,268	1,153	1,212	1,235	1,221	1,319
Lovejoy (1989)										
Square feet	217,450	217,450	217,450	217,450	217,450	217,450	231,852	231,852	231,852	231,853
Capacity	1,625	1,625	1,625	1,625	1,625	1,625	1,850	1,850	1,850	1,850
Enrollment	1,886	1,795	1,837	1,903	1,804	1,662	1,815	1,894	1,899	2,044
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	1,905	2,064	2,149	2,074	1,742	1,534	1,722	1,819	1,656	1,737
Mt. Zion (1990)										
Square feet	231,952	231,952	216,241	231,952	231,952	216,241	231,952	231,952	231,952	233,593
Capacity	1,350	1,350	1,350	1,575	1,575	1,350	1,575	1,575	1,575	1,575
Enrollment	1,778	1,844	1,662	1,731	1,722	1,547	1,563	1,580	1,529	1,639
Mundy's Mill (2002)										
Square feet	254,667	254,667	254,667	254,667	254,667	292,512	292,512	292,512	292,512	313,882
Capacity	1,350	1,350	1,350	1,350	1,350	1,850	1,850	1,850	1,850	1,850
Enrollment	1,407	1,970	2,081	2,104	1,815	1,659	1,629	1,719	1,628	1,718
N. Clayton (1967)										
Square feet	194,138	194,138	194,138	194,138	194,138	194,138	194,138	194,138	211,657	211,657
Capacity	1,075	1,325	1,325	1,325	1,325	1,325	1,325	1,325	1,325	1,325
Enrollment	1,477	1,458	1,568	1,527	1,526	1,360	1,068	1,118	849	846
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	1,857	1,831	1,933	1,961	1,670	1,532	1,053	1,416	1,189	1,393

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

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, 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, 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, 2013, and the related notes to the financial statements, which collectively comprise the Clayton County Board of Education's basic financial statements and have issued our report thereon dated October 17, 2014. Our report includes a reference to the changes in accounting principle resulting from the implementation of Governmental Accounting Standards Board (GASB) Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, and Statement No. 65, *Items Previously Reported as Assets and Liabilities*.

Internal Control Over Financial Reporting

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

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 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 deficiencies described in the accompanying schedule of findings and questioned costs as items 2013-01 and 2013-03 to be material weaknesses.

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 2013-02 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.*

Clayton County Board of Education's Responses to Findings

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. Clayton County Board of Education's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

Purpose of this Report

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

Mauldin & Jenkins, LLC

Macon, Georgia
October 17, 2014

MAULDIN & JENKINS
CERTIFIED PUBLIC ACCOUNTANTS, LLC

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

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

Report on Compliance for Each Major Federal Program

We have audited the Clayton County Board of Education's compliance with the types of compliance requirements described in 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, 2013. 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.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Clayton County Board of Education's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133*, Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about 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 on compliance for each major federal program. However, our audit does not provide a legal determination of Clayton County Board of Education's compliance.

Opinion on Each Major Federal Program

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

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with OMB Circular A-133 and which is described in the accompanying schedule of findings and questioned costs as item 2013-04. Our opinion on each major federal program is not modified with respect to this matter.

Clayton County Board of Education's response to the noncompliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. Clayton County Board of Education's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

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

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified a certain deficiency in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as item 2013-04, that we consider to be a significant deficiency.

Clayton County Board of Education's response to the internal control over compliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. Clayton County Board of Education's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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

Mauldin & Jenkins, LLC

Macon, Georgia
October 17, 2014

CLAYTON COUNTY BOARD OF EDUCATION

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

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	$ 6,245,047
USDA Commodities	10.555	N/A	2,168,085
National School Lunch Program	10.555	N/A	19,551,759
National School Snack Program	10.555	N/A	260,955
Total Child Nutrition Cluster			28,225,846
Fresh Fruits and Vegetables	10.582	N/A	54,776
Total U. S. Department of Agriculture			28,280,622
U. S. DEPARTMENT OF EDUCATION:			
Passed through Georgia Department of Technical and Adult Education:			
Adult Education	84.002	N/A	224,770
Adult Education	84.002	N/A	16,927
Adult Education	84.002	N/A	10,473
			252,170
Passed through Georgia Department of Education:			
Title I, Part A Cluster			
Title I Programs - Improving Academic Achievement	84.010	N/A	13,723,441
Title I Programs - School Improvement Grant	84.010	N/A	579,739
Title I Programs - Distinguished School	84.010	N/A	15,866
ARRA - Improving Academic Achievement	84.389	N/A	586,541
ARRA - School Improvement	84.389	N/A	253,876
Total Title I, Part A Cluster			15,159,463
Title IV-B, Special Education Cluster			
Title VI-B Flowthrough	84.027	N/A	8,527,512
Title VI-B South Metro	84.027	N/A	460,820
Title VI-B Preschool	84.173	N/A	260,821
Total Title IV-B, Special Education Cluster			9,249,153
Title II - Improving Teacher Quality	84.367	N/A	871,890
Title II - Advanced Placement	84.367	N/A	9,848
			881,738
Title II - Enhancing Education Thru Technology	84.318	N/A	5,025
Title II - Engaging AP Students Thru Mobile Comm.	84.318	N/A	8,316
			13,341
Title III - Limited English Proficient	84.365	N/A	563,545

CLAYTON COUNTY BOARD OF EDUCATION

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

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):			
Education for Homeless Children & Youth Cluster			
Education for Homeless Children and Youth	84.196	N/A	$ 34,408
Total Education for Homeless Children & Youth Cluster			34,408
Vocational Education - Basic Grants to States			
Program Improvement	84.048	N/A	487,659
			487,659
Race To The Top	84.318		3,644,606
State Jobs Fund	84.410	N/A	18,563
Subtotal - Passed through Georgia Department of Education			30,304,646
Passed through Georgia State University Research Foundation			
Teacher Quality Partnership Grants - Network for Enhancing Teacher Quality	84.336	N/A	96,046
Pass-Through Georgia Professional Standards Commission			
Transition to Teaching	84.350	N/A	13,000
Total U. S. Department of Education			30,413,692
U. S. DEPARTMENT OF DEFENSE:			
Direct Award:			
ROTC	12.unknown	N/A	680,038
U. S. DEPARTMENT OF JUSTICE:			
Passed through Governor's Office for Children and Families			
System of Care: Caring Communities	16.540	N/A	185,341
Passed Through Georgia Office for Children and Families			
Governor's Office for Children and Families			
Juvenile Accountability Block Grant	16.523	N/A	74,900
Total U. S. Department of Justice			260,241

CLAYTON COUNTY BOARD OF EDUCATION

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

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	$ 25,518
Hearts to Nourish Hope	93.558	42700-040-0000011287	25,364
Total TANF Cluster			50,882
U.S. DEPARTMENT OF LABOR			
Passed through Georgia Governor's Office Workforce Development			
Workforce Investment Act Grant	17.259	WD1109	131,651
U.S. DEPARTMENT OF TRANSPORTATION			
Passed through Georgia Governor's Office of Highway Safety			
Students Against Destructive Decisions	20.601	2012-000-00422	4,444
Pass-through from Georgia Department of Natural Resources			
Highway Planning & Construction	20.205	N/A	1,150,398
Total U. S. Department of Transportation			1,154,842
Total Expenditures of Federal Awards			$ 60,971,968

CLAYTON COUNTY BOARD OF EDUCATION

NOTE TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE FISCAL YEAR ENDED JUNE 30, 2013

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, 2013

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?	__X__ yes ____ 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)?	__X__ yes ____ no

Identification of major program:

CFDA Number	Name of Federal Program or Cluster
	Child Nutrition Cluster Program:
	U.S. Department of Agriculture
10.553	School Breakfast Program
10.555	National School Lunch Program
	U.S. Department of Education
84.395	ARRA - Race to the Top Program

Dollar threshold used to distinguish between Type A and Type B programs:	$1,829,159
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, 2013

B. FINDINGS: FINANCIAL STATEMENTS AUDIT

2013-01. 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. Additionally, management should implement processes to collect amounts earned and due to the School System or consider such accounts receivable for write-off.

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. Additionally, minimal collections of amounts earned in prior years and recorded as accounts receivable were collected during the fiscal year ended June 30, 2013.

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, 2013.

Effect: Adjustments to increase taxes receivable by $11,948,388, increase both the allowance for uncollectible taxes receivable and deferred revenue by $6,277,784 and decrease tax revenues by $607,180 were required to be recorded in the General Fund. An adjustment to increase the allowance for uncollectible accounts receivable and decrease deferred revenue by $506,858, increase revenue by $287,266, decrease accounts receivable by $235,326, and decrease due to other funds by $522,592 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.

2013-02. 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, 2013 as it relates to accounts payable in the General Fund and Capital Projects Fund.

CLAYTON COUNTY BOARD OF EDUCATION

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

B. FINDINGS: FINANCIAL STATEMENTS AUDIT (CONTINUED)

2013-02. 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, 2013.

Effect: An adjustment to increase accounts payable and increase expenditures by $81,157 was required to be recorded in the General Fund. An adjustment to increase accounts payable and increase expenditures by $328,904 was required to be recorded in the Capital Projects 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.

2013-03. Recording of Grants

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 unearned revenue amounts are properly recorded at year end. Additionally, controls should be in place throughout the year to ensure grant reimbursements are not completed until expenditures have been disbursed and any amounts received but not yet expended are recorded as unearned revenue at year end.

Condition: The School System did not properly record grant revenues and the related receivables, unearned revenues, and accounts payable to grantor agencies at year end.

Context: We addressed this matter with School System officials who determined the appropriate entries to receivables, revenues, unearned revenues, and acconts payable at June 30, 2013.

Effect: Adjustments to increase grants receivable by $517,146, increase unearned revenues by $62,735, increase grant revenues by $419,682, and increase accounts payable by $34,729 were required to be recorded in the nonmajor governmental funds of the School System. An adjustment to increase accounts receivable and revenues by $228,785 and an adjustment to increase expenditures and increase deferred revenue by $331,841 were required to be recorded in the Capital Projects Fund.

CLAYTON COUNTY BOARD OF EDUCATION

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

B. FINDINGS: FINANCIAL STATEMENTS AUDIT (CONTINUED)

2013-03. Recording of Grants

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

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

2013-04. Compliance with Indirect Cost Allocation Requirements – Race to the Top, CFDA 84.395

Criteria: The Office of Management and Budget (OMB) Circular A-87 authorizes Local Units of Administration (LUAs) to recover reimbursement for indirect costs associated with various federal programs. If the district elects to claim indirect costs, the rate used may be less than the calculated rate but may not exceed the approved rate established by the cognizant agency. Indirect costs are calculated by multiplying the approved rate by the expenditures included in the direct cost base minus excluded costs or unallowable items as specified in the grantee's indirect cost rate agreement.

Condition: Based on the above criteria, the School System did not properly charge indirect costs to the Race to the Top Grant for the fiscal year ended June 30, 2013.

Context: The School System elected to use the restricted indirect cost rate for the Race to the Top grant The restricted indirect cost rate was calculated by the Georgia Department of Education. The restricted indirect cost rate was 3.13% for the 2013 grant year. Adjustments to expenditures were made throughout the year without adjusting indirect costs. As such, the Race to the Top indirect costs were overcharged by $1,218 for the fiscal year ended June 30, 2013.

Effect: The School System is not in compliance with its allowable costs requirements as indirect costs were incorrectly calculated.

Recommendation: We recommend the School System review the requirements for Federal programs to ensure that indirect costs are properly calculated and recorded.

Views of Responsible Officials and Planned Corrective Action: We will implement procedures to ensure indirect costs are appropriately calculated and recorded.

CLAYTON COUNTY BOARD OF EDUCATION

SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED JUNE 30, 2013

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.

Auditee Response/Status: Unresolved. See current year finding 2013-01.

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.

Auditee Response/Status: Unresolved. See current year finding 2013-02.

CLAYTON COUNTY BOARD OF EDUCATION

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