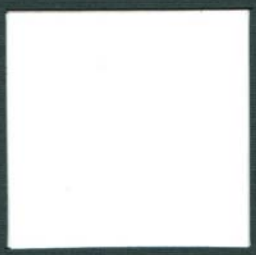
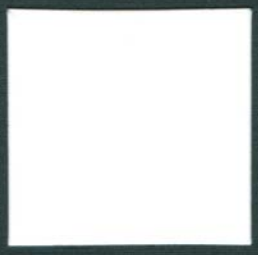
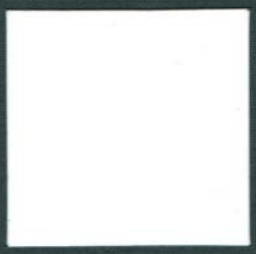
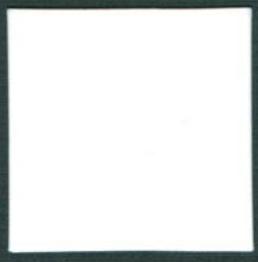
FULTON COUNTY SCHOOL DISTRICT ATLANTA, GEORGIA




Fulton County Schools
Where Students Come First

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FISCAL YEAR ENDED JUNE 30, 2011

Fulton County Schools
Where Students Come First

Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2011



State Bridge ES
David Hogan ~ 5th Grade



Creek View ES
Curtis McCelland~ 5th Grade



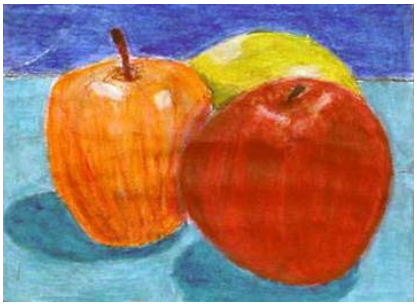
Heritage ES
Shundavia Holley ~ 5th Grade



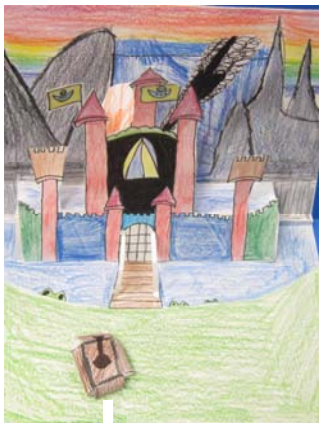
North Springs HS
Rebecca Galanti ~ 11th Grade



Gullatt ES
Harlon Durham ~ 4th Grade



Haynes Bridge MS
Laura Nelson~6th Grade



Esther Jackson ES
Joseph Peak ~5th Grade



High Point ES
Cassidy Davis ~ Kindergarten



Chattahoochee HS
Karolina Akimov ~ 12th Grade

Prepared by:
Fulton County Board of Education
Division of Financial Services
Robert A. Morales, Chief Financial Officer

ACKNOWLEDGEMENTS

On behalf of the Fulton County School Board of Education, the Superintendent, and the Financial Services Division, I am pleased to present the 2011 Comprehensive Annual Financial Report (CAFR). The cover, designed to resemble an art gallery, showcases the work of our extremely talented students in kindergarten through grade twelve.

I would like to thank the art teachers who submitted their student artwork for our financial report and to give special acknowledgement to the student artists who allowed us to share their prized and inspirational artwork. I must give special thanks to Ms. Jessica Booth, Coordinator of Art and Drama Education who has been so generous in assisting Financial Services with her artistic vision for this publication.

Finally, as Chief Financial Officer, I wish to acknowledge my appreciation to the members of the Financial Services Division who contributed to the development and the content of this report, and in particular, Ms. Monique Bonner and the Accounting Services staff.

Yours very truly,



Robert A. Morales
Chief Financial Officer

Fulton County Schools
Where Students Come First

STUDENT ARTWORK

David Hogan, Grade 5
Art Teacher, Marilyn Katz
State Bridge Crossing Elementary School
District 5

Curtis McClelland, Grade 5
Art Teacher, Nancy Reid
Creek View Elementary School
District 2

Shundavia Holley, Grade 5
Art Teacher, Kim Bryant
Heritage Elementary School
District 4

Rebecca Galanti, Grade 11
Art Teacher, Ashley Sweat
North Springs High School
District 7

Harlon Durham, Grade 4
Art Teacher, Melissa Hudson
Gullatt Elementary School
District 6

Laura Nelson, Grade 6
Art Teacher, Susan Schofield
Haynes Bridge Middle School
District 2

Joseph Peak, Grade 5
Art Teacher, Jacque Tiede
Esther Jackson Elementary Schol
District 1

Cassidy Davis, Kindergarten
Art Teacher, Michael Hunter
High Point Elementary School
District 3

Karolina Akimov, Grade 12
Art Teacher, Dorsey Sammataro
Chattahoochee High School
District 5

Fulton County Board of Education, Georgia
Comprehensive Annual Financial Report
For The Fiscal Year Ended June 30, 2011

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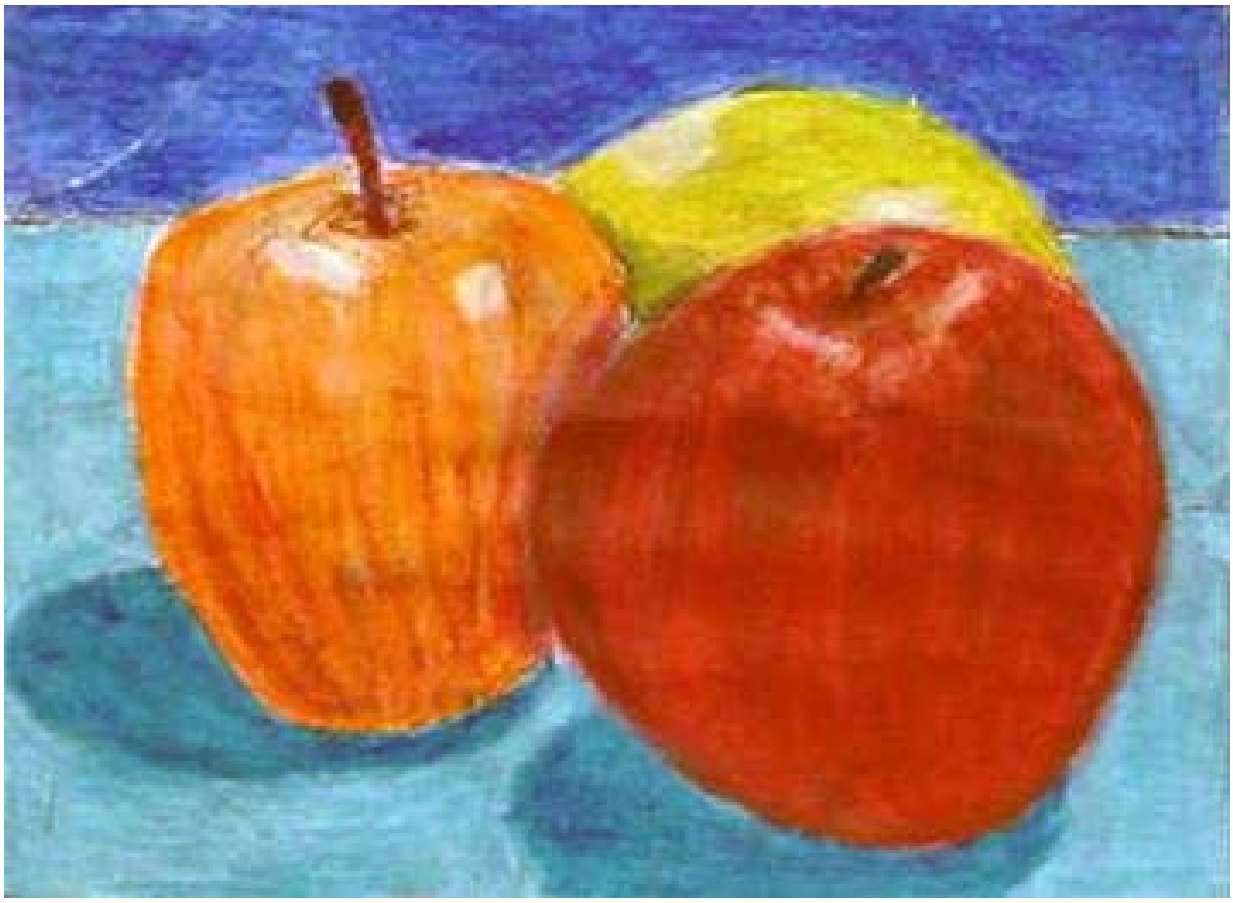
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Introductory Section



Haynes Bridge MS
Laura Nelson ~ 6th Grade

Fulton County Schools
Where Students Come First

Fulton County Schools
Where Students Come First

BOARD OF EDUCATION
Linda Schultz, *President*
Linda P. Bryant, *Vice President*
Julia C. Bernath • Gail Dean • Catherine Maddox
Linda McCain • Katie Reeves

Robert M. Avossa, Ed.D., *Superintendent*

December 20, 2011

To the Members of the Fulton County Board of Education,
the Citizens of Fulton County, Georgia and the Financial Community:

The ***Comprehensive Annual Financial Report*** (CAFR) of the Fulton County Board of Education, Georgia (the School District) for the fiscal year ended June 30, 2011, is submitted herewith. This report was prepared by the School District's Financial Services Division and is intended to fulfill the requirements for audit prescribed by Georgia Statutes for local boards of education. Also included in this CAFR is the A-133 report which is issued to fulfill Single Audit Requirements of Federal and State governments. Board management assumes full responsibility for the completeness and reliability of the information contained in this report, based on a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

The Financial Services Division prepared this report in conformance with standards of the Governmental Accounting Standards Board, the American Institute of Certified Public Accountants and the Government Finance Officers Association.

Mauldin & Jenkins, LLC, have issued an unqualified ("clean") opinion on the Board's financial statements for the fiscal year ended June 30, 2011. The independent auditor's report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) document immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

PROFILE OF THE BOARD

The School District's boundaries are coterminous with those of Fulton County, Georgia (the "County") (except the area within the corporate limits of the City of Atlanta, Georgia which constitutes the territory within the independent school district of the City of Atlanta). The School District reports one blended component unit, the "*Fulton County School Employees' Pension Fund*" and seven discretely presented component units, the School District's seven charter schools. The majority of the funding for the charter school districts is general state aid.

The School District serves the entire County area excluding the territory within the independent school district of the City of Atlanta. The School District is currently composed of 103 schools: 59 elementary schools (grades K-5), 19 middle schools (grades 6-8) and 14 high schools (grades 9-12), 2 open campus high schools, 2 second chance middle/high schools and 7 start-up Charter Schools for a total enrollment of approximately 91,864. The School District is governed by an elected seven-member Board of Education, the official policy-making body of the School District, and administered by an appointed Superintendent.

According to the Constitution of the State of Georgia, the School District is legally responsible for the operation of the School District and for establishing all related policies. The seated Board consists of seven members elected by the registered voters of the County from seven education districts within the County. A president and a vice-president are elected from the membership, and serve as such for a term of two years and one year respectively.

Day-to-day administration of the School District is the responsibility of the Superintendent, who is appointed by the Board for terms of office which may not be less than one year or greater than three years. The School Superintendent acts as the Secretary of the Board of Education, ex officio.

As of June 30, 2011, there were 6,882 certificated personnel servicing an active enrollment of 91,864 students in the various schools. Specialists are available in the fields of speech, hearing, vision, learning disabilities, emotionally disturbed, psychological testing, physically handicapped, mentally retarded, hospital-home bound, and gifted children.

All teachers in the School District hold Bachelor's degrees, many have Master's degrees, and some have Specialist's and Doctoral degrees. Most have a continuing interest in professional and personal growth through formal study and staff development workshops. All teachers are required to fulfill a continuing education requirement of 10 credit hours (either college courses or staff development courses) completed within a five-year period.

All schools in the School District are accredited by the Georgia Accrediting Commission and have met the requirements for the Standard Schools as set forth by the State of Georgia Department of Education. The School District is accredited by the SACS/CASI.

Fulton County has a land area of approximately 529 square miles. The terrain is rolling, and the elevation varies from 900 to 1,050 feet above sea level. The average temperature varies from 41 degrees in January to 79 degrees in July, with an average mean temperature of 61 degrees. Average annual rainfall is 50.77 inches.

LOCAL ECONOMY

The development of the fiscal year 2011 budget, which was approved on June 22, 2010, was a planned, orderly process, which evaluated the prioritization of available funds for provision of educational services for Fulton County students. The central focus of the approved fiscal year 2011 budget is student achievement as well as the teaching and learning process.

Both of our primary funding sources for the fiscal year 2011 budget have suffered, primarily because of the nationwide recession. Our major general fund revenue stream for operations is

property taxes; at the fund level we reported approximately $12 million less than in fiscal year 2010.

Our second major general fund revenue stream is state revenue through the "*Quality Basic Education*" Act funding. In fiscal year 2011, QBE state aid of approximately $276 million was up from fiscal year 2010 by $43 million or 18.3%. This increase relates to ARRA funds, which were used to replace QBE funds in fiscal year 2010. ARRA funds were not received in lieu of QBE funds in fiscal year 2011. If we added the QBE and ARRA funds together in fiscal year 2010, the total would be approximately $264 million.

Although the economic slowdown, additional state budget cuts, increased unfunded mandates and tax revenue challenges have put tremendous challenges on the School District and required the School District's Board of Education to amend the fiscal year 2011 original budget, the School District was nevertheless able to present a fiscal year 2011 amended budget focused on student achievement and the School District's mission, "where students come first." There will be continuing financial challenges for fiscal year 2012 and beyond.

LONG-TERM FINANCIAL PLANNING

The School District plans capital improvements as future capital needs arise due to increased student population and facility repair and maintenance needs. Specific capital expenditure plans are formalized in conjunction with individual general obligation bond issues and anticipated annual receipts of capital outlay funds from the State of Georgia Department of Education. The School District regularly monitors anticipated capital outlay needs.

In this fiscal year, the School District drafted financial policies that provide us with an infrastructure for our future financial management decisions. The topics addressed in these policies include:

- Operating budgets and equity reserve policies
- Capital improvement program policies
- Debt issuance and management policies (adopted in fiscal year 2010)
- Revenue administration policies
- Accounting, auditing and financial reporting policies
- Deposit and investment policies

The balance of these policies should be adopted in fiscal year 2012.

STRATEGIC INITIATIVES

Despite numerous budget changes for fiscal year 2011, the School District continues to focus on our key business of teaching and learning. We are continuing our current strategic initiatives and expand them as we seek to continually challenge each student to reach their fullest potential. Some of the continuing initiatives include:

- Improve science instruction
- Improve math instruction
- Integration of technology into instruction

- Development of a value-added performance measurement system for all schools
- Continue the programs of the Leadership Academy
- Meet with advisory councils
- Continue the initiative of the Fulton Institute of Technology to integrate science, technology engineering and mathematics.
- Continue working with the Teacher Advisory Council

AWARDS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Board for its CAFR for the fiscal year ended June 30, 2010. Additionally the Association of School Business Officials International (ASBO) awarded a Certificate of Excellence in Financial Reporting to the Board for the School District's CAFR for the fiscal year ended June 30, 2010.

This was the third year that the School District has submitted and received these prestigious awards. In order to receive these awards, 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. These awards are valid for a period of one year only. We believe that our current CAFR continues to meet GFOA and ASBO requirements, and we are submitting our 2011 CAFR to determine its eligibility for these certificates.

ACKNOWLEDGEMENTS

We wish to extend our appreciation to the auditing firm of Mauldin & Jenkins, LLC, for their professionalism in conducting the audit of the School District's basic financial statements and related note disclosures.

We also wish to express our appreciation to Ms. Monique Bonner, Executive Director of Accounting Services, and to the entire staff of the Financial Services Division whose dedicated efforts have enabled this report to be prepared. We especially like to recognize the students of the School District for providing the beautiful artwork for our Comprehensive Annual Financial Report.

In closing, sincere gratitude is expressed to the Board of Education for their unfailing support for maintaining the highest standards of professionalism in the management of the Schools District's finances. To the citizens of Fulton County School District please accept our gratitude for your support of our successful School District.

Respectfully Submitted,

Robert M. Avossa, Ed.D.
Superintendent

Robert A. Morales
Chief Financial Officer

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Fulton County Board of Education

Georgia

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2010

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



Linda C. Davidson

President

Jeffrey R. Esser

Executive Director

ASSOCIATION OF SCHOOL BUSINESS OFFICIALS INTERNATIONAL

This Certificate of Excellence in Financial Reporting is presented to

FULTON COUNTY BOARD OF EDUCATION

For its Comprehensive Annual Financial Report (CAFR)
For the Fiscal Year Ended June 30, 2010

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

Chuck Limbaugh
President

John D. Musso
Executive Director

vi

Fulton County Board of Education, Georgia

Elected School Board

(In Office as of June 30, 2011)

Linda Schultz, President
In office since January 2005
Current term expires December 2012

Linda Bryant, Vice-President
In office since January 1993
Current term expires December 2012

Julia Bernath
In office since January 2000
Current term expires December 2014

Gail Dean
In office since January 2001
Current term expires December 2012

Catherine Maddox
In office since January 2007
Current term expires December 2014

Linda McCain
In office since January 2011
Current term expires December 2014

Katie Reeves
In office since January 1999
Current term expires December 2014

Board of Education
2010-2011



Linda Schultz
President - District 1



Linda Bryant
Vice President - District 4



Gail Dean
District 3



Katie Reeves
District 2



Catherine Maddox
District 6



Julia Bernath
District 7



Linda McCain
District 5



Robert M. Avossa, Ed.D.
Superintendent
Fulton County School System

Dr. Robert Avossa became Superintendent of the Fulton County School System in June 2011. As Superintendent, he is responsible for the leadership, administration and management of approximately 93,000 students, 100 schools, 13,500+ employees, and an $819.5 million general fund budget.

Before coming to Fulton County Schools, Dr. Avossa served as Chief Strategy and Accountability Officer for Charlotte-Mecklenburg Schools in North Carolina, one of the largest systems in the country. In that role, he led the district in driving key performance management initiatives. He also previously served as one of the district's area superintendents and as Chief of Staff to the superintendent, and before that spent more than a decade in Florida as a teacher and principal.

Dr. Avossa has a diversity of experience with key roles at the elementary, middle and high school levels. He has been a teacher in middle and high schools, principal of a large Title I elementary school, and the principal of a comprehensive high school with more than 3,250 students. His work in these positions earned Avossa the designation as Young Educator of the Year in 2003.

Dr. Avossa holds a bachelor's degree in exceptional education and behavior disorders as well as a master's degree in special education, both from the University of South Florida. He also holds a specialist's degree in educational leadership from Nova Southeastern University, and a doctorate from Wingate University.

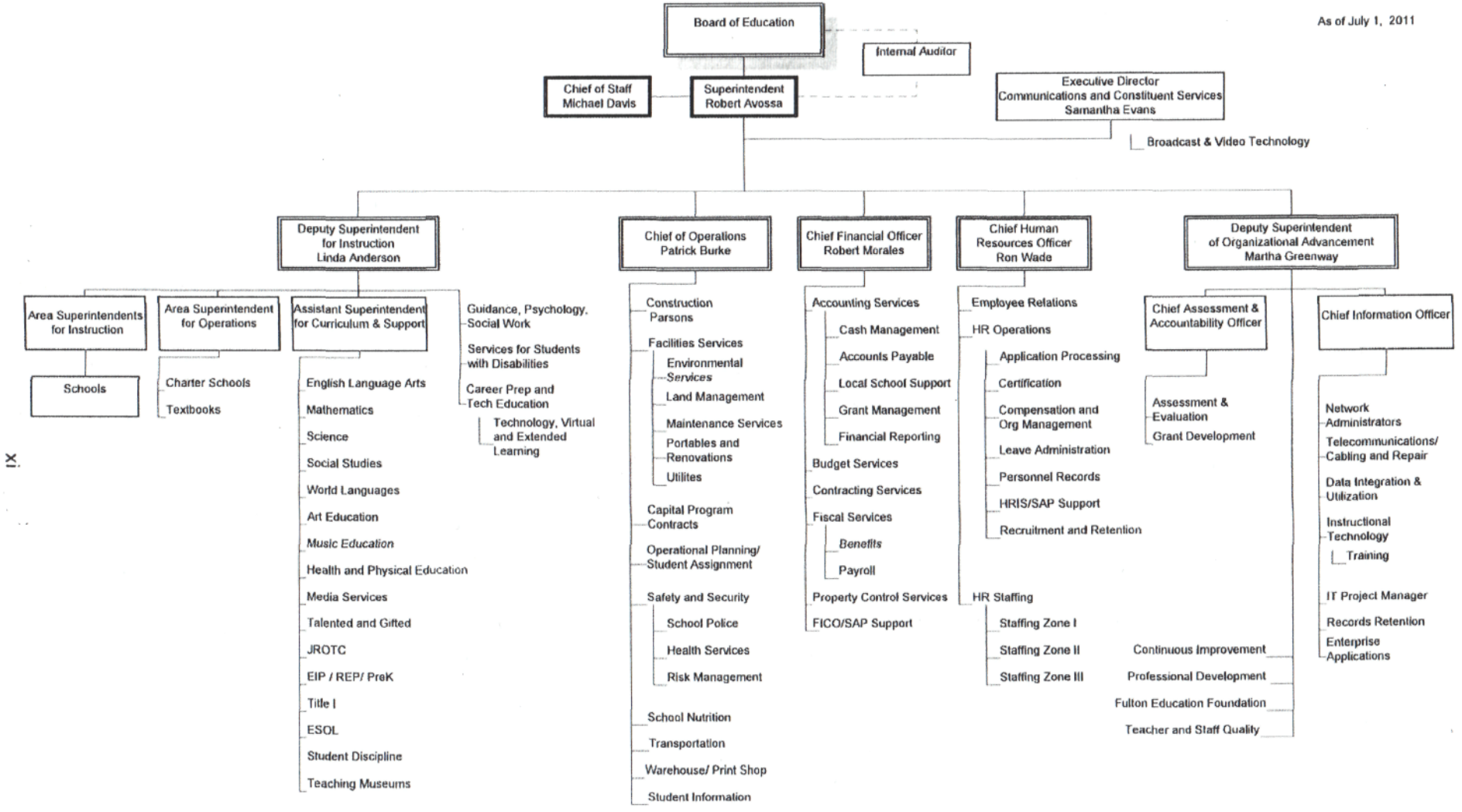
He and his wife, Kellee, have two young children who attend Fulton County schools.

Fulton County
Board of Education, Georgia

Appointed Principal Officials

June 30, 2011

Name	Position
Robert M. Avossa	Superintendent
Linda Anderson	Deputy Superintendent of Instruction
Martha Greenway	Deputy Superintendent of Organizational Advancement
Patrick Burke	Chief Operations Officer
Robert A. Morales	Chief Financial Officer
Michael A. Davis	Chief of Staff
Ron Wade	Chief Human Resources Officer


As of July 1, 2011
Board of Education
Internal Auditor
Chief of Staff
Michael Davis
Superintendent
Robert Avossa
Executive Director
Communications and Constituent Services
Samantha Evans
Broadcast & Video Technology
Deputy Superintendent
for Instruction
Linda Anderson
Chief of Operations
Patrick Burke
Chief Financial Officer
Robert Morales
Chief Human
Resources Officer
Ron Wade
Deputy Superintendent
of Organizational Advancement
Martha Greenway
Area Superintendents
for Instruction
Schools
Area Superintendent
for Operations
Charter Schools
Textbooks
Assistant Superintendent
for Curriculum & Support
English Language Arts
Mathematics
Science
Social Studies
World Languages
Art Education
Music Education
Health and Physical Education
Media Services
Talented and Gifted
JROTC
EIP / REP/ PreK
Title I
ESOL
Student Discipline
Teaching Museums
Guidance, Psychology,
Social Work
Services for Students
with Disabilities
Career Prep and
Tech Education
Technology, Virtual
and Extended
Learning
Construction
Parsons
Facilities Services
Environmental
Services
Land Management
Maintenance Services
Portables and
Renovations
Utilites
Capital Program
Contracts
Operational Planning/
Student Assignment
Safety and Security
School Police
Health Services
Risk Management
School Nutrition
Transportation
Warehouse/ Print Shop
Student Information
Accounting Services
Cash Management
Accounts Payable
Local School Support
Grant Management
Financial Reporting
Budget Services
Contracting Services
Fiscal Services
Benefits
Payroll
Property Control Services
FICO/SAP Support
Employee Relations
HR Operations
Application Processing
Certification
Compensation and
Org Management
Leave Administration
Personnel Records
HRIS/SAP Support
Recruitment and Retention
HR Staffing
Staffing Zone I
Staffing Zone II
Staffing Zone III
Chief Assessment &
Accountability Officer
Assessment &
Evaluation
Grant Development
Continuous Improvement
Professional Development
Fulton Education Foundation
Teacher and Staff Quality
Chief Information Officer
Network
Administrators
Telecommunications/
Cabling and Repair
Data Integration &
Utilization
Instructional
Technology
Training
IT Project Manager
Records Retention
Enterprise
Applications

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Financial Section



Heritage ES
Shundavia Holley ~ 5th Grade

Fulton County Schools
Where Students Come First

MAULDIN & JENKINS
CERTIFIED PUBLIC ACCOUNTANTS, LLC

INDEPENDENT AUDITOR'S REPORT

To the Superintendent and Members of the
Fulton County Board of Education
Atlanta, Georgia

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the **Fulton County Board of Education** (the "School System") as of and for the fiscal year ended June 30, 2011, which collectively comprise the School System's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the School System's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of Amana Academy, Inc.; Fulton Educational Services, Inc.; Fulton Science Academy, Inc.; Georgia Magnet Charter Schools Foundation, Inc.; Fulton Sunshine Academy, Inc.; Main Street Academy, Inc.; and Kipp South Fulton Academy, Inc.; which are discretely presented component units and, all together represent 100% and 100%, respectively, of the assets and revenues of the discretely present component units. The financial statements of the discretely presented component units detailed above were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for those financial statements, is solely based upon the reports of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The financial statements of the School System's discretely presented component units including: Amana Academy, Inc.; Fulton Educational Services, Inc.; Fulton Science Academy, Inc.; Georgia Magnet Charter Schools Foundation, Inc.; Fulton Sunshine Academy, Inc.; Main Street Academy, Inc.; and Kipp South Fulton Academy, Inc.; were not audited in accordance with *Government Auditing Standards*. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the reports of other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Fulton County Board of Education as of June 30, 2011, and the respective changes in financial position and the budgetary comparison for the General Fund for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 1, the School System implemented Governmental Accounting Standards Board (GASB) Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, as of July 1, 2010.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 19, 2011, on our consideration of the Fulton County Board of Education's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of Americar require that the Management's Discussion and Analysis and Schedules of Funding Progress and Employer Contributions (on pages 4 through 15 and 54) be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Fulton County Board of Education's basic financial statements. The other supplementary information and schedules, as listed in the accompanying table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations,* and is also not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School System's basic financial statements. The introductory, statistical, and special reports sections, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Mauldin & Jenkins, LLC

Atlanta, Georgia
December 19, 2011

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MANAGEMENT'S

DISCUSSION

AND ANALYSIS

MANAGEMENT'S DISCUSSION AND ANALYSIS

Within this section of Fulton County Board of Education, Georgia's (the "School System") comprehensive annual financial report, the School System's management is pleased to provide this narrative discussion and analysis of the financial activities of the School System for the fiscal year ended June 30, 2011. The School System's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section.

Financial Highlights

- The School System's assets exceeded its liabilities by $1,820,493,404 (net assets) at June 30, 2011.

- Total net assets are comprised of the following:

  (1) Capital assets, net of related debt of $1,506,586,721 include property and equipment, net of accumulated depreciation, and reduced for outstanding debt related to the purchase or construction of capital assets.
  (2) Net assets restricted of $66,393,409 by constraints imposed from outside the School System such as debt covenants, grantors, laws, or regulations.
  (3) Unrestricted net assets of $247,513,274 represent the portion available to maintain the School System's continuing obligations to citizens and creditors.

- The School System's governmental funds reported total ending fund balance of $269,129,579 this fiscal year. This compares to the prior fiscal year ending fund balance of $126,443,484 an increase of $142,686,095 during the current fiscal year.

- At the end of the current fiscal year, unassigned fund balance for the general fund was $41,122,880 or 5.5% of total general fund expenditures. The fiscal year 2011 unassigned fund balance shows a $70,302,546 decrease from the prior fiscal year amount.

- Overall, the School System continues to maintain a positive financial position in spite of the recessionary economy.

The above financial highlights are explained in more detail in the "financial analysis" section of this document.

Overview of the Financial Statements

This Management Discussion and Analysis document introduces the School System's basic financial statements. The basic financial statements include: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. The School System also includes in this report additional information to supplement the basic financial statements. Comparative data is presented when available.

Government-wide Financial Statements

The School System's annual report includes two government-wide financial statements. These statements provide both long-term and short-term information about the School System's overall financial status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in accrual accounting and elimination or reclassification of activities between funds.

The first of these government-wide statements is the *Statement of Net Assets.* This is the government-wide statement of position presenting information that includes all of the School System's assets and liabilities, with the difference reported as *net assets.* Over time, increases or decreases in net assets may serve as a useful indicator of the financial position of the School System as a whole. Evaluation of the overall health of the School System would extend to other nonfinancial factors such as diversification of the taxpayer base, in addition to the financial information provided in this report.

The second government-wide statement is the *Statement of Activities*, which reports how the School System's net assets changed during the current fiscal year. All current fiscal year revenues and expenses are included regardless of when cash is received or paid. An important purpose of the design of the Statement of Activities is to show the financial reliance of the School System's distinct activities or functions on revenues provided by the School System's taxpayers.

Both government-wide financial statements distinguish governmental activities of the School System that are principally supported by sales taxes and from business-type activities that are intended to recover all or a significant portion of their costs through user fees and charges. Governmental activities include regular instruction, specialized instruction and numerous supporting services such as school administration and the operation and maintenance of the schools.

The government-wide financial statements are presented on pages 16 & 17 of this report.

Fund Financial Statements

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The School System uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the School System's most significant funds rather than the School System as a whole. Major funds are separately reported while all others are combined into a single, aggregated presentation. Individual fund data for nonmajor funds is provided in the form of combining statements in a later section of this report.

The School System has two kinds of funds:

Governmental funds are reported in the fund financial statements and encompass the same functions reported as governmental activities in the government-wide financial statements. However, the focus is very different with fund statements providing a distinctive view of the School System's governmental funds. These statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the fiscal year. Fund financial statements are useful in evaluating annual financing requirements of governmental programs and the commitment of current spendable resources.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances (known as an operating statement) provide a reconciliation to assist in understanding the differences between these two perspectives.

The basic governmental fund financial statements, including the general fund's budgetary statement are presented on pages 18-22 of this report.

Individual fund information for nonmajor governmental funds is found in combining and individual statements and schedules in a later section of this report.

The other fund type, *fiduciary funds,* is used to account for the School System's pension trust fund and school activity accounts. These statements are presented on pages 23-24.

Notes to the Basic Financial Statements

The accompanying notes to the basic financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements begin on page 27 of this report.

As discussed, the School System reports major funds in the basic financial statements.

Required Supplementary Information

This section includes some trend information for the School District's pension trust fund. This information is presented on page 54.

Supplementary Information

This final section of the financial report includes combining and individual statements and schedules for the general fund, capital projects funds, the pension trust fund and agency funds, the nonmajor special revenue funds, debt service fund, and the permanent fund beginning on page 55.

Financial Analysis of the School System as a Whole

The School System's net assets at fiscal year-end are $1,820,493,404. The following table provides a summary of the School System's net assets (*in thousands*):

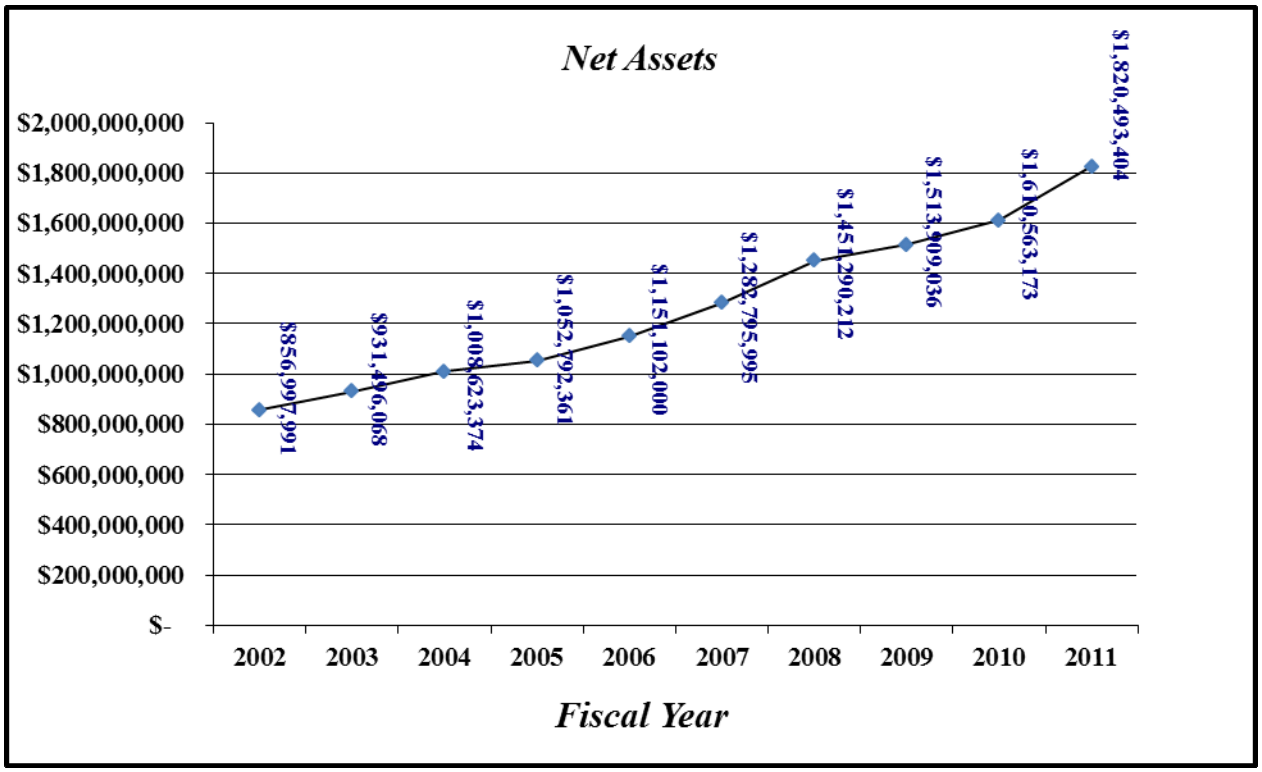
	2011		2010	
	Governmental Activities	Percentage of Total	Governmental Activities	Percentage of Total
Assets:				
Current assets	$ 479,690	22%	$ 367,971	18%
Noncurrent:				
Net pension asset	13,136	1%	13,632	1%
Capital assets	1,640,957	77%	1,629,789	81%
Total assets	2,133,783	100%	2,011,392	100%
Liabilities:				
Current liabilities	187,863	60%	256,850	64%
Long-term liabilities	125,427	40%	143,979	36%
Total liabilities	313,290	100%	400,829	100%
Net assets:				
Invested in capital assets, net of related debt	1,506,587	83%	1,480,029	92%
Restricted	66,393	4%	63,636	4%
Unrestricted	247,513	13%	66,898	4%
Total net assets	$ 1,820,493	100%	$ 1,610,563	100%

The School System continues to maintain a high current ratio. The current ratio compares current assets to current liabilities and is an indication of the ability to pay current obligations. The current ratio for governmental activities is 2.6 to 1 at June 30, 2011 versus 1.4 to 1 at June 30, 2010.

The School System reported a positive balance in net assets for its governmental activities. Net assets increased $209,930,231 for governmental activities.

Note that 82.8% of the governmental activities' net assets are tied up in capital. The School System uses these capital assets to provide services to its citizens.

The following chart reports the total net asset balances from fiscal year 2002 - 2011.



Total net assets for the School System have grown approximately $963 million or 112.4% from fiscal year 2002 to fiscal year 2011.

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The following table provides a summary of the School System's changes in net assets *(in thousands)*:

Summary of Changes in Net Assets

	2011		2010	
	Governmental Activities	**Percentage of Total**	**Governmental Activities**	**Percentage of Total**
Revenues:				
Program:				
Charges for services	$ 23,918	2.1%	$ 24,726	2.3%
Operating grants	384,232	34.0%	358,798	33.8%
Capital grants	21,155	1.9%	14,705	1.4%
General:				
Taxes	695,905	61.6%	660,469	62.2%
Other	4,065	0.4%	2,434	0.3%
Total revenues	1,129,275	100.0%	1,061,132	100.0%
Program Expenses:				
Instruction	575,720	62.6%	607,908	63.0%
Pupil services	27,110	3.0%	33,130	3.4%
Improvement of instructional services	25,631	2.8%	32,287	3.3%
Educational media services	14,857	1.6%	15,991	1.7%
General administration	4,429	0.5%	5,602	0.6%
School administration	50,080	5.5%	52,756	5.5%
Business administration	14,984	1.6%	14,106	1.5%
Maintenance and operation of plant	68,072	7.4%	73,508	7.6%
Student transportation services	47,830	5.2%	43,543	4.5%
Central services	12,960	1.4%	14,924	1.5%
Other support services	28,738	3.1%	18,561	1.9%
Food service operations	40,203	4.4%	41,183	4.3%
Interest	8,731	0.9%	10,979	1.1%
Total expenses	919,345	100.1%	964,478	100.0%
Change in net assets	209,930		96,654	
Beginning net assets	1,610,563		1,513,909	
Ending net assets	$ 1,820,493		$ 1,610,563	

GOVERNMENTAL REVENUES

The School System's primary revenue sources are property taxes and state aid, primarily the Quality Basic Education aid (QBE). The School System also is reliant on property taxes to support educational operations and capital outlay. Property taxes provided 47.5% of the School System's total governmental revenues as compared to 50.8% in fiscal year 2010.

State and federal aid recognized for operating purposes (excluding capital outlay) total 34% of total revenue as compared to 33.1% in fiscal year 2010.

In the State of Georgia, the general state aid, known as Quality Basic Education aid (QBE) is classified as program revenue. The QBE aid is distributed based upon enrollments and a certain amount of this aid must be expended in certain expense functions, as well as an amount on salaries and an amount on operations. In fiscal year 2011, the School System recognized approximately $276 million or 24.4% of total revenues as compared to approximately $233 million or 22% in fiscal year 2010. The reason for this change is explained in the governmental activities financial analysis, presented later in this document.

In addition, the School System earned $814,784 in interest to support educational activities in its governmental funds. Also, note that program revenues cover approximately 46.7% of governmental operating expenses. This means that the government's taxpayers, through property taxes and sales taxes, fund 53.3% of the governmental activities.

The School System recorded over $159 million in special purpose local option sales taxes (SPLOST) during the current fiscal year. In March 2007, a referendum was approved authorizing a 1% special purpose local option sales tax, which commenced July 1, 2007 and will expire June 30, 2012. These taxes are used for acquiring school sites, constructing and equipping new school facilities, and renovating existing facilities.

GOVERNMENTAL FUNCTIONAL EXPENSES

The following table presents the cost of each of the School System's programs, including the net costs (i.e., total cost less revenues generated by the activities). The net costs illustrate the financial burden that was placed on the School System's taxpayers by each of these functions.

The instruction function makes up 62.6% of total expenses or almost $576 million. The School System spends an additional $67 million on direct instructional support, including pupil services, improvement of instructional services and educational media services. The administration costs of operating 96 schools are approximately $50 million. The operation and maintenance of the School System's buildings costs approximately $68 million.

The school nutrition program gross expenses are over $40 million and this program lost approximately $581,000 after meal charges, state, and federal aid. Finally, operating approximately 960 buses costs the School System over $47 million.

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The following table compares total cost and net cost for the last two fiscal years:

Governmental Activities

	Total Cost of Services		Net Cost of Services	
	2011	**2010**	**2011**	**2010**
Instruction	$ 575,720	$ 607,908	$ 261,446	$ 327,327
Pupil	27,110	33,130	20,491	24,932
Improvement of instructional services	25,631	32,287	10,265	13,237
Educational media services	14,857	15,991	6,700	7,884
General administration	4,429	5,602	1,867	3,368
School administration	50,080	52,756	36,121	39,512
Business administration	14,984	14,106	14,742	13,873
Maintenance and operation of plant	68,072	73,508	48,849	55,295
Student transportation services	47,830	43,543	40,838	37,853
Central services	12,960	14,924	12,398	14,302
Other support services	28,738	18,561	26,822	17,569
Food service operations	40,203	41,183	770	118
Interest	8,731	10,979	8,731	10,979
Total	$ 919,345	$ 964,478	$ 490,040	$ 566,249

Although the instruction function makes up 62.6% of total gross costs in fiscal year 2011, it is 53.3% of net costs. This reduction relates to the QBE aid reported as a program-operating grant and state aid capital grants for school construction.

Financial Analysis of the School System's Funds

Governmental Funds

As discussed, governmental funds are reported in the fund statements with a short-term, inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the fiscal year in comparison with upcoming financing requirements. Governmental funds reported ending fund balances of $269,129,579. Of this fiscal year-end total, $67,980,411 is legally restricted, $9,111,797 for capital outlay, $47,747,552 for debt service and $11,121,062 primary for state and federal funds. $122,927,608 is committed, primarily for safeguards set aside to protect the School System against economic recessions.

Finally, $43,302,590 is assigned, most of which is included in the subsequent years budget to balance it. $33,652,504 is unassigned for future educational purposes.

Major Governmental Funds

General Fund - The general fund is the School System's primary operating fund and the largest source of day-to-day service delivery. The general fund's fund balance increased by $95,927,652 or 83.9%, over the fiscal year 2010 amount.

The property taxes decreased approximately $12 million or 2.1% from the fiscal year 2010 amount. For fiscal year 2011, the millage was 18.502 mills. However, in fiscal year 2011, the tax digest was reduced 5.1%, due to a shrinking economy.

In fiscal year 2011, QBE state aid of approximately $276 million was up from fiscal year 2010 by $43 million or 18.5%. This increase relates to ARRA funds, which were used to replace QBE funds in fiscal year 2010. ARRA funds were not received in lieu of QBE funds in fiscal year 2011. The total of QBE and ARRA funds for FY2010 was approximately $264 million.

Federal revenues were down approximately $12.4 from fiscal year 2010. The ARRA state fiscal stabilization funds (i.e., the Federal stimulus package) recognized in fiscal year 2010 was not duplicated in current fiscal year (i.e., $30.7 million). However, in fiscal year 2011, the School System recognized $16.4 million for the Education Jobs Fund.

Total revenues increased $18.8 million or 2.3% over the School System's fiscal year 2010 revenues.

On the expenditure side, total general fund expenditures, decreased $34.6 million or 4.4%. In addition, the fiscal year 2010 transfer to the debt service fund of $18.8 was not made in this fiscal year.

In fiscal year 2011, all School System employees were furloughed three days, which resulted in approximately a $10.3 million savings, which was spread over all expenditure functions.

Direct instruction expenditures decreased $29 million or 5.6%. This decrease relates to the following reasons in addition to the above-mentioned furloughs:

- Eliminated elementary school band and orchestra
- Eliminated grades 1-3 regular education paraprofessionals
- Increased class sizes across all grade levels to state maximum allowed level
- Adjust counselor position allocations at all levels

Pupil services fiscal year 2011 costs were approximately $4.1 million less than the prior fiscal year due to the above-mentioned furloughs and a 25% reduction in both school psychologists and social workers.

Maintenance and operation of plant costs were down $4.8 million from fiscal year 2010, due to the above-mentioned furloughs and:

- Increased custodial work areas in square footage from 25,000 square feet to 30,000 square feet per custodian
- Implemented portable removal reduction plan with custodial reductions

Other support services increased by approximately $9 million, primarily due to an increase in the payments of QBE revenue to our charter schools, which include two additional schools in fiscal year 2011.

Most other expenditure functions were consistent with the fiscal year 2010 amounts.

The general fund's ending unassigned fund balance represents the equivalent of 5.5% of annual expenditures. The unassigned fund balance was 14.2% of annual expenditures at June 30, 2010. Much of this difference relates to the establishment of certain commitments relating to preserving the economic health of the School System.

2002 SPLOST Capital Projects Fund –There were no sales taxes collected in fiscal year 2011. $1.7 million was spent on construction during fiscal year 2011 leaving a fund balance of $9.1 million available for future construction costs.

2007 SPLOST Capital Projects Fund – On March 20, 2007, the voters approved a special purpose local option sales tax for a period of five years with an estimated budget of $826,700,000 for building construction and renovation and $90,200,000 for debt service. During fiscal year 2011, this fund expended approximately $72.9 million on construction. In this fiscal year, this fund recognized over approximately $130 million in sales taxes and approximately $13.2 million in state aid for

construction. At June 30, 2011, this fund reported a fund balance deficit of $7.4 million, which will be eliminated with the collection of future sales tax revenues.

Debt Service Fund – The fiscal year 2011 debt service expenditures of approximately $23.9 million were funded primarily by a transfer of sales taxes from the 2007 SPLOST Capital Projects Fund. At June 30, 2011, this fund reported a fund balance of approximately $47.7 million.

General Fund Budgetary Highlights

The revenue budget was amended upward approximately $34 million or a 4.2% increase.

The amendment to the federal revenues of $19 million relates primarily to Education Jobs Fund, of which $614,828 was sent to charter schools and the School System spent the remaining $15.8 million. The state revenue budget was amended upward approximately $32.2 million as explained above. The property taxes budget was amended downward to better match the budget to actual revenues.

The increase in the state aid over the 2010 amount and the decrease in property taxes are explained above. The School System recognized 101% of the total final revenue budget.

The expenditure side of the original budget for the general fund was revised upward approximately $10.3 million or 1.3%. The budget for the instruction function was increased by $4.3 million.

Most other functions actual were close to the final budget amounts. Only the general administration function exceeded its budget by just $79,836.

Overall, the School System spent 94.9% of the final expenditure budget as compared to 96.6% in fiscal year 2010. All efforts were made to reduce costs in fiscal year 2011.

Capital Assets and Debt Administration

Capital Assets

The School System's investment in capital assets, net of accumulated depreciation, for governmental activities as of June 30, 2011, was $1,640,956,721. The total increase was $11,167,348 in the net investment or .7%. See Note 3-D for additional information about changes in capital assets during the current fiscal year and outstanding balances at the end of the fiscal year.

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The following table provides a summary of capital asset activity.

Capital Assets
Governmental Activities

	Amounts		Percentage of Total	
	2011	**2010**	**2011**	**2010**
Nondepreciable assets:				
Land	$ 216,927,343	$ 216,054,826	77%	90%
Construction in progress	65,844,567	24,504,445	23%	10%
Total nondepreciable	282,771,910	240,559,271	100%	100%
Depreciable assets:				
Buildings and improvements	1,788,724,096	1,770,279,767	95%	95%
Machinery, equipment and vehicles	85,505,266	85,805,029	5%	5%
Total depreciable assets	1,874,229,362	1,856,084,796	100%	100%
Less accumulated depreciation	516,044,551	466,854,694		
Book value - depreciable assets	1,358,184,811	1,389,230,102		
Percentage depreciated	28%	25%		
Book value - all assets	$ 1,640,956,721	$ 1,629,789,373		

At June 30, 2011, the depreciable capital assets for governmental activities were 28% depreciated. This compares slightly larger than the June 30, 2010 percentage. This comparison indicates that the School System is replacing its assets at almost the same rate as they are depreciating which is a positive indicator.

The major projects included in the construction in progress account are as follows:

- Banneker High School replacement ($16 million)
- Bethany Bend High School ($20.6 million)
- Ridgeview Middle School replacement ($2.6 million)
- Woodland Charter Elementary School – ($1.8 million)
- Centennial High School ($1.6 million)
- Creekside High School ($1.6 million)
- Chattahoochee High School ($1.5 million)
- Alpharetta Elementary School ($1.2 million)
- Haynes Bridge Middle School ($1 million)

Building projects totaling over $18.4 million were completed in 2011. The major projects were:

- Feldwood Elementary School ($13.7 million)
- Approximately $4.7 million in various renovations and additions to schools throughout the District

Long-term Debt

At June 30, 2011, there were two general obligation bond issues outstanding, totaling $134,370,000. The School System retired $15,390,000 or 10.3% of the outstanding bonds in fiscal year 2011. The following table presents the outstanding long-term debt balances at June 30, 2011 and 2010:

Outstanding Borrowings

	Governmental Activities		% Change
	2011	2010	
1991 general obligation bonds	$ 42,405,000	$ 50,895,000	-16.7%
1998 general obligation bonds	91,965,000	98,865,000	-7.0%
Workers' compensation	5,392,647	5,849,042	-7.8%
Other claims and judgments	1,286,563	4,384,963	-70.7%
Compensated absences	29,822,933	29,200,462	2.1%
Total	$ 170,872,143	$ 189,194,467	-9.7%

The School System owes employees $29.8 million for compensated absences. The liability increased just $622,471 or 2.1% in fiscal year 2011.

See note 3-I for additional details regarding the School System's long-term debt.

Economic Conditions Affecting the School System

Fiscal Year 2011 Budget - The 2011 budget was presented to the public on April 22, 2010 and was adopted by the Board of Education at the June 22, 2010 regular monthly board meeting. The central focus of this approved budget was on student achievement as well as the teaching and learning process.

The fiscal year 2011 budget includes substantial expenditure reductions from the current budget year. The most significant reductions result from:

- increases in class sizes across all grade levels to the state maximum level;
- no cost of living or longevity increases for any staff; the reduction of 10% of central office non-personnel costs;
- reduction in force in expenditures; mandated three furlough days for all employees;
- elimination of elementary school band and orchestra;
- elimination of grades 1 through 3 regular education paraprofessionals;
- an increase of square footage from 25,000 square feet to 30,000 square feet per custodian.

These items, together with other reductions, amount to approximately $77.8 million in savings.

On the revenue side, the general fund millage rate increased from 17.502 mills to 18.502 mills. The debt service millage rate remains at zero because for the next two years the annual debt service principal and interest payments will be made from special purpose local option sales tax ("SPLOST") as outlined and approved by voters in 2007. In addition, there are funds reserved in an escrow account that will pay the debt service principal and interest payments for 2013 and 2014. The total increase to the millage rate of 1.0 mill will support general fund operations and offset state budget cuts in our revenue.

Because of the continuing state revenue issues, the Board of Education adopted a collection rate of 92% for QBE funding. This rate reduced state revenue expectations by $32 million. The additional millage for operations is estimated to total approximately $28.7 million.

Because of the initially budgeted (8%) mid-year state cuts in revenue that did not occur, and the revised expected tax collections, and $10 million of the $16 million Educational Jobs Funds, the School District had to make appropriate adjustments to the original fiscal year 2011 budget. Several budget meetings were held again in order to reprioritize the needs of the School District, and decisions were made for the additional revenue to be used to increase the general fund balance in planning for fiscal year 2012.

Fiscal Year 2012 Budget – The fiscal year 2012 budget was adopted by the Board of Education at the June 7, 2011. This budget was developed using an open, transparent and all-inclusive process, which solicited input at different stages of the budget development process from budget stakeholders. The 2012 budget increased expenditure levels over the 2011 budget. The most significant increases included:

- The adoption of a language arts textbook program ($20 million)
- The elimination of furlough days ($9.6 million)
- Re-establishing an instructional reserve ($4.9 million)
- Increases in related to enrollment growth ($1 million)

On the revenue side, the millage rate remained the same as that included in the fiscal year 2011 budget. The 2012 budget included a 7.35% reduction in residential and commercial assessed values.

Contacting the School System's Financial Management

This financial report is designed to provide a general overview of the School System's finances, comply with finance-related laws and regulations, and demonstrate the School System's commitment to public accountability. If you have questions about this report or would like to request additional information, contact the School System's Chief Financial Officer at the Administrative Center, 786 Cleveland Avenue, SW, Atlanta, Georgia 30315.

BASIC FINANCIAL STATEMENTS

Fulton County Board of Education, Georgia
Statement of Net Assets
June 30, 2011

	Governmental Activities	Component Units
Assets		
Current Assets		
Cash and cash equivalents	$ 314,275,430	$ 6,463,149
Investments	28,037,365	-
Receivables (net):		
Accounts	455,918	697,687
Property taxes	18,161,909	-
Sales taxes	44,672,849	-
Intergovernmental	72,823,565	-
Deposits	-	213,775
Prepaid items	466,468	75,705
Inventory	796,744	-
Other	-	213,532
Total Current Assets	479,690,248	7,663,848
Noncurrent Assets		
Net pension assets	13,135,779	-
Capital assets		
Nondepreciable	282,771,910	1,381,409
Depreciable, net	1,358,184,811	20,359,070
Total Noncurrent Assets	1,654,092,500	21,740,479
Total Assets	2,133,782,748	29,404,327
Liabilities		
Current Liabilities		
Accounts payable	28,026,047	1,428,635
Accrued salaries and benefits payable	102,463,589	-
Other payable	3,744,567	-
Retainage payable	4,426,587	-
Accrued interest payable	2,923,000	-
Unearned revenue	833,411	-
Workers compensation insurance claims payable	2,696,323	-
Other claims and judgments payable	237,765	-
Compensated absences payable	26,840,638	-
Capital leases payable	-	11,841
Notes payable	-	68,851
General obligation bonds payable	15,670,000	-
Total Current Liabilities	187,861,927	1,509,327
Long-Term Liabilities: (net of current portion)		
Workers compensation insurance claims payable	2,696,324	-
Other claims and judgments payable	1,048,798	-
Compensated absences payable	2,982,295	-
Capital leases payable	-	16,980
Notes payable	-	14,423,381
Cash flow hedge	-	598,248
General obligation bonds payable	118,700,000	-
Total Long-Term Liabilities	125,427,417	15,038,609
Total Liabilities	313,289,344	16,547,936
Net Assets		
Invested in capital assets, net of related debt	1,506,586,721	6,664,178
Restricted for:		
Capital projects	9,111,797	-
Debt service	47,747,552	-
School nutrition program	6,344,286	-
School nutrition program - nonspendable	796,744	-
Permanent fund - nonspendable	3,254	-
Program purposes	2,389,776	-
Unrestricted	247,513,274	6,192,213
Total Net Assets	$ 1,820,493,404	$ 12,856,391

See accompanying notes to the basic financial statements

Fulton County Board of Education, Georgia
Statement of Activities
For the Fiscal Year Ended June 30, 2011

Function	Expenses	Program Revenues: Charges for Services and Sales	Program Revenues: Operating Grants, Contributions and Interest	Program Revenues: Capital Grants Contributions and Rest. Interest	Net (Expense) Revenue and Changes in Net Assets in Net Assets: Governmental Activities	Net (Expense) Revenue and Changes in Net Assets in Net Assets: Component Units
Primary Government						
Governmental Activities						
Instruction	$ 575,719,921	$ 8,332,257	$ 286,776,710	$ 19,165,060	$ (261,445,894)	$ -
Support services						
Pupil services	27,110,229	14,500	6,604,012	-	(20,491,717)	-
Improvement of instructional services	25,630,739	-	15,365,424	-	(10,265,315)	-
Educational media services	14,856,550	-	7,625,455	530,698	(6,700,397)	-
General administration	4,428,698	-	2,562,084	-	(1,866,614)	-
School administration	50,080,091	-	13,561,430	398,024	(36,120,637)	-
Business administration	14,983,776	-	242,036	-	(14,741,740)	-
Maintenance and operation of plant	68,072,052	451,135	18,771,830	-	(48,849,087)	-
Student transportation services	47,829,619	-	6,991,655	-	(40,837,964)	-
Central services	12,959,544	-	561,693	-	(12,397,851)	-
Other support services	28,739,711	-	1,918,077	-	(26,821,634)	-
Food service operations	40,202,714	15,120,170	23,251,210	1,061,396	(769,938)	-
Interest - short-term	3,208,184	-	-	-	(3,208,184)	-
Interest - long-term	5,522,791	-	-	-	(5,522,791)	-
Total Governmental Activities	$ 919,344,619	$ 23,918,062	$ 384,231,616	$ 21,155,178	(490,039,763)	-
Component Units						
Charter Schools	$ 29,109,846	$ 1,892,572	$ 1,434,641	$ -	$ -	(25,782,633)
		General Revenues				
		Property taxes levied for:				
		General purposes			536,031,260	-
		Debt service			237,572	-
		Sales taxes			159,635,995	-
		Unrestricted grants			-	28,231,649
		Unrestricted - Investment earnings			727,234	32,155
		Miscellaneous			3,337,933	219,552
		Total General Revenues			699,969,994	28,483,356
		Change in Net Assets			209,930,231	2,700,723
		Net Assets Beginning of Fiscal Year, As Restated			1,610,563,173	10,155,668
		Net Assets End of Fiscal Year			$ 1,820,493,404	$ 12,856,391

See accompanying notes to the basic financial statements

Fulton County Board of Education, Georgia
Balance Sheet
Governmental Funds
June 30, 2011

	General	2002 SPLOST Capital Projects	2007 SPLOST Capital Projects	Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
Assets						
Cash and cash equivalents	$ 245,861,764	$ 9,239,046	$ 5,670,460	$ 39,746,589	$ 13,757,571	$ 314,275,430
Investments	20,037,365	-	-	8,000,000	-	28,037,365
Receivables (net):						
Accounts	401,049	-	757	-	54,112	455,918
Property taxes	17,890,674	-	-	271,235	-	18,161,909
Sales taxes	-	-	44,672,849	-	-	44,672,849
Intergovernmental	39,392,002	-	23,911,985	-	9,519,578	72,823,565
Interfund	2,962,746	-	-	-	-	2,962,746
Prepaid items	466,468	-	-	-	-	466,468
Inventory	-	-	-	-	796,744	796,744
Total Assets	$ 327,012,068	$ 9,239,046	$ 74,256,051	$ 48,017,824	$ 24,128,005	$ 482,652,994
Liabilities and Fund Balances (Deficits)						
Liabilities						
Accounts payable	$ 7,842,264	$ 41,328	$ 18,783,130	$ -	$ 1,359,325	$ 28,026,047
Accrued salaries and benefits payable	93,241,995	-	-	-	9,221,594	102,463,589
Other payables	64,016	31,817	3,384,743	-	263,991	3,744,567
Retainage payable	-	54,104	4,372,483	-	-	4,426,587
Interfund payable	-	-	-	-	2,962,746	2,962,746
Deferred revenue	15,657,247	-	55,138,949	270,272	833,411	71,899,879
Total Liabilities	116,805,522	127,249	81,679,305	270,272	14,641,067	213,523,415
Fund Balances (Deficits)						
Nonspendable	466,468	-	-	-	799,998	1,266,466
Restricted	2,387,000	9,111,797	-	47,747,552	8,734,062	67,980,411
Committed	122,927,608	-		-	-	122,927,608
Assigned	43,302,590	-	-	-	-	43,302,590
Unassigned	41,122,880	-	(7,423,254)	-	(47,122)	33,652,504
Total Fund Balances (Deficits)	210,206,546	9,111,797	(7,423,254)	47,747,552	9,486,938	269,129,579
Total Liabilities and Fund Balances	$ 327,012,068	$ 9,239,046	$ 74,256,051	$ 48,017,824	$ 24,128,005	$ 482,652,994

See accompanying notes to the basic financial statements

Fulton County Board of Education, Georgia
Reconciliation of the Governmental Funds Balance Sheet
to the Government-wide Statement of Net Assets
June 30, 2011

Total Governmental Fund Balances		$ 269,129,579
Amounts Reported for Governmental Activities in the Government-wide Statement of Net Assets are Different Because:		
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds, but are reported on the government-wide statement of net assets.		
Cost	$ 2,157,001,272	
Less accumulated depreciation	(516,044,551)	1,640,956,721
Various receivables not collected within 60 days of fiscal year-end are not considered available and are deferred on the governmental funds' balance sheet but are recognized as revenue on the government-wide statement of net assets.		
Property taxes	$ 15,927,519	
Sales taxes	31,226,964	
Intergovernmental	23,911,985	71,066,468
The net pension benefit is not a current financial resource and therefore is not reported on the governmental funds' balance sheet but is reported on the government-wide statement of net assets.		13,135,779
Interfund receivables and payables between governmental funds are reported on the governmental funds' balance sheet but are eliminated on the government-wide statement of net assets.		
Interfund receivables	$ (2,962,746)	
Interfund payables	2,962,746	-
Long-term liabilities that are not due and payable in the current period and therefore are not reported in the governmental funds' balance sheet but are reported on the government-wide statement of net assets.		
Bonds payable	$ (134,370,000)	
Accrued interest payable	(2,923,000)	
Workers compensation insurance claims payable	(5,392,647)	
Other claims and judgments payable	(1,286,563)	
Compensated absences payable	(29,822,933)	(173,795,143)
Net Assets of Governmental Activities		$ 1,820,493,404

See accompanying notes to the basic financial statements

Fulton County Board of Education, Georgia
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2011

	General	2002 SPLOST Capital Projects	2007 SPLOST Capital Projects	Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
Revenues						
Property taxes	$ 535,310,082	$ -	$ -	$ 237,572	$ -	$ 535,547,654
Sales taxes	-	-	130,265,771	-	-	130,265,771
Intergovernmental - state	281,272,287	-	13,179,902	-	6,656,624	301,108,813
Intergovernmental - federal	19,922,944	-	-	-	77,285,444	97,208,388
Investment earnings	645,453	18,302	69,247	71,308	10,474	814,784
Charges for services	5,842,522	-	-	-	18,075,540	23,918,062
Other	2,137,697	-	-	-	255,898	2,393,595
Total Revenues	845,130,985	18,302	143,514,920	308,880	102,283,980	1,091,257,067
Expenditures						
Current:						
Instruction	488,632,509	-	-	-	43,960,868	532,593,377
Support services						
Pupil services	24,350,170	-	-	-	2,186,831	26,537,001
Improvement of instructional services	13,989,947	-	-	-	10,951,273	24,941,220
Educational media services	12,795,832	-	-	-	127,602	12,923,434
General administration	2,165,418	-	-	-	2,173,712	4,339,130
School administration	48,357,238	-	-	-	1,050	48,358,288
Business administration	14,313,318	-	-	-	43,368	14,356,686
Maintenance and operation of plant	66,217,751	-	-	-	11,286	66,229,037
Student transportation services	39,594,597	-	-	-	2,245,724	41,840,321
Central support services	12,114,453	-	-	-	211,472	12,325,925
Other support services	26,713,228	-	-	-	1,917,209	28,630,437
Food services	-	-	-	-	36,540,865	36,540,865
Capital Outlay	-	1,712,673	72,890,993	-	-	74,603,666
Debt Service:						
Principal retirement	-	-	-	15,390,000	-	15,390,000
Interest and fiscal charges	-	-	448,126	8,554,180	-	9,002,306
Total Expenditures	749,244,461	1,712,673	73,339,119	23,944,180	100,371,260	948,611,693
Excess (Deficiency) of Revenues Over (Under) Expenditures	95,886,524	(1,694,371)	70,175,801	(23,635,300)	1,912,720	142,645,374
Other Financing Sources (Uses)						
Proceeds from the sale of capital assets	9,568	-	-	-	-	9,568
Insurance proceeds	31,153	-	-	-	-	31,153
Transfers in	743	-	-	23,941,700	336	23,942,779
Transfers out	(336)	-	(23,941,700)	-	(743)	(23,942,779)
Total Other Financing Sources (Uses)	41,128	-	(23,941,700)	23,941,700	(407)	40,721
Net Change in Fund Balances	95,927,652	(1,694,371)	46,234,101	306,400	1,912,313	142,686,095
Fund Balances (Deficits) Beginning of Fiscal Year	114,278,894	10,806,168	(53,657,355)	47,441,152	7,574,625	126,443,484
Fund Balances (Deficits) End of Fiscal Year	$ 210,206,546	$ 9,111,797	$ (7,423,254)	$ 47,747,552	$ 9,486,938	$ 269,129,579

See accompanying notes to the basic financial statements

Fulton County Board of Education, Georgia
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Government-wide Statement of Activities
For the Fiscal Year Ended June 30, 2011

Net Changes In Fund Balances - Total Governmental Funds			$ 142,686,095
Amounts Reported for Governmental Activities in the Statement of Activities are Different Because			
Governmental funds report capital outlays as expenditures on the governmental fund type operating statement, however, in the government-wide statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capitalized capital outlay exceeded depreciation expense in the current period.			
	Depreciation expense	$ (51,194,200)	
	Capital outlay	62,668,754	11,474,554
The book value of capital assets sold are reported on the government-wide statement of activities but not reported in the governmental funds' operating statement.			(314,706)
Contribution of capital assets			7,500
The decrease in net pension assets are reported on the government-wide statement of activities but not at the governmental funds' operating statement.			
	Balance @ 6/30/11	$ 13,135,779	
	Balance @ 6/30/10	(13,631,775)	(495,996)
Certain property taxes that are reported in the government-wide statement of activities do not provide current financial resources, therefore are not reported as revenues in the governmental funds' operating statement.			
	Deferred @ 6/30/11	$ 15,927,519	
	Deferred @ 6/30/10	(15,206,341)	721,178
Certain sales taxes that are reported in the government-wide statement of activities do not provide current financial resources, therefore are not reported as revenues in the governmental fund operating statement.			
	Deferred @ 6/30/11	31,226,964	
	Deferred @ 6/30/10	(1,856,740)	29,370,224
Certain state capital outlay grants are reported in the government-wide statement of activities do not provide current financial resources, therefore, are not reported as revenues in the governmental funds' operating statement.			
	Deferred @ 6/30/11	$ 23,911,985	
	Deferred @ 6/30/10	(16,024,258)	7,887,727
Transfers between governmental funds are reported in the governmental funds' operating statement but are eliminated on the government-wide statement of activities:			
	Transfers in	$ (23,942,779)	
	Transfers out	23,942,779	-
Accrued interest is reported in the government-wide statement of activities, but does not require the use of current financial resources and therefore is not reported as an expenditure in governmental funds.			
	Liability @ 6/30/11	$ (2,923,000)	
	Liability @ 6/30/10	3,194,331	271,331
Repayment of long-term debt principal is reported as an expenditure in governmental funds, but the repayment reduces long-term liabilities in the government-wide statement of net assets.			15,390,000
Compensated absences are reported in the government-wide statement of activities, but do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.			
	Liability @ 6/30/11	$ (29,822,933)	
	Liability @ 6/30/10	29,200,462	(622,471)
Workers compensation claims are reported in the government-wide statement of activities, but do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.			
	Liability @ 6/30/11	$ (5,392,647)	
	Liability @ 6/30/10	5,849,042	456,395
Claims and judgments are reported in the government-wide statement of activities, but do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.			
	Liability @ 6/30/11	$ (1,286,563)	
	Liability @ 6/30/10	4,384,963	3,098,400
Change In Net Assets of Governmental Activities			$ 209,930,231

See accompanying notes to the basic financial statements

Fulton County Board of Education, Georgia
General Fund
Statement of Revenues, Expenditures and Changes
In Fund Balances - Budget and Actual (GAAP Budgetary Basis)
For the Fiscal Year Ended June 30, 2011
(With Comparative Actual Amounts For the Fiscal Year Ended June 30, 2010)

	2011				2010
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Intergovernmental - state	$ 240,690,345	$ 272,913,384	$ 281,272,287	$ 8,358,903	$ 238,160,792
Intergovernmental - federal	6,423,873	25,454,000	19,922,944	(5,531,056)	32,302,476
Local sources:					
Property taxes	547,848,788	532,128,155	535,310,082	3,181,927	546,819,059
Investment earnings	500,000	500,000	645,453	145,453	537,997
Other	7,237,603	5,723,269	7,980,219	2,256,950	8,525,688
Total Revenues	802,700,609	836,718,808	845,130,985	8,412,177	826,346,012
Expenditures					
Current:					
Instruction	500,052,332	504,376,604	488,632,509	15,744,095	517,652,369
Support services					
Pupil services	26,735,572	26,868,624	24,350,170	2,518,454	28,414,927
Improvement of instructional services	14,382,305	14,752,234	13,989,947	762,287	15,930,401
Educational media services	12,751,741	13,032,855	12,795,832	237,023	13,961,261
General administration	2,141,866	2,085,582	2,165,418	(79,836)	3,593,810
School administration	52,196,957	52,101,913	48,357,238	3,744,675	50,600,690
Business administration	16,926,271	16,999,487	14,313,318	2,686,169	13,265,477
Maintenance and operation of plant	71,127,968	72,473,753	66,217,751	6,256,002	71,003,024
Student transportation services	44,494,545	45,618,227	39,594,597	6,023,630	37,586,678
Central support services	13,757,042	14,075,061	12,114,453	1,960,608	13,931,789
Other support services	24,548,396	27,048,975	26,713,228	335,747	17,691,086
Debt Service:					
Interest and fees	-	-	-	-	253,002
Total Expenditures	779,114,995	789,433,315	749,244,461	40,188,854	783,884,514
Excess of Revenues Over Expenditures	23,585,614	47,285,493	95,886,524	48,601,031	42,461,498
Other Financing Sources (Uses)					
Proceeds from the sale of capital assets	85,000	85,000	9,568	(75,432)	6,889
Insurance proceeds	75,000	75,000	31,153	(43,847)	-
Transfers in	-	-	743	743	-
Transfers out	(24,056,729)	(56,729)	(336)	56,393	(18,766,104)
Total Other Financing Sources (Uses)	(23,896,729)	103,271	41,128	(62,143)	(18,759,215)
Net Change in Fund Balances	$ (311,115)	$ 47,388,764	$ 95,927,652	$ 48,538,888	$ 23,702,283

See accompanying notes to the basic financial statements

Fulton County Board of Education, Georgia
Statement of Fiduciary Net Assets
Fiduciary Funds
June 30, 2011

	Pension Trust	Agency Club and Athletics
Assets		
Cash and cash equivalents	$ 37,685,131	$ 3,919,945
Investments, at fair value:		
Domestic stocks	83,534,927	-
Corporate securities	23,766,716	-
Government securities	34,305,647	-
Equity real estate securities	2,688,310	-
U.S. mutual fund equities	45,051,939	-
Limited partnerships equities	22,876,714	-
Collateralized mortgage obligations	1,483,044	-
Other fixed income securities	1,262,201	-
Certificates of deposit	-	18,431
Receivables:		
Other	172,359	24,986
Total Assets	252,826,988	3,963,362
Liabilities		
Accounts payable	460,801	41,755
Due to student organizations	-	3,921,607
Total Liabilities	460,801	$ 3,963,362
Net Assets Held in Trust for Pension Benefits	$ 252,366,187	

See accompanying notes to the basic financial statements

Fulton County Board of Education, Georgia
Comparative Statement of Changes in Fiduciary Net Assets
Pension Trust Fund
For the Fiscal Years Ended June 30, 2011 and 2010

	2011	2010
Additions		
Contributions:		
Employer	$ 29,258,004	$ 27,525,000
Plan members	3,473,730	3,539,245
Investment earnings:		
Interest	2,360,931	1,955,401
Net increase (decrease) in the fair value of investments	39,722,757	21,048,548
Less investment expense	552,959	217,680
Total Additions	74,262,463	53,850,514
Deductions		
Administrative expenses	1,186,029	1,019,162
Benefits	27,009,040	26,190,453
Refunds	1,476,974	703,901
Total Deductions	29,672,043	27,913,516
Change in Net Assets	44,590,420	25,936,998
Net Assets, Beginning of Fiscal Year	207,775,767	181,838,769
Net Assets, End of Fiscal Year	$ 252,366,187	$ 207,775,767

See accompanying notes to the basic financial statements.

Fulton County Board of Education, Georgia
Combining Statement of Net Assets
Charter School Component Units
June 30, 2011

	Amana Academy, Inc.	Fulton Educational Services, Inc.	Fulton Science Academy, Inc.	Georgia Magnet Charter Schools Foundation, Inc.	Kipp South Fulton Academy, Inc.	Main Street Academy, Inc.	Fulton Sunshine Academy, Inc.	Total
Assets								
Current:								
Cash and cash equivalents	$ 366,429	$ 606,857	$ 685,179	$ 3,464,045	$ 785,809	$ 522,511	$ 32,319	$ 6,463,149
Accounts receivable	-	1,218	34,326	47,402	36,892	377,811	200,038	697,687
Deposits	100,000	-	50,100	155	-	-	63,520	213,775
Prepaid items	-	-	39,412	24,925	9,157	2,211	-	75,705
Other	-	-	-	213,532	-	-	-	213,532
Total Current Assets	466,429	608,075	809,017	3,750,059	831,858	902,533	295,877	7,663,848
Capital Assets:								
Nondepreciable	-	-	-	1,381,409	-	-	-	1,381,409
Depreciable capital assets, net	217,462	225,915	185,415	15,259,648	3,317,134	1,102,441	51,055	20,359,070
Total Capital Assets	217,462	225,915	185,415	16,641,057	3,317,134	1,102,441	51,055	21,740,479
Total Assets	683,891	833,990	994,432	20,391,116	4,148,992	2,004,974	346,932	29,404,327
Liabilities								
Current Liabilities:								
Accounts payable	61,588	51,703	90,968	144,854	161,070	877,031	41,421	1,428,635
Capital leases payable	-	-	-	11,841	-	-	-	11,841
Notes payable	-	-	-	-	25,851	-	43,000	68,851
Total Current Liabilities	61,588	51,703	90,968	156,695	186,921	877,031	84,421	1,509,327
Long-term Liabilities								
Capital leases payable	-	-	-	16,980	-	-	-	16,980
Cash flow hedge	-	-	-	598,248	-	-	-	598,248
Notes payable	-	-	-	11,650,000	1,317,691	1,455,690	-	14,423,381
Total Long-term Liabilities	-	-	-	12,265,228	1,317,691	1,455,690	-	15,038,609
Total Liabilities	61,588	51,703	90,968	12,421,923	1,504,612	2,332,721	84,421	16,547,936
Net Assets (Deficits)								
Invested in capital assets, net of related debt	217,462	225,915	185,415	4,363,988	1,973,592	(353,249)	51,055	6,664,178
Unrestricted	404,841	556,372	718,049	3,605,205	670,788	25,502	211,456	6,192,213
Total Net Assets (Deficits)	$ 622,303	$ 782,287	$ 903,464	$ 7,969,193	$ 2,644,380	$ (327,747)	$ 262,511	$ 12,856,391

Fulton County Board of Education, Georgia
Combining Statement of Activities
Charter School Component Units
For the Fiscal Year Ended June 30, 2011

	Amana Academy, Inc.	Fulton Educational Services, Inc.	Fulton Science Academy, Inc.	Georgia Magnet Charter Schools Foundation, Inc.	Kipp South Fulton Academy, Inc.	Main Street Academy, Inc.	Fulton Sunshine Academy, Inc.	Total
Expenses								
Education	$ 4,059,050	$ 2,323,910	$ 4,054,975	$ 6,917,797	$ 3,615,667	$ 5,272,445	$ 2,866,002	$ 29,109,846
Revenues								
Program revenues:								
Charges for services	-	88,569	313,921	556,641	121,432	686,049	125,960	1,892,572
Operating grants	177,632	-	-	213,386	742,077	301,546	-	1,434,641
Total Program Revenues	177,632	88,569	313,921	770,027	863,509	987,595	125,960	3,327,213
Net Program Revenue	(3,881,418)	(2,235,341)	(3,741,054)	(6,147,770)	(2,752,158)	(4,284,850)	(2,740,042)	(25,782,633)
General Revenues								
Unrestricted grants	3,866,923	2,439,487	4,075,327	6,679,029	4,189,589	3,919,820	3,061,474	28,231,649
Investment earnings	-	893	1,194	29,812	256	-	-	32,155
Miscellaneous	188,733	2,427	10,279	-	-	13,760	4,353	219,552
Total General Revenues	4,055,656	2,442,807	4,086,800	6,708,841	4,189,845	3,933,580	3,065,827	28,483,356
Change in Net Assets	174,238	207,466	345,746	561,071	1,437,687	(351,270)	325,785	2,700,723
Net Assets (Deficit) Beginning of Fiscal Year - As Restated	448,065	574,821	557,718	7,408,122	1,206,693	23,523	(63,274)	10,155,668
Net Assets (Deficit) End of Fiscal Year	$ 622,303	$ 782,287	$ 903,464	$ 7,969,193	$ 2,644,380	$ (327,747)	$ 262,511	$ 12,856,391

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The Fulton County Board of Education, Georgia (the "School System") was established under the laws of the State of Georgia and is governed by an elected seven-member board (the "Board"). Board members are elected by the public. The School System provides public education throughout Fulton County, Georgia, excluding the City of Atlanta, Georgia.

Note 1 - Summary of Significant Accounting Policies

The financial statements of the School System have been prepared in conformity with accounting principles generally accepted in the United States (GAAP) as applied to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for governmental accounting and financial reporting. The School System applies Financial Accounting Standards Board (FASB) statements and interpretations issued on or before November 30, 1989, to its governmental activities at the government-wide financial reporting level provided they do not conflict with or contradict GASB pronouncements.

The most significant of the School System's accounting policies are described below.

1-A. Reporting Entity

The reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements are not misleading. The primary government of the School System consists of all funds, departments, boards, and agencies that are not legally separate from the School System. More specifically, the Board has the authority to make decisions, the power to approve selection of management personnel, the ability to significantly influence operations, and the primary accountability for fiscal matters.

Component units are legally separate organizations for which the School System is financially accountable. The School System is financially accountable for an organization if the School System appoints a voting majority of the organization's governing board and (1) the School System is able to significantly influence the programs or services performed or provided by the organizations; or (2) the School System is legally entitled to or can otherwise access the organization's resources; the School System is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the School System is obligated for the debt of the organization. Component units also may include organizations that are fiscally dependent on the School System in that the School System approves the budget, levies their taxes or issues their debt.

The School System reports one blended component unit as follows:

Fulton County School Employees' Pension Fund (the "Pension Trust Fund") – The pension trust fund is governed by a separate board of directors. Although the pension trust fund is legally separate from the School System, the pension trust fund is reported as a part of the primary government because its primary purpose is to provide retirement benefits to the employees of the School System and because the pension trust fund is fiscally dependent on the School System. Separate financial statements of the pension trust fund can be obtained at 3121 Norman Berry Drive, East Point, Georgia 30344.

The School System reports seven discretely presented component units as follows:

Charter Schools – The reporting entity includes seven charter schools. Charter schools were created by the Georgia General Assembly to increase student achievement through academic and organizational innovation by encouraging local school systems to utilize the flexibility of performance based contract known as a "charter."

Pursuant to Georgia Statute 20-2-2062, charter schools are considered public schools and are entitled to receive equal treatment as a public school. The source of funding for public schools includes the State of Georgia Quality Basic Education allotment as prescribed in Georgia Statute 20-2-2068-1. Other resources are received from local, federal and other state grants, and donations. Charter schools within the School System's boundaries receive allocations from the stated sources of revenue.

These charter schools are considered "*Not for Profit Organizations*" pursuant to Internal Revenue Code Section 501(c) (3).

Because the major portion of the funding for the charter schools comes through the School System, the School System is considered financially accountable for the charter schools. The financial activities of the charter schools have been presented discretely because they provide services to third-parties outside the School System.

Note 1 - Summary of Significant Accounting Policies (Continued)

A listing of the charter schools follows:

Georgia Magnet Charter Schools Foundation, Inc.
3535 South Fulton Avenue
Hapeville, Georgia 30354

Kipp South Fulton Academy, Inc.
1286 East Washington Avenue
East Point, Georgia 30344

Fulton Educational Services, Inc.
Old Milton Parkway, Suite 100
Alpharetta, Georgia 30005

Main Street Academy, Inc.
1805 Harvard Avenue
College Park, Georgia 30337

Fulton Science Academy, Inc.
1675 Hembree Road
Alpharetta, Georgia 30009

Amana Academy, Inc.
285 South Main Street
Alpharetta, Georgia 30009

Fulton Sunshine Academy, Inc.
1335 Northmeadow Parkway
Roswell, Georgia 30076

Separate audited financial reports are available for each charter school and are available by contacting the above charter schools.

The School System is not considered a component unit of any other governmental reporting entity.

1-B. Basis of Presentation

The School System's basic financial statements consist of government-wide statements, including a statement of net assets and a statement of activities and fund financial statements, which provide a more detailed level of financial information.

Government-wide Financial Statements - The government-wide financial statements include the statement of net assets and the statement of activities. These statements report financial information for the School System as a whole. Fiduciary funds are not presented in the government-wide financial statements.

The statement of net assets presents the financial position of the governmental activities of the School System.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the School System's governmental activities. Direct expenses are those that are specifically associated with a function and therefore clearly identifiable to that particular function. Charges to the facilities acquisition and construction function include charges to capital outlay at the fund financial reporting level which do not meet the School System's capitalization policy. The School System does not allocate indirect expenses to functions in the statement of activities.

The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include: (1) charges for services which report tuition, fees and other charges to users of the School System's services; (2) operating grants and contributions which finance annual operating activities including restricted investment income; and (3) capital grants and contributions which fund the acquisition, construction, or rehabilitation of capital assets. These revenues are subject to externally imposed restrictions to these program uses. For identifying to which function program revenue pertains, the determining factor for *charges for services* is which function *generates* the revenue. For *grants and contributions*, the determining factor is to which function the revenues are *restricted*.

Other revenue sources not properly included with program revenues are reported as general revenues of the School System. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the School System.

Note 1 - Summary of Significant Accounting Policies (Continued)

Fund Financial Statements - During the fiscal year, the School System segregates transactions related to certain School System functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the School System at this more detailed level. Fund financial statements are provided for governmental and fiduciary funds.

Major individual governmental funds are reported in separate columns.

Fund Accounting - The School System uses funds to maintain its financial records during the fiscal year. A fund is a fiscal and accounting entity with a self-balancing set of accounts. The School System uses two categories of funds: governmental and fiduciary.

Governmental Funds - Government funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Fund liabilities are assigned to the fund from which they will be liquidated. The School System reports the difference between governmental fund assets and liabilities as fund balance. The School System reports the following major governmental funds:

The General Fund – The general fund accounts for all financial resources except those required to be accounted for in another fund. The general fund's fund balance is available to the School System for any purpose provided it is expended or transferred according to the general laws of the State of Georgia.

The 2002 SPLOST Capital Projects Fund – This fund accounts for the special purpose local option sales tax as authorized in 2002 and is being used primarily for acquiring school sites, constructing and equipping new school facilities, and renovating existing facilities.

The 2007 SPLOST Capital Projects Fund – This fund accounts for the special purpose local option sales tax as authorized in 2007 and is being used primarily for acquiring school sites, constructing and equipping new school facilities, and renovating existing facilities.

Debt Service Fund – This fund accounts for and reports financial resources that are restricted, committed or assigned to expenditures for general long-term debt principal and interest on the School District's 1991 and 1998 general obligation bonds.

Fiduciary Funds - The School System reports the following fiduciary fund types:

Pension Trust Fund – This fund accounts for pension benefits within a defined benefit pension plan, for School System employees not covered by the Teachers Retirement System of Georgia as well as some employees who were employed prior to July 1, 1988, who transferred to the Teachers Retirement System of Georgia, but retained certain benefit guarantees in the local plan.

Agency Funds – These funds account for assets held by the School System as an agent for various funds, school clubs or individuals.

1-C. Measurement Focus

Government-wide Financial Statements - The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the School System are included on the statement of net assets. The statement of activities reports revenues and expenses.

Fund Financial Statements - All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared.

Note 1 - Summary of Significant Accounting Policies (Continued)

Governmental fund financial statements therefore include reconciliation with brief explanations to better identify the relationship between the government-wide statements and the governmental fund statements.

The pension trust fund type is accounted for on a flow of economic resources measurement focus on the fund financial reporting level. All assets and all liabilities associated with the operation of these funds are included on the statements of net assets. The statements of changes in fund net assets present increases (i.e., additions) and decreases (i.e., deductions) in net total assets. The agency funds are custodial in nature (assets equal liabilities) and do not involve the measurement of results of operations.

1-D. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. At the fund reporting level, the governmental funds use the modified accrual basis of accounting. Fiduciary funds are reported on the accrual basis at the fund reporting level. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures.

Revenues – Exchange Transactions - Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded when the exchange takes place and in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the School System, the phrase "available for exchange transactions" means expected to be collected within 60 days of fiscal year-end.

Revenues - Non-exchange Transactions - Non-exchange transactions in which the School System receives value without directly giving equal value in return, include sales taxes, property taxes, grants and donations. On an accrual basis, revenue from sales taxes is recognized in the period in which the taxable sale takes place. Revenue from property taxes is recognized in the fiscal year for which the taxes are levied (Note 3-C). Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the fiscal year when the resources are required to be used or the fiscal 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 Formula Earnings program (QBE). Generally teachers are contracted for the school year (July 1 – June 30) and paid over a twelve month contract period, generally September 1 through August 31. In accordance with the respective rules and regulations of the QBE program, the State of Georgia reimburses the School System over the same twelve month period in which teachers are paid. At June 30, the amount of teachers' salaries incurred but not paid until July and August of the subsequent year are accrued. Since the State of Georgia recognizes its QBE liability for the July and August salaries at June 30, the School System recognizes the same QBE as a receivable and revenue, consistent with symmetrical recognition.

On a modified accrual basis, revenue from non-exchange transactions also must be available (i.e., collected within 60 days of fiscal year-end).

Under the modified accrual basis, the following revenue sources are considered to be susceptible to accrual: property taxes, sales taxes, state Quality Basic Education (QBE) revenue, and federal and state grants. All other revenue items are considered to be measurable and available only when the School System receives cash.

Deferred/Unearned Revenue - Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied (Note 3-F).

On governmental fund financial statements (i.e., on the modified accrual basis), receivables that will not be collected within the available period have been reported as deferred revenue (i.e., they are measurable but not available) rather than as revenue.

Note 1 - Summary of Significant Accounting Policies (Continued)

Grants and entitlements received before the eligibility requirements are met (e.g., cash advances) also are recorded as deferred revenue.

Deferred revenue is reclassified as "*unearned revenue*" on the government-wide statement of net assets.

Expenses/Expenditures - On the accrual basis of accounting, expenses are recognized at the time they are incurred. On the modified accrual basis, expenditures generally are recognized in the accounting period in which the related fund liability is incurred and due, if measurable.

1-E. Assets, Liabilities, and Fund Equity

1-E-1 Cash, Cash Equivalents, and Investments

Cash and cash equivalents include amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the School System. Time deposits are classified as cash and cash equivalent without regard to maturity date. Official Code of Georgia Annotated (OCGA) Section 45-8-14 authorizes the School District to deposit its funds in one or more solvent banks, insured Federal savings and loan associations or insured chartered building and loan associations.

Investments are stated at fair value based on quoted market prices.

The OCGA Section 36-83-4 authorizes the School System to invest in the following type of obligations:

- Obligations of the State of Georgia or of any other states
- Obligations of the United States Government
- Obligations fully insured or guaranteed by the United States Government or a United States Government agency
- Obligations of any corporation of the United States Government
- Prime bankers' acceptances
- The State of Georgia local government investment pool (i.e., Georgia Fund I)
- Repurchase agreements
- Obligations of the other political subdivisions of the State of Georgia

The School System operates a cash and investment pool which generally all funds utilize, the principal's account fund and the pension trust fund. The School System pools money from the funds to facilitate disbursement and investment and to maximize investment earnings. Therefore, all cash and investments are essentially demand deposits and are considered cash and cash equivalents.

1-E-2 Receivables

All trade and property tax receivables are reported net of an allowance for uncollectibles, where applicable (Note 3-B).

1-E-3 Interfund Balances

On the fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "interfund receivables/interfund payables." These amounts are eliminated in the governmental activities column of the statement of net assets (Note 3-E).

1-E-4 Consumable Inventories

On the government-wide financial statements and at the fund financial reporting level, inventories are presented at cost using the weighted average cost method and are expensed when used (i.e., the consumption method).

1- Note 1 - Summary of Significant Accounting Policies (Continued)

1-E-5 Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2011, are recorded as prepaid items using the consumption method by recording an asset for the prepaid amount and reflecting the expenditure/expense in the fiscal year in which services are consumed. At the fund reporting level, an equal amount of fund balance is reported as nonspendable, as this amount is not available for general appropriation.

1-E-6 Capital Assets

General capital assets are those assets that generally result from expenditures in governmental funds. The School System reports these assets in the governmental activities column of the government-wide statement of net assets but does not report these assets in the government fund financial statements.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the fiscal year. Donated capital assets are recorded at their fair market values as of the date received. Improvements to capital assets are capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are expensed.

All reported capital assets are depreciated except for land and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets (Note 3-D).

Depreciation is computed using the straight-line method over the following useful lives:

Asset Class	Governmental Activities Estimated Lives	Capitalization Threshold
Buildings and improvements	15 - 50 Years	$5,000
Furniture, equipment and vehicles	5 - 15 Years	$5,000

At the inception of capital leases at the governmental fund reporting level, expenditures and an "other financing sources" of an equal amount are reported at the net present value of future minimum lease payments.

1-E-7 Net Pension Assets

The amount reported as net pension assets is the cumulative difference between annual pension cost and the School System's contributions to the Fulton County School Employees Pension Plan.

1-E-8 Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means.

All compensated absence liabilities include salary-related payments, where applicable.

The total compensated absence liability is reported on the government-wide financial statements. Governmental funds report the compensated absence liability at the fund reporting level only "*when due*."

Note 1 - Summary of Significant Accounting Policies (Continued)

1-E-9 Accrued Liabilities and Long-term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of these funds. However, compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are "due for payment" during the current fiscal year. General obligation bonds are recognized as a liability in the governmental fund financial statements when due.

1-E-10 Fund Equity (Note 3-L)

Fund equity at the governmental fund financial reporting level is classified as "fund balance." Fund equity at the government-wide financial reporting level is classified as "net assets."

Fund Balance – Generally, fund balance represents the difference between the current assets and current liabilities. In the fund financial statements, governmental funds report fund classifications that comprise a hierarchy based primarily on the extent to which the School System 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 are reported as nonspendable when amounts cannot be spent because they are either (a) not in spendable form (i.e., items that are not expected to be converted to cash) or (b) legally or contractually required to be maintained intact.

- ***Restricted*** – Fund balances are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the School System or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

- ***Committed*** – Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by formal action of the School System Board of Education through the approval of a motion. Only, the School System Board of Education also may modify or rescind the commitment.

- ***Assigned*** – Fund balances are reported as assigned when amounts are constrained by the School System's intent to be used for specific purposes, but are neither restricted nor committed. Through resolution, the School System Board of Education has authorized the School System's superintendent or designee to assign fund balances.

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

Flow Assumptions – When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the School System's policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the School System's policy to use fund balance in the following order:

- Committed
- Assigned
- Unassigned

Note 1 - Summary of Significant Accounting Policies (Continued)

Net Assets **-** Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any long-term borrowing used for the acquisition, construction or improvement of those assets. This net asset amount also is adjusted by any bond issuance deferred amounts (excluding bond issuance costs). Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the School System or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. All other net assets are reported as unrestricted.

1-E-11 Interfund Activity

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds. Repayments from funds responsible for particular expenditures to the funds that initially paid for them are not presented on the financial statements (i.e., they are netted) (Note 3-E).

Transfers between funds reported in the governmental activities column are eliminated on the government-wide statement of activities.

1-E-12 Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

1-E-13 Comparative Data

Comparative total data for the prior fiscal year have been presented only for individual funds in the fund financial statements in order to provide an understanding of the changes in the financial position and operations of these funds. Also, certain amounts presented in the prior fiscal year data have been reclassified to be consistent with the current fiscal year's presentation.

Note 2 – Stewardship, Compliance and Accountability

2-A. Budgetary Information – The School System adopts an annual budget for its general fund, most special revenue funds (excluding the principals' accounts fund and the Georgia Department of Community Affairs fund) and the debt service fund. The budget is prepared in accordance with provisions of the Quality Basic Education Act, OCGA Section 20-2-167. The School System adopts a project budget for its capital projects funds. Budgets are adopted on a basis consistent with GAAP.

The legal level of budgetary control (the level at which expenditures may not legally exceed appropriations) for the adopted annual operating budget for the general fund, school nutrition program, special revenue fund and the debt service fund is the function level within fund. For budgeted special revenue funds (excluding the school nutrition program), the legal level of budgetary controls is the function level within the aggregate of the total of all special revenue funds with budgets. The School System's management is authorized to transfer appropriations between functions within the same fund totaling less than $50,000. The school board approves all transfers of appropriations between functions of $50,000 or more and all transfers of appropriations between funds, except as described below.

The budget is allocated to schools (i.e., cost centers) and cost center managers may transfer appropriations between functions as long as the total cost center budget is not exceeded.

The original 2011 budget was amended during the fiscal year. All unexpended annual appropriations lapse at fiscal year-end.

Note 2 – Stewardship, Compliance and Accountability (Continued)

2-B. Excess of Expenditures over Appropriations

The following functions were overspent in the final 2011 annual budget:

General fund:	
General administration	$ 79,836

2-C. Deficit Fund Balances

The 2007 SPLOST capital projects fund reports a fund balance deficit at June 30, 2011 of $7,423,254. This deficit will be eliminated from subsequent special purpose local option sales tax collections. The Lottery fund reported a deficit of $47,122 which will be eliminated through the recognition of future revenues.

Note 3 – Detailed Notes on All Funds

3-A. Deposits and Investments

Deposits (Governmental Funds)

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

Custodial Credit Risk – Deposits – The custodial credit risk for deposits is the risk that, in the event of a bank failure, the School System's deposits may not be recovered or may not be able to recover collateralized securities that are in the possession of an outside party.

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

Funds included in this Pool are not required to be collateralized.

The fair value of the School System's position in the pool approximates the value of the School System's pool shares. Credit risk, value, and interest risk at June 30, 2011 are as follows:

Credit Risk	Value	Interest Risk
AAAm rated	$ 92,040,777	59 day WAM

The School System classifies its investments in Georgia Fund I as cash and cash equivalents.

As of June 30, 2011, all of the School System's deposits at a particular financial institution were under collateralized by approximately $2.01 million as defined by State statutes.

Note 3 – Detailed Notes on All Funds (Continued)

Investments (Governmental Funds)

Interest Rate Risk – Interest rate risk is the risk that changes in interest rates of debt investments will adversely affect the fair value of an investment. The School System's surplus funds management policy does not formally limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Quality Risk – Credit quality risk is that an issuer or other counterparty to an investment will not fulfill its obligations. The money market funds are not rated.

Custodial Credit Risk - Custodial credit risk is the risk that, in the event of a bank failure, the School System's investments may not be recovered. Because of the collateralization requirements, the School System has no custodial credit risk for its investments.

Concentration of Credit Risk – Concentration of credit risk is the risk of loss attributed to the magnitude of the School System's investment in a single issuer. The School System does not have a formally adopted investment policy for managing concentration of credit risk.

Deposits (Pension Trust Fund)

Custodial Credit Risk – Deposits – As of June 30, 2011, all of the Pension Trust Fund's deposits were covered either by FDIC coverage or collateralized by the financial institution or a combination of the two.

Investments (Pension Trust Fund)

Pension Trust Fund investments are managed by a separate investment policy adopted by the Pension Trust Fund Board in compliance with State law, particularly O.C.G.A. §47-20-10 and O.C.G.A. §47-20-80. The Pension Trust Fund assets are invested in United States Government securities, domestic common stocks, international stocks, and domestic bonds based on asset allocation ranges and performance benchmarks.

Interest Rate Risk -The Pension Trust Fund investment policy adopts the following asset mix to achieve the lowest level of risk for the plan:

- Equity Securities between 30% and 60%.
- Fixed Income Securities between 40% and 70%.

Note 3 – Detailed Notes on All Funds (Continued)

At June 30, 2011, the Pension Trust Fund had the following investments and maturities:

Investment Type	Fair Value	Maturity Range (Time to Maturity) Low	High
Corporate Bonds	$ 23,766,716	0.84	29.92
Other Government Issues	19,716,400	1.04	29.13
Fannie Mae Notes	6,002,642	11.00	88.42
Federal Home Loan Mortgage	8,586,605	11.09	29.42
Collateralized Mortgage Obligations	1,483,044	15.38	33.29
Other Fixed Income Securities	1,262,201	1.81	45.75
Sub-total	60,817,608		
Real Estate Investment Trust	2,688,310		
Limited Partnerships	22,876,714		
Equity Securities	83,534,927		
U.S. Mutual Funds	45,051,939		
Total	$ 214,969,498		

Credit Quality Risk – The Pension Trust Fund policy prohibits investments in direct real estate, and no more than 60% (at cost) of Pension Trust Fund assets shall be invested in equities. It is the Pension Trust Fund's policy to limit investments in common or preferred stock of a corporation to those corporations listed on one or more of the recognized national stock exchanges in the United States, or those traded on the NASDAQ National Market. The policy also limits stock investments to not more than five (5) percent of cost of the assets of any fund in common or preferred stock of any one issuing corporation and the aggregate investment of any fund in any one issuing corporation shall not exceed three (3) percent of the outstanding capital stock of that corporation. Domestic bonds are limited to those with ratings that meet or exceed Standard and Poor's BBB or Moody's Baa ratings.

(This page continued on the subsequent page)

Note 3 – Detailed Notes on All Funds (Continued)

At June 30, 2011, the credit risk for the Pension Trust Fund's investments follows:

	Fair Value	Credit Quality Ranges
Corporate Bonds	$ 23,766,716	AA+ / BB-
Other Government Issues	19,716,400	AAA / not rated
Fannie Mae Notes	6,002,642	AAA
Federal Home Loan Mortgage	8,586,605	AAA
Collateralized Mortgage Obligations	1,483,044	AAA / A-
Other Fixed Income Securities	1,262,201	AAA- / not rated
Real Estate Investment Trust	2,688,310	Not rated
Limited Partnerships	22,876,714	Not rated
Equity Securities	83,534,927	A / B-
U.S. Mutual Funds	45,051,939	Not rated
	$ 214,969,498	

Concentration of Credit Risk – Concentration of credit risk is the risk of loss attributed to the magnitude of the Pension Trust Fund's investment in a single issuer. The only investments in excess of 5% of the School System's investment portfolio are federal securities and mutual funds, both of which are not subject to this risk.

Foreign Currency Risk - The risk that changes in exchange rates will adversely affect the fair value of an investment or a deposit. The Pension Trust Fund has no significant foreign currency risk.

The cash and cash equivalents reconciliation follows:

	Cash and Cash Equivalents	Investments	Total
Primary Government - Fund Reporting Level:			
Governmental Funds - Balance Sheet	$ 314,275,430	$ 28,037,365	$ 342,312,795
Statement of Fiduciary Net Assets	41,605,076	214,969,498	256,574,574
Total	$ 355,880,506	$ 243,006,863	$ 598,887,369

3-B. Receivables

Receivables at June 30, 2011, consisted of property taxes, sales taxes, accounts (billings for user charges), and intergovernmental receivables arising from grants.

Receivables and payables are recorded on the School System's financial statements to the extent that the amounts are determined to be material and substantiated not only by supporting documentation, but also by a reasonable, systematic method of determining their existence, completeness, valuation, and in the case of receivables, collectibility.

Note 3 – Detailed Notes on All Funds (Continued)

The allowances for uncollectibles are as follows:

- General fund $626,290
- Debt service fund 10,820

3-C. Property Taxes

Property taxes for the June 30, 2011 fiscal year were levied and billed on September 1, 2010, based on property values assessed as of January 1, 2010, and are payable on or before October 31, 2010. An interest penalty of 10% per annum is charged on property taxes not paid within 90 days of the due date. Property taxes become an enforceable lien on January 31, 2011.

(This page is continued on the subsequent page)

Note 3 – Detailed Notes on All Funds (Continued)

3-D. Capital Assets

Capital asset activity for the fiscal year ended June 30, 2011, was as follows:

	Balance 7/1/2010	Additions	Deductions	Balance 6/30/2011
Governmental activities:				
Nondepreciable capital assets:				
Land	$ 216,054,826	$ 872,517	$ -	$ 216,927,343
Construction in progress	24,504,445	60,192,287	18,852,165	65,844,567
Total nondepreciable capital assets	240,559,271	61,064,804	18,852,165	282,771,910
Depreciable capital assets:				
Buildings and improvements	1,770,279,767	18,444,329	-	1,788,724,096
Furniture and equipment	30,496,427	1,961,278	1,550,979	30,906,726
Vehicles	55,308,602	58,008	768,070	54,598,540
Total depreciable capital assets	1,856,084,796	20,463,615	2,319,049	1,874,229,362
Total capital assets	2,096,644,067	81,528,419	21,171,214	2,157,001,272
Accumulated depreciation:				
Buildings and improvements	417,775,456	45,205,047	-	462,980,503
Furniture and equipment	18,267,815	2,729,347	1,283,654	19,713,508
Vehicles	30,811,423	3,259,806	720,689	33,350,540
Total accumulated depreciation	466,854,694	51,194,200	2,004,343	516,044,551
Governmental activities capital assets, net	$ 1,629,789,373	$ 30,334,219	$ 19,166,871	$ 1,640,956,721

Governmental activities depreciation expense:

Instruction	$ 36,442,293
Pupil services	189,228
Improvement of instructional services	777,205
Educational media services	1,854,879
General administration	24,633
School administration	1,112,175
Business administration	470,222
Maintenance and operation of plant	991,007
Student transportation services	5,535,105
Central services	460,642
Other support services	12,320
Food service	3,324,491
Total governmental activities depreciation expense	$ 51,194,200

Note 3 - Detailed Notes on All Funds (Continued)

3-E. Interfund Balances and Transfers

Interfund Balances - Interfund receivables and payables relate to cash overdrafts in the cash and investment pool.

	Payable from:
Payable to:	Nonmajor governmental fund
General fund	$ 2,962,746

Interfund Transfers –The transfer from the 2007 SPLOST fund to the debt service fund (major governmental fund) is to cover the fiscal year 2011 debt service costs ($23,941,700). The transfers between the general fund and nonmajor governmental funds ($1,079) are for miscellaneous items.

	Transfers from:			
Transfers to:	General fund	Nonmajor governmental fund	2007 SPLOST fund	Total
General fund	$ -	$ 743	$ -	$ 743
Debt service fund	-	-	23,941,700	23,941,700
Nonmajor governmental funds	336	-	-	336
Total	$ 336	$ 743	$ 23,941,700	$ 23,942,779

3-F. Deferred Revenue

The School System reported the following deferred revenue, which was not available or unearned, at the fund financial reporting level at June 30, 2011:

Type	Not Available	Unearned	Total
Property taxes	$ 15,927,519	$ -	$ 15,927,519
Sales taxes	31,226,964	-	31,226,964
State capital outlay reimbursement grants	23,911,985	-	23,911,985
Cash advance on grants	-	833,411	833,411
Total	$ 71,066,468	$ 833,411	$ 71,899,879

Note 3 - Detailed Notes on All Funds (Continued)

3-G. Compensated Absences

School System employees can earn annual vacation leave based on length of service, up to a maximum of 20 days after 10 years of service. Annual vacation leave may be accumulated up to a maximum of 60 days. Sick and personal leave is accrued at 1.25 to 2 days per month, and may be accumulated, up to 20 days per year, with a maximum accumulation of 120 days. If an employee retires from the School System with a minimum of 10 years of service, the School System will pay the employee for one-half of their accumulated sick and personal leave, up to 40 days (a total of 80 days of accumulated leave).

3-H. Short-term Debt

On May 11, 2010, the School System issued $59,000,000 in aggregate principal amount of Fulton County School District (Georgia) Short-Term Construction Notes, Series 2010. On December 30, 2010, the School System repaid construction notes totaling $59,000,000 with interest of $528,542.

Changes in the short-term obligations consisted of the following for the fiscal year ended June 30, 2011:

	Restated Outstanding 7/1/2010	Additions	Reductions	Outstanding 6/30/2011
Construction notes	$ 59,000,000	$ -	$ 59,000,000	$ -

3-I. Long-term Debt

Governmental Activities - The School System has the following long-term debt payable at June 30, 2011.

1991 Series General Obligation Bonds – On November 1, 1991, the School System issued $133,960,000 of general obligation refunding bonds, Series 1991, with interest payments due semiannually on May 1 and November 1 and principal payments due on May 1 of each year. Interest rates vary from 4.75% to 6.375%. This debt refunded general obligation bonds, Series 1987 in the amount of $118,000,000. The estimated amount of refunded debt related to this issue still outstanding at June 30, 2011 is $37,352,867.

Annual debt service requirements to maturity as of June 30, 2011 are as follows:

Fiscal Year Ending	Principal	Interest	Total
2012	$ 8,420,000	$ 2,703,319	$ 11,123,319
2013	8,345,000	2,166,544	10,511,544
2014	7,270,000	1,634,550	8,904,550
2015	7,200,000	1,171,088	8,371,088
2016	7,125,000	712,088	7,837,088
2017	4,045,000	257,868	4,302,868
Total	$ 42,405,000	$ 8,645,457	$ 51,050,457

1998 Series General Obligation Bonds - On June 15, 1998, the School System issued $135,150,000 of general obligation refunding bonds, Series 1998, with interest payments due semiannually on January 1 and July 1 and principal payments due on January 1 of each year. Interest rates vary from 4.0% to 5.5%. This debt refunded general obligation bonds, Series 1993 in the amount of $160,710,000. The estimated amount of refunded debt related to this issue still outstanding at June 30, 2011 is $93,050,000.

Note 3 - Detailed Notes on All Funds (Continued)

Annual debt service requirements to maturity as of June 30, 2011 are as follows:

Fiscal Year Ending	Principal	Interest	Total
2012	$ 7,250,000	$ 4,944,894	$ 12,194,894
2013	7,615,000	4,564,269	12,179,269
2014	8,010,000	4,164,481	12,174,481
2015	8,420,000	3,743,956	12,163,956
2016	8,845,000	3,301,906	12,146,906
2017-2021	51,825,000	8,815,557	60,640,557
Total	$ 91,965,000	$ 29,535,063	$ 121,500,063

Changes in Long-term Debt - Changes in the School System's long-term obligations consisted of the following for the fiscal year ended June 30, 2011:

	Outstanding 7/1/2010	Additions	Reductions	Outstanding 6/30/2011	Amounts Due in One Year
Governmental Activities					
1991 general obligation bonds	$ 50,895,000	$ -	$ 8,490,000	$ 42,405,000	$ 8,420,000
1998 general obligation bonds	98,865,000	-	6,900,000	91,965,000	7,250,000
Workers' compensation insurance claims	5,849,042	4,546,170	5,002,565	5,392,647	2,696,323
Other claims and judgments	4,384,963	641,798	3,740,198	1,286,563	237,765
Compensated absences	29,200,462	27,646,620	27,024,149	29,822,933	26,840,638
Total Governmental Activities	$ 189,194,467	$ 32,834,588	$ 51,156,912	$ 170,872,143	$ 45,444,726

The debt service fund retires the general obligation bonds. Primarily the general fund retires the workers' compensation insurance claims, other claims and judgments and compensated absences.

3-J. Pensions

The School System's employees either belong to the Teachers' Retirement System of Georgia (TRS), which is a cost-sharing multiple employer public employees' retirement system or the Fulton County School Employees Pension Plan, a single employer defined benefit pension plan.

Teachers' Retirement System of Georgia

Substantially all teachers, administrators, and clerical personnel employed by the School System are members of TRS. 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 3 - Detailed Notes on All Funds (Continued)

A member is eligible for retirement after 30 years of creditable service, regardless of age, or after 10 years of creditable service and attainment of age 60. A member is eligible for early retirement after 25 years of creditable service. If an employee retires under this provision, the benefit will be permanently reduced by the lesser of one-twelfth of 7% for each month below age 60, or 7% for each year or fraction of a year less than 30 years of creditable service. Retirement benefits paid to members are equal to 2% of the average of the member's two consecutive highest paid years of service multiplied by the number of years of creditable service up to 40 years. The normal retirement pension is payable monthly for life. Options are available for distribution of the member's monthly pension at a reduced rate to a designated beneficiary on the member's death.

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

Members become fully vested after ten years of service. If a member is terminated with less than ten years of service, no vesting of employer contributions occurs, but the member's contribution is refunded with interest.

Funding Policy **-** Employees of the School System who are covered by TRS are required to pay 5.53% of their gross earnings to TRS. The School System makes monthly employer contributions to TRS at rates adopted by the TRS Board of Trustees as advised by their independent actuary. The employer contribution rate was 10.28% for fiscal year 2011 and 9.74% for fiscal year 2010 and 9.28% for fiscal year 2009.

Total actual and required contributions for the last three fiscal years were as follows:

	2011	2010	2009
Employer contribution	$ 49,763,959	$ 49,952,518	$ 48,185,987
Percentage contributed	100%	100%	100%

Fulton County School Employees Pension Plan

Plan Description - All full-time School System employees who are not members of TRS are required to participate in the Fulton County School Employees' Pension Fund (the ″Fund″), a mandatory defined benefit pension plan established by state statute. All full-time School System personnel employed prior to June 30, 1988 and who were transferred to TRS on July 1, 1988, retained membership in the Fund, as well as potential benefits from the Fund, although primary benefits will be from TRS. All plan participant, actuarial and fund data include these employees as members. The Fulton County School Employees' Pension Fund board administers the Fund. The School System issues a publicly available financial report that includes financial statements and required supplementary information for the Fund. The financial reports may be obtained by writing to Fulton County School Employees' Pension Fund, at 3121 Norman Berry Drive, East Point, Georgia 30344.

Benefits vest after 10 years of service. Most participants are eligible to receive benefits at 65 and 55 years old with 25 and 30 years of creditable service, respectively, at the time of disability, and at death. Benefits vary based on certain benefit elections made by members.

Note 3 - Detailed Notes on All Funds (Continued)

Fund Membership - At June 30, 2010, the date of the most recent actuarial valuation, there were 5,621 participants respectively, consisting of the following:

	June 30, 2010
Active participants	2,823
Vested terminated participants	245
Retirees, beneficiaries and disabled participants	2,553
Total participants	5,621

Funding Policy **-** The contribution requirements of plan members and the School System are established in accordance with the applicable pension law. Fund members covered under the 1978 law contribute 6.6% of gross salary if beneficiary coverage is elected and 5.6% of gross salary if beneficiary is not elected. Members covered under the 1962 law contribute 6% of gross salary if beneficiary coverage is elected and 5% of gross salary if beneficiary coverage was not elected. Members covered under laws prior to 1962 contribute amounts prescribed in those laws.

The School System's contribution is the actuarially determined amount necessary to fund plan benefits; the current rate is 26.46% of annual covered payroll. The contribution requirements of plan members and the School System are established and may be amended by the Pension Board. Total contributions to the Plan for the fiscal years ended June 30, 2011, 2010, and 2009 were $29,258,004, $27,525,000 and $26,233,666, respectively.

Annual Pension Cost – The School System's annual pension costs for the last three fiscal years are as follows:

Fiscal Year Ended June 30,	Annual Pension Cost*	Annual Pension Contribution*	Percentage Contributed	Net Pension (Assets)
2009	$ 27,475	$ 26,234	95.5%	$ (14,034,775)
2010	27,928	27,525	98.6%	(13,631,775)
2011	29,754	29,258	98.3%	(13,135,779)

** Amounts expressed in $1,000*

Net Pension Asset **-** The School System's annual pension cost and net pension asset at June 30, 2011, 2010 and 2009 are as follows:

Calculation of Net Pension Asset	June 30, 2011	June 30, 2010	June 30, 2009
Annual required contribution	$ 29,258,000	$ 27,525,000	$27,035,000
Interest on net pension asset	(954,000)	(983,000)	(1,069,000)
Adjustment to annual required contribution	1,450,000	1,386,000	1,509,000
Annual pension cost	29,754,000	27,928,000	27,475,000
Contributions made	(29,258,004)	(27,525,000)	(26,233,666)
(Increase) Decrease in net pension asset	495,996	403,000	1,241,334
Net pension asset at beginning of fiscal year	13,631,775	14,034,775	15,276,109
Net pension asset at end of fiscal year	$ 13,135,779	$ 13,631,775	$14,034,775

Note 3 - Detailed Notes on All Funds (Continued)

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

Schedule of Funded Status

Actuarial Valuation Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry Age	(3) Unfunded AAL/(UAAL) (2)-(1)	(4) Funded Ratio (2)/(1)	(5) Annual Covered Payroll	(6) UAAL as a Percentage of Covered Payroll
6/30/2010	$ 228,445,000	$ 452,350,000	$ 223,905,000	50.5%	$ 95,551,000	234.3%

The required schedule of funding progress immediately following the notes to the basic financial statements present multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Actuarial Valuation Information – The School System's actuarial valuation information is as follows:

Current Valuation Date	June 30, 2010	June 30, 2009
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Amortization Method	Level Dollar Amount, Closed	Level Dollar Amount, Closed
Amortization Period	30 years from 7/1/1994	30 years from 7/1/1994
Asset Valuation Method	Smoothed Market Value	Smoothed Market Value
Actuarial Assumptions:		
Investment Rate of Return	7.00%	7.00%
Projected Salary Increases	8.00% to 5.25% Graded	8.00% to 5.25% Graded
Includes Inflation at	3.00%	3.00%
Cost-of-Living Adjustment	3.00%	3.00%

3-K. Other Postemployment Employment Benefits

Plan Description. The Georgia School Personnel Post-employment Health Benefit Fund (School OPEB Fund) is a cost-sharing multiple-employer defined benefit postemployment healthcare plan that covers eligible former employees of public school systems, libraries, and regional educational service agencies. The School OPEB Fund provides health insurance benefits to eligible former employees and their qualified beneficiaries through the State Employees Health Insurance Plan administered by the Georgia Department of Community Health. The Official Code of Georgia Annotated (OCGA) assigns the authority to establish and amend the benefit provisions of the group health plans, including benefits for retirees, to the Board of Community Health (Board). The Department of Community Health, which includes the School OPEB Fund, issues a separate stand alone financial audit report and a copy can be obtained from the Georgia Department of Audits and Accounts.

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

Participating employers are statutorily required to contribute in accordance with the employer contribution rates 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. Contributions are not based on the actuarially calculated annual required contribution (ARC) which represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each fiscal year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

Note 3 - Detailed Notes on All Funds (Continued)

The combined active and retiree contribution rates established by the Board for employers participating in the School OPEB Fund for the fiscal year ended June 30, 2011, were as follows:

Certified employees

July 2010 – April 2011	21.955% of state-based salaries for August – May coverage
May 2011 – June 2011	1.429% of state-based salaries for June - July coverage

Non-Certificated Employees

July 2010 – November 2010	$163 per member per month
December 2010 – April 2011	$218 per member per month
May 2011 - June 2011	$246 per member per months

No additional contribution was required by the Board for fiscal year 2011 nor contributed to GRBHF to prefund retiree benefits. Such additional contribution amounts are determined annually by the Board in accordance with the State plan for other postemployment benefits and are subject to appropriation.

The School System's contributions to the health insurance plans for the fiscal years ended June 30, 2011, June 30, 2010, and June 30, 2009, were $69,949,251, $66,740,200 and $50,686,618, respectively, which equaled the required OPEB cost.

3-L. Fund Equity (Note 1-E-10)

Fund Balances – Fund balances are classified as follows:

- ***Nonspendable*** – The following fund balances are nonspendable because they are not in spendable form:

General Fund:	
Prepaid items	$ 466,468
Nonmajor Governmental Fund:	
Inventories	$ 796,744
Nonmajor Permanent Fund	
Balance	$ 3,254

Note 3 - Detailed Notes on All Funds (Continued)

- ***Restricted –*** The following fund balances are legally restricted to specified purposes:

General Fund:	
Bus replacement per Georgia statutes	$ 2,387,000
2002 SPLOST Capital Projects Fund:	
Capital projects	$ 9,111,797
Debt Service Fund:	
Principal and interest on long-term bonds	$ 47,747,552
Nonmajor Governmental Funds:	
School nutrition program	$ 6,344,286
Federal programs	5,593
State programs	94,900
Local programs	3,137
Principal's funds	2,286,146
Total Nonmajor Governmental Funds:	$ 8,734,062

- ***Committed –*** The following fund balances are committed to specific purposes:

General Fund:	
Working capital reserve	$ 40,975,869
Catastrophic event reserve	40,975,869
Revenue stabilization reserve	40,975,870
Total General Fund	$ 122,927,608

- ***Assigned –*** The following fund balances are assigned to specific purposes:

General Fund:	
Subsequent years' operating budget	$ 43,213,611
Cabinet reimbursement	88,979
Total General Fund	$ 43,302,590

Note 3 - Detailed Notes on All Funds (Continued)

Invested in Capital Assets, Net of Related Debt - Invested in capital assets, net of related debt reported on the government-wide statement of net assets as of June 30, 2011 are as follows:

Invested in capital assets, net of related debt:	Governmental Activities
Cost of capital assets	$ 2,157,001,272
Less accumulated depreciation	516,044,551
Book value	1,640,956,721
Less capital related debt	134,370,000
Invested in capital assets, net of related debt	$ 1,506,586,721

3-M. Operating Leases

Lessor Agreement - The School System leases certain parcels of land for use by others (cell towers) for varying terms. The leases are accounted for as operating leases and revenues are recorded when earned. Revenue derived from these leases during fiscal year 2011 was $871,336 and is reported as local revenue in the School System's general fund.

The following is a schedule of minimum future rentals to be received under these operating leases at June 30, 2011:

Fiscal Year Ending June 30,	Amount
2012	$ 635,409
2013	478,766
2014	348,965
2015	252,359
2016	222,936
2017-2021	631,875
2022-2026	342,143
2027-2031	38,102
Total	$ 2,950,555

3-N. On-behalf Payments

The School System has recognized revenue and expenditures of $1,184,209 for health insurance and $67,627 for teachers' retirement, both on the School System's behalf by the Georgia Department of Education to the Georgia Department of Community Health for health insurance of non-certified personnel.

Note 4 – Other Notes

4-A. Risk Management

The School System is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets (property, plant and equipment); Management Liability (School Board Legal); Workers Compensation (job related injuries or illnesses to employees); Fleet accidents (vehicle(s)); theft of funds (money, securities, etc.); Acts of God and Unemployment Compensation.

Note 4 – Other Notes (Continued)

The School System has in place commercial insurance for risk of loss exposures associated with assets (property, plant and equipment) and theft of funds (money, securities, etc.). Effective July 1, 2009 the School System began self-insuring the following exposures under a Defense and Indemnity Agreement: Fleet (all District owned vehicles), School Children in Transit; Employee Related Incidents, excluding Workers Compensation (Management Liability), and General Liability. The School System also relies on the protection of Sovereign Immunity under the Georgia Constitution.

Workers' Compensation Claims – The School System has elected to self-insure its Workers' Compensation exposure. The School System has established a Risk Management Program to include Workers' Compensation administration and claims. In connection with this program, a Self-Insurance Reserve Fund has been established within the General Fund by the School System. The School System accounts for claims within the General Fund with expenses/expenditures and liabilities being reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated.

Changes in the Workers' Compensation claims liability during the last three fiscal years are as follows:

Fiscal Year Ended June 30,	Beginning of Fiscal Year Liability	Current Year Claims and Changes in Estimates	Claim Payments	End of Fiscal Year Liability
2009	$ 5,402,923	$ 4,188,010	$ 4,229,862	$ 5,361,071
2010	5,361,071	3,952,595	3,464,624	5,849,042
2011	5,849,042	4,546,170	5,002,565	5,392,647

The School System has purchased surety bonds to provide additional insurance coverage as follows:

Positions Covered	Amount
Superintendent	$100,000
High School Principals Bond	500,000
Elementary & Middle School Principals Bond	100,000

4-B. Contingent Liabilities

The School System has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies or their designee. These audits could result in a request for reimbursement to the grantor agency for costs disallowed under terms of the grant. Based on prior experience, the School System believes such disallowances, if any, will be immaterial.

The School System was a defendant in several lawsuits at June 30, 2011. In the opinion of School System management, the outcome of these contingencies will not have a material effect on the financial position of the School System.

(This page continued on the subsequent page)

Note 4 - Other Notes (Continued)

4-C. Commitments

Construction Commitments - As of June 30, 2011, the School System has made the following significant construction commitments:

Contractor	Total Contract	Remaining Commitments
Amacher Brothers Construction	$ 3,603,384	$ 277,837
Athena Construction	1,186,283	104,203
Construction Services	388,500	30,100
CORE Roofing	620,520	287,329
Doster Construction	49,480,968	36,084,429
Evergreen	46,047,104	26,203,453
GC&E	498,596	95,606
HPI Flooring	202,000	144,291
Integrated Building Services	419,000	207,981
Roof Management	622,339	115,042
Swofford Construction	4,583,930	2,811,411
Triad Construction	3,911,751	1,890,918
Woodall Roofing Company	501,000	198,600
Total	$ 112,065,375	$ 68,451,200

Encumbrance Commitments - As of June 30, 2011, the School System has encumbered amounts that they intend to honor in the subsequent fiscal year for the following major governmental funds:

Major Governmental Funds:	
General Fund	$ 4,416,234
2002 SPLOST Capital Projects Fund	232,374
2007 SPLOST Capital Projects Fund	87,835,005
Total Major Governmental Funds	$ 92,483,613
Total Nonmajor Governmental Funds	$ 228,916

The majority of the construction commitments also are encumbered and included in the above amounts.

4-D. Subsequent Events

On August 1, 2011, the School System entered into an intergovernmental agreement with the City of Union City, Georgia to pay the City installments sufficient for the City to pay their debt service on bonds. The bonds, issued in the amount of $35,635,000, are special limited obligation revenue term bonds (federally taxable qualified school construction bonds – direct payment) of the City. The bonds carry an interest rate of 4.730% and are due January 1, 2027. Under the agreement, the School System will pay the City installment payments sufficient to pay the debt service on the bonds. The School System's obligation to make payments is absolute and unconditional. The bonds are being issued for the purpose of paying a portion of the cost of constructing and equipping a replacement high school for the existing Banneker High School.

Note 4 - Other Notes (Continued)

On November 8, 2011, the voters approved a 1% Education Special Purpose Local Option Sales Tax (ESPLOST) referendum. Effective July 1, 2012, the tax will be levied for a period of five years, to be used for technology enhancements, 10 new schools and classrooms, renovations and modifications, furniture, equipment and buses, and health and safety.

4-E. Pollution Remediation Obligations

The School System has been named as the potentially responsible party for remediation of the petroleum contamination at two of our facilities - Old South Fulton Transportation Facility located at 71 Heath Street, Fairburn and Old North Fulton Transportation Facility located at 1540 Warsaw Road, Roswell. After meeting the obligation of the $10,000 deductible for each site, the Georgia Underground Storage Tank (GUST) Trust Fund began reimbursing the School System for funds spent on remedial activities.

4-F. Restatement of Charter Schools

At the beginning of the fiscal year, two additional charter schools were added as discretely presented component units. In addition, one existing charter school had a restatement of beginning net assets. The following table presents these restatements:

Net assets, beginning of fiscal year as previously reported		$ 10,815,826
Add two additional charter schools:		
Main Street Academy, Inc.		23,523
Fulton Sunshine Academy, Inc.		(63,274)
Restatement of Georgia Magnet Charter Schools Foundation, Inc.:		
Balance at June 30, 2010, as previously reported	$ 8,028,529	
Balance at June 30, 2010, as restated	7,408,122	(620,407)
Net assets, beginning of fiscal year as restated		$ 10,155,668

REQUIRED SUPPLEMENTARY INFORMATION

Fulton County Board of Education, Georgia

Required Supplementary Information

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value Assets (a)	Entry Age Normal Actuarial Accrued Liability (AAL) (b)	Unfunded Actuarial Accrued Liability (UAAL) (c) (b - a)	Funded Ratio (a/b)	Covered Payroll (d)	UAAL as a Percentage of Covered Payroll [(b - a)(d)]
June 30, 2004	148,723,000	368,661,000	219,938,000	40.3%	130,212,000	168.9%
June 30, 2005	161,749,000	374,322,000	212,573,000	43.2%	122,019,000	174.2%
June 30, 2006	178,483,000	384,095,000	205,612,000	46.5%	118,891,000	172.9%
June 30, 2007	196,978,519	428,512,000	231,533,481	46.0%	120,528,000	192.1%
June 30, 2009	219,789,000	450,866,000	231,077,000	48.7%	110,563,000	209.0%
June 30, 2010	228,445,000	452,350,000	223,905,000	50.5%	95,551,000	234.3%

Schedule of Employer Contributions

Fiscal Year Ended	Annual Required Contribution	Employer Contribution	Percentage Contributed
June 30, 2006	23,937,000	23,609,000	98.6%
June 30, 2007	23,592,000	23,609,000	100.1%
June 30, 2008	23,592,000	24,370,000	103.3%
June 30, 2009	27,035,000	26,234,000	97.0%
June 30, 2010	27,525,000	27,525,000	100.0%
June 30, 2011	29,258,000	29,258,004	100.0%

See notes to the basic financial statements for actuarial assumptions used in the above calculations.

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SUPPLEMENTARY INFORMATION

Nonmajor Governmental Funds

Special Revenue Funds

Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The following funds are included in the special revenue funds category:

Title I: This fund is established to account for Title I grants which are provided as part of the "*No Child Left Behind Act of 2001*." This act provides federal funds through the Georgia Department of Education to local school districts to help disadvantaged children meet high standards.

Title II: This fund is established to account for federal funded grants flowing through the Georgia Department of Education to our school district. The funds are used to advance teacher quality through professional learning, preparation, recruitment and retention as well as upgrading teachers' skills in science and math through training.

Title III: This fund is established to account for federally funded grants flowing through the Georgia Department of Education for the purpose of providing supplemental services to improve academic achievement of students who have English as a second language.

Part B Special Education: This fund is established to account for federally funded grants flowing through the Georgia Department of Education for the purpose of providing special education programs for handicapped children.

Education for the Homeless: This fund is established to account for federally funded grants flowing through the Georgia Department of Education to provide educational services to homeless children.

Charter School: This fund is established to account for federally funded grants flowing through the Georgia Department of Education for the purpose of providing implementation funds for new charter schools.

Safe and Drug Free Schools: This fund is established to account for federal categorical grants which are directly funded from the U.S. Department of Education and flow through the Georgia Department of Education to promote Safe and Drug Free School programs, drug prevention programs and violence prevention programs.

School Nutrition: This fund is established to account for the United States Department of Agriculture approved school nutrition program. The intent of the school system is that the cost of the School Nutrition fund be financed or recovered primarily through federal resources and users' charges.

Innovative Programs: This fund is established to account for federal categorical grants which flow through the Georgia Department of Education for the purpose of supporting local education reform efforts.

Title V – Part D: This fund is established to account for direct federal funding from the U.S. Department of Education and U.S. Department of Housing and Urban Development which includes ARCH grant, Carol White Physical Education grant, and Model Development and Dissemination grant.

Lottery: This fund is established to account for state funding for the purpose of implementing a Pre-K program.

Georgia Department of Community Affairs: This fund is established to account for state grants from the Georgia Department of Community Affairs for the purpose of providing financial assistance to local schools for educational and building improvement projects.

Other Federal Grants: This fund is established to account for federally funded grants which includes Vocational Education, Professional Development Schools, Safety Street, Beat the Traffic and Career Development.

Other State Grants: This fund is established to account for state funded grants which include Education Go Get It, Georgia Council for the Arts, and DHR-Youth Initiative.

Other Local Grants: This fund is established to account for locally funded grants which include DFACS-Childcare, Read to Succeed, Science Literacy and Academic Bowl.

Charter School Operating: This fund is established to account for the operations of our five charter schools, reported as blended special revenue funds.

Principal's Accounts: This fund is established to account for various revenues (e.g., commission earned by schools for school pictures and vending machines, locker rental) which may be expended for general school use, primarily to supplement instruction and school administration.

Debt Service Fund

The debt service fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for general long-term debt principal and interest.

Debt Service: This fund is established to account for property taxes and transfers of the special purpose local option sales taxes restricted for the payment of general long-term debt principal and interest.

Capital Projects Funds

Capital projects funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays including the acquisition or construction of capital facilities and other capital assets. These funds are financed primarily from special purpose local option sales taxes.

1997 SPLOST: This fund is established to account for the special purpose local option sales tax as authorized in 1997 and is being used primarily for acquiring school sites, constructing and equipping new school facilities, and renovating existing facilities.

Permanent Fund

The permanent fund is established to account for and report resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support the school boards programs—that is, for the benefit of the school board or its citizenry.

J.C. Day: This fund is established to account for the bequest of the will of Mr. J.C. Day to be used for the purchase of textbooks in the Alpharetta attendance zone.

Fulton County Board of Education, Georgia
Combining Balance Sheet
Nonmajor Governmental Funds - By Fund Type
June 30, 2011

	Nonmajor Special Revenue Funds	Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
Assets			
Cash and cash equivalents	$ 13,754,317	$ 3,254	$ 13,757,571
Receivables:			
Accounts	54,112	-	54,112
Intergovernmental	9,519,578	-	9,519,578
Inventory	796,744	-	796,744
Total Assets	$ 24,124,751	$ 3,254	$ 24,128,005
Liabilities and Fund Balances			
Liabilities			
Accounts payable	$ 1,359,325	$ -	$ 1,359,325
Accrued salaries and wages	9,221,594	-	9,221,594
Other payable	263,991	-	263,991
Interfund payable	2,962,746	-	2,962,746
Deferred revenue	833,411	-	833,411
Total Liabilities	14,641,067	-	14,641,067
Fund Balances			
Nonspendable	796,744	3,254	799,998
Restricted	8,734,062	-	8,734,062
Unassigned	(47,122)	-	(47,122)
Total Fund Balances	9,483,684	3,254	9,486,938
Total Liabilities and Fund Balances	$ 24,124,751	$ 3,254	$ 24,128,005

Fulton County Board of Education, Georgia
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds - By Fund Type
For the Fiscal Year Ended June 30, 2011

	Nonmajor Special Revenue Funds	Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
Revenues			
Intergovernmental - state	$ 6,656,624	$ -	$ 6,656,624
Intergovernmental - federal	77,285,444	-	77,285,444
Investment earnings	10,470	4	10,474
Charges for services	18,075,540	-	18,075,540
Other	255,898	-	255,898
Total Revenues	102,283,976	4	102,283,980
Expenditures			
Current:			
Instruction	43,960,868	-	43,960,868
Support services			
Pupil services	2,186,831	-	2,186,831
Improvement of instructional services	10,951,273	-	10,951,273
Educational media services	127,602	-	127,602
School administration	1,050	-	1,050
General administration	2,173,712	-	2,173,712
Business administration	43,368	-	43,368
Maintenance and operation of plant	11,286	-	11,286
Student transportation services	2,245,724	-	2,245,724
Central support services	211,472	-	211,472
Other supporting seervices	1,917,209	-	1,917,209
Food service operations	36,540,865	-	36,540,865
Total Expenditures	100,371,260	-	100,371,260
Excess of Revenues Over Expenditures	1,912,716	4	1,912,720
Other Financing Sources (Uses)			
Transfers in	336	-	336
Transfers out	(743)	-	(743)
Total Other Financing Sources (Uses)	(407)	-	(407)
Net Change in Fund Balances	1,912,309	4	1,912,313
Fund Balances, Beginning of Fiscal Year	7,571,375	3,250	7,574,625
Fund Balances, End of Fiscal Year	$ 9,483,684	$ 3,254	$ 9,486,938

Fulton County Board of Education, Georgia
General Fund
Comparative Balance Sheet
June 30, 2011 and 2010

	2011	2010
Assets		
Cash and cash equivalents	$ 245,861,764	$169,622,735
Investments	20,037,365	-
Receivables:		
Accounts	401,049	359,713
Property taxes	17,890,674	20,144,997
Intergovernmental	39,392,002	36,289,378
Interfund	2,962,746	22,898,342
Prepaid items	466,468	466,468
Total Assets	$ 327,012,068	$ 249,781,633
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ 7,842,264	$ 8,645,664
Salaries and benefits payable	93,241,995	112,024,744
Other payables	64,016	19,430
Deferred revenues	15,657,247	14,812,901
Total Liabilities	116,805,522	135,502,739
Fund Balances		
Nonspendable	466,468	466,468
Restricted	2,387,000	2,387,000
Commited	122,927,608	-
Assigned	43,302,590	-
Unassigned	41,122,880	111,425,426
Total Fund Balances	210,206,546	114,278,894
Total Liabilities and Fund Balances	$ 327,012,068	$ 249,781,633

Fulton County Board of Education, Georgia
General Fund
Comparative Statement of Revenues, Expenditures
And Changes In Fund Balances
For the Fiscal Years Ended June 30, 2011 and 2010

	2011	2010
Revenues		
Intergovernmental - state	$ 281,272,287	$ 238,036,274
Intergovernmental - federal	19,922,944	32,302,476
Local sources:		
Property taxes	535,310,082	546,943,577
Investment earnings	645,453	537,997
Charges for services	5,842,522	6,234,070
Other	2,137,697	2,291,618
Total Revenues	845,130,985	826,346,012
Expenditures		
Current:		
Instruction	488,632,509	517,652,369
Support services		
Pupil services	24,350,170	28,414,927
Improvement of instructional services	13,989,947	15,930,401
Educational media services	12,795,832	13,961,261
General administration	2,165,418	3,593,810
School administration	48,357,238	50,600,690
Business administration	14,313,318	13,265,477
Maintenance and operation of plant	66,217,751	71,003,024
Student transportation services	39,594,597	37,586,678
Central support services	12,114,453	13,931,789
Other support services	26,713,228	17,691,086
Debt Service:		
Interest and fees	-	253,002
Total Expenditures	749,244,461	783,884,514
Excess of Revenues Over Expenditures	95,886,524	42,461,498
Other Financing Sources (Uses)		
Proceeds from the sale of capital assets	9,568	6,889
Insurance proceeds	31,153	-
Transfers in	743	-
Transfers out	(336)	(18,766,104)
Total Other Financing Sources (Uses)	41,128	(18,759,215)
Net Change in Fund Balances	95,927,652	23,702,283
Fund Balances Beginning of Fiscal Year	114,278,894	90,576,611
Fund Balances End of Fiscal Year	$ 210,206,546	$ 114,278,894

Fulton County Board of Education, Georgia
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2011

	Title I	Title II	Title III	Part B Special Education
Assets				
Cash and cash equivalents	$ 1,150,085	$ -	$ -	$ -
Receivables:				
Accounts	-	-	-	-
Intergovernmental	4,028,199	486,158	165,453	3,776,531
Inventories	-	-	-	-
Total Assets	$ 5,178,284	$ 486,158	$ 165,453	$ 3,776,531
Liabilities and Fund Balances (Deficits)				
Liabilities				
Accounts payable	$ 559,840	$ 89,708	$ 4,242	$ 542,638
Accrued salaries and wages	2,811,108	15,627	85,234	3,126,742
Other payables	62,974	936	-	-
Interfund payable	1,744,012	379,887	75,977	107,151
Deferred revenue	-	-	-	-
Total Liabilities	5,177,934	486,158	165,453	3,776,531
Fund Balances (Deficits)				
Nonspendable	-	-	-	-
Restricted	350	-	-	-
Unassigned	-	-	-	-
Total Fund Balances (Deficits)	350	-	-	-
Total Liabilities and Fund Balances (Deficits)	$ 5,178,284	$ 486,158	$ 165,453	$ 3,776,531

Education for the Homeless	Charter School	Safe and Drug-Free Schools	School Nutrition Programs
$ -	$ -	$ -	$ 8,392,106
-	-	-	43,405
1,152	222,998	9,519	58,680
-	-	-	796,744
$ 1,152	$ 222,998	$ 9,519	$ 9,290,935
$ -	$ 17,073	$ 5,046	$ 5,444
-	-	-	2,144,461
3	200,000	-	-
1,149	5,925	4,473	-
-	-	-	-
1,152	222,998	9,519	2,149,905
-	-	-	796,744
-	-	-	6,344,286
-	-	-	-
-	-	-	7,141,030
$ 1,152	$ 222,998	$ 9,519	$ 9,290,935

(Continued)

Fulton County Board of Education, Georgia
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2011

	Title V Part D	Lottery	Georgia Department of Community Affairs	Other Federal Grants
Assets				
Cash and cash equivalents	$ 5,358	$ 1,796,551	$ 89,050	$ 2,799
Receivables:				
Accounts	-	860	-	-
Intergovernmental	-	-	-	720,593
Inventories	-	-	-	-
Total Assets	$ 5,358	$ 1,797,411	$ 89,050	$ 723,392
Liabilities and Fund Balances (Deficits)				
Liabilities				
Accounts payable	$ -	$ -	$ -	$ 99,117
Accrued salaries and wages	511	1,011,122	-	25,154
Other payables	-	-	-	-
Interfund payable	-	-	-	598,725
Deferred revenue	-	833,411	-	-
Total Liabilities	511	1,844,533	-	722,996
Fund Balances (Deficits)				
Nonspendable	-	-	-	-
Restricted	4,847	-	89,050	396
Unassigned	-	(47,122)	-	-
Total Fund Balances (Deficits)	4,847	(47,122)	89,050	396
Total Liabilities and Fund Balances (Deficits)	$ 5,358	$ 1,797,411	$ 89,050	$ 723,392

(Continued)

Other State Grants	Other Local Grants	Principal's Accounts	Nonmajor Special Revenue Funds
$ 5,850	$ 2	$ 2,312,516	$ 13,754,317
-	-	9,847	54,112
-	50,295	-	9,519,578
-	-	-	796,744
$ 5,850	$ 50,297	$ 2,322,363	$ 24,124,751
$ -	$ -	$ 36,217	$ 1,359,325
-	1,635	-	9,221,594
-	78	-	263,991
-	45,447	-	2,962,746
-	-	-	833,411
-	47,160	36,217	14,641,067
-	-	-	796,744
5,850	3,137	2,286,146	8,734,062
-	-	-	(47,122)
5,850	3,137	2,286,146	9,483,684
$ 5,850	$ 50,297	$ 2,322,363	$ 24,124,751

Fulton County Board of Education, Georgia
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2011

	Title I	Title II	Title III
Revenues			
Intergovernmental - state	$ -	$ -	$ -
Intergovernmental - federal	25,190,736	1,827,814	797,137
Investment earnings	-	-	-
Charges for services	-	-	-
Other	-	-	-
Total Revenues	25,190,736	1,827,814	797,137
Expenditures			
Current:			
Instruction	13,371,007	238,531	510,677
Support services			
Pupil services	-	-	101,551
Improvement of instructional services	6,977,756	1,469,149	167,292
Educational media services	109,045	-	-
General administration	1,464,170	39,003	17,617
School administration	1,050	-	-
Business administration	-	-	-
Maintenance and operation of plant	1,158	-	-
Student transportation services	1,560,859	-	-
Central support services	-	81,131	-
Other support services	1,705,341	-	-
Food service operations	-	-	-
Total Expenditures	25,190,386	1,827,814	797,137
Excess (Deficiency) of Revenues Over (Under) Expenditures	350	-	-
Other Financing Sources (Uses)			
Transfers in	-	-	-
Transfers out	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Net Change in Fund Balances	350	-	-
Fund Balances (Deficits) Beginning of Fiscal Year	-	-	-
Fund Balances (Deficits) End of Fiscal Year	$ 350	$ -	$ -

Part B Special Education	Education for the Homeless	Charter School	Safe and Drug-Free Schools	School Nutrition Programs
$ -	$ -	$ -	$ -	$ 969,998
23,769,273	73,030	573,675	105,936	22,281,212
-	-	-	-	10,470
-	-	-	-	15,120,170
-	-	-	-	-
23,769,273	73,030	573,675	105,936	38,381,850
20,889,881	-	345,753	-	-
1,948,343	53,955	8,525	-	-
43,418	876	853	-	-
-	-	18,544	-	-
496,293	1,152	-	105,936	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
391,338	17,207	-	-	-
-	-	-	-	-
-	-	200,000	-	-
-	-	-	-	36,540,865
23,769,273	73,190	573,675	105,936	36,540,865
-	(160)	-	-	1,840,985
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	(160)	-	-	1,840,985
-	160	-	-	5,300,045
$ -	$ -	$ -	$ -	$ 7,141,030

(continued)

Fulton County Board of Education, Georgia
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2011

	Title V Part D	Lottery	Georgia Department of Community Affairs
Revenues			
Intergovernmental - state	$ -	$ 5,668,445	$ -
Intergovernmental - federal	2,943	10,759	-
Investment earnings	-	-	-
Charges for services	-	-	-
Other	-	-	-
Total Revenues	2,943	5,679,204	-
Expenditures			
Current:			
Instruction	1,278	5,528,403	-
Support services			
Pupil services	-	68,457	-
Improvement of instructional services	-	72,557	-
Educational media services	-	-	-
General administration	-	-	-
School administration	-	-	-
Business administration	-	-	-
Maintenance and operation of plant	-	-	-
Student transportation services	-	-	-
Central support services	-	45,041	-
Other support services	-	11,868	-
Food service operations	-	-	-
Total Expenditures	1,278	5,726,326	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,665	(47,122)	-
Other Financing Sources (Uses)			
Transfers in	-	-	-
Transfers out	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Net Change in Fund Balances	1,665	(47,122)	-
Fund Balances (Deficits) Beginning of Fiscal Year	3,182	-	89,050
Fund Balances (Deficits) End of Fiscal Year	$ 4,847	$ (47,122)	$ 89,050

(continued)

Other Federal Grants	Other State Grants	Other Local Grants	Principal's Accounts	Total Nonmajor Special Revenue Funds
$ -	$ 2,581	$ 15,600	$ -	$ 6,656,624
2,652,929	-	-	-	77,285,444
-	-	-	-	10,470
-	-	-	2,955,370	18,075,540
-	-	255,898	-	255,898
2,652,929	2,581	271,498	2,955,370	102,283,976
172,246	2,581	45,438	2,855,073	43,960,868
-	-	6,000	-	2,186,831
2,156,451	-	62,921	-	10,951,273
-	-	13	-	127,602
49,541	-	-	-	2,173,712
-	-	-	-	1,050
-	-	43,368	-	43,368
-	-	10,128	-	11,286
273,888	-	2,432	-	2,245,724
-	-	85,300	-	211,472
-	-	-	-	1,917,209
-	-	-	-	36,540,865
2,652,126	2,581	255,600	2,855,073	100,371,260
803	-	15,898	100,297	1,912,716
336	-	-	-	336
(743)	-	-	-	(743)
(407)	-	-	-	(407)
396	-	15,898	100,297	1,912,309
-	5,850	(12,761)	2,185,849	7,571,375
$ 396	$ 5,850	$ 3,137	$ 2,286,146	$ 9,483,684

Fulton County Board of Education, Georgia
All Budgeted Special Revenue Funds
Schedule of Revenues, Expenditures and Changes
In Fund Balances - Budget and Actual (Budgetary Basis)
For the Fiscal Year Ended June 30, 2011

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Intergovernmental - state	$ 6,557,038	$ 6,502,050	$ 5,686,626	$ (815,424)
Intergovernmental - federal	43,133,851	79,739,056	55,004,232	(24,734,824)
Local sources:				
Other	151,814	473,252	255,898	(217,354)
Total Revenues	49,842,703	86,714,358	60,946,756	(25,767,602)
Expenditures				
Current:				
Instruction	33,415,842	53,250,085	41,105,795	12,144,290
Support services				
Pupil services	1,226,185	2,917,551	2,186,831	730,720
Improvement of instructional services	8,877,115	21,083,716	10,951,273	10,132,443
Educational media services	-	240,603	127,602	113,001
General administration	403,138	3,508,935	2,173,712	1,335,223
School administration	-	68,215	1,050	67,165
Business administration	-	43,368	43,368	-
Maintenance and operation of plant	-	507,315	11,286	496,029
Student transportation services	303,000	2,273,220	2,245,724	27,496
Central support services	803,391	482,182	211,472	270,710
Other support services	4,814,032	3,090,644	1,917,209	1,173,435
Total Expenditures	49,842,703	87,465,834	60,975,322	26,490,512
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(751,476)	(28,566)	722,910
Other Financing Sources (Uses)				
Transfers in	-	-	336	336
Transfers out	-	-	(743)	(743)
Total Other Financing Sources (Uses)	-	-	(407)	(407)
Net Change in Fund Balances - Budgetary Basis	$ -	$ (751,476)	(28,973)	$ 722,503
Add Principal's Account Fund and School Nutrition Programs Fund Excluded Above			1,941,282	
Net Change in Fund Balances - GAAP Basis			$ 1,912,309	

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Fulton County Board of Education, Georgia
Title I Fund
Comparative Balance Sheet
June 30, 2011 and 2010

	2011	2010
Assets		
Cash and cash equivalents	$ 1,150,085	$ 849,005
Intergovernmental receivable	4,028,199	4,758,539
Total Assets	$ 5,178,284	$ 5,607,544
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ 559,840	$ 1,137,967
Other payables	62,974	509,356
Accrued salaries and wages	2,811,108	2,209,829
Interfund payable	1,744,012	1,750,392
Total Liabilities	5,177,934	5,607,544
Fund Balances		
Restricted	350	-
Total Liabilities and Fund Balances	$ 5,178,284	$ 5,607,544

Fulton County Board of Education, Georgia
Title I Fund
Schedule of Revenues, Expenditures and Changes
In Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2011
(With Comparative Actual Amounts For the Fiscal Year Ended June 30, 2010)

	2011				2010
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Intergovernmental - federal	$ 21,388,345	$ 41,689,880	$ 25,190,736	$ (16,499,144)	$ 29,027,530
Expenditures					
Current:					
Instruction	12,123,229	21,629,922	13,371,007	8,258,915	16,342,531
Support services					
Pupil services	-	23,977	-	23,977	23,828
Improvement of instructional services	4,637,133	12,922,039	6,977,756	5,944,283	10,182,293
Educational media services	-	139,361	109,045	30,316	141,889
School administration	-	1,093	1,050	43	-
General administration	-	2,545,775	1,464,170	1,081,605	1,336,869
Maintenance and operation of plant	-	1,905	1,158	747	888
Student transportation services	-	1,862,324	1,560,859	301,465	102,367
Other support services	4,637,133	3,057,823	1,705,341	1,352,482	896,865
Total Expenditures	21,397,495	42,184,219	25,190,386	16,993,833	29,027,530
Excess (Deficiency) of Revenues Over (Under) Expenditures	$ (9,150)	$ (494,339)	350	$ 494,689	-
Fund Balances Beginning of Fiscal Year			-		-
Fund Balances End of Fiscal Year			$ 350		$ -

Fulton County Board of Education, Georgia
Title II Fund
Comparative Balance Sheet
June 30, 2011 and 2010

	2011	2010
Assets		
Intergovernmental receivable	$ 486,158	$ 634,280
Liabilities		
Accounts payable	$ 89,708	$ 195,527
Accrued salaries and wages	15,627	108,947
Other payables	936	1,800
Interfund payable	379,887	328,006
Total Liabilities	$ 486,158	$ 634,280

Fulton County Board of Education, Georgia
Title II Fund
Schedule of Revenues, Expenditures and Changes
In Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2011
(With Comparative Actual Amounts For the Fiscal Year Ended June 30, 2010)

	2011				2010
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Intergovernmental - federal	$ 2,953,775	$ 5,279,982	$ 1,827,814	$ (3,452,168)	$ 2,344,765
Expenditures					
Current:					
Instruction	258,016	601,333	238,531	362,802	133,380
Support services					
Improvement of instructional services	2,457,474	4,405,118	1,469,149	2,935,969	1,978,823
General administration	57,686	92,847	39,003	53,844	56,782
Central support services	-	180,684	81,131	99,553	175,780
Other support services	176,899	-	-	-	-
Total Expenditures	2,950,075	5,279,982	1,827,814	3,452,168	2,344,765
Net Change in Fund Balance	$ 3,700	$ -	-	$ -	-
Fund Balances Beginning of Fiscal Year			-		-
Fund Balances End of Fiscal Year			$ -		$ -

Fulton County Board of Education, Georgia
Title III Fund
Comparative Balance Sheet
June 30, 2011 and 2010

	2011	2010
Assets		
Intergovernmental receivable	$ 165,453	$ 71,253
Liabilities		
Accounts payable	$ 4,242	$ 8,996
Accrued salaries and wages	85,234	36,884
Interfund payable	75,977	25,373
Total Liabilities	$ 165,453	$ 71,253

Fulton County Board of Education, Georgia
Title III Fund
Schedule of Revenues, Expenditures and Changes
In Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2011
(With Comparative Actual Amounts For the Fiscal Year Ended June 30, 2010)

	2011				2010
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Intergovernmental - federal	$ 765,556	$ 1,404,048	$ 797,137	$ (606,911)	$ 771,361
Expenditures					
Current:					
Instruction	372,423	816,734	510,677	306,057	460,937
Support services					
Pupil services	157,989	253,103	101,551	151,552	88,440
Improvement of instructional services	199,293	295,980	167,292	128,688	215,905
General administration	30,401	37,731	17,617	20,114	6,079
Student transportation services	-	500	-	500	-
Total Expenditures	760,106	1,404,048	797,137	606,911	771,361
Excess of Revenues Over Expenditures	$ 5,450	$ -	-	$ -	-
Fund Balances Beginning of Fiscal Year			-		-
Fund Balances End of Fiscal Year			$ -		$ -

Fulton County Board of Education, Georgia
Part B - Special Education Fund
Comparative Balance Sheet
June 30, 2011 and 2010

	2011	2010
Assets		
Cash and cash equivalents	$ -	$ 1,151,609
Intergovernmental receivable	3,776,531	1,827,613
Total Assets	$ 3,776,531	$ 2,979,222
Liabilities		
Accounts payable	$ 542,638	$ 308,943
Accrued salaries and wages	3,126,742	2,641,847
Other payables	-	28,432
Interfund payable	107,151	-
Total Liabilities	$ 3,776,531	$ 2,979,222

Fulton County Board of Education, Georgia
Part B - Special Education Fund
Schedule of Revenues, Expenditures and Changes
In Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2011
(With Comparative Actual Amounts For the Fiscal Year Ended June 30, 2010)

	2011				2010
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Intergovernmental - federal	$ 14,967,103	$ 27,075,661	$ 23,769,273	$ (3,306,388)	$ 21,868,053
Expenditures					
Current:					
Instruction	13,375,368	23,593,231	20,889,881	2,703,350	17,675,687
Support services					
Pupil services	1,024,217	2,463,377	1,948,343	515,034	3,273,202
Improvement of instructional services	-	50,559	43,418	7,141	229,282
General administration	264,518	584,600	496,293	88,307	368,345
Student transportation services	303,000	391,112	391,338	(226)	321,537
Total Expenditures	14,967,103	27,082,879	23,769,273	3,313,606	21,868,053
Excess (Deficiency) of Revenues Over (Under) Expenditures	$ -	$ (7,218)	-	$ 7,218	-
Fund Balances Beginning of Fiscal Year			-		-
Fund Balances End of Fiscal Year			$ -		$ -

Fulton County Board of Education, Georgia
Education for the Homeless Fund
Comparative Balance Sheet
June 30, 2011 and 2010

	2011	2010
Assets		
Cash and cash equivalents	$ -	$ 160
Intergovernmental receivables	1,152	-
Total Assets	$ 1,152	$ 160
Liabilities and Fund Balances		
Liabilities		
Other payable	$ 3	$ -
Interfund payable	1,149	-
Total Liabilities	1,152	-
Fund Balances		
Restricted	-	160
Total Liabilities and Fund Balances	$ 1,152	$ 160

Fulton County Board of Education, Georgia
Education for the Homeless Fund
Schedule of Revenues, Expenditures and Changes
In Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2011
(With Comparative Actual Amounts For the Fiscal Year Ended June 30, 2010)

	2011				2010
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Intergovernmental - federal	$ 45,000	$ 83,394	$ 73,030	$ (10,364)	$ 66,866
Expenditures					
Current:					
Support services					
Pupil services	43,979	61,894	53,955	7,939	66,706
Improvement of instructional services	-	3,000	876	2,124	-
General administration	1,021	1,293	1,152	141	-
Student transportation services	-	17,207	17,207	-	-
Total Expenditures	45,000	83,394	73,190	10,204	66,706
Excess (Deficiency) of Revenues Over (Under) Expenditures	$ -	$ -	(160)	$ (160)	160
Fund Balances Beginning of Fiscal Year			160		-
Fund Balances End of Fiscal Year			$ -		$ 160

Fulton County Board of Education, Georgia
Charter School Fund
Comparative Balance Sheet
June 30, 2011 and 2010

	2011	2010
Assets		
Cash and cash equivalents	$ -	$ 169,954
Intergovernmental receivable	222,998	-
Total Assets	$ 222,998	$ 169,954
Liabilities		
Accounts payable	$ 17,073	$ 24,111
Other payables	200,000	-
Interfund payable	5,925	-
Deferred revenue	-	145,843
Total Liabilities	$ 222,998	$ 169,954

Fulton County Board of Education, Georgia
Charter School Fund
Schedule of Revenues, Expenditures and Changes
In Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2011
(With Comparative Actual Amounts For the Fiscal Year Ended June 30, 2010)

	2011				2010
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Intergovernmental - federal	$ 800,000	$ 811,390	$ 573,675	$ (237,715)	$ 345,904
Expenditures					
Current:					
Instruction	800,000	811,618	345,753	465,865	140,399
Support services					
Pupil services	-	21,186	8,525	12,661	15,894
Improvement of instructional services	-	47,623	853	46,770	62,298
Educational media services	-	101,229	18,544	82,685	94,400
School administration	-	67,122	-	67,122	-
Other support services	-	4,399	200,000	(195,601)	18,025
Capital Outlay	-	-	-	-	14,888
Total Expenditures	800,000	1,053,177	573,675	479,502	345,904
Excess (Deficiency) of Revenues Over (Under) Expenditures	$ -	$ (241,787)	-	$ 241,787	-
Fund Balances Beginning of Fiscal Year			-		-
Fund Balances End of Fiscal Year			$ -		$ -

Fulton County Board of Education, Georgia
Safe and Drug Free Schools Fund
Comparative Balance Sheet
June 30, 2011 and 2010

	2011	2010
Assets		
Intergovernmental receivable	$ 9,519	$ 26,933
Liabilities		
Accounts payable	$ 5,046	$ -
Interfund payable	4,473	26,933
Total Liabilities	$ 9,519	$ 26,933

Fulton County Board of Education, Georgia
Safe and Drug Free Schools Fund
Schedule of Revenues, Expenditures and Changes
In Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2011
(With Comparative Actual Amounts For the Fiscal Year Ended June 30, 2010)

	2011				2010
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Intergovernmental - federal	$ 130,965	$ 130,917	$ 105,936	$ (24,981)	$ 211,015
Expenditures					
Current:					
Instruction	-	-	-	-	65,523
Support services					
Improvement of instructional services	130,965	-	-	-	141,761
General administration	-	130,917	105,936	24,981	3,731
Total Expenditures	130,965	130,917	105,936	24,981	211,015
Excess of Revenues Over Expenditures	$ -	$ -	-	$ -	-
Fund Balances Beginning of Fiscal Year			-		-
Fund Balances End of Fiscal Year			$ -		$ -

Fulton County Board of Education, Georgia
School Nutrition Program Fund
Comparative Balance Sheet
June 30, 2011 and 2010

	2011	2010
Assets		
Cash and cash equivalents	$ 8,392,106	$ 6,250,058
Receivables:		
Accounts receivable	43,405	21,043
Intergovernmental	58,680	50,093
Inventory	796,744	1,065,935
Total Assets	$ 9,290,935	$ 7,387,129
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ 5,444	$ 29,313
Accrued salaries and wages	2,144,461	2,057,771
Total Liabilities	2,149,905	2,087,084
Fund Balances		
Nonspendable	796,744	1,065,935
Restricted	6,344,286	4,234,110
Total Fund Balances	7,141,030	5,300,045
Total Liabilities and Fund Balances	$ 9,290,935	$ 7,387,129

Fulton County Board of Education, Georgia
School Nutrition Program Fund
Schedule of Revenues, Expenditures and Changes
In Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2011
(With Comparative Actual Amounts For the Fiscal Year Ended June 30, 2010)

	2011				
	Original Budget	Final Budget	Actual	Variance With Final Budget	2010 Actual
Revenues					
Intergovernmental - state	$ 1,002,810	$ 1,002,810	$ 969,998	$ (32,812)	$ 1,081,702
Intergovernmental - federal	21,353,818	20,103,818	20,310,507	206,689	19,999,188
USDA commodities	1,686,183	1,686,183	1,970,705	284,522	2,133,424
Investment earnings	6,500	6,500	10,470	3,970	6,830
Charges for services	16,743,054	15,613,630	15,120,170	(493,460)	16,039,645
Total Revenues	40,792,365	38,412,941	38,381,850	(31,091)	39,260,789
Expenditures					
Current:					
Food service operations	40,788,076	37,833,242	36,540,865	1,292,377	37,421,798
Excess of Revenues Over Expenditures	$ 4,289	$ 579,699	1,840,985	$ 1,261,286	1,838,991
Fund Balances Beginning of Fiscal Year			5,300,045		3,461,054
Fund Balances End of Fiscal Year			$ 7,141,030		$ 5,300,045

Fulton County Board of Education, Georgia
Title V Part D Fund
Comparative Balance Sheet
June 30, 2011 and 2010

	2011	2010
Assets		
Cash and cash equivalents	$ 5,358	$ 3,182
Liabilities and Fund Balances		
Liabilities		
Accrued salaries and wages payable	$ 511	$ -
Fund Balances		
Restricted	4,847	3,182
Total Liabilities and Fund Balances	$ 5,358	$ 3,182

Fulton County Board of Education, Georgia
Title V Part D Fund
Schedule of Revenues, Expenditures and Changes
In Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2011
(With Comparative Actual Amounts For the Fiscal Year Ended June 30, 2010)

	2011				2010
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Intergovernmental - federal	$ 5,774	$ 5,445	$ 2,943	$ (2,502)	$ 5,770
Expenditures					
Current:					
Instruction	5,774	5,445	1,278	4,167	6,404
Excess (Deficiency) of Revenues Over (Under) Expenditures	$ -	$ -	1,665	$ 1,665	(634)
Fund Balances Beginning of Fiscal Year			3,182		3,816
Fund Balances End of Fiscal Year			$ 4,847		$ 3,182

Fulton County Board of Education, Georgia
Lottery Fund
Comparative Balance Sheet
June 30, 2011 and 2010

	2011	2010
Assets		
Cash and cash equivalents	$ 1,796,551	$ 1,344,585
Accounts receivable	860	745
Total Assets	$ 1,797,411	$ 1,345,330
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ -	$ 971
Accrued salaries and wages payable	1,011,122	1,308,510
Other payable	-	35,849
Deferred revenue	833,411	-
Total Liabilities	1,844,533	1,345,330
Fund Balances		
Unassigned	(47,122)	-
Total Liabilities and Fund Balances	$ 1,797,411	$ 1,345,330

Fulton County Board of Education, Georgia
Lottery Fund
Schedule of Revenues, Expenditures and Changes
In Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2011
(With Comparative Actual Amounts For the Fiscal Year Ended June 30, 2010)

	2011				2010
	Original	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Intergovernmental - state	$ 6,507,038	$ 6,499,456	$ 5,668,445	$ (831,011)	$ 7,338,014
Intergovernmental - federal	-	13,200	10,759	(2,441)	32,706
Total Revenues	6,507,038	6,512,656	5,679,204	(833,452)	7,370,720
Expenditures					
Current:					
Instruction	5,811,371	5,483,722	5,528,403	(44,681)	7,983,558
Support services					
Pupil services	-	88,014	68,457	19,557	487,223
Improvement of instructional services	27,590	867,457	72,557	794,900	42,746
Central support services	668,077	45,041	45,041	-	46,369
Other support services	-	28,422	11,868	16,554	76,928
Total Expenditures	6,507,038	6,512,656	5,726,326	786,330	8,636,824
(Deficiency) of Revenues (Under) Expenditures	-	-	(47,122)	(47,122)	(1,266,104)
Other Financing Sources					
Transfers in	-	-	-	-	1,266,104
Net Change in Fund Balances	$ -	$ -	(47,122)	$ (47,122)	-
Fund Balances Beginning of Fiscal Year			-		-
Fund Balances (Deficits)End of Fiscal Year			$ (47,122)		$ -

Fulton County Board of Education, Georgia
Georgia Department of Community Affairs Fund
Comparative Balance Sheet
June 30, 2011 and 2010

	2011	2010
Assets		
Cash and cash equivalents	$ 89,050	$ 89,050
Fund Balances		
Restricted	$ 89,050	$ 89,050

Fulton County Board of Education, Georgia
Georgia Department of Community Affairs Fund
Comparative Statement of
Changes In Fund Balances
For the Fiscal Years Ended June 30, 2011 and 2010

	2011	2010
Fund Balances Beginning of Fiscal Year	$ 89,050	$ 89,050
Fund Balances End of Fiscal Year	$ 89,050	$ 89,050

Fulton County Board of Education, Georgia
Other Federal Grants Fund
Comparative Balance Sheet
June 30, 2011 and 2010

	2011	2010
Assets		
Cash and cash equivalents	$ 2,799	$ 500
Intergovernmental receivable	720,593	756,232
Total Assets	$ 723,392	$ 756,732
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ 99,117	$ 174,062
Accrued salaries and wages payable	25,154	37,400
Other liabilities	-	25,023
Interfund payable	598,725	520,247
Total Liabilities	722,996	756,732
Fund Balances		
Restricted	396	-
Total Liabilities and Fund Balances	$ 723,392	$ 756,732

Fulton County Board of Education, Georgia
Other Federal Grants Fund
Schedule of Revenues, Expenditures and Changes
In Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2011
(With Comparative Actual Amounts For the Fiscal Year Ended June 30, 2010)

	2011				2010
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Intergovernmental - federal	$ 2,077,333	$ 3,245,139	$ 2,652,929	$ (592,210)	$ 2,462,206
Expenditures					
Current:					
Instruction	619,661	260,050	172,246	87,804	167,150
Support services					
Improvement of instructional services	1,408,160	2,422,040	2,156,451	265,589	2,092,356
General administration	49,512	115,772	49,541	66,231	58,082
Maintenance and operation of plant	-	455,410	273,888	181,522	144,618
Total Expenditures	2,077,333	3,253,272	2,652,126	601,146	2,462,206
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(8,133)	803	8,936	-
Other Financing Sources (Uses)					
Transfers in	-	-	336	336	-
Transfer out	-	-	(743)	(743)	-
Total Other Financing Sources (Uses)	-	-	(407)	(407)	-
Net Change in Fund Balances	$ -	$ (8,133)	396	$ 8,529	-
Fund Balances Beginning of Fiscal Year			-		-
Fund Balances End of Fiscal Year			$ 396		$ -

Fulton County Board of Education, Georgia
Other State Grants Fund
Comparative Balance Sheet
June 30, 2011 and 2010

	2011	2010
Assets		
Cash and cash equivalents	$ 5,850	$ 5,850
Intergovernmental receivable	-	9,906
Total Assets	$ 5,850	$ 15,756
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ -	$ 2,381
Interfund payable	-	7,525
Total Liabilities	-	9,906
Fund Balances		
Restricted	5,850	5,850
Total Liabilities and Fund Balances	$ 5,850	$ 15,756

Fulton County Board of Education, Georgia
Other State Grants Fund
Schedule of Revenues, Expenditures and Changes
In Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2011
(With Comparative Actual Amounts For the Fiscal Year Ended June 30, 2010)

	2011				2010
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Intergovernmental - state	$ 50,000	$ 2,594	$ 2,581	$ (13)	$ 50,816
Expenditures					
Current:					
Instruction	50,000	2,594	2,581	13	50,816
Excess of Revenues Over Expenditures	$ -	$ -	-	$ -	-
Fund Balances Beginning of Fiscal Year			5,850		5,850
Fund Balances End of Fiscal Year			$ 5,850		$ 5,850

Fulton County Board of Education, Georgia
Other Local Grants Fund
Comparative Balance Sheet
June 30, 2011 and 2010

	2011	2010
Assets		
Cash and cash equivalents	$ 2	$ 893
Intergovernmental receivable	50,295	61,935
Total Assets	$ 50,297	$ 62,828
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ -	$ 1,195
Accrued salaries and wages	1,635	989
Other liabilities	78	-
Interfund payable	45,447	73,405
Total Liabilities	47,160	75,589
Fund Balances (Deficit)		
Restricted	3,137	-
Unassigned	-	(12,761)
Total Fund Balances (Deficit)	3,137	(12,761)
Total Liabilities and Fund Balances	$ 50,297	$ 62,828

Fulton County Board of Education, Georgia
Other Local Grants Fund
Schedule of Revenues, Expenditures and Changes
In Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2011
(With Comparative Actual Amounts For the Fiscal Year Ended June 30, 2010)

	2011				2010
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Intergovernmental - state	$ -	$ -	$ 15,600	$ 15,600	$ -
Local	151,814	473,251	255,898	(217,353)	247,203
Total Revenues	151,814	473,251	271,498	(201,753)	247,203
Expenditures					
Current					
Instruction	-	45,436	45,438	(2)	9,327
Support services:					
Pupil services	-	6,000	6,000	-	-
Improvement of instructional services	16,500	69,900	62,921	6,979	154,327
Educational media services	-	13	13	-	5,487
General administration	-	-	-	-	29,716
Business administration	-	43,368	43,368	-	-
Maintenance and operation of plant	-	50,000	10,128	39,872	-
Student transportation services	-	2,077	2,432	(355)	4,408
Central support services	135,314	256,457	85,300	171,157	61,425
Total Expenditures	151,814	473,251	255,600	217,651	264,690
Excess (Deficiency) of Revenues Over (Under) Expenditures	$ -	$ -	15,898	$ 15,898	(17,487)
Fund Balances (Deficit) Beginning of Fiscal Year			(12,761)		4,726
Fund Balances (Deficit) End of Fiscal Year			$ 3,137		$ (12,761)

Fulton County Board of Education, Georgia
Principal's Accounts Fund
Comparative Balance Sheet
June 30, 2011 and 2010

	2011	2010
Assets		
Cash and cash equivalents	$ 2,312,516	$ 2,200,296
Accounts receivable	9,847	8,009
Total Assets	$ 2,322,363	$ 2,208,305
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ 36,217	$ 22,456
Fund Balances		
Restricted	2,286,146	2,185,849
Total Liabilities and Fund Balances	$ 2,322,363	$ 2,208,305

Fulton County Board of Education, Georgia
Principal's Accounts Fund
Comparative Statement of Revenues, Expenditures
And Changes In Fund Balances
For the Fiscal Years Ended June 30, 2011 and 2010

	2011	2010
Revenues		
Charges for services	$ 2,955,370	$ 3,066,283
Expenditures		
Current:		
Instruction	2,855,073	2,757,449
Excess of Revenues Over Expenditures	100,297	308,834
Fund Balances Beginning of Fiscal Year	2,185,849	1,877,015
Fund Balances End of Fiscal Year	$ 2,286,146	$ 2,185,849

Fulton County Board of Education, Georgia
Debt Service Fund
Comparative Balance Sheet
June 30, 2011 and 2010

	2011	2010
Assets		
Cash and cash equivalents	$ 39,746,589	$ 47,383,204
Investments	8,000,000	-
Property taxes receivables	271,235	451,388
Total Assets	$ 48,017,824	$ 47,834,592
Liabilities and Fund Balances		
Liabilities		
Deferred revenues	$ 270,272	$ 393,440
Fund Balances		
Restricted	47,747,552	47,441,152
Total Liabilities and Fund Balances	$ 48,017,824	$ 47,834,592

Fulton County Board of Education, Georgia
Debt Service Fund
Schedule of Revenues, Expenditures and Changes
In Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2011
(With Comparative Actual Amounts For the Fiscal Year Ended June 30, 2010)

	2011				2010
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Property taxes	$ -	$ -	$ 237,572	$ 237,572	$ 2,105,384
Investment earnings	227,246	227,246	71,308	(155,938)	110,222
Total Revenues	227,246	227,246	308,880	81,634	2,215,606
Expenditures					
Debt Service:					
Principal retirement	15,390,000	15,390,000	15,390,000	-	15,130,000
Interest and fiscal charges	8,556,700	8,556,700	8,554,180	2,520	9,444,748
Total Expenditures	23,946,700	23,946,700	23,944,180	2,520	24,574,748
Excess (Deficiency) of Revenues Over (Under) Expenditures	(23,719,454)	(23,719,454)	(23,635,300)	84,154	(22,359,142)
Other Financing Sources					
Transfers in	23,941,700	26,414,147	23,941,700	(2,472,447)	24,944,799
Net Change in Fund Balances	$ 222,246	$ 2,694,693	306,400	$ (2,388,293)	2,585,657
Fund Balances Beginning of Fiscal Year			47,441,152		44,855,495
Fund Balances End of Fiscal Year			$ 47,747,552		$ 47,441,152

Fulton County Board of Education, Georgia
2002 SPLOST Fund
Comparative Balance Sheet
June 30, 2011 and 2010

	2011	2010
Assets		
Cash and cash equivalents	$ 9,239,046	$ 11,430,388
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ 41,328	$ 543,966
Other payable	31,817	-
Retainage payable	54,104	80,254
Total Liabilities	127,249	624,220
Fund Balances		
Restricted	9,111,797	10,806,168
Total Liabilities and Fund Balances	$ 9,239,046	$ 11,430,388

Fulton County Board of Education, Georgia
2002 SPLOST Fund
Comparative Statement of Revenues, Expenditures
and Changes In Fund Balances
For the Fiscal Years Ended June 30, 2011 and 2010

	2011	2010
Revenues		
Intergovernmental - state	$ -	$ 8,069,310
Investment earnings	18,302	30,964
Other	-	1,209
Total Revenues	18,302	8,101,483
Expenditures		
Capital Outlay	1,712,673	4,636,900
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,694,371)	3,464,583
Other Financing Uses		
Transfers out	-	(1,775,646)
Net Change in Fund Balances	(1,694,371)	1,688,937
Fund Balances Beginning of Fiscal Year	10,806,168	9,117,231
Fund Balances End of Fiscal Year	$ 9,111,797	$ 10,806,168

Fulton County Board of Education, Georgia
2007 SPLOST Fund
Comparative Balance Sheet
June 30, 2011 and 2010

	2011	2010
Assets		
Cash and cash equivalents	$ 5,670,460	$ 23,563,189
Investments	-	7,000,000
Receivables:		
Accounts	757	-
Sales taxes	44,672,849	13,236,478
Intergovernmental	23,911,985	16,024,258
Total Assets	$ 74,256,051	$ 59,823,925
Liabilities and Fund Balances (Deficits)		
Liabilities		
Accounts payable	$ 18,783,130	$ 14,024,135
Other payables	3,384,743	620,503
Retainage payable	4,372,483	2,341,455
Interfund payable	-	19,528,147
Tax anticipation notes payable	-	59,000,000
Accrued interest payable	-	86,042
Deferred revenue	55,138,949	17,880,998
Total Liabilities	81,679,305	113,481,280
Fund Balances (Deficits)		
Unassigned	(7,423,254)	(53,657,355)
Total Liabilities and Fund Balances (Deficits)	$ 74,256,051	$ 59,823,925

Fulton County Board of Education, Georgia
2007 SPLOST Fund
Comparative Statement of Revenues, Expenditures
and Changes In Fund Balances
For the Fiscal Years Ended June 30, 2011 and 2010

	2011	2010
Revenues		
Sales taxes	$ 130,265,771	$ 123,055,820
Intergovernmental - state	13,179,902	13,821,427
Investment earnings	69,247	139,088
Other	-	495,028
Total Revenues	143,514,920	137,511,363
Expenditures		
Capital Outlay	72,890,993	79,103,708
Debt Service:		
Interest and fiscal charges	448,126	1,355,038
TAN issuance costs	-	190,410
Total Expenditures	73,339,119	80,649,156
Excess of Revenues Over Expenditures	70,175,801	56,862,207
Other Financing Sources (Uses)		
Transfers in	-	17,500,000
Transfers out	(23,941,700)	(24,944,799)
Total Other Financing Sources (Uses)	(23,941,700)	(7,444,799)
Net Change in Fund Balances	46,234,101	49,417,408
Fund Balances (Deficits) Beginning of Fiscal Year	(53,657,355)	(103,074,763)
Fund Balances (Deficits) End of Fiscal Year	$ (7,423,254)	$ (53,657,355)

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Fulton County Board of Education, Georgia
1997 SPLOST Fund
Comparative Statement of Revenues, Expenditures
and Changes In Fund Balances
For the Fiscal Years Ended June 30, 2011 and 2010

	2011	2010
Revenues		
Intergovernmental - state	$ -	$ -
Investment earnings	-	3,086
Other	-	-
Total Revenues	-	3,086
Expenditures		
Capital Outlay	-	29,972
(Deficiency) of Revenues (Under) Expenditures	-	(26,886)
Other Financing Sources		
Transfers in	-	1,775,646
Net Change in Fund Balances	-	1,748,760
Fund Balances (Deficit) Beginning of Fiscal Year	-	(1,748,760)
Fund Balances End of Fiscal Year	$ -	$ -

Fulton County Board of Education, Georgia
Nonmajor Permanent Fund
J.C. Day Fund
Comparative Balance Sheet
June 30, 2011 and 2010

	2011	2010
Assets		
Cash and cash equivalents	$ 3,254	$ 3,250
Fund Balances		
Nonspendable	$ 3,254	$ 3,250

Fulton County Board of Education, Georgia
Nonmajor Permanent Fund
J.C. Day Fund
Comparative Statement of Revenues
and Changes In Fund Balances
For the Fiscal Years Ended June 30, 2011 and 2010

	2011	2010
Revenues		
Investment earnings	$ 4	$ 5
Fund Balances Beginning of Fiscal Year	3,250	3,245
Fund Balances End of Fiscal Year	$ 3,254	$ 3,250

Fulton County Board of Education, Georgia
Comparative Statement of Plan Net Assets
Pension Trust Fund
June 30, 2011 and 2010

	2011	2010
Assets		
Cash and cash equivalents	$ 37,685,131	$ 22,354,055
Investments, at fair value:		
Domestic stocks	83,534,927	83,694,456
International stocks	-	21,568,247
Corporate securities	23,766,716	18,678,957
Government securities	34,305,647	57,300,563
Equity real estate securities	2,688,310	4,830,075
U.S. mutual fund equities	45,051,939	-
Limited partnerships equities	22,876,714	-
Collateralized mortgage obligations	1,483,044	-
Other fixed income securities	1,262,201	-
Receivables:		
Other	172,359	195,859
Total Assets	252,826,988	208,622,212
Liabilities		
Accounts payable	460,801	208,131
Interfund payable	-	638,314
Total Liabilities	460,801	846,445
Net Assets Held in Trust for Pension Benefits	$ 252,366,187	$ 207,775,767

Fulton County Board of Education, Georgia
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Fiscal Year Ended June 30, 2011

	Balance July 1, 2010	Additions	Deductions	Balance June 30, 2011
Assets				
Cash and cash equivalents	$ 3,656,374	$ 16,823,833	$ 16,560,262	$ 3,919,945
Investments	18,244	187	-	18,431
Other receivables	38,503	24,986	38,503	24,986
Total Assets	$ 3,713,121	$ 16,849,006	$ 16,598,765	$ 3,963,362
Liabilities				
Accounts payable	$ 168,710	$ 41,755	168,710	$ 41,755
Due to student organizations	3,544,411	16,743,762	16,366,566	3,921,607
Total Liabilities	$ 3,713,121	$ 16,785,517	$ 16,535,276	$ 3,963,362

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Statistical Section



Chattahoochee HS
Karolina Akimov ~ 12th Grade

Fulton County Schools
Where Students Come First

Fulton County Board of Education, Georgia

Introduction to the Statistical Section

(Unaudited)

This part of Fulton County Board of Education's (School System) comprehensive annual financial report presents detailed information as a context for understanding this fiscal year's financial statements, note disclosures, and supplementary information. This information is unaudited.

Contents	**Exhibit**
Financial Trends	I - VII-A
These tables contain financial statement trend information that may assist the reader in assessing the School System's current financial performance by placing it in a historical perspective. In fiscal year 2009, the School System incorporated five charter schools as special revenue funds. Fiscal years 2000 - 2008 have not been restated to reflect this change in the reporting entity. Fiscal years 2010 and 2011 report the charter schools as discretely presented component units.	
Revenue Capacity	VIII - XIV
These tables contain information that may assist the reader in assessing the viability of the School System's two most significant "own-source" revenue sources: property taxes and sales taxes.	
Debt Capacity	XV - XVII
These tables present information that may assist the reader in analyzing the affordability of the School System's current levels of outstanding debt and the School System's ability to issue additional debt in the future.	
Demographic and Economic Information	XVIII - XIX
These tables present demographic and economic information intended (1) to assist users in understanding the socioeconomic environment within which the School System operates and (2) to provide information that facilitates comparisons of financial statement information over time and among school systems.	
Operating Information	XX - XXV
These tables contain service indicators that can inform one's understanding how the information in the School System's financial statements relates to the services the School System provides and the activities it performs.	

Data Source:

Unless otherwise noted, the information in these tables is derived from the comprehensive annual financial report for the applicable fiscal year.

Exhibit I

Fulton County Board of Education, Georgia

Government-wide Net Assets by Component (Unaudited) [1]

Last Ten Fiscal Years [2]

(accrual basis of accounting)

	At June 30,									
	2002	**2003**	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**
	Amounts									
Governmental Activities										
Invested in capital assets, net of related debt [3]	$ 638,574,178	$ 717,508,263	$ 855,650,625	$ 914,153,251	$ 961,503,568	$ 1,127,331,004	$ 1,280,537,226	$ 1,448,516,461	$ 1,480,029,373	$ 1,506,586,721
Restricted	163,954,975	151,266,636	4,503,790	74,070,055	201,136,788	42,057,682	32,955,902	57,540,467	63,636,096	66,393,409
Unrestricted	54,468,838	62,721,169	148,468,959	64,569,055	(8,220,430)	111,809,620	130,241,063	16,771,499	66,897,704	247,513,274
Total [4]	$ 856,997,991	$ 931,496,068	$ 1,008,623,374	$ 1,052,792,361	$ 1,154,419,926	$ 1,281,198,306	$ 1,443,734,191	$ 1,522,828,427	$ 1,610,563,173	$ 1,820,493,404
Total Percentage Increase From Prior Year	N/A	8.7%	8.3%	4.4%	9.7%	11.0%	12.7%	5.5%	5.8%	13.0%
	Percentage of Total									
Governmental Activities										
Invested in capital assets, net of related debt [3]	74.51%	77.03%	84.83%	86.83%	83.29%	87.99%	88.70%	95.12%	91.90%	82.76%
Restricted	19.13%	16.24%	0.45%	7.04%	17.42%	3.28%	2.28%	3.78%	3.95%	3.65%
Unrestricted	6.36%	6.73%	14.72%	6.13%	-0.71%	8.73%	9.02%	1.10%	4.15%	13.60%
Total	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Notes:

[1] Accounting standards require that net assets be reported in three components in the financial statements: invested in capital assets, net of related debt; restricted; and unrestricted. Net assets are considered restricted only when (1) an external party, such as the Georgia Department of Education or the federal government, places a restriction on how the resources may be used, or (2) enabling legislation is enacted by the School District. There are no restrictions currently reported as a result of enabling legislation.

[3] The large increases in these amounts represent the construction of school buildings funded by the special purpose local option sales tax.

[4] Fiscal years 2006 & 2007 reflect prior period adjustments.

Data Source:

Applicable fiscal years' annual financial report (2002-2007), applicable fiscal years' comprehensive annual financial report (2008-2011).

Exhibit I-A

Fulton County Board of Education, Georgia
Chart-Total Government-wide Net Assets (Unaudited)
Last Ten Fiscal Years
(accrual basis of accounting)

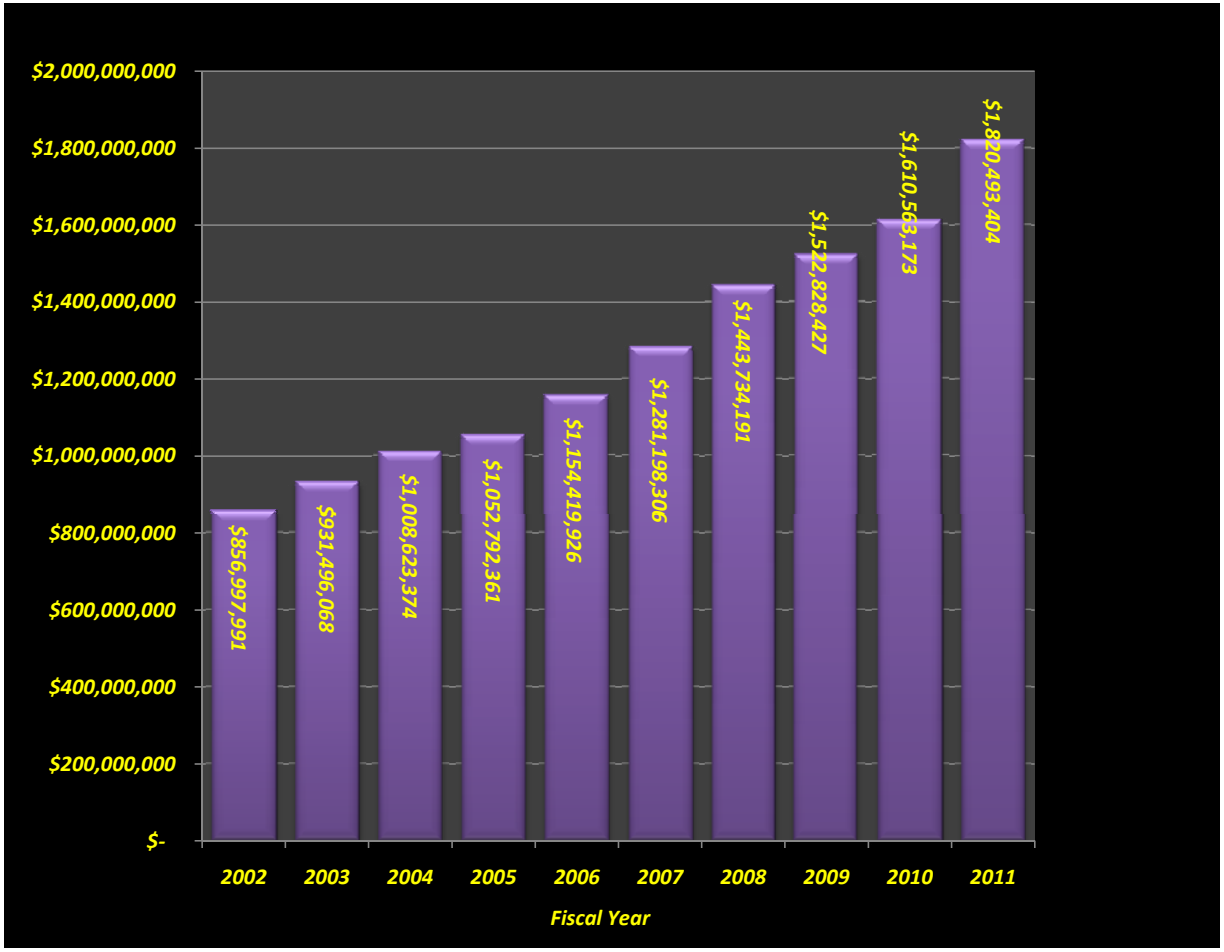


Exhibit II

Fulton County Board of Education, Georgia
Changes in Net Assets - Governmental Activities (Unaudited)
Last Ten Fiscal Years
(accrual basis of accounting)

	For The Fiscal Year Ended June 30,									
	2002	**2003**	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**
Expenses:										
Instruction	$ 430,951,154	$ 469,796,990	$ 486,173,763	$ 516,471,503	$ 543,574,479	$ 588,083,848	$ 599,839,821	$ 603,715,767	$ 607,908,299	$ 575,719,921
Support services										
Pupil services	24,173,430	25,050,933	28,788,747	30,313,482	30,272,022	29,753,549	29,332,132	31,046,229	33,129,857	27,110,229
Improvement of instructional services	16,162,340	16,700,930	14,221,400	13,928,289	16,959,425	18,220,348	23,324,242	29,608,386	32,286,966	25,630,739
Educational media services	11,257,553	14,753,299	14,432,582	16,376,309	16,615,180	17,065,322	16,559,808	15,557,947	15,990,694	14,856,550
General administration	1,393,671	1,523,802	2,000,195	2,612,381	2,125,793	1,610,905	2,617,039	5,590,463	5,602,305	4,428,698
School administration	23,626,444	24,707,698	25,744,570	27,295,680	28,671,396	31,836,642	49,854,490	52,833,081	52,755,746	50,080,091
Business administration	4,172,690	5,153,768	4,454,420	4,486,346	10,019,446	9,526,093	17,445,832	19,205,282	14,105,649	14,983,776
Maintenance and operation of plant	53,042,321	50,185,443	50,918,656	54,514,015	57,589,099	62,758,203	71,059,595	74,683,642	73,507,681	68,072,052
Student transportation services	25,393,259	29,149,233	29,243,309	32,137,923	36,840,639	41,083,584	41,682,475	42,432,881	43,543,478	47,829,619
Central services	11,890,102	12,104,133	11,372,961	11,954,002	12,027,125	13,176,003	13,659,289	13,790,408	14,923,748	12,959,544
Other support services	967,771	776,150	1,243,214	1,303,037	1,345,926	1,275,932	12,480,937	1,678,505	18,561,607	28,739,711
Food service operations	24,366,012	27,551,035	29,260,158	31,492,395	34,649,273	40,244,440	42,104,877	43,522,417	41,183,297	40,202,714
Facilities acquisition and construction[1]	-	-	-	-	-	-	16,181,580	34,031,758	-	-
Interest and fiscal charges	17,580,843	16,080,634	14,786,859	14,452,924	14,053,137	13,458,712	15,736,903	13,165,594	10,979,707	8,730,975
Total Expenses	644,977,590	693,534,048	712,640,834	757,338,286	804,742,940	868,093,581	951,879,020	980,862,360	964,479,034	919,344,619
Program Revenues:										
Charges for services:										
Instruction	3,473,522	4,122,442	4,357,548	3,500,035	2,997,088	3,468,686	5,206,129	8,748,730	8,369,438	8,332,257
Pupil services	-	-	-	-	-	-	-	-	-	14,500
Improvement of instructional services	16,960	17,975	21,855	29,100	22,475	21,062	30,210	30,200	24,700	-
General administration	-	-	-	102,853	-	-	-	-	-	-
Maintenance and operation of plant	57,795	53,519	91,501	803,190	104,286	206,402	162,000	194,280	292,455	451,135
Student transportation services	271,001	652,750	5,511	6,634,476	4,812,924	964,385	-	-	-	-
Food service operations	11,589,751	13,401,331	14,307,237	14,895,311	15,364,722	15,462,665	15,155,602	15,252,989	16,039,644	15,120,170
Operating grants and contributions[2]	237,845,059	231,730,478	233,479,703	250,293,794	288,149,882	310,743,571	353,221,056	335,880,044	358,798,120	384,231,616
Capital grants and contributions	20,595,611	8,451,180	30,108,954	5,070,025	6,848,401	19,003,664	50,852,260	21,306,736	14,705,047	21,155,178
Total Program Revenues	273,849,699	258,429,675	282,372,309	281,328,784	318,299,778	349,870,435	424,627,257	381,412,979	398,229,404	429,304,856
Net (Expense) Revenue	(371,127,891)	(435,104,373)	(430,268,525)	(476,009,502)	(486,443,162)	(518,223,146)	(527,251,763)	(599,449,381)	(566,249,630)	(490,039,763)
General Revenues:										
Taxes:										
Property	342,778,326	381,012,950	393,998,203	403,622,840	447,269,940	487,337,478	530,780,913	539,907,942	538,903,112	536,268,832
Sales	97,993,104	103,451,391	108,806,506	114,530,450	130,791,607	138,017,291	139,512,745	121,393,868	121,565,471	159,635,995
State reimbursement for homestead exemption	9,413,877	13,064,529	-	-	-	-	-	-	-	-
Gain on disposition of capital assets	-	-	-	-	55,795	94,798	-	-	-	-
Unrestricted - Investment earnings	9,838,109	7,510,613	6,404,273	7,204,791	13,844,014	19,551,959	15,370,952	4,637,341	651,310	727,234
Miscellaneous	537,894	1,125,040	-	-	-	-	2,525,349	5,048,445	1,783,874	3,337,933
Total General Revenues	460,561,310	506,164,523	509,208,982	525,358,081	591,961,356	645,001,526	688,189,959	670,987,596	662,903,767	699,969,994
Change in Net Assets	$ 89,433,419	$ 71,060,150	$ 78,940,457	$ 49,348,579	$ 105,518,194	$ 126,778,380	$ 160,938,196	$ 71,538,215	$ 96,654,137	$ 209,930,231

Notes:

[1] Includes non-capitalized charges to the facilities acquisition and construction function. Beginning in fiscal year 2010, this amount has been allocated to other functions.

[2] In the State of Georgia, the use of the "Basic Quality Education" aid is restricted to certain functions; therefore, it is reported as program revenue, rather than as general revenue.

Data Source:

Applicable fiscal years' annual financial report (2002-2007), applicable fiscal years' comprehensive annual financial report (2008-2011).

Exhibit IIA

Fulton County Board of Education, Georgia
Changes in Net Assets - Governmental Activities - Percentage of Total (Unaudited)
Last Ten Fiscal Years
(accrual basis of accounting)

	For The Fiscal Year Ended June 30,									
	2002	**2003**	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**
Expenses:										
Instruction	66.82%	67.74%	68.22%	68.20%	67.55%	67.74%	63.02%	61.55%	63.03%	62.62%
Support services										
Pupil services	3.75%	3.61%	4.04%	4.00%	3.76%	3.43%	3.08%	3.17%	3.44%	2.95%
Improvement of instructional services	2.51%	2.41%	2.00%	1.84%	2.11%	2.10%	2.45%	3.02%	3.35%	2.79%
Educational media services	1.75%	2.13%	2.03%	2.16%	2.06%	1.97%	1.74%	1.59%	1.66%	1.62%
General administration	0.22%	0.22%	0.28%	0.34%	0.26%	0.19%	0.27%	0.57%	0.58%	0.48%
School administration	3.66%	3.56%	3.61%	3.60%	3.56%	3.67%	5.24%	5.39%	5.47%	5.45%
Business administration	0.65%	0.74%	0.63%	0.59%	1.25%	1.10%	1.83%	1.96%	1.46%	1.63%
Maintenance and operation of plant	8.22%	7.24%	7.15%	7.20%	7.16%	7.23%	7.47%	7.61%	7.62%	7.40%
Student transportation services	3.94%	4.20%	4.10%	4.24%	4.58%	4.73%	4.38%	4.33%	4.51%	5.20%
Central services	1.84%	1.75%	1.60%	1.58%	1.49%	1.52%	1.43%	1.41%	1.55%	1.41%
Other support services	0.15%	0.11%	0.17%	0.17%	0.17%	0.15%	1.31%	0.17%	1.92%	3.13%
Food service operations	3.78%	3.97%	4.11%	4.16%	4.31%	4.64%	4.42%	4.44%	4.27%	4.37%
Facilities acquisition and construction [1]	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	1.70%	3.47%	0.00%	0.00%
Interest and fiscal charges	2.73%	2.32%	2.06%	1.92%	1.74%	1.55%	1.66%	1.35%	1.14%	0.95%
Total Expenses	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Program Revenues:										
Charges for services:										
Instruction	1.27%	1.60%	1.54%	1.24%	0.94%	0.99%	1.23%	2.29%	2.10%	1.94%
Pupil services	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Improvement of instructional services	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.00%
General administration	0.00%	0.00%	0.00%	0.04%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Maintenance and operation of plant	0.02%	0.02%	0.03%	0.29%	0.03%	0.06%	0.04%	0.05%	0.07%	0.11%
Student transportation services	0.10%	0.25%	0.00%	2.36%	1.51%	0.28%	0.00%	0.00%	0.00%	0.00%
Food service operations	4.23%	5.19%	5.07%	5.29%	4.83%	4.42%	3.57%	4.00%	4.03%	3.52%
Operating grants and contributions [2]	86.85%	89.67%	82.69%	88.97%	90.53%	88.82%	83.18%	88.06%	90.10%	89.50%
Capital grants and contributions	7.52%	3.26%	10.66%	1.80%	2.15%	5.42%	11.97%	5.59%	3.69%	4.93%
Total Program Revenues	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
General Revenues:										
Taxes:										
Property	74.43%	75.27%	77.37%	76.83%	75.56%	75.56%	77.13%	80.46%	81.29%	76.61%
Sales	21.28%	20.44%	21.37%	21.80%	22.09%	21.40%	20.27%	18.09%	18.34%	22.81%
State reimbursement for homestead exemption	2.04%	2.58%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Gain on disposition of capital assets	0.00%	0.00%	0.00%	0.00%	0.01%	0.01%	0.00%	0.00%	0.00%	0.00%
Investment earnings	2.14%	1.48%	1.26%	1.37%	2.34%	3.03%	2.23%	0.69%	0.10%	0.10%
Miscellaneous	0.11%	0.23%	0.00%	0.00%	0.00%	0.00%	0.37%	0.76%	0.27%	0.48%
Total General Revenues	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Notes:

[1] Includes non-capitalized charges to the facilities acquisition and construction function.

[2] In the State of Georgia, the use of the "Basic Quality Education" aid is restricted to certain functions; therefore, it is reported as program revenue, rather than as general revenue.

Data Source:

Applicable fiscal years' annual financial report (2002-2007), applicable fiscal years' comprehensive annual financial report (2008-2011).

Exhibit IIB

Fulton County Board of Education, Georgia

Changes in Net Assets - Governmental Activities - Annual Percentage Change (Unaudited)

Last Nine Years [1]

(accrual basis of accounting)

	For The Fiscal Year Ended June 30,								
	2003	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**
Expenses:									
Instruction	9.01%	3.49%	6.23%	5.25%	8.19%	2.00%	0.65%	0.69%	-5.29%
Support services									
Pupil services	3.63%	14.92%	5.30%	-0.14%	-1.71%	-1.42%	5.84%	6.71%	-18.17%
Improvement of instructional services	3.33%	-14.85%	-2.06%	21.76%	7.43%	28.01%	26.94%	9.05%	-20.62%
Educational media services	31.05%	-2.17%	13.47%	1.46%	2.71%	-2.96%	-6.05%	2.78%	-7.09%
General administration	9.34%	31.26%	30.61%	-18.63%	-24.22%	62.46%	113.62%	0.21%	-20.95%
School administration	4.58%	4.20%	6.02%	5.04%	11.04%	56.59%	5.97%	-0.15%	-5.07%
Business administration	23.51%	-13.57%	0.72%	123.33%	-4.92%	83.14%	10.09%	-26.55%	6.23%
Maintenance and operation of plant	-5.39%	1.46%	7.06%	5.64%	8.98%	13.23%	5.10%	-1.57%	-7.39%
Student transportation services	14.79%	0.32%	9.90%	14.63%	11.52%	1.46%	1.80%	2.62%	9.84%
Central services	1.80%	-6.04%	5.11%	0.61%	9.55%	3.67%	0.96%	8.22%	-13.16%
Other support services	-19.80%	60.18%	4.81%	3.29%	-5.20%	878.18%	-86.55%	1005.84%	54.83%
Food service operations	13.07%	6.20%	7.63%	10.02%	16.15%	4.62%	3.37%	-5.37%	-2.38%
Facilities acquisition and construction[2]	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	110.31%	-100.00%	0.00%
Interest and fiscal charges	-8.53%	-8.05%	-2.26%	-2.77%	-4.23%	16.93%	-16.34%	-16.60%	-20.48%
Total Expenses	7.53%	2.75%	6.27%	6.26%	7.87%	9.65%	3.04%	-1.67%	-4.68%
Program Revenues:									
Charges for services:									
Instruction	18.68%	5.70%	-19.68%	-14.37%	15.74%	50.09%	68.05%	-4.34%	-0.44%
Pupil services	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Improvement of instructional services	5.98%	21.59%	33.15%	-22.77%	-6.29%	43.43%	-0.03%	-18.21%	-100.00%
General administration	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Maintenance and operation of plant	-7.40%	70.97%	777.79%	-87.02%	97.92%	-21.51%	19.93%	50.53%	54.26%
Student transportation services	140.87%	-99.16%	120286.06%	-27.46%	-79.96%	-100.00%	0.00%	0.00%	0.00%
Food service operations	15.63%	6.76%	4.11%	3.15%	0.64%	-1.99%	0.64%	5.16%	-5.73%
Operating grants and contributions[3]	-2.57%	0.75%	7.20%	15.12%	7.84%	13.67%	-4.91%	6.82%	7.09%
Capital grants and contributions	-58.97%	256.27%	-83.16%	35.08%	177.49%	167.59%	-58.10%	-30.98%	43.86%
Total Program Revenues	-5.63%	9.26%	-0.37%	13.14%	9.92%	21.37%	-10.18%	4.41%	7.80%
General Revenues:									
Taxes:									
Property	11.15%	3.41%	2.44%	10.81%	8.96%	8.91%	1.72%	1.72%	1.72%
Sales	5.57%	5.18%	5.26%	14.20%	5.52%	1.08%	-12.99%	-12.99%	-12.99%
State reimbursement for homestead exemption	38.78%	-100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Gain on disposition of capital assets	0.00%	0.00%	0.00%	0.00%	69.90%	-100.00%	0.00%	0.00%	0.00%
Investment earnings	-23.66%	-14.73%	12.50%	92.15%	41.23%	-21.38%	-69.83%	-69.83%	-69.83%
Miscellaneous	109.16%	-100.00%	0.00%	0.00%	0.00%	0.00%	99.91%	99.91%	99.91%
Total General Revenues	9.90%	0.60%	3.17%	12.68%	8.96%	6.70%	-2.50%	-1.20%	5.59%

Notes:

[1] The School District implemented GASB Statement No. 34 in fiscal year 2002, therefore, only nine fiscal years of government-wide financial data is presented.

[2] Includes non-capitalized charges to the facilities acquisition and construction function.

[3] In the State of Georgia, the use of the "Basic Quality Education" aid is restricted to certain functions; therefore, it is reported as program revenue, rather than as general revenue.

Data Source:

Applicable fiscal years' annual financial report (2002-2007), applicable fiscal years' comprehensive annual financial report (2008-2011).

Exhibit III

Fulton County Board of Education, Georgia
Fund Balances - Governmental Funds (Unaudited)
June 30, 2002 - 2010
(modified accrual basis of accounting)

	At June 30,								
	2002	**2003**	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**
General Fund									
Reserved	$ 46,412,150	$ 17,359,613	$ 10,891,882	$ 14,482,382	$ 21,800,641	$ 22,865,017	$ 14,383,774	$ 9,516,073	$ 4,894,559
Unreserved [3]	87,348,676	110,632,387	118,189,105	97,459,595	112,743,572	140,317,556	111,697,821	81,060,538	109,384,335
Subtotal General Fund	133,760,826	127,992,000	129,080,987	111,941,977	134,544,213	163,182,573	126,081,595	90,576,611	114,278,894
General Fund Percentage Change	-31.3%	-4.3%	0.9%	-13.3%	20.2%	21.3%	-22.7%	-28.2%	26.2%
All Other Governmental Funds [1]									
Reserved	8,957,958	21,082,233	13,016,498	131,478,940	267,582,086	118,398,623	198,689,890	108,229,147	125,151,090
Unreserved									
Special Revenue Funds	13,734,211	15,421,867	16,251,909	18,184,045	16,926,894	13,042,653	5,998,281	4,216,475	3,424,967
Debt Service Fund	-	-	-	-	-	-	-	-	-
Capital Projects Funds [2]	145,688,400	119,117,654	54,753,717	(64,872,442)	(170,240,355)	(99,283,919)	(171,735,509)	(155,772,039)	(116,414,717)
Permanent Fund	3,200	3,214	3,219	3,224	3,229	3,234	3,241	3,245	3,250
Subtotal All Other Governmental Funds	168,383,769	155,624,968	84,025,343	84,793,767	114,271,854	32,160,591	32,955,903	(43,323,172)	12,164,590
All Other Governmental Funds Percentage Change	57.3%	-7.6%	-46.0%	0.9%	34.8%	-71.9%	2.5%	-231.5%	-128.1%
Total Governmental Funds									
Reserved	55,370,108	38,441,846	23,908,380	145,961,322	289,382,727	141,263,640	213,073,664	117,745,220	130,045,649
Unreserved	246,774,487	245,175,122	189,197,950	50,774,422	(40,566,660)	54,079,524	(54,036,166)	(70,491,781)	(3,602,165)
Total Governmental Funds	$ 302,144,595	$ 283,616,968	$ 213,106,330	$ 196,735,744	$ 248,816,067	$ 195,343,164	$ 159,037,498	$ 47,253,439	$ 126,443,484
All Governmental Funds Percentage Change	0.2%	-6.1%	-24.9%	-7.7%	26.5%	-21.5%	-18.6%	-70.3%	167.6%

Notes:

[1] For consistency, certain amounts have been reclassified between reserved and unreserved fund balances.

[2] Beginning in fiscal year 2005, large construction contracts have been encumbered, resulting in deficit unreserved fund balances. These deficits will be eliminated as sales taxes are collected.

[3] In fiscal year 2008, the School System retired early a long-term pension note payable of $38,015,118, resulting in a reduction of the unreserved fund balance.

Data Source:

Applicable fiscal years' annual financial report (2002-2007), applicable fiscal years' comprehensive annual financial report (2008-2011).

Exhibit IIIA

Fulton County Board of Education, Georgia
Fund Balances - Governmental Funds (Unaudited)
June 30, 2011
(modified accrual basis of accounting)

General Fund	
Nonspendable	$ 466,468
Restricted	2,387,000
Commited	122,927,608
Assigned	43,302,590
Unassigned	41,122,880
Subtotal General Fund	210,206,546
General Fund Percentage Change	83.9%
All Other Governmental Funds	
Nonspendable	799,998
Restricted	
Special Revenue Funds	8,734,062
Debt Service Fund	47,747,552
Capital Projects Funds	9,111,797
Unassigned	(7,470,376)
Subtotal All Other Governmental Funds	58,923,033
All Other Governmental Funds Percentage Change[1]	384.4%
Total Governmental Funds	
Nonspendable	1,266,466
Restricted	67,980,411
Commited	122,927,608
Assigned	43,302,590
Unassigned	33,652,504
Total Governmental Funds	$ 269,129,579
All Governmental Funds Percentage Change	112.9%

Notes:

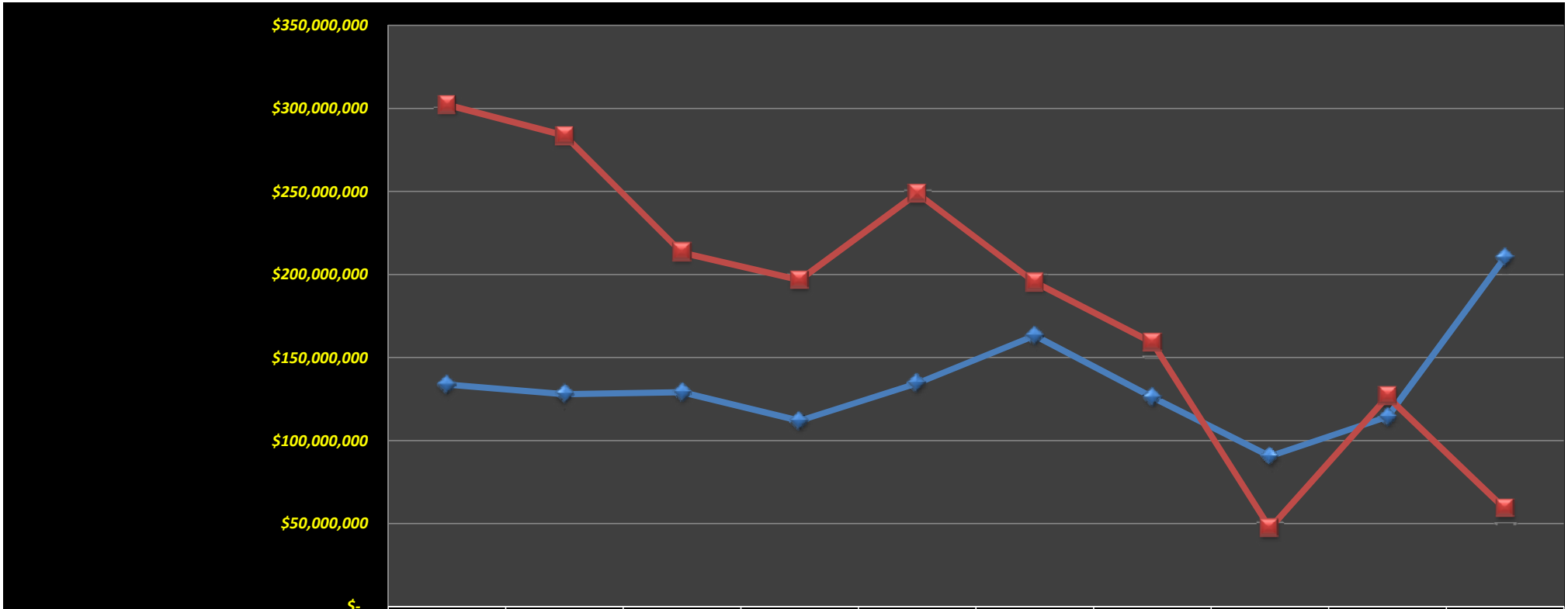
1 This increase relates to the reduction in the deficit fund balance of the 2007 SPLOST capital projects fund. Beginning in fiscal 2011, tax collections exceeded construction costs.

Data Source:

June 30, 2011 comprehensive annual financial report.

Exhibit IIIB

Fulton County Board of Education, Georgia
Chart - Fund Balances - Governmental Funds
Last Ten Fiscal Years



	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
General Fund	$133,760,826	$127,992,000	$129,080,987	$111,941,977	$134,544,213	$163,182,573	$126,081,595	$90,576,611	$114,278,894	$210,206,546
Total Governmental Funds	$302,144,595	$283,616,968	$213,106,330	$196,735,744	$248,816,067	$195,343,164	$159,037,498	$47,253,439	$126,443,484	$58,923,033

Fulton County Board of Education, Georgia

General Governmental Revenues by Source (Unaudited) [1]

Last Ten Fiscal Years

(modified accrual basis of accounting)

	For the Fiscal Year Ended June 30,									
	2002	**2003**	**2004**	**2005**	**2006**	**2007**	**2008** [4]	**2009**	**2010**	**2011**
Revenue Source	**Amounts**									
Local : [2]										
Property taxes	$489,381,168	$ 530,758,400	$ 533,759,120	$551,694,229	$ 613,951,604	$ 656,505,399	$ 527,988,327	$ 535,295,012	$ 548,924,443	$ 535,547,654
Sales taxes	-	-	-	-	-	-	139,512,745	118,046,779	123,055,820	130,265,771
Other	-	-	-	-	-	-	43,711,822	33,911,987	29,203,248	27,126,441
State: [3]	227,497,669	209,687,466	222,143,362	213,966,098	248,605,086	295,154,098	351,741,479	284,499,986	268,522,061	301,108,813
Federal	27,238,946	30,494,192	39,418,026	42,723,207	55,952,827	45,318,910	47,070,257	66,720,098	111,571,264	97,208,388
Total Revenues	$744,117,783	$ 770,940,058	$ 795,320,508	$808,383,534	$ 918,509,517	$ 996,978,407	$ 1,110,024,630	$ 1,038,473,862	$ 1,081,276,836	$ 1,091,257,067
% Change From Prior Fiscal Year	0.6%	3.6%	3.2%	1.6%	13.6%	8.5%	11.3%	-6.4%	4.1%	0.9%
	Percentage of Total									
Local :										
Property taxes	65.8%	68.8%	67.1%	68.2%	66.8%	65.8%	47.6%	51.5%	50.8%	49.1%
Sales taxes	-	-	-	-	-	-	12.6%	11.4%	11.4%	11.9%
Other	-	-	-	-	-	-	3.9%	3.3%	2.7%	2.5%
State: [3]	30.6%	27.2%	27.9%	26.5%	27.1%	29.6%	31.7%	27.4%	24.8%	27.6%
Federal	3.6%	4.0%	5.0%	5.3%	6.1%	4.6%	4.2%	6.4%	10.3%	8.9%
Total Revenues	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Notes:

[1] Includes all governmental fund types.

[2] The details of local revenues are not readily available for fiscal years 2001 - 2007.

[3] Includes on-behalf payments made by the State of Georgia that previously were reported separately.

[4] Fiscal year 2008 has not been restated.

Data Source:

Applicable fiscal years' annual financial report (2002-2007), applicable fiscal years' comprehensive annual financial report (2008-2011).

Fulton County Board of Education, Georgia
General Governmental Expenditures by Function (Unaudited) [1]
Last Ten Fiscal Years
(modified accrual basis of accounting)

	For the Fiscal Year Ended June 30,									
Function	**2002**	**2003**	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**
Current:										
Instruction	$ 411,034,166	$ 422,953,912	$ 448,198,054	$ 477,488,575	$ 503,648,289	$ 543,451,814	$ 575,588,085	$ 573,471,451	$ 563,445,530	$ 532,593,377
Support services										
Pupil services	24,087,387	24,877,524	27,681,272	29,294,768	29,998,423	29,520,684	29,268,201	30,689,617	32,370,220	26,537,001
Improvement of instructional services	15,808,940	15,988,696	13,285,406	13,018,668	16,095,605	17,269,106	23,030,610	29,034,897	31,030,192	24,941,220
Educational media services	10,414,128	12,591,805	12,856,489	14,722,347	14,593,228	14,799,418	15,327,095	14,120,626	14,203,037	12,923,434
General administration	1,382,470	1,501,228	1,916,076	2,525,267	2,093,311	1,580,899	2,600,032	5,549,527	5,453,414	4,339,130
School administration	23,120,731	23,377,134	24,209,744	25,783,317	27,417,964	30,476,374	49,128,844	51,745,298	50,600,690	48,358,288
Business administration	3,958,877	4,722,855	4,028,906	4,054,829	9,506,082	8,949,064	17,290,413	18,761,543	13,265,477	14,356,686
Maintenance and operation of plant	52,591,704	49,277,281	48,590,360	52,274,380	56,401,257	61,543,428	70,562,892	73,586,243	71,003,912	66,229,037
Student transportation services	22,876,412	24,076,841	25,012,689	27,688,595	30,846,297	34,321,075	39,488,799	39,425,457	38,159,608	41,840,321
Central services	11,680,645	11,681,999	10,715,440	11,307,921	11,506,453	12,612,802	13,474,730	13,392,095	14,215,363	12,325,925
On-behalf payments [2]	-	-	4,365,521	4,482,073	10,666,232	11,267,103	-	-	-	-
Other support services	962,169	764,860	1,192,296	1,256,571	1,329,689	1,260,790	12,475,276	1,603,955	18,682,904	28,630,437
Food service operations	22,854,345	23,602,578	26,313,738	28,457,969	31,020,305	36,181,849	39,889,853	41,015,193	37,421,798	36,540,865
Community services	-	-	-	-	-	-	-	-	-	-
Total Current	600,771,974	615,416,713	648,365,991	692,355,280	745,123,135	803,234,406	888,124,830	892,395,902	889,852,145	849,615,721
% Change From Prior Fiscal Year	8.6%	2.4%	5.4%	6.8%	7.6%	7.8%	10.6%	0.5%	-0.3%	-4.5%
Capital Outlay [3]	107,487,145	127,125,306	186,181,168	104,843,346	89,950,165	216,039,578	190,521,757	221,781,964	83,785,468	74,603,666
% Change From Prior Fiscal Year	-23.7%	18.3%	46.5%	-43.7%	-14.2%	140.2%	-11.8%	16.4%	-62.2%	-11.0%
Debt Service										
Principal [4]	17,578,084	17,057,527	17,970,431	13,012,058	15,267,058	15,492,058	50,620,118	14,102,360	15,130,000	15,390,000
Interest and fees	17,796,650	16,302,066	14,959,639	14,632,492	14,260,079	13,658,234	15,956,722	13,410,722	11,243,198	9,002,306
Total Debt Service	35,374,734	33,359,593	32,930,070	27,644,550	29,527,137	29,150,292	66,576,840	27,513,082	26,373,198	24,392,306
% Change From Prior Fiscal Year	-22.0%	-5.7%	-1.3%	-16.1%	6.8%	-1.3%	128.4%	-58.7%	-4.1%	-7.5%
Total Expenditures	$ 743,633,853	$ 775,901,612	$ 867,477,229	$ 824,843,176	$ 864,600,437	$ 1,048,424,276	$ 1,145,223,427	$ 1,141,690,948	$ 1,000,010,811	$ 948,611,693
% Change From Prior Fiscal Year	0.6%	4.3%	11.8%	-4.9%	4.8%	21.3%	9.2%	-0.3%	-12.4%	-5.1%
Debt Service as a % of Noncapital Expenditures	5.6%	5.1%	4.8%	3.8%	3.8%	3.5%	6.9%	3.0%	2.9%	2.8%

Notes:

[1] Includes all governmental fund types.

[2] In fiscal years 2002 - 2003, 2008 - 2011, on-behalf payments are reported in the appropriate functions.

[3] Includes non-capitalized charges to the facilities acquisition and construction function.

[4] In fiscal year 2008, the School System retired early a long-term pension note payable of $38,015,118.

Data Source:

Applicable fiscal years' annual financial report (2002-2007), applicable fiscal years' comprehensive annual financial report (2008-2011).

Exhibit V-A

Fulton County Board of Education, Georgia

General Governmental Expenditures by Function - Percentage of Total (Unaudited) [1]

Last Ten Fiscal Years

(modified accrual basis of accounting)

	For the Fiscal Year Ended June 30,									
Function	**2002**	**2003**	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**
Current:										
Instruction	55.3%	54.5%	51.7%	57.9%	58.3%	51.8%	50.3%	50.2%	56.3%	56.1%
Support services										
Pupil services	3.2%	3.2%	3.2%	3.6%	3.5%	2.8%	2.6%	2.7%	3.2%	2.8%
Improvement of instructional services	2.1%	2.1%	1.5%	1.6%	1.9%	1.6%	2.0%	2.5%	3.1%	2.6%
Educational media services	1.4%	1.6%	1.5%	1.8%	1.7%	1.4%	1.3%	1.2%	1.4%	1.4%
General administration	0.2%	0.2%	0.2%	0.3%	0.2%	0.2%	0.2%	0.5%	0.5%	0.5%
School administration	3.1%	3.0%	2.8%	3.1%	3.2%	2.9%	4.3%	4.5%	5.1%	5.1%
Business administration	0.5%	0.6%	0.5%	0.5%	1.1%	0.9%	1.5%	1.6%	1.3%	1.5%
Maintenance and operation of plant	7.1%	6.4%	5.6%	6.3%	6.5%	5.9%	6.2%	6.4%	7.1%	7.0%
Student transportation services	3.1%	3.1%	2.9%	3.4%	3.6%	3.3%	3.4%	3.5%	3.8%	4.4%
Central services	1.6%	1.5%	1.2%	1.4%	1.3%	1.2%	1.2%	1.2%	1.4%	1.3%
On-behalf payments [2]	0.0%	0.0%	0.5%	0.5%	1.2%	1.1%	0.0%	0.0%	0.0%	0.0%
Other support services	0.1%	0.1%	0.1%	0.2%	0.2%	0.1%	1.1%	0.1%	1.9%	3.0%
Food service operations	3.1%	3.0%	3.0%	3.5%	3.6%	3.5%	3.5%	3.6%	3.7%	3.9%
Community services	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total Current	80.8%	79.3%	74.7%	83.9%	86.2%	76.6%	77.6%	78.2%	89.0%	89.6%
Capital Outlay [3]	14.5%	16.4%	21.5%	12.7%	10.4%	20.6%	16.6%	19.4%	8.4%	7.9%
Debt Service										
Principal [4]	2.4%	2.2%	2.1%	1.6%	1.8%	1.5%	4.4%	1.2%	1.5%	1.6%
Interest and fees	2.4%	2.1%	1.7%	1.8%	1.6%	1.3%	1.4%	1.2%	1.1%	1.0%
Total Debt Service	4.8%	4.3%	3.8%	3.4%	3.4%	2.8%	5.8%	2.4%	2.6%	2.6%
Total Expenditures	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

[1] Includes all governmental fund types.

[2] In fiscal years 2002 - 2003 and 2008 - 2011, on-behalf payments are reported in the appropriate functions.

[3] Includes non-capitalized charges to the facilities acquisition and construction function.

[4] In fiscal year 2008, the School System retired early a long-term pension note payable of $38,015,118.

Data Source:

Applicable fiscal years' annual financial report (2002-2007), applicable fiscal years' comprehensive annual financial report (2008-2011).

Exhibit VI

Fulton County Board of Education, Georgia
General Governmental Current Expenditures by Function (Unaudited) [1]
Last Ten Fiscal Years
(modified accrual basis of accounting)

	For the Fiscal Year Ended June 30,									
	2002	**2003**	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**
Function	**Amounts**									
Current:										
Instruction	$ 411,034,166	$ 422,953,912	$ 448,198,054	$ 477,488,575	$ 503,648,289	$ 543,451,814	$ 575,588,085	$ 573,471,451	$ 563,445,530	$ 532,593,377
Support services										
Pupil services	24,087,387	24,877,524	27,681,272	29,294,768	29,998,423	29,520,684	29,268,201	30,689,617	32,370,220	26,537,001
Improvement of instructional services	15,808,940	15,988,696	13,285,406	13,018,668	16,095,605	17,269,106	23,030,610	29,034,897	31,030,192	24,941,220
Educational media services	10,414,128	12,591,805	12,856,489	14,722,347	14,593,228	14,799,418	15,327,095	14,120,626	14,203,037	12,923,434
General administration	1,382,470	1,501,228	1,916,076	2,525,267	2,093,311	1,580,899	2,600,032	5,549,527	5,453,414	4,339,130
School administration	23,120,731	23,377,134	24,209,744	25,783,317	27,417,964	30,476,374	49,128,844	51,745,298	50,600,690	48,358,288
Business administration	3,958,877	4,722,855	4,028,906	4,054,829	9,506,082	8,949,064	17,290,413	18,761,543	13,265,477	14,356,686
Maintenance and operation of plant	52,591,704	49,277,281	48,590,360	52,274,380	56,401,257	61,543,428	70,562,892	73,586,243	71,003,912	66,229,037
Student transportation services	22,876,412	24,076,841	25,012,689	27,688,595	30,846,297	34,321,075	39,488,799	39,425,457	38,159,608	41,840,321
Central services	11,680,645	11,681,999	10,715,440	11,307,921	11,506,453	12,612,802	13,474,730	13,392,095	14,215,363	12,325,925
On-behalf payments [2]	-	-	4,365,521	4,482,073	10,666,232	11,267,103	-	-	-	-
Other support services	962,169	764,860	1,192,296	1,256,571	1,329,689	1,260,790	12,475,276	1,603,955	18,682,904	28,630,437
Food service operations	22,854,345	23,602,578	26,313,738	28,457,969	31,020,305	36,181,849	39,889,853	41,015,193	37,421,798	36,540,865
Community services	-	-	-	-	-	-	-	-	-	-
Total Current	$ 600,771,974	$ 615,416,713	$ 648,365,991	$ 692,355,280	$ 745,123,135	$ 803,234,406	$ 888,124,830	$ 892,395,902	$ 889,852,145	$ 849,615,721
	Percentage of Total									
Current:										
Instruction	68.4%	68.8%	69.1%	69.0%	67.6%	67.7%	64.8%	64.3%	63.3%	62.7%
Support services										
Pupil services	4.0%	4.0%	4.3%	4.2%	4.0%	3.7%	3.3%	3.4%	3.6%	3.1%
Improvement of instructional services	2.6%	2.6%	2.0%	1.9%	2.2%	2.1%	2.6%	3.3%	3.5%	2.9%
Educational media services	1.7%	2.0%	2.0%	2.1%	2.0%	1.8%	1.7%	1.6%	1.6%	1.5%
General administration	0.2%	0.2%	0.3%	0.4%	0.3%	0.2%	0.3%	0.6%	0.6%	0.5%
School administration	3.8%	3.8%	3.7%	3.7%	3.7%	3.8%	5.5%	5.8%	5.7%	5.7%
Business administration	0.7%	0.8%	0.6%	0.6%	1.3%	1.1%	1.9%	2.1%	1.5%	1.7%
Maintenance and operation of plant	8.8%	8.0%	7.5%	7.6%	7.6%	7.7%	7.9%	8.2%	8.0%	7.8%
Student transportation services	3.8%	3.9%	3.9%	4.0%	4.1%	4.3%	4.4%	4.4%	4.3%	4.9%
Central services	1.9%	1.9%	1.7%	1.6%	1.5%	1.6%	1.5%	1.5%	1.6%	1.5%
On-behalf payments [2]	0.0%	0.0%	0.7%	0.6%	1.4%	1.4%	0.0%	0.0%	0.0%	0.0%
Other support services	0.2%	0.1%	0.2%	0.2%	0.2%	0.2%	1.4%	0.2%	2.1%	3.4%
Food service operations	3.9%	3.9%	4.0%	4.1%	4.1%	4.4%	4.7%	4.6%	4.2%	4.3%
Community services	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total Current	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Notes:

[1] Includes all governmental fund types.

[2] In fiscal years 2002 - 2003 and 2008 - 2011, on-behalf payments are reported in the appropriate functions.

Data Source:

Applicable fiscal years' annual financial report (2002-2007), applicable fiscal years' comprehensive annual financial report (2008-2011

Exhibit VII

Fulton County Board of Education, Georgia
Summary of Changes in Fund Balances - (Unaudited) [1]
Last Ten Fiscal Years
(modified accrual basis of accounting)

	For the Fiscal Year Ended June 30,									
Source	**2002**	**2003**	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**
Total Revenues	$ 744,117,783	$ 770,940,058	$ 795,320,508	$ 808,383,534	$ 918,509,517	$ 996,978,407	$ 1,110,024,630	$ 1,038,473,862	$ 1,081,276,836	$ 1,091,257,067
Total Expenditures	743,633,853	775,901,612	867,477,229	824,843,176	864,600,437	1,048,424,276	1,145,223,427	1,141,690,948	1,000,010,811	948,611,693
Excess (Deficiency) of Revenues Over (Under) Expenditures	483,930	(4,961,554)	(72,156,721)	(16,459,642)	53,909,080	(51,445,869)	(35,198,797)	(103,217,086)	81,266,025	142,645,374
Other Financing Sources (Uses)										
Proceeds from the disposition of capital assets	-	-	225,699	89,056	67,040	179,078	5,001	9,706	6,889	9,568
Insurance proceeds	-	-	-	-	-	-	-	-	-	31,153
Transfers in	72,661,437	37,562,386	33,591,982	41,686,615	25,722,059	26,190,388	2,513,869	48,511,578	45,486,549	23,942,779
Transfers out	(72,661,437)	(37,562,386)	(33,591,982)	(41,686,615)	(25,722,059)	(26,190,388)	(2,513,869)	(48,511,578)	(45,486,549)	(23,942,779)
Total Other Financing Sources (Uses)	-	-	225,699	89,056	67,040	179,078	5,001	9,706	6,889	40,721
Net Change in Fund Balances	$ 483,930	$ (4,961,554)	$ (71,931,022)	$ (16,370,586)	$ 53,976,120	$ (51,266,791)	$ (35,193,796)	$ (103,207,380)	$ 81,272,914	$ 142,686,095

Notes:
[1] Includes all governmental fund types.

Data Source:
Applicable fiscal years' annual financial report (2002-2007), applicable fiscal years' comprehensive annual financial report (2008-2011).

Exhibit VIIA

Fulton County, Georgia

Chart-Summary of Net Changes in Total Fund Balances (Unaudited)

Last Ten Fiscal Years

(modified accrual basis of accounting)

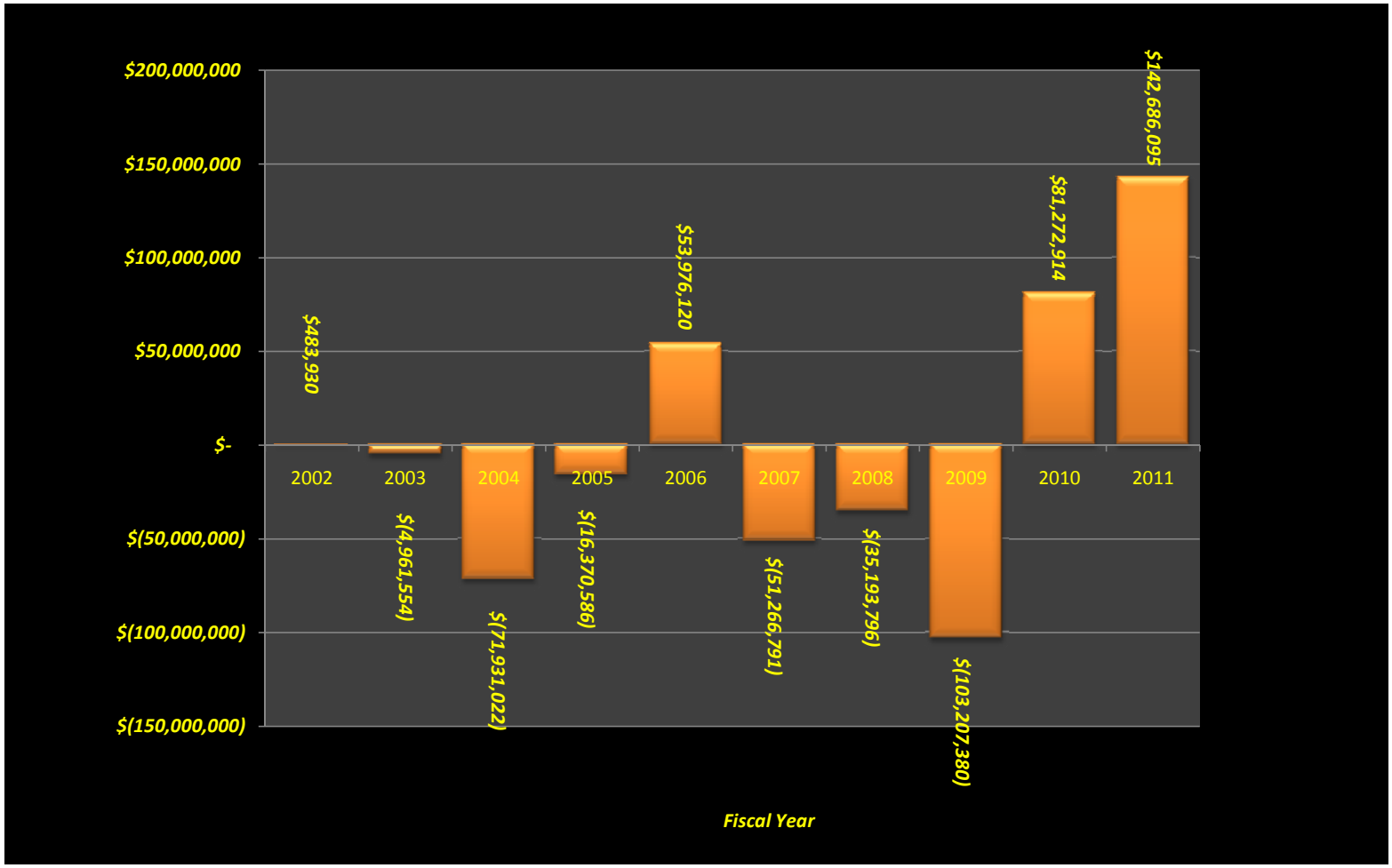


Exhibit VIII

Fulton County Board of Education, Georgia

Taxable Assessed Value[1] and Estimated Actual Value of Property By Type (Unaudited)[2]

Last Ten Fiscal Years

Fiscal Year Ended June 30,[3]	Residential Property	Commercial Property	Industrial Property	Agricultural Property	Preferential & Conservation Use Property	Utility Property	Motor Vehicles and Mobile Homes	Other Property[4]	Less: Tax Exempt Property	Total Taxable Assessed Value[1]	Total Direct Tax Rate[5]	Estimated Actual Value	Annual Percentage Change
	Amounts												
2002	$ 10,011,701,931	$ 7,471,029,831	$ 560,331,578	$ 32,013,130	$ 34,249,530	$ 767,810,722	$ 1,272,511,430	$ 1,966,211	$ 1,277,349,371	$ 18,874,264,992	19.020	$ 47,185,662,480	13.2%
2003	11,477,984,120	7,712,775,170	562,221,630	29,317,000	42,055,900	401,904,635	1,381,927,746	253,230	1,140,459,369	20,467,980,062	18.770	51,169,950,155	8.4%
2004	12,643,433,680	8,096,429,240	554,579,110	30,612,520	41,242,600	382,205,129	1,365,842,183	682,220	1,262,050,726	21,852,975,956	18.056	54,632,439,890	6.8%
2005	13,552,856,270	8,376,672,960	527,334,640	18,651,720	45,409,440	397,770,460	1,282,863,767	680,557	1,251,919,595	22,950,320,219	17.606	57,375,800,548	5.0%
2006	14,449,559,360	8,078,695,230	980,772,180	18,441,440	38,107,660	517,423,190	1,263,130,188	638,957	1,260,677,078	24,086,091,127	18.107	60,215,227,818	4.9%
2007	15,796,141,610	8,825,568,290	1,201,007,130	20,912,840	40,922,510	392,693,298	1,274,865,870	572,078	1,352,566,150	26,200,117,476	18.107	65,500,293,690	8.8%
2008	17,513,264,850	9,788,853,510	1,259,678,540	16,157,830	65,098,050	525,765,686	1,364,774,717	1,010,442	1,396,004,224	29,138,599,401	18.091	72,846,498,503	11.2%
2009[6]	18,112,063,960	11,055,945,170	1,256,646,990	26,836,460	79,328,680	488,178,467	1,468,421,628	975,677	1,426,795,675	31,061,601,357	17.502	77,654,003,393	6.6%
2010	17,794,790,080	11,224,357,540	1,224,821,770	26,006,350	93,884,570	393,603,352	1,555,358,080	1,635,569	1,519,555,370	30,794,901,941	17.502	76,987,254,853	-0.9%
2011	16,758,715,890	10,878,449,420	1,102,564,230	27,989,820	95,628,190	441,258,358	1,393,710,275	959,706	1,464,826,410	29,234,449,479	18.502	73,086,123,698	-5.1%
*	$ 14,811,051,175	$ 9,150,877,636	$ 922,995,780	$ 24,693,911	$ 57,592,713	$ 470,861,330	$ 1,362,340,588	$ 937,465	$ 1,335,220,397	$ 25,466,130,201		$ 63,665,325,503	
**	67.4%	45.6%	96.8%	-12.6%	179.2%	-42.5%	9.5%	-51.2%	14.7%	54.9%		54.9%	
	Percentage of Total												
2002	49.7%	37.1%	2.8%	0.2%	0.2%	3.8%	6.3%	0.0%	6.8%	93.2%			
2003	53.1%	35.7%	2.6%	0.1%	0.2%	1.9%	6.4%	0.0%	5.6%	94.4%			
2004	54.7%	35.0%	2.4%	0.1%	0.2%	1.7%	5.9%	0.0%	5.8%	94.2%			
2005	56.0%	34.6%	2.2%	0.1%	0.2%	1.6%	5.3%	0.0%	5.5%	94.5%			
2006	57.0%	31.9%	3.9%	0.1%	0.2%	2.0%	5.0%	0.0%	5.2%	94.8%			
2007	57.3%	32.0%	4.4%	0.1%	0.1%	1.4%	4.6%	0.0%	5.2%	94.8%			
2008	57.4%	32.1%	4.1%	0.1%	0.2%	1.7%	4.5%	0.0%	4.8%	95.2%			
2009[6]	55.7%	34.0%	3.9%	0.1%	0.2%	1.5%	4.5%	0.0%	4.6%	95.4%			
2010	55.1%	34.7%	3.8%	0.1%	0.3%	1.2%	4.8%	0.0%	4.9%	95.1%			
2011	54.6%	35.4%	3.6%	0.1%	0.3%	1.4%	4.5%	0.0%	5.0%	95.0%			

* Dollar average for ten fiscal years.

** Percentage change in dollars over ten fiscal years.

Notes:

[1] All property is assessed at 40% of fair market value.

[2] Gross digest before homestead or freeport exemptions.

[3] The tax year is one year prior to the fiscal year.

[4] Generally includes timber, heavy equipment and historical property.

[5] Tax rates expressed in rate per $1,000.

[6] Fulton County completed a reassessment of the 2008 tax digest.

Data Source:

Georgia Department of Revenue, Tax Digest Consolidation Summary, School, http://www.etax.dor.ga.gov/PTD/cds/csheets/index.aspx

Exhibit VIIIA

Fulton County Board of Education , Georgia
Chart-Taxable Assessed Value
Last Ten Fiscal Years
(modified accrual basis of accounting)

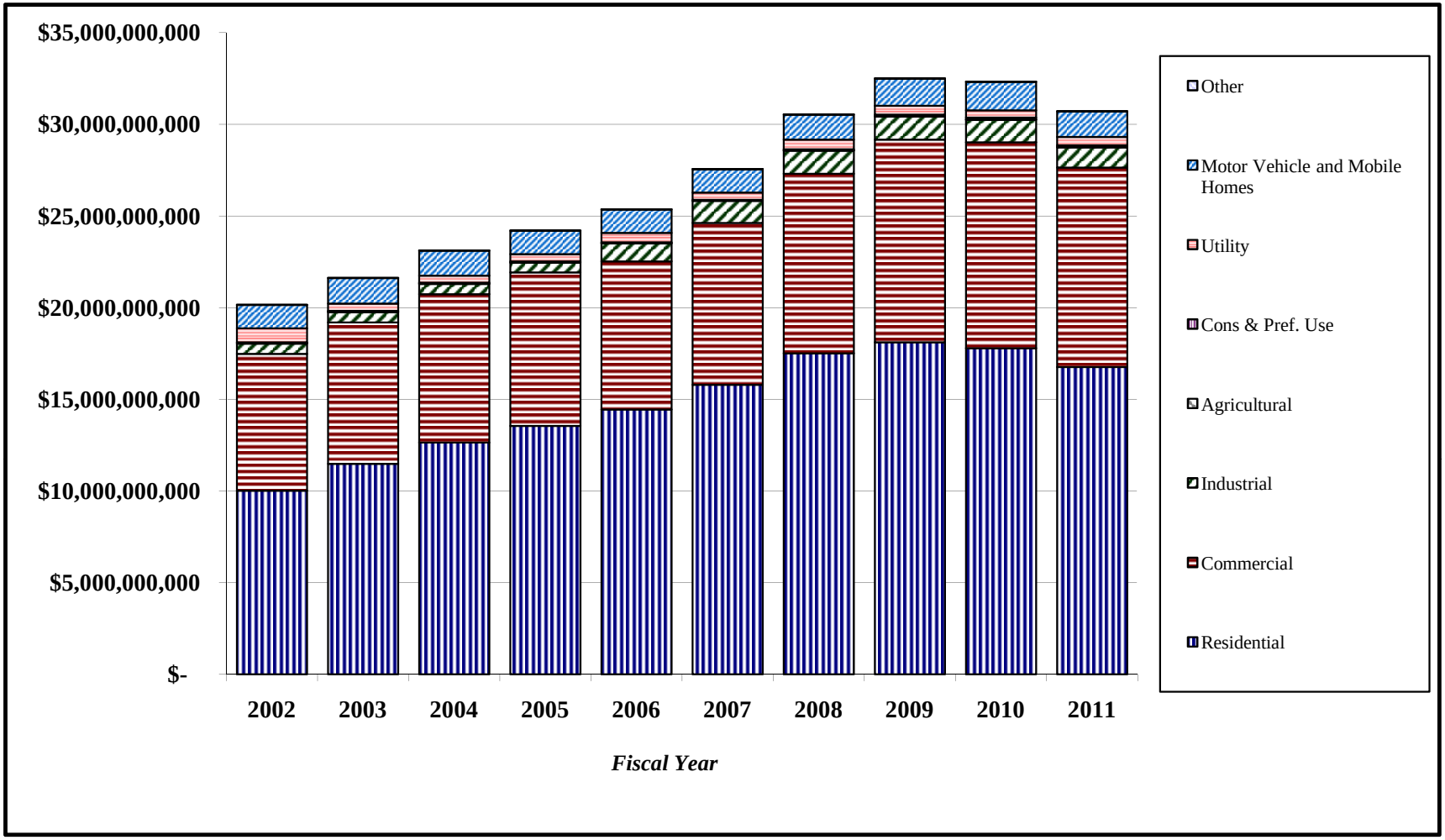


Exhibit IX

Fulton County Board of Education, Georgia

Direct, Overlapping and Underlying Property Tax Rates [4] (Unaudited)

Last Ten Fiscal Years

(rate per $1,000 of assessed taxable value)

	For the Fiscal Year Ended June 30,									
	2002	**2003**	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**
Direct-School District:										
Maintenance and operations [5]	18.260	18.460	17.758	17.315	17.825	17.825	16.903	16.403	17.502	18.502
Debt service	0.760	0.310	0.298	0.291	0.282	0.282	1.188	1.099	-	-
Total Direct-School District	19.020	18.770	18.056	17.606	18.107	18.107	18.091	17.502	17.502	18.502
Overlapping: [1]										
Fulton County	13.340	12.810	12.320	11.650	11.650	11.470	10.281	10.281	10.281	10.281
State of Georgia[3]	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250
Total Overlapping	13.590	13.060	12.570	11.900	11.900	11.720	10.531	10.531	10.531	10.531
Underlying: [2, 6]										
City of Alpharetta	7.480	7.230	7.000	7.000	7.000	6.600	6.248	5.750	5.750	5.750
City of College Park	6.610	9.560	9.560	9.560	9.560	9.560	9.560	9.560	9.560	11.560
City of Chattahoochee Hills	-	-	-	-	-	-	-	5.659	-	-
City of East Point	9.000	15.000	12.500	12.370	12.370	12.163	14.750	14.750	14.750	14.750
City of Fairburn	4.500	6.000	6.000	5.750	5.450	5.000	5.000	5.000	5.000	7.500
City of Hapeville	9.610	9.610	9.610	12.610	12.610	12.610	16.610	16.610	16.610	16.610
City of John's Creek	-	-	-	-	-	-	-	4.614	4.614	4.614
City of Milton	-	-	-	-	-	-	-	4.731	4.731	4.731
City of Mountain Park	6.800	5.760	7.000	6.950	9.920	9.890	11.780	11.780	11.780	11.780
City of Palmetto	4.500	4.500	4.500	4.500	4.500	4.500	4.500	8.500	8.450	8.450
City of Roswell	5.430	5.430	5.170	6.090	6.090	6.090	5.657	5.455	5.455	5.455
City of Sandy Springs	-	-	-	-	-	4.730	4.731	4.731	4.731	4.731
City of Union City	7.500	7.500	7.500	7.500	7.500	7.500	9.500	9.500	9.500	9.500

Notes:

[1] Overlapping rates are those of governments that overlap the School District's geographic boundaries.

[2] Underlying rates are those of the cities that apply to property owners located within Fulton County.

[3] The State of Georgia levies one quarter of one mill on each county's taxable property to help finance their certification of each Georgia county's tax digest.

[4] The tax year is one year prior to the fiscal year.

[5] The legal limit is 25 mills.

[6] Although located within Fulton County, the City of Atlanta operates their own school district, therefore, their tax rates are not applicable to taxpayers of the School District.

Data Source:

Georgia Department of Revenue, Property Tax Division, http://www.etax.dor.ga.gov/PTD/cds/csheets/millrate.aspx

Exhibit X

Fulton County Board of Education, Georgia

Comparison of Metropolitan Atlanta School Districts

2010 Property Tax Rates [1, 2] (Unaudited)

For the Fiscal Year Ended June 30, 2011

(rate per $1,000 of assessed taxable value)

School District	Levied For: Maintenance and Operations	Levied For: Debt Service	Total
DeKalb County	22.980	-	22.980
Atlanta City	21.640	0.540	22.180
Rockdale County	22.990	-	22.990
Gwinnett County	19.250	1.300	20.550
Douglas County	20.000	4.100	24.100
Clayton County	20.000	-	20.000
Marietta City	17.970	1.187	19.157
Cobb County	18.900	-	18.900
Fulton County	18.502	-	18.502

Notes:

[1] The tax year is one year prior to the fiscal year.

Data Source:

[2] Georgia Department of Revenue, Property Tax Division,

http://www.etax.dor.ga.gov/PTD/cds/csheets/millrate.aspx

Exhibit XI

Fulton County Board of Education, Georgia

General Fund Property Tax Levies and Collections (Unaudited)

Last Eight Fiscal Years [1]

For The Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected Within the Fiscal Year of The Levy		Collections in Subsequent Fiscal Years [2]	Total Collections to Date		Total Uncollected Taxes	
		Amount	Percentage of Levy		Amount	Percentage of Levy	Amount	Percentage of Levy
2004	$ 388,065,000	$ 372,659,000	96.03%	$ 2,630,931	$ 375,289,931	96.71%	$ 12,775,069	3.29%
2005	397,385,000	381,609,000	96.03%	4,492,275	386,101,275	97.16%	11,283,725	2.84%
2006	429,335,000	412,290,000	96.03%	3,101,689	415,391,689	96.75%	13,943,311	3.25%
2007	467,017,000	448,477,000	96.03%	19,772,766	468,249,766	100.26%	(1,232,766)	-0.26%
2008	492,559,000	477,881,000	97.02%	13,290,816	491,171,816	99.72%	1,387,184	0.28%
2009 [3]	513,066,000	466,717,804	90.97%	16,608,817	483,326,621	94.20%	29,739,379	5.80%
2010	542,495,000	485,963,186	89.58%	4,013,586	489,976,772	90.32%	52,518,228	9.68%
2011	542,017,000	483,165,811	89.14%	-	483,165,811	89.14%	58,851,189	10.86%

Notes:

[1] Only seven fiscal years of data is readily available.

[2] Beginning in fiscal year 2010, the tax collections are reported in the fiscal year in which levied. In fiscal years 2004 - 2009, it was assumed that all prior fiscal year collections apply to the immediate prior fiscal year. As a result, collections against the 2007 tax levy exceed 100%.

[3] The lower percentage of taxes collected in current fiscal year relates to a large number of tax appeals as a result of the change in methodology of assessing commercial property and a recessionary economy.

Data Source:

Fulton County Tax Comissioner's Office.

Exhibit XII

Fulton County Board of Education, Georgia

Principal Property Taxpayers (Unaudited) [1]

Fiscal Years Ended June 30, 2010 and 2002 [2]

2010				2002			
Principal Taxpayer	**Total Tax Levy** [3]	**Rank**	**Percentage of Total Taxable Assessed Value**	**Principal Taxpayer**	**Taxable Assessed Value**	**Rank**	**Percentage of Total Taxable Assessed Value**
Development Authority of Fulton County	$ 5,024,043	1	0.28%	Bell South Communications	$ 466,573,480	1	49.18%
AT&T	3,882,992	2	0.22%	Coca Cola	299,400,870	2	31.56%
Delta Airlines	2,512,059	3	0.14%	AT&T	161,662,492	3	17.04%
Bell South Communications	2,111,446	4	0.12%	Delta Airlines	134,358,460	4	14.16%
Georgia Power	2,089,309	5	0.12%	Post Apartment Homes	131,297,090	5	13.84%
Coca Cola	1,603,600	6	0.09%	International Business Machines	129,997,050	6	13.70%
Sanctuary Park Realty Holding	1,483,988	7	0.08%	Ford Motor Company	108,107,980	7	11.40%
Four Eight Five Properties	1,147,753	8	0.06%	Concourse V	67,440,700	8	7.11%
Fulcoprop Fifty Six LLC	1,064,760	9	0.06%	Georgia Power	66,027,066	9	6.96%
Cox Communications, Inc.	1,048,921	10	0.06%	Hodges M D	50,434,930	10	5.32%
Total Principal Taxpayers	21,968,871		4.05%	**Total Principal Taxpayers**	1,615,300,118		4.24%
All Other Taxpayers	520,047,720		95.95%	**All Other Taxpayers**	36,500,933,882		95.76%
Total	$ 542,016,591		100.00%	**Total** [1]	$ 38,116,234,000		100.00%

Notes:

[1] The taxable assessed value includes the City of Atlanta, which has its own school district. Information excluding the City of Atlanta is not available.

[2] Most current information available.

[3] In fiscal year 2011, the top ten taxpapers were determined by the amount of tax levy upon each taxpayer.

Data Source:

Fulton County, Georgia, December 31, 2010 comprehensive annual financial report.

Exhibit XIII

Fulton County Board of Education, Georgia

Direct, Overlapping and Underlying Sales Tax Rates (Unaudited)

Last Ten Fiscal Years

For The Fiscal Year Ended	Direct	Overlapping			Underlying	Total
	School District ESPLOST [1]	State of Georgia	Fulton County[2]	MARTA[3]	Various Cities[4]	Direct, Overlapping and Underlying Rates
2002	1.00%	4.00%	1.00%	1.00%	1.00%	8.00%
2003	1.00%	4.00%	1.00%	1.00%	1.00%	8.00%
2004	1.00%	4.00%	1.00%	1.00%	1.00%	8.00%
2005	1.00%	4.00%	1.00%	1.00%	1.00%	8.00%
2006	1.00%	4.00%	1.00%	1.00%	1.00%	8.00%
2007	1.00%	4.00%	1.00%	1.00%	1.00%	8.00%
2008	1.00%	4.00%	1.00%	1.00%	1.00%	8.00%
2009	1.00%	4.00%	1.00%	1.00%	1.00%	8.00%
2010	1.00%	4.00%	1.00%	1.00%	1.00%	8.00%
2011	1.00%	4.00%	1.00%	1.00%	1.00%	8.00%

Notes:

[1] An education special purpose local option sales tax (ESPLOST) was approved March 20, 2007 and is effective January 1, 2008 and expires December 31, 2012. These taxes will be used towards the cost of acquiring, constructing, equipping and upgrading various school facilities and improvements and to repay principal and interest on outstanding School District bonded indebtedness.

[2] The one-percent local option sales tax was approved by referendum October 1, 1987 and is effective indefinitely. The County is required to reduce their property tax millage rate in the current year by the amount of these taxes collected in the prior year.

[3] This sales tax rate is levied in counties in the Metropolitian Atlanta Rapid Transit Authority (MARTA) district which have a service contract with MARTA, currently Fulton and DeKalb counties.

[4] Some incorporated areas within the County also levy the one-percent local option sales tax.

Data Source:

Georgia Department of Revenue, Sales and Use Tax Division,
http://www.etax.dor.ga.gov/IndTax_SalesTax.aspx

Exhibit XIV

Fulton County Board of Education, Georgia

Taxable Sales by Group (Unaudited) [2]

Calendar Years 2006 - 2010 [1]

By Group	2006 Amount	2006 Percentage	2007 Amount	2007 Percentage	2008 Amount	2008 Percentage	2009 Amount	2009 Percentage	2010 Amount	2010 Percentage
NAICS codes:[4]										
General merchandise	$ -	-	$ -	-	$ -	-	$ 16,232,562	7.48%	$ 27,467,089	12.73%
Food/bars	-	-	-	-	-	-	27,424,757	12.64%	43,489,917	20.16%
Manufacturing	-	-	-	-	-	-	8,681,075	4.00%	12,447,497	5.77%
Utilities	-	-	-	-	-	-	9,438,093	4.35%	15,516,232	7.19%
Other retail	-	-	-	-	-	-	16,732,759	7.71%	28,680,933	13.30%
Wholesale	-	-	-	-	-	-	7,679,644	3.54%	14,921,503	6.92%
Automotive	-	-	-	-	-	-	8,740,443	4.03%	14,541,053	6.74%
Home furnishings	-	-	-	-	-	-	10,807,468	4.98%	17,984,958	8.34%
Miscellaneous services	-	-	-	-	-	-	19,949,730	9.19%	24,842,900	11.52%
Other services	-	-	-	-	-	-	1,589,193	0.73%	3,161,945	1.47%
Accommodations	-	-	-	-	-	-	6,482,739	2.99%	11,134,572	5.16%
Construction	-	-	-	-	-	-	1,066,196	0.49%	1,508,165	0.70%
SIC codes: [5]										
Food	49,406,213	20.97%	52,058,580	21.45%	47,392,157	20.31%	17,343,673	7.99%	-	0.00%
Automotive	24,967,778	10.60%	25,711,101	10.59%	24,444,920	10.48%	7,989,309	3.68%	-	0.00%
General merchandise	24,590,936	10.44%	25,854,154	10.65%	24,271,716	10.40%	9,423,384	4.34%	-	0.00%
Utilities	21,540,949	9.14%	21,698,538	8.94%	23,977,263	10.28%	9,315,147	4.29%	-	0.00%
Lumber, building and contractors	17,346,672	7.36%	16,908,860	6.97%	12,054,208	5.17%	3,617,654	1.67%	-	0.00%
Home furnishing and equipment	29,130,063	12.37%	27,595,068	11.37%	25,603,812	10.98%	8,503,182	3.92%	-	0.00%
Miscellaneous	20,171,725	8.56%	26,813,101	11.05%	26,058,863	11.17%	10,959,519	5.05%	-	0.00%
Manufacturing	10,105,496	4.29%	8,523,385	3.51%	8,452,155	3.62%	2,317,149	1.07%	-	0.00%
Miscellaneous service	28,897,874	12.27%	27,739,543	11.43%	31,451,920	13.48%	8,995,589	4.15%	-	0.00%
Apparel	9,430,628	4.00%	9,803,320	4.04%	9,584,762	4.11%	3,679,250	1.70%	-	0.00%
Total Taxable Sales	$ 235,588,333	100.00%	$ 242,705,650	100.00%	$ 233,291,777	100.00%	$ 216,968,515	100.00%	$ 215,696,765	100.00%
Total percentage change	N/A		3.0%		-3.9%		-7.0%		-0.6%	

Notes:

[1] Only five years of data is available.

[2] Information only available for the total Fulton County, which includes the City of Atlanta which is not within the boundaries of the School District.

[3] Beginning in May 2009, the Georgia Department of Revenue changed their sales classifications.

[4] North American Industry Classification System (NAICS)

[5] Standard Industrial Classification (SIC)

Data Source:

Georgia Department of Revenue

Exhibit XV

Fulton County Board of Education, Georgia

Ratios of Total Debt Outstanding by Type (Unaudited)

Last Ten Fiscal Years

June 30,	General Obligation Bonds [1]	Percentage of Personal Income [2]	Percentage of Actual Value of Assessed Valuation [3]	Estimated Population [2]	Debt Per Capita
2002	$ 244,920,000	0.006%	0.0005%	862,931	$ 284
2003	235,460,000	0.006%	0.0005%	881,850	267
2004	225,795,000	0.005%	0.0004%	905,802	249
2005	215,895,000	0.005%	0.0004%	934,242	231
2006	203,740,000	0.004%	0.0003%	963,596	211
2007	191,360,000	0.004%	0.0003%	990,790	193
2008	178,755,000	0.003%	0.0002%	1,013,356	176
2009	164,890,000	0.003%	0.0002%	1,033,756	160
2010	149,760,000	0.003%	0.0002%	1,054,431	142
2011	134,370,000	0.003%	0.0002%	1,075,520	125

Data Sources:

[1] Applicable fiscal years' annual financial report (2002-2007), applicable fiscal years' comprehensive annual financial report (2008-2011).

[2] Exhibit XVII.

[3] Exhibit VIII.

Exhibit XVI

Fulton County Board of Education, Georgia

Underlying, Overlapping and Direct Governmental Activities Debt (Unaudited) [4]

June 30, 2011

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable [1]	Estimated Share of Overlapping Debt
Underlying Debt[2, 3]			
City of Alpharetta,	$ 34,270,000	100.0%	$ 34,270,000
City of Hapeville	10,425,000	100.0%	10,425,000
City of Roswell	27,345,000	100.0%	27,345,000
City of Union City	11,765,000	100.0%	11,765,000
City of East Point Building Authority	77,275,000	100.0%	77,275,000
City of Atlanta and Fulton County Recreation Authority	143,620,000	56.1%	80,570,820
College Park Business and Industrial Development Authority	3,010,000	100.0%	3,010,000
Total Underlying Debt			244,660,820
Overlapping Debt:[3]			
Building Authority of Fulton County	27,765,124	100.0%	27,765,124
Fulton-DeKalb Hospital Authority	185,430,000	56.1%	104,026,230
Total Overlapping Debt:			131,791,354
School District Direct Debt[4]			
General Obligation Bonds			134,370,000
Total Underlying, Overlapping and Direct Debt			$ 510,822,174

Notes:

[1] Applicable percentages were estimated by determining the portion of another government unit's assessed value that is within the County's geographic boundaries and dividing it by each government's total assessed valuation.

[2] Underlying governments are those that coincide, at least in part, with the geographic boundaries of the County.

[3] In most instances, this information is presented at December 31, 2010 or June 30, 2010, as the most current information available.

Data Source:

[4] Fulton County, Georgia, December, 31, 2010 comprehensive annual financial report.

Exhibit XVII

Fulton County Board of Education, Georgia
Legal Debt Margin (Unaudited)
Last Ten Fiscal Years

	June 30,									
	2002	**2003**	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**
Assessed Value [1]	$ 18,874,264,992	$ 20,467,980,062	$ 21,852,975,956	$ 22,950,320,219	$ 24,086,091,127	$ 26,200,117,476	$ 29,138,599,401	$ 31,061,601,357	$ 30,794,901,941	$ 29,234,449,479
Legal Debt Margin										
Debt limit (10% of assessed value)[2]	$ 1,887,426,499	$ 2,046,798,006	$ 2,185,297,596	$ 2,295,032,022	$ 2,408,609,113	$ 2,620,011,748	$ 2,913,859,940	$ 3,106,160,136	$ 3,079,490,194	$ 2,923,444,948
Debt applicable to limit: [2]										
General obligation bonds	244,920,000	235,460,000	225,795,000	215,895,000	203,740,000	191,360,000	178,755,000	164,890,000	149,760,000	134,370,000
Less: Amount reserved for repayment of general obligation debt	1,697,355	4,574,908	4,503,790	4,531,888	5,436,725	5,835,059	15,934,496	44,855,494	47,441,152	47,747,552
Total debt applicable to limit	243,222,645	230,885,092	221,291,210	211,363,112	198,303,275	185,524,941	162,820,504	120,034,506	102,318,848	86,622,448
Legal Debt Margin	$ 1,644,203,854	$ 1,815,912,914	$ 1,964,006,386	$ 2,083,668,910	$ 2,210,305,838	$ 2,434,486,807	$ 2,751,039,436	$ 2,986,125,630	$ 2,977,171,346	$ 2,836,822,500
Total net debt applicable to the limit as a % of the debt limit	12.89%	11.28%	10.13%	9.21%	8.23%	7.08%	5.59%	3.86%	3.32%	2.96%

Notes:

[2] Under Article 9, Section 5, Paragraph 1 of the State of Georgia Constitution, the School District's outstanding general obligation debt should not exceed 10% of the

Data Source:

[1] Exhibit VIII.

Exhibit XVIII

Fulton County Board of Education, Georgia
Demographic and Economic Statistics (Unaudited)
Last Ten Calendar Years

Year	Population [1]	*(thousands of dollars)* Personal Income [2]	Per Capita Personal Income		Median Age [4]	Unemployment Rate [8]		
			County [3]	County as a % of U.S. [3]		County [5]	State of Georgia [6]	United States [7]
2002	862,931	$ 40,063,043	46,430	148%	N/A	5.3%	5.3%	5.8%
2003	881,850	40,645,306	46,095	143%	N/A	5.6%	5.5%	6.3%
2004	905,802	43,670,962	48,217	142%	N/A	5.1%	5.2%	5.6%
2005	934,242	47,393,823	50,731	143%	N/A	5.5%	5.0%	5.1%
2006	963,596	51,539,185	53,486	142%	N/A	4.9%	5.0%	4.6%
2007	990,790	53,867,066	54,844	139%	N/A	4.7%	4.8%	4.6%
2008	1,013,356	55,097,265	53,579	133%	N/A	6.2%	6.3%	5.6%
2009	1,033,756	52,177,501	52,343	133%	N/A	10.2%	10.2%	9.5%
2010	1,054,431	49,411,619	46.861	130%	35.2	10.3%	10.3%	9.5%
2011	1,075,520	46,792,803	43.507	125%	35.2	10.5%	10.5%	9.2%

Data Sources:

[1] 2002 - 2009 - http://recenter.tamu.edu/data/popc/popcs13.html, 2010 - 2011 estimated by management.

[2] 2002 - 2009 - U.S. Bureau of Economic Analysis - http://www.bea.gov/regional/reis/default.cfm?selTable=CA1-3&section=2, 2009 & 2010 estimated by management

[3] 2002 - 2009 Bureau of Economic Analysis - http://www.bea.gov/bea/regional/reis/drill.cfm, 2010 & 2011 estimated by management.

[4] Estimated by management

[5] U.S. Department of Labor, Bureau of Labor Statistics, months of June, Atlanta, Sandy Springs, Marietta, GA, Metropolitan Statistical Area - http://data.bls.gov/cgi-bin/surveymost?la+13

[6] U.S. Department of Labor, Bureau of Labor Statistics, months of June, State of Georgia Statistical Area - http://data.bls.gov/cgi-bin/surveymost?la+13

[7] U.S. Department of Labor, Bureau of Labor Statistics, http://data.bls.gov/PDQ/servlet/SurveyOutputServlet?data_tool=latest_numbers&series_id=LNS14000000

[8] The substantial increase in the unemployment rates in 2009 relates to the nationwide recession.
N/A - Not Available

Exhibit XIX

Fulton County Board of Education, Georgia

Principal Employers (Unaudited) [4]

For the Fiscal Years Ended June 30, 2010 and 2000

		2010 [1]		
Employer	**Type of Business**	**Number of Employees**	**Rank**	**Percentage of Major County Employers**
Delta Airlines	Airline	22,257	1	0.92%
AT&T	Utility	21,915	2	0.90%
Bellsouth Corporation	Communications	15,500	3	0.64%
United States Postal Service	Government	14,000	4	0.58%
Cox Enterprises	Communications	13,583	5	0.56%
Fulton County School System	Government	12,969	6	0.53%
United Parcel Service	Freight	10,745	7	0.44%
Atlanta City Municipal Government	Government	7,934	8	0.33%
IBM Corporation	Technology	7,500	9	0.31%
Georgia Institute of Technology	Government	7,342	10	0.30%
Total Principal Employers' Employees		133,745		5.50%
Other Employers' Employees [3]		2,297,108		94.50%
Total Estimated Employees [2]		2,430,853		100.00%

		Estimated 2000		
Employer	**Type of Business**	**Number of Employees**	**Rank**	**Percentage of Major County Employers**
Delta Airlines	Airline	28,412	1	1.23%
Bellsouth Corporation	Communications	22,041	2	0.96%
United States Postal Service	Government	12,000	3	0.52%
Fulton County School System	Government	9,433	4	0.41%
IBM Corporation	Technology	8,500	5	0.37%
Kroger Company	Groceries	7,800	6	0.34%
Lucent Technology	Technology	7,600	7	0.33%
United Parcel Service	Freight	7,298	8	0.32%
Atlanta City Municipal Government	Government	6,820	9	0.30%
Sun Trust Bank	Bank	6,754	10	0.29%
Total Principal Employers' Employees		116,658		5.06%
Other Employers' Employees [3]		2,188,393		94.94%
Total Estimated Employees		2,305,051		100.00%

Notes:

[4] Information is not available for the School District exclusively. Information presented for Fulton County, Georgia.

Data Source:

[1] Fulton County, Georgia, December 31, 2010 comprehenisive annual report. No current information available.

[2] U.S. Department of Labor, Bureau of Labor Statistics, http://www.bls.gov/news.release/cewqtr.t01.htm

[3] U.S. Department of Labor, Bureau of Labor Statistic, http://data.bls.gov/cgi-bin/surveymost

Exhibit XX

Fulton County Board of Education, Georgia

Employees by Function (Unaudited)

Last Five Fiscal Years [1]

	Fiscal Year Ended June 30,				
Function	**2007**	**2008**	**2009**	**2010**	**2011**
Instruction	8,696	9,113	8,667	8,545	7,972
Pupil services	372	406	387	384	319
Improvement of instructional services	133	148	229	250	211
Educational media services	209	206	204	214	192
General administration	14	14	17	20	19
School administration	253	256	698	686	686
Business administration	91	75	94	97	104
Maintenance and operation of plant	690	706	788	755	679
Student transportation services	809	891	929	980	954
Central services	102	108	103	102	107
Other supporting services	22	24	26	31	46
Food service operations	799	827	873	903	731
Facilities acquisition and construction	2	3	3	3	5
Total	12,192	12,777	13,018	12,969	12,025
Percentage Change From Prior Fiscal Year	N/A	4.8%	1.9%	-0.4%	-7.3%

Notes:

[1] Only five fiscal years of information available.

Exhibit XXI

Fulton County Board of Education, Georgia
Teachers' Salaries
Last Ten Fiscal Years

Fiscal Year	School District's Minimum Salary [1]	Minimum State Salary [2, 3, 4]	School District's % of State Minimum [3, 4]	School District's Maximum Salary [1]	School District's Average Salary [1]	Statewide Average Salary [3, 4]	School District's % of State Average [3, 4]
2002	$ 35,676	$ 26,779	133.2%	$ 74,172	$ 54,924	$ -	-
2003	36,564	27,650	132.2%	76,044	56,304	-	-
2004	37,584	27,650	135.9%	78,168	57,876	45,848	126.2%
2005	37,584	27,650	135.9%	78,168	57,876	46,437	124.6%
2006	37,584	28,767	130.6%	78,168	57,876	48,247	120.0%
2007	38,112	29,918	127.4%	79,272	58,692	49,836	117.8%
2008	39,252	30,816	127.4%	81,648	60,450	51,466	117.5%
2009	40,224	31,586	127.3%	83,688	61,956	52,823	117.3%
2010	39,132	31,586	123.9%	83,688	61,410	52,823	116.3%
2011	39,132	31,586	123.9%	83,688	61,410	52,823	116.3%

Notes:

[4] Information not completed is not available.

Data Source:

[1] School System records.

[2] Georgia Department of Education, http://www.doe.k12.ga.us/fbo_budget.aspx.

[3] Georgia Governor's Office of Achievement.

Fulton County Board of Education, Georgia
School Building Information
Last Ten Fiscal Years

School	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Elementary										
Abbotts Hill(2000)										
Square Feet	108,426	108,426	108,426	108,426	108,426	108,426	108,426	108,426	108,426	108,426
Capacity	850	850	850	850	850	850	850	850	850	850
Enrollment	736	754	773	701	704	725	767	794	828	779
Alpharetta(1956)										
Square Feet	101,655	101,655	101,655	101,655	101,655	101,655	101,655	101,655	101,655	115,655
Capacity	775	775	775	775	775	775	775	775	775	900
Enrollment	959	989	1,007	710	710	719	707	696	715	687
Barnwell(1987)										
Square Feet	88,460	88,460	88,460	88,460	88,460	88,460	88,460	88,460	88,460	122,429
Capacity	650	650	650	650	650	650	650	650	650	850
Enrollment	652	642	641	662	671	705	730	728	748	779
Bethune(1968)										
Square Feet	78,004	78,004	78,004	78,004	78,004	78,004	78,004	78,004	106,004	107,066
Capacity	575	575	575	575	575	575	575	575	850	825
Enrollment	516	594	647	697	699	695	672	697	691	755
Birmingham Falls(2009)										
Square Feet	-	-	-	-	-	-	-	-	116,824	117,137
Capacity	-	-	-	-	-	-	-	-	850	850
Enrollment	-	-	-	-	-	-	-	-	760	742
Brookview(1972)										
Square Feet	77,949	77,949	77,949	77,949	77,949	77,949	77,949	77,949	77,949	86,193
Capacity	525	525	525	525	525	525	525	525	525	550
Enrollment	604	507	460	475	479	565	575	611	537	487
Campbell(1996)										
Square Feet	108,143	108,143	108,143	135,441	131,594	131,594	131,594	131,594	131,594	130,445
Capacity	650	650	650	900	900	900	900	900	900	900
Enrollment	744	568	567	643	876	1032	936	900	859	897
Cliftondale(2009)										
Square Feet	-	-	-	-	-	-	-	-	109,312	117,137
Capacity	-	-	-	-	-	-	-	-	850	850
Enrollment	-	-	-	-	-	-	-	-	840	843
Cogburn Woods(2004)										
Square Feet	-	-	-	116,284	116,284	116,284	116,284	116,284	116,284	127,084
Capacity	-	-	-	850	850	850	850	850	850	850
Enrollment	-	-	-	781	885	897	950	918	1,019	921
College Park(1965)										
Square Feet	100,615	100,615	100,615	100,615	100,615	100,615	100,615	100,615	100,615	100,615
Capacity	500	500	500	500	500	500	500	500	500	475
Enrollment	435	393	362	319	294	297	355	370	355	276
Conley Hills(1953)										
Square Feet	101,096	101,096	101,096	101,096	101,096	101,096	101,096	103,296	103,296	98,590
Capacity	700	700	700	700	700	700	700	700	700	700
Enrollment	780	772	503	527	607	622	592	549	537	491
Crabapple Xing(1992)										
Square Feet	106,855	106,855	106,855	106,855	106,855	106,855	106,855	106,855	106,855	106,855
Capacity	800	800	800	800	800	800	800	800	800	800
Enrollment	771	851	880	794	802	835	851	870	753	735
Creek View(2001)										
Square Feet	106,050	108,426	114,428	114,428	114,428	114,428	114,428	114,428	114,428	118,028
Capacity	850	850	850	850	850	850	850	850	850	850
Enrollment	829	867	907	936	1,019	1,007	1,012	978	965	952
Dolvin(1979)										
Square Feet	91,824	91,824	91,824	131,944	131,944	131,944	131,944	131,944	131,944	139,144
Capacity	725	725	725	725	1,025	1,025	1,025	1,025	1,025	1,050
Enrollment	613	580	574	944	972	938	933	970	966	962

Exhibit XXII

Fulton County Board of Education, Georgia
School Building Information
Last Ten Fiscal Years

School	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Dunwoody Springs(2000)										
Square Feet	114,760	114,428	114,428	114,428	114,428	114,428	114,428	114,428	114,428	114,428
Capacity	850	850	850	850	850	850	850	850	850	850
Enrollment	788	697	672	754	866	905	850	898	674	735
Feldwood(2010)										
Square Feet	-	-	-	-	-	-	-	-	-	117,137
Capacity	-	-	-	-	-	-	-	-	-	875
Enrollment	-	-	-	-	-	-	-	-	-	793
Findley Oaks(1994)										
Square Feet	107,313	107,313	107,313	115,081	122,849	122,849	122,849	122,849	122,849	118,017
Capacity	800	800	800	800	875	875	875	875	875	875
Enrollment	927	920	889	863	839	874	836	812	801	759
Gullatt(1976)										
Square Feet	76,857	76,857	76,857	76,857	76,857	76,857	76,857	76,857	76,857	77,994
Capacity	500	500	500	500	500	500	500	500	500	525
Enrollment	532	566	527	534	555	570	553	539	568	269
Hapeville(1939)										
Square Feet	130,000	130,000	130,000	130,000	130,000	130,000	130,000	130,000	130,000	121,516
Capacity	800	800	800	800	800	800	800	800	800	825
Enrollment	875	815	789	686	669	632	673	691	744	747
Heards Ferry(1970)										
Square Feet	85,394	85,394	85,394	85,394	85,394	85,394	85,394	85,394	85,394	84,380
Capacity	625	625	625	625	625	625	625	625	625	625
Enrollment	488	453	476	510	523	522	591	400	485	564
Hembree Springs(2001)										
Square Feet	114,428	114,428	114,428	114,428	114,428	114,428	114,428	114,428	114,428	114,428
Capacity	850	850	850	850	850	850	850	850	850	850
Enrollment	603	632	668	714	736	792	788	815	740	812
Heritage(2000)										
Square Feet	108,426	108,426	108,426	108,426	108,426	108,426	108,426	108,426	108,426	110,972
Capacity	850	850	850	850	850	850	850	850	850	875
Enrollment	730	809	810	792	940	993	949	1,041	910	738
High Point(1961)										
Square Feet	84,948	84,948	84,948	84,948	84,948	108,015	108,015	108,015	108,015	108,015
Capacity	625	625	625	625	625	625	850	850	850	850
Enrollment	576	607	684	707	799	827	816	613	632	730
Hillside(2001)										
Square Feet	114,428	114,428	114,428	114,428	114,428	114,428	114,428	114,428	114,428	121,628
Capacity	850	850	850	850	850	850	850	850	850	850
Enrollment	733	770	812	722	737	710	725	719	822	739
Hamilton E. Holmes(2003)										
Square Feet	-	-	128,253	128,253	128,253	128,253	128,253	128,253	128,253	124,307
Capacity	-	-	950	950	950	950	950	950	950	950
Enrollment	-	-	627	480	533	579	654	652	645	452
Ison Springs(2009)										
Square Feet	-	-	-	-	-	-	-	-	126,320	126,612
Capacity	-	-	-	-	-	-	-	-	850	850
Enrollment	-	-	-	-	-	-	-	-	660	697
Esther Jackson(1975)										
Square Feet	91,109	91,109	91,109	91,109	91,109	91,109	91,109	91,109	91,109	109,702
Capacity	625	625	625	625	625	625	625	625	625	625
Enrollment	521	488	469	615	644	652	662	698	640	638
Lake Forest(2008)										
Square Feet	-	-	-	-	-	-	-	126,320	126,320	126,320
Capacity	-	-	-	-	-	-	-	850	850	850
Enrollment	-	-	-	-	-	-	-	597	656	743

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School	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Lake Windward(1989)										
Square Feet	114,250	114,250	114,250	114,250	114,250	114,250	114,250	114,250	114,250	125,050
Capacity	875	875	875	875	875	875	875	875	875	875
Enrollment	703	762	796	827	877	899	877	881	853	881
Seaborn Lee(1970)										
Square Feet	81,397	81,397	81,397	81,397	81,397	81,397	81,397	81,397	81,397	84,069
Capacity	575	575	575	575	575	575	575	575	575	575
Enrollment	526	348	387	430	635	614	607	634	607	538
S.L. Lewis(1973)										
Square Feet	88,810	88,810	88,810	88,810	88,810	88,810	88,810	88,810	88,810	88,810
Capacity	675	675	675	675	675	675	675	675	675	675
Enrollment	607	560	564	619	708	735	744	712	730	555
Liberty Point(2002)										
Square Feet	-	114,428	114,428	114,428	114,428	114,428	114,428	114,428	114,428	114,428
Capacity	-	850	850	850	850	850	850	850	850	850
Enrollment	-	552	647	740	925	964	786	726	728	689
Manning Oaks(1998)										
Square Feet	108,426	108,426	108,426	108,426	108,426	108,429	108,429	108,429	108,429	108,426
Capacity	850	850	850	850	850	850	850	850	850	850
Enrollment	648	751	780	815	897	874	943	965	761	839
Medlock Bridge(1990)										
Square Feet	106,855	106,855	106,855	106,855	106,855	106,855	106,855	106,855	106,855	106,855
Capacity	825	825	825	825	825	825	825	825	825	825
Enrollment	826	872	853	666	699	720	702	679	688	671
Mimosa(1968)										
Square Feet	104,451	104,451	104,451	104,451	104,451	104,451	104,451	132,641	132,641	137,252
Capacity	725	725	725	725	725	725	725	1,000	1,000	1,000
Enrollment	681	673	693	698	755	827	808	857	1,031	1,112
Mt. Olive(1960)										
Square Feet	89,256	89,256	89,256	89,256	89,256	89,256	89,256	89,256	89,256	89,256
Capacity	725	725	725	725	725	725	725	725	725	725
Enrollment	528	580	527	488	527	554	505	531	520	512
Mountain Park(1973)										
Square Feet	93,980	93,980	93,980	93,980	93,980	93,980	93,980	93,980	121,980	119,526
Capacity	775	775	775	775	775	775	775	775	1,000	1,000
Enrollment	801	770	754	786	790	810	803	825	900	894
New Prospect(1994)										
Square Feet	110,973	110,973	110,973	110,973	110,973	110,973	110,973	110,973	110,973	110,973
Capacity	825	825	825	825	825	825	825	825	825	825
Enrollment	956	1,003	1,021	653	712	690	638	602	619	569
Love T. Nolan(1975)										
Square Feet	85,182	85,182	85,182	85,182	85,182	85,182	85,182	85,182	109,862	106,651
Capacity	600	600	600	600	600	600	600	600	850	850
Enrollment	638	565	551	530	581	744	768	793	810	774
Northwood(1996)										
Square Feet	109,621	109,621	109,621	109,621	109,621	109,621	109,621	109,621	109,621	109,621
Capacity	800	800	800	800	800	800	800	800	800	800
Enrollment	850	832	844	850	821	868	877	900	733	725
Oak Knoll(1963)										
Square Feet	95,578	95,578	95,578	95,578	95,578	95,578	95,578	95,578	95,578	106,378
Capacity	575	575	575	575	575	575	575	575	575	575
Enrollment	912	797	615	630	582	606	572	599	591	573
Oakley(2007)										
Square Feet	-	-	-	-	-	-	122,250	122,250	122,250	122,250
Capacity	-	-	-	-	-	-	850	850	850	875
Enrollment	-	-	-	-	-	-	776	848	896	757
Ocee(2000)										
Square Feet	114,428	114,428	114,428	114,428	114,428	114,428	114,428	114,428	114,428	114,428
Capacity	850	850	850	850	850	850	850	850	850	850
Enrollment	804	830	792	825	773	779	786	793	796	760

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School	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Palmetto(1971)										
Square Feet	145,800	145,800	145,800	145,800	145,800	145,800	145,800	145,800	145,800	149,400
Capacity	625	625	625	625	625	625	625	625	625	625
Enrollment	472	492	513	533	545	589	529	541	523	518
Parklane(1954)										
Square Feet	88,710	88,710	88,710	88,710	88,710	88,710	88,710	88,710	88,710	87,450
Capacity	625	625	625	625	625	625	625	625	625	625
Enrollment	850	736	491	444	462	433	461	464	487	425
Randolph(1989)										
Square Feet	97,370	97,370	97,370	97,370	97,370	97,370	97,370	97,370	97,370	97,370
Capacity	675	675	675	675	675	675	675	675	675	675
Enrollment	754	771	753	841	955	805	621	569	672	657
Renaissance(2006)										
Square Feet	-	-	-	-	-	116,284	116,284	116,284	116,284	116,284
Capacity	-	-	-	-	-	850	850	850	850	850
Enrollment	-	-	-	-	-	798	981	1,095	687	712
River Eves(1996)										
Square Feet	109,621	109,621	109,621	109,621	109,621	109,621	109,621	109,621	109,621	109,621
Capacity	775	775	775	775	775	775	775	775	775	775
Enrollment	670	615	638	644	703	694	709	740	761	782
Roswell North(1960)										
Square Feet	94,375	94,375	94,375	94,375	94,375	94,227	94,227	125,873	125,873	125,873
Capacity	725	725	725	725	725	725	725	725	1,000	1,000
Enrollment	824	782	802	791	825	822	802	852	956	1,015
Shakerag(1997)										
Square Feet	114,428	108,426	108,426	108,426	108,426	108,426	108,426	108,426	108,426	114,912
Capacity	875	875	875	875	875	875	875	875	875	875
Enrollment	931	929	1,020	714	758	806	829	812	797	811
Spalding Drive(1966)										
Square Feet	98,353	98,353	98,353	98,353	98,353	98,353	98,353	98,353	98,353	98,353
Capacity	575	575	575	575	575	575	575	575	575	575
Enrollment	589	624	650	676	682	615	686	696	422	467
State Bridge Xing(1996)										
Square Feet	109,621	109,621	109,621	109,621	109,621	109,621	109,621	109,621	109,621	109,621
Capacity	800	800	800	800	800	800	800	800	800	800
Enrollment	824	812	812	772	735	721	719	735	756	764
Stonewall Tell(1998)										
Square Feet	108,167	108,426	108,426	108,426	108,426	108,426	108,426	108,426	108,426	108,426
Capacity	850	850	850	850	850	850	850	850	850	850
Enrollment	683	579	463	640	897	877	1,005	1,086	822	840
Summit Hill(1999)										
Square Feet	103,000	108,426	108,426	108,426	108,426	108,426	108,426	108,426	108,426	112,026
Capacity	850	850	850	850	850	850	850	850	850	850
Enrollment	921	1,014	1,084	947	1,047	1,043	1,020	1,036	798	836
Sweet Apple(1997)										
Square Feet	128,253	128,253	128,253	128,253	128,253	128,253	128,253	128,253	128,253	131,853
Capacity	950	950	950	950	950	950	950	950	950	950
Enrollment	767	775	792	837	883	896	906	898	838	792
Harriet Tubman(1961)										
Square Feet	111,518	111,518	111,518	111,518	111,518	111,518	111,518	111,518	111,518	111,518
Capacity	675	675	675	675	675	675	675	675	675	675
Enrollment	670	606	631	528	534	509	495	531	515	542
Evoline C. West(1970)										
Square Feet	80,954	80,954	112,750	112,750	112,750	112,750	112,750	112,750	112,750	116,290
Capacity	500	500	500	750	750	750	750	750	750	750
Enrollment	553	597	636	783	943	983	807	893	903	764

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School	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Wilson Creek(2004)										
Square Feet	-	-	-	116,284	116,284	116,284	116,284	116,284	116,284	116,284
Capacity	-	-	-	850	850	850	850	850	850	850
Enrollment	-	-	-	740	823	906	904	863	896	871
Woodland(1971)										
Square Feet	100,843	100,843	100,843	100,843	100,843	136,582	136,582	137,674	137,674	136,582
Capacity	775	775	775	775	775	775	1,000	1,000	1,000	1,000
Enrollment	598	658	746	808	893	859	892	862	808	886
Middle										
Autrey Mill(2004)										
Square Feet	-	-	185,787	185,787	185,787	185,787	185,787	185,787	185,787	186,850
Capacity	-	-	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,200
Enrollment	-	-	956	1,022	1,193	1,227	1,185	1,161	1,251	1,315
Bear Creek(1990)										
Square Feet	154,813	154,813	154,813	154,813	154,813	154,813	154,813	154,813	154,813	154,813
Capacity	1,075	1,075	1,075	1,075	1,075	1,075	1,075	1,075	1,075	1,075
Enrollment	1,233	1,288	1,310	1,185	1,398	1,529	991	992	988	1,048
Camp Creek(1985)										
Square Feet	105,609	105,609	105,609	105,609	105,609	119,632	119,632	119,632	119,632	123,232
Capacity	875	875	875	875	875	950	950	950	950	1,000
Enrollment	1,078	980	994	711	875	860	792	726	799	780
Crabapple(1983)										
Square Feet	110,280	110,280	110,280	110,280	110,280	121,662	121,662	121,662	121,662	133,836
Capacity	950	950	950	950	950	950	1,000	1,000	1,000	1,000
Enrollment	958	927	948	840	850	848	861	865	771	798
Elkins Pointe(2001)										
Square Feet	180,000	177,651	177,651	177,651	177,651	177,651	177,651	177,651	177,651	177,651
Capacity	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,175
Enrollment	1,020	1,034	984	904	948	902	907	903	893	891
Haynes Bridge(1983)										
Square Feet	113,222	113,222	113,222	113,222	113,222	126,499	126,499	126,499	126,499	126,432
Capacity	875	875	875	875	875	875	1,000	1,000	1,000	1,000
Enrollment	971	941	899	807	786	698	654	672	632	644
Holcomb Bridge(1983)										
Square Feet	108,346	108,346	108,346	108,346	108,346	119,728	119,728	119,728	119,728	121,542
Capacity	950	950	950	950	950	950	1,000	1,000	1,000	1,000
Enrollment	748	766	819	774	720	678	672	650	675	708
Hopewell(2004)										
Square Feet	-	-	-	179,783	179,783	179,783	179,783	179,783	179,783	179,783
Capacity	-	-	-	1,200	1,200	1,200	1,200	1,200	1,200	1,175
Enrollment	-	-	-	874	962	1,013	1,076	1,115	1,156	1,185
McNair(1969)										
Square Feet	139,111	139,111	139,111	139,111	139,111	164,736	164,736	167,857	167,857	165,391
Capacity	875	875	875	875	875	875	1,025	1,025	1,025	1,000
Enrollment	1,078	1,045	1,019	674	739	750	835	873	853	834
Northwestern(1996)										
Square Feet	173,375	173,375	173,375	173,375	173,375	173,375	173,375	173,375	173,375	191,375
Capacity	1,075	1,075	1,075	1,075	1,075	1,075	1,075	1,075	1,075	1,100
Enrollment	1,529	1,542	1,687	1,064	1,157	1,198	1,207	1,233	1,248	1,263
Renaissance(2007)										
Square Feet	-	-	-	-	-	-	180,500	180,500	180,500	180,500
Capacity	-	-	-	-	-	-	1,200	1,200	1,200	1,175
Enrollment	-	-	-	-	-	-	1,019	1,120	1,187	1,147
Ridgeview(1968)										
Square Feet	141,038	141,038	141,038	141,038	141,038	141,038	141,038	141,038	189,393	178,994
Capacity	875	875	875	875	875	875	875	875	1,200	1,200
Enrollment	541	578	614	623	610	577	596	636	740	820

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School	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
River Trail(2001)										
Square Feet	177,651	177,651	177,651	177,651	177,651	177,651	177,651	177,651	177,651	202,851
Capacity	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,175
Enrollment	1,305	1,448	1,399	1,402	1,362	1,388	1,512	1,513	1,574	1,488
Sandtown(2004)										
Square Feet	-	-	-	179,783	179,783	179,783	179,783	179,783	179,783	179,783
Capacity	-	-	-	1,200	1,200	1,200	1,200	1,200	1,200	1,175
Enrollment	-	-	-	1,132	1,455	1,562	990	1,023	1,115	1,110
Sandy Springs(old)										
Square Feet	138,887	-	-	-	-	-	-	-	-	-
Capacity	825	-	-	-	-	-	-	-	-	-
Enrollment	752	-	-	-	-	-	-	-	-	-
Sandy Springs(2002)										
Square Feet	-	162,272	162,272	162,272	162,272	162,272	162,272	162,272	162,272	176,672
Capacity	-	875	875	875	875	875	875	875	875	875
Enrollment	-	797	780	744	820	711	711	753	832	897
Taylor Road(1990)										
Square Feet	140,000	140,000	140,000	140,000	140,000	154,880	154,880	154,880	154,880	154,880
Capacity	950	950	950	950	950	950	1,100	1,100	1,100	1,100
Enrollment	1,271	1,214	898	917	935	941	962	962	938	931
Webb Bridge(1996)										
Square Feet	173,375	173,375	173,375	173,375	173,375	173,375	173,375	173,375	173,375	191,375
Capacity	1,125	1,125	1,125	1,125	1,125	1,125	1,125	1,125	1,125	1,150
Enrollment	1,341	1,389	1,186	1,142	1,267	1,308	1,339	1,367	1,362	1,332
Paul D. West(1957)										
Square Feet	129,462	-	-	-	-	-	-	-	-	-
Capacity	825	-	-	-	-	-	-	-	-	-
Enrollment	924	-	-	-	-	-	-	-	-	-
Paul D. West(2002)										
Square Feet	-	180,000	177,651	177,651	177,651	177,651	177,651	177,651	177,651	177,651
Capacity	-	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,175
Enrollment	-	1,230	1,281	1,092	1,022	944	958	888	852	761
Woodland(1965)										
Square Feet	136,058	136,058	136,058	136,058	136,058	136,058	136,058	-	-	-
Capacity	825	825	825	825	825	825	825	-	-	-
Enrollment	1,224	893	789	706	706	689	996	-	-	-
Woodland(2009)										
Square Feet	-	-	-	-	-	-	-	186,530	186,530	186,530
Capacity	-	-	-	-	-	-	-	1,250	1,250	1,200
Enrollment	-	-	-	-	-	-	-	1,028	1,032	1,078
High										
Alpharetta(2004)										
Square Feet	-	-	-	335,555	335,555	335,555	335,555	343,036	343,036	337,096
Capacity	-	-	-	2,125	2,125	2,125	2,125	2,125	2,125	2,175
Enrollment	-	-	-	1,447	1,787	2,037	2,210	2,170	2,250	2,333
Banneker(1976)										
Square Feet	196,369	196,369	196,369	214,982	220,975	220,975	220,975	220,975	220,975	238,975
Capacity	1,300	1,300	1,300	1,475	1,475	1,475	1,475	1,475	1,475	1,475
Enrollment	1,094	1,243	1,355	1,338	1,407	1,549	1,689	1,770	1,300	1,310
Centennial(1997)										
Square Feet	254,916	254,916	254,916	254,916	254,916	254,916	254,916	254,916	254,916	297,300
Capacity	1,775	1,775	1,775	1,775	1,775	1,775	1,775	1,775	1,775	1,925
Enrollment	2,102	2,106	2,064	2,035	2,099	2,024	2,025	2,013	1,943	1,948

Fulton County Board of Education, Georgia
School Building Information
Last Ten Fiscal Years

School	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Chattahoochee(1991)										
Square Feet	243,204	243,204	243,204	243,204	243,204	243,204	243,204	243,204	243,204	269,534
Capacity	1,675	1,675	1,675	1,675	1,675	1,675	1,675	1,675	1,675	1,875
Enrollment	2,810	2,093	2,146	2,009	2,058	2,110	2,179	2,237	1,858	1,736
Creekside(1990)										
Square Feet	224,387	224,387	224,387	224,387	245,894	245,894	245,894	245,894	245,894	245,894
Capacity	1,300	1,300	1,300	1,300	1,300	1,300	1,850	1,850	1,850	1,850
Enrollment	1,443	1,478	1,585	1,727	2,044	2,316	2,486	2,619	1,411	1,316
Independence(1953)										
Square Feet	67,724	67,724	67,724	67,724	67,724	-	-	-	-	-
Capacity	*	*	*	*	*	-	-	-	-	-
Enrollment	415	397	419	374	376	-	-	-	-	-
Johns Creek(2009)										
Square Feet	-	-	-	-	-	-	-	-	320,885	320,885
Capacity	-	-	-	-	-	-	-	-	1,900	1,900
Enrollment	-	-	-	-	-	-	-	-	1,211	1,615
Langston Hughes(2009)										
Square Feet	-	-	-	-	-	-	-	-	340,817	350,282
Capacity	-	-	-	-	-	-	-	-	2,200	2,175
Enrollment	-	-	-	-	-	-	-	-	2,169	2,256
McClarin(1943)										
Square Feet	97,789	97,789	97,789	97,789	97,789	97,789	97,789	97,789	97,789	95,205
Capacity	270	270	270	270	270	270	270	270	270	253
Enrollment	442	415	414	366	230	296	281	319	326	253
Milton(1953)										
Square Feet	270,350	270,350	270,350	270,350	-	-	-	-	-	-
Capacity	1,800	1,800	1,800	1,800	-	-	-	-	-	-
Enrollment	2,707	2,581	2,628	1,975	-	-	-	-	-	-
Milton(2005)										
Square Feet	-	-	-	-	343,450	343,450	343,450	343,450	343,450	375,850
Capacity	-	-	-	-	1,950	1,950	1,950	1,950	1,950	1,950
Enrollment	-	-	-	-	1,993	2,086	2,229	2,331	2,534	2,628
Milton Center Independence (1953)										
Square Feet	-	-	-	-	-	258,589	258,589	258,589	258,589	258,589
Capacity	-	-	-	-	-	900	900	900	900	625
Enrollment	-	-	-	-	-	382	387	275	339	325
North Springs(1963)										
Square Feet	250,623	250,623	250,623	314,530	314,530	288,191	288,191	314,530	314,530	297,170
Capacity	1,575	1,575	1,575	1,575	1,775	1,775	1,775	1,775	1,775	1,775
Enrollment	1,508	1,626	1,671	1,768	1,740	1,501	1,303	1,336	1,313	1,445
Northview(2002)										
Square Feet	-	270,000	270,000	270,000	270,000	270,000	270,000	270,000	270,000	303,978
Capacity	-	1,875	1,875	1,875	1,875	1,875	1,875	1,875	1,875	1,875
Enrollment	-	1,523	1,912	2,222	2,414	2,561	2,686	2,790	2,133	1,895
Riverwood(1971)										
Square Feet	187,648	187,648	187,648	249,132	249,132	249,132	249,132	249,132	249,132	259,932
Capacity	1,250	1,250	1,250	1,250	1,325	1,325	1,325	1,325	1,325	1,325
Enrollment	1,372	1,102	1,238	1,291	1,292	1,225	1,234	1,354	1,447	1,664
Roswell(1990)										
Square Feet	243,200	243,200	243,200	243,200	243,200	264,255	264,255	264,656	264,656	289,455
Capacity	1,775	1,775	1,775	1,775	1,775	1,775	1,975	1,975	1,975	2,000
Enrollment	2,181	2,225	2,221	2,336	2,383	2,425	2,513	2,405	2,376	2,471
Tri-Cities(1988)										
Square Feet	272,362	272,362	272,362	272,362	272,362	272,362	272,362	272,362	278,042	299,668
Capacity	1,875	1,875	1,875	1,875	1,875	1,875	1,875	1,875	2,000	2,000
Enrollment	1,875	1,991	2,021	1,910	1,958	1,677	1,778	1,844	1,868	1,845

Exhibit XXII

Fulton County Board of Education, Georgia
School Building Information
Last Ten Fiscal Years

School	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Westlake(1969)										
Square Feet	211,911	211,911	211,911	211,911	211,911	211,911	211,911	-	-	-
Capacity	1,125	1,125	1,125	1,125	1,125	1,125	1,125	-	-	-
Enrollment	1,270	1,288	1,252	1,347	1,607	1,760	2,037	-	-	-
Westlake(2009)										
Square Feet	-	-	-	-	-	-	-	328,617	328,617	328,617
Capacity	-	-	-	-	-	-	-	1,900	1,900	1,925
Enrollment	-	-	-	-	-	-	-	2,339	1,936	2,102
North Crossroads Mimosa Boulevard Building (1943/1992)										
Square Feet	-	-	-	-	-	67,724	67,724	67,724	67,724	54,978
Capacity	-	-	-	-	-	*	*	*	*	*
Enrollment	-	-	-	-	-	82	121	110	105	54
South Crossroads(1977)										
Square Feet	-	-	-	-	-	*	47,999	67,899	67,899	45,553
Capacity	-	-	-	-	-	*	*	*	*	*
Enrollment	-	-	-	-	-	202	169	163	131	66

Data Source:
District records.

* Not available

Exhibit XXIII

Fulton County Board of Education, Georgia
Operating Statistics
Last Ten Fiscal Years

Fiscal Year	Operating Expenditures [1]	Fall Student Count (FTE) [2]	Cost Per Pupil	% Change	Teaching Staff [3]	Pupil/ Teacher Ratio	Enrollment Eligibility % of Free and Reduced Meals [4]
2002	$ 565,732,122	69,841	8,100	6.09%	-	-	31.90%
2003	583,173,920	71,372	8,171	0.87%	-	-	33.46%
2004	617,392,192	73,319	8,421	3.06%	5,128	14.30	32.01%
2005	647,639,055	75,891	8,534	1.34%	5,369	14.14	33.15%
2006	692,600,351	81,100	8,540	0.07%	5,635	14.39	36.78%
2007	741,245,707	83,861	8,839	3.50%	5,980	14.02	36.33%
2008	833,547,448	86,225	9,667	9.37%	6,255	13.78	37.18%
2009	838,769,956	88,299	9,499	-1.74%	6,422	13.75	39.42%
2010	858,879,153	90,399	9,501	0.02%	6,422	14.08	42.53%
2011 [5]	N/A	91,864	N/A	N/A	N/A	N/A	43.91%

Data Sources:

Georgia Department of Education,

[1] http://app3.doe.k12.ga.us/ows-bin/owa/fin_pack_revenue.entry_form

[2] Exhibit XXIV

[3] http://www.doe.k12.ga.us/ReportingFW.aspx?PageReq=211&PID=61&PTID=67&CTID=216&StateId=ALL&T=0&RID=102&FY=2010
2011 Information not available.

[4] http://app.doe.k12.ga.us/ows-bin/owa/fte_pack_frl001_public.entry_form.

[5] Fiscal Year 2011 information not available

Information not presented is not readily available.

Exhibit XXIV

Fulton County Board of Education, Georgia
Food Service Operating Statistics
Last Ten Fiscal Years
(Amounts Expressed in Thousands)

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Lunch Meals Served:										
Free	2,757	2,878	3,073	3,267	3,701	3,835	4,087	4,409	4,800	4,926
Reduced	443	437	424	445	455	507	530	553	527	405
Paid	3,244	3,093	3,156	3,311	3,340	3,374	3,566	3,567	3,032	2,606
Total	6,444	6,408	6,653	7,023	7,496	7,716	8,183	8,529	8,359	7,937
Daily Average	34	34	37	39	42	43	45	48	47	46
Student Price	$1.20-$1.45	$1.35-$1.60	$1.35-$1.60	$1.35-$1.60	$1.35-$1.60	$1.35-$1.60	$1.35-$1.60	$1.35-$1.60	$2.00-$2.25	$2.00-$2.25
Breakfast Meals Served:										
Free	1,624	1,592	1,754	1,899	2,177	2,215	2,326	2,595	2,649	2,736
Reduced	169	159	160	169	203	241	261	277	243	192
Paid	392	388	457	505	655	834	915	856	631	578
Total	2,185	2,139	2,371	2,573	3,035	3,290	3,502	3,728	3,523	3,506
Daily Average	11	11	13	14	17	18	19	21	20	20
Student Price	$.75-$.90	$.80-$.95	$.80-$.95	$.80-$.95	$.80-$.95	$.80-$.95	$.80-$.95	$.80-$.95	$1.00-$1.15	$1.00-$1.15
Total Meals Served:										
Free	4,381	4,470	4,827	5,166	5,878	6,050	6,413	7,004	7,449	7,662
Reduced	612	596	584	614	658	748	791	830	770	597
Paid	3,636	3,481	3,613	3,816	3,995	4,208	4,481	4,423	3,663	3,184
Total	8,629	8,547	9,024	9,596	10,531	11,006	11,685	12,257	11,882	11,443
Daily Average	45	45	50	53	59	61	64	69	67	66

Data Source:
School System's food service program.

Exhibit XXV

Fulton County Board of Education, Georgia

Enrollment by Grade Level (Unaudited) [1]

Last Ten Fiscal Years

	For the Fiscal Year Ended June 30,									
Grade Level	**2002**	**2003**	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**
PK	1,767	1,750	1,811	1,850	1,908	1,879	1,888	1,919	1,953	1,944
KK	5,404	5,511	5,503	5,906	6,405	6,514	6,588	6,676	6,752	6,860
Grade 1	5,303	5,567	5,659	5,755	6,295	6,612	6,661	6,618	6,803	6,875
Grade 2	5,431	5,358	5,596	5,790	6,115	6,476	6,639	6,757	6,678	6,873
Grade 3	5,562	5,400	5,448	5,802	6,119	6,489	6,671	6,914	7,059	6,877
Grade 4	5,522	5,574	5,573	5,577	6,159	6,213	6,504	6,647	6,973	7,118
Grade 5	5,445	5,497	5,606	5,699	5,930	6,391	6,386	6,693	6,876	7,123
Grade 6	5,601	5,507	5,738	5,863	6,271	6,214	6,574	6,555	6,896	6,966
Grade 7	5,390	5,625	5,556	5,892	6,242	6,330	6,393	6,730	6,662	6,789
Grade 8	5,078	5,295	5,681	5,619	6,162	6,463	6,487	6,547	6,786	6,737
Grade 9	6,083	6,103	6,211	6,733	7,087	7,495	7,596	7,698	7,784	7,978
Grade 10	4,844	5,222	5,424	5,484	5,996	6,027	6,442	6,642	6,701	7,114
Grade 11	4,529	4,738	5,054	5,214	5,383	5,829	5,938	6,281	6,563	6,413
Grade 12	3,882	4,225	4,459	4,707	5,028	4,929	5,458	5,622	5,913	6,197
Total	69,841	71,372	73,319	75,891	81,100	83,861	86,225	88,299	90,399	91,864
Annual % Change	1.8%	2.2%	2.7%	3.5%	6.9%	3.4%	2.8%	2.4%	2.4%	1.6%

Data Source:

[1] Georgia Department of Education, 1st annual count, October of each year
http://app.doe.k12.ga.us/ows-bin/owa/fte_pack_enrollgrade.entry_form

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SPECIAL REPORTS SECTION

Fulton County Board of Education, Georgia
Schedule of Expenditures of Special Purpose
Local Option Sales Tax [1]
For the Fiscal Year Ended June 30, 2011

SPLOST II

Project	Original Estimate	Current Estimate	Expended Current Fiscal Year	Expended Prior Fiscal Years	Balance	Project Status
New Schools	$ 329,300,000	$ 289,383,054	$ 686,064	$ 284,120,303	$ 4,576,687	Ongoing
School Replacement	49,300,000	98,161,957	633,713	97,255,674	272,570	Ongoing
School Additions	34,400,000	53,917,135	-	53,902,450	14,685	Ongoing
Local School Needs	9,731,000	53,983,456	384,166	49,990,517	3,608,773	Ongoing
Land Bank	-	23,393,137	3,000	25,163,783	(1,773,646)	Ongoing
Capital Operations Cost	12,215,000	10,423,649	5,730	10,405,366	12,553	Ongoing
Debt Service	60,000,000	69,569,263	-	69,569,263	-	Completed
Furniture and Equipment	4,000,000	18,479,849	-	18,375,195	104,654	Ongoing
Technology	15,050,000	52,937,268	-	52,939,200	(1,932)	Ongoing
Transportation	7,000,000	17,002,981	-	16,958,290	44,691	Ongoing
Program Reserve	280,004,000	2,851,180	-	-	2,851,180	Ongoing
SPLOST II Fund Total	$ 801,000,000	$ 690,102,929	$ 1,712,674	$ 678,680,042	$ 9,710,213	

SPLOST III

	Original Estimate	Current Estimate	Expended Current Fiscal Year	Expended Prior Fiscal Years	Balance	Project Status
New Schools	$ 452,475,480	$ 240,699,495	$ 20,893,909	$ 183,932,254	$ 35,873,331	Ongoing
School Additions	75,186,146	55,449,248	5,882,645	46,273,150	3,293,453	Ongoing
School Replacement	94,018,528	156,010,166	17,256,272	91,191,550	47,562,344	Ongoing
Local School Needs	101,876,418	100,272,382	16,345,203	43,585,984	40,341,195	Ongoing
Capital Operation Cost	-	2,330,000	440,982	905,643	983,375	Ongoing
Debt Services	90,255,887	90,255,887	23,941,700	42,995,976	23,318,211	Ongoing
Furniture & Equipment	10,000,000	10,000,000	1,485,223	5,279,414	3,235,362	Ongoing
Health & Safety	1,962,560	5,867,895	1,774,507	2,276,027	1,817,361	Ongoing
Information Technology	71,783,508	60,651,020	4,468,515	41,827,502	14,355,003	Ongoing
Interest	-	12,790,130	448,126	9,061,184	3,280,820	Ongoing
Land Purchase/Reserve	59,494,017	23,111,188	1,643	23,271,722	(162,178)	Ongoing
Program Management	-	20,182,142	4,342,094	11,674,515	4,165,533	Ongoing
Program Reserve	-	19,543,828	-	-	19,543,828	Ongoing
Transportation	31,295,793	24,744,050	-	3,394,050	21,350,000	Ongoing
SPLOST III Fund Total	$ 988,348,336	$ 821,907,431	$ 97,280,820	$ 505,668,971	$ 218,957,641	

Notes:

[1] This schedule includes total project costs funded by sales taxes, state capital outlay reimbursements and other local funding sources.

Fulton County Board of Education, Georgia
Schedule of Lottery Expenditures - by Object
For the Fiscal Year Ended June 30, 2011

	Pre-Kindergarten
Expenditures	
Salaries - teachers	$ 4,215,392
Salaries - clerical	37,396
Salaries - other	74,966
Employee benefits	1,120,642
Purchased professional and technical services	124,802
Other purchased services	33,292
Communication	2,680
Travel - employees	10,315
Materials and supplies	105,767
Expendable Computer Equipment	1,074
Total Expenditures	$ 5,726,326

Fulton County Board of Education, Georgia
Quality Basic Education Program
Earnings and Expenditures by Program
For the Fiscal Year Ended June 30, 2011

Description	Allotments from Georgia Department of Education	Actual State Funded Expenditures		
		Salaries	Operations	Total
Kindergarten Program	$32,833,918	$29,340,352	$83,800	$29,424,152
Kindergarten Program - Early Intrv Program				
Early Intervention Program	1,472,053	197,183	1,489	198,672
Primary Grades (1-3) Program	76,133,472	82,670,263	6,892,832	89,563,094
Primary Grades - Early Intervention Program	4,051,586	5,605,250	12,939	5,618,189
Upper Elementary Grades (4-5) Program	36,297,025	27,338,668	341,271	27,679,938
Upper Elementary Grades -				
Early Intervention (4-5) Program	3,535,296	1,017,153	3,205	1,020,359
Middle Grades (6-8) Program	6,132	2,491,148		2,491,148
Middle School (6-8) Program	55,269,191	52,261,054	2,881,357	55,142,411
High School Gen Education (9-12) Program	60,668,167	61,556,337	4,626,090	66,182,428
Vocational Laboratory (9-12) Program	10,608,765	4,926,312	554,543	5,480,855
Students with Disabilities	57,660,020	77,419,567	196,898	77,616,465
Category I				
Category II				
Category III				
Category IV				
Category V				
Gifted Student - Category VI	28,237,001	21,826,495	36,072	21,862,567
Remedial Education Pgm	4,915,400	4,755,370	1,762	4,757,132
Alternative Education Pgm	4,735,053	2,733,211		2,733,211
English Speakers of Other Languages (ESOL)	8,400,111	11,835,430	30,930	11,866,360
Total Direct Instruction Funds	384,823,190	385,973,794	15,663,188	401,636,982
Media Center Program	10,892,446	10,854,856	1,907,002	12,761,858
20 Days Additional Instruction	3,248,461	910,088	53,100	963,189
Staff and Professional Development	2,157,557	1,886,634	375,559	2,262,193
Total QBE Formula Funds	$401,121,654	$399,625,372	$17,998,849	$417,624,221

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Single Audit Section



Gullatt ES
Harlon Durham ~ 4th Grade

Fulton County Schools
Where Students Come First

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
Fulton County Board of Education

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the **Fulton County Board of Education (the "School System")** as of and for the fiscal year ended June 30, 2011, which collectively comprise the Fulton County Board of Education's basic financial statements and have issued our report thereon dated December 19, 2011. Our report was modified to include a reference to other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Other auditors audited the financial statements of the School System's discretely presented component units (charter schools) which included: Amana Academy, Inc.; Fulton Educational Services, Inc.; Fulton Science Academy, Inc.; Georgia Magnet Charter Schools Foundation, Inc.; Fulton Sunshine Academy, Inc.; Main Street Academy, Inc.; and Kipp South Fulton Academy, Inc.; as described in our report on the School System's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors. The financial statements of Amana Academy, Inc.; Fulton Educational Services, Inc.; Fulton Science Academy, Inc.; Georgia Magnet Charter Schools Foundation, Inc.; Fulton Sunshine Academy, Inc.; Main Street Academy, Inc.; and Kipp South Fulton Academy, Inc. were not audited in accordance with *Government Auditing Standards*.

Internal Control Over Financial Reporting

Management of the School System is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the School System's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School System's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Fulton County Board of Education's internal control over financial reporting.

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the School System's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiency described in the accompanying schedule of findings and questioned costs, as item 2011-01, to be a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Fulton 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 an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and questioned costs as item 2011-02.

We also noted certain matters that we reported to management of the Fulton County Board of Education in a separate letter dated December 19, 2011.

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

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

Mauldin & Jenkins, LLC

Atlanta, Georgia
December 19, 2011

MAULDIN & JENKINS
CERTIFIED PUBLIC ACCOUNTANTS, LLC

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

To the Superintendent and Members of the Fulton County Board of Education

Compliance

We have audited the Fulton County Board of Education's (the "School System") compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the fiscal year ended June 30, 2011. The School System's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the School System's management. Our responsibility is to express an opinion on the School System's compliance based on our audit.

The School System's basic financial statements include the operations of the Georgia Magnet Charter Schools Foundation, Inc.; Kipp South Fulton Academy, Inc.; and the Main Street Academy, Inc; which received $702,416, $57,953, and $686,049, respectively, in federal awards which are not included in the Fulton County Board of Education's Schedule of Expenditures of Federal Awards for the fiscal year ended June 30, 2011. Our audit, described below, did not include the operations of these entities because these charter schools engaged other auditors.

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

In our opinion, the Fulton 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 fiscal year ended June 30, 2011. However, the results of our auditing procedures disclosed an instance of noncompliance with those requirements, 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 2011-03.

Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as discussed below, we identified a deficiency in internal control over compliance that we consider to be a material weakness.

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. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2011-03 to be a material weakness.

The School System's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit the School System's response and, accordingly, we express no opinion on the response.

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

Mauldin & Jenkins, LLC

Atlanta, Georgia
December 19, 2011

FULTON COUNTY BOARD OF EDUCATION, GEORGIA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

Federal Grantor/Pass-Through Grantor/Program Title	CFDA Number	Pass-Through Entity ID Number	Total Expenditures
U. S. DEPARTMENT OF AGRICULTURE:			
Passed through Georgia Department of Education and Nutrition Program:			
Food Services			
School Breakfast Program	10.553	N/A	$ 5,196,159
National School Snack Program	10.555	N/A	97,618
National School Lunch Program:			
Cash Assistance	10.555	N/A	15,016,730
Non-Cash Assistance (Commodities) - Note 2	10.550	N/A	1,970,705
Total Child Nutrition Cluster			22,281,212
Total U. S. Department of Agriculture			22,281,212
U. S. DEPARTMENT OF EDUCATION:			
Direct Award			
Title V Part D -Model Development & Dissemination Grants Program	84.351D	N/A	1,278
Safe & Drug Free Schools Emergency Management Planning Grant	84.184E	N/A	279,967
Teaching American History Grant	84.215X	N/A	308,260
Smaller Learning Communities Grant	84.215L	N/A	1,004,989
			1,313,249
Passed through Georgia Department of Education:			
Title I Programs - Improving Academic Achievement	84.010	N/A	19,738,265
Title I Programs - Distinguished Schools	84.010	N/A	84,590
Title I Programs - School Improvement Grant	84.010	N/A	423,339
Title I Programs - Improving Academic Achievement - ARRA	84.389	N/A	4,943,897
Title I Programs - School Improvement Grant - ARRA	84.389	N/A	296
			25,190,387
Title II Part A Programs - Improving Teacher Quality	84.367	N/A	1,418,499
Title II Part A Programs - Advance Placement	84.367	N/A	9,050
			1,427,549
Title II - Mathematics and Science Partnerships	84.366	N/A	217,752
Title II - Mathematics and Science Partnerships II	84.366	N/A	21,044
			238,796
Title II - Enhancing Education Through Technology	84.318	N/A	161,469
Title III Part A - Limited English Proficient & Immigrant	84.365	N/A	797,137
Title VI Part B Flow-through	84.027	N/A	14,412,995
Title VI Part B Preschool Incentive	84.173	N/A	386,637
High Cost Fund Pool	84.027	N/A	505,840
Title VI Part B Preschool Incentive - ARRA	84.392	N/A	239,081
Title VI Part B Flow-through - ARRA	84.391	N/A	8,224,719
			23,769,272
Charter Schools - Federal Dissemination Grant	84.282	N/A	573,675
Education Job Fund	84.410A	N/A	16,438,062
Hurricane Relief - Education for Homeless Children & Youth	84.938	N/A	73,190

(Continued)

FULTON COUNTY BOARD OF EDUCATION, GEORGIA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

Federal Grantor/Pass-Through Grantor/Program Title	CFDA Number	Pass-Through Entity ID Number	Total Expenditures
U. S. DEPARTMENT OF EDUCATION (Continued):			
Passed through Georgia Department of Education (Continued):			
Safe and Drug Free Schools and Communities Act- State Grants	84.186	N/A	$ 105,936
Vocational Education - Program Improvement - Basic Grants to States	84.048	N/A	699,766
CTE - Perkins IV Reserve - Education Career Partnerships	84.048	N/A	48,944
			748,710
Passed through Georgia State University			
Network For Enhancing Teacher - Quality	84.336	N/A	146,077
Professional Development School Partnership	84.336B	N/A	483
			146,560
Total U. S. Department of Education			71,265,237
U. S. DEPARTMENT OF DEFENSE:			
Direct			
Department of the Army			
R.O.T.C. Program	12 unknown	N/A	696,944
U. S. DEPARTMENT OF TRANSPORTATION:			
Passed through Georgia Governor's Office of Highway Safety:			
Highway Safety Act - Students Against Destructive Decisions (SADD)	20.601	N/A	24,888
Highway Safety Act - State and Community Highway Safety	20.600	N/A	13,595
			38,483
Garrett A. Morgan Technology & Transportation Education Program - Beat the Traffic Grant	20.200	N/A	61,828
Total U. S. Department of Transportation			100,311
U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES:			
Direct			
Education of HIV/AIDS	93.938	N/A	500
Passed through Georgia Department of Early Care and Learning			
Child Care and Development Center			
Pre-K Classroom Allotment Grant - ARRA	93.713	N/A	10,759
Total U. S. Department of Health and Human Services			11,259
CORPORATION FOR NATIONAL AND COMMUNITY SERVICE:			
Passed through Georgia Department of Education			
Learn and Serve America	94.004	N/A	63,571
Total Corporation for National and Community Service			63,571
U.S. DEPARTMENT OF HOMELAND SECURITY			
Passed through Georgia Emergency Management Agency:			
Disaster Grants	97.036	N/A	36,792
Total U.S. Department of Homeland Security			36,792
Total Expenditures of Federal Awards			$ 94,455,326

FULTON COUNTY BOARD OF EDUCATION, GEORGIA

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE FISCAL YEAR ENDED JUNE 30, 2011

NOTE 1. BASIS OF PRESENTATION

The Schedule of Expenditures of Federal Awards includes the federal grant activity of the Fulton 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.

NOTE 2. FOOD DONATION (COMMODITIES) PROGRAM

The amounts shown for the Food Donation Program (Non-cash assistance commodities) on the schedule of expenditures of federal awards represent the federally assigned value of nonmonetary assistance for donated commodities received and/or consumed by the School System during the current fiscal year.

FULTON COUNTY BOARD OF EDUCATION, GEORGIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

SECTION I
SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued	Unqualified
Internal control over financial reporting:	
Material weaknesses identified?	__X__ yes ____ no
Significant deficiencies identified?	____ yes __X__ none reported
Noncompliance material to financial statements noted?	__X__ yes ____ no

Federal Awards

Internal Control over major programs:	
Material weaknesses identified?	__X__ yes ____ no
Significant deficiencies identified?	____ yes __X__ none reported
Type of auditor's report issued on compliance for major programs	Unqualified
Any audit findings disclosed that are required to be reported in accordance with OMB Circular A-133, Section 510(a)?	__X__ yes ____ no

Identification of major program:

CFDA Number	Name of Federal Program or Cluster
	U.S. Department of Education,
84.010	Title I, Improving Academic Achievement
84.010	Title I, School Improvement Grant
84.010	Title I, Distinguished Schools
84.389	Title I, Improving Academic Achievement – ARRA
84.389	Title I, School Improvement Grant – ARRA
84.027	Title VI Part B, Flow-through
84.173	Title VI Part B, Preschool Incentive
84.027	High Cost Fund Pool
84.392	Title VI Part B, Preschool Incentive – ARRA
84.391	Title VI Part B, Flow-through – ARRA
84.410A	Education Jobs Fund

Dollar threshold used to distinguish between Type A and Type B programs:	$2,833,660
Auditee qualified as low-risk auditee?	___ yes __X__ no

FULTON COUNTY BOARD OF EDUCATION, GEORGIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

SECTION II
FINANCIAL STATEMENT FINDINGS AND RESPONSES

2011-01 Timely Recording of Intergovernmental Receivable and Deferred Revenue – 2007 SPLOST Capital Projects Fund

Criteria: Internal controls should be in place to ensure that all reimbursable State Capital Outlay projects are properly recorded in the School System's general ledger.

Condition: As of June 30, 2011, documentation from the State regarding approved proceeds from the 2010 application to support the recording of State reimbursements for capital construction projects was not recorded by the School System.

Context/Cause: Management was not aware of funding that had been made available to the School System by the State due to a breakdown in external communication between the State Department of Education and the School System as well as a breakdown in internal communication between the finance/accounting and the capital program departments.

Effects or Possible Effects: An audit adjustment of $21,067,028 was required in the 2007 SPLOST Capital Projects Fund to properly report accounts receivable and deferred revenue for costs incurred by the School System for capital construction that will be reimbursed by the State.

Recommendation: We recommend the School System strengthen its controls to ensure that future errors do not occur. Management of the School System should monitor its State capital outlay applications annually to ensure that the School System is receiving all funding it has been allocated by the State.

Views of Responsible Officials: We concur with the finding and recommendation. We have requested that the State Department of Education (SDE) (through the SDE's Deputy Superintendent for Finance and Business Operations) ensure that it route approved State capital outlay applications and related correspondence through the School System's Superintendent's office. Capital programs staff will ensure that copies of all correspondence associated with State capital outlay are also copied to the office of the Chief Financial Officer.

FULTON COUNTY BOARD OF EDUCATION, GEORGIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

SECTION II
FINANCIAL STATEMENT FINDINGS AND RESPONSES (CONTINUED)

2011-02 Collateralization of Deposits

Criteria: Policies should be in place requiring all financial institutions holding cash deposits to be properly insured and, or collateralized at all times throughout the fiscal year. State statutes require deposits of public funds to be insured or collateralized at a rate of at least 110 percent of the deposit amount.

Condition: As of June 30, 2011, deposits of the School System held at a financial institution totaling approximately $2.7 million were not fully collateralized or insured in accordance with the Official Code of Georgia Annotated (OCGA) Section 45-8-12(c). The pledged collateral for these accounts was less than the required amount by approximately $2 million.

Context/Cause: The School System's deposits were not properly collateralized due to a miscommunication between management of the School System and the financial institution.

Effects or Possible Effects: The failure of a financial institution to fully collateralize or insure the School System's deposits could result in financial loss to the School System should the financial institution fail.

Recommendation: We recommend the School System ensure that all deposits are properly categorized as public funds by the financial institution and the School System's management should continue to monitor deposits throughout the fiscal year to ensure all deposits are adequately insured and, or properly collateralized.

Views of Responsible Officials and Planned Corrective Action: Throughout the fiscal year ended June 30, 2011, the School System was in communication with the financial institution regarding the collateral pledged to secure the Student Activity Funds (local school accounts) deposits. As a result of our inquiries, the financial institution has admitted error in the manner in which they were calculating the collateral requirements for the School System. Rather than pledging amounts to secure the deposits of the School System as a whole, the financial institution was treating each individual school as a separate depositor. The miscalculation performed by the bank led to the School System's noncompliance as of June 30, 2011.

FULTON COUNTY BOARD OF EDUCATION, GEORGIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

SECTION III
FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

2011 – 03. Allowable Costs/Activities – U.S. Department of Education, IDEA, (CFDA #s 84.027, 84.173, 84.391, and 84.392)

Criteria: In accordance with the terms of the Special Education Cluster (CFDA #s 84.027, 84.173, 84.391, and 84.392) and OMB Circular A-87, *Cost Principles for State, Local and Indian Tribe Governments*, semi-annual certification of time and effort sheets should be maintained for employees who work solely on a single cost objective (i.e. special education services). OMB Circular A-87 Attachment B, 8(h)4 also requires that the distribution of salaries and wages for employees who work on multiple activities or cost objectives be supported by personnel activity reports or equivalent documentation which reflect an after-the-fact distribution of the actual activity of each employee and be prepared at least monthly. These reports must also be signed by the employee.

Condition and Context: For the fiscal year ended June 30, 2011, the School System did not properly maintain semi-annual certification of time and effort sheets for teachers and other staff being paid out of Special Education funds during the period of August – December 2010. Eleven (11) out of 120 items sampled during our testing did not have semi-annual certification of time and efforts sheets for the fall semester of the school year. The errors occurred during the procedure to send the forms to each of the schools as several forms were improperly not sent. The processes, however, were updated during the spring semester and our testing disclosed no instances of noncompliance for that period of the fiscal year.

Effects or possible effects: Personnel salaries unrelated to Special Education could be funded with Special Education funds. Therefore, unallowable costs could be charged to the grant.

Cause: There was a breakdown in internal controls surrounding the tracking of time and effort sheets. The School System did not have proper procedures in place to ensure that all teachers paid with grant funds provided documentation to support amounts charged to the grants.

Questioned Costs: Known questioned costs of approximately $207,566; likely questioned costs of approximately $1,157,668.

Recommendation: We recommend the School System improve its controls over maintaining semi-annual certification of time and effort sheets on all employees whose salaries are funded out of Special Education funds to allow for better tracking of employees for which time and effort documentation would be required.

Views of Responsible Officials and Planned Corrective Action: It is clear that time and effort documents for Special Education staff were missing because a clerical error occurred with the mail merge feature of School System's word processing software. Additionally, no control list existed to confirm the number of time and effort documents printed and sent to individuals being paid out of Special Education funds. As a result, the Special Education Department is no longer processing individual certification forms. Instead a Semi-Annual Certification form is now prepared requiring a sign-off by school principal(s) rather than individual Special Education staff. A master list of employees is being maintained by the Special Education Department to verify that each employee is listed on one of the schools certification forms.

FULTON COUNTY BOARD OF EDUCATION, GEORGIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

SECTION IV
STATUS OF PRIOR FISCAL YEAR AUDIT FINDINGS

The prior audit's schedule of findings and questioned costs did not include any findings relative to the School System's Federal awards.