FULTON COUNTY SCHOOL DISTRICT ATLANTA, GEORGIA

Fulton County Schools
Where Students Come First

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FISCAL YEAR ENDED JUNE 30, 2012

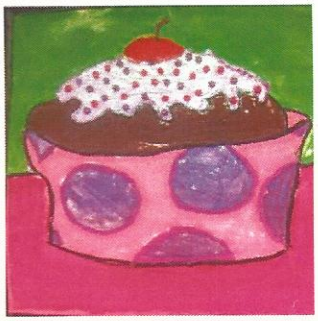
Fulton County Schools
Where Students Come First

Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2012



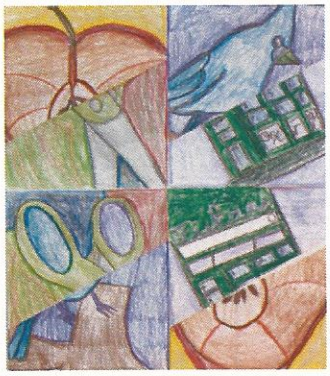
Northview HS
Angela Lin ~ 12th Grade



Heritage ES
Emonya Carbo ~ 3rd Grade



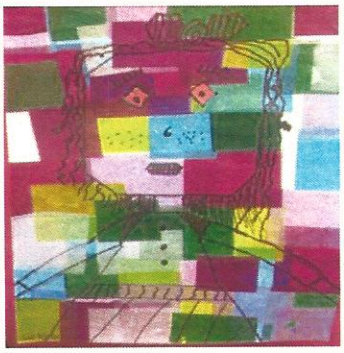
Hapeville ES
Kimberly Vu ~ 5th Grade



Sweet Apple ES
Pierce Rossman ~ 4th Grade



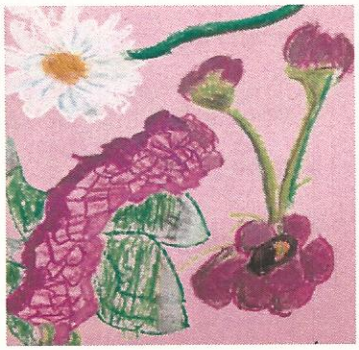
Centennial HS
Neruda Palomar ~ 12th Grade



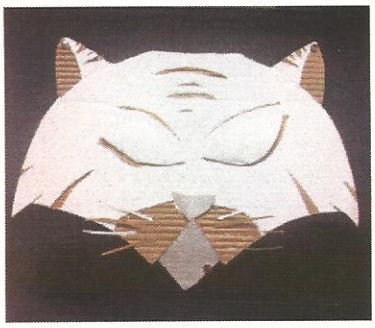
Gullatt ES
La'Tarniesha Holloway~ 4th Grade



Riverwood HS
Callie Bergen ~ 12th Grade



Summit Hill ES
Heather Czerniawsky ~ 3rd Grade



Camp Creek MS
Jabarr Shabazz ~ 8th 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 2012 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 Fine Arts 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

Angela Lin, Grade 12
Art Teacher, Jennette Clawson
Northview High School
District 5

Emonya Carbo, Grade 3
Art Teacher, Kimberley Bryant
Heritage Elementary School
District 6

Kimberly Vu, Grade 5
Art Teacher, Erica Beardon
Hapeville Elementary School
District 3

Pierce Rossman, Grade 4
Art Teacher, Drew Brown
Sweet Apple Elementary School
District 1

Neruda Palomar, Grade 12
Art Teacher, Charlotte Turner
Centennial High School
District 7

LaTarniesha Holloway, Grade 4
Art Teacher, Melissa Hudson
Gullatt Elementary School
District 6

Callie Bergen, Grade 12
Art Teacher, Elizabeth Church Karp
Riverwood High School
District 3

Heather Czerniawsky, Grade 3
Art Teacher, Paul Karnowsky
Summit Hill Elementary School
District 2

Jabarr Shabazz, Grade 8
Art Teacher, Ondrian Duncan
Camp Creek Middle School
District 4

Fulton County Board of Education, Georgia
Comprehensive Annual Financial Report
For The Fiscal Year Ended June 30, 2012

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Introductory Section



Northview HS
Angela Lin ~ 12th 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 26, 2012

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 System) for the fiscal year ended June 30, 2012, is submitted herewith. This report was prepared by the School System'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 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, 2012. 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 Systems 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 System reports one blended component unit, the "F*ulton County School Employees' Pension Fund"* and seven discretely presented component units, our seven charter schools. The majority of the funding for the charter school districts is general State aid.

The School System 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 102 schools: 58 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 93,000. 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 System 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, 2012, there were more than 6,800 certificated personnel servicing an active enrollment of approximately 93,000 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 System 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 System 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 2012 budget, which was approved on June 7, 2011, 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 2012 budget is student achievement and a commitment to continual improvement.

Both of our primary funding sources for the fiscal year 2012 budget have suffered, primarily because of the nationwide recession. Our major General Fund revenue stream for operations is property taxes, which generates 63.3% of the General Fund revenue. Property tax revenues for 2012; at the fund level we reported approximately $25.6 million less than in fiscal year 2011 due primarily to a reduction to the overall property tax digest of approximately 3.2%.

Our second major General Fund revenue stream is State revenue through the "*Quality Basic Education*" Act funding, which represents 33.9% of General Fund revenue. In fiscal year 2012, QBE state aid of approximately $273 million was down from fiscal year 2011 by approximately $3 million.

Although the economic slowdown, additional State budget cuts, increased unfunded mandates and tax revenue challenges have put tremendous challenges on the School District, the School District was nevertheless able to present a fiscal year 2013 budget focused on student achievement and the School System's mission, "where students come first." There will be continuing financial challenges for fiscal year 2013 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 enrollment forecasts, current facility assessments, 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.

The District has 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 2013.

STRATEGIC INITIATIVES

Despite numerous budget changes for fiscal year 2012, the School District continues to focus on our key business of teaching and learning. We are sharpening the focus of current strategies to drive initiatives that ensure we prepare each student to reach their fullest potential. Some of the continuing initiatives include:

- Improve science instruction;
- Improve math instruction;
- Speed integration of technology into instruction;
- Development of a student performance measurement system for all schools

- Continue to build programs that provide development and growth opportunities for school leaders, teachers and staff;
- Collaborate with advisory councils;
- Continue the initiative of the Fulton Institute of Technology to integrate science, technology engineering and mathematics; and
- 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, 2011. Additionally, the Association of School Business Officials International (ASBO) awarded a Certificate of Excellence in Financial Reporting to the Board for its CAFR for the fiscal year ended June 30, 2011.

This was the fourth 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 2012 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 System'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 our 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, 2011

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



Christopher P Morrill

President

Jeffrey R. Esser

Executive Director

Association of School Business Officials International

The Certificate of Excellence in Financial Reporting Award
is presented to

Fulton County Board of Education

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

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

Brian L. Mee, SFO, RSBA
President

John D. Musso, CAE, RSBA
Executive Director

FULTON COUNTY BOARD OF EDUCATION, GEORGIA

FUNCTION AND COMPOSITION – LIST OF OFFICIALS

JUNE 30, 2012

The Fulton County Board of Education includes seven members elected by district to serve four-year terms. The Superintendent serves as an ex-officio member of the Board and acts as Secretary-Treasurer. Board members elect a President for a two-year term and a Vice President for a one-year term. The primary duty of the Board of Education is to enact policy. The Superintendent and staff enforce the policies and ensure that each student has an equal opportunity for a quality education.

Each month the Fulton County Board of Education schedules several public meetings to discuss educational issues and act on items requiring Board approval. Workshops give the Board and public an opportunity to focus in-depth on topics of interest. The work session serves primarily to present information about agenda items requiring Board approval. The Board meeting then is held the following week for the items to be approved. All meetings are advertised in advance and publicized through local media and the school system web site. They are open to the public unless designated as Executive Session, where the School Board must convene in private to discuss land, legal, and/or personnel items. As of June 30, 2012 the members of the Board along with their years of expiration is presented below:

Title	Name	Term Expiration
President	Linda Schultz	December 2012
Vice President	Linda Bryant	December 2012
Board Member	Julie Bernath	December 2014
Board Member	Gail Dean	December 2012
Board Member	Catherine Maddox	December 2014
Board Member	Linda McCain	December 2014
Board Member	Katie Reeves	December 2014

Board of Education
2011-2012



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

Fulton County Board of Education, Georgia
Superintendent of Schools
Robert M. Avossa, Ed.D.
June 30, 2012

Dr. Robert Avossa became Superintendent of the Fulton County School System in 2011. As Superintendent, he is responsible for the leadership, administration and management of approximately 93,200 students, 101 schools, 10,500+ employees, and an $814 million general fund budget.



Avossa's forward-thinking and passion for innovation has led the school system to redevelop its approach to management, particularly in how central administrative services are delivered to schools as well as in how teachers and leaders are supported throughout their careers.

During his first year of superintendency, Avossa established the Learning Communities model for Fulton County Schools. Organized geographically – Northwest, Northeast, Central and South – the four learning communities allow a decentralized approach to school management and provide schools the opportunity to work more closely together and align resources.

He also has been successful in driving the school system forward in its quest for charter system status, which was granted by the Georgia Department of Education in 2012. The five-year charter serves as a contract between Fulton County Schools and the state and will provide the district more flexibility in its operations.

Before coming to Fulton County Schools, 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 an area superintendent and as Chief of Staff, which resulted in significant student achievement improvement, and before that spent more than a decade in Florida as a teacher and principal. In 2011, he graduated from the Broad Superintendents Academy, an advanced development program that identifies and prepares experienced leaders to successfully run urban public education systems.

Avossa has a diverse range 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.

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 doctorate from Wingate University.

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

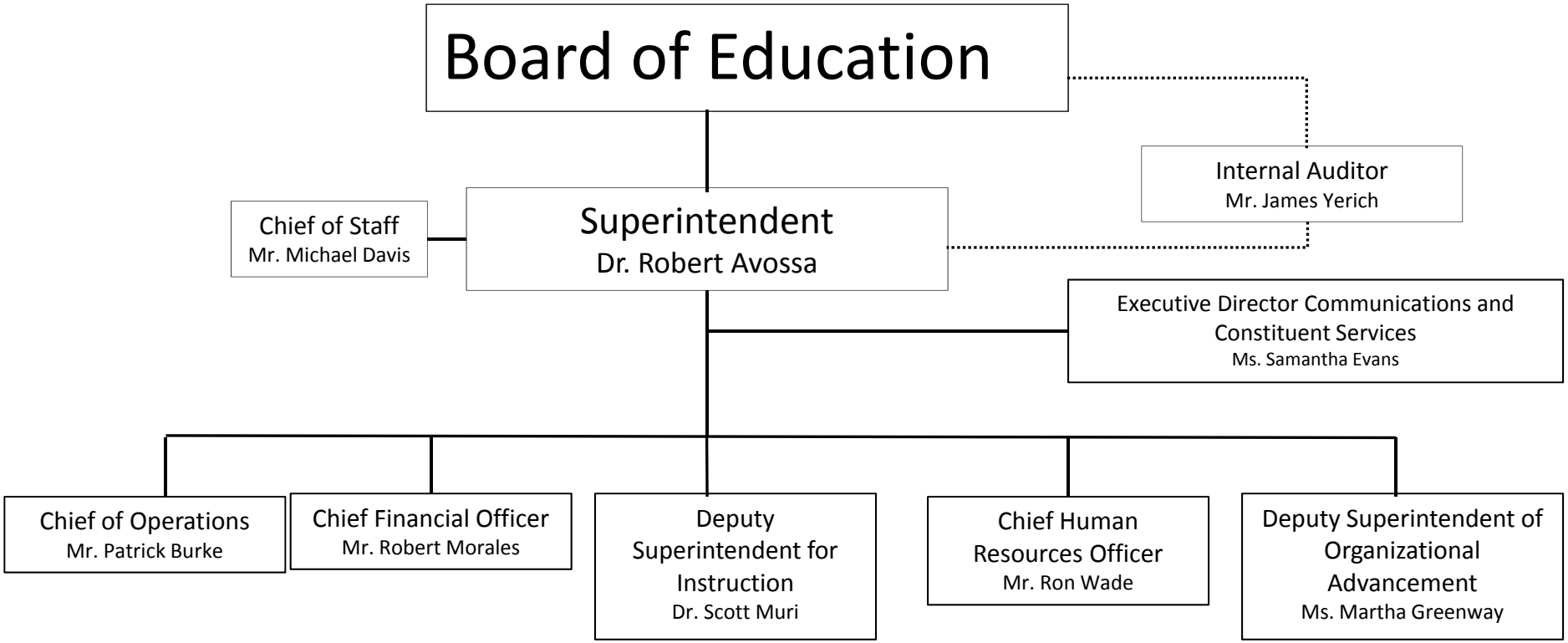
Fulton County
Board of Education, Georgia

List of Appointed Principal Officials

June 30, 2012

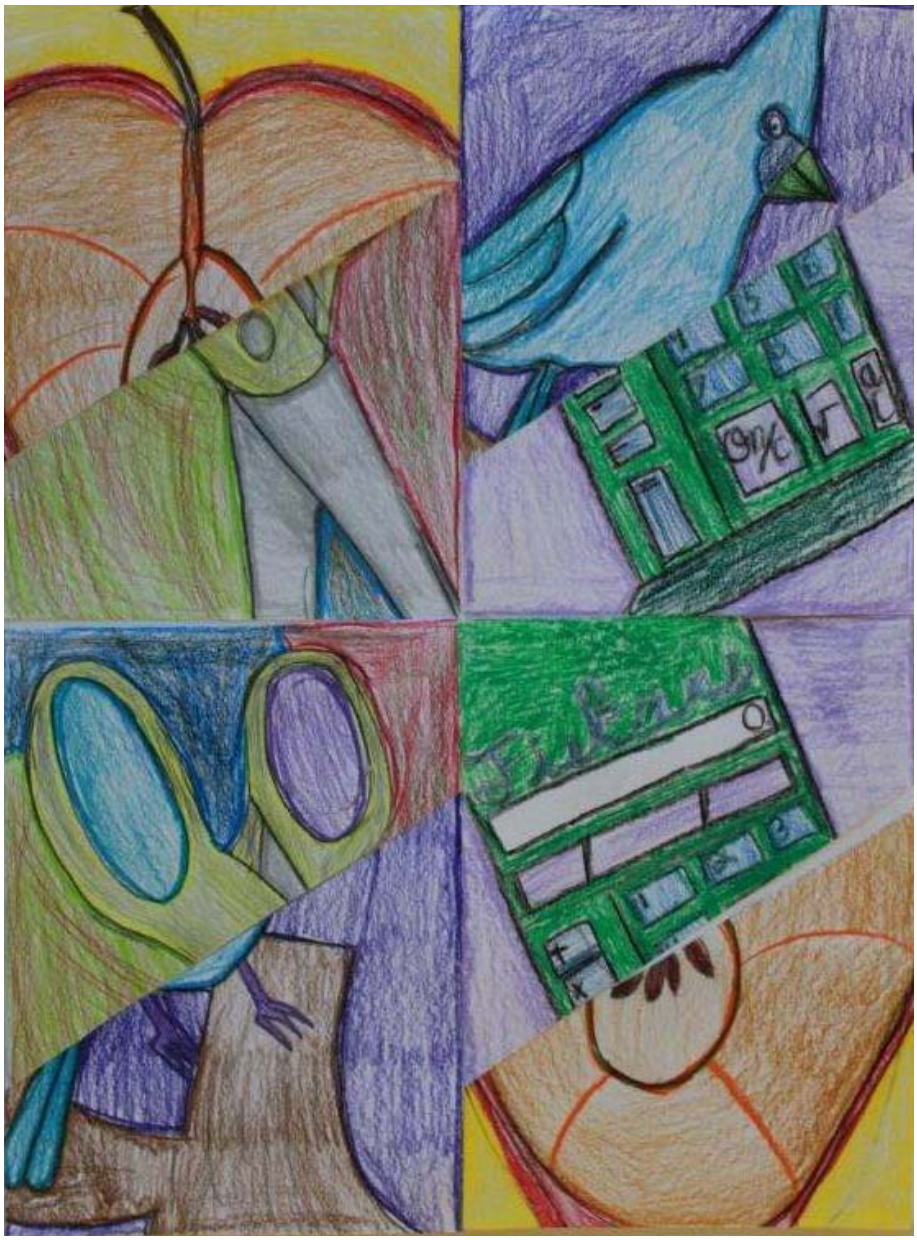
Name	**Position**
Dr. Robert M. Avossa	Superintendent
Dr. Scott R. Muri	Deputy Superintendent for Instruction
Ms. Martha Greenway	Deputy Superintendent of Organizational Advancement
Mr. Patrick Burke	Chief of Operations
Mr. Robert A. Morales	Chief Financial Officer
Mr. Michael A. Davis	Chief of Staff
Mr. Ron Wade	Chief Human Resources Officer
Ms. Samantha Evans	Executive Director Communications and Constituent Services

Fulton County Board of Education, Georgia
Organizational Chart
June 30, 2012



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Financial Section



Sweet Apple ES
Pierce Rossman ~ 4th 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, 2012, which collectively comprise the School System's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the School System's management. Our responsibility is to express opinions on these financial statements based on our audit. We 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.; and Main Street Academy, Inc.; which are discretely presented component units and, all together represent 86% and 88%, respectively, of the assets and revenues of the aggregate 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. 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, 2012, 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.

Based on the report of other auditors, the financial statements of Fulton Science Academy, Inc., which represents 14% and 13%, respectively, of the assets and revenues of the aggregate discretely presented component units, are presented under the liquidation basis of accounting as of June 30, 2012. As discussed in Note 1 to the basic financial statements, the Board of Directors of Fulton Science Academy, Inc. began negotiating a plan of liquidation during the fiscal year ended June 30, 2012.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 26, 2012, 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 America require that the Management's Discussion and Analysis and Schedules of Funding Progress and Employer Contributions (on pages 4 through 16 and 56) 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 26, 2012

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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, 2012. 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 $1,909,728,073 (net assets) at June 30, 2012.

- Total net assets are comprised of the following:

  (1) Capital assets, net of related debt of $1,501,664,110 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 $177,124,388 by constraints imposed from outside the School System such as debt covenants, grantors, laws, or regulations.
  (3) Unrestricted net assets of $230,939,575 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 $418,451,171 this fiscal year. This compares to the prior fiscal year ending fund balance of $269,129,579, an increase of $149,321,592 during the current fiscal year.

- At the end of the current fiscal year, unassigned fund balance for the general fund was $81,229,927 or 10.5% of total general fund expenditures. The fiscal year 2012 unassigned fund balance shows a $40,107,047 increase from the prior fiscal year amount.

- Overall, the School System continues to maintain an adequate 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 17 & 18 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 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 19-23 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 its school activity accounts. These statements are presented on pages 24-25.

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 28 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 its pension trust fund. This information is presented on page 56.

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 and the nonmajor special revenue funds, beginning on page 57.

Financial Analysis of the School System as a Whole

The School System's net assets at fiscal year-end are $1,909,728,073. The following table provides a summary of the School System's net assets (*in thousands*):

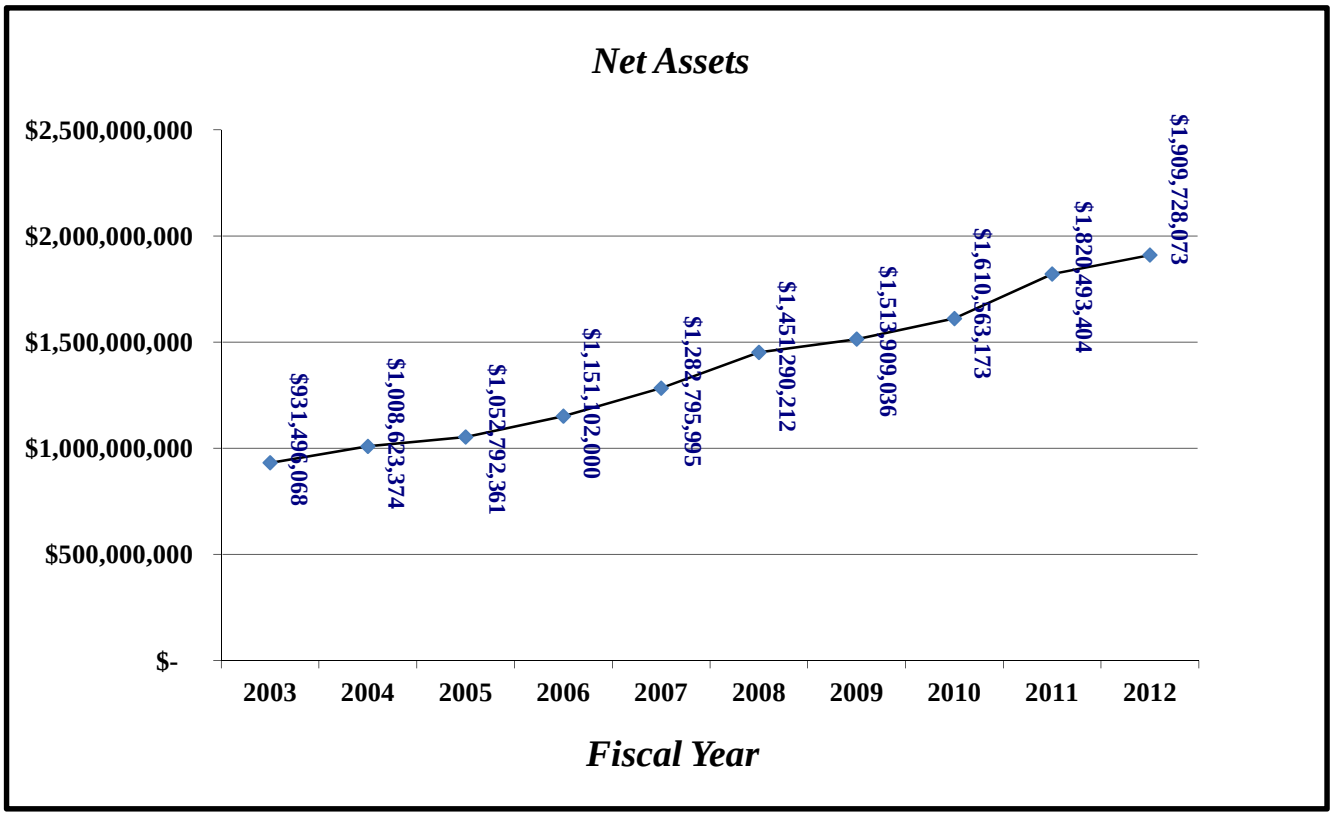
	2012		2011	
	Governmental Activities	Percentage of Total	Governmental Activities	Percentage of Total
Assets:				
Current assets	$ 576,121	26%	$ 479,690	22%
Noncurrent:				
Net pension asset	12,596	1%	13,136	1%
Capital assets	1,661,096	73%	1,640,957	77%
Total assets	2,249,813	100%	2,133,783	100%
Liabilities:				
Current liabilities	191,054	56%	187,863	60%
Long-term liabilities	149,031	44%	125,427	40%
Total liabilities	340,085	100%	313,290	100%
Net assets:				
Invested in capital assets, net of related debt	1,501,664	79%	1,506,587	83%
Restricted	177,124	9%	66,393	4%
Unrestricted	230,940	12%	247,513	13%
Total net assets	$ 1,909,728	100%	$ 1,820,493	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 3.0 to 1 at June 30, 2012 versus 2.6 to 1 at June 30, 2011.

The School System reported a positive balance in net assets for its governmental activities. Net assets increased $89,234,669 for governmental activities.

Note that 79% 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 2003 - 2012.



Total net assets for the School System have grown about $978 million or 105.0% from fiscal year 2003 to fiscal year 2012.

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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

	2012		2011	
	Governmental Activities	**Percentage of Total**	**Governmental Activities**	**Percentage of Total**
Revenues:				
Program:				
Charges for services	$ 24,827	2.3%	$ 23,918	2.1%
Operating grants	364,310	34.4%	384,232	34.0%
Capital grants	11,833	1.1%	21,155	1.9%
General:				
Taxes	651,342	61.6%	695,905	61.6%
Other	5,304	0.6%	4,065	0.4%
Total revenues	1,057,616	100.0%	1,129,275	100.0%
Program Expenses:				
Instruction	622,928	64.3%	575,720	62.6%
Pupil services	28,114	2.9%	27,110	2.9%
Improvement of instructional services	28,380	2.9%	25,631	2.8%
Educational media services	15,167	1.6%	14,857	1.6%
Federal grant administration	1,270	0.1%	-	0.0%
General administration	4,027	0.4%	4,429	0.5%
School administration	52,175	5.4%	50,080	5.5%
Business administration	18,180	1.9%	14,984	1.6%
Maintenance and operation of plant	74,922	7.7%	68,072	7.4%
Student transportation services	53,058	5.5%	47,830	5.2%
Central services	14,085	1.5%	12,960	1.4%
Other support services	3,053	0.3%	28,738	3.1%
Food service operations	43,741	4.5%	40,203	4.4%
Interest	9,281	1.0%	8,731	1.0%
Total expenses	968,381	100.0%	919,345	100.0%
Change in net assets	89,235		209,930	
Beginning net assets	1,820,493		1,610,563	
Ending net assets	$ 1,909,728		$ 1,820,493	

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 47.9% of the School System's total governmental revenues as compared to 47.5% in fiscal year 2011.

State and federal aid recognized for operating purposes (excluding capital outlay) total 34.4% of total revenue as compared to 34% in fiscal year 2011.

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 2012, the School System recognized approximately $273 million or 25.8% of total revenues as compared to approximately $276 million or 24.4% in fiscal year 2011. The reason for this change is explained in the governmental activities financial analysis, presented later in this document.

In addition, the School System earned $683,097 in interest to support educational activities. Also, note that program revenues cover approximately 41.4% of governmental operating expenses. This means that the School System's taxpayers, through property taxes and sales taxes, fund almost 61.6% of the governmental activities revenues.

The School System recorded over $145 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 expired 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 64.3% of total expenses or almost $623 million. The School System spends an additional $71.6 million on direct instructional support, including pupil services, improvement of instructional services and educational media services. The administration costs of operating 101 schools are approximately $52.1 million. The operation and maintenance of the School System's buildings costs approximately $74.9 million.

The school nutrition program gross expenses are over $43 million and this program lost approximately $2.4 million after meal charges, State, and Federal aid. Finally, operating approximately 765 buses costs the School System over $53 million.

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

Governmental Activities

	Total Cost of Services		Net Cost of Services	
	2012	**2011**	**2012**	**2011**
Instruction	$ 622,928	$ 575,720	$ 336,588	$ 261,446
Pupil services	28,114	27,110	21,698	20,492
Improvement of instructional services	28,380	25,631	13,528	10,265
Educational media services	15,167	14,857	8,405	6,700
Federal grant administration	1,270	-	-	-
General administration	4,027	4,429	2,241	1,867
School administration	52,175	50,080	40,494	36,121
Business administration	18,180	14,984	17,939	14,742
Maintenance and operation of plant	74,922	68,072	56,624	48,849
Student transportation services	53,058	47,830	44,870	40,838
Central services	14,085	12,960	13,500	12,398
Other support services	3,053	28,739	1,297	26,821
Food service operations	43,741	40,202	2,446	769
Interest	9,281	8,730	7,782	8,731
Total	$ 968,381	$ 919,344	$ 567,412	$ 490,039

Although the instruction function makes up 64.3% of total gross costs in fiscal year 2012, it is 59.3% 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 $418,451,171. Of this fiscal year-end total, $178,716,630 is legally restricted, $117,877,856 for capital outlay, $47,975,600 for debt service, and $7,961,877 for the school nutrition program. $137,713,740 is committed, primarily for safeguards set aside to protect the School System against economic recessions.

Finally, $19,581,128 is assigned, most of which is included as a fund balance draw down in the subsequent fiscal years budget to balance expenditures. $81,178,447 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 $31,171,717 or 14.8%, over the fiscal year 2011 amount.

The property taxes decreased approximately $26 million or 4.8% from the fiscal year 2011 amount. For fiscal year 2012, the millage was 18.502 mills or the same as last fiscal year. However, in fiscal year 2012, the tax digest was reduced 3.2%, due to a shrinking economy.

In fiscal year 2012, QBE State aid of approximately $273 million was down from fiscal year 2011 by $3 million or 1%. Federal revenues were down approximately $16.1 million from fiscal year 2011. The ARRA State fiscal stabilization funds (i.e., the Federal stimulus package) recognized in fiscal year 2011 was not duplicated in this fiscal year (i.e., $16.4 million).

Total revenues decreased $40.2 million or 4.8% from our fiscal year 2011 revenues.

On the expenditure side, total general fund expenditures, increased approximately $24.8 million or 3.3%.

Direct instruction expenditures increased approximately $37.2 million or 7.6%. This increase relates to the following reasons:

- The payments of start-up charter schools funding were classified in instruction this fiscal year but reported as other support services in fiscal year 2011 as required by the Georgia Department of Education
- Each employee that worked in the classroom was paid a $1,000 stipend, which did not occur in fiscal year 2011.

The improvement of instructional services function costs were approximately $1.7 million more than the prior fiscal year due to increases in:

- Pension contribution
- State health benefits
- Fully staffed area superintendents
- Graduation coach salary scale

The business administration function increased $2.7 million or 19.4%. This increase relates to:

- Pension contribution
- State health benefits
- Workers compensation
- Unemployment compensation
- Implementation of a performance management system

Maintenance and operation of plant costs were up approximately $4.8 million from fiscal year 2011, due to the following increases:

- Pension contribution
- State health benefits
- Outsourced custodial and maintenance services contracts
- Contract costs for portable classrooms
- Utilities

Transportation costs increased approximately $3.9 million or 9.8% over fiscal year 2011 due to the following increases:

- Pension contribution
- State health benefits
- Bus purchases
- Fuel costs

Other support services decreased primarily due to the reclassification of payments of QBE revenue to our charter schools, as previously mentioned.

Most other expenditure functions were consistent with the fiscal year 2011 amounts.

The general fund's ending unassigned fund balance is considered adequate, representing the equivalent of 10.5% of annual expenditures. The unassigned fund balance was 5.5% of annual expenditures at June 30, 2011.

2002 SPLOST Capital Projects Fund –There were no sales taxes collected in fiscal year 2012. $1.1 million was spent on construction during fiscal year 2012 leaving a fund balance of approximately $8.1 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. The District is authorized to use $ 802.6 million for building construction and renovation and $90.2 million for debt service. During fiscal year 2012, this fund expended $102 million on construction. In this fiscal year, this fund recognized over $176 million in sales taxes and $30.3 million in state aid for construction. At June 30, 2012, this fund reported a fund balance of $109.8 million, which will be used for construction.

Debt Service Fund – The fiscal year 2012, debt service expenditures of $23.3 million were funded primarily by a transfer of sales taxes from the 2007 SPLOST Capital Projects Fund. At June 30, 2012, this fund reported fund balance of approximately $48 million.

General Fund Budgetary Highlights

The revenue budget was amended upward $7.3 million or 9/10 of 1% increase.

The State revenue budget was amended upward by a total of $6.1 million The QBE mid-term budget was adjusted upwards $3.3 million in line with the Governor's mid-term budget, which fully funded enrollment growth. In addition, the District received $1.9 million in "bus replacement bond funds" and $770,000 in other State grants, which were not accounted for in the original budget. Actual State revenues exceeded the final budget by $5.4 million, resulting from conservative revenue budgeting.

The property taxes revenue exceeded the final budget by $16 million. The overage relates to the estimated decline in the tax digest. The decline was not as severe as originally estimated and the School System recognized 102.7% of the final total revenue budget.

The expenditure side of the original budget for the general fund was revised downward approximately $7.2 million or 9/10 of 1% increase. The major change was amending the budget from support services to instruction relating to the QBE formula payment to the School System's charter schools. However, it was only necessary to increase the instruction budget by approximately $3.6 million.

The maintenance and operation of plant budget was amended upward by approximately $5.5 million. This increase relates to increased contract costs for custodial services.

Overall, the School System spent 95.3% of the final expenditure budget as compared to 94.9% in fiscal year 2011. The positive budget variance is primarily attributable to staffing costs, which were budgeted on the higher end of the salary scale and actually staffed by less tenured teachers. In addition, in recognition of the economic environment, administrators, and staff made all efforts to reduce costs where possible in fiscal year 2012.

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, 2012, was $1,661,096,138. The total increase was $20,139,417 in the net investment or 1.2%. 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.

The following table provides a summary of capital asset activity.

Capital Assets
Governnmental Activities

	Amounts		Percentage of Total	
	2012	**2011**	**2012**	**2011**
Nondepreciable assets:				
Land	$ 217,432,799	$ 216,927,343	66%	77%
Construction in progress	111,485,848	65,844,567	34%	23%
Total nondepreciable	328,918,647	282,771,910	100%	100%
Depreciable assets:				
Buildings and improvements	1,786,097,260	1,788,724,096	95%	95%
Machinery and equipment	93,509,381	85,505,266	5%	5%
Total depreciable assets	1,879,606,641	1,874,229,362	100%	100%
Less accumulated depreciation	547,429,150	516,044,551		
Book value - depreciable assets	1,332,177,491	1,358,184,811		
Percentage depreciated	29%	28%		
Book value - all assets	$ 1,661,096,138	$ 1,640,956,721		

At June 30, 2012, the depreciable capital assets for governmental activities were 29% depreciated. This compares slightly larger than the June 30, 2011 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 added to the construction in progress account are as follows:

- Banneker High School replacement ($34.7 million)
- Cambridge High School ($26.5 million)
- Brookview Elementary School ($875,224)
- Alpharetta High School ($819,645)
- Northwood Elementary School ($699,579)
- Alpharetta Elementary School ($688,736)
- Northwestern Middle School ($620,891)
- Parklane Elementary School ($587,071)
- Hapeville Elementary School ($566,967)
- Campbell Elementary School ($535,511)

Building projects totaling over $34 million were completed in 2012. The major projects were:

- Ridgeview Middle School ($2.7 million)
- Woodland Charter Elementary School ($2 million)
- Centennial High School ($1.9 million)

- Alpharetta Elementary School ($1.6 million)
- Chattahoochee High School ($1.5 million)
- Haynes Bridge Middle School ($1.4 million)
- New Prospect Elementary School ($1.2 million)
- Alpharetta High School ($1.1 million)
- Campbell Elementary High School ($1.1 million)
- Northwood Elementary School ($930,467)
- Hapeville Elementary School ($822,823)

The majority of the increase in machinery and equipment relates to the purchase of 82 buses and some trucks and vans.

Long-term Debt

At June 30, 2012, there were two general obligation bond issues outstanding, totaling $118,700,000. The School System retired $15,670,000 or 11.7% of the outstanding bonds in fiscal year 2012. The following table presents the outstanding long-term debt balances at June 30, 2012 and 2011:

Outstanding Borrowings

	Governmental Activities		% Change
	2012	2011	
1991 general obligation bonds	$ 33,985,000	$ 42,405,000	-19.9%
1998 general obligation bonds	84,715,000	91,965,000	-7.9%
Intergovernmental agreement	35,635,000	-	100.0%
Workers' compensation	8,235,181	5,392,647	52.7%
Other claims and judgments	4,214,485	1,286,563	227.6%
Compensated absences	29,978,927	29,822,933	0.5%
Total	$ 196,763,593	$ 170,872,143	15.2%

During the fiscal year, 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 its debt service on $35,635,000 special limited obligation revenue term bonds. The City issued these term bonds for the purpose of paying a portion of the cost of constructing and equipping a replacement high school for the existing Banneker High School.

The School System owes to its employees $29.9 million for compensated absences. The liability increased just $155,994 or ½ of 1% in fiscal year 2012.

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

Economic Conditions Affecting the School System

Fiscal Year 2012 Budget - The 2012 budget was presented to the public on May 10, 2011 and was adopted by the Board of Education at the June 7, 2011 regular monthly board meeting. The central focus of this approved budget was on student achievement as well as the teaching and learning process.

The original fiscal year 2012 budget included increases to the general fund operating budget of approximately $16.3 million over the original fiscal year 2011 adopted budget to a total of appoximately $819.5. Highlights of the 2012 general fund expenditure budget include;

- $ 1 million in additional funds to accommodate enrollment increases of 1,626;
- $4.9 million instructional reserve to ensure timeliness of school resource delivery;
- $20 million language art text book adoption;
- Elimination of furlough days at a cost of $9.6 million;
- Increase in the elementary per pupil allotment with an impact of $1.6 million;
- Increase in high school and middle school clinic aide staffing allotment of $537 thousand impact; and
- Elimination of the General Fund Transfer to Capital Projects of approximately $24 million.

These items, together with other reductions, amount to approximately $16.3 million or 2.03% in additions to the general fund expenditure budget.

On the revenue side, the general fund millage rate remains at 18.502 mills despite an anticipated decline in the tax digest originally forecast at 7.35%. The debt service millage rate remains at zero as annual debt service principal and interest will be paid from special purpose local option sales tax ("SPLOST") as outlined and approved by voters during fiscal year 2012. In addition, there are funds reserved in an escrow account that will pay the debt service principal and interest payments for 2013 and 2014.

During the initial Fiscal Year 2012 budget process, State revenue was budgeted with a 5.0% decline over the actual projected Fiscal Year 2011 for a total of $267.8 million. The budgeted number is reflective of reductions to State revenue via the local five-mill buy in to the formula and inclusive of accumulated austerity cuts to education. In addition, the original 2012 budget included a reduction of $5.3 million due to the elimination of Federal Stimulus funds.

In total, revenues were originally budgeted at $776.2 million which represents a decline of $60.5 million or 7.2 % from the amended 2011 budget.

At midyear, the budget was examined against actual operating revenues and expenditures and the Fiscal Year 2012 General Fund budget was amended on both the revenue and expenditure side to $783.6 in revenues and approximately $812.2 in expenditures. Major adjustments are:

- Decrease to prior fiscal year property tax revenues of $2 million to account for slower than expected collections;
- Increase to E Rate Revenue due to initial receipt of this funding source;
- Increase to State QBE revenue of $6.1 million based upon Governor's midterm budget recommendations;
- Decrease General Education Teacher Salary line by $5 million due to lapse and alignment of budgeted actual salary to actual;
- Decrease bus driver supplement line by $2.5 million due to vacant positions;
- Corresponding decrease in benefits of $3 million reflective of the decreases to the salary line;
- Increase to the salary line of $8.7 million to fund a onetime compensation awarded to employees;
- Reduction to the textbook budget of $15.6 million due to delay in language art adoption; and
- Increase to operations budget of $2.43 million to account for a rise in fuel costs and workers compensation claims.

Fiscal Year 2013 Budget – The fiscal year 2013 budget was presented to the public on May 8, 2012 and adopted by the Board of Education at the June 7, 2012 meeting. 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 2013 budget increased expenditure levels over the amended 2012 budget by $1.6 million or .21% to a total of $814 million. The most significant items include:

- Health Insurance increases of $6.0 million due to rate adjustments on employer non certified costs;
- TRS Benefit increases from 10.28% to 11.41% for a $5.1 million impact;
- Growth in enrollment adding $1.0 million;
- Increase in operating costs due to the opening of a new high school;
- Reduction of one time salary payment of $8.7 million;
- Reduction to the unemployment claims budget of $3.0 million;
- Reduction of the textbook budget by $1.7 million; and
- Non-renewal of startup charter $3.87 million.

On the revenue side, the millage rate remained constant despite a forecasted decrease in the property tax digest of 6.97%. QBE revenues are expected to increase to accommodate enrollment growth and an increased employer share of teacher's retirement contribution. Overall, the revenue budget increased $11 million or 1.38% over the Fiscal Year 2012 amended budget.

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 30515.

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BASIC FINANCIAL STATEMENTS

Fulton County Board of Education, Georgia
Statement of Net Assets
June 30, 2012

	Governmental Activities	Component Units
Assets		
Current Assets		
Cash and cash equivalents	$ 448,833,152	$ 6,466,742
Investments	28,232,999	-
Receivables (net):		
Accounts	941,824	801,237
Property taxes	17,074,433	-
Sales taxes	15,548,900	-
Intergovernmental	64,231,424	-
Deposits	-	88,775
Prepaid items	466,468	58,214
Inventory	791,503	-
Other	-	205,623
Total Current Assets	576,120,703	7,620,591
Noncurrent Assets		
Net pension assets	12,595,779	-
Capital assets		
Nondepreciable	328,918,647	3,171,409
Depreciable, net	1,332,177,491	21,923,878
Total Noncurrent Assets	1,673,691,917	25,095,287
Total Assets	2,249,812,620	32,715,878
Liabilities		
Current Liabilities		
Accounts payable	28,453,644	1,217,570
Accrued salaries and benefits payable	103,583,693	-
Other payable	2,547,597	-
Accrued estimated liquidation costs	-	90,000
Retainage payable	5,097,028	-
Accrued interest payable	3,485,992	8,384
Unearned revenue	153,000	100,391
Workers compensation insurance claims payable	4,117,591	-
Other claims and judgments payable	674,485	-
Compensated absences payable	26,981,034	-
Capital leases payable	-	18,718
Notes payable	-	673,135
Revenue bonds	-	3,650,000
General obligation bonds payable	15,960,000	-
Total Current Liabilities	191,054,064	5,758,198
Long-Term Liabilities: (net of current portion)		
Workers compensation insurance claims payable	4,117,590	-
Other claims and judgments payable	3,540,000	-
Compensated absences payable	2,997,893	-
Capital leases payable	-	25,770
Notes payable	-	2,100,254
Intergovernmental agreement payable	35,635,000	-
Cash flow hedge	-	506,518
Revenue bonds	-	11,650,000
General obligation bonds payable	102,740,000	-
Total Long-Term Liabilities	149,030,483	14,282,542
Total Liabilities	340,084,547	20,040,740
Net Assets		
Invested in capital assets, net of related debt	1,501,664,110	6,977,410
Restricted for:		
Capital projects	117,877,856	-
Debt service	47,975,600	-
School nutrition program	7,961,877	-
School nutrition program - nonspendable	791,503	-
Permanent fund - nonspendable	3,255	-
Program purposes	2,514,297	-
Unrestricted	230,939,575	5,697,728
Total Net Assets	$ 1,909,728,073	$ 12,675,138

See accompanying notes to the basic financial statements

Fulton County Board of Education, Georgia
Statement of Activities
For the Fiscal Year Ended June 30, 2012

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	$ 622,927,662	$ 8,679,645	$ 267,601,882	$ 10,057,977	$ (336,588,158)	$ -
Support services						
Pupil services	28,113,941	15,400	6,400,814	-	(21,697,727)	-
Improvement of instructional services	28,379,748	-	14,852,237	-	(13,527,511)	-
Educational media services	15,166,609	-	6,288,584	473,317	(8,404,708)	-
Federal grant administration	1,270,482	-	1,270,482	-	-	-
General administration	4,026,966	-	1,786,268	-	(2,240,698)	-
School administration	52,175,510	-	11,326,798	354,987	(40,493,725)	-
Business administration	18,180,382	-	241,087	-	(17,939,295)	-
Maintenance and operation of plant	74,921,752	674,864	17,622,439	-	(56,624,449)	-
Student transportation services	53,058,056	-	8,187,955	-	(44,870,101)	-
Central services	14,085,183	-	585,533	-	(13,499,650)	-
Other support services	3,053,210	-	1,755,836	-	(1,297,374)	-
Food service operations	43,741,358	15,457,420	24,891,491	946,633	(2,445,814)	-
Interest - long-term	9,280,753	-	1,498,253	-	(7,782,500)	-
Total Governmental Activities	$ 968,381,612	$ 24,827,329	$ 364,309,659	$ 11,832,914	(567,411,710)	-
Component Units						
Charter Schools	$ 33,110,304	$ 1,641,506	$ 1,814,261	$ -	$ -	(29,654,537)
		General Revenues				
		Property taxes levied for:				
		General purposes			506,279,669	-
		Debt service			61,727	-
		Sales taxes			145,000,549	-
		Unrestricted grants			-	29,254,772
		Unrestricted - investment earnings			683,096	97,174
		Miscellaneous			4,621,338	347,181
		Total General Revenues			656,646,379	29,699,127
		Change in Net Assets			89,234,669	44,590
		Net Assets Beginning of Fiscal Year, As Restated			1,820,493,404	12,718,353
		Liquidation Basis Adjustments			-	(87,805)
		Net Assets End of Fiscal Year			$ 1,909,728,073	$ 12,675,138

See accompanying notes to the basic financial statements

Fulton County Board of Education, Georgia
Balance Sheet
Governmental Funds
June 30, 2012

	General	2002 SPLOST Capital Projects	2007 SPLOST Capital Projects	Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
Assets						
Cash and cash equivalents	$ 278,535,394	$ 8,353,753	$ 107,401,508	$ 39,854,115	$ 14,688,382	$ 448,833,152
Investments	20,110,028	-	-	8,122,971	-	28,232,999
Receivables (net):						
Accounts	867,747	-	9,797	-	64,280	941,824
Property taxes	16,868,008	-	-	206,425	-	17,074,433
Sales taxes	-	-	15,548,900	-	-	15,548,900
Intergovernmental	41,539,946	-	16,370,985	-	6,320,493	64,231,424
Interfund	1,490,553	-	-	-	-	1,490,553
Prepaid items	466,468	-	-	-	-	466,468
Inventory	-	-	-	-	791,503	791,503
Total Assets	$ 359,878,144	$ 8,353,753	$ 139,331,190	$ 48,183,511	$ 21,864,658	$ 577,611,256
Liabilities and Fund Balances						
Liabilities						
Accounts payable	$ 8,806,156	$ 118,198	$ 18,123,345	$ -	$ 1,405,945	$ 28,453,644
Accrued salaries and benefits payable	96,029,369	-	-	-	7,554,324	103,583,693
Other payables	1,331,051	170,589	1,004,573	-	41,384	2,547,597
Retainage payable	-	12,218	5,084,810	-	-	5,097,028
Interfund payable	-	-	-	-	1,490,553	1,490,553
Deferred revenue	12,333,305	-	5,293,354	207,911	153,000	17,987,570
Total Liabilities	118,499,881	301,005	29,506,082	207,911	10,645,206	159,160,085
Fund Balances						
Nonspendable	466,468	-	-	-	794,758	1,261,226
Restricted	2,387,000	8,052,748	109,825,108	47,975,600	10,476,174	178,716,630
Committed	137,713,740	-		-	-	137,713,740
Assigned	19,581,128	-	-	-	-	19,581,128
Unassigned (Deficits)	81,229,927	-	-	-	(51,480)	81,178,447
Total Fund Balances	241,378,263	8,052,748	109,825,108	47,975,600	11,219,452	418,451,171
Total Liabilities and Fund Balances	$ 359,878,144	$ 8,353,753	$ 139,331,190	$ 48,183,511	$ 21,864,658	$ 577,611,256

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, 2012

Total Governmental Fund Balances		$ 418,451,171
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	$ 2,208,525,288	
Less accumulated depreciation	(547,429,150)	1,661,096,138
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	$ 12,541,216	
Intergovernmental	5,293,354	17,834,570
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.		12,595,779
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	$ (1,490,553)	
Interfund payables	1,490,553	-
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	$ (118,700,000)	
Intergovernmental agreement payable	(35,635,000)	
Accrued interest payable	(3,485,992)	
Workers compensation insurance claims payable	(8,235,181)	
Other claims and judgments payable	(4,214,485)	
Compensated absences payable	(29,978,927)	(200,249,585)
Net Assets of Governmental Activities		$ 1,909,728,073

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, 2012

	General	2002 SPLOST Capital Projects	2007 SPLOST Capital Projects	Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
Revenues						
Property taxes	$ 509,665,972	$ -	$ -	$ 61,727	$ -	$ 509,727,699
Sales taxes	-	-	176,227,513	-	-	176,227,513
Intergovernmental - state	279,442,624	-	30,342,208	-	6,764,059	316,548,891
Intergovernmental - federal	3,779,788	-	1,498,254	-	71,596,601	76,874,643
Investment earnings	514,296	11,176	98,160	168,800	7,581	800,013
Charges for services	6,150,925	-	-	-	18,676,404	24,827,329
Other	5,341,360	-	129,862	-	123,495	5,594,717
Total Revenues	804,894,965	11,176	208,295,997	230,527	97,168,140	1,110,600,805
Expenditures						
Current:						
Instruction	525,798,023	-	-	-	36,106,148	561,904,171
Support services						
Pupil services	24,221,428	-	-	-	2,633,075	26,854,503
Improvement of instructional services	15,703,026	-	-	-	10,892,829	26,595,855
Educational media services	12,577,827	-	-	-	130,015	12,707,842
Federal grant administration	-	-	-	-	1,270,482	1,270,482
General administration	2,466,928	-	-	-	1,408,959	3,875,887
School administration	48,831,559	-	-	-	20,521	48,852,080
Business administration	17,096,175	-	-	-	24,436	17,120,611
Maintenance and operation of plant	70,979,637	-	-	-	39,872	71,019,509
Student transportation services	43,482,243	-	-	-	2,060,943	45,543,186
Central support services	12,786,524	-	-	-	281,106	13,067,630
Other support services	54,388	-	-	-	1,755,632	1,810,020
Food services	-	-	-	-	38,736,561	38,736,561
Capital Outlay	-	1,143,225	102,297,353	-	-	103,440,578
Debt Service:						
Principal retirement	-	-	-	15,670,000	-	15,670,000
Interest and fiscal charges	-	-	655,486	7,650,691	-	8,306,177
Bond issuance costs	-	-	411,584	-	-	411,584
Total Expenditures	773,997,758	1,143,225	103,364,423	23,320,691	95,360,579	997,186,676
Excess (Deficiency) of Revenues Over (Under) Expenditures	30,897,207	(1,132,049)	104,931,574	(23,090,164)	1,807,561	113,414,129
Other Financing Sources (Uses)						
Proceeds from the sale of capital assets	25,088	-	-	-	-	25,088
Insurance proceeds	247,375	-	-	-	-	247,375
Inception of intergovernmental agreement	-	-	35,635,000	-	-	35,635,000
Transfers in	5,850	73,000	-	23,318,212	3,803	23,400,865
Transfers out	(3,803)	-	(23,318,212)	-	(78,850)	(23,400,865)
Total Other Financing Sources (Uses)	274,510	73,000	12,316,788	23,318,212	(75,047)	35,907,463
Net Change in Fund Balances	31,171,717	(1,059,049)	117,248,362	228,048	1,732,514	149,321,592
Fund Balances (Deficits) Beginning of Fiscal Year	210,206,546	9,111,797	(7,423,254)	47,747,552	9,486,938	269,129,579
Fund Balances End of Fiscal Year	$ 241,378,263	$ 8,052,748	$ 109,825,108	$ 47,975,600	$ 11,219,452	$ 418,451,171

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, 2012

Net Changes In Fund Balances - Total Governmental Funds			$ 149,321,592
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	$ (51,550,739)	
	Capital outlay	90,556,675	39,005,936
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.			(18,866,519)
The decrease in net pension assets are reported on the government-wide statement of activities but not at the governmental funds' operating statement.			
	Balance @ 6/30/12	$ 12,595,779	
	Balance @ 6/30/11	(13,135,779)	(540,000)
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 @ 6/30/12	$ 12,541,216	
	Deferred @ 6/30/11	(15,927,519)	(3,386,303)
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 @ 6/30/12	-	
	Deferred @ 6/30/11	(31,226,964)	(31,226,964)
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 @ 6/30/12	$ 5,293,354	
	Deferred @ 6/30/11	(23,911,985)	(18,618,631)
Transfers between governmental funds are reported in the governmental funds' operating statement but are eliminated on the government-wide statement of activities:			
	Transfers in	$ (23,400,865)	
	Transfers out	23,400,865	-
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 @ 6/30/12	$ (3,485,992)	
	Liability @ 6/30/11	2,923,000	(562,992)
The issuance of long-term debt (an intergovernmental agreement) is reported as an other financing source at the fund financial reporting level but reclassified as a liability at the government-wide financial reporting level.			(35,635,000)
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.			15,670,000
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 @ 6/30/12	$ (29,978,927)	
	Liability @ 6/30/11	29,822,933	(155,994)
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 @ 6/30/12	$ (8,235,181)	
	Liability @ 6/30/11	5,392,647	(2,842,534)
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 @ 6/30/12	$ (4,214,485)	
	Liability @ 6/30/11	1,286,563	(2,927,922)
Change In Net Assets of Governmental Activities			$ 89,234,669

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, 2012
(With Comparative Actual Amounts For the Fiscal Year Ended June 30, 2011)

	2012				2011
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Intergovernmental - state	$ 267,898,051	$ 274,011,937	$ 279,442,624	$ 5,430,687	$ 281,272,287
Intergovernmental - federal	3,471,962	3,675,674	3,779,788	104,114	19,922,944
Local sources:					
Property taxes	495,664,843	493,664,843	509,665,972	16,001,129	535,310,082
Investment earnings	500,000	500,000	514,296	14,296	645,453
Other	8,693,918	11,706,305	11,492,285	(214,020)	7,980,219
Total Revenues	776,228,774	783,558,759	804,894,965	21,336,206	845,130,985
Expenditures					
Current:					
Instruction	540,345,946	543,920,125	525,798,023	18,122,102	488,632,509
Support services					
Pupil services	26,810,903	26,519,614	24,221,428	2,298,186	24,350,170
Improvement of instructional services	15,294,851	17,541,122	15,703,026	1,838,096	13,989,947
Educational media services	11,270,740	12,799,997	12,577,827	222,170	12,795,832
General administration	2,104,326	2,169,531	2,466,928	(297,397)	2,165,418
School administration	50,156,388	51,250,298	48,831,559	2,418,739	48,357,238
Business administration	16,984,162	20,757,279	17,096,175	3,661,104	14,313,318
Maintenance and operation of plant	72,754,371	78,288,092	70,979,637	7,308,455	66,217,751
Student transportation services	43,379,511	44,428,289	43,482,243	946,046	39,594,597
Central support services	14,016,276	14,422,315	12,786,524	1,635,791	12,114,453
Other support services	26,343,182	111,258	54,388	56,870	26,713,228
Total Expenditures	819,460,656	812,207,920	773,997,758	38,210,162	749,244,461
Excess (Deficiency) of Revenues Over (Under) Expenditures	(43,231,882)	(28,649,161)	30,897,207	59,546,368	95,886,524
Other Financing Sources (Uses)					
Proceeds from the sale of capital assets	-	45,000	25,088	(19,912)	9,568
Insurance proceeds	75,000	150,000	247,375	97,375	31,153
Transfers in	-	-	5,850	5,850	743
Transfers out	(56,729)	(200,347)	(3,803)	196,544	(336)
Total Other Financing Sources (Uses)	18,271	(5,347)	274,510	279,857	41,128
Net Change in Fund Balances	$ (43,213,611)	$ (28,654,508)	$ 31,171,717	$ 59,826,225	$ 95,927,652

See accompanying notes to the basic financial statements

Fulton County Board of Education, Georgia
Statement of Net Assets
Fiduciary Funds
June 30, 2012

	Pension Trust	Agency Club and Athletics
Assets		
Cash and cash equivalents	$ 29,587,499	$ 4,284,137
Investments, at fair value:		
Domestic stocks	83,179,894	-
Corporate securities	28,274,817	-
Government securities	37,153,063	-
Equity real estate securities	2,696,057	-
U.S. mutual fund equities	46,859,563	-
Limited partnerships equities	23,445,952	-
Collateralized mortgage obligations	1,728,281	-
Other fixed income securities	4,243,417	-
Certificates of deposit	-	18,531
Receivables:		
Other	174,569	40,118
Prepaid items	-	20,737
Total Assets	257,343,112	4,363,523
Liabilities		
Accounts payable	535,622	172,668
Due to student organizations	-	4,190,855
Total Liabilities	535,622	$ 4,363,523
Net Assets		
Net assets held in trust for pension benefits	$ 256,807,490	

See accompanying notes to the basic financial statements

Fulton County Board of Education, Georgia
Comparative Statement of Changes in Net Assets
Pension Trust Fund
For the Fiscal Years Ended June 30, 2012 and 2011

	2012	2011
Additions		
Contributions:		
Employer	$ 29,534,000	$ 29,258,004
Plan members	3,104,381	3,473,730
Investment earnings:		
Interest	4,417,495	2,360,931
Net increase (decrease) in the fair value of investments	(1,064,508)	39,722,757
Less investment expense	1,156,416	552,959
Total Additions	34,834,952	74,262,463
Deductions		
Administrative expenses	1,014,497	1,186,029
Benefits	27,689,109	27,009,040
Refunds	1,690,043	1,476,974
Total Deductions	30,393,649	29,672,043
Change in Net Assets	4,441,303	44,590,420
Net Assets, Beginning of Fiscal Year	252,366,187	207,775,767
Net Assets, End of Fiscal Year	$ 256,807,490	$ 252,366,187

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, 2012

	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	$ 314,801	$ 486,475	$ 582,534	$ 3,466,322	$ 822,957	$ 552,613	$ 241,040	$ 6,466,742
Accounts receivable	115,915	2,220	65,090	44,352	83,020	490,640	-	801,237
Deposits	25,000	-	100	155	-	-	63,520	88,775
Prepaid items	-	1,218	16,004	29,476	9,290	2,226	-	58,214
Other	-	-	-	205,623	-	-	-	205,623
Total Current Assets	455,716	489,913	663,728	3,745,928	915,267	1,045,479	304,560	7,620,591
Capital Assets:								
Nondepreciable	-	-	1,550,000	1,381,409	240,000	-	-	3,171,409
Depreciable, net	311,447	138,190	2,229,626	14,871,263	3,312,669	850,283	210,400	21,923,878
Total Capital Assets	311,447	138,190	3,779,626	16,252,672	3,552,669	850,283	210,400	25,095,287
Total Assets	767,163	628,103	4,443,354	19,998,600	4,467,936	1,895,762	514,960	32,715,878
Liabilities								
Current Liabilities:								
Accounts payable	142,645	26,908	166,582	104,582	111,687	557,748	107,418	1,217,570
Accrued estimated liquidation costs	-	-	90,000	-	-	-	-	90,000
Capital leases payable	-	-	-	18,718	-	-	-	18,718
Accrued interest payable	-	-	-	-	-	8,384	-	8,384
Unearned revenue	-	100,391	-	-	-	-	-	100,391
Notes payable	-	-	-	-	27,445	645,690	-	673,135
Revenue bonds payable	-	-	3,650,000	-	-	-	-	3,650,000
Total Current Liabilities	142,645	127,299	3,906,582	123,300	139,132	1,211,822	107,418	5,758,198
Long-term Liabilities								
Capital leases payable	-	-	-	25,770	-	-	-	25,770
Cash flow hedge	-	-	-	506,518	-	-	-	506,518
Notes payable	-	-	-	-	1,290,254	810,000	-	2,100,254
Revenue bonds payable	-	-	-	11,650,000	-	-	-	11,650,000
Total Long-term Liabilities	-	-	-	12,182,288	1,290,254	810,000	-	14,282,542
Total Liabilities	142,645	127,299	3,906,582	12,305,588	1,429,386	2,021,822	107,418	20,040,740
Net Assets (Deficits)								
Invested in capital assets, net of related debt	311,447	138,190	129,626	4,558,184	2,234,970	(605,407)	210,400	6,977,410
Unrestricted	313,071	362,614	407,146	3,134,828	803,580	479,347	197,142	5,697,728
Total Net Assets (Deficits)	$ 624,518	$ 500,804	$ 536,772	$ 7,693,012	$ 3,038,550	$ (126,060)	$ 407,542	$ 12,675,138

Fulton County Board of Education, Georgia
Combining Statement of Activities
Charter School Component Units
For the Fiscal Year Ended June 30, 2012

	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	$ 4,745,818	$ 2,697,395	$ 4,535,813	$ 8,443,044	$ 3,615,104	$ 5,529,626	$ 3,543,504	$ 33,110,304
Revenues								
Program revenues:								
Charges for services	-	64,546	305,247	690,411	115,320	258,750	207,232	1,641,506
Operating grants	259,815	-	-	362,466	333,252	784,611	74,117	1,814,261
Total Program Revenues	259,815	64,546	305,247	1,052,877	448,572	1,043,361	281,349	3,455,767
Net Program Revenue	(4,486,003)	(2,632,849)	(4,230,566)	(7,390,167)	(3,166,532)	(4,486,265)	(3,262,155)	(29,654,537)
General Revenues								
Unrestricted grants	4,238,432	2,489,006	3,942,630	7,017,485	3,560,702	4,607,314	3,399,203	29,254,772
Investment earnings	-	398	275	96,501	-	-	-	97,174
Miscellaneous	249,786	-	8,774	-	-	80,638	7,983	347,181
Total General Revenues	4,488,218	2,489,404	3,951,679	7,113,986	3,560,702	4,687,952	3,407,186	29,699,127
Change in Net Assets	2,215	(143,445)	(278,887)	(276,181)	394,170	201,687	145,031	44,590
Net Assets (Deficit) Beginning of Fiscal Year - As Restated	622,303	644,249	903,464	7,969,193	2,644,380	(327,747)	262,511	12,718,353
Liquidation Basis Adjustments	-	-	(87,805)	-	-	-	-	(87,805)
Net Assets (Deficit) End of Fiscal Year	$ 624,518	$ 500,804	$ 536,772	$ 7,693,012	$ 3,038,550	$ (126,060)	$ 407,542	$ 12,675,138

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NOTES TO BASIC FINANCIAL STATEMENTS

Fulton County Board of Education, Georgia
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

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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.

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

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

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

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

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

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

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

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. See note "*4-D, Subsequent Events*" regarding Fulton Science Academy, Inc.

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

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.

The Fulton Science Academy, Inc., is presented under the liquidation basis of accounting as of June 30, 2012, as that entity's

Note 1 - Summary of Significant Accounting Policies (Continued)

board began negotiating a plan of liquidation during the fiscal year ended June 30, 2012.

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.

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).

Note 1 - Summary of Significant Accounting Policies (Continued)

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). Donated food commodities are presented at fair value.

1-E-5 Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2012, 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.

Note 1 - Summary of Significant Accounting Policies (Continued)

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*."

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-K)

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.

Note 1 - Summary of Significant Accounting Policies (Continued)

For unrestricted amounts of fund balance, it is the School System's policy to use fund balance in the following order:

- Committed
- Assigned
- Unassigned

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 assets amount also is adjusted by any bond issuance deferred amounts (excluding bond issuance costs). Net assets is 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 is 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, all special revenue funds excluding the principals' accounts 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 funds 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 control 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.

Note 2 – Stewardship, Compliance and Accountability (Continued)

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 2012 budget was amended during the fiscal year. All unexpended annual appropriations lapse at fiscal year-end.

2-B. Excess of Expenditures over Appropriations

The following functions were overspent in the final 2012 annual budget:

General fund:	
General administration	$297,397

2-C. Deficit Fund Balances

The other local grants fund reports a fund balance deficit at June 30, 2012 of $51,480. This deficit will be eliminated from general fund transfers.

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 Georgia Office of the State Treasurer.

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

The fair value of the School System's position in the pool approximates the value of the School System's pool shares. Credit risk, value, and interest risk at June 30, 2012 are as follows:

Credit Risk	Value	Interest Risk
AAAm rated	$ 405,704,333	48 day WAM

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

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, 2012, 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 60% and 80%.
- Fixed Income Securities between 25% and 35%.

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Note 3 – Detailed Notes on All Funds (Continued)

At June 30, 2012, the Pension Trust Fund had the following investments and maturities:

Investment Type	Fair Value	Maturity Range (Time to Maturity) Low	High
Corporate Bonds	$ 28,274,817	0.56	32.04
Other Government Issues	21,734,544	0.66	29.63
Municipal Securities	589,544	10.42	44.75
Fannie Mae Notes	6,604,864	1.99	29.00
Federal Home Loan Mortgage	8,224,111	10.09	29.67
Collateralized Mortgage Obligations	1,728,281	14.38	32.29
Other Fixed Income Securities	4,243,417	0.81	8.86
Sub-total	71,399,578		
Real Estate Investment Trust	2,696,057		
Limited Partnerships	23,445,952		
Equity Securities	83,179,894		
U.S. Mutual Funds	46,859,563		
Total	$ 227,581,044		

Credit Quality Risk – The Pension Trust Fund policy prohibits investments in direct real estate, and no more than 80% (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.

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Note 3 – Detailed Notes on All Funds (Continued)

At June 30, 2012, the credit risk for the Pension Trust Fund's investments follows:

	Fair Value	Credit Quality Ranges
Corporate Bonds	$ 28,274,817	AAA / BBB-
Other Government Issues	21,734,544	AA+ / not rated
Fannie Mae Notes	6,604,864	AAA-Aaa
Federal Home Loan Mortgage	8,224,111	AAA
Municipal Securities	589,544	AAA/A+
Collateralized Mortgage Obligations	1,728,281	AAA / not rated
Other Fixed Income Securities	4,243,417	AAA / not rated
Real Estate Investment Trust	2,696,057	Not rated
Limited Partnerships	23,445,952	Not rated
Equity Securities	83,179,894	Not rated
U.S. Mutual Funds	46,859,563	Not rated
	$ 227,581,044	

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	$ 448,833,152	$ 28,232,999	$ 477,066,151
Statement of Fiduciary Net Assets	33,871,636	227,599,575	261,471,211
Total	$ 482,704,788	$ 255,832,574	$ 738,537,362

3-B. Receivables

Receivables at June 30, 2012, 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 $493,332
- Debt service fund $ 8,316

3-C. Property Taxes

Property taxes for the June 30, 2012 fiscal year were levied and billed on August 15, 2011, based on property values assessed as of January 1, 2011, and are payable on or before October 15, 2011. 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, 2012.

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Note 3 – Detailed Notes on All Funds (Continued)

3-D. Capital Assets

Capital asset activity for the fiscal year ended June 30, 2012, was as follows:

	Balance 7/1/2011	Additions	Deductions	Balance 6/30/2012
Governmental activities:				
Nondepreciable capital assets:				
Land	$ 216,927,343	$ 505,456	$ -	$ 217,432,799
Construction in progress	65,844,567	80,377,674	34,736,393	111,485,848
Total nondepreciable capital assets	282,771,910	80,883,130	34,736,393	328,918,647
Depreciable capital assets:				
Buildings and improvements	1,788,724,096	34,237,511	36,864,347	1,786,097,260
Furniture and equipment	30,906,726	2,223,981	1,392,305	31,738,402
Vehicles	54,598,540	7,948,446	776,007	61,770,979
Total depreciable capital assets	1,874,229,362	44,409,938	39,032,659	1,879,606,641
Total capital assets	2,157,001,272	125,293,068	73,769,052	2,208,525,288
Accumulated depreciation:				
Buildings and improvements	462,980,503	45,478,788	18,725,552	489,733,739
Furniture and equipment	19,713,508	2,682,508	810,443	21,585,573
Vehicles	33,350,540	3,389,443	630,145	36,109,838
Total accumulated depreciation	516,044,551	51,550,739	20,166,140	547,429,150
Governmental activities capital assets, net	$ 1,640,956,721	$ 73,742,329	$ 53,602,912	$ 1,661,096,138

Governmental activities depreciation expense:

Instruction	$ 36,696,091
Pupil services	190,546
Improvement of instructional services	782,618
Educational media services	1,867,797
General administration	24,805
School administration	1,119,921
Business administration	473,497
Maintenance and operation of plant	997,909
Student transportation services	5,573,654
Central services	463,851
Other support services	12,406
Food service	3,347,644
Total governmental activities depreciation expense	$ 51,550,739

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	$ 1,490,553

Interfund Transfers –The transfer from the 2007 SPLOST fund to the debt service fund (major governmental fund) is to cover the fiscal year 2012 debt service costs ($23,318,212). The transfer between the Georgia Department of Community Affairs fund and the 2002 SPLOST capital projects fund relates to a project that was funded with a grant in the Georgia Department of Community Affairs fund, but the cost of the project occurred in the 2002 SPLOST capital projects fund ($73,000). The transfers between the general fund and nonmajor governmental funds (net of $2,047) are for miscellaneous items.

	Transfers from:			
Transfers to:	General fund	Nonmajor governmental fund	2007 SPLOST fund	Total
General fund	$ -	$ 5,850	$ -	$ 5,850
Debt service fund	-	-	23,318,212	23,318,212
2002 SPLOST Fund	-	73,000	-	73,000
Nonmajor governmental funds	3,803	-	-	3,803
Total	$ 3,803	$ 78,850	$ 23,318,212	$ 23,400,865

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, 2012:

Type	Not Available	Unearned	Total
Property taxes	$ 12,541,216	$ -	$ 12,541,216
State capital outlay reimbursement grants	5,293,354	-	5,293,354
Cash advance on grants	-	153,000	153,000
Total	$ 17,834,570	$ 153,000	$ 17,987,570

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. Long-term Debt

Governmental Activities - The School System has the following long-term debt payable at June 30, 2012.

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 fiscal 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, 2012 is $29,936,026.

Annual debt service requirements to maturity as of June 30, 2012 are as follows:

Fiscal Year Ending	Principal	Interest	Total
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	$ 33,985,000	$ 5,942,138	$ 39,927,138

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 fiscal 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, 2012 is $85,820,000.

Note 3 - Detailed Notes on All Funds (Continued)

Annual debt service requirements to maturity as of June 30, 2012 are as follows:

Fiscal Year Ending	Principal	Interest	Total
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	9,305,000	2,826,488	12,131,488
2018-2021	42,520,000	5,969,069	48,489,069
Total	$ 84,715,000	$ 24,570,169	$ 109,285,169

2011 Intergovernmental Agreement – City of Union City, Georgia - 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.

Annual debt service requirements to maturity as of June 30, 2012 are as follows:

Fiscal Year Ending	Principal	Interest	Total
2013	$ -	$ 1,685,536	$ 1,685,536
2014	-	1,685,535	1,685,535
2015	-	1,685,536	1,685,536
2016	-	1,685,535	1,685,535
2017	-	1,685,536	1,685,536
2018-2022	-	8,427,678	8,427,678
2023-2027	35,635,000	8,427,677	44,062,677
Total	$ 35,635,000	$ 25,283,033	$ 60,918,033

Note 3 - Detailed Notes on All Funds (Continued)

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, 2012:

	Outstanding 7/1/2011	Additions	Reductions	Outstanding 6/30/2012	Amounts Due in One Year
Governmental Activities					
1991 general obligation bonds	$ 42,405,000	$ -	$ 8,420,000	$ 33,985,000	$ 8,345,000
1998 general obligation bonds	91,965,000	-	7,250,000	84,715,000	7,615,000
2011 intergovernmental agreement	-	35,635,000	-	35,635,000	-
Workers' compensation insurance claims	5,392,647	8,747,084	5,904,550	8,235,181	4,117,591
Other claims and judgments	1,286,563	3,608,675	680,753	4,214,485	674,485
Compensated absences	29,822,933	26,493,550	26,337,556	29,978,927	26,981,034
Total Governmental Activities	$ 170,872,143	$ 74,484,309	$ 48,592,859	$ 196,763,593	$ 47,733,110

The debt service fund retires the general obligation bonds. The 2007 SPLOST capital projects fund will retire the intergovernmental agreement. If future special purpose local option sales taxes are not approved, the general fund will retire this obligation. Primarily the general fund retires the workers' compensation insurance claims, other claims and judgments and compensated absences.

3-I. 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 member contribution rate will increase to 6% of a member's earnable compensation. 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 2012 and 10.28% for fiscal year 2011 and 9.74% for fiscal year 2010.

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

	2012	2011	2010
Employer contribution	$ 47,972,816	$ 49,763,959	49,952,518
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, 2011, the date of the most recent actuarial valuation, there were 5,518 participants respectively, consisting of the following:

	June 30, 2011
Active participants	2,461
Vested terminated participants	296
Retirees, beneficiaries and disabled participants	2,761
Total participants	5,518

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 30.91% 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, 2012, 2011, and 2010 were $29,534,000, $29,258,004 and $27,525,000 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)
2010	$ 27,928	$ 27,525	98.6%	$ (13,631,775)
2011	29,754	29,258	98.3%	(13,135,779)
2012	30,074	29,534	98.2%	(12,595,779)

** Amounts expressed in $1,000*

Net Pension Asset **-** The School System's annual pension cost and net pension asset at June 30, 2012, 2011 and 2010 are as follows:

Calculation of Net Pension Asset	June 30, 2012	June 30, 2011	June 30, 2010
Annual required contribution	$ 29,534,000	$ 29,258,000	$ 27,525,000
Interest on net pension asset	(920,000)	(954,000)	(983,000)
Adjustment to annual required contribution	1,460,000	1,450,000	1,386,000
Annual pension cost	30,074,000	29,754,000	27,928,000
Contributions made	(29,534,000)	(29,258,004)	(27,525,000)
Dcrease in net pension asset	540,000	495,996	403,000
Net pension asset at beginning of fiscal year	13,135,779	13,631,775	14,034,775
Net pension asset at end of fiscal year	$ 12,595,779	$ 13,135,779	$ 13,631,775

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
6/30/2011	$ 244,088,000	$ 457,036,000	$ 212,948,000	53.4%	$ 79,060,000	269.3%

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, 2011	June 30, 2010
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-J. 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 post-employment 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 Benefit Plan administered by the Department of Community Health. The Official Code of Georgia Annotated (O.C.G.A.) 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 25% of the cost of the health insurance coverage.

Participating employers are statutorily required to contribute in accordance with the employer contribution rates established by the Board. The contribution rates are established to fund all benefits due under the health insurance plans for both active and retired employees based on projected "pay-as-you-go" financing requirements. Contributions are not based on the actuarially calculated annual required contribution (ARC) which represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each 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, 2012, were as follows:

Certified employees

July 2011	18.534 of covered payroll for July Coverage
August 2011 – March 2012	24.000% of covered payroll for August - March Coverage
April 2012 – June 2012	3.958% of covered payroll for April – June Coverage

Non-Certificated Employees

July 2011 – August 2011	$246.20 per member per month
September 2011 – June 2012	$296.20 per member per month

No additional contribution was required by the Board for fiscal year 2012 nor contributed to the School OPEB Fund to prefund retiree benefits. Such additional contribution amounts are determined annually by the Board in accordance with the School Plan for other post-employment benefits and are subject to appropriation.

The School System's contributions to the health insurance plans for the fiscal years ended June 30, 2012, June 30, 2011, and June 30, 2010, were $72,663,519, $69,949,251 and $66,740,200, respectively, which equaled the required OPEB cost.

3-K. 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	$ 791,503
Nonmajor Permanent Fund	
Balance	$ 3,255

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	$ 8,052,748
2007 SPLOST Capital Projects Fund:	
Capital projects	$ 109,825,108
Debt Service Fund:	
Principal and interest on long-term bonds	$ 47,975,600
Nonmajor Governmental Funds:	
School nutrition program	$ 7,961,877
Georgia Department of community affairs	10,000
Principals' funds	2,504,297
Total Nonmajor Governmental Funds:	$ 10,476,174

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

General Fund:	
Working capital reserve	$ 40,704,580
Catastrophic event reserve	40,704,580
Revenue stabilization reserve	40,704,580
Textbooks	15,600,000
Total General Fund	$ 137,713,740

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

General Fund:	
Subsequent fiscal year's operating budget	$ 19,506,368
Cabinet reimbursement	74,760
Total General Fund	$ 19,581,128

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, 2012 are as follows:

Invested in capital assets, net of related debt:	Governmental Activities
Cost of capital assets	$ 2,208,525,288
Less accumulated depreciation	547,429,150
Book value	1,661,096,138
Less capital related debt	154,335,000
Less retainage payable	5,097,028
Invested in capital assets, net of related debt	$ 1,501,664,110

3-L. 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 2012 was $843,377 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, 2012:

Fiscal Year Ending June 30,	Amount
2013	$ 478,766
2014	348,965
2015	252,359
2016	177,107
2017	180,543
2018-2022	516,590
2023-2027	314,245
2028-2032	741
Total	$ 2,269,316

3-M. On-behalf Payments For Fringe Benefits

The School System has recognized revenue and expenditures of $63,543 for teachers' pension cost paid by the Georgia Department of Education on the School System's behalf to the Georgia Department of Community Health for non-certified personnel. Additionally, $54,591,057 was paid by the Georgia Department of Education to the Georgia Department of Community Health for group health insurance of the School System.

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 Fiscal Year Claims and Changes in Estimates	Claim Payments	End of Fiscal Year Liability
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
2012	5,392,647	8,747,084	5,904,550	8,235,181

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, 2012. 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.

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Note 4 - Other Notes (Continued)

4-C. Commitments

Construction Commitments - As of June 30, 2012, the School System has made the following significant construction commitments:

Contractor	Total Contract	Remaining Commitments
Amacher Brothers	$ 354,450	$ 2,092
Artlantic, Inc.	168,950	25,082
Complete Demolition Services	418,035	52,468
Doster Construction	50,194,682	4,206,724
Ed Castro Landscape, Inc.	1,459,164	1,312,813
Evergreen Construction	47,048,864	1,767,359
Klein Contracting	594,930	409,230
Ricks Contracting	4,599,190	193,504
Southcore Construction	2,564,725	830,977
Swofford Construction	3,861,855	2,071,591
Triad Construction	834,500	166,975
Total	$ 112,099,345	$ 11,038,815

Encumbrance Commitments - As of June 30, 2012, 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	$ 8,066,863
2002 SPLOST Capital Projects Fund	1,102,037
2007 SPLOST Capital Projects Fund	29,044,568
Total Major Governmental Funds	$ 38,213,468
Total Nonmajor Governmental Funds	$ 210,164

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

4-D. Subsequent Events

On December 20, 2011 the Fulton County School Board voted unanimously to deny the charter renewal application of the Fulton Science Academy Middle School (FSAMS). During the renewal process the charter was unwilling to comply with the directives of the School Board relating to contract term and the specificity of waiver requests. FSAMS has been operating as a Fulton County School Charter since 2001. The existing charter expired on June 30, 2012 at which point FSAMS will cease to operate as a charter of the Fulton County School District.

On December 18, 2012 the Fulton County Board of Education voted unanimously to send a written request to the Georgia Department of Education to terminate the charter contract of Fulton Science Academy High School effective June 30, 2013.

Note 4 - Other Notes (Continued)

During 2010 the Fulton County School System began an exploration of conversion to a Charter Systems status offered under the Charter School Act of 1998. The goal of charter status is to improve student performance through innovation in the areas of staffing, instruction and finance. The District has elected to convert to charter status with a five year implementation schedule beginning on July 1, 2012. Charter status will afford the District the freedom from mandatory state spending requirements along with additional flexibility in the local allocation of resources including but not limited to staffing, equipment and materials.

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.

On December 13, 2012, the Board authorized $21 million to fund a 3% one-time compensation to be paid to employees in their December payroll.

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.

REQUIRED SUPPLEMENTARY INFORMATION

Fulton County Board of Education, Georgia

Required Supplementary Information

For the Fiscal Year Ended June 30, 2012

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, 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%
June 30, 2011	244,088,000	457,036,000	212,948,000	53.4%	79,060,000	269.3%

Schedule of Employer Contributions

Fiscal Year Ended	Annual Required Contribution	Employer Contribution	Percentage Contributed
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	29,258,000	100.0%
June 30, 2012	29,534,000	29,534,000	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 Program: 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.

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.

Principals' 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.

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.

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Fulton County Board of Education, Georgia
Combining Balance Sheet
Nonmajor Governmental Funds - By Fund Type
June 30, 2012

	Nonmajor Special Revenue Funds	Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
Assets			
Cash and cash equivalents	$ 14,685,127	$ 3,255	$ 14,688,382
Receivables:			
Accounts	64,280	-	64,280
Intergovernmental	6,320,493	-	6,320,493
Inventory	791,503	-	791,503
Total Assets	$ 21,861,403	$ 3,255	$ 21,864,658
Liabilities and Fund Balances			
Liabilities			
Accounts payable	$ 1,405,945	$ -	$ 1,405,945
Accrued salaries and wages	7,554,324	-	7,554,324
Other payable	41,384	-	41,384
Interfund payable	1,490,553	-	1,490,553
Deferred revenue	153,000	-	153,000
Total Liabilities	10,645,206	-	10,645,206
Fund Balances			
Nonspendable	791,503	3,255	794,758
Restricted	10,476,174	-	10,476,174
Unassigned (deficit)	(51,480)	-	(51,480)
Total Fund Balances	11,216,197	3,255	11,219,452
Total Liabilities and Fund Balances	$ 21,861,403	$ 3,255	$ 21,864,658

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, 2012

	Nonmajor Special Revenue Funds	Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
Revenues			
Intergovernmental - state	$ 6,764,059	$ -	$ 6,764,059
Intergovernmental - federal	71,596,601	-	71,596,601
Investment earnings	7,580	1	7,581
Charges for services	18,676,404	-	18,676,404
Other	123,495	-	123,495
Total Revenues	97,168,139	1	97,168,140
Expenditures			
Current:			
Instruction	36,106,148	-	36,106,148
Support services			
Pupil services	2,633,075	-	2,633,075
Improvement of instructional services	10,892,829	-	10,892,829
Educational media services	130,015	-	130,015
Federal grant administration	1,270,482	-	1,270,482
School administration	20,521	-	20,521
General administration	1,408,959	-	1,408,959
Business administration	24,436	-	24,436
Maintenance and operation of plant	39,872	-	39,872
Student transportation services	2,060,943	-	2,060,943
Central support services	281,106	-	281,106
Other supporting seervices	1,755,632	-	1,755,632
Food service operations	38,736,561	-	38,736,561
Total Expenditures	95,360,579	-	95,360,579
Excess of Revenues Over Expenditures	1,807,560	1	1,807,561
Other Financing Sources (Uses)			
Transfers in	3,803	-	3,803
Transfers out	(78,850)	-	(78,850)
Total Other Financing Sources (Uses)	(75,047)	-	(75,047)
Net Change in Fund Balances	1,732,513	1	1,732,514
Fund Balances, Beginning of Fiscal Year	9,483,684	3,254	9,486,938
Fund Balances, End of Fiscal Year	$ 11,216,197	$ 3,255	$ 11,219,452

Fulton County Board of Education, Georgia
General Fund
Comparative Balance Sheet
June 30, 2012 and 2011

	2012	2011
Assets		
Cash and cash equivalents	$ 278,535,394	$ 245,861,764
Investments	20,110,028	20,037,365
Receivables:		
Accounts	867,747	401,049
Property taxes	16,868,008	17,890,674
Intergovernmental	41,539,946	39,392,002
Interfund	1,490,553	2,962,746
Prepaid items	466,468	466,468
Total Assets	$ 359,878,144	$ 327,012,068
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ 8,806,156	$ 7,842,264
Salaries and benefits payable	96,029,369	93,241,995
Other payables	1,331,051	64,016
Deferred revenues	12,333,305	15,657,247
Total Liabilities	118,499,881	116,805,522
Fund Balances		
Nonspendable	466,468	466,468
Restricted	2,387,000	2,387,000
Commited	137,713,740	122,927,608
Assigned	19,581,128	43,302,590
Unassigned	81,229,927	41,122,880
Total Fund Balances	241,378,263	210,206,546
Total Liabilities and Fund Balances	$ 359,878,144	$ 327,012,068

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, 2012 and 2011

	2012	2011
Revenues		
Intergovernmental - state	$ 279,442,624	$ 281,272,287
Intergovernmental - federal	3,779,788	19,922,944
Local sources:		
Property taxes	509,665,972	535,310,082
Investment earnings	514,296	645,453
Charges for services	6,150,925	5,842,522
Other	5,341,360	2,137,697
Total Revenues	804,894,965	845,130,985
Expenditures		
Current:		
Instruction	525,798,023	488,632,509
Support services		
Pupil services	24,221,428	24,350,170
Improvement of instructional services	15,703,026	13,989,947
Educational media services	12,577,827	12,795,832
General administration	2,466,928	2,165,418
School administration	48,831,559	48,357,238
Business administration	17,096,175	14,313,318
Maintenance and operation of plant	70,979,637	66,217,751
Student transportation services	43,482,243	39,594,597
Central support services	12,786,524	12,114,453
Other support services	54,388	26,713,228
Total Expenditures	773,997,758	749,244,461
Excess of Revenues Over Expenditures	30,897,207	95,886,524
Other Financing Sources (Uses)		
Proceeds from the sale of capital assets	25,088	9,568
Insurance proceeds	247,375	31,153
Transfers in	5,850	743
Transfers out	(3,803)	(336)
Total Other Financing Sources (Uses)	274,510	41,128
Net Change in Fund Balances	31,171,717	95,927,652
Fund Balances Beginning of Fiscal Year	210,206,546	114,278,894
Fund Balances End of Fiscal Year	$ 241,378,263	$ 210,206,546

Fulton County Board of Education, Georgia
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2012

	Title I	Title II	Title III	Part B Special Education
Assets				
Cash and cash equivalents	$ -	$ -	$ -	$ 742,298
Receivables:				
Accounts	686	1,175	-	-
Intergovernmental	3,281,307	437,866	164,993	1,729,276
Inventories	-	-	-	-
Total Assets	$ 3,281,993	$ 439,041	$ 164,993	$ 2,471,574
Liabilities and Fund Balances (Deficits)				
Liabilities				
Accounts payable	$ 675,383	$ 90,723	$ 8,070	$ 197,540
Accrued salaries and wages payable	2,034,209	18,436	43,517	2,264,727
Other payables	2,605	27,774	-	9,307
Interfund payable	569,796	302,108	113,406	-
Deferred revenue	-	-	-	-
Total Liabilities	3,281,993	439,041	164,993	2,471,574
Fund Balances (Deficits)				
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances (Deficits)	-	-	-	-
Total Liabilities and Fund Balances (Deficits)	$ 3,281,993	$ 439,041	$ 164,993	$ 2,471,574

Education for the Homeless	Safe and Drug-Free Schools	School Nutrition Programs
$ -	$ -	$ 10,254,415
-	-	28,905
2,456	984	64,923
-	-	791,503
$ 2,456	$ 984	$ 11,139,746
$ -	$ -	$ 44,579
-	-	2,341,787
-	-	-
2,456	984	-
-	-	-
2,456	984	2,386,366
-	-	791,503
-	-	7,961,877
-	-	-
-	-	8,753,380
$ 2,456	$ 984	$ 11,139,746

(Continued)

Fulton County Board of Education, Georgia
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2012

	Title V Part D	Lottery	Georgia Department of Community Affairs	Other Federal Grants
Assets				
Cash and cash equivalents	$ 343	$ 1,136,222	$ 11,049	$ -
Receivables:				
Accounts	-	178	-	785
Intergovernmental	-	-	-	638,688
Inventories	-	-	-	-
Total Assets	$ 343	$ 1,136,400	$ 11,049	$ 639,473
Liabilities and Fund Balances (Deficits)				
Liabilities				
Accounts payable	$ -	$ 182,382	$ -	$ 163,798
Accrued salaries and wages payable	-	801,018	-	50,630
Other payables	343	-	1,049	306
Interfund payable	-	-	-	424,739
Deferred revenue	-	153,000	-	-
Total Liabilities	343	1,136,400	1,049	639,473
Fund Balances (Deficits)				
Nonspendable	-	-	-	-
Restricted	-	-	10,000	-
Unassigned (deficit)	-	-	-	-
Total Fund Balances (Deficits)	-	-	10,000	-
Total Liabilities and Fund Balances (Deficits)	$ 343	$ 1,136,400	$ 11,049	$ 639,473

(Continued)

Other Local Grants	Principals' Accounts	Nonmajor Special Revenue Funds
$ -	$ 2,540,800	$ 14,685,127
25,584	6,967	64,280
-	-	6,320,493
-	-	791,503
$ 25,584	$ 2,547,767	$ 21,861,403
$ -	$ 43,470	1,405,945
-	-	7,554,324
-	-	41,384
77,064	-	1,490,553
-	-	153,000
77,064	43,470	10,645,206
-	-	791,503
-	2,504,297	10,476,174
(51,480)	-	(51,480)
(51,480)	2,504,297	11,216,197
$ 25,584	$ 2,547,767	$ 21,861,403

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, 2012

	Title I	Title II	Title III
Revenues			
Intergovernmental - state	$ -	$ -	$ -
Intergovernmental - federal	23,056,267	2,747,550	904,410
Investment earnings	-	-	-
Charges for services	-	-	-
Other	-	-	-
Total Revenues	23,056,267	2,747,550	904,410
Expenditures			
Current:			
Instruction	11,644,721	328,769	454,238
Support services			
Pupil services	-	-	68,289
Improvement of instructional services	6,339,843	2,093,318	359,422
Educational media services	109,155	-	-
Federal grant administration	833,823	146,298	1,582
General administration	848,183	63,505	21,420
School administration	52	-	-
Business administration	-	-	-
Maintenance and operation of plant	-	-	-
Student transportation services	1,561,206	-	-
Central support services	-	118,922	-
Other support services	1,719,634	-	-
Food service operations	-	-	-
Total Expenditures	23,056,617	2,750,812	904,951
Excess (Deficiency) of Revenues Over (Under) Expenditures	(350)	(3,262)	(541)
Other Financing Sources (Uses)			
Transfers in	-	3,262	541
Transfers out	-	-	-
Total Other Financing Sources (Uses)	-	3,262	541
Net Change in Fund Balances	(350)	-	-
Fund Balances (Deficits) Beginning of Fiscal Year	350	-	-
Fund Balances (Deficits) End of Fiscal Year	$ -	$ -	$ -

Part B Special Education	Education for the Homeless	Charter School	Safe and Drug-Free Schools	School Nutrition Programs
$ -	$ -	$ -	$ -	$ 880,758
18,229,304	57,718	406,592	24,359	24,003,153
-	-	-	-	7,580
-	-	-	-	15,457,420
-	-	-	-	-
18,229,304	57,718	406,592	24,359	40,348,911
14,877,450	10,885	322,553	978	-
2,504,357	12,564	-	-	-
32,016	3,668	39,960	-	-
-	-	20,860	-	-
88,150	7,946	-	-	-
402,939	1,382	-	23,381	-
-	-	20,469	-	-
-	-	2,750	-	-
-	-	-	-	-
324,392	21,273	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	38,736,561
18,229,304	57,718	406,592	24,359	38,736,561
-	-	-	-	1,612,350
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	1,612,350
-	-	-	-	7,141,030
$ -	$ -	$ -	$ -	$ 8,753,380

(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, 2012

	Title V Part D	Lottery	Georgia Department of Community Affairs
Revenues			
Intergovernmental - state	$ -	$ 5,862,901	$ -
Intergovernmental - federal	4,280	2,400	-
Investment earnings	-	-	-
Charges for services	-	-	-
Other	-	-	-
Total Revenues	4,280	5,865,301	-
Expenditures			
Current:			
Instruction	9,127	5,370,320	6,050
Support services			
Pupil services	-	47,865	-
Improvement of instructional services	-	317,365	-
Educational media services	-	-	-
Federal grant administration	-	-	-
General administration	-	-	-
School administration	-	-	-
Business administration	-	-	-
Maintenance and operation of plant	-	-	-
Student transportation services	-	-	-
Central support services	-	46,631	-
Other support services	-	35,998	-
Food service operations	-	-	-
Total Expenditures	9,127	5,818,179	6,050
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,847)	47,122	(6,050)
Other Financing Sources (Uses)			
Transfers in	-	-	-
Transfers out	-	-	(73,000)
Total Other Financing Sources (Uses)	-	-	(73,000)
Net Change in Fund Balances	(4,847)	47,122	(79,050)
Fund Balances (Deficits) Beginning of Fiscal Year	4,847	(47,122)	89,050
Fund Balances (Deficits) End of Fiscal Year	$ -	$ -	$ 10,000

(continued)

Other Federal Grants	Other State Grants	Other Local Grants	Principals' Accounts	Total Nonmajor Special Revenue Funds
$ -	$ -	$ 20,400	$ -	$ 6,764,059
2,160,568	-	-	-	71,596,601
-	-	-	-	7,580
-	-	-	3,218,984	18,676,404
-	-	123,495	-	123,495
2,160,568	-	143,895	3,218,984	97,168,139
59,348	-	20,876	3,000,833	36,106,148
-	-	-	-	2,633,075
1,707,237	-	-	-	10,892,829
-	-	-	-	130,015
192,683	-	-	-	1,270,482
48,149	-	-	-	1,408,959
-	-	-	-	20,521
-	-	21,686	-	24,436
-	-	39,872	-	39,872
153,547	-	525	-	2,060,943
-	-	115,553	-	281,106
-	-	-	-	1,755,632
-	-	-	-	38,736,561
2,160,964	-	198,512	3,000,833	95,360,579
(396)	-	(54,617)	218,151	1,807,560
-	-	-	-	3,803
-	(5,850)	-	-	(78,850)
-	(5,850)	-	-	(75,047)
(396)	(5,850)	(54,617)	218,151	1,732,513
396	5,850	3,137	2,286,146	9,483,684
$ -	$ -	$ (51,480)	$ 2,504,297	$ 11,216,197

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, 2012

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Intergovernmental - state	$ 6,490,090	$ 6,943,991	$ 6,764,059	$ (179,932)
Intergovernmental - federal	66,814,438	86,973,200	71,596,601	(15,376,599)
Local sources:				
Other	16,253,766	16,302,020	15,588,495	(713,525)
Total Revenues	89,558,294	110,219,211	93,949,155	(16,270,056)
Expenditures				
Current:				
Instruction	30,486,431	40,006,390	33,105,315	6,901,075
Support services				
Pupil services	1,823,721	3,156,558	2,633,075	523,483
Improvement of instructional services	11,640,497	17,105,001	10,892,829	6,212,172
Educational media services	3,692	186,261	130,015	56,246
Federal grant administration	-	1,828,909	1,270,482	558,427
General administration	2,168,076	1,875,436	1,408,959	466,477
School administration	1,093	25,309	20,521	4,788
Business administration	21,685	24,435	24,436	(1)
Maintenance and operation of plant	106,725	222,872	39,872	183,000
Student transportation services	2,372,390	2,791,810	2,060,943	730,867
Central support services	467,385	468,899	281,106	187,793
Other support services	312,323	2,446,268	1,755,632	690,636
Food service operations	39,944,146	40,041,394	38,736,561	1,304,833
Total Expenditures	89,348,164	110,179,542	92,359,746	17,819,796
Excess (Deficiency) of Revenues Over (Under) Expenditures	210,130	39,669	1,589,409	1,549,740
Other Financing Sources (Uses)				
Transfers in	-	-	3,803	3,803
Transfers out	-	-	(78,850)	(78,850)
Total Other Financing Sources (Uses)	-	-	(75,047)	(75,047)
Net Change in Fund Balances - Budgetary Basis	$ 210,130	$ 39,669	1,514,362	$ 1,474,693
Add Principals' Account Fund Excluded Above			218,151	
Net Change in Fund Balances - GAAP Basis			$ 1,732,513	

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Fulton County Board of Education, Georgia
Title I Fund
Comparative Balance Sheet
June 30, 2012 and 2011

	2012	2011
Assets		
Cash and cash equivalents	$ -	$ 1,150,085
Receivables:		
Accounts	686	-
Intergovernmental	3,281,307	4,028,199
Total Assets	$ 3,281,993	$ 5,178,284
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ 675,383	$ 559,840
Other payables	2,605	62,974
Accrued salaries and wages	2,034,209	2,811,108
Interfund payable	569,796	1,744,012
Total Liabilities	3,281,993	5,177,934
Fund Balances		
Restricted	-	350
Total Liabilities and Fund Balances	$ 3,281,993	$ 5,178,284

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, 2012
(With Comparative Actual Amounts For the Fiscal Year Ended June 30, 2011)

	2012				2011
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Intergovernmental - federal	$ 20,937,916	$ 34,144,249	$ 23,056,267	$ (11,087,982)	$ 25,190,736
Expenditures					
Current:					
Instruction	10,975,412	16,642,465	11,644,721	4,997,744	13,371,007
Support services					
Improvement of instructional services	6,025,289	10,083,722	6,339,843	3,743,879	6,977,756
Educational media services	3,692	131,561	109,155	22,406	109,045
Federal grant administration	-	1,315,485	833,823	481,662	-
General administration	1,588,216	1,159,672	848,183	311,489	1,464,170
School administration	1,093	640	52	588	1,050
Maintenance and operation of plant	1,836	576	-	576	1,158
Student transportation services	2,030,055	2,422,168	1,561,206	860,962	1,560,859
Other support services	312,323	2,404,580	1,719,634	684,946	1,705,341
Total Expenditures	20,937,916	34,160,869	23,056,617	11,104,252	25,190,386
Excess (Deficiency) of Revenues Over (Under) Expenditures	$ -	$ (16,620)	(350)	$ 16,270	350
Fund Balances Beginning of Fiscal Year			350		-
Fund Balances End of Fiscal Year			$ -		$ 350

Fulton County Board of Education, Georgia
Title II Fund
Comparative Balance Sheet
June 30, 2012 and 2011

	2012	2011
Assets		
Receivables:		
Accounts	$ 1,175	$ -
Intergovernmental	437,866	486,158
Total Assets	439,041	486,158
Liabilities		
Accounts payable	$ 90,723	$ 89,708
Accrued salaries and wages	18,436	15,627
Other payables	27,774	936
Interfund payable	302,108	379,887
Total Liabilities	$ 439,041	$ 486,158

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, 2012
(With Comparative Actual Amounts For the Fiscal Year Ended June 30, 2011)

	2012				2011
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Intergovernmental - federal	$ 3,274,465	$ 5,114,689	$ 2,747,550	$ (2,367,139)	$ 1,827,814
Expenditures					
Current:					
Instruction	318,653	680,871	328,769	352,102	238,531
Support services					
Improvement of instructional services	2,692,538	3,950,564	2,093,318	1,857,246	1,469,149
Federal grant administration	-	151,873	146,298	5,575	-
General administration	83,709	100,634	63,505	37,129	39,003
Central support services	179,565	230,747	118,922	111,825	81,131
Total Expenditures	3,274,465	5,114,689	2,750,812	2,363,877	1,827,814
(Deficiency) of Revenues (Under) Expenditures	-	-	(3,262)	(3,262)	-
Other Financing Sources					
Transfers in	-	-	3,262	3,262	-
Net Changes in Fund Balances	$ -	$ -	-	$ -	-
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, 2012 and 2011

	2012	2011
Assets		
Intergovernmental receivable	$ 164,993	$ 165,453
Liabilities		
Accounts payable	$ 8,070	$ 4,242
Accrued salaries and wages	43,517	85,234
Interfund payable	113,406	75,977
Total Liabilities	$ 164,993	$ 165,453

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, 2012
(With Comparative Actual Amounts For the Fiscal Year Ended June 30, 2011)

	2012				2011
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Intergovernmental - federal	$ 816,443	$ 1,347,349	$ 904,410	$ (442,939)	$ 797,137
Expenditures					
Current:					
Instruction	260,454	656,362	454,238	202,124	510,677
Support services					
Pupil services	168,989	185,267	68,289	116,978	101,551
Improvement of instructional services	356,599	485,227	359,422	125,805	167,292
Federal grant administration	-	13,409	1,582	11,827	-
General administration	30,401	33,659	21,420	12,239	17,617
Student transportation services	-	500	-	500	-
Total Expenditures	816,443	1,374,424	904,951	469,473	797,137
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(27,075)	(541)	26,534	-
Other Financing Sources					
Transfers in	-	-	541	541	-
Net Changes in Fund Balances	$ -	$ (27,075)	-	$ 27,075	-
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, 2012 and 2011

	2012	2011
Assets		
Cash and cash equivalents	$ 742,298	$ -
Intergovernmental receivable	1,729,276	3,776,531
Total Assets	$ 2,471,574	$ 3,776,531
Liabilities		
Accounts payable	$ 197,540	$ 542,638
Accrued salaries and wages	2,264,727	3,126,742
Other payables	9,307	-
Interfund payable	-	107,151
Total Liabilities	$ 2,471,574	$ 3,776,531

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, 2012
(With Comparative Actual Amounts For the Fiscal Year Ended June 30, 2011)

	2012				2011
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Intergovernmental - federal	$ 15,663,757	$ 19,739,393	$ 18,229,304	$ (1,510,089)	$ 23,769,273
Expenditures					
Current:					
Instruction	13,249,162	15,886,737	14,877,450	1,009,287	20,889,881
Support services					
Pupil services	1,634,232	2,890,041	2,504,357	385,684	1,948,343
Improvement of instructional services	65,594	33,415	32,016	1,399	43,418
Federal grant administration	-	94,521	88,150	6,371	-
General administration	391,946	491,553	402,939	88,614	496,293
Student transportation services	322,823	343,500	324,392	19,108	391,338
Total Expenditures	15,663,757	19,739,767	18,229,304	1,510,463	23,769,273
Excess (Deficiency) of Revenues Over (Under) Expenditures	$ -	$ (374)	-	$ 374	-
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, 2012 and 2011

	2012	2011
Assets		
Intergovernmental receivables	$ 2,456	$ 1,152
Liabilities		
Other payable	$ -	$ 3
Interfund payable	2,456	1,149
Total Liabilities	$ 2,456	$ 1,152

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, 2012
(With Comparative Actual Amounts For the Fiscal Year Ended June 30, 2011)

	2012				2011
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Intergovernmental - federal	$ 57,000	$ 64,646	$ 57,718	$ (6,928)	$ 73,030
Expenditures					
Current:					
Instruction	15,000	10,950	10,885	65	-
Support services					
Pupil services	20,500	16,250	12,564	3,686	53,955
Improvement of instructional services	3,000	4,034	3,668	366	876
Federal grant administration	-	8,550	7,946	604	-
General administration	1,488	1,720	1,382	338	1,152
Student transportation services	17,012	23,142	21,273	1,869	17,207
Total Expenditures	57,000	64,646	57,718	6,928	73,190
Excess (Deficiency) of Revenues Over (Under) Expenditures	$ -	$ -	-	$ -	(160)
Fund Balances Beginning of Fiscal Year			-		160
Fund Balances End of Fiscal Year			$ -		$ -

Fulton County Board of Education, Georgia
Charter School Fund
Comparative Balance Sheet
June 30, 2012 and 2011

	2012	2011
Assets		
Intergovernmental receivable	$ -	$ 222,998
Liabilities		
Accounts payable	$ -	$ 17,073
Other payables	-	200,000
Interfund payable	-	5,925
Total Liabilities	$ -	$ 222,998

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, 2012
(With Comparative Actual Amounts For the Fiscal Year Ended June 30, 2011)

	2012				2011
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Intergovernmental - federal	$ 400,000	$ 656,756	$ 406,592	$ (250,164)	$ 573,675
Expenditures					
Current:					
Instruction	400,000	431,137	322,553	108,584	345,753
Support services					
Pupil services	-	-	-	-	8,525
Improvement of instructional services	-	143,500	39,960	103,540	853
Educational media services	-	54,700	20,860	33,840	18,544
School administration	-	24,669	20,469	4,200	-
Business administration	-	2,750	2,750	-	-
Other support services	-	-	-	-	200,000
Total Expenditures	400,000	656,756	406,592	250,164	573,675
Excess (Deficiency) of Revenues Over (Under) Expenditures	$ -	$ -	-	$ -	-
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, 2012 and 2011

	2012	2011
Assets		
Intergovernmental receivable	$ 984	$ 9,519
Liabilities		
Accounts payable	$ -	$ 5,046
Interfund payable	984	4,473
Total Liabilities	$ 984	$ 9,519

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, 2012
(With Comparative Actual Amounts For the Fiscal Year Ended June 30, 2011)

	2012				2011
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Intergovernmental - federal	$ -	$ 25,965	$ 24,359	$ (1,606)	$ 105,936
Expenditures					
Current:					
Instruction	-	978	978	-	-
Support services					
General administration	-	24,987	23,381	1,606	105,936
Total Expenditures	-	25,965	24,359	1,606	105,936
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, 2012 and 2011

	2012	2011
Assets		
Cash and cash equivalents	$ 10,254,415	$ 8,392,106
Receivables:		
Accounts receivable	28,905	43,405
Intergovernmental	64,923	58,680
Inventory	791,503	796,744
Total Assets	$ 11,139,746	$ 9,290,935
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ 44,579	$ 5,444
Accrued salaries and wages payable	2,341,787	2,144,461
Total Liabilities	2,386,366	2,149,905
Fund Balances		
Nonspendable	791,503	796,744
Restricted	7,961,877	6,344,286
Total Fund Balances	8,753,380	7,141,030
Total Liabilities and Fund Balances	$ 11,139,746	$ 9,290,935

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, 2012
(With Comparative Actual Amounts For the Fiscal Year Ended June 30, 2011)

	2012				
	Original Budget	Final Budget	Actual	Variance With Final Budget	2011 Actual
Revenues					
Intergovernmental - state	$ 840,090	$ 840,090	$ 880,758	$ 40,668	$ 969,998
Intergovernmental - federal	21,244,542	21,258,598	21,657,979	399,381	20,310,507
USDA commodities	2,052,063	2,052,063	2,345,174	293,111	1,970,705
Investment earnings	10,500	10,500	7,580	(2,920)	10,470
Charges for services	16,007,081	16,007,081	15,457,420	(549,661)	15,120,170
Total Revenues	40,154,276	40,168,332	40,348,911	180,579	38,381,850
Expenditures					
Current:					
Food service operations	39,944,146	40,041,394	38,736,561	1,304,833	36,540,865
Excess of Revenues Over Expenditures	$ 210,130	$ 126,938	1,612,350	$ 1,485,412	1,840,985
Fund Balances Beginning of Fiscal Year			7,141,030		5,300,045
Fund Balances End of Fiscal Year			$ 8,753,380		$ 7,141,030

Fulton County Board of Education, Georgia
Title V Part D Fund
Comparative Balance Sheet
June 30, 2012 and 2011

	2012	2011
Assets		
Cash and cash equivalents	$ 343	$ 5,358
Liabilities and Fund Balances		
Liabilities		
Accrued salaries and wages payable	$ -	$ 511
Other liabilities	343	-
Total Liabilities	343	511
Fund Balances		
Restricted	-	4,847
Total Liabilities and Fund Balances	$ 343	$ 5,358

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, 2012
(With Comparative Actual Amounts For the Fiscal Year Ended June 30, 2011)

	2012				2011
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Intergovernmental - federal	$ -	$ 10,150	$ 4,280	$ (5,870)	$ 2,943
Expenditures					
Current:					
Instruction	-	10,150	9,127	1,023	1,278
Excess (Deficiency) of Revenues Over (Under) Expenditures	$ -	$ -	(4,847)	$ (4,847)	1,665
Fund Balances Beginning of Fiscal Year			4,847		3,182
Fund Balances End of Fiscal Year			$ -		$ 4,847

Fulton County Board of Education, Georgia
Lottery Fund
Comparative Balance Sheet
June 30, 2012 and 2011

	2012	2011
Assets		
Cash and cash equivalents	$ 1,136,222	$ 1,796,551
Accounts receivable	178	860
Total Assets	$ 1,136,400	$ 1,797,411
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ 182,382	$ -
Accrued salaries and wages payable	801,018	1,011,122
Deferred revenue	153,000	833,411
Total Liabilities	1,136,400	1,844,533
Fund Balances		
Unassigned	-	(47,122)
Total Liabilities and Fund Balances	$ 1,136,400	$ 1,797,411

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, 2012
(With Comparative Actual Amounts For the Fiscal Year Ended June 30, 2011)

	2012				2011
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Intergovernmental - state	$ 5,650,000	$ 6,015,901	$ 5,862,901	$ (153,000)	$ 5,668,445
Intergovernmental - federal	-	2,400	2,400	-	10,759
Total Revenues	5,650,000	6,018,301	5,865,301	(153,000)	5,679,204
Expenditures					
Current:					
Instruction	5,233,760	5,549,331	5,370,320	179,011	5,528,403
Support services					
Pupil services	-	65,000	47,865	17,135	68,457
Improvement of instructional services	313,420	310,775	317,365	(6,590)	72,557
Central support services	102,820	51,507	46,631	4,876	45,041
Other support services	-	41,688	35,998	5,690	11,868
Total Expenditures	5,650,000	6,018,301	5,818,179	200,122	5,726,326
Excess (Deficiency) of Revenues Over (Under) Expenditures	$ -	$ -	47,122	$ 47,122	(47,122)
Fund Balances (Deficits), Beginning of Fiscal Year			(47,122)		-
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, 2012 and 2011

	2012	2011
Assets		
Cash and cash equivalents	$ 11,049	$ 89,050
Liabilities and Fund Balances		
Liabilities		
Other payables	$ 1,049	$ -
Fund Balances		
Restricted	10,000	89,050
Total Liabilities and Fund Balances	$ 11,049	$ 89,050

Fulton County Board of Education, Georgia
Georgia Department of Community Affairs Fund
Schedule of Revenues, Expenditures and
Changes In Fund Balances
For the Fiscal Years Ended June 30, 2012 and 2011

	2012				2011
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Intergovernmental - state	$ -	$ 88,000	$ -	$ (88,000)	$ -
Expenditures					
Current:					
Instruction	-	15,000	6,050	8,950	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	73,000	(6,050)	(79,050)	-
Other Financing Uses					
Transfers out	-	(73,000)	(73,000)	-	-
Net Change in Fund Balances	$ -	$ -	(79,050)	$ (79,050)	
Fund Balances Beginning of Fiscal Year			89,050		89,050
Fund Balances End of Fiscal Year			$ 10,000		$ 89,050

Fulton County Board of Education, Georgia
Other Federal Grants Fund
Comparative Balance Sheet
June 30, 2012 and 2011

	2012	2011
Assets		
Cash and cash equivalents	$ -	$ 2,799
Receivables:		
Accounts	785	-
Intergovernmental	638,688	720,593
Total Assets	$ 639,473	$ 723,392
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ 163,798	$ 99,117
Accrued salaries and wages payable	50,630	25,154
Other liabilities	306	-
Interfund payable	424,739	598,725
Total Liabilities	639,473	722,996
Fund Balances		
Restricted	-	396
Total Liabilities and Fund Balances	$ 639,473	$ 723,392

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, 2012
(With Comparative Actual Amounts For the Fiscal Year Ended June 30, 2011)

	2012				2011
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Intergovernmental - federal	$ 2,368,252	$ 2,556,942	$ 2,160,568	$ (396,374)	$ 2,652,929
Expenditures					
Current:					
Instruction	33,990	101,122	59,348	41,774	172,246
Support services					
Improvement of instructional services	2,157,057	2,066,764	1,707,237	359,527	2,156,451
Federal grant administration	-	245,071	192,683	52,388	-
General administration	72,316	63,211	48,149	15,062	49,541
Maintenance and operation of plant	104,889	182,424	153,547	28,877	273,888
Total Expenditures	2,368,252	2,658,592	2,160,964	497,628	2,652,126
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(101,650)	(396)	101,254	803
Other Financing Sources (Uses)					
Transfers in	-	-	-	-	336
Transfer out	-	-	-	-	(743)
Total Other Financing Sources (Uses)	-	-	-	-	(407)
Net Change in Fund Balances	$ -	$ (101,650)	(396)	$ 101,254	396
Fund Balances Beginning of Fiscal Year			396		-
Fund Balances End of Fiscal Year			$ -		$ 396

Fulton County Board of Education, Georgia
Other State Grants Fund
Comparative Balance Sheet
June 30, 2012 and 2011

	2012	2011
Assets		
Cash and cash equivalents	$ -	$ 5,850
Fund Balances		
Restricted	$ -	$ 5,850

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, 2012
(With Comparative Actual Amounts For the Fiscal Year Ended June 30, 2011)

	2012				2011
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Intergovernmental - state	$ -	$ -	$ -	$ -	$ 2,581
Other	-	5,850	-	(5,850)	-
Total Revenues	-	5,850	-	(5,850)	2,581
Expenditures					
Current:					
Instruction	-	-	-	-	2,581
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	5,850	-	(5,850)	-
Other Financing Uses					
Transfers out	-	(5,850)	(5,850)	5,850	-
Net Change in Fund Balances	$ -	$ -	(5,850)	$ -	-
Fund Balances Beginning of Fiscal Year			5,850		5,850
Fund Balances End of Fiscal Year			$ -		$ 5,850

Fulton County Board of Education, Georgia
Other Local Grants Fund
Comparative Balance Sheet
June 30, 2012 and 2011

	2012	2011
Assets		
Cash and cash equivalents	$ -	$ 2
Receivables:		
Accounts	25,584	-
Intergovernmental	-	50,295
Total Assets	$ 25,584	$ 50,297
Liabilities and Fund Balances		
Liabilities		
Accrued salaries and wages	$ -	$ 1,635
Other liabilities	-	78
Interfund payable	77,064	45,447
Total Liabilities	77,064	47,160
Fund Balances (Deficit)		
Restricted	-	3,137
Unassigned	(51,480)	-
Total Fund Balances (Deficit)	(51,480)	3,137
Total Liabilities and Fund Balances	$ 25,584	$ 50,297

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, 2012
(With Comparative Actual Amounts For the Fiscal Year Ended June 30, 2011)

	2012				2011
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Intergovernmental - state	$ -	$ 20,400	$ 20,400	$ -	$ 15,600
Local	236,185	278,589	123,495	(155,094)	255,898
Total Revenues	236,185	298,989	143,895	(155,094)	271,498
Expenditures					
Current					
Instruction	-	21,287	20,876	411	45,438
Support services:					
Pupil services	-	-	-	-	6,000
Improvement of instructional services	27,000	27,000	-	27,000	62,921
Educational media services	-	-	-	-	13
Business administration	21,685	21,685	21,686	(1)	43,368
Maintenance and operation of plant	-	39,872	39,872	-	10,128
Student transportation services	2,500	2,500	525	1,975	2,432
Central support services	185,000	186,645	115,553	71,092	85,300
Total Expenditures	236,185	298,989	198,512	100,477	255,600
Excess (Deficiency) of Revenues Over (Under) Expenditures	$ -	$ -	(54,617)	$ (54,617)	15,898
Fund Balances (Deficit) Beginning of Fiscal Year			3,137		(12,761)
Fund Balances (Deficit) End of Fiscal Year			$ (51,480)		$ 3,137

Fulton County Board of Education, Georgia
Principals' Accounts Fund
Comparative Balance Sheet
June 30, 2012 and 2011

	2012	2011
Assets		
Cash and cash equivalents	$ 2,540,800	$ 2,312,516
Accounts receivable	6,967	9,847
Total Assets	$ 2,547,767	$ 2,322,363
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ 43,470	$ 36,217
Fund Balances		
Restricted	2,504,297	2,286,146
Total Liabilities and Fund Balances	$ 2,547,767	$ 2,322,363

Fulton County Board of Education, Georgia
Principals' Accounts Fund
Comparative Statement of Revenues, Expenditures
And Changes In Fund Balances
For the Fiscal Years Ended June 30, 2012 and 2011

	2012	2011
Revenues		
Charges for services	$ 3,218,984	$ 2,955,370
Expenditures		
Current:		
Instruction	3,000,833	2,855,073
Excess of Revenues Over Expenditures	218,151	100,297
Fund Balances Beginning of Fiscal Year	2,286,146	2,185,849
Fund Balances End of Fiscal Year	$ 2,504,297	$ 2,286,146

Fulton County Board of Education, Georgia
Debt Service Fund
Comparative Balance Sheet
June 30, 2012 and 2011

	2012	2011
Assets		
Cash and cash equivalents	$ 39,854,115	$ 39,746,589
Investments	8,122,971	8,000,000
Property taxes receivables	206,425	271,235
Total Assets	$ 48,183,511	$ 48,017,824
Liabilities and Fund Balances		
Liabilities		
Deferred revenues	$ 207,911	$ 270,272
Fund Balances		
Restricted	47,975,600	47,747,552
Total Liabilities and Fund Balances	$ 48,183,511	$ 48,017,824

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, 2012
(With Comparative Actual Amounts For the Fiscal Year Ended June 30, 2011)

	2012				2011
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Property taxes	$ -	$ -	$ 61,727	$ 61,727	$ 237,572
Investment earnings	125,068	125,068	168,800	43,732	71,308
Total Revenues	125,068	125,068	230,527	105,459	308,880
Expenditures					
Debt Service:					
Principal retirement	15,670,000	15,670,000	15,670,000	-	15,390,000
Interest and fiscal charges	7,653,213	7,653,213	7,650,691	2,522	8,554,180
Total Expenditures	23,323,213	23,323,213	23,320,691	2,522	23,944,180
Excess (Deficiency) of Revenues Over (Under) Expenditures	(23,198,145)	(23,198,145)	(23,090,164)	107,981	(23,635,300)
Other Financing Sources					
Transfers in	20,845,765	20,845,765	23,318,212	2,472,447	23,941,700
Net Change in Fund Balances	$ (2,352,380)	$ (2,352,380)	228,048	$ 2,580,428	306,400
Fund Balances Beginning of Fiscal Year			47,747,552		47,441,152
Fund Balances End of Fiscal Year			$ 47,975,600		$ 47,747,552

Fulton County Board of Education, Georgia
2002 SPLOST Fund
Comparative Balance Sheet
June 30, 2012 and 2011

	2012	2011
Assets		
Cash and cash equivalents	$ 8,353,753	$ 9,239,046
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ 118,198	$ 41,328
Other payable	170,589	31,817
Retainage payable	12,218	54,104
Total Liabilities	301,005	127,249
Fund Balances		
Restricted	8,052,748	9,111,797
Total Liabilities and Fund Balances	$ 8,353,753	$ 9,239,046

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, 2012 and 2011

	2012	2011
Revenues		
Investment earnings	11,176	18,302
Expenditures		
Capital Outlay	1,143,225	1,712,673
(Deficiency) of Revenues (Under) Expenditures	(1,132,049)	(1,694,371)
Other Financing Sources		
Transfers in	73,000	-
Net Change in Fund Balances	(1,059,049)	(1,694,371)
Fund Balances Beginning of Fiscal Year	9,111,797	10,806,168
Fund Balances End of Fiscal Year	$ 8,052,748	$ 9,111,797

Fulton County Board of Education, Georgia
2007 SPLOST Fund
Comparative Balance Sheet
June 30, 2012 and 2011

	2012	2011
Assets		
Cash and cash equivalents	$ 107,401,508	$ 5,670,460
Receivables:		
Accounts	9,797	757
Sales taxes	15,548,900	44,672,849
Intergovernmental	16,370,985	23,911,985
Total Assets	$ 139,331,190	$ 74,256,051
Liabilities and Fund Balances (Deficits)		
Liabilities		
Accounts payable	$ 18,123,345	$ 18,783,130
Other payables	1,004,573	3,384,743
Retainage payable	5,084,810	4,372,483
Deferred revenue	5,293,354	55,138,949
Total Liabilities	29,506,082	81,679,305
Fund Balances (Deficits)		
Restricted	109,825,108	
Unassigned (Deficits)	-	(7,423,254)
Total Fund Balances (Deficits)	109,825,108	(7,423,254)
Total Liabilities and Fund Balances (Deficits)	$ 139,331,190	$ 74,256,051

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, 2012 and 2011

	2012	2011
Revenues		
Sales taxes	$ 176,227,513	$ 130,265,771
Intergovernmental - state	30,342,208	13,179,902
Intergovernmental - federal	1,498,254	-
Investment earnings	98,160	69,247
Other	129,862	-
Total Revenues	208,295,997	143,514,920
Expenditures		
Capital Outlay	102,297,353	72,890,993
Debt Service:		
Interest and fiscal charges	655,486	448,126
Bond issuance costs	411,584	-
Total Expenditures	103,364,423	73,339,119
Excess of Revenues Over Expenditures	104,931,574	70,175,801
Other Financing Sources (Uses)		
Inception of intergovernmental agreement	35,635,000	-
Transfers out	(23,318,212)	(23,941,700)
Total Other Financing Sources (Uses)	12,316,788	(23,941,700)
Net Change in Fund Balances	117,248,362	46,234,101
Fund Balances (Deficits) Beginning of Fiscal Year	(7,423,254)	(53,657,355)
Fund Balances (Deficits) End of Fiscal Year	$ 109,825,108	$ (7,423,254)

Fulton County Board of Education, Georgia
Nonmajor Permanent Fund
J.C. Day Fund
Comparative Balance Sheet
June 30, 2012 and 2011

	2012	2011
Assets		
Cash and cash equivalents	$ 3,255	$ 3,254
Fund Balances		
Nonspendable	$ 3,255	$ 3,254

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, 2012 and 2011

	2012	2011
Revenues		
Investment earnings	$ 1	$ 4
Fund Balances Beginning of Fiscal Year	3,254	3,250
Fund Balances End of Fiscal Year	$ 3,255	$ 3,254

Fulton County Board of Education, Georgia
Comparative Statement of Net Assets
Pension Trust Fund
June 30, 2012 and 2011

	2012	2011
Assets		
Cash and cash equivalents	$ 29,587,499	$ 37,685,131
Investments, at fair value:		
Domestic stocks	83,179,894	83,534,927
Corporate securities	28,274,817	23,766,716
Government securities	37,153,063	34,305,647
Equity real estate securities	2,696,057	2,688,310
U.S. mutual fund equities	46,859,563	45,051,939
Limited partnerships equities	23,445,952	22,876,714
Collateralized mortgage obligations	1,728,281	1,483,044
Other fixed income securities	4,243,417	1,262,201
Receivables:		
Other	174,569	172,359
Total Assets	257,343,112	252,826,988
Liabilities		
Accounts payable	535,622	460,801
Net Assets		
Net assets held in trust for pension benefits	$ 256,807,490	$ 252,366,187

Fulton County Board of Education, Georgia
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Fiscal Year Ended June 30, 2012

	Balance July 1, 2011	Additions	Deductions	Balance June 30, 2012
Assets				
Cash and cash equivalents	$ 3,919,945	$ 17,525,898	$ 17,161,706	$ 4,284,137
Investments	18,431	100	-	18,531
Other receivables	24,986	40,118	24,986	40,118
Prepaid items	-	20,737	-	20,737
Total Assets	$ 3,963,362	$ 17,586,853	$ 17,186,692	$ 4,363,523
Liabilities				
Accounts payable	$ 41,755	$ 172,668	$ 41,755	$ 172,668
Due to student organizations	3,921,607	17,349,081	17,079,833	4,190,855
Total Liabilities	$ 3,963,362	$ 17,521,749	$ 17,121,588	$ 4,363,523

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Statistical Section



Camp Creek MS
Jabarr Shabazz ~ 8th 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.	
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 Fiinancial 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,									
	2003	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**
	Amounts									
Governmental Activities										
Invested in capital assets, net of related debt [3]	$ 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	$ 1,501,664,110
Restricted	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	177,124,388
Unrestricted	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	230,939,575
Total [4]	$ 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	$ 1,909,728,073
Total Percentage Increase or Decrease From Prior Fiscal Year	8.7%	8.3%	4.4%	9.7%	11.0%	12.7%	5.5%	5.8%	13.0%	4.9%
	Percentage of Total									
Governmental Activities										
Invested in capital assets, net of related debt [3]	77.03%	84.83%	86.83%	83.29%	87.99%	88.70%	95.12%	91.90%	82.75%	78.63%
Restricted	16.24%	0.45%	7.04%	17.42%	3.28%	2.28%	3.78%	3.95%	3.65%	9.27%
Unrestricted	6.73%	14.72%	6.13%	-0.71%	8.73%	9.02%	1.10%	4.15%	13.60%	12.10%
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.

[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 (2003-2007), applicable fiscal years' Comprehensive Annual Financial Report (2008-2012).

Exhibit I-A

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

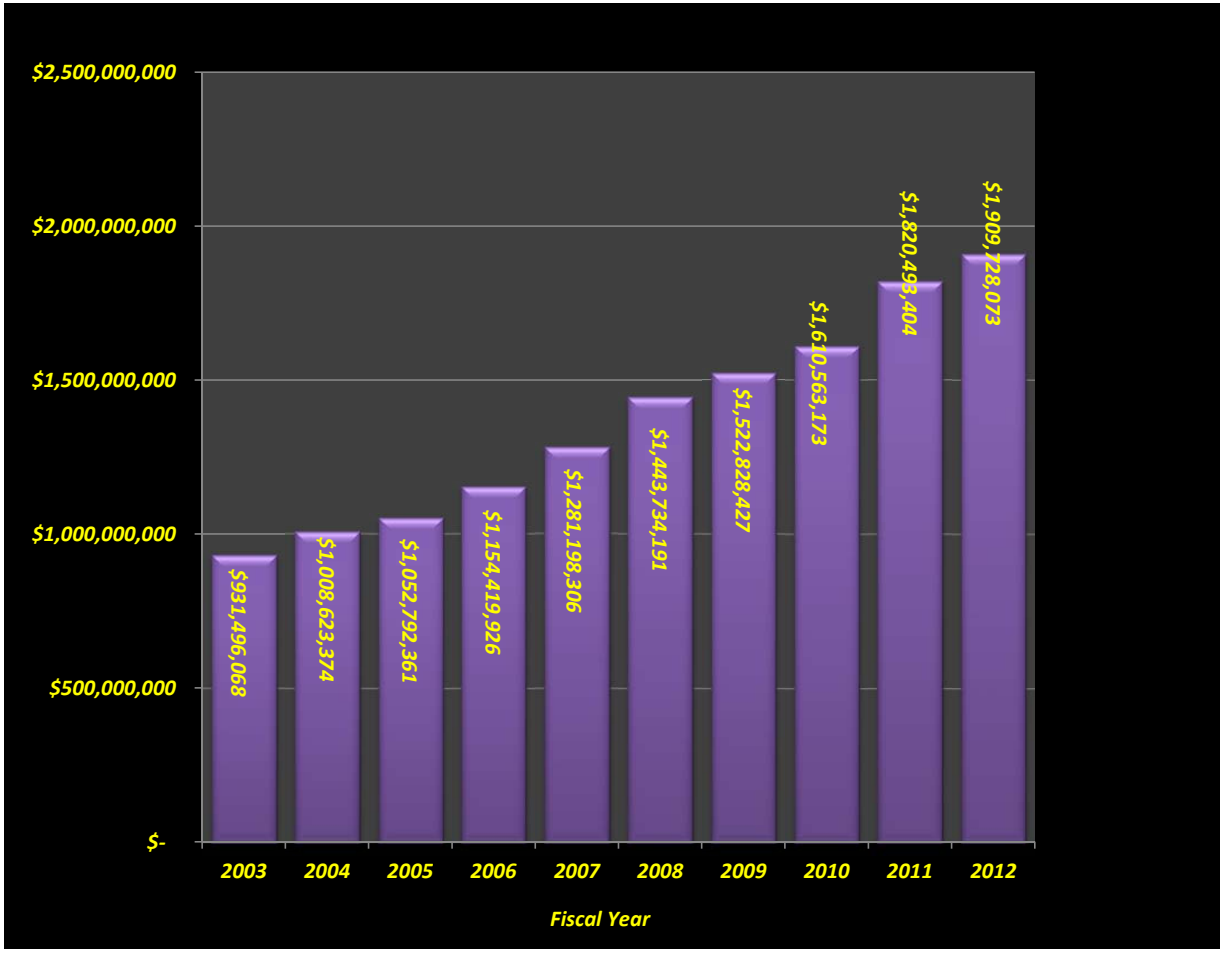


Exhibit II

Fulton County Board of Education, Georgia
Changes in Net Assets - Governmental Activities (Unaudited)
Last Ten Fiscal Years [1]
(accrual basis of accounting)

	For The Fiscal Year Ended June 30,									
	2003	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**
Expenses:										
Instruction	$ 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	$ 622,927,662
Support services:										
Pupil services	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	28,113,941
Improvement of instructional services	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	28,379,748
Educational media services	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	15,166,609
Federal grant administration [3]	-	-	-	-	-	-	-	-	-	1,270,482
General administration	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	4,026,966
School administration	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	52,175,510
Business administration	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	18,180,382
Maintenance and operation of plant	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	74,921,752
Student transportation services	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	53,058,056
Central services	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	14,085,183
Other support services	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	3,053,210
Food service operations	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	43,741,358
Facilities acquisition and construction [2]	-	-	-	-	-	16,181,580	34,031,758	-	-	-
Interest and fiscal charges	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	9,280,753
Total Expenses	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	968,381,612
Program Revenues:										
Charges for services:										
Instruction	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	8,679,645
Pupil services	-	-	-	-	-	-	-	-	14,500	15,400
Improvement of instructional services	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	53,519	91,501	803,190	104,286	206,402	162,000	194,280	292,455	451,135	674,864
Student transportation services	652,750	5,511	6,634,476	4,812,924	964,385	-	-	-	-	-
Food service operations	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	15,457,420
Operating grants and contributions [3]	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	364,309,659
Capital grants and contributions	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	11,832,914
Total Program Revenues	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	400,969,902
Net (Expense) Revenue	(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)	(567,411,710)
General Revenues:										
Taxes:										
Property	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	506,341,396
Sales	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	145,000,549
State reimbursement for homestead exemption	13,064,529	-	-	-	-	-	-	-	-	-
Gain on disposition of capital assets	-	-	-	55,795	94,798	-	-	-	-	-
Investment earnings	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	683,096
Miscellaneous	1,125,040	-	-	-	-	2,525,349	5,048,445	1,783,874	3,337,933	4,621,338
Total General Revenues	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	656,646,379
Change in Net Assets	$ 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	$ 89,234,669

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.

3 The State of Georgia added a requriement that the administration of Federal Grants be reported separately during the current and future fiscal years.

Data Source:

Applicable fiscal years' annual financial report (2003-2007), applicable years' Comprehensive Annual Financial Report (2008-2012).

Exhibit IIA

Fulton County Board of Education, Georgia

Changes in Net Assets - Governmental Activities - Percentage of Total (Unaudited)

Last Ten Fiscal Years [1]

(accrual basis of accounting)

	For The Fiscal Year Ended June 30,									
	2003	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**
Expenses:										
Instruction	67.74%	68.22%	68.20%	67.55%	67.74%	63.02%	61.55%	63.03%	62.62%	64.33%
Support services:										
Pupil services	3.61%	4.04%	4.00%	3.76%	3.43%	3.08%	3.17%	3.44%	2.95%	2.90%
Improvement of instructional services	2.41%	2.00%	1.84%	2.11%	2.10%	2.45%	3.02%	3.35%	2.79%	2.93%
Educational media services	2.13%	2.03%	2.16%	2.06%	1.97%	1.74%	1.59%	1.66%	1.62%	1.57%
Federal grant administration	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.13%
General administration	0.22%	0.28%	0.34%	0.26%	0.19%	0.27%	0.57%	0.58%	0.48%	0.42%
School administration	3.56%	3.61%	3.60%	3.56%	3.67%	5.24%	5.39%	5.47%	5.45%	5.39%
Business administration	0.74%	0.63%	0.59%	1.25%	1.10%	1.83%	1.96%	1.46%	1.63%	1.88%
Maintenance and operation of plan	7.24%	7.15%	7.20%	7.16%	7.23%	7.47%	7.61%	7.62%	7.40%	7.74%
Student transportation service	4.20%	4.10%	4.24%	4.58%	4.73%	4.38%	4.33%	4.51%	5.20%	5.48%
Central services	1.75%	1.60%	1.58%	1.49%	1.52%	1.43%	1.41%	1.55%	1.41%	1.45%
Other support services	0.11%	0.17%	0.17%	0.17%	0.15%	1.31%	0.17%	1.92%	3.13%	0.32%
Food service operations	3.97%	4.11%	4.16%	4.31%	4.64%	4.42%	4.44%	4.27%	4.37%	4.52%
Facilities acquisition and construction[2]	0.00%	0.00%	0.00%	0.00%	0.00%	1.70%	3.47%	0.00%	0.00%	0.00%
Interest and fiscal charges	2.32%	2.06%	1.92%	1.74%	1.55%	1.66%	1.35%	1.14%	0.95%	0.96%
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	1.60%	1.54%	1.24%	0.94%	0.99%	1.23%	2.29%	2.10%	1.94%	2.16%
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%	0.00%	0.00%
General administration	0.00%	0.00%	0.04%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Maintenance and operation of plan	0.02%	0.03%	0.29%	0.03%	0.06%	0.04%	0.05%	0.07%	0.11%	0.17%
Student transportation service	0.25%	0.00%	2.36%	1.51%	0.28%	0.00%	0.00%	0.00%	0.00%	0.00%
Food service operations	5.19%	5.07%	5.29%	4.83%	4.42%	3.57%	4.00%	4.03%	3.52%	3.86%
Operating grants and contributions[3]	89.67%	82.69%	88.97%	90.53%	88.82%	83.18%	88.06%	90.10%	89.50%	90.86%
Capital grants and contributions	3.26%	10.66%	1.80%	2.15%	5.42%	11.97%	5.59%	3.69%	4.93%	2.95%
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	75.27%	77.37%	76.83%	75.56%	75.56%	77.13%	80.46%	81.29%	76.61%	77.11%
Sales	20.44%	21.37%	21.80%	22.09%	21.40%	20.27%	18.09%	18.34%	22.81%	22.08%
State reimbursement for homestead exemption	2.58%	0.00%	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%	0.01%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%
Investment earnings	1.48%	1.26%	1.37%	2.34%	3.03%	2.23%	0.69%	0.10%	0.10%	0.10%
Miscellaneous	0.23%	0.00%	0.00%	0.00%	0.00%	0.37%	0.76%	0.27%	0.48%	0.70%
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 (2003-2007), applicable fiscal years' Comprehensive Annual Financial Report (2008-2012).

Exhibit IIB

Fulton County Board of Education, Georgia

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

Last Nine Fiscal Years [1]

(accrual basis of accounting)

	For The Fiscal Year Ended June 30,								
	2004	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**
Expenses:									
Instruction	3.49%	6.23%	5.25%	8.19%	2.00%	0.65%	0.69%	-5.29%	8.20%
Support services:									
Pupil services	14.92%	5.30%	-0.14%	-1.71%	-1.42%	5.84%	6.71%	-18.17%	3.70%
Improvement of instructional services	-14.85%	-2.06%	21.76%	7.43%	28.01%	26.94%	9.05%	-20.62%	10.73%
Educational media services	-2.17%	13.47%	1.46%	2.71%	-2.96%	-6.05%	2.78%	-7.09%	2.09%
Federal grant administration [4]	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
General administration	31.26%	30.61%	-18.63%	-24.22%	62.46%	113.62%	0.21%	-20.95%	-9.07%
School administration	4.20%	6.02%	5.04%	11.04%	56.59%	5.97%	-0.15%	-5.07%	4.18%
Business administration	-13.57%	0.72%	123.33%	-4.92%	83.14%	10.09%	-26.55%	6.23%	21.33%
Maintenance and operation of plant	1.46%	7.06%	5.64%	8.98%	13.23%	5.10%	-1.57%	-7.39%	10.06%
Student transportation services	0.32%	9.90%	14.63%	11.52%	1.46%	1.80%	2.62%	9.84%	10.93%
Central services	-6.04%	5.11%	0.61%	9.55%	3.67%	0.96%	8.22%	-13.16%	8.69%
Other support services	60.18%	4.81%	3.29%	-5.20%	878.18%	-86.55%	1005.84%	54.83%	-89.38%
Food service operations	6.20%	7.63%	10.02%	16.15%	4.62%	3.37%	-5.37%	-2.38%	8.80%
Facilities acquisition and construction [2]	0.00%	0.00%	0.00%	0.00%	0.00%	110.31%	-100.00%	0.00%	0.00%
Interest and fiscal charges	-8.05%	-2.26%	-2.77%	-4.23%	16.93%	-16.34%	-16.60%	-20.48%	6.30%
Total Expenses	2.75%	6.27%	6.26%	7.87%	9.65%	3.04%	-1.67%	-4.68%	5.33%
Program Revenues:									
Charges for services:									
Instruction	5.70%	-19.68%	-14.37%	15.74%	50.09%	68.05%	-4.34%	-0.44%	4.17%
Pupil services	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Improvement of instructional services	21.59%	33.15%	-22.77%	-6.29%	43.43%	-0.03%	-18.21%	-100.00%	0.00%
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	70.97%	777.79%	-87.02%	97.92%	-21.51%	19.93%	50.53%	54.26%	49.59%
Student transportation services	-99.16%	120286.06%	-27.46%	-79.96%	-100.00%	0.00%	0.00%	0.00%	0.00%
Food service operations	6.76%	4.11%	3.15%	0.64%	-1.99%	0.64%	5.16%	-5.73%	2.23%
Operating grants and contributions [3]	0.75%	7.20%	15.12%	7.84%	13.67%	-4.91%	6.82%	7.09%	-5.18%
Capital grants and contributions	256.27%	-83.16%	35.08%	177.49%	167.59%	-58.10%	-30.98%	43.86%	-44.07%
Total Program Revenues	9.26%	-0.37%	13.14%	9.92%	21.37%	-10.18%	4.41%	7.80%	-6.60%
General Revenues:									
Taxes:									
Property	3.41%	2.44%	10.81%	8.96%	8.91%	1.72%	1.72%	1.72%	-5.58%
Sales	5.18%	5.26%	14.20%	5.52%	1.08%	-12.99%	-12.99%	-12.99%	-9.17%
State reimbursement for homestead exemption	-100.00%	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%	69.90%	-100.00%	0.00%	0.00%	0.00%	0.00%
Investment earnings	-14.73%	12.50%	92.15%	41.23%	-21.38%	-69.83%	-69.83%	-69.83%	-6.07%
Miscellaneous	-100.00%	0.00%	0.00%	0.00%	0.00%	99.91%	99.91%	99.91%	38.45%
Total General Revenues	0.60%	3.17%	12.68%	8.96%	6.70%	-2.50%	-1.20%	5.59%	-6.19%

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.

[4.] The State of Georgia added a requriement that the administration of Federal Grants be reported separately during the current and future fiscal years.

Data Source:

Applicable fiscal years' annual financial report (2003-2007), applicable fisal years' Comprehensive Annual Financial Report (2008-2012

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,							
	2003	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**
General Fund								
Reserved	$ 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]	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	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	-4.3%	0.9%	-13.3%	20.2%	21.3%	-22.7%	-28.2%	26.2%
All Other Governmental Funds [1]								
Reserved	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	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]	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	3,214	3,219	3,224	3,229	3,234	3,241	3,245	3,250
Subtotal All Other Governmental Funds	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	-7.6%	-46.0%	0.9%	34.8%	-71.9%	2.5%	-231.5%	-128.1%
Total Governmental Funds								
Reserved	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	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	$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	-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 (2008-2012).

Exhibit IIIA

Fulton County Board of Education, Georgia
Fund Balances - Governmental Funds (Unaudited)
6/30/2011 and 6/30/2012
(modified accrual basis of accounting)

	2011	2012
General Fund		
Nonspendable	$ 466,468	$ 466,468
Restricted	2,387,000	2,387,000
Commited	122,927,608	137,713,740
Assigned	43,302,590	19,581,128
Unassigned	41,122,880	81,229,927
Subtotal General Fund	210,206,546	241,378,263
General Fund Percentage Change	83.9%	14.8%
All Other Governmental Funds		
Nonspendable	799,998	794,758
Restricted		
Special Revenue Funds	8,734,062	10,476,174
Debt Service Fund	47,747,552	47,975,600
Capital Projects Funds	9,111,797	117,877,856
Unassigned	(7,470,376)	(51,480)
Subtotal All Other Governmental Funds	58,923,033	177,072,908
All Other Governmental Funds Percentage Change[1]	384.4%	200.5%
Total Governmental Funds		
Nonspendable	1,266,466	1,261,226
Restricted	67,980,411	178,716,630
Commited	122,927,608	137,713,740
Assigned	43,302,590	19,581,128
Unassigned	33,652,504	81,178,447
Total Governmental Funds	$ 269,129,579	$ 418,451,171
All Governmental Funds Percentage Change	112.9%	55.5%

Notes:

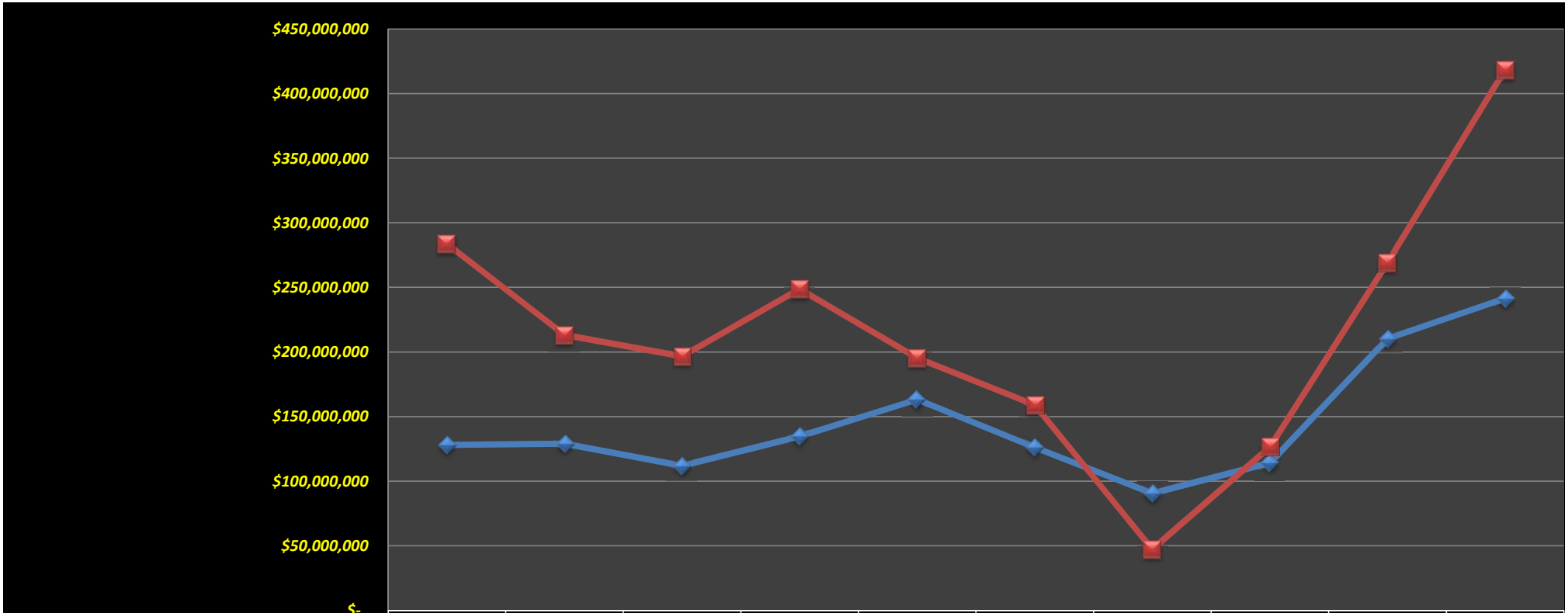
1 This increase relates to the reduction in the deficit fund balance of the 2007 SPLOST capital projects fund. Beginning in fiscal 2011, tax collections exceeded construction costs.

Data Source:

June 30, 2011 and 2012 Comprehensive Annual Financial Report.

Exhibit IIIA

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



	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
General Fund	$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	$241,378,263
Total Governmental Funds	$283,616,968	$213,106,330	$196,735,744	$248,816,067	$195,343,164	$159,037,498	$47,253,439	$126,443,484	$269,129,579	$418,451,171

Exhibit IV

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,									
	2003	**2004**	**2005**	**2006**	**2007**	**2008** [4]	**2009**	**2010**	**2011**	**2012**
Revenue Source	**Amounts**									
Local : [2]										
Property taxes	$ 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	$ 509,727,699
Sales taxes	-	-	-	-	-	139,512,745	118,046,779	123,055,820	130,265,771	176,227,513
Other	-	-	-	-	-	43,711,822	33,911,987	29,203,248	27,126,441	31,222,059
State: [3]	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	316,548,891
Federal	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	76,874,643
Total Revenues	$ 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	$ 1,110,600,805
% Change From Prior Fiscal Year	3.6%	3.2%	1.6%	13.6%	8.5%	11.3%	-6.4%	4.1%	0.9%	1.8%
	Percentage of Total									
Local :										
Property taxes	68.8%	67.1%	68.2%	66.8%	65.8%	47.6%	51.5%	50.8%	49.1%	45.9%
Sales taxes	-	-	-	-	-	12.6%	11.4%	11.4%	11.9%	15.9%
Other	-	-	-	-	-	3.9%	3.3%	2.7%	2.5%	2.8%
State: [3]	27.2%	27.9%	26.5%	27.1%	29.6%	31.7%	27.4%	24.8%	27.6%	28.5%
Federal	4.0%	5.0%	5.3%	6.1%	4.6%	4.2%	6.4%	10.3%	8.9%	6.9%
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

[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 (2008-2012).

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

Function	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Current:										
Instruction	$ 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	$ 561,904,171
Support services:										
Pupil services	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	26,854,503
Improvement of instructional services	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	26,595,855
Educational media services	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	12,707,842
Federal grant administration										1,270,482
General administration	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	3,875,887
School administration	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	48,852,080
Business administration	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	17,120,611
Maintenance and operation of plant	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	71,019,509
Student transportation services	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	45,543,186
Central services	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	13,067,630
On-behalf payments [2]	-	4,365,521	4,482,073	10,666,232	11,267,103	-	-	-	-	-
Other support services	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	1,810,020
Food service operations	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	38,736,561
Community services	-	-	-	-	-	-	-	-	-	-
Total Current	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	869,358,337
% Change From Prior Fiscal Year	2.4%	5.4%	6.8%	7.6%	7.8%	10.6%	0.5%	-0.3%	-4.5%	2.3%
Capital Outlay [3]	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	103,440,578
% Change From Prior Fiscal Year	18.3%	46.5%	-43.7%	-14.2%	140.2%	-11.8%	16.4%	-62.2%	-11.0%	38.7%
Debt Service										
Principal [4]	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	15,670,000
Interest and fees	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	8,717,761
Total Debt Service	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	24,387,761
% Change From Prior Fiscal Year	-5.7%	-1.3%	-16.1%	6.8%	-1.3%	128.4%	-58.7%	-4.1%	-7.5%	0.0%
Total Expenditures	$ 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	$ 997,186,676
% Change From Prior Fiscal Year	4.3%	11.8%	-4.9%	4.8%	21.3%	9.2%	-0.3%	-12.4%	-5.1%	5.1%
Debt Service as a % of Noncapital Expenditures	5.1%	4.8%	3.8%	3.8%	3.5%	6.9%	3.0%	2.9%	2.8%	2.7%

Notes:

[1] Includes all governmental fund types.

[2] In fiscal years 2001 - 2003, 2008 - 2010, 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 (2008-2012).

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	**2003**	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**
Current:										
Instruction	54.5%	51.7%	57.9%	58.3%	51.8%	50.3%	50.2%	56.3%	56.1%	56.3%
Support services:										
Pupil services	3.2%	3.2%	3.6%	3.5%	2.8%	2.6%	2.7%	3.2%	2.8%	2.7%
Improvement of instructional services	2.1%	1.5%	1.6%	1.9%	1.6%	2.0%	2.5%	3.1%	2.6%	2.7%
Educational media services	1.6%	1.5%	1.8%	1.7%	1.4%	1.3%	1.2%	1.4%	1.4%	1.3%
Federal grant administration	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%
General administration	0.2%	0.2%	0.3%	0.2%	0.2%	0.2%	0.5%	0.5%	0.5%	0.4%
School administration	3.0%	2.8%	3.1%	3.2%	2.9%	4.3%	4.5%	5.1%	5.1%	4.9%
Business administration	0.6%	0.5%	0.5%	1.1%	0.9%	1.5%	1.6%	1.3%	1.5%	1.7%
Maintenance and operation of plant	6.4%	5.6%	6.3%	6.5%	5.9%	6.2%	6.4%	7.1%	7.0%	7.1%
Student transportation services	3.1%	2.9%	3.4%	3.6%	3.3%	3.4%	3.5%	3.8%	4.4%	4.6%
Central services	1.5%	1.2%	1.4%	1.3%	1.2%	1.2%	1.2%	1.4%	1.3%	1.3%
On-behalf payments [2]	0.0%	0.5%	0.5%	1.2%	1.1%	0.0%	0.0%	0.0%	0.0%	0.0%
Other support services	0.1%	0.1%	0.2%	0.2%	0.1%	1.1%	0.1%	1.9%	3.0%	0.2%
Food service operations	3.0%	3.0%	3.5%	3.6%	3.5%	3.5%	3.6%	3.7%	3.9%	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	79.3%	74.7%	83.9%	86.2%	76.6%	77.6%	78.2%	89.0%	89.6%	87.2%
Capital Outlay [3]	16.4%	21.5%	12.7%	10.4%	20.6%	16.6%	19.4%	8.4%	7.9%	10.4%
Debt Service										
Principal [4]	2.2%	2.1%	1.6%	1.8%	1.5%	4.4%	1.2%	1.5%	1.6%	1.6%
Interest and fees	2.1%	1.7%	1.8%	1.6%	1.3%	1.4%	1.2%	1.1%	0.9%	0.9%
Total Debt Service	4.3%	3.8%	3.4%	3.4%	2.8%	5.8%	2.4%	2.6%	2.6%	2.4%
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 2001 - 2003 and 2008 - 2010, 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 (2008-2012).

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,									
	2003	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**
Function	**Amounts**									
Current:										
Instruction	$ 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	$ 561,904,171
Support services:										
Pupil services	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	26,854,503
Improvement of instructional services	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	26,595,855
Educational media services	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	12,707,842
Federal grant administration	-	-	-	-	-	-	-	-	-	1,270,482
General administration	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	3,875,887
School administration	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	48,852,080
Business administration	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	17,120,611
Maintenance and operation of plant	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	71,019,509
Student transportation services	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	45,543,186
Central services	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	13,067,630
On-behalf payments [2]	-	4,365,521	4,482,073	10,666,232	11,267,103	-	-	-	-	-
Other support services	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	1,810,020
Food service operations	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	38,736,561
Community services	-	-	-	-	-	-	-	-	-	-
Total Current	$ 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	$ 869,358,337
	Percentage of Total									
Current:										
Instruction	68.8%	69.1%	69.0%	67.6%	67.7%	64.8%	64.3%	63.3%	62.7%	64.6%
Support services:										
Pupil services	4.0%	4.3%	4.2%	4.0%	3.7%	3.3%	3.4%	3.6%	3.1%	3.1%
Improvement of instructional services	2.6%	2.0%	1.9%	2.2%	2.1%	2.6%	3.3%	3.5%	2.9%	3.1%
Educational media services	2.0%	2.0%	2.1%	2.0%	1.8%	1.7%	1.6%	1.6%	1.5%	1.5%
Federal grant administration	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%
General administration	0.2%	0.3%	0.4%	0.3%	0.2%	0.3%	0.6%	0.6%	0.5%	0.4%
School administration	3.8%	3.7%	3.7%	3.7%	3.8%	5.5%	5.8%	5.7%	5.7%	5.6%
Business administration	0.8%	0.6%	0.6%	1.3%	1.1%	1.9%	2.1%	1.5%	1.7%	2.0%
Maintenance and operation of plant	8.0%	7.5%	7.6%	7.6%	7.7%	7.9%	8.2%	8.0%	7.8%	8.2%
Student transportation services	3.9%	3.9%	4.0%	4.1%	4.3%	4.4%	4.4%	4.3%	4.9%	5.2%
Central services	1.9%	1.7%	1.6%	1.5%	1.6%	1.5%	1.5%	1.6%	1.5%	1.5%
On-behalf payments [2]	0.0%	0.7%	0.6%	1.4%	1.4%	0.0%	0.0%	0.0%	0.0%	0.0%
Other support services	0.1%	0.2%	0.2%	0.2%	0.2%	1.4%	0.2%	2.1%	3.4%	0.2%
Food service operations	3.9%	4.0%	4.1%	4.1%	4.4%	4.7%	4.6%	4.2%	4.3%	4.5%
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 2000 - 2003 and 2008 - 2010, 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 (2008-2012

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	**2003**	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**
Total Revenues	$ 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	$ 1,110,600,805
Total Expenditures	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	997,186,676
Excess (Deficiency) of Revenues Over (Under) Expenditures	(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	113,414,129
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	25,088
Insurance proceeds	-	-	-	-	-	-	-	-	31,153	247,375
Inception of Intergovernmental agreement										35,635,000
Transfers in	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	23,400,865
Transfers out	(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)	(23,400,865)
Total Other Financing Sources (Uses)	-	225,699	89,056	67,040	179,078	5,001	9,706	6,889	40,721	35,907,463
Net Change in Fund Balances	$ (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	$ 149,321,592

Notes:
[1] Includes all governmental fund types.

Data Source:
Applicable fiscal years' annual financial report (2002-2007), applicable fiscal years' Comprehensive Annual Financial Report (2008-2012).

Exhibit VIIA

Fulton County, Georgia

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

Last Ten Fiscal Years

(modified accrual basis of accounting)

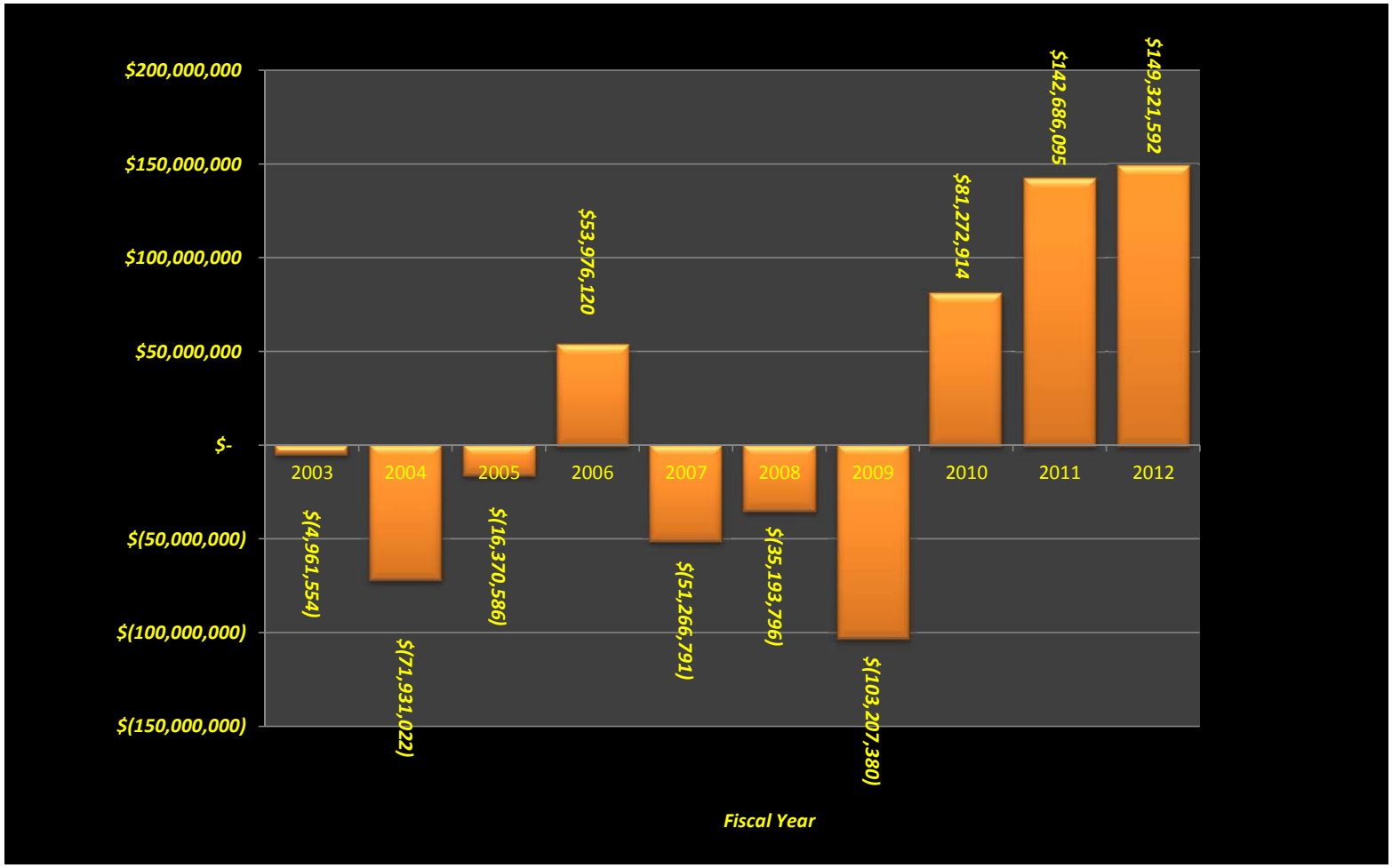


Exhibit VIII

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]	Amounts												
	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
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%
2012	15,700,034,770	10,768,109,350	1,173,143,670	26,659,930	84,885,180	441,258,358	1,582,514,292	672,109	1,469,424,399	28,307,853,260	18.502	70,769,633,150	-3.2%
*	$ 15,379,884,459	$ 9,480,585,588	$ 984,276,989	$ 24,158,591	$ 62,656,278	$ 438,206,093	$ 1,393,340,875	$ 808,055	$ 1,354,427,900	$ 26,409,489,028		$ 66,023,722,570	
**	36.8%	39.6%	108.7%	-9.1%	101.8%	9.8%	14.5%	165.4%	28.8%	38.3%		38.3%	
	Percentage of Total												
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%			
2012	52.7%	36.2%	3.9%	0.1%	0.3%	1.5%	5.3%	0.0%	5.2%	94.8%			

* Dollar average for ten years.

** Percentage change in dollars over ten 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)

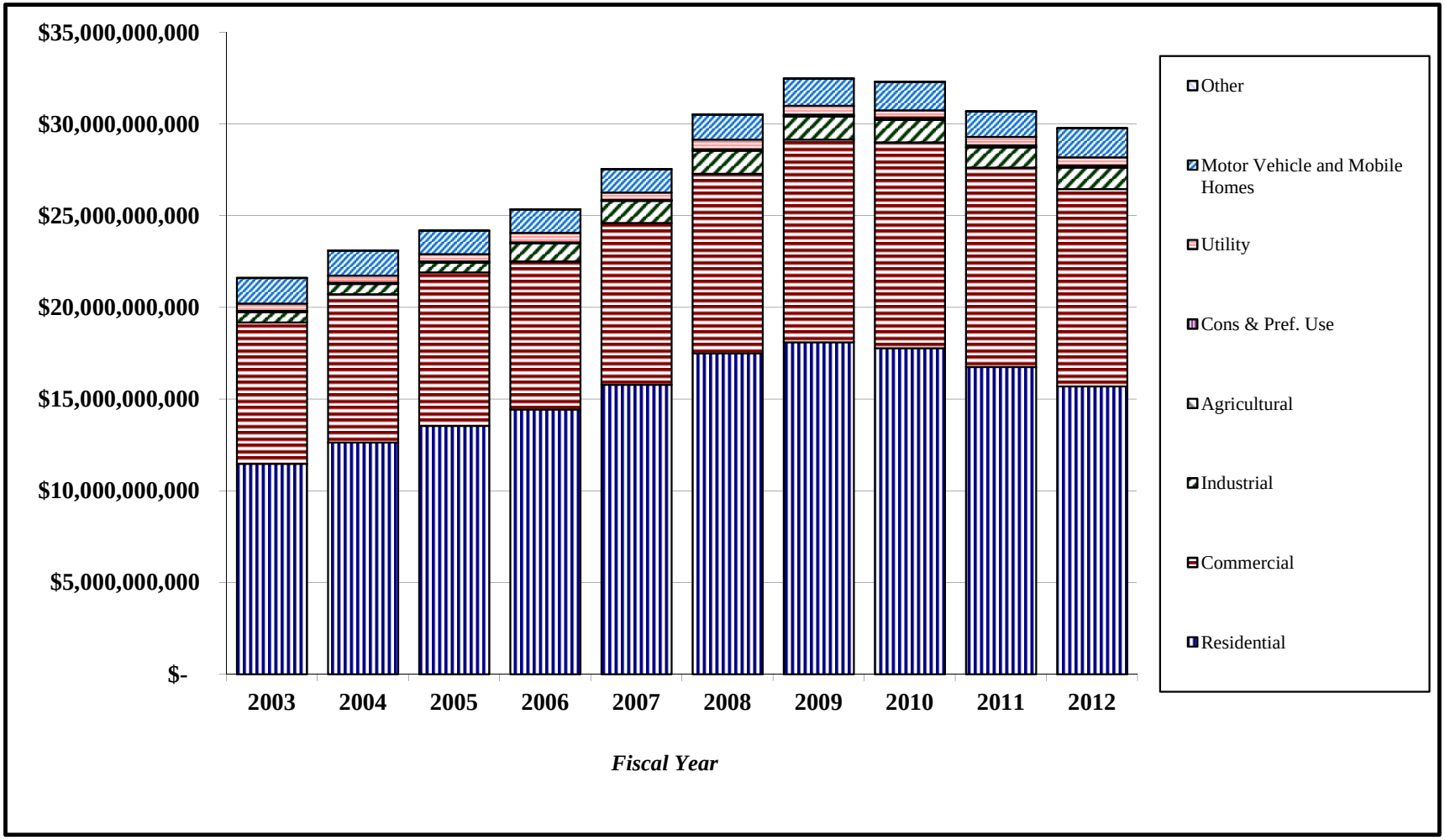


Exhibit IX

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,									
	2003	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**
Direct-School District:										
Maintenance and operations [5]	18.460	17.758	17.315	17.825	17.825	16.903	16.403	17.502	18.502	18.502
Debt service	0.310	0.298	0.291	0.282	0.282	1.188	1.099	-	-	-
Total Direct-School District	18.770	18.056	17.606	18.107	18.107	18.091	17.502	17.502	18.502	18.502
Overlapping: [1]										
Fulton County	12.810	12.320	11.650	11.650	11.470	10.281	10.281	10.281	10.281	10.281
Debt service										0.270
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	13.060	12.570	11.900	11.900	11.720	10.531	10.531	10.531	10.531	10.801
Underlying: [2, 6]										
City of Alpharetta	7.230	7.000	7.000	7.000	6.600	6.248	5.750	5.750	5.750	5.750
City of College Park	9.560	9.560	9.560	9.560	9.560	9.560	9.560	9.560	11.560	11.560
City of Chattahoochee Hills	-	-	-	-	-	-	5.659	-	-	-
City of East Point	15.000	12.500	12.370	12.370	12.163	14.750	14.750	14.750	14.750	13.750
City of Fairburn	6.000	6.000	5.750	5.450	5.000	5.000	5.000	5.000	7.500	9.930
City of Hapeville	9.610	9.610	12.610	12.610	12.610	16.610	16.610	16.610	16.610	16.610
City of John's Creek	-	-	-	-	-	-	4.614	4.614	4.614	4.614
City of Milton	-	-	-	-	-	-	4.731	4.731	4.731	4.731
City of Mountain Park	5.760	7.000	6.950	9.920	9.890	11.780	11.780	11.780	11.780	10.780
City of Palmetto	4.500	4.500	4.500	4.500	4.500	4.500	8.500	8.450	8.450	8.450
City of Roswell	5.430	5.170	6.090	6.090	6.090	5.657	5.455	5.455	5.455	5.455
City of Sandy Springs	-	-	-	-	4.730	4.731	4.731	4.731	4.731	4.731
City of Union City	7.500	7.500	7.500	7.500	7.500	9.500	9.500	9.500	9.500	10.238

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

[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

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

2011 Property Tax Rates [1, 2] (Unaudited)

For the Fiscal Year Ended June 30, 2012

(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	0.054	21.694
Rockdale County	24.500	-	24.500
Gwinnett County	19.250	1.300	20.550
Douglas County	19.850	3.100	22.950
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

Property Tax Levies and Collections (Unaudited)

Last Nine 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 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%	$ 2,630,863	$ 375,289,863	96.71%	$ 12,775,137	3.29%
2005	397,385,000	381,609,000	96.03%	4,494,739	386,103,739	97.16%	11,281,261	2.84%
2006	429,335,000	412,290,000	96.03%	3,111,004	415,401,004	96.75%	13,933,996	3.25%
2007	467,017,000	448,477,000	96.03%	19,889,140	468,366,140	100.29%	(1,349,140)	-0.29%
2008	492,559,000	477,881,000	97.02%	13,538,043	491,419,043	99.77%	1,139,957	0.23%
2009 [3]	509,503,000	466,717,804	91.60%	16,988,230	483,706,034	94.94%	25,796,966	5.06%
2010	542,122,000	485,963,186	89.64%	4,532,771	490,495,957	90.48%	51,626,043	9.52%
2011	540,894,000	483,165,811	89.33%	3,742,128	486,907,939	90.02%	53,986,061	9.98%
2012	523,751,000	465,926,520	88.96%	-	465,926,520	88.96%	57,824,480	11.04%

Notes:

[1] Only nine 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 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 of tax appeals as a result of the change in methodlogy 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, 2012 and 2002 [2]

2012				2002			
Principal Taxpayer	**Taxable Assessed Value**	**Rank**	**Percentage of Total Taxable Assessed Value**	**Principal Taxpayer**	**Taxable Assessed Value**	**Rank**	**Percentage of Total Taxable Assessed Value**
Development Authority of Fulton County	$ 958,054,135	1	1.79%	Bell South Communications	$ 466,573,480	1	1.28%
Georgia Power	393,189,828	2	0.73%	Coca Cola	299,400,870	2	0.82%
Coca Cola	215,524,841	3	0.40%	AT&T	161,662,492	3	0.44%
AT&T	183,267,851	4	0.34%	Delta Airlines	134,358,460	4	0.37%
Bell South Telecommunications	143,310,755	5	0.27%	Post Apartment Homes	131,297,090	5	0.36%
BF ATL, LLC	135,349,360	6	0.25%	International Business Machines	129,997,050	6	0.36%
Delta Airlines	128,422,871	7	0.24%	Ford Motor Company	108,107,980	7	0.30%
Post Apartment Homes	124,885,991	8	0.23%	Concourse V	67,440,700	8	0.18%
Sun Trust Plaza Associate LLC	96,150,900	9	0.18%	Georgia Power	66,027,066	9	0.18%
IEP Peachtree LLC	91,879,110	10	0.17%	Hodges M D	50,434,930	10	0.14%
Total Principal Taxpayers	2,470,035,642		4.61%	**Total Principal Taxpayers**	1,615,300,118		4.24%
All Other Taxpayers	51,058,225,073		95.39%	**All Other Taxpayers**	36,500,933,882		95.76%
Total	$ 53,528,260,715		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.

Data Source:

Fulton County, Georgia, December 31, 2011 Comprehensive Aannual 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
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%
2012	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, 2007 and expires June 30, 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 fiscal year by the amount of these taxes collected in the prior fiscal 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 - 2011 [1]

By Group	2006 Amount	2006 Percentage	2007 Amount	2007 Percentage	2008 Amount	2008 Percentage	2009 Amount	2009 Percentage	2010 Amount	2010 Percentage	2011 Amount	2011 Percentage
NAICS codes:[4]												
General merchandise	$ -	-	$ -	-	$ -	-	$ 16,232,562	7.48%	$ 27,467,089	12.73%	$ 26,344,143	11.77%
Food/bars	-	-	-	-	-	-	27,424,757	12.64%	43,489,917	20.16%	43,788,988	19.56%
Manufacturing	-	-	-	-	-	-	8,681,075	4.00%	12,447,497	5.77%	11,876,878	5.31%
Utilities	-	-	-	-	-	-	9,438,093	4.35%	15,516,232	7.19%	13,822,103	6.18%
Other retail	-	-	-	-	-	-	16,732,759	7.71%	28,680,933	13.30%	28,304,008	12.65%
Wholesale	-	-	-	-	-	-	7,679,644	3.54%	14,921,503	6.92%	19,717,692	8.81%
Automotive	-	-	-	-	-	-	8,740,443	4.03%	14,541,053	6.74%	16,949,228	7.57%
Home furnishings	-	-	-	-	-	-	10,807,468	4.98%	17,984,958	8.34%	18,723,733	8.37%
Miscellaneous services	-	-	-	-	-	-	19,949,730	9.19%	24,842,900	11.52%	26,404,200	11.80%
Other services	-	-	-	-	-	-	1,589,193	0.73%	3,161,945	1.47%	5,703,393	2.55%
Accommodations	-	-	-	-	-	-	6,482,739	2.99%	11,134,572	5.16%	11,069,356	4.95%
Construction	-	-	-	-	-	-	1,066,196	0.49%	1,508,165	0.70%	1,129,538	0.50%
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%	-	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%	-	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%	-	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%	-	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%	-	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%	-	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%	-	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%	-	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%	-	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%	-	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%	$ 223,833,260	100.00%
Total percentage change	N/A		3.0%		-3.9%		-7.0%		-0.6%		3.8%	

Notes:

[1] Only six 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
2003	$ 235,460,000	0.006%	0.0005%	815,224	$ 289
2004	225,795,000	0.006%	0.0004%	812,568	278
2005	215,895,000	0.005%	0.0004%	809,481	267
2006	203,740,000	0.004%	0.0003%	818,737	249
2007	191,360,000	0.004%	0.0003%	845,181	226
2008	178,755,000	0.003%	0.0002%	869,329	206
2009	164,890,000	0.003%	0.0002%	888,694	186
2010	149,760,000	0.003%	0.0002%	905,511	165
2011	134,370,000	0.003%	0.0002%	920,581	146
2012	118,700,000	0.002%	0.0002%	949,599	125

Data Sources:

[1] Applicable fiscal years' annual financial report (2002-2007), applicable fiscal years' Comprehensive Annual Financial Report (2008-2012).

[2] Schedule XVIII

3. Schedule VIII

Exhibit XVI

Fulton County Board of Education, Georgia

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

June 30, 2012

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable [1]	Estimated Share of Overlapping Debt
Underlying Debt[2, 3]			
City of Alpharetta,	$ 26,220,000	100.0%	$ 26,220,000
City of Hapeville	10,085,000	100.0%	10,085,000
City of Roswell	22,180,000	100.0%	22,180,000
City of Union City	11,185,000	100.0%	11,185,000
City of East Point Building Authority	73,920,000	100.0%	73,920,000
City of Atlanta and Fulton County Recreation Authority	138,640,000	98.0%	135,867,200
Fulton County Library Bonds	165,563,819	100.0%	165,563,819
Fulton County Urban Redevelopment Agency	30,458,000	100.0%	30,458,000
College Park Business and Industrial Development Authority	2,545,000	100.0%	2,545,000
Total Underlying Debt			478,024,019
Overlapping Debt:[3]			
Building Authority of Fulton County	21,629,171	100.0%	21,629,171
Fulton-DeKalb Hospital Authority Revenue Refunding Certificates			
Series 2003	154,745,000	68.1%	105,395,272
Series 2010	15,330,000	100.0%	15,330,000
Series 2011	15,480,000	100.0%	15,480,000
Total Overlapping Debt:			157,834,443
School District Direct Debt[4]			
General Obligation Bonds	118,700,000	100.0%	118,700,000
School District Contracutal Obligations			
City of Union City Georgia, Revenue Bonds (Fulton County School District Project)	35,635,000	100.0%	35,635,000
Total Underlying, Overlapping and Direct Debt			$ 790,193,462

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, 2011 or June 30, 2010, as the most current information available.

Data Source:

[4] Fulton County, Georgia, December 31, 2011 Comprehensive Aannual Financial Report.

Exhibit XVII

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

	June 30,									
	2003	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**
Assessed Value [1]	$ 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	$ 28,307,853,260
Legal Debt Margin										
Debt limit (10% of assessed value)[2]	$ 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	$ 2,830,785,326
Debt applicable to limit: [2]										
General obligation bonds	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	118,700,000
Less: Amount reserved for repayment of general obligation debt	4,574,908	4,503,790	4,531,888	5,436,725	5,835,059	15,934,496	44,855,494	47,441,152	47,474,552	47,975,600
Total debt applicable to limit	230,885,092	221,291,210	211,363,112	198,303,275	185,524,941	162,820,504	120,034,506	102,318,848	86,895,448	70,724,400
Legal Debt Margin	$ 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	$ 2,836,549,500	$ 2,760,060,926
Total net debt applicable to the limit as a % of the debt limit	11.28%	10.13%	9.21%	8.23%	7.08%	5.59%	3.86%	3.32%	2.97%	2.50%

Notes:

[2] Under Article 9, Section 5, Paragraph 1 of the State of Georgia Constitution, the School District's outstanding general

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	815,224	$ 40,063,043	49,144	156%		5.3%	4.8%	5.8%
2003	812,568	$ 40,645,306	50,021	155%	N/A	5.6%	5.0%	6.3%
2004	809,481	43,670,962	53,949	159%	N/A	5.2%	4.7%	5.6%
2005	818,737	47,393,823	57,887	163%	N/A	5.5%	5.2%	5.1%
2006	845,181	51,539,185	60,980	162%	N/A	5.0%	4.8%	4.6%
2007	869,329	53,867,066	61,964	157%	N/A	4.7%	4.5%	4.6%
2008	888,694	52,969,637	59,604	146%	N/A	6.2%	6.0%	5.6%
2009	905,511	49,122,894	54,249	140%	N/A	10.5%	10.0%	9.5%
2010	920,581	51,302,609	55,407	139%	35.2	10.2%	10.0%	9.4%
2011	949,599	51,400,000	54,128	130%	35.2	10.2%	9.9%	9.1%

Data Sources:

[1] 2002 - 2011 - http://recenter.tamu.edu/data/popc/popcs13.html,

[2] 2002 - 2010 - U.S. Bureau of Economic Analysis - http://www.bea.gov/regional/reis/default.cfm?selTable=CA1-3&section=2, 2011 estimated by management

[3] 2002 - 2010 Bureau of Economic Analysis - http://www.bea.gov/bea/regional/reis/drill.cfm, 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, 2012 and 2000

		2012 [1]		
Employer	**Type of Business**	**Number of Employees**	**Rank**	**Percentage of Major County Employers**
Delta Airlines	Airline	22,257	1	0.86%
AT&T	Utility	21,915	2	0.85%
Cox Enterprises	Communications	13,583	3	0.53%
United Parcel Service	Freight	15,500	4	0.60%
Bellsouth Corp	Communications	10,745	5	0.42%
United States Postal Service	Government	14,000	6	0.54%
Fulton County School System	Government	12,777	7	0.49%
Atlanta City Municipal Government	Government	7,934	8	0.31%
Georgia Institute of Technology	Government	7,342	9	0.28%
IBM Corporation	Technology	7,500	10	0.29%
Total Principal Employers' Employees		133,553		5.17%
Other Employers' Employees [3]		2,449,074		94.83%
Total Estimated Employees [2]		2,582,627		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, 2011 Comprehenisive Annual Financial Report.

[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 Six Fiscal Years [1]

Function	Fiscal Year Ended June 30, 2007	2008	2009	2010	2011	2012
Instruction	8,696	9,113	8,667	8,545	7,972	7,802
Pupil services	372	406	387	384	319	328
Improvement of instructional services	133	148	229	250	211	237
Educational media services	209	206	204	214	192	190
Federal Grants Administration						2
General administration	14	14	17	20	19	11
School administration	253	256	698	686	686	692
Business administration	91	75	94	97	104	108
Maintenance and operation of plant	690	706	788	755	679	665
Student transportation services	809	891	929	980	954	954
Central services	102	108	103	102	107	98
Other supporting services	22	24	26	31	46	43
Food service operations	799	827	873	903	731	726
Facilities acquisition and construction	2	3	3	3	5	5
Total	12,192	12,777	13,018	12,969	12,025	11,861
Percentage Change From Prior Fiscal Year	N/A	4.8%	1.9%	-0.4%	-7.3%	-1.4%

Notes:

[1] Only six 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]
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	43.9%
2012	39,132	31,586	123.9%	83,688	61,410	52,871	43.9%

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.

Exhibit XXII

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

School	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
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	754	773	701	704	725	767	794	828	779	792
Alpharetta(1956)										
Square Feet	101,655	101,655	101,655	101,655	101,655	101,655	101,655	101,655	115,655	115,655
Capacity	775	775	775	775	775	775	775	775	900	900
Enrollment	989	1,007	710	710	719	707	696	715	687	659
Barnwell(1987)										
Square Feet	88,460	88,460	88,460	88,460	88,460	88,460	88,460	88,460	122,429	122,429
Capacity	650	650	650	650	650	650	650	650	850	850
Enrollment	642	641	662	671	705	730	728	748	779	801
Bethune(1968)										
Square Feet	78,004	78,004	78,004	78,004	78,004	78,004	78,004	106,004	107,066	107,066
Capacity	575	575	575	575	575	575	575	850	825	825
Enrollment	594	647	697	699	695	672	697	691	755	740
Birmingham Falls(2009)										
Square Feet	-	-	-	-	-	-	-	116,824	117,137	117,137
Capacity	-	-	-	-	-	-	-	850	850	850
Enrollment	-	-	-	-	-	-	-	760	742	721
Brookview(1972)										
Square Feet	77,949	77,949	77,949	77,949	77,949	77,949	77,949	77,949	86,193	86,193
Capacity	525	525	525	525	525	525	525	525	550	550
Enrollment	507	460	475	479	565	575	611	537	487	426
Campbell(1996)										
Square Feet	108,143	108,143	135,441	131,594	131,594	131,594	131,594	131,594	130,445	130,445
Capacity	650	650	900	900	900	900	900	900	900	900
Enrollment	568	567	643	876	1032	936	900	859	897	800
Cliftondale(2009)										
Square Feet	-	-	-	-	-	-	-	109,312	117,137	117,137
Capacity	-	-	-	-	-	-	-	850	850	850
Enrollment	-	-	-	-	-	-	-	840	843	842
Cogburn Woods(2004)										
Square Feet	-	-	116,284	116,284	116,284	116,284	116,284	116,284	127,084	127,084
Capacity	-	-	850	850	850	850	850	850	850	850
Enrollment	-	-	781	885	897	950	918	1,019	921	936
College Park(1965)										
Square Feet	100,615	100,615	100,615	100,615	100,615	100,615	100,615	100,615	100,615	0
Capacity	500	500	500	500	500	500	500	500	475	0
Enrollment	393	362	319	294	297	355	370	355	276	0
Conley Hills(1953)										
Square Feet	101,096	101,096	101,096	101,096	101,096	101,096	103,296	103,296	98,590	98,590
Capacity	700	700	700	700	700	700	700	700	700	700
Enrollment	772	503	527	607	622	592	549	537	491	478
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	851	880	794	802	835	851	870	753	735	730
Creek View(2001)										
Square Feet	108,426	114,428	114,428	114,428	114,428	114,428	114,428	114,428	118,028	118,028
Capacity	850	850	850	850	850	850	850	850	850	850
Enrollment	867	907	936	1,019	1,007	1,012	978	965	952	994
Dolvin(1979)										
Square Feet	91,824	91,824	131,944	131,944	131,944	131,944	131,944	131,944	139,144	139,144
Capacity	725	725	725	1,025	1,025	1,025	1,025	1,025	1,050	1,050
Enrollment	580	574	944	972	938	933	970	966	962	917
Dunwoody Springs(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	697	672	754	866	905	850	898	674	735	711

Exhibit XXII

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

School	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Feldwood(2010)										
Square Feet	-	-	-	-	-	-	-	-	117,137	117,137
Capacity	-	-	-	-	-	-	-	-	875	875
Enrollment	-	-	-	-	-	-	-	-	793	669
Findley Oaks(1994)										
Square Feet	107,313	107,313	115,081	122,849	122,849	122,849	122,849	122,849	118,017	118,017
Capacity	800	800	800	875	875	875	875	875	875	875
Enrollment	920	889	863	839	874	836	812	801	759	707
Gullatt(1976)										
Square Feet	76,857	76,857	76,857	76,857	76,857	76,857	76,857	76,857	77,994	77,994
Capacity	500	500	500	500	500	500	500	500	525	525
Enrollment	566	527	534	555	570	553	539	568	269	474
Hapeville(1939)										
Square Feet	130,000	130,000	130,000	130,000	130,000	130,000	130,000	130,000	121,516	121,516
Capacity	800	800	800	800	800	800	800	800	825	825
Enrollment	815	789	686	669	632	673	691	744	747	641
Heards Ferry(1970)										
Square Feet	85,394	85,394	85,394	85,394	85,394	85,394	85,394	85,394	84,380	84,380
Capacity	625	625	625	625	625	625	625	625	625	625
Enrollment	453	476	510	523	522	591	400	485	564	609
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	632	668	714	736	792	788	815	740	812	775
Heritage(2000)										
Square Feet	108,426	108,426	108,426	108,426	108,426	108,426	108,426	108,426	110,972	110,972
Capacity	850	850	850	850	850	850	850	850	875	875
Enrollment	809	810	792	940	993	949	1,041	910	738	668
High Point(1961)										
Square Feet	84,948	84,948	84,948	84,948	108,015	108,015	108,015	108,015	108,015	108,015
Capacity	625	625	625	625	625	850	850	850	850	850
Enrollment	607	684	707	799	827	816	613	632	730	809
Hillside(2001)										
Square Feet	114,428	114,428	114,428	114,428	114,428	114,428	114,428	114,428	121,628	121,628
Capacity	850	850	850	850	850	850	850	850	850	850
Enrollment	770	812	722	737	710	725	719	822	739	721
Hamilton E. Holmes(2003)										
Square Feet	-	128,253	128,253	128,253	128,253	128,253	128,253	128,253	124,307	124,307
Capacity	-	950	950	950	950	950	950	950	950	950
Enrollment	-	627	480	533	579	654	652	645	452	748
Ison Springs(2009)										
Square Feet	-	-	-	-	-	-	-	126,320	126,612	126,612
Capacity	-	-	-	-	-	-	-	850	850	850
Enrollment	-	-	-	-	-	-	-	660	697	623
Esther Jackson(1975)										
Square Feet	91,109	91,109	91,109	91,109	91,109	91,109	91,109	91,109	109,702	109,702
Capacity	625	625	625	625	625	625	625	625	625	625
Enrollment	488	469	615	644	652	662	698	640	638	679
Lake Forest(2008)										
Square Feet	-	-	-	-	-	-	126,320	126,320	126,320	126,320
Capacity	-	-	-	-	-	-	850	850	850	850
Enrollment	-	-	-	-	-	-	597	656	743	843
Lake Windward(1989)										
Square Feet	114,250	114,250	114,250	114,250	114,250	114,250	114,250	114,250	125,050	125,050
Capacity	875	875	875	875	875	875	875	875	875	875
Enrollment	762	796	827	877	899	877	881	853	881	827
Seaborn Lee(1970)										
Square Feet	81,397	81,397	81,397	81,397	81,397	81,397	81,397	81,397	84,069	84,069
Capacity	575	575	575	575	575	575	575	575	575	575
Enrollment	348	387	430	635	614	607	634	607	538	514
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	560	564	619	708	735	744	712	730	555	577

Exhibit XXII

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

School	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Liberty Point(2002)										
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	552	647	740	925	964	786	726	728	689	672
Manning Oaks(1998)										
Square Feet	108,426	108,426	108,426	108,426	108,429	108,429	108,429	108,429	108,426	108,426
Capacity	850	850	850	850	850	850	850	850	850	850
Enrollment	751	780	815	897	874	943	965	761	839	807
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	872	853	666	699	720	702	679	688	671	689
Mimosa(1968)										
Square Feet	104,451	104,451	104,451	104,451	104,451	104,451	132,641	132,641	137,252	137,252
Capacity	725	725	725	725	725	725	1,000	1,000	1,000	1,000
Enrollment	673	693	698	755	827	808	857	1,031	1,112	1,065
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	580	527	488	527	554	505	531	520	512	706
Mountain Park(1973)										
Square Feet	93,980	93,980	93,980	93,980	93,980	93,980	93,980	121,980	119,526	119,526
Capacity	775	775	775	775	775	775	775	1,000	1,000	1,000
Enrollment	770	754	786	790	810	803	825	900	894	860
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	1,003	1,021	653	712	690	638	602	619	569	585
Love T. Nolan(1975)										
Square Feet	85,182	85,182	85,182	85,182	85,182	85,182	85,182	109,862	106,651	106,651
Capacity	600	600	600	600	600	600	600	850	850	850
Enrollment	565	551	530	581	744	768	793	810	774	753
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	832	844	850	821	868	877	900	733	725	736
Oak Knoll(1963)										
Square Feet	95,578	95,578	95,578	95,578	95,578	95,578	95,578	95,578	106,378	106,378
Capacity	575	575	575	575	575	575	575	575	575	575
Enrollment	797	615	630	582	606	572	599	591	573	466
Oakley(2007)										
Square Feet	-	-	-	-	-	122,250	122,250	122,250	122,250	122,250
Capacity	-	-	-	-	-	850	850	850	875	875
Enrollment	-	-	-	-	-	776	848	896	757	722
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	830	792	825	773	779	786	793	796	760	771
Palmetto(1971)										
Square Feet	145,800	145,800	145,800	145,800	145,800	145,800	145,800	145,800	149,400	149,400
Capacity	625	625	625	625	625	625	625	625	625	625
Enrollment	492	513	533	545	589	529	541	523	518	531
Parklane(1954)										
Square Feet	88,710	88,710	88,710	88,710	88,710	88,710	88,710	88,710	87,450	87,450
Capacity	625	625	625	625	625	625	625	625	625	625
Enrollment	736	491	444	462	433	461	464	487	425	521
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	771	753	841	955	805	621	569	672	657	638
Renaissance(2006)										
Square Feet	-	-	-	-	116,284	116,284	116,284	116,284	116,284	116,284
Capacity	-	-	-	-	850	850	850	850	850	850
Enrollment	-	-	-	-	798	981	1,095	687	712	728

Exhibit XXII

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

School	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
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	615	638	644	703	694	709	740	761	782	823
Roswell North(1960)										
Square Feet	94,375	94,375	94,375	94,375	94,227	94,227	125,873	125,873	125,873	125,873
Capacity	725	725	725	725	725	725	725	1,000	1,000	1,000
Enrollment	782	802	791	825	822	802	852	956	1,015	1,044
Shakerag(1997)										
Square Feet	108,426	108,426	108,426	108,426	108,426	108,426	108,426	108,426	114,912	114,912
Capacity	875	875	875	875	875	875	875	875	875	875
Enrollment	929	1,020	714	758	806	829	812	797	811	807
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	624	650	676	682	615	686	696	422	467	51
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	812	812	772	735	721	719	735	756	764	832
Stonewall Tell(1998)										
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	579	463	640	897	877	1,005	1,086	822	840	897
Summit Hill(1999)										
Square Feet	108,426	108,426	108,426	108,426	108,426	108,426	108,426	108,426	112,026	112,026
Capacity	850	850	850	850	850	850	850	850	850	850
Enrollment	1,014	1,084	947	1,047	1,043	1,020	1,036	798	836	818
Sweet Apple(1997)										
Square Feet	128,253	128,253	128,253	128,253	128,253	128,253	128,253	128,253	131,853	131,853
Capacity	950	950	950	950	950	950	950	950	950	950
Enrollment	775	792	837	883	896	906	898	838	792	767
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	606	631	528	534	509	495	531	515	542	563
Evoline C. West(1970)										
Square Feet	80,954	112,750	112,750	112,750	112,750	112,750	112,750	112,750	116,290	116,290
Capacity	500	500	750	750	750	750	750	750	750	750
Enrollment	597	636	783	943	983	807	893	903	764	725
Wilson Creek(2004)										
Square Feet	-	-	116,284	116,284	116,284	116,284	116,284	116,284	116,284	116,284
Capacity	-	-	850	850	850	850	850	850	850	850
Enrollment	-	-	740	823	906	904	863	896	871	875
Woodland(1971)										
Square Feet	100,843	100,843	100,843	100,843	136,582	136,582	137,674	137,674	136,582	136,582
Capacity	775	775	775	775	775	1,000	1,000	1,000	1,000	1,000
Enrollment	658	746	808	893	859	892	862	808	886	895
Middle										
Autrey Mill(2004)										
Square Feet	-	185,787	185,787	185,787	185,787	185,787	185,787	185,787	186,850	186,850
Capacity	-	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,200	1,200
Enrollment	-	956	1,022	1,193	1,227	1,185	1,161	1,251	1,315	1,363
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	1,288	1,310	1,185	1,398	1,529	991	992	988	1,048	1,085
Camp Creek(1985)										
Square Feet	105,609	105,609	105,609	105,609	119,632	119,632	119,632	119,632	123,232	123,232
Capacity	875	875	875	875	950	950	950	950	1,000	1,000
Enrollment	980	994	711	875	860	792	726	799	780	768
Crabapple(1983)										
Square Feet	110,280	110,280	110,280	110,280	121,662	121,662	121,662	121,662	133,836	133,836
Capacity	950	950	950	950	950	1,000	1,000	1,000	1,000	1,000
Enrollment	927	948	840	850	848	861	865	771	798	836

Exhibit XXII

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

School	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Elkins Pointe(2001)										
Square Feet	177,651	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	1,175	1,175
Enrollment	1,034	984	904	948	902	907	903	893	891	908
Haynes Bridge(1983)										
Square Feet	113,222	113,222	113,222	113,222	126,499	126,499	126,499	126,499	126,432	126,432
Capacity	875	875	875	875	875	1,000	1,000	1,000	1,000	1,000
Enrollment	941	899	807	786	698	654	672	632	644	667
Holcomb Bridge(1983)										
Square Feet	108,346	108,346	108,346	108,346	119,728	119,728	119,728	119,728	121,542	121,542
Capacity	950	950	950	950	950	1,000	1,000	1,000	1,000	1,000
Enrollment	766	819	774	720	678	672	650	675	708	732
Hopewell(2004)										
Square Feet	-	-	179,783	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	1,175
Enrollment	-	-	874	962	1,013	1,076	1,115	1,156	1,185	1,259
McNair(1969)										
Square Feet	139,111	139,111	139,111	139,111	164,736	164,736	167,857	167,857	165,391	165,391
Capacity	875	875	875	875	875	1,025	1,025	1,025	1,000	1,000
Enrollment	1,045	1,019	674	739	750	835	873	853	834	728
Northwestern(1996)										
Square Feet	173,375	173,375	173,375	173,375	173,375	173,375	173,375	173,375	191,375	191,375
Capacity	1,075	1,075	1,075	1,075	1,075	1,075	1,075	1,075	1,100	1,100
Enrollment	1,542	1,687	1,064	1,157	1,198	1,207	1,233	1,248	1,263	1,259
Renaissance(2007)										
Square Feet	-	-	-	-	-	180,500	180,500	180,500	180,500	180,500
Capacity	-	-	-	-	-	1,200	1,200	1,200	1,175	1,175
Enrollment	-	-	-	-	-	1,019	1,120	1,187	1,147	1,114
Ridgeview(1968)										
Square Feet	141,038	141,038	141,038	141,038	141,038	141,038	141,038	189,393	178,994	178,994
Capacity	875	875	875	875	875	875	875	1,200	1,200	1,200
Enrollment	578	614	623	610	577	596	636	740	820	912
River Trail(2001)										
Square Feet	177,651	177,651	177,651	177,651	177,651	177,651	177,651	177,651	202,851	202,851
Capacity	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,175	1,175
Enrollment	1,448	1,399	1,402	1,362	1,388	1,512	1,513	1,574	1,488	1,511
Sandtown(2004)										
Square Feet	-	-	179,783	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	1,175
Enrollment	-	-	1,132	1,455	1,562	990	1,023	1,115	1,110	1,148
Sandy Springs(old)										
Square Feet	-	-	-	-	-	-	-	-	-	-
Capacity	-	-	-	-	-	-	-	-	-	-
Enrollment	-	-	-	-	-	-	-	-	-	-
Sandy Springs(2002)										
Square Feet	162,272	162,272	162,272	162,272	162,272	162,272	162,272	162,272	176,672	176,672
Capacity	875	875	875	875	875	875	875	875	875	875
Enrollment	797	780	744	820	711	711	753	832	897	876
Taylor Road(1990)										
Square Feet	140,000	140,000	140,000	140,000	154,880	154,880	154,880	154,880	154,880	154,880
Capacity	950	950	950	950	950	1,100	1,100	1,100	1,100	1,100
Enrollment	1,214	898	917	935	941	962	962	938	931	962
Webb Bridge(1996)										
Square Feet	173,375	173,375	173,375	173,375	173,375	173,375	173,375	173,375	191,375	191,375
Capacity	1,125	1,125	1,125	1,125	1,125	1,125	1,125	1,125	1,150	1,150
Enrollment	1,389	1,186	1,142	1,267	1,308	1,339	1,367	1,362	1,332	1,352
Paul D. West(2002)										
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	1,175	1,175
Enrollment	1,230	1,281	1,092	1,022	944	958	888	852	761	772

Exhibit XXII

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

School	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Woodland(1965)										
Square Feet	136,058	136,058	136,058	136,058	136,058	136,058	-	-	-	-
Capacity	825	825	825	825	825	825	-	-	-	-
Enrollment	893	789	706	706	689	996	-	-	-	-
Woodland(2009)										
Square Feet	-	-	-	-	-	-	186,530	186,530	186,530	186,530
Capacity	-	-	-	-	-	-	1,250	1,250	1,200	1,200
Enrollment	-	-	-	-	-	-	1,028	1,032	1,078	1,229
High										
Alpharetta(2004)										
Square Feet	-	-	335,555	335,555	335,555	335,555	343,036	343,036	337,096	337,096
Capacity	-	-	2,125	2,125	2,125	2,125	2,125	2,125	2,175	2,175
Enrollment	-	-	1,447	1,787	2,037	2,210	2,170	2,250	2,333	2,330
Banneker(1976)										
Square Feet	196,369	196,369	214,982	220,975	220,975	220,975	220,975	220,975	238,975	238,975
Capacity	1,300	1,300	1,475	1,475	1,475	1,475	1,475	1,475	1,475	1,475
Enrollment	1,243	1,355	1,338	1,407	1,549	1,689	1,770	1,300	1,310	
Banneker (2012)										
Square Feet										339,617
Capacity										1,900
Enrollment										1,239
Cambridge (2012)										
Square Feet										320,885
Capacity										1,900
Enrollment										
Centennial(1997)										
Square Feet	254,916	254,916	254,916	254,916	254,916	254,916	254,916	254,916	273,912	273,912
Capacity	1,775	1,775	1,775	1,775	1,775	1,775	1,775	1,775	1,925	1,925
Enrollment	2,106	2,064	2,035	2,099	2,024	2,025	2,013	1,943	1,948	1,833
Chattahoochee(1991)										
Square Feet	243,204	243,204	243,204	243,204	243,204	243,204	243,204	243,204	258,644	258,644
Capacity	1,675	1,675	1,675	1,675	1,675	1,675	1,675	1,675	1,875	1,875
Enrollment	2,093	2,146	2,009	2,058	2,110	2,179	2,237	1,858	1,736	1,855
Creekside(1990)										
Square Feet	224,387	224,387	224,387	245,894	245,894	245,894	245,894	245,894	245,894	253,665
Capacity	1,300	1,300	1,300	1,300	1,300	1,850	1,850	1,850	1,850	1,875
Enrollment	1,478	1,585	1,727	2,044	2,316	2,486	2,619	1,411	1,316	1,396
Independence(1953)										
Square Feet	67,724	67,724	67,724	67,724	-	-	-	-	-	-
Capacity	*	*	*	*	-	-	-	-	-	-
Enrollment	397	419	374	376	-	-	-	-	-	-
Johns Creek(2009)										
Square Feet	-	-	-	-	-	-	-	320,885	320,885	320,885
Capacity	-	-	-	-	-	-	-	1,900	1,900	1,900
Enrollment	-	-	-	-	-	-	-	1,211	1,615	1,842
Langston Hughes(2009)										
Square Feet	-	-	-	-	-	-	-	340,817	350,282	350,282
Capacity	-	-	-	-	-	-	-	2,200	2,175	2,175
Enrollment	-	-	-	-	-	-	-	2,169	2,256	1,856
McClarin(1943)										
Square Feet	97,789	97,789	97,789	97,789	97,789	97,789	97,789	97,789	95,205	95,205
Capacity	270	270	270	270	270	270	270	270	253	253
Enrollment	415	414	366	230	296	281	319	326	253	312
Milton(1953)										
Square Feet	270,350	270,350	270,350	-	-	-	-	-	-	-
Capacity	1,800	1,800	1,800	-	-	-	-	-	-	-
Enrollment	2,581	2,628	1,975	-	-	-	-	-	-	-
Milton(2005)										
Square Feet	-	-	-	343,450	343,450	343,450	343,450	343,450	375,850	375,850
Capacity	-	-	-	1,950	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	2,654
Milton Center Independence (1953)										
Square Feet	-	-	-	-	258,589	258,589	258,589	258,589	258,589	258,589
Capacity	-	-	-	-	900	900	900	900	625	625
Enrollment	-	-	-	-	382	387	275	339	325	264

Exhibit XXII

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

School	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
North Springs(1963)										
Square Feet	250,623	250,623	314,530	314,530	288,191	288,191	314,530	314,530	297,170	297,170
Capacity	1,575	1,575	1,575	1,775	1,775	1,775	1,775	1,775	1,775	1,775
Enrollment	1,626	1,671	1,768	1,740	1,501	1,303	1,336	1,313	1,445	1,552
Northview(2002)										
Square Feet	270,000	270,000	270,000	270,000	270,000	270,000	270,000	270,000	303,978	303,978
Capacity	1,875	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	1,843
Riverwood(1971)										
Square Feet	187,648	187,648	249,132	249,132	249,132	249,132	249,132	249,132	259,932	259,932
Capacity	1,250	1,250	1,250	1,325	1,325	1,325	1,325	1,325	1,325	1,325
Enrollment	1,102	1,238	1,291	1,292	1,225	1,234	1,354	1,447	1,664	1,634
Roswell(1990)										
Square Feet	243,200	243,200	243,200	243,200	264,255	264,255	264,656	264,656	289,455	289,455
Capacity	1,775	1,775	1,775	1,775	1,775	1,975	1,975	1,975	2,000	2,000
Enrollment	2,225	2,221	2,336	2,383	2,425	2,513	2,405	2,376	2,471	2,465
Tri-Cities(1988)										
Square Feet	272,362	272,362	272,362	272,362	272,362	272,362	272,362	278,042	299,668	299,668
Capacity	1,875	1,875	1,875	1,875	1,875	1,875	1,875	2,000	2,000	2,000
Enrollment	1,991	2,021	1,910	1,958	1,677	1,778	1,844	1,868	1,845	1,844
Westlake(1969)										
Square Feet	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	-	-	-	-
Enrollment	1,288	1,252	1,347	1,607	1,760	2,037	-	-	-	-
Westlake(2009)										
Square Feet	-	-	-	-	-	-	328,617	328,617	328,617	328,617
Capacity	-	-	-	-	-	-	1,900	1,900	1,925	1,925
Enrollment	-	-	-	-	-	-	2,339	1,936	2,102	1,914
North Crossroads Mimosa Boulevard Building (1943/1992)										
Square Feet	-	-	-	-	67,724	67,724	67,724	67,724	54,978	54,978
Capacity	-	-	-	-	*	*	*	*	*	*
Enrollment	-	-	-	-	82	121	110	105	54	
South Crossroads(1977)										
Square Feet	-	-	-	-	*	47,999	67,899	67,899	45,553	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]
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%	6,412	14.10	43.91%
2011	831,692,109	91,864	9,054	-4.71%	6,084	15.10	44.69%
2012	N/A	N/A	N/A	N/A	N/A	N/A	N/A

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
2010 Information not available.

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

N/A 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)

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Lunch Meals Served:										
Free	2,878	3,073	3,267	3,701	3,835	4,087	4,409	4,800	4,926	5,090
Reduced	437	424	445	455	507	530	553	527	405	464
Paid	3,093	3,156	3,311	3,340	3,374	3,566	3,567	3,032	2,606	2,382
Total	6,408	6,653	7,023	7,496	7,716	8,183	8,529	8,359	7,937	7,936
Daily Average	34	37	39	42	43	45	48	47	46	41
Student Price	$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	$2.10-$2.35
Breakfast Meals Served:										
Free	1,592	1,754	1,899	2,177	2,215	2,326	2,595	2,649	2,736	2,850
Reduced	159	160	169	203	241	261	277	243	192	224
Paid	388	457	505	655	834	915	856	631	578	536
Total	2,139	2,371	2,573	3,035	3,290	3,502	3,728	3,523	3,506	3,610
Daily Average	11	13	14	17	18	19	21	20	20	19
Student Price	$.80-$.95	$.80-$.95	$.80-$.95	$.80-$.95	$.80-$.95	$.80-$.95	$.80-$.95	$1.00-$1.15	$1.00-$1.15	$1.05-$1.20
Total Meals Served:										
Free	4,470	4,827	5,166	5,878	6,050	6,413	7,004	7,449	7,662	7,940
Reduced	596	584	614	658	748	791	830	770	597	688
Paid	3,481	3,613	3,816	3,995	4,208	4,481	4,423	3,663	3,184	2,918
Total	8,547	9,024	9,596	10,531	11,006	11,685	12,257	11,882	11,443	11,546
Daily Average	45	50	53	59	61	64	69	67	66	60

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

Grade Level	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
PK	1,750	1,811	1,850	1,908	1,879	1,888	1,919	1,953	1,944	2,098
KK	5,511	5,503	5,906	6,405	6,514	6,588	6,676	6,752	6,860	6,876
Grade 1	5,567	5,659	5,755	6,295	6,612	6,661	6,618	6,803	6,875	6,937
Grade 2	5,358	5,596	5,790	6,115	6,476	6,639	6,757	6,678	6,873	6,847
Grade 3	5,400	5,448	5,802	6,119	6,489	6,671	6,914	7,059	6,877	7,030
Grade 4	5,574	5,573	5,577	6,159	6,213	6,504	6,647	6,973	7,118	6,924
Grade 5	5,497	5,606	5,699	5,930	6,391	6,386	6,693	6,876	7,123	7,176
Grade 6	5,507	5,738	5,863	6,271	6,214	6,574	6,555	6,896	6,966	7,197
Grade 7	5,625	5,556	5,892	6,242	6,330	6,393	6,730	6,662	6,789	6,969
Grade 8	5,295	5,681	5,619	6,162	6,463	6,487	6,547	6,786	6,737	6,839
Grade 9	6,103	6,211	6,733	7,087	7,495	7,596	7,698	7,784	7,978	7,797
Grade 10	5,222	5,424	5,484	5,996	6,027	6,442	6,642	6,701	7,114	7,379
Grade 11	4,738	5,054	5,214	5,383	5,829	5,938	6,281	6,563	6,413	6,657
Grade 12	4,225	4,459	4,707	5,028	4,929	5,458	5,622	5,913	6,197	5,878
Total	71,372	73,319	75,891	81,100	83,861	86,225	88,299	90,399	91,864	92,604
Annual % Change	2.2%	2.7%	3.5%	6.9%	3.4%	2.8%	2.4%	2.4%	1.6%	0.8%

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

SPECIAL REPORTS SECTION

FULTON COUNTY BOARD OF EDUCATION, GEORGIA
Schedule of Expenditures of Special Purpose
Local Option Sales Tax [1]
Fiscal Year Ended June 30, 2012

SPLOST II

PROJECT	ORIGINAL ESTIMATE	CURRENT ESTIMATE	EXPENDED CURRENT FISCAL YEAR	EXPENDED PRIOR FISCAL YEARS	BALANCE	PROJECT STATUS
NEW SCHOOLS	$329,300,000	$289,393,054	$1,083,124	$284,806,368	$3,503,562	Ongoing
SCHOOL REPLACEMENT	49,300,000	98,161,957	3,720	97,889,388	268,849	Ongoing
SCHOOL ADDITIONS	34,400,000	53,917,135	-	53,902,450	14,685	Ongoing
LOCAL SCHOOL NEEDS	9,731,000	53,973,456	56,381	50,374,683	3,542,392	Ongoing
LAND BANK	-	23,393,137	-	25,166,783	(1,773,646)	Ongoing
CAPITAL OPERATIONS COST	12,215,000	10,423,649	-	10,411,096	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**	**$1,143,225**	**$680,392,716**	**$8,566,988**	

SPLOST III

PROJECT	ORIGINAL ESTIMATE	CURRENT ESTIMATE	EXPENDED CURRENT FISCAL YEAR	EXPENDED PRIOR FISCAL YEARS	BALANCE	PROJECT STATUS
NEW SCHOOLS	$452,475,480	$247,734,944	$28,788,116	$204,106,079	$14,840,749	Ongoing
SCHOOL ADDITIONS	75,186,146	55,507,572	679,864	52,641,101	$2,186,607	Ongoing
SCHOOL REPLACEMENT	94,018,528	164,703,244	36,708,632	108,447,822	$19,546,790	Ongoing
LOCAL SCHOOL NEEDS	101,876,418	95,413,801	16,263,651	59,964,506	$19,185,644	Ongoing
CAPITAL OPERATION COST	-	2,398,648	637,994	1,346,625	$414,029	Ongoing
DEBT SERVICES	90,255,887	93,232,333	23,318,212	66,937,676	$2,976,445	Ongoing
FURNITURE & EQUIPMENT	10,000,000	9,978,335	1,611,325	6,764,638	$1,602,372	Ongoing
HEALTH & SAFETY	1,962,560	5,089,895	816,141	4,050,534	$223,220	Ongoing
INFORMATION TECHNOLOGY	71,783,508	71,803,542	6,712,834	46,497,477	$18,593,231	Ongoing
INTEREST	-	9,813,684	1,067,070	9,509,308	($762,694)	Ongoing
LAND PURCHASE/RESERVE	59,494,017	31,191,187	50	23,273,366	$7,917,771	Ongoing
PROGRAM MANAGEMENT	-	20,125,320	3,056,036	16,016,609	$1,052,675	Ongoing
TRANSPORTATION	31,295,793	24,744,050	7,022,710	3,394,050	$14,327,290	Ongoing
SPLOST III FUND TOTAL	**$988,348,336**	**$831,736,556**	**$126,682,635**	**$602,949,791**	**$102,104,130**	

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, 2012

	Pre-Kindergarten
Expenditures	
Salaries - teachers	$ 3,729,341
Salaries - clerical	37,641
Salaries - other	55,794
Employee benefits	982,977
Purchased professional and technical services	53,720
Other purchased services	162,659
Communication	4,543
Travel - employees	6,310
Materials and supplies	781,636
Expendable Equipment	610
Expendable Computer Equipment	2,141
Dues and Fees	807
Total Expenditures	$ 5,818,179

FULTON COUNTY BOARD OF EDUCATION, GEORGIA
GENERAL FUND - QUALITY BASED EDUCATION PROGRAM (QBE)
ALLOTMENTS AND EXPENDITURES BY PROGRAM
FISCAL YEAR ENDED JUNE 30, 2012

DESCRIPTION	ALLOTMENTS FROM GEORGIA DEPARTMENT OF EDUCATION	ELIGIBLE QBE PROGRAM COSTS SALARIES	OPERATIONS	Total
Direct Instructional Programs				
Kindergarten Programs	28,313,491	30,515,762	100,933	30,616,694
Kindergarten Program - Early Intervention Program	1,600,458	156,365	1,299	157,664
Primary Grades (1-3) Program	65,087,987	86,372,848	7,423,268	93,796,116
Primary Grades Early Intervention (1-3) Program	5,320,472	5,216,533	95,959	5,312,492
Upper Elementary Grades (4-5) Program	30,972,703	31,224,702	384,281	31,608,983
Upper Elementary Grades-Early Intervention (4-5) Program	3,247,588	1,326,876	5,116	1,331,992
Middle Grades (6-8) Program	7,985	2,541,694		2,541,694
Middle School (6-8) Program	48,478,788	60,180,654	3,108,949	63,289,603
High School General Education (9-12) Program	52,478,364	69,341,880	4,628,877	73,970,758
Vocational Laboratory (9-12) Program	8,252,019	5,282,147	548,147	5,830,293
Students With Disabilities	51,588,821	80,068,626	3,024,568	83,093,195
CATEGORY I				
CATEGORY II				
CATEGORY III				
CATEGORY IV				
CATEGORY V				
Gifted Student - CATEGORY VI	26,873,399	22,602,177	41,803	22,643,980
Remedial Education Program	4,363,997	4,319,401	3,221	4,322,622
Alternative Education Program	4,072,651	2,813,343	1,250	2,814,593
English Speakers of Other Languages (ESOL)	7,585,775	12,087,938	30,435	12,118,372
TOTAL DIRECT INSTRUCTIONAL PROGRAMS	338,244,498	414,050,945	19,398,106	433,449,051
Media Center Program	9,651,127	10,652,465	1,899,948	12,552,414
Staff and Professional Development	2,184,543	2,162,574	523,085	2,685,659
TOTAL QBE FORMULA FUNDS	350,080,168	426,865,984	21,821,139	448,687,123

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Single Audit Section



Heritage ES
Emonya Caro ~ 3rd 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, 2012, which collectively comprise the Fulton County Board of Education's basic financial statements and have issued our report thereon dated December 26, 2012. Our report includes 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.; and Main Street 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. 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.

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.

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

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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We also noted a certain matter that we reported to management of the Fulton County Board of Education in a separate letter dated December 26, 2012.

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 26, 2012

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's") compliance with the types of compliance requirements described in the OMB *Circular A-133 Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the fiscal year ended June 30, 2012. 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. which expended $798,748 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, 2012. Our audit, described below, did not include the operations of this entity because this charter school 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, 2012.

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.

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.

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

This report is intended solely for the information and use of management, the Superintendent and members of the 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 26, 2012

FULTON COUNTY BOARD OF EDUCATION, GEORGIA

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

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	$ 5,564,314
National School Snack Program	10.555	N/A	101,193
National School Lunch Program:			
Cash Assistance	10.555	N/A	15,978,416
Non-Cash Assistance (Commodities) - Note 2	10.555	N/A	2,345,174
Total Child Nutrition Cluster			23,989,097
National School Lunch Program Equipment Assistance	10.579	N/A	14,056
Total U. S. Department of Agriculture			24,003,153
U. S. DEPARTMENT OF EDUCATION:			
Direct Award			
Title IV-A1, Safe and Drug Free Schools & Communities	84.186	N/A	24,358
Teaching American History Grant	84.215X	N/A	303,696
Smaller Learning Communities Grant	84.215L	N/A	1,008,287
			1,311,983
Passed through Georgia Department of Education:			
Title I Programs - Improving Academic Achievement	84.010	N/A	20,950,102
Title I Programs - Distinguished Schools	84.010	N/A	46,235
Title I Programs - School Improvement Grant	84.010	N/A	370,616
Title I Programs - Improving Academic Achievement - ARRA	84.389	N/A	1,549,905
Title I Programs - School Improvement Grant - ARRA	84.389	N/A	65,317
			22,982,175
Title II Part A Programs - Improving Teacher Quality	84.367	N/A	2,310,896
Title II Part A Programs - Advance Placement	84.367	N/A	17,274
			2,328,170
Title II - Mathematics and Science Partnerships	84.366	N/A	374,639
Title II - Enhancing Education Through Technology	84.318	N/A	48,002
Title III Part A - Limited English Proficient & Immigrant	84.365	N/A	904,951
Title VI Part B Flow-through	84.027	N/A	15,767,987
Title VI Part B Preschool Incentive	84.173	N/A	336,282
High Cost Fund Pool	84.027	N/A	487,656
Title VI Part B Flow-through - ARRA	84.391	N/A	1,637,379
			18,229,304

(Continued)

FULTON COUNTY BOARD OF EDUCATION, GEORGIA

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

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):			
Charter Schools - Federal Dissemination Grant	84.282	N/A	$ 406,592
Education Job Fund	84.410A	N/A	203,712
Education for Homeless Children & Youth	84.938	N/A	57,718
Striving Readers Programs	84.371B	N/A	74,441
Vocational Education - Program Improvement - Basic Grants to States	84.048	N/A	522,347
CTE - Perkins IV Reserve - Education Career Partnerships	84.048	N/A	50,678
			573,025
Passed through Georgia State University			
Network For Enhancing Teacher - Quality (NetQ)	84.336	N/A	74,308
Arts Dissemination & Research Grant (WolfTrap)	84.351D	N/A	9,127
Total U. S. Department of Education			47,602,505
U. S. DEPARTMENT OF DEFENSE:			
Direct			
Department of the Army			
R.O.T.C. Program	12.unknown	N/A	688,162
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	46,630
U. S. DEPARTMENT OF JUSTICE:			
Direct			
Bulletproof Vest Partnership	16.607	N/A	3,188
U.S. DEPARTMENT OF HOMELAND SECURITY			
Passed through Georgia Emergency Management Agency:			
Emergency Management Planning Grants	97.042	N/A	151,831
Total Expenditures of Federal Awards			$ 72,495,469

See the Note to the Schedule of Expenditures of Federal Awards

FULTON COUNTY BOARD OF EDUCATION, GEORGIA

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

NOTE 1. BASIS OF PRESENTATION

The Schedule of Expenditures of Federal Awards includes the federal grant activity of the 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, 2012

SECTION I
SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued	Unqualified
Internal control over financial reporting:	
Material weaknesses identified?	____ yes __X__ no
Significant deficiencies identified?	____ yes __X__ no
Noncompliance material to financial statements noted?	____ yes __X__ no

Federal Awards

Internal Control over major programs:	
Material weaknesses identified?	____ yes __X__ no
Significant deficiencies identified?	____ yes __X__ no
Type of auditor's report issued on compliance for major programs	Unqualified
Any audit findings disclosed that are required to be reported in accordance with OMB Circular A-133, Section 510(a)?	____ yes __X__ no

Identification of major program:

CFDA Number	Name of Federal Program or Cluster
	U.S. Department of Agriculture,
10.553	School Breakfast Program
10.555	National School Lunch Program
	U.S. Department of Education
84.027	Title VI Part B, Flow-through
84.173	Title VI Part B, Preschool Incentive
84.027	High Cost Fund Pool
84.391	Title VI Part B, Flow-through – ARRA
84.367	Title II-A, Improving Teacher Quality

Dollar threshold used to distinguish between Type A and Type B programs:	$2,174,864
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, 2012

SECTION II
FINANCIAL STATEMENT FINDINGS AND RESPONSES

None reported

SECTION III
FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

None reported

SECTION IV
STATUS OF PRIOR FISCAL YEAR AUDIT FINDINGS

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.

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.

Status: The School System implemented controls to correct the errors that occurred. The results of our testing during the current fiscal year under audit disclosed no instances of noncompliance with regard to this item.

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