

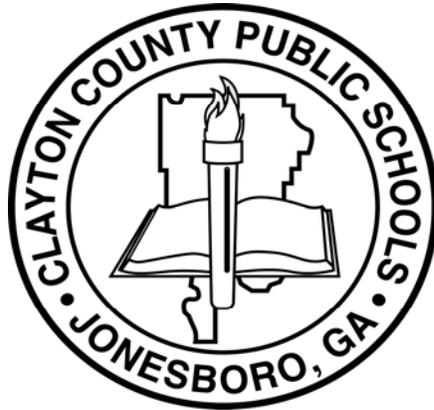
# Comprehensive Annual Financial Report

*Fiscal Year Ended June 30, 2015*

**1058 Fifth Avenue • Jonesboro, Georgia 30236**

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# **Comprehensive Annual Financial Report**

*Fiscal Year Ended June 30, 2015*

**Prepared by:  
Division of Business Services**

**1058 Fifth Avenue · Jonesboro, Georgia 30236**

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**CLAYTON COUNTY BOARD OF EDUCATION  
 COMPREHENSIVE ANNUAL FINANCIAL REPORT  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

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**CLAYTON COUNTY BOARD OF EDUCATION  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

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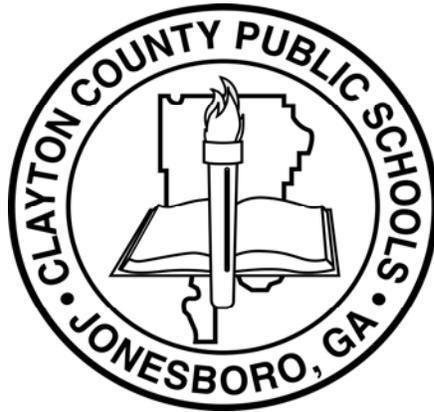
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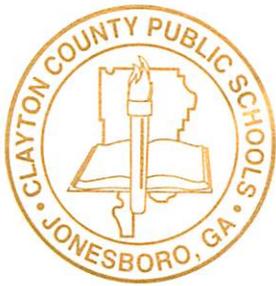


# **Introductory Section**

**Clayton County  
Public Schools**

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# Clayton County Public Schools

## Office of the Superintendent

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

LUVENIA JACKSON  
Superintendent of Schools

March 8, 2016

Clayton County Board of Education  
Jonesboro, Georgia

The Comprehensive Annual Financial Report (CAFR) of the Clayton County Board of Education (Board) for the fiscal year ended June 30, 2015, is submitted herewith. This report was prepared by the Business Services Division. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education.

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

Readers of this report are encouraged to consider the information presented here in conjunction with additional information presented in Management's Discussion and Analysis beginning on page 4 of this report.

### **The Board's History and Services**

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

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

The Clayton County School System operated from 1870-1890 under the supervision of a County Commission of Education. Data indicates that the Clayton County School System as it is known today was formally established by an act of the State Legislature in Jonesboro on September 21, 1891, and a tax was levied on taxable property in the amount of 7 ½ mills. A Board of Education composed of nine members was authorized and provision was made to receive a pro-rata share of county funds for schools.

Today the nine-member elected Board of Education has full authority to control and manage the schools within Clayton County. Clayton County Public Schools is the fifth largest school system in the State of Georgia with approximately 53,000 students currently enrolled in 35 elementary schools, 14 middle schools, one K-8 school, 10 high schools, one alternative school program and one high school alternate program for the budget year of 2014 - 2015. The district has also approved two charter schools within the

county, the Elite Scholars Academy Charter School serving students in sixth through twelfth grade and the Unidos Dual Language Charter School serving students in grades kindergarten through eighth grade.

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

### **Economic Condition and Outlook**

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

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

FY 2015 marked a turning point in the recovery of the local economy from the recession that will hopefully continue. Property value is rebounding slowly. The overall tax base of the county increased by approximately \$77 million, resulting in a gain of \$4.4 million in local tax revenues to the school system. Further, the Governor recommended and the State Legislature approved for the first time a reduction in the austerity cuts to the "Quality Basic Education" Act funding after over ten years of continuous cuts.

### **Long-Term Financial Planning**

The school system prioritizes its capital improvements based upon the approved referendums adopted by the citizens of Clayton County. Capital needs are prioritized by student population and facility repair and maintenance needs. These projects are funded by the 2013 Special Purpose Local Option Sales Tax (SPLOST) and remaining projects from the 2009 SPLOST, in addition to state capital outlay funds from the State of Georgia Department of Education. Renovations, additions, and new construction are continuously underway as the school system works to ensure that its facilities provide a safe and welcoming environment.

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

### **Major Initiatives**

On September 4, 2013 the district was notified by AdvancEd that it had obtained district-wide accreditation for the ensuing five years. Previously each school received its own accreditation.

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

## **Mission Statement**

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

## **Vision Statement**

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

## **Core Belief Statements**

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

## **Strategic Goals**

1. To increase academic achievement for all students in Clayton County Public Schools as evidenced by state, national and international assessment results.
2. To provide and maintain a safe, orderly and secure learning environment.
3. To create an environment that promotes active engagement, accountability, and collaboration of all stakeholders to maximize student achievement.
4. To effectively communicate the system's vision and purpose and allow stakeholder involvement in an effort to build understanding and support.
5. To provide high quality support services delivered on time and within budget to promote student academic success in the Clayton County Public Schools.
6. To recruit and retain highly qualified and effective staff.

## **Accounting System**

### **Internal Controls**

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

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

### **Budgetary Controls**

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

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

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

### **Single Audit**

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

### **Independent Audit**

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

### **Financial Reporting Awards**

For the five consecutive periods ending June 30, 2007; June 30, 2008; June 30, 2009; June 30, 2010; and June 30, 2011; the Clayton County Public School System submitted its comprehensive annual financial report (CAFR) for review by the Association of School Business Officials (ASBO) for consideration in the Certificate of Excellence in Financial Reporting Program. With great pride, the Clayton County Public School System received the ASBO Certificate of Excellence for each financial reporting period. The receipt of this award confirmed that the reports substantially conform to the principles and standards of financial reporting as recommended and adopted by the Association of School Business Officials International. The award was granted only after an extensive review of financial reports by an expert panel of certified public accountants and practicing school business officials. We believe that the CAFR for the current year ending June 30, 2015, also conforms to the exact same principles and standards.

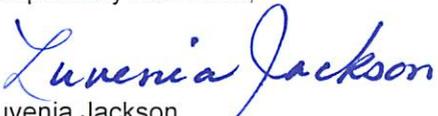
The Government Finance Officers Association of the United States and Canada (GFOA) awarded the Certificate of Achievement for Excellence in Financial Reporting to Clayton County Public Schools for its comprehensive annual financial report for the fiscal year ended June 30, 2014. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

### **Acknowledgements**

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

Respectfully submitted,

  
Luvenia Jackson  
Superintendent

# Clayton County Board of Education Function and Composition

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

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

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

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

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

As of January 1, 2014 the members of the Board and years of expiration of their terms are as follows:

<b>TITLE</b>	<b>NAME</b>	<b>TERM EXPIRES</b>
Chairperson	Dr. Pam Adamson	12-31-2018
Board Member	Ms. Mary Baker	12-31-2016
Board Member	Mr. Mark Christmas	12-31-2016
Board Member	Ms. Jessie Goree	12-31-2016
Board Member	Mr. Michael King	12-31-2018
Board Member	Ms. Ophelia Burroughs	12-31-2016
Board Member	Ms. Judy Johnson	12-31-2016
Vice Chairperson	Dr. Alieka Anderson	12-31-2018
Board Member	Mr. Charlton Bivins	12-31-2014

## **MISSION STATEMENT**

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

**Clayton County Board of Education**  
**Elected Officials**  
**and**  
**Superintendent of Schools**



**Chairperson**  
**Dr. Pam Adamson**



**Mary Baker**



**Mark Christmas**



**Jessie Goree**



**Michael King**



**Ophelia Burroughs**



**Judy Johnson**



**Vice Chairperson**  
**Dr. Alieka Anderson**



**Charlton Bivins**



**Superintendent**  
**Luvenia Jackson**

# Clayton County Public Schools

## Executive Staff

### Superintendent's Office

Ms. Luvenia Jackson	Superintendent
Ms. Jacquelyn Hubbert	Deputy Superintendent
Ms. Vickie Constantinides	Director of Communications
Mr. Clarence Cox	Director of Safety and Security

### Assistant Superintendents

Dr. Machel Mathews	Area 1
Dr. Anthony Smith	Area 2

### Division of Teaching & Learning

Dr. Folasade Oladele	Chief Academic Officer
Mr. Rod Smith	Executive Director of Technology
Dr. Delphia Young	Executive Director of Assessment and Accountability
Dr. Terry Young	Executive Director Perry Learning Center
Ms. Katrina Thompson	Director Federal, State, Local Programs
Ms. Monika Wiley	Director Fine Arts, Magnet Schools, Accreditation
Dr. Chantel Normil	Director English as Second Language
Mr. Kevin May	Director of Athletics
Mr. Wes Watkins	Director of Technical Operations
Ms. April Mayo	Director of Instructional Technology
Mr. Howard Langford	Director of Information Services
Ms. Tamera Foley	Executive Director Teaching and Learning
Dr. Katrina King	Director Exceptional Students
Dr. Mandy Condit	Director of Student Services

### Division of Human Resources

Dr. Doug Hendrix	Chief Human Resources Officer
Mr. Greg Curry	Director Human Resources
Dr. Damaris Garrett	Director Human Resources
Ms. Teresa Reese	Director of Personnel Review
Dr. Gloria Duncan	Director Professional Learning

### Division of Business Services

Mr. Kenneth Thompson	Chief Financial Officer
Ms. Lonita Evans	Executive Director Business Services

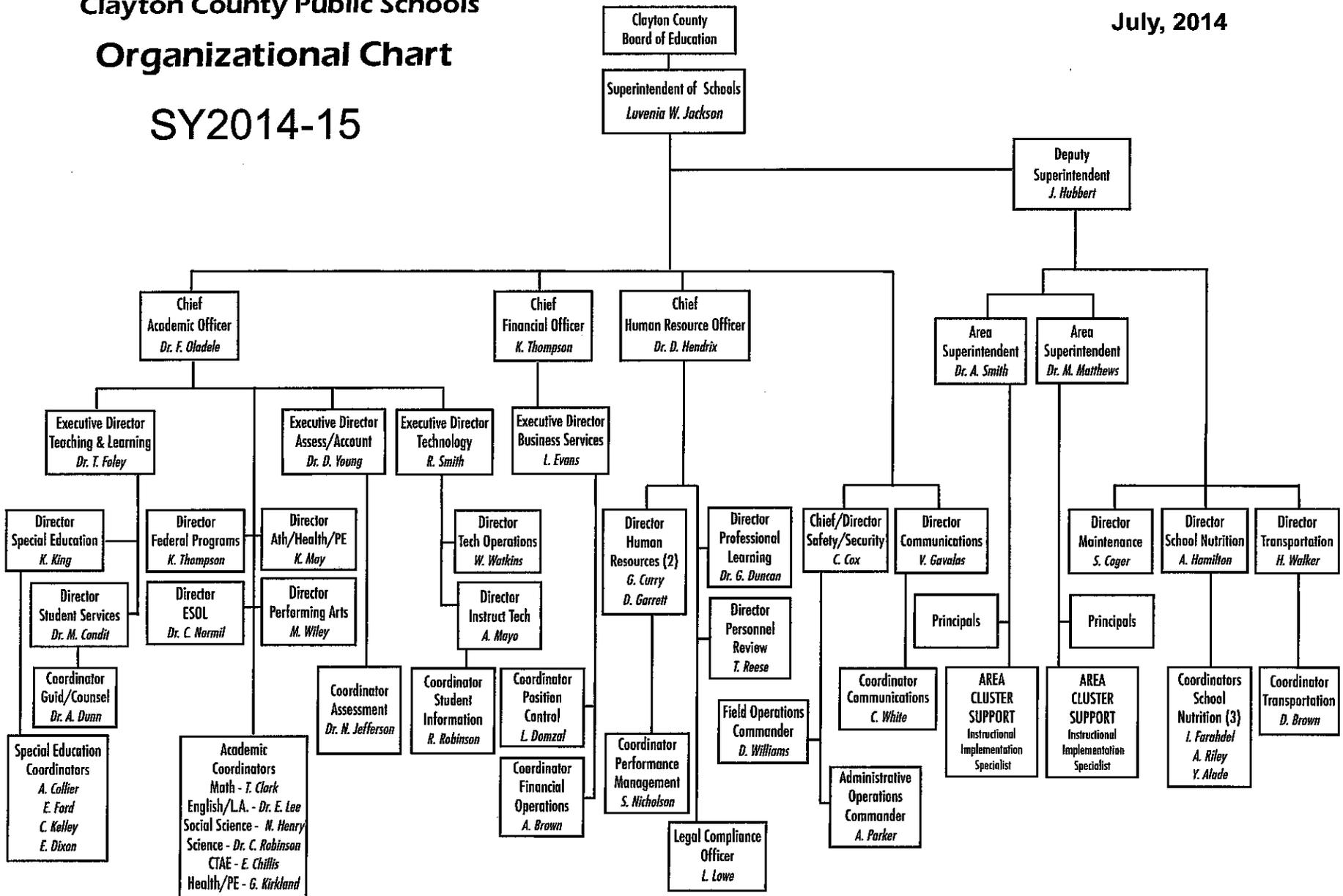
### Division of Operations

Ms. Audrey Hamilton	Director Nutrition Services
Mr. Harold Walker	Director Transportation
Mr. Sam Coger	Director of Facilities and Maintenance

# Clayton County Public Schools Organizational Chart

SY2014-15

July, 2014





Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

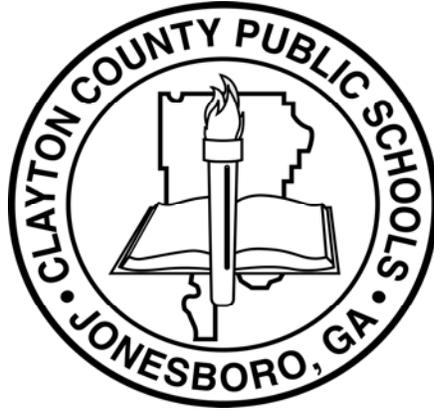
Presented to

**Clayton County Public Schools  
Georgia**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2014**

Executive Director/CEO



## **Financial Section**

**Clayton County  
Public Schools**

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## INDEPENDENT AUDITOR'S REPORT

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

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the **Clayton County Board of Education** as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Clayton County Board of Education's basic financial statements as listed in the table of contents.

#### *Management's Responsibility for the Financial Statements*

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

#### *Auditor's Responsibility*

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

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

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

---

**Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Clayton County Board of Education as of June 30, 2015, and the respective changes in financial position and, where applicable, cash flows, thereof, and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Emphasis of Matter**

As discusses in Notes 10 and 14, the Clayton County Board of Education implemented Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*, as well as Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*, as of July 1, 2014. These standards significantly changed the accounting for the Clayton County Board of Education's net pension liability and the related disclosures. Our opinions are not modified with respect to this matter.

**Other Matters***Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis (on pages 4 through 13) and the schedules of Clayton County Board of Education's proportionate share of the net pension liability and the schedules of Clayton County Board of Education's contributions on pages 59 through 66 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.

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*Other Information*

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

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

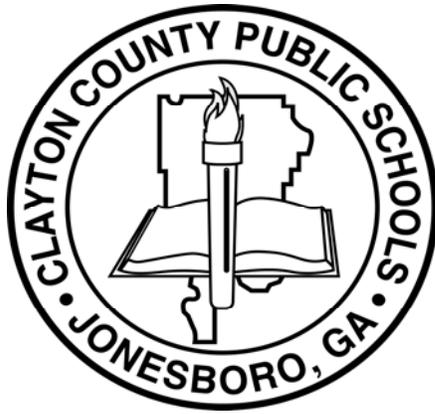
The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

**Other Reporting Required by Government Auditing Standards**

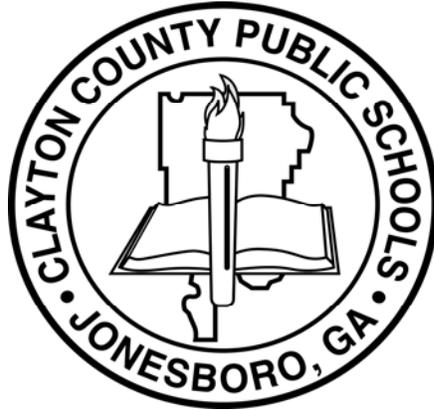
In accordance with *Government Auditing Standards*, we have also issued our report dated March 8, 2016, on our consideration of Clayton County Board of Education's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Clayton County Board of Education's internal control over financial reporting and compliance.

*Mauldin & Jenkins, LLC*

Macon, Georgia  
March 8, 2016



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# **Management's Discussion and Analysis**

**Clayton County  
Public Schools**

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## Management's Discussion and Analysis

This section of Clayton County Board of Education's (the Board's) annual financial report presents its discussion and analysis of the Board's financial performance during the fiscal year ended June 30, 2015. The intent of this discussion and analysis is to examine the Board's financial performance as a whole. Readers should also review the financial statements and notes to the basic financial statements to enhance their understanding of the Board's financial condition.

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

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

This report presents the financial highlights for the year ended June 30, 2015, and other supplementary information.

As with other sections of this financial report, the information contained within this Management's Discussion and Analysis should be considered only as part of a greater whole. The reader of this analysis should take the time to read and evaluate all sections of the report, including the notes to the financial statements.

### Financial Highlights

Key financial highlights for fiscal year 2015 are as follows:

- ❖ On the government-wide financial statements:
  - The assets and deferred outflows of the Clayton County Board of Education (Board) exceeded its liabilities and deferred inflows at the fiscal year ended June 30, 2015 by \$472.9 million.
  - Effective July 1, 2014, the Board implemented the provisions of GASB (Governmental Accounting Standards Board) Statement No. 68 *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*, which significantly changed the Board's accounting for pension amounts by requiring that the total net pension liability and the deferred inflows and outflows related to the net pension liability be reported in the government-wide financial statements. As a result, the Board's net position of its governmental activities decreased by \$313.6 million.

- The Board experienced an increase of \$5.3 million in net capital assets in its governmental activities. This is the amount by which capital outlays exceeded depreciation in the current period. The fund balance amount of the total governmental funds increased by \$21.3 million.
- Program revenues of the governmental activities accounted for \$289.1 million, or 59.9% of the \$483 million in total revenues of the governmental activities. General revenues of the governmental activities accounted for \$193.9 million, or 40.1% of the total.
- The Board reported \$443.2 million in expenses for the governmental activities. Of this amount, \$289.1 million were offset by program specific grants, charges for services or contributions. General revenues, primarily property taxes and sales taxes, were used to provide for the remaining expenses of these programs.
- The Net position of the Board's business-type activities decreased by \$2.6 million. The Board has two business-type funds reported. The first is the school nutrition program and the second is the Performing Arts Center. Total expenses for food service activities were \$34.2 million, while expenses of the Performing Arts Center were \$233,425. Program revenues, operating grants and contributions and capital contributions for these business-type activities totaled \$35 million.
- The General Fund (the primary operating fund), presented on a current financial resources basis, ended the year with a fund balance of \$78,290,778, an increase of \$3,878,618 from June 30, 2014.
- The Capital Projects Fund ended the year with a fund balance of \$25,018,520, an increase of \$17,565,360.
- The Board reduced its total outstanding long-term liabilities by \$107,725,447.

## **Overview of the Financial Statements**

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

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

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the financial statements.

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

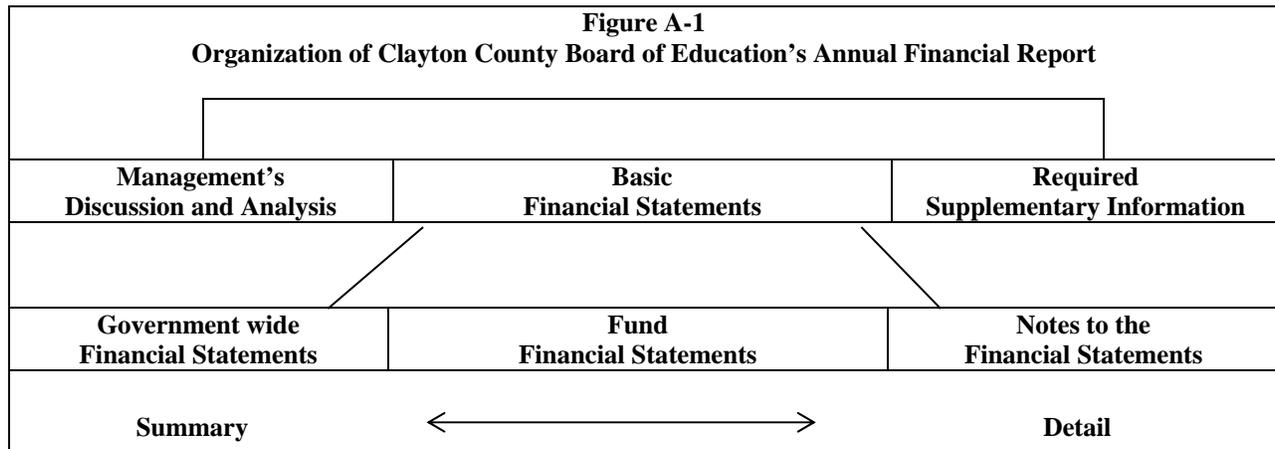


Figure A-2 summarizes the major features of the Board's financial statements, including the portion of the Board's activities they cover and the types of information they contain.

**Figure A-2**  
**Major Features of the Board of Education's Financial Statements**

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

The remainder of this overview section of Management's Discussion and Analysis highlights the structure and contents of each of the statements.

### **Government-wide Statements**

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

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

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

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

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

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

### **Fund Financial Statements**

The Board's fund financial statements, which begin on page 17, provide detailed information about the most significant funds, not the Board as a whole.

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

of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements.

*Proprietary funds* – Services for which the Board charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the government-wide statements. The Board’s *enterprise fund* (one type of proprietary fund) is the same as its business-type activities but provides more detail and additional information, such as cash flows. The Board uses *internal service funds* (the other kind of proprietary fund) to report activities that provide supplies and services for its other programs and activities. As of June 30, 2011, the Board’s only internal service fund for the employee dental benefit program was closed.

### Financial Analysis of the Board as a Whole

Table A-1, below, provides a summary of the Board’s net position for the year ended June 30, 2015 compared to June 30, 2014.

<b>Table A-1</b>							
<b>Condensed Summary of Net Assets</b>							
<b>(in millions of dollars)</b>							
	<b>Governmental</b>		<b>Business-type</b>		<b>Total</b>		<b>Percentage</b>
	<b>Activities</b>		<b>Activities</b>		<b>Total</b>		
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>	<b>2015-2014</b>
Current and other Assets	\$ 172.8	\$ 163.3	11.6	10.6	184.4	173.9	6.0%
Net capital assets	697.9	692.6	4.3	4.6	702.2	697.2	0.7%
Total Assets	870.7	855.9	15.9	15.2	886.6	871.1	1.8%
Deferred outflows	30.8	-	0.3	-	31.1	-	100.00%
Current and other liabilities	59.5	71.0	2.2	2.1	61.7	73.1	-15.6%
Long-term liabilities	282.8	8.9	2.6	-	285.4	8.9	3106.7%
Total Liabilities	342.3	79.9	4.8	2.1	347.1	82.0	323.3%
Deferred inflows	96.8	-	0.9	-	97.7	-	100.0%
Net Position							
Net investment in Capital							
Assets	697.9	692.6	4.4	4.7	702.3	697.3	0.7%
Restricted for Capital Projects	25.0	7.5	-	-	25.0	7.5	233.3%
Unrestricted	(260.5)	75.9	6.1	8.4	(254.4)	84.3	-401.8%
Total Net Position	<u>\$ 462.4</u>	<u>\$ 776.0</u>	<u>10.5</u>	<u>13.1</u>	<u>472.9</u>	<u>789.1</u>	-40.1%

The Board’s combined net position decreased by 40.1% to \$472.9 million. The net position of the Board’s business-type activities decreased \$2.6 million or 19.8%. These reductions were due primarily to the new GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, reporting requirements on net pension liability and its related inflows and outflows reflected on the government-wide statements.

The Board reported a restricted net position amount of \$25 million. This is an increase of 233.3% from the restricted amount reported as of June 30, 2014. The change is due to a temporary increase in cash reserves as projects begin under the most recently authorized Special Purpose Local Option Sales required Tax (SPLOST). The amount set aside as restricted in the governmental activities is related to net position required by a third party or state law to be spent for a specific purpose.

**Table A-2**  
**Changes in Net Position**  
**Fiscal Year Ended June 30, 2015**

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

<b>Table A-2</b>							
<b>Changes in Net Assets from Operating Results (in millions of dollars)</b>							
	<b>Governmental</b>		<b>Business-type</b>		<b>Total</b>		<b>Percentage</b>
	<b>Activities</b>		<b>Activities</b>		<b>Total</b>		<b>Change</b>
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>	<b>2015-2014</b>
<b>Revenues:</b>							
Program revenues:							
Charges for services	\$ 16.5	\$ 13.1	0.6	0.2	17.1	13.3	28.6%
Operating grants and contributions	269.3	249.9	34.4	32.3	303.7	282.2	7.6%
Capital grants and contributions	3.3	6.9	-	-	3.3	6.9	-52.2%
General revenues:							
Property taxes	104.8	100.4	-	-	104.8	100.4	4.4%
Sales taxes	46.6	44.9	-	-	46.6	44.9	3.8%
Other taxes	8.2	6.6	-	-	8.2	6.6	24.2%
Non-program specific state and federal aid	34.2	36.4	-	-	34.2	36.4	-6.0%
Interest and investment earnings	0.1	0.1	-	-	0.1	0.1	0.0%
Gain on Sale of Capital Assets	-	-	-	-	-	-	0.0%
<b>Total Revenues</b>	<b>483.0</b>	<b>458.3</b>	<b>35.0</b>	<b>32.5</b>	<b>518.0</b>	<b>490.8</b>	<b>5.5%</b>
<b>Expenses:</b>							
Instruction	297.2	296.9	-	-	297.2	296.9	0.1%
Pupil Services	14.0	13.2	-	-	14.0	13.2	6.1%
Instructional services	19.5	15.8	-	-	19.5	15.8	23.4%
Educational media services	5.2	5.6	-	-	5.2	5.6	-7.1%
General administration	4.8	3.1	-	-	4.8	3.1	54.8%
School administration	22.7	24.0	-	-	22.7	24.0	-5.4%
Business administration	2.2	2.2	-	-	2.2	2.2	0.0%
Maintenance and operations	35.4	32.0	-	-	35.4	32.0	10.6%
Pupil transportation	18.9	18.4	-	-	18.9	18.4	2.7%
Support services-central	12.5	7.6	-	-	12.5	7.6	64.5%
Other support services	8.2	5.2	-	-	8.2	5.2	57.7%
Non-instructional services	1.2	1.0	-	-	1.2	1.0	20.0%
Community services	1.4	1.4	-	-	1.4	1.4	0.0%
Performing Arts Center	-	-	0.2	0.2	0.2	0.2	0.0%
Food services	-	-	34.2	31.4	34.2	31.4	8.9%
<b>Total Expenses</b>	<b>443.2</b>	<b>426.4</b>	<b>34.4</b>	<b>31.6</b>	<b>477.6</b>	<b>458.0</b>	<b>4.3%</b>
<b>Change in net position</b>	<b>39.8</b>	<b>31.9</b>	<b>0.6</b>	<b>0.9</b>	<b>40.4</b>	<b>32.8</b>	<b>23.2%</b>
<b>Net Position - beginning of year</b> (restated 2015)	<b>422.6</b>	<b>744.1</b>	<b>9.9</b>	<b>12.2</b>	<b>432.5</b>	<b>756.3</b>	
<b>Net Position - end of year</b>	<b>\$ 462.4</b>	<b>776.0</b>	<b>10.5</b>	<b>13.1</b>	<b>472.9</b>	<b>789.1</b>	

Table A-2 on the previous page shows that revenues from governmental activities for 2015 were \$483.0 million, while total expenses were \$443.2 million. Governmental activities contributed \$39.8 million positively to the total net position, while business-type activities resulted in a \$0.6 million positive contribution.

Program revenues, in the form of charges for services, operating grants and contributions and capital grants and contributions increased by \$21.7 million. This increase was primarily the result of an increase in state and federal grants received for instructional programs.

Property taxes comprise the largest percentage of the general revenues for the Board with 20.2% of total revenues coming from this source. The increase of 4.4% from the previous year is due in part to an increase in the value of the tax digest. Sales tax revenues generated by the Special Purpose Local Option Sales Tax (SPLOST) increased by \$1.7 million to a total of \$46.6 million. Interest and investment earnings decreased by \$3,836.

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

<b>Table A-3</b>						
<b>Net Cost of Governmental Activities</b>						
<b>(in millions of dollars)</b>						
	<b>Total Cost of Services</b>		<b>Percentage Change</b>	<b>Net Cost of Services</b>		<b>Percentage Change</b>
	<b>2015</b>	<b>2014</b>	<b>2015-2014</b>	<b>2015</b>	<b>2014</b>	<b>2015-2014</b>
Instruction	\$ 297.2	\$ 296.9	0.1%	66.5	87.4	-23.9%
Pupil, Instructional and Media Services	38.7	34.6	11.8%	21.8	14.5	50.3%
General and Business Administration	7.0	5.3	32.1%	3.6	2.2	63.6%
School administration	22.7	24.0	-5.4%	11.9	13.6	-12.5%
Maintenance and operations	35.4	32.0	10.6%	21.3	18.1	17.7%
Pupil transportation	18.9	18.4	2.7%	15.9	15.1	5.3%
Central Support and other support	20.7	12.8	61.7%	16.1	7.9	103.8%
Community Services and non-instructional	2.6	2.4	8.3%	-3.0	-2.2	36.4%
<b>Total Governmental Activities</b>	<b>\$ 443.2</b>	<b>\$ 426.4</b>	<b>3.9%</b>	<b>154.1</b>	<b>156.6</b>	<b>-1.6%</b>
Less: Unrestricted federal and state aid:				34.2	36.4	-6.0%
Total needs from local taxes and other revenues:				<u>\$ 119.9</u>	<u>120.2</u>	<u>-0.2%</u>

The total cost of governmental activities increased 3.9%, while the net cost of services decreased 1.6%.

## **Business-Type Activities**

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

- Business type revenues exceeded expenses during the year for an increase of \$0.6 million in net position.
- Charges for services represent \$0.6 million of revenue. This represents amounts paid by teachers and other customers of the cafeteria operations and the performing arts center.
- Federal and state reimbursement for meals, including payments for free and reduced lunches, was \$34.4 million.

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

## **Analysis of the Board's Funds**

At June 30, 2015, the Board's governmental funds reported a combined fund balance of \$108,338,152. This is an increase of \$21,309,403. The primary reason for this increase is attributed to the Capital Projects Fund which increased by \$17,565,360.

The fund balance of the General Fund was \$78,290,778 at June 30, 2015. The Capital Projects ending fund balance was \$25,018,520 while all other Governmental Funds had a total fund balance of \$5,028,854 at June 30, 2015.

The fund balance of the General Fund improved primarily because of the school system's conscious efforts to reduce expenditures and the continued hesitancy to commit to significant increases in recurring expenses in light of the uncertainty of economic recovery.

The increase in the Capital Projects Funds is the result of a temporary increase in cash reserves as projects begin under the most recently authorized SPLOST.

## **General Fund Budgeting Highlights**

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

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

The total expenditures realized a positive variance of \$39.8 million. This was due to attrition, conservative spending and efficient use of resources.

The total revenue had a positive variance of \$6.8 million. Property tax collections exceeded estimates by \$1.9 million. In addition, there was increased QBE funding from growth in student enrollment.

## Capital Asset and Debt Administration

### Capital Assets

At June 30, 2015, the Board had \$697,860,759 invested in a broad range of capital assets, including land, buildings and furniture and equipment for its governmental activities. The Board is currently funding a five-year capital improvement program with revenue from a one-cent local option sales tax that was approved by the citizens of Clayton County in November, 2013. The maximum amount of collections approved by this referendum was \$280.3 million. The sales tax revenue, along with state capital outlay grants, will fund the program through 2019.

	Governmental Activities		Business-type Activities		Total		Total Percentage Change
	2015	2014	2015	2014	2015	2014	2015-2014
Land	\$ 33.6	33.6	-	-	33.6	33.6	0.0%
Construction in progress	39.6	121.7	-	-	39.6	121.7	-68.3%
Buildings and improvements	610.4	526.6	3.6	3.7	614.0	530.3	15.8%
Equipment and furniture	<u>14.2</u>	<u>10.6</u>	<u>.7</u>	<u>.9</u>	<u>14.9</u>	<u>11.5</u>	29.6%
Total capital assets net of depreciation	\$ <u>697.8</u>	<u>692.5</u>	<u>4.3</u>	<u>4.6</u>	<u>702.1</u>	<u>697.1</u>	0.7%

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

### Debt Administration

At June 30, 2015, the Board had no outstanding long-term bond debt. Because of the availability of the one cent sales tax for capital improvements since 1997, the Board has not had the need to issue any new debt and used proceeds from the sales tax to retire all of the previously existing long-term bond debt.

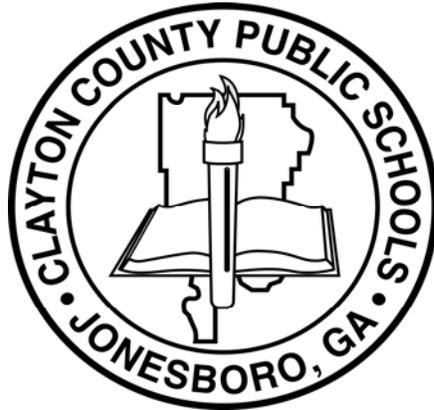
### Economic Factors

- FY 2015 marked a turning point that will hopefully continue in the recovery of the local economy from the recession. Property value is rebounding slowly. The overall tax base of the county increased by approximately \$77 million, resulting in a gain of \$4.4 million in local tax revenues to the school system. Further, the Governor recommended and the State Legislature approved for the first time a reduction in the austerity cuts to the “Quality Basic Education” Act funding after over ten years of continuous cuts.

- The percentage of students that qualify for free or reduced priced lunches exceeds approximately 80% district-wide. As a result, all schools in the district are eligible to receive Title I federal funding under the No Child Left Behind Act for the Economically Disadvantaged.

### **Contacting the Board's Financial Management**

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



# **Basic Financial Statements**

**Clayton County  
Public Schools**

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# CLAYTON COUNTY BOARD OF EDUCATION

## STATEMENT OF NET POSITION JUNE 30, 2015

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 116,381,839	\$ 10,402,727	\$ 126,784,566
Investments	1,375,555	-	1,375,555
Receivables:			
Accounts	130,700	31	130,731
Intergovernmental	43,174,458	199,498	43,373,956
Taxes	11,859,332	-	11,859,332
Internal balances	(201,690)	201,690	-
Inventories	-	776,249	776,249
Prepaid items	108,564	-	108,564
Capital assets, nondepreciable	73,281,251	-	73,281,251
Capital assets, depreciable (net of accumulated depreciation)	<u>624,579,508</u>	<u>4,343,550</u>	<u>628,923,058</u>
Total assets	<u>870,689,517</u>	<u>15,923,745</u>	<u>886,613,262</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Pensions	<u>30,852,650</u>	<u>275,214</u>	<u>31,127,864</u>
Total deferred outflows of resources	<u>30,852,650</u>	<u>275,214</u>	<u>31,127,864</u>
<b>LIABILITIES</b>			
Accounts payable	1,996,918	79,508	2,076,426
Contracts payable	2,579,846	-	2,579,846
Retainage payable	389,950	-	389,950
Due to other governments	17,971	-	17,971
Accrued payroll and payroll withholdings	54,530,353	2,075,484	56,605,837
Unearned revenue	19,593	145,327	164,920
Other current liabilities	71	-	71
Claims payable due within one year	3,892,284	-	3,892,284
Claims payable due in more than one year	86,303	-	86,303
Compensated absences due within one year	1,590,896	40,709	1,631,605
Compensated absences due in more than one year	1,923,316	48,302	1,971,618
Net pension liability, due in more than one year	<u>275,275,816</u>	<u>2,461,951</u>	<u>277,737,767</u>
Total liabilities	<u>342,303,317</u>	<u>4,851,281</u>	<u>347,154,598</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Pensions	<u>96,833,267</u>	<u>866,283</u>	<u>97,699,550</u>
Total deferred inflows of resources	<u>96,833,267</u>	<u>866,283</u>	<u>97,699,550</u>
<b>NET POSITION</b>			
Investment in capital assets	697,860,759	4,343,550	702,204,309
Restricted for capital projects	25,018,520	-	25,018,520
Unrestricted	<u>(260,473,696)</u>	<u>6,137,845</u>	<u>(254,335,851)</u>
Total net position	<u>\$ 462,405,583</u>	<u>\$ 10,481,395</u>	<u>\$ 472,886,978</u>

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

# CLAYTON COUNTY BOARD OF EDUCATION

## STATEMENT OF ACTIVITIES FOR THE FISCAL YEAR ENDED JUNE 30, 2015

<u>Functions/Programs</u>	<u>Expenses</u>	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities:				
Instruction	\$ 297,202,738	\$ 11,145,814	\$ 216,285,212	\$ 3,302,610
Pupil services	14,025,845	-	4,049,300	-
Improvement of instructional services	19,513,550	107,079	7,123,749	-
Educational media services	5,253,474	-	5,754,998	-
General administration	4,761,203	-	2,012,643	-
School administration	22,719,854	-	10,839,835	-
Business services	2,244,181	-	1,409,139	-
Maintenance and operations	35,366,992	-	14,055,728	-
Student transportation	18,854,508	-	2,927,363	-
Central support services	12,555,458	-	1,497,517	-
Other support services	8,171,240	464	3,111,032	-
Other non-instructional services	1,170,450	5,236,965	280,159	-
Community services	1,394,705	-	-	-
Total governmental activities	443,234,198	16,490,322	269,346,675	3,302,610
Business-type activities:				
School food service	34,186,940	577,970	34,346,668	-
Performing arts center	233,425	67,039	-	-
Total business-type activities	34,420,365	645,009	34,346,668	-
Total	\$ 477,654,563	\$ 17,135,331	\$ 303,693,343	\$ 3,302,610

General revenues:

- Property taxes
- Sales taxes
- Other taxes
- Grants and contributions not restricted to specific programs
- Unrestricted investment earnings
- Gain on sale of capital assets
- Total general revenues
- Change in net position
- Net position, beginning of year, as restated
- Net position, end of year

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

<b>Net (Expenses) Revenues and Changes in Net Position</b>		
<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
\$ (66,469,102)	\$ -	\$ (66,469,102)
(9,976,545)	-	(9,976,545)
(12,282,722)	-	(12,282,722)
501,524	-	501,524
(2,748,560)	-	(2,748,560)
(11,880,019)	-	(11,880,019)
(835,042)	-	(835,042)
(21,311,264)	-	(21,311,264)
(15,927,145)	-	(15,927,145)
(11,057,941)	-	(11,057,941)
(5,059,744)	-	(5,059,744)
4,346,674	-	4,346,674
(1,394,705)	-	(1,394,705)
<u>(154,094,591)</u>	<u>-</u>	<u>(154,094,591)</u>
-	737,698	737,698
-	(166,386)	(166,386)
-	<u>571,312</u>	<u>571,312</u>
<u>(154,094,591)</u>	<u>571,312</u>	<u>(153,523,279)</u>
104,814,477	-	104,814,477
46,579,860	-	46,579,860
8,157,973	-	8,157,973
34,232,464	-	34,232,464
109,660	-	109,660
-	4,707	4,707
<u>193,894,434</u>	<u>4,707</u>	<u>193,899,141</u>
39,799,843	576,019	40,375,862
422,605,740	9,905,376	432,511,116
<u>\$ 462,405,583</u>	<u>\$ 10,481,395</u>	<u>\$ 472,886,978</u>

# CLAYTON COUNTY BOARD OF EDUCATION

## BALANCE SHEET GOVERNMENTAL FUNDS JUNE 30, 2015

ASSETS	General	Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
Cash	\$ 88,755,272	\$ 22,923,807	\$ 4,702,760	\$ 116,381,839
Investments	202,687	1,172,868	-	1,375,555
Receivables:				
Accounts	125,892	-	4,808	130,700
Taxes	7,967,589	3,891,743	-	11,859,332
Intergovernmental	33,328,262	-	9,846,196	43,174,458
Due from other funds	4,148,696	-	924,843	5,073,539
Prepaid items	108,564	-	-	108,564
<b>Total assets</b>	<b>\$ 134,636,962</b>	<b>\$ 27,988,418</b>	<b>\$ 15,478,607</b>	<b>\$ 178,103,987</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts payable	\$ 798,964	\$ -	\$ 1,197,954	\$ 1,996,918
Intergovernmental accounts payable	-	-	17,971	17,971
Contracts payable	-	2,579,846	-	2,579,846
Retainage payable	-	389,950	-	389,950
Due to other funds	19,163	102	5,255,964	5,275,229
Accrued payroll and payroll withholdings	50,572,153	-	3,958,200	54,530,353
Unearned revenue	-	-	19,593	19,593
Other current liabilities	-	-	71	71
<b>Total liabilities</b>	<b>51,390,280</b>	<b>2,969,898</b>	<b>10,449,753</b>	<b>64,809,931</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenue - property taxes	4,955,904	-	-	4,955,904
<b>Total deferred inflows of resources</b>	<b>4,955,904</b>	<b>-</b>	<b>-</b>	<b>4,955,904</b>
<b>FUND BALANCES</b>				
Fund balances:				
Nonspendable - prepaid items	108,564	-	-	108,564
Restricted for capital projects	-	25,018,520	-	25,018,520
Assigned for Worktec programs	-	-	390,624	390,624
Assigned for student programs	-	-	4,638,230	4,638,230
Assigned for subsequent year's budget	22,179,645	-	-	22,179,645
Unassigned	56,002,569	-	-	56,002,569
<b>Total fund balances</b>	<b>78,290,778</b>	<b>25,018,520</b>	<b>5,028,854</b>	<b>108,338,152</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 134,636,962</b>	<b>\$ 27,988,418</b>	<b>\$ 15,478,607</b>	<b>\$ 178,103,987</b>

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

# CLAYTON COUNTY BOARD OF EDUCATION

## RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION JUNE 30, 2015

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

Fund balances - total governmental funds	\$	108,338,152
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		697,860,759
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds.		4,955,904
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.		<u>(348,749,232)</u>
Net position of governmental activities	\$	<u>462,405,583</u>

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

# CLAYTON COUNTY BOARD OF EDUCATION

## STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>General</u>	<u>Capital Projects</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>REVENUES</b>				
Local sources	\$ 118,107,145	\$ 46,579,860	\$ 12,133,217	\$ 176,820,222
State sources	260,001,760	3,328,031	6,579,436	269,909,227
Federal sources	917,068	-	35,785,222	36,702,290
Interest income	98,210	11,450	-	109,660
Total revenues	<u>379,124,183</u>	<u>49,919,341</u>	<u>54,497,875</u>	<u>483,541,399</u>
<b>EXPENDITURES</b>				
Current:				
Instruction	242,285,370	-	40,248,125	282,533,495
Pupil services	11,501,280	-	2,909,737	14,411,017
Improvement of instructional services	14,465,267	-	5,525,560	19,990,827
Educational media services	5,446,811	-	-	5,446,811
General administration	3,962,959	-	628,637	4,591,596
School administration	22,883,231	-	385,583	23,268,814
Business services	2,298,166	-	-	2,298,166
Maintenance and operations	36,120,996	-	22,412	36,143,408
Student transportation	17,889,265	-	218,457	18,107,722
Central support services	12,347,018	-	50,598	12,397,616
Other support services	5,375,331	-	2,882,836	8,258,167
Other non-instructional services	255,617	-	784,013	1,039,630
Community service	-	-	1,397,125	1,397,125
Capital outlay	-	32,353,981	-	32,353,981
Total expenditures	<u>374,831,311</u>	<u>32,353,981</u>	<u>55,053,083</u>	<u>462,238,375</u>
Excess (deficiency) of revenues over (under) expenditures	<u>4,292,872</u>	<u>17,565,360</u>	<u>(555,208)</u>	<u>21,303,024</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of capital assets	6,379	-	-	6,379
Transfers in	-	-	420,633	420,633
Transfers out	(420,633)	-	-	(420,633)
Total other financing sources (uses)	<u>(414,254)</u>	<u>-</u>	<u>420,633</u>	<u>6,379</u>
Net change in fund balances	3,878,618	17,565,360	(134,575)	21,309,403
<b>FUND BALANCE, beginning of year</b>	<u>74,412,160</u>	<u>7,453,160</u>	<u>5,163,429</u>	<u>87,028,749</u>
<b>FUND BALANCE, end of year</b>	<u>\$ 78,290,778</u>	<u>\$ 25,018,520</u>	<u>\$ 5,028,854</u>	<u>\$ 108,338,152</u>

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

# CLAYTON COUNTY BOARD OF EDUCATION

## RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE FISCAL YEAR ENDED JUNE 30, 2015

---

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

Net change in fund balances - total governmental funds	\$	21,309,403
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.		5,317,947
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net assets.		(49,543)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		(293,159)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		<u>13,515,195</u>
Change in net position - governmental activities	\$	<u>39,799,843</u>

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

# CLAYTON COUNTY BOARD OF EDUCATION

## GENERAL FUND STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET (NON-GAAP) AND ACTUAL FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	Budget		Actual	Variance With
	Original	Final		Final Budget
<b>REVENUES</b>				
Local sources	\$ 122,891,805	\$ 116,214,168	\$ 118,107,145	\$ 1,892,977
State sources	251,080,793	251,593,608	256,181,396	4,587,788
Federal sources	667,375	667,375	917,068	249,693
Interest income	40,000	40,000	98,210	58,210
Total revenues	374,679,973	368,515,151	375,303,819	6,788,668
<b>EXPENDITURES</b>				
Current:				
Instruction	266,653,381	272,286,520	239,998,536	32,287,984
Pupil services	10,628,522	11,683,442	11,501,280	182,162
Improvement of instructional services	13,121,919	13,476,454	14,465,267	(988,813)
Educational media services	6,068,381	5,423,328	5,446,811	(23,483)
General administration	3,101,914	3,796,560	3,961,286	(164,726)
School administration	23,796,591	24,406,851	22,883,231	1,523,620
Business services	4,996,658	2,947,667	2,271,361	676,306
Maintenance and operations	35,894,388	38,076,082	35,809,493	2,266,589
Student transportation	18,364,934	18,304,278	17,675,594	628,684
Central support services	10,962,055	14,880,314	12,269,132	2,611,182
Other support services	6,157,752	5,495,156	5,147,100	348,056
Other non-instructional services	685,000	685,000	255,617	429,383
Total expenditures	400,431,495	411,461,652	371,684,708	39,776,944
Excess (deficiency) of revenues over (under) expenditures	(25,751,522)	(42,946,501)	3,619,111	46,565,612
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of capital assets	-	-	6,379	6,379
Transfers out	(230,266)	(230,266)	(420,633)	(190,367)
Total other financing sources (uses)	(230,266)	(230,266)	(414,254)	(183,988)
Net change in fund balances	\$ (25,981,788)	\$ (43,176,767)	\$ 3,204,857	\$ 46,381,624

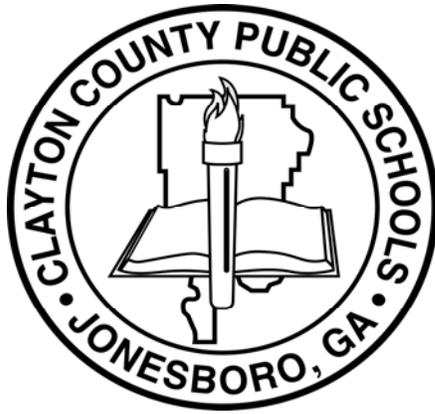
The accompanying notes are an integral part of these financial statements.

# CLAYTON COUNTY BOARD OF EDUCATION

## STATEMENT OF NET POSITION PROPRIETARY FUNDS JUNE 30, 2015

ASSETS	Business-type Activities - Enterprise Funds		
	School Food Service	Nonmajor Performing Arts Center	Totals
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	\$ 10,402,727	\$ -	\$ 10,402,727
Receivables:			
Intergovernmental	199,498	-	199,498
Account	31	-	31
Inventories	776,249	-	776,249
Due from other funds	19,163	314,376	333,539
Total current assets	11,397,668	314,376	11,712,044
<b>CAPITAL ASSETS</b>			
Buildings	-	7,308,375	7,308,375
Furniture and equipment	5,548,789	6,167	5,554,956
Total depreciable assets	5,548,789	7,314,542	12,863,331
Less accumulated depreciation	(4,786,346)	(3,733,435)	(8,519,781)
Total capital assets	762,443	3,581,107	4,343,550
Total assets	12,160,111	3,895,483	16,055,594
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Pension contributions subsequent to measurement date	275,214		275,214
Total deferred outflows of resources	275,214		275,214
<b>LIABILITIES</b>			
Accounts payable	79,508	-	79,508
Accrued payroll and payroll withholdings	2,164,495	-	2,164,495
Due to other funds	131,849	-	131,849
Unearned revenue	145,327	-	145,327
Net pension liability, due in more than one year	2,461,951	-	2,461,951
Total liabilities	4,983,130	-	4,983,130
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Pension change in proportionate share of contributions	858,288	-	858,288
Pension investment return	7,995	-	7,995
Total deferred inflows of resources	866,283	-	866,283
<b>NET POSITION</b>			
Investment in capital assets	762,443	3,581,107	4,343,550
Unrestricted	5,823,469	314,376	6,137,845
Total net position	\$ 6,585,912	\$ 3,895,483	\$ 10,481,395

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



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**CLAYTON COUNTY BOARD OF EDUCATION**

**STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN FUND NET POSITION  
PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	<b>Business-type Activities - Enterprise Funds</b>		
	<b>School Food Service</b>	<b>Nonmajor Performing Arts Center</b>	<b>Totals</b>
		<b>Service</b>	
<b>OPERATING REVENUES</b>			
Local sources	\$ 577,970	\$ 67,039	\$ 645,009
Total operating revenues	<u>577,970</u>	<u>67,039</u>	<u>645,009</u>
<b>OPERATING EXPENSES</b>			
Food service operations	33,615,121	-	33,615,121
Enterprise operation	-	87,258	87,258
Maintenance and operations	350,057	-	350,057
Depreciation	221,762	146,167	367,929
Total operating expenses	<u>34,186,940</u>	<u>233,425</u>	<u>34,420,365</u>
Operating loss	<u>(33,608,970)</u>	<u>(166,386)</u>	<u>(33,775,356)</u>
<b>NON-OPERATING REVENUES</b>			
Intergovernmental revenues	34,346,668	-	34,346,668
Gain on disposal of assets	4,707	-	4,707
Total non-operating revenues	<u>34,351,375</u>	<u>-</u>	<u>34,351,375</u>
Change in net position	742,405	(166,386)	576,019
<b>NET POSITION, beginning of year, as restated</b>	<u>5,843,507</u>	<u>4,061,869</u>	<u>9,905,376</u>
<b>NET POSITION, end of year</b>	<u>\$ 6,585,912</u>	<u>\$ 3,895,483</u>	<u>\$ 10,481,395</u>

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

# CLAYTON COUNTY BOARD OF EDUCATION

## STATEMENT OF CASH FLOWS PROPRIETARY FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	Business-type Activities - Enterprise Funds		
	School Food Service	Nonmajor Performing Arts Center	Totals
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from local sources	\$ 560,581	\$ 87,258	\$ 647,839
Payments to suppliers	(21,321,259)	(4,349)	(21,325,608)
Payments to employees	(10,192,312)	(68,687)	(10,260,999)
Payments on behalf of employees	(3,669,152)	(14,222)	(3,683,374)
Net cash used in operating activities	(34,622,142)	-	(34,622,142)
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Subsidy from federal and state grants	34,339,203	-	34,339,203
Net cash provided by noncapital financing activities	34,339,203	-	34,339,203
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Purchase of capital assets	(51,986)	-	(51,986)
Proceeds from disposition of capital assets	9,349	-	9,349
Net cash used in capital and related financing activities	(42,637)	-	(42,637)
Net decrease in cash and cash equivalents	(325,576)	-	(325,576)
Cash and cash equivalents, beginning of year	10,728,303	-	10,728,303
Cash and cash equivalents, end of year	\$ 10,402,727	\$ -	\$ 10,402,727

# CLAYTON COUNTY BOARD OF EDUCATION

## STATEMENT OF CASH FLOWS PROPRIETARY FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	Business-type Activities - Enterprise Funds			
	School Food Service	Nonmajor Performing Arts Center		Totals
<b>Reconciliation of operating loss to net cash used in operating activities</b>				
Operating loss	\$ (33,608,970)	\$ (166,386)		\$ (33,775,356)
Adjustments to reconcile operating loss to net cash used in operating activities				
Depreciation	221,762	146,167		367,929
Decrease in accounts receivable	2,575	-		2,575
(Increase) decrease in due from other funds	(8,591)	20,219		11,628
Increase in inventories	(157,690)	-		(157,690)
Increase in deferred outflows - pensions	(31,077)	-		(31,077)
Decrease in accounts payable	(12,531)	-		(12,531)
Decrease in due to other funds	(1,164,233)	-		(1,164,233)
Increase in accrued payroll and other withholdings	225,186	-		225,186
Increase in deferred inflows - pensions	866,283	-		866,283
Decrease in net pension liability	(943,483)	-		(943,483)
Decrease in unearned revenue	(11,373)	-		(11,373)
Net cash used in operating activities	\$ (34,622,142)	\$ -		\$ (34,622,142)

### NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES

The School System received \$2,184,865 in commodities from the United States Department of Agriculture during the fiscal year ended June 30, 2015.

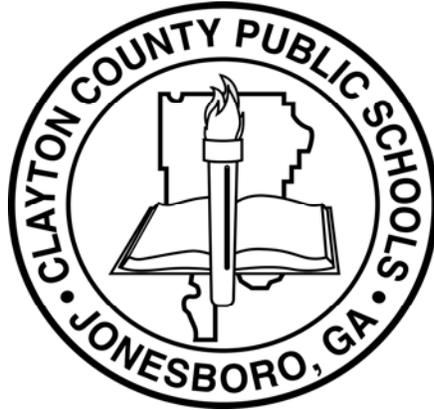
**The accompanying notes are an integral part of these financial statements.**

**CLAYTON COUNTY BOARD OF EDUCATION**  
**STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES**  
**AGENCY FUND**  
**JUNE 30, 2015**

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		<u>Agency Fund</u>
	<b>ASSETS</b>	<u>Student</u>
		<u>Activities</u>
Cash		<u>\$ 431,470</u>
Total assets		<u><u>\$ 431,470</u></u>
	<b>LIABILITIES</b>	
Due to others		<u>\$ 431,470</u>
Total liabilities		<u><u>\$ 431,470</u></u>

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



# **Notes to Financial Statements**

**Clayton County  
Public Schools**

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# CLAYTON COUNTY BOARD OF EDUCATION

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2015

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### A. Reporting Entity

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

#### B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the School System. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for services.

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

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

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

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period. For this purpose, the School System considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

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

Property taxes, sales taxes, intergovernmental grants, and investment income associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period.

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

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

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

The School System reports the following major governmental funds:

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

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

The School System reports the following major proprietary fund:

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

Additionally, the School System reports the following fund types:

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

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

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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

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

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

#### D. Cash and Investments

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

#### E. Receivables and Payables

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

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### F. On-Behalf Payments

The State of Georgia makes certain pension plan payments on behalf of the School System for its employees. The School System records these payments as both a revenue and expenditure in the General Fund. The total of the on-behalf payments for the fiscal year ended June 30, 2015 was \$859,769.

#### G. Inventories and Prepaid Items

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

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

#### H. Non-Monetary Transactions

The School System received from the United States Department of Agriculture through the Georgia Department of Education approximately \$2,184,865 in donated food commodities for its lunchroom programs. The federally assigned value of these commodities is reflected as revenue and an expense in the financial statements.

#### I. Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the School System as assets with an initial, individual cost of more than \$5,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### I. Capital Assets (Continued)

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

<u>Asset</u>	<u>Years</u>
Improvements	20-50
Buildings	20-50
Machinery and equipment	4-10

#### J. Deferred Outflows / Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. Other than the pension related items discussed below, the School System did not have any items that qualified for reporting in this category for the year ended June 30, 2015.

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

#### K. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Teachers Retirement System of Georgia (TRS), the Public School Employees Retirement System (PSERS), and the Employees' Retirement System (ERS), and additions to/deductions from each plan's fiduciary net position have been determined on the same basis as they are reported by each plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### L. Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. In the fund financial statements, governmental fund types report the face amount of debt issued as other financing sources.

#### M. Compensated Absences

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

#### N. Fund Equity

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

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

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

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

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

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

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### N. Fund Equity (Continued)

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

The responsibility for designating funds to specific classifications is as follows:

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

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

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

#### O. Use of Estimates

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

## NOTES TO FINANCIAL STATEMENTS

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

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

The governmental fund balance sheet includes a reconciliation between *fund balance – total governmental funds* and *net position – governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains that “long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.” The details of this \$348,749,232 difference are as follows:

Workers' compensation claims payable	\$ (2,616,023)
Claims & judgments payable	(1,362,564)
Compensated absences	(3,514,212)
Net pension liability	(275,275,816)
Pension change in proportionate share of contributions	(828,622)
Pension investment return	(95,940,112)
Pension contributions subsequent to measurement date	<u>30,788,117</u>
Net adjustment to reduce <i>fund balance - total governmental funds</i> to arrive at <i>net position - governmental activities</i>	<u>\$ (348,749,232)</u>

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

The governmental fund statement of revenues, expenditures and changes in fund balances includes a reconciliation between *net changes in fund balances – total governmental funds* and *changes in net position of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that “Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.” The details of this \$5,317,947 difference are as follows:

Capital outlay	\$ 22,771,372
Depreciation expense	<u>(17,453,425)</u>
Net adjustment to increase <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	<u>\$ 5,317,947</u>

## NOTES TO FINANCIAL STATEMENTS

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

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

Another element of that reconciliation states that “some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.” The details of this \$13,515,195 difference are as follows:

Compensated absences	\$ 69,454
Workers' compensation claims payable	(148,513)
Claims and judgments payable	(1,352,173)
Change in net pension liability and deferred inflows and outflows related to pension activity	(12,083,963)
Net adjustment to decrease <i>net change in fund balances - governmental funds</i> to arrive at <i>change in net position - governmental activities</i>	\$ (13,515,195)

**NOTE 3. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

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

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

The Statement of Revenues and Expenditures – Budget (Non-GAAP) to Actual presents actual and budget data for the General Fund. To facilitate comparison with the budget, adjustments have been made to actual revenues and expenditures to reflect actual amounts on the budget basis.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 3. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)

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

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

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

GAAP basis net change in fund balance	\$	3,878,618
Adjustment for:		
State QBE revenue		(2,960,595)
Salaries and employee benefits		2,286,834
State paid employee benefit revenue		(859,769)
State paid employee benefit expenditures		859,769
		859,769
Budget basis net change in fund balance	\$	3,204,857

## NOTES TO FINANCIAL STATEMENTS

### NOTE 4. DEPOSITS AND INVESTMENTS

**Credit Risk.** State statutes authorize the School System to invest in: obligations of the United States, the State of Georgia and other political subdivisions of the State of Georgia, and other states; prime bankers' acceptances; repurchase agreements; and the Georgia local government investment pool (Georgia Fund 1). Georgia Fund 1, created by OCGA 36-83-8, is a stable net asset value investment pool which follows Standard & Poor's criteria for AAAM rated money market funds. The pool's primary objectives are safety of capital, investment income, liquidity and diversification while maintaining principal (\$1.00 per share value). Net asset value is calculated weekly to ensure stability. The pool distributes earnings (net of management fees) on a monthly basis and determines participant's shares sold and redeemed based on a \$1.00 per share value. The fair value of the School System's position in the pool is the same as the value of pool shares (\$1 per share value). The regulatory oversight agency for Georgia Fund 1 is the Georgia Office of State Treasurer. As of June 30, 2015, the School System's investment in Georgia Fund 1 was rated AAAM by Standard & Poor's. The School System does not have a policy for credit risk beyond the types of investments authorized by Georgia State law.

At June 30, 2015, the School System had the following investments:

Investment	Maturities	Fair Value
Georgia Fund 1	56 day weighted average	\$ 1,375,555

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

**Custodial Credit Risk – Deposits.** Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes require all deposits and investments (other than federal and state government instruments) to be collateralized by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties, or municipalities. As of June 30, 2015, the School System's bank balance was fully collateralized.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 5. RECEIVABLES

Receivables at June 30, 2015, for the School System's individual major funds and nonmajor funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	General	Capital Projects	Nonmajor Governmental Funds	School Food Service	Total
Intergovernmental	\$ 33,328,262	\$ -	\$ 9,846,196	\$ 199,498	\$ 43,373,956
Taxes	12,923,493	3,891,743	-	-	16,815,236
Accounts	125,892	-	4,808	31	130,731
	<u>46,377,647</u>	<u>3,891,743</u>	<u>9,851,004</u>	<u>199,529</u>	<u>60,319,923</u>
Less allowance for uncollectible	<u>(4,955,904)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(4,955,904)</u>
Net total receivable	<u>\$ 41,421,743</u>	<u>\$ 3,891,743</u>	<u>\$ 9,851,004</u>	<u>\$ 199,529</u>	<u>\$ 55,364,019</u>

Intergovernmental receivables consist of grant reimbursements due primarily from the Georgia Department of Education, sales taxes which are collected by the state on the School System's behalf, and property taxes collected by Clayton County Tax Commissioner on the School System's behalf.

### NOTE 6. PROPERTY TAXES

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

Real property taxes were levied on August 26, 2014 and were due November 15, 2014. Clayton County may place liens on property once the related tax payments become delinquent. The property tax receivable allowance is equal to 50% of outstanding property taxes at June 30, 2015, net of amounts collected within 60 days of year-end.

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

## NOTES TO FINANCIAL STATEMENTS

### NOTE 7. CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2015, is as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers</u>	<u>Ending Balance</u>
<b>Governmental activities:</b>					
Capital assets,					
not being depreciated:					
Land	\$ 33,636,988	\$ 10,108	\$ -	\$ -	\$ 33,647,096
Construction in progress	121,720,013	16,291,744	-	(98,377,602)	39,634,155
Total	<u>155,357,001</u>	<u>16,301,852</u>	<u>-</u>	<u>(98,377,602)</u>	<u>73,281,251</u>
Capital assets,					
being depreciated:					
Buildings	680,699,000	-	-	97,320,070	778,019,070
Improvements	3,774,164	-	-	1,057,532	4,831,696
Machinery and equipment	39,964,472	6,469,520	(154,311)	-	46,279,681
Total	<u>724,437,636</u>	<u>6,469,520</u>	<u>(154,311)</u>	<u>98,377,602</u>	<u>829,130,447</u>
Less accumulated					
depreciation for:					
Buildings	(155,454,759)	(14,455,198)	-	-	(169,909,957)
Improvements	(2,407,607)	(184,066)	-	-	(2,591,673)
Machinery and equipment	(29,339,916)	(2,814,161)	104,768	-	(32,049,309)
Total	<u>(187,202,282)</u>	<u>(17,453,425)</u>	<u>104,768</u>	<u>-</u>	<u>(204,550,939)</u>
Total capital assets, being					
depreciated, net	<u>537,235,354</u>	<u>(10,983,905)</u>	<u>(49,543)</u>	<u>98,377,602</u>	<u>624,579,508</u>
Governmental activities					
capital assets, net	<u>\$ 692,592,355</u>	<u>\$ 5,317,947</u>	<u>\$ (49,543)</u>	<u>\$ -</u>	<u>\$ 697,860,759</u>
<b>Business-type activities:</b>					
Capital assets,					
being depreciated:					
Buildings	\$ 7,308,375	\$ -	\$ -	\$ -	\$ 7,308,375
Machinery and equipment	5,571,783	51,986	(68,813)	-	5,554,956
Total	<u>12,880,158</u>	<u>51,986</u>	<u>(68,813)</u>	<u>-</u>	<u>12,863,331</u>
Less accumulated					
depreciation for:					
Buildings	(3,581,100)	(146,167)	-	-	(3,727,267)
Machinery and equipment	(4,634,923)	(221,762)	64,171	-	(4,792,514)
Total	<u>(8,216,023)</u>	<u>(367,929)</u>	<u>64,171</u>	<u>-</u>	<u>(8,519,781)</u>
Total capital assets, being					
depreciated, net	<u>4,664,135</u>	<u>(315,943)</u>	<u>(4,642)</u>	<u>-</u>	<u>4,343,550</u>
Business-type activities					
capital assets, net	<u>\$ 4,664,135</u>	<u>\$ (315,943)</u>	<u>\$ (4,642)</u>	<u>\$ -</u>	<u>\$ 4,343,550</u>

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 7. CAPITAL ASSETS (CONTINUED)

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

Governmental activities:	
Instruction	\$ 14,540,812
Pupil services	5,135
Improvement of instructional services	56,408
Educational - media services	851
General administration	145,997
School administration	246,534
Business administration	1,867
Maintenance and operations	227,953
Student transportation	1,411,567
Central support services	683,828
Other non-instructional services	<u>132,473</u>
Total depreciation expense - governmental activities	<u>\$ 17,453,425</u>
Business-type activities:	
School food services	\$ 221,762
Other activities	<u>146,167</u>
Total depreciation expense - business-type activities	<u>\$ 367,929</u>

## NOTES TO FINANCIAL STATEMENTS

### NOTE 8. LONG-TERM DEBT

Changes in long-term debt for the year ended June 30, 2015 are as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
<b>Governmental activities:</b>					
Claims payable	\$ 5,479,273	\$ 2,937,069	\$ (4,437,755)	\$ 3,978,587	\$ 3,892,284
Compensated absences	3,444,758	1,749,803	(1,680,349)	3,514,212	1,590,896
Net pension liability	380,640,781	18,704,153	(124,069,118)	275,275,816	-
Governmental activities Long-term liabilities	<u>\$ 389,564,812</u>	<u>\$ 23,391,025</u>	<u>\$ (130,187,222)</u>	<u>\$ 282,768,615</u>	<u>\$ 5,483,180</u>
<b>Business-type activities:</b>					
Compensated absences	\$ 74,778	\$ 50,589	\$ (36,356)	\$ 89,011	\$ 40,709
Net pension liability	3,405,434	166,937	(1,110,420)	2,461,951	-
Business-type activities Long-term liabilities	<u>\$ 3,480,212</u>	<u>\$ 217,526</u>	<u>\$ (1,146,776)</u>	<u>\$ 2,550,962</u>	<u>\$ 40,709</u>

Included in claims payable are payments of \$1,362,564 for claims settled during the subsequent fiscal year. The remaining balance of claims payable, \$2,616,023, is related to workers' compensation claims. For governmental activities, compensated absences and claims payable are liquidated primarily by the General Fund. For business-type activities, compensated absences are liquidated primarily by the School Food Service Fund.

### NOTE 9. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The composition of interfund balances as of June 30, 2015, is as follows:

Due to/from other funds:

<u>Due to</u>	<u>Due from</u>				<u>Total</u>
	<u>General</u>	<u>School Food Service Fund</u>	<u>Capital Projects Fund</u>	<u>Nonmajor Governmental Funds</u>	
General Fund	\$ -	\$ 131,849	\$ 102	\$ 4,016,745	\$ 4,148,696
School food service fund	19,163	-	-	-	19,163
Nonmajor enterprise fund	-	-	-	314,376	314,376
Nonmajor governmental funds	-	-	-	924,843	924,843
	<u>\$ 19,163</u>	<u>\$ 131,849</u>	<u>\$ 102</u>	<u>\$ 5,255,964</u>	<u>\$ 5,407,078</u>

## NOTES TO FINANCIAL STATEMENTS

### NOTE 9. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS (CONTINUED)

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

Interfund transfers:

<u>Transfers in</u>	<u>Transfers out</u>
	<u>General Fund</u>
Nonmajor Governmental Funds	<u>\$ 420,633</u>

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

### NOTE 10. RETIREMENT PLANS

#### Teachers Retirement System

##### **Plan Description**

All teachers of the School System as defined in §47-3-60 of the Official Code of Georgia Annotated (O.C.G.A.) and certain other support personnel as defined by §47-3-63 are provided a pension through the Teachers Retirement System of Georgia (TRS). TRS, a cost-sharing multiple-employer defined benefit pension plan, is administered by the TRS Board of Trustees (TRS Board). Title 47 of the O.C.G.A. assigns the authority to establish and amend the benefit provisions to the State Legislature. TRS issues a publicly available financial report that can be obtained at [www.trsga.com/publications](http://www.trsga.com/publications).

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 10. RETIREMENT PLANS (CONTINUED)

#### **Benefits Provided**

TRS provides service retirement, disability retirement, and death benefits. Normal retirement benefits are determined as 2% of the average of the employee's two highest paid consecutive years of service, multiplied by the number of years of creditable service up to 40 years. An employee is eligible for normal service retirement after 30 years of creditable service, regardless of age, or after 10 years of service and attainment of age 60. Ten years of service is required for disability and death benefits eligibility. Disability benefits are based on the employee's creditable service and compensation up to the time of disability. Death benefits equal the amount that would be payable to the employee's beneficiary had the employee retired on the date of death. Death benefits are based on the employee's creditable service and compensation up to the date of death.

#### **Contributions**

Per Title 47 of the O.C.G.A., contribution requirements of active employees and participating employers, as actuarially determined, are established and may be amended by the TRS Board. Pursuant to O.C.G.A. §47-3-63, the employer contributions for certain full-time public school support personnel are funded on behalf of the employer by the State of Georgia. Contributions are expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Employees were required to contribute 6.00% of their annual pay during fiscal year 2015. The School System's contractually required contribution rate for the year ended June 30, 2015 was 13.15% of annual School System payroll. School System contributions to TRS were \$31,018,772 for the year ended June 30, 2015.

#### **Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

Effective July 1, 2014, the School System implemented the provisions of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68* which significantly changed the School System's accounting for pension amounts. The information disclosed below is presented in accordance with this new standard.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 10. RETIREMENT PLANS (CONTINUED)

#### **Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)**

At June 30, 2015, the School System reported a liability for its proportionate share of the net pension liability that reflected a reduction for support provided to the School System by the State of Georgia for certain public school support personnel. The amount recognized by the School System as its proportionate share of the net pension liability, the related State of Georgia support, and the total portion of the net pension liability that was associated with the School System were as follows:

School System's proportionate share of the net pension liability	\$ 277,480,737
State of Georgia's proportionate share of the net pension liability associated with the School System	<u>572,053</u>
Total	<u><u>\$ 278,052,790</u></u>

The net pension liability was measured as of June 30, 2014. The total pension liability used to calculate the net pension liability was based on an actuarial valuation as of June 30, 2013. An expected total pension liability as of June 30, 2014 was determined using standard roll-forward techniques. The School System's proportion of the net pension liability was based on contributions to TRS during the fiscal year ended June 30, 2014. At June 30 2014, the School System's proportion was 2.196357%, which was a decrease of 0.006347% from its proportion measured as of June 30, 2013.

For the year ended June 30, 2015, the School System recognized pension expense of \$18,815,060 and revenue of \$41,373 for support provided by the State of Georgia for certain support personnel. At June 30, 2015, the School System reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Net difference between projected and actual earnings on pension plan investments	\$ -	\$ 96,735,667
Changes in proportion and differences between School System contributions and proportionate share of contributions	-	901,150
School System contributions subsequent to the measurement date	<u>31,018,772</u>	<u>-</u>
Total	<u><u>\$ 31,018,772</u></u>	<u><u>\$ 97,636,817</u></u>

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 10. RETIREMENT PLANS (CONTINUED)

#### Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

School System contributions, subsequent to the measurement date, of \$31,018,772 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2016	\$ (24,388,718)
2017	(24,388,718)
2018	(24,388,718)
2019	(24,388,740)
2020	(81,923)
Thereafter	-

#### Actuarial Assumptions

The total pension liability as of June 30, 2014 was determined by an actuarial valuation as of June 30, 2013 using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3%
Salary increases	3.75 - 7.00% average, including inflation
Investment rate of return	7.50% net of pension plan investment expense, including inflation

Mortality rates were based on the RP-2000 Combined Mortality Table for Males or Females set back two years for males and set back three years for females.

The actuarial assumptions used in the June 30, 2013 valuation were based on the results of an actuarial experience study for the period July 1, 2004 – June 30, 2009.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 10. RETIREMENT PLANS (CONTINUED)

#### Actuarial Assumptions (Continued)

The long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected nominal returns, net of pension plan investment expense and the assumed rate of inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset class	Target allocation	Long-term expected real rate of return*
Fixed income	30.00 %	3.00 %
Domestic large equities	39.70	6.50
Domestic mid equities	3.70	10.00
Domestic small equities	1.60	13.00
International developed market equities	18.90	6.50
International emerging market equities	6.10	11.00
Total	100.00 %	

\*Rates shown are net of the 3% assumed rate of inflation.

#### Discount Rate

The discount rate used to measure the total pension liability was 7.50%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer and State of Georgia contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 10. RETIREMENT PLANS (CONTINUED)

#### Sensitivity of the School System's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the School System's proportionate share of the net pension liability calculated using the discount rate of 7.50%, as well as what the School System's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.50%) or 1-percentage-point higher (8.50%) than the current rate:

	1% Decrease (6.50%)	Current discount rate (7.50%)	1% Increase (8.50%)
School System's proportionate share of the net pension liability	\$ 511,359,768	\$ 277,480,737	\$ 84,886,211

#### Pension plan fiduciary net position

Detailed information about the pension plan's fiduciary net position is available in the separately issued TRS financial report which is publically available at [www.trsga.com/publications](http://www.trsga.com/publications).

#### Public School Employees Retirement System (PSERS)

##### Plan Description

PSERS is a cost-sharing multiple-employer defined benefit pension plan established by the Georgia General Assembly in 1969 for the purpose of providing retirement allowances for public school employees who are not eligible for membership in the Teachers Retirement System of Georgia. The ERS Board of Trustees, plus two additional trustees, administers PSERS. Title 47 of the O.C.G.A. assigns the authority to establish and amend the benefit provisions to the State Legislature. PSERS issues a publicly available financial report that can be obtained at [www.ers.ga.gov/formspubs/formspubs](http://www.ers.ga.gov/formspubs/formspubs).

##### Benefits Provided

A member may retire and elect to receive normal monthly retirement benefits after completion of ten years of creditable service and attainment of age 65. A member may choose to receive reduced benefits after age 60 and upon completion of ten years of service.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 10. RETIREMENT PLANS (CONTINUED)

#### Benefits Provided (Continued)

Upon retirement, the member will receive a monthly benefit of \$14.75, multiplied by the number of years of creditable service. Death and disability benefits are also available through PSERS. Additionally, PSERS may make periodic cost-of-living adjustments to the monthly benefits. Upon termination of employment, member contributions with accumulated interest are refundable upon request by the member. However, if an otherwise vested member terminates and withdraws his/her member contribution, the member forfeits all rights to retirement benefits.

#### Contributions

The general assembly makes an annual appropriation to cover the employer contribution to PSERS on behalf of local school employees (bus drivers, cafeteria workers, and maintenance staff). The annual employer contribution required by statute is actuarially determined and paid directly to PSERS by the State Treasurer in accordance with O.C.G.A. §47-4-29(a) and 60(b). Contributions are expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

Individuals who became members prior to July 1, 2012 contribute \$4 per month for nine months each fiscal year. Individuals who became members on or after July 1, 2012 contribute \$10 per month for nine months each fiscal year. The State of Georgia, although not the employer of PSERS members, is required by statute to make employer contributions actuarially determined and approved and certified by the PSERS Board of Trustees.

#### Pension Liabilities and Pension Expense

At June 30, 2015, the School System did not have a liability for a proportionate share of the net pension liability of PSERS because of the related State of Georgia support. The amount of the State's proportionate share of the net pension liability associated with the School System is as follows:

State of Georgia's proportionate share of the net pension liability associated with the School System	<u>\$ 3,516,516</u>
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The net pension liability was measured as of June 30, 2014. The total pension liability used to calculate the net pension liability was based on an actuarial valuation as of June 30, 2013. An expected total pension liability as of June 30, 2014 was determined using standard roll-forward techniques. The State's proportion of the net pension liability associated with the School System was based on actuarially determined contributions paid by the State during the fiscal year ended June 30, 2014.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 10. RETIREMENT PLANS (CONTINUED)

For the year ended June 30, 2015, the School System recognized pension expense of \$305,387 and revenue of \$305,387 for support provided by the State of Georgia.

#### Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of June 30, 2013, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.00%
Salary increase	N/A
Investment rate of return	7.50%, net pension plan investment expense, including inflation

Mortality rates were based on the RP-2000 Combined Mortality Table set forward one year for males for the period after service retirement, for dependent beneficiaries, and for deaths in active service, and the RP-2000 Disabled Mortality Table set back two years for males and set forward one year for females for the period after disability retirement.

The actuarial assumptions used in the June 30, 2013 valuation were based on the results of an actuarial experience study for the period July 1, 2004 – June 30, 2009.

The long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset class</u>	<u>Target allocation</u>	<u>Long-term expected real rate of return*</u>
Fixed income	30.00 %	3.00 %
Domestic large equities	39.70	6.50
Domestic mid equities	3.70	10.00
Domestic small equities	1.60	13.00
International developed market equities	18.90	6.50
International emerging market equities	6.10	11.00
 Total	 <u>100.00 %</u>	

\*Rates shown are net of the 3% assumed rate of inflation.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 10. RETIREMENT PLANS (CONTINUED)

#### Discount Rate

The discount rate used to measure the total pension liability was 7.50%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer and non-employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

#### Employees' Retirement System (ERS)

##### Plan Description

ERS is a cost-sharing multiple-employer defined benefit pension plan established by the Georgia General Assembly during the 1949 Legislative Session for the purpose of providing retirement allowances for employees of the State of Georgia and its political subdivisions. ERS is directed by a Board of Trustees. Title 47 of the O.C.G.A. assigns the authority to establish and amend the benefit provisions to the State Legislature. ERS issues a publicly available financial report that can be obtained at [www.ers.ga.gov/formspubs/formspubs](http://www.ers.ga.gov/formspubs/formspubs).

##### Benefits Provided

The ERS Plan supports three benefit tiers: Old Plan, New Plan, and Georgia State Employees' Pension and Savings Plan (GSEPS). Employees under the Old Plan started membership prior to July 1, 1982 and are subject to plan provisions in effect prior to July 1, 1982. Members hired on or after July 1, 1982 but prior to January 1, 2009 are New Plan members subject to modified plan provisions. Effective January 1, 2009, new state employees and rehired state employees who did not retain membership rights under the Old or New Plans are members of GSEPS. ERS members hired prior to January 1, 2009 also have the option to irrevocably change their membership to GSEPS.

Under the Old Plan, the New Plan, and GSEPS, a member may retire and receive normal retirement benefits after completion of 10 years of creditable service and attainment of age 60 or 30 years of creditable service regardless of age. Additionally, there are some provisions allowing for early retirement after 25 years of creditable service for members under age 60.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 10. RETIREMENT PLANS (CONTINUED)

#### Benefits Provided (Continued)

Retirement benefits paid to members are based upon the monthly average of the member's highest 4 consecutive calendar months, multiplied by the number of years of creditable service, multiplied by the applicable benefit factor. Annually, postretirement cost-of-living adjustments may also be made to members' benefits, provided the members were hired prior to July 1, 2009. The normal retirement pension is payable monthly for life; however, options are available for distribution of the member's monthly pension, at reduced rates, to a designated beneficiary upon the member's death. Death and disability benefits are also available through ERS.

#### Contributions

Member contributions under the Old Plan are 4% of annual compensation, up to \$4,200, plus 6% of annual compensation in excess of \$4,200. Under the Old Plan, the state pays member contributions in excess of 1.25% of annual compensation. Under the Old Plan, these state contributions are included in the members' accounts for refund purposes and are used in the computation of the members' earnable compensation for the purpose of computing retirement benefits. Member contributions under the New Plan and GSEPS are 1.25% of annual compensation. The School System's contractually required contribution rate, actuarially determined annually, for the year ended June 30, 2015 was 21.96% of annual covered payroll for Old and New Plan members and 18.87% for GSEPS members. The School System's contributions to ERS totaled \$44,559 for the year ended June 30, 2015. Contributions are expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

#### Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

Effective July 1, 2014, the School System implemented the provisions of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*, which significantly changed the School System's accounting for pension amounts. The information disclosed below is presented in accordance with this new standard.

At June 30, 2015, the School System reported a liability for its proportionate share of the net pension liability of ERS in the amount of \$257,030. The net pension liability was measured as of June 30, 2014. The total pension liability used to calculate the net pension liability was based on an actuarial valuation as of June 30, 2013. An expected total pension liability as of June 30, 2014 was determined using standard roll-forward techniques. The School System's proportion of the net pension liability was based on contributions to ERS during the fiscal year ended June 30, 2014. At June 30, 2014, the School System's proportion was 0.006853%, which was an increase of 0.002161% from its proportion measured as of June 30, 2013.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 10. RETIREMENT PLANS (CONTINUED)

#### Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

For the year ended June 30, 2015, the School System recognized pension expense of \$56,030. At June 30, 2015, the School System reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Net difference between projected and actual earnings on pension plan investments	\$ -	\$ 62,733
Changes in proportion and differences between Employer contributions and proportionate share of contributions	64,533	-
Employer contributions subsequent to the measurement date	44,559	-
Total	\$ 109,092	\$ 62,733

School System contributions subsequent to the measurement date of \$44,559 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<b>Year ended June 30:</b>	
2016	\$ 24,650
2017	8,517
2018	(15,683)
2019	(15,684)
2020	-
Thereafter	-

## NOTES TO FINANCIAL STATEMENTS

### NOTE 10. RETIREMENT PLANS (CONTINUED)

#### Actuarial Assumptions

The total pension liability as of June 30, 2014 was determined by an actuarial valuation as of June 30, 2013 using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.00%
Salary increase	5.45 - 9.25%, including inflation
Investment rate of return	7.50%, net pension plan investment expense, including inflation

Mortality rates were based on the RP-2000 Combined Mortality Table for the periods after service retirement, for dependent beneficiaries, and for deaths in active service, and the RP-2000 Disabled Mortality Table set back eleven years for males for the period after disability retirement.

The actuarial assumptions used in the June 30, 2013 valuation were based on the results of an actuarial experience study for the period July 1, 2004 – June 30, 2009. The long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected nominal returns, net of pension plan investment expense and the assumed rate of inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset class</u>	<u>Target allocation</u>	<u>Long-term expected real rate of return*</u>
Fixed income	30.00 %	3.00 %
Domestic large equities	39.70	6.50
Domestic mid equities	3.70	10.00
Domestic small equities	1.60	13.00
International developed market equities	18.90	6.50
International emerging market equities	6.10	11.00
Total	<u>100.00 %</u>	

\*Rates shown are net of the 3% assumed rate of inflation.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 10. RETIREMENT PLANS (CONTINUED)

#### Discount Rate

The discount rate used to measure the total pension liability was 7.50%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer and State of Georgia contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

#### Sensitivity of the School System's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the School System's proportionate share of the net pension liability calculated using the discount rate of 7.50%, as well as what the School System's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.50%) or 1-percentage-point higher (8.50%) than the current rate:

	1% Decrease (6.50%)	Current discount rate (7.50%)	1% Increase (8.50%)
Employer's proportionate share of the net pension liability	\$ 374,801	\$ 257,030	\$ 156,780

#### Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued ERS financial report which is publically available at [www.ers.ga.gov/formspubs/formspubs](http://www.ers.ga.gov/formspubs/formspubs).

### NOTE 11. OTHER POST-EMPLOYMENT BENEFITS

#### Georgia Retiree Health Benefit Fund

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

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 11. OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

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

Participating state employers, including local Boards of Education, are statutorily required to contribute in accordance with the employer contribution rate established by the Board. The contribution rate is established to fund both the active and retired employee health insurance plans based on projected pay-as-you-go financing requirements. The combined rate for the active and retiree plans (pay-as-you go basis) for the fiscal year ended June 30, 2015 were as follows:

#### **Certified employees**

<b><u>Period</u></b>	<b><u>Required Contribution</u></b>
July 2014 - June 2015	\$945.00 Per member per month

#### **Classified employees**

<b><u>Period</u></b>	<b><u>Required Contribution</u></b>
July 2014 - June 2015	\$596.20 Per member per month

Currently, the state is requiring that local Boards of Education pay only on active employees. The School System's contribution to the health insurance plans for the fiscal years ended June 30, 2015, 2014, and 2013 were \$45,652,108, \$45,077,969 and \$40,981,824, respectively, which equaled the required contribution. Currently, the State of Georgia has been making the remaining contributions to fund the pay-as-you-go financing on behalf of all local Boards of Education (see Note 1 for discussion of on-behalf payments).

### NOTE 12. RISK MANAGEMENT

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

## NOTES TO FINANCIAL STATEMENTS

### NOTE 12. RISK MANAGEMENT (CONTINUED)

#### Workers' Compensation

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

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

<u>Workers' Compensation</u>	<u>June 30, 2015</u>	<u>June 30, 2014</u>
Unpaid claims, beginning of fiscal year	\$ 2,764,536	\$ 1,827,034
Incurred claims (including IBNRs)	2,146,390	2,679,112
Claim payments and changes in estimates	(2,294,903)	(1,741,610)
Unpaid claims, end of fiscal year	<u>\$ 2,616,023</u>	<u>\$ 2,764,536</u>

### NOTE 13. COMMITMENTS AND CONTINGENCIES

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

The School System participates in numerous state and federal grant programs, which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the School System has not complied with the rules and regulations governing grants, refunds of any money received may be required and the collectibility of any related receivable at June 30, 2015, may be impaired. In the opinion of the School System, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying financial statements for such contingencies.

The School System is committed under outstanding construction contracts in the Capital Projects Fund in the amount of \$7,612,288. Construction contracts include new school construction and expansion and renovation of existing facilities.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 14. CHANGES IN ACCOUNTING PRINCIPLES

The School System has implemented Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions- an amendment of GASB No. 27*, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*, through which accounting for pension plans and the related disclosure requirements were modified. A restatement to the July 1, 2014 beginning net position was required for the governmental and business-type activities and the School Food Service Fund, to recognize these changes in accounting principles. The resulting adjustments are as follows:

Net Position, Governmental Activities, as previously reported	\$ 775,946,136
Changes in accounting principles for the implementation of GASB Statement Nos. 68 and 71	<u>353,340,396</u>
Net position, Governmental Activities, as restated	<u><u>\$ 422,605,740</u></u>
Net Position, Business Type Activities, as previously reported	\$ 13,066,673
Changes in accounting principles for the implementation of GASB Statement Nos. 68 and 71	<u>3,161,297</u>
Net position, Business Type Activities, as restated	<u><u>\$ 9,905,376</u></u>
Net Position, School Food Service Fund, as previously reported	\$ 9,004,804
Changes in accounting principles for the implementation of GASB Statement Nos. 68 and 71	<u>3,161,297</u>
Net position, School Food Service Fund, as restated	<u><u>\$ 5,843,507</u></u>

**CLAYTON COUNTY BOARD OF EDUCATION  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
 TEACHERS RETIREMENT SYSTEM OF GEORGIA  
 FOR THE YEAR ENDED JUNE 30, 2015**

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	<b>2015</b>
School System's proportion of the net pension liability	2.196357%
School System's proportionate share of the net pension liability	\$ 277,480,737
State of Georgia's proportionate share of the net pension liability associated with the School System	572,053
Total	\$ 278,052,790
School System's covered-employee payroll	\$ 224,071,946
School System's proportionate share of the net pension liability as a percentage of its covered-employee payroll	123.84%
Plan fiduciary net position as a percentage of the total pension liability	84.03%

*Note: Schedule is intended to show information for the last 10 fiscal years. Additional years will be displayed as they become available.*

**CLAYTON COUNTY BOARD OF EDUCATION  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF CONTRIBUTIONS  
 TEACHERS RETIREMENT SYSTEM OF GEORGIA  
 FOR THE YEAR ENDED JUNE 30, 2015**

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	<b>2015</b>
Contractually required contributions	\$ 31,018,772
Contributions in relation to the contractually required contribution	31,018,772
Contribution deficiency (excess)	-
School System's covered-employee payroll	\$ 235,884,198
Contributions as a percentage of covered-employee payroll	13.15%

*Note: Schedule is intended to show information for the last 10 fiscal years. Additional years will be displayed as they become available.*

# CLAYTON COUNTY BOARD OF EDUCATION

## NOTES TO REQUIRED SUPPLEMENTARY INFORMATION TEACHERS RETIREMENT SYSTEM OF GEORGIA FOR THE YEAR ENDED JUNE 30, 2015

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### Changes of assumptions

In 2010 and later, the expectation of retired life mortality was changed to the RP-2000 Mortality Tables rather than the 1994 Group Annuity Mortality Table, which was used prior to 2010. In 2010, rates of withdrawal, retirement, disability and mortality were adjusted to more closely reflect actual experience. In 2010, assumed rates of salary increases were adjusted to more closely reflect actual and anticipated experience.

### Method and assumptions used in calculations of actuarially determined contributions

The actuarially determined contribution rates in the schedule of contributions are calculated as of June 30, three years prior to the end of the fiscal year in which contributions are reported. The following actuarial methods and assumptions were used to determine the contractually required contributions for the year ended June 30, 2015 reported in that schedule:

Valuation date	June 30, 2012
Actuarial cost method	Entry age
Amortization method	Level dollar, open
Remaining amortization period	30 years
Asset valuation method	Seven-year smoothed market
Inflation rate	3.00%
Salary increases	3.75% - 7.00%, including inflation
Investment rate of return	7.50%, net of pension plan investment expense, including inflation

**CLAYTON COUNTY BOARD OF EDUCATION  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
PUBLIC SCHOOL EMPLOYEES RETIREMENT SYSTEM  
FOR THE YEAR ENDED JUNE 30, 2015**

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	<b>2015</b>
School System's proportion of the net pension liability	0.00%
School System's proportionate share of the net pension liability	-
State of Georgia's proportionate share of the net position liability associated with the School System	\$ 3,516,516
Total	\$ 3,516,516
School System's covered-employee payroll	\$ 19,768,819
School System's proportionate share of the net pension liability as a percentage of its covered-employee payroll	N/A
Plan fiduciary net position as a percentage of the total pension liability	88.29%

*Note: Schedule is intended to show information for the last 10 fiscal years. Additional years will be displayed as they become available.*

# CLAYTON COUNTY BOARD OF EDUCATION

## NOTES TO REQUIRED SUPPLEMENTARY INFORMATION PUBLIC SCHOOL EMPLOYEES RETIREMENT SYSTEM FOR THE YEAR ENDED JUNE 30, 2015

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### **Changes of assumptions**

The last experience investigation was prepared for the five-year period ending June 30, 2009, and based on the results of the investigation various assumptions and methods were revised and adopted by the board on December 16, 2010. The next experience investigation will be prepared for the period July 1, 2009 through June 30, 2014.

**CLAYTON COUNTY BOARD OF EDUCATION  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
 EMPLOYEES' RETIREMENT SYSTEM  
 FOR THE YEAR ENDED JUNE 30, 2015**

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	<b>2015</b>
School System's proportion of the net pension liability	0.006853%
School System's proportionate share of the net pension liability	\$ 257,030
School System's covered-employee payroll	\$ 154,312
School System's proportionate share of the net pension liability as a percentage of its covered-employee payroll	166.57%
Plan fiduciary net position as a percentage of the total pension liability	77.99%

*Note: Schedule is intended to show information for the last 10 fiscal years. Additional years will be displayed as they become available.*

**CLAYTON COUNTY BOARD OF EDUCATION  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CONTRIBUTIONS  
EMPLOYEES' RETIREMENT SYSTEM  
FOR THE YEAR ENDED JUNE 30, 2015**

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	<u>2015</u>
Contractually required contributions	\$ 44,559
Contributions in relation to the contractually required contribution	<u>44,559</u>
Contribution deficiency (excess)	-
School System's covered-employee payroll	\$ 202,910
Contributions as a percentage of covered-employee payroll	21.96%

*Note: Schedule is intended to show information for the last 10 fiscal years. Additional years will be displayed as they become available.*

**CLAYTON COUNTY BOARD OF EDUCATION**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**EMPLOYEES' RETIREMENT SYSTEM**  
**FOR THE YEAR ENDED JUNE 30, 2015**

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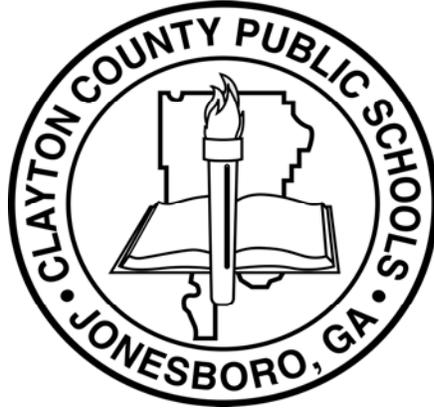
**Changes of assumptions**

There were no changes in assumptions or benefits that affect the measurement of the total pension liability since the prior measurement date.

**Method and assumptions used in calculations of actuarially determined contributions:**

The actuarially determined contribution rates in the schedule of contributions are calculated as of June 30, three years prior to the end of the fiscal year in which contributions are reported. The following actuarial methods and assumptions were used to determine the contractually required contributions for the year ended June 30, 2015 reported in that schedule:

Valuation date	June 30, 2012
Actuarial cost method	Entry age
Amortization method	Level dollar, open
Remaining amortization period	30 years
Asset valuation method	Seven-year smoothed market
Inflation rate	3.00%
Salary increases	2.725% - 4.625% for FY 2012-2013 5.45% - 9.25% for FY 2014+
Investment rate of return	7.50%, net of pension plan investment expense, including inflation



# **Supplemental Information**

**Clayton County  
Public Schools**

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# **Combining Fund Schedules**

**Clayton County  
Public Schools**

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# CLAYTON COUNTY BOARD OF EDUCATION

## NONMAJOR GOVERNMENTAL FUNDS

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### SPECIAL REVENUE FUNDS

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

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

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

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

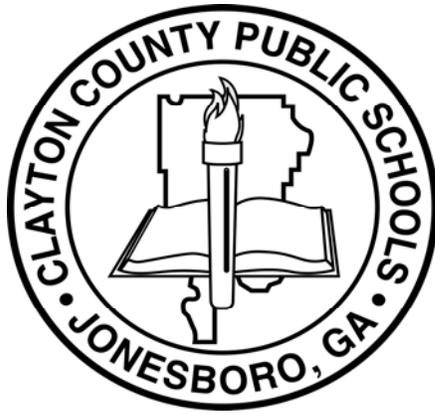
The **South Metro Fund** is used to account for the development center for children with physical and mental handicaps.

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

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

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

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



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# CLAYTON COUNTY BOARD OF EDUCATION

## NONMAJOR GOVERNMENTAL FUNDS

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### SPECIAL REVENUE FUNDS (CONTINUED)

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

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

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

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

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

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

# CLAYTON COUNTY BOARD OF EDUCATION

## COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS JUNE 30, 2015

Special Revenue Funds				
ASSETS	Adult Education	After School Program	Athletics	Lottery
Cash	\$ -	\$ -	\$ 6,365	\$ -
Receivables:				
Accounts	-	-	-	-
Intergovernmental	105,197	-	-	-
Due from other funds	1,663	568,235	-	281,572
Total assets	\$ 106,860	\$ 568,235	\$ 6,365	\$ 281,572
<b>LIABILITIES AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts payable	\$ -	\$ -	\$ 19,534	\$ -
Intergovernmental accounts payable	-	-	-	-
Accrued payroll and payroll withholdings	7,473	-	-	281,572
Other current liabilities	-	-	70	-
Unearned revenue	-	-	-	-
Due to other funds	99,387	-	24,314	-
Total liabilities	106,860	-	43,918	281,572
<b>FUND BALANCES</b>				
Assigned for student programs	-	568,235	(37,553)	-
Assigned for Worktec	-	-	-	-
Total fund balances	-	568,235	(37,553)	-
Total liabilities and fund balances	\$ 106,860	\$ 568,235	\$ 6,365	\$ 281,572

**Special Revenue Funds**

<b>South Metro</b>	<b>Title I</b>	<b>Title II</b>	<b>Title III</b>	<b>All Other Special Revenue</b>
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	4,808
1,260,748	3,726,862	553,561	65,891	231,516
-	1,221	-	-	54,181
<u>\$ 1,260,748</u>	<u>\$ 3,728,083</u>	<u>\$ 553,561</u>	<u>\$ 65,891</u>	<u>\$ 290,505</u>
\$ 11,477	\$ 1,046,005	\$ 37,467	\$ -	\$ 1,250
-	-	-	-	-
563,242	772,617	68,142	30,085	21,936
-	-	-	-	1
-	-	-	-	19,593
686,029	1,909,461	447,952	35,806	231,264
<u>1,260,748</u>	<u>3,728,083</u>	<u>553,561</u>	<u>65,891</u>	<u>274,044</u>
-	-	-	-	16,461
-	-	-	-	-
-	-	-	-	16,461
<u>\$ 1,260,748</u>	<u>\$ 3,728,083</u>	<u>\$ 553,561</u>	<u>\$ 65,891</u>	<u>\$ 290,505</u>

(Continued)

# CLAYTON COUNTY BOARD OF EDUCATION

## COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS JUNE 30, 2015

Special Revenue Funds				
ASSETS	Title VI-B Preschool	Title VI-B	Vocational Programs	WorkTec
Cash	\$ -	\$ -	\$ -	\$ 527,420
Receivables:				
Accounts	-	-	-	-
Intergovernmental	45,230	2,332,574	24,243	-
Due from other funds	-	-	-	-
Total assets	\$ 45,230	\$ 2,332,574	\$ 24,243	\$ 527,420
<b>LIABILITIES AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts payable	\$ 1,094	\$ 3,239	\$ -	\$ -
Intergovernmental accounts payable	-	-	-	-
Accrued payroll and payroll withholdings	4,477	761,756	-	-
Other current liabilities	-	-	-	-
Unearned revenue	-	-	-	-
Due to other funds	39,659	1,567,579	24,243	136,796
Total liabilities	45,230	2,332,574	24,243	136,796
<b>FUND BALANCES</b>				
Assigned for student programs	-	-	-	-
Assigned for Worktec	-	-	-	390,624
Total fund balances	-	-	-	390,624
Total liabilities and fund balances	\$ 45,230	\$ 2,332,574	\$ 24,243	\$ 527,420

**Special Revenue Funds**

<b>Race To The Top</b>	<b>School Discretionary</b>	<b>Total Nonmajor Governmental Funds</b>
\$ -	\$ 4,168,975	\$ 4,702,760
-	-	4,808
1,500,374	-	9,846,196
17,971	-	924,843
<u>\$ 1,518,345</u>	<u>\$ 4,168,975</u>	<u>\$ 15,478,607</u>
\$ -	\$ 77,888	\$ 1,197,954
17,971	-	17,971
1,446,900	-	3,958,200
-	-	71
-	-	19,593
53,474	-	5,255,964
<u>1,518,345</u>	<u>77,888</u>	<u>10,449,753</u>
-	4,091,087	4,638,230
-	-	390,624
<u>-</u>	<u>4,091,087</u>	<u>5,028,854</u>
<u>\$ 1,518,345</u>	<u>\$ 4,168,975</u>	<u>\$ 15,478,607</u>

# CLAYTON COUNTY BOARD OF EDUCATION

## COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	Special Revenue Funds			
	Adult Education	After School Program	Athletics	Lottery
<b>REVENUES</b>				
Local sources	\$ 11,080	\$ 1,493,040	\$ 236,661	\$ -
State sources	246,017	-	-	2,087,522
Federal sources	243,308	-	-	-
Total revenues	500,405	1,493,040	236,661	2,087,522
<b>EXPENDITURES</b>				
Current:				
Instruction	336,887	-	-	1,852,294
Pupil services	-	-	-	47,432
Improvement of instructional services	169,762	107,079	-	279,552
General administration	-	-	-	-
School administration	-	-	-	-
Maintenance and operations	8,757	-	-	-
Student transportation	-	-	-	-
Central support services	-	-	-	-
Other support services	-	-	-	35
Other non-instructional services	-	-	503,854	-
Community service	-	1,397,125	-	-
Total expenditures	515,406	1,504,204	503,854	2,179,313
Deficiency of revenues over expenditures	(15,001)	(11,164)	(267,193)	(91,791)
<b>OTHER FINANCING SOURCES</b>				
Transfers in	15,001	-	213,027	91,791
Total other financing sources	15,001	-	213,027	91,791
Net change in fund balances	-	(11,164)	(54,166)	-
<b>FUND BALANCES,</b>				
beginning of year	-	579,399	16,613	-
<b>FUND BALANCES, end of year</b>	\$ -	\$ 568,235	\$ (37,553)	\$ -

**Special Revenue Funds**

<b>South Metro</b>	<b>Title I</b>	<b>Title II</b>	<b>Title III</b>	<b>All Other Special Revenue</b>
\$ 6,291	\$ -	\$ -	\$ -	\$ 40,059
4,245,897	-	-	-	-
326,741	18,208,503	1,831,942	519,467	646,502
4,578,929	18,208,503	1,831,942	519,467	686,561
3,552,695	13,229,508	-	185,987	94,504
591,303	-	-	508	226,516
3,142	1,484,120	1,742,997	287,745	161,670
50,116	485,091	51,647	-	-
381,673	3,910	-	-	-
-	-	-	-	13,655
-	167,939	-	361	3,032
-	-	37,298	-	-
-	2,837,935	-	44,866	-
-	-	-	-	280,159
-	-	-	-	-
4,578,929	18,208,503	1,831,942	519,467	779,536
-	-	-	-	(92,975)
-	-	-	-	100,814
-	-	-	-	100,814
-	-	-	-	7,839
-	-	-	-	8,622
\$ -	\$ -	\$ -	\$ -	\$ 16,461

**(Continued)**

# CLAYTON COUNTY BOARD OF EDUCATION

## COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	Special Revenue Funds			
	Title VI-B Preschool	Title VI-B	Vocational Programs	WorkTec
<b>REVENUES</b>				
Local sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	318,596	10,239,451	579,503	-
Total revenues	318,596	10,239,451	579,503	-
<b>EXPENDITURES</b>				
Current:				
Instruction	233,757	8,069,865	526,314	-
Pupil services	70,209	1,973,769	-	-
Improvement of Instructional Services	14,630	148,692	53,189	-
General administration	-	-	-	-
School administration	-	-	-	-
Maintenance and operations	-	-	-	-
Student transportation	-	47,125	-	-
Central support services	-	-	-	-
Other support services	-	-	-	-
Other non-instructional services	-	-	-	-
Community service	-	-	-	-
Total expenditures	318,596	10,239,451	579,503	-
Deficiency of revenues over expenditures	-	-	-	-
<b>OTHER FINANCING SOURCES</b>				
Transfers in	-	-	-	-
Total other financing sources	-	-	-	-
Net change in fund balances	-	-	-	-
<b>FUND BALANCES,</b>				
beginning of year	-	-	-	390,624
<b>FUND BALANCES, end of year</b>	\$ -	\$ -	\$ -	\$ 390,624

**Special Revenue Funds**

<b>Race To The Top</b>	<b>School Discretionary</b>	<b>Total Nonmajor Governmental Funds</b>
\$ -	\$ 10,346,086	\$ 12,133,217
-	-	6,579,436
2,871,209	-	35,785,222
<u>2,871,209</u>	<u>10,346,086</u>	<u>54,497,875</u>
1,743,144	10,423,170	40,248,125
-	-	2,909,737
1,072,982	-	5,525,560
41,783	-	628,637
-	-	385,583
-	-	22,412
-	-	218,457
13,300	-	50,598
-	-	2,882,836
-	-	784,013
-	-	1,397,125
<u>2,871,209</u>	<u>10,423,170</u>	<u>55,053,083</u>
<u>-</u>	<u>(77,084)</u>	<u>(555,208)</u>
<u>-</u>	<u>-</u>	<u>420,633</u>
<u>-</u>	<u>-</u>	<u>420,633</u>
-	(77,084)	(134,575)
<u>-</u>	<u>4,168,171</u>	<u>5,163,429</u>
<u>\$ -</u>	<u>\$ 4,091,087</u>	<u>\$ 5,028,854</u>

# CLAYTON COUNTY BOARD OF EDUCATION

## SPECIAL REVENUE FUNDS SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - NONMAJOR GOVERNMENTAL FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	Adult Education		
	Final Budget	Actual	Variance With Final Budget
<b>REVENUES</b>			
Local sources	\$ 31,112	\$ 11,080	\$ (20,032)
State sources	280,000	246,017	(33,983)
Federal sources	283,800	243,308	(40,492)
Interest earned on investments	-	-	-
Total revenues	594,912	500,405	(94,507)
<b>EXPENDITURES</b>			
Current:			
Instruction	424,824	336,887	87,937
Pupil services	-	-	-
Improvement of instructional services	178,719	169,762	8,957
General administration	-	-	-
School administration	-	-	-
Maintenance and operations	13,137	8,757	4,380
Student transportation	-	-	-
Central support services	-	-	-
Other support services	-	-	-
Other non-instructional services	-	-	-
Community service	-	-	-
Total expenditures	616,680	515,406	101,274
Excess (deficiency) of revenues over (under) expenditures	(21,768)	(15,001)	6,767
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	21,768	15,001	(6,767)
Transfers out	-	-	-
Total other financing sources (uses)	21,768	15,001	(6,767)
Net change in fund balances	-	-	-
<b>FUND BALANCES, beginning of year</b>	-	-	-
<b>FUND BALANCES, end of year</b>	\$ -	\$ -	\$ -

After School Program			Athletics		
Final Budget	Actual	Variance With Final Budget	Final Budget	Actual	Variance With Final Budget
\$ 288,114	\$ 1,493,040	\$ 1,204,926	\$ 400,000	\$ 236,661	\$ (163,339)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	10,000	-	(10,000)
<u>288,114</u>	<u>1,493,040</u>	<u>1,204,926</u>	<u>410,000</u>	<u>236,661</u>	<u>(173,339)</u>
-	-	-	-	-	-
-	-	-	-	-	-
110,198	107,079	3,119	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	523,027	503,854	19,173
<u>177,916</u>	<u>1,397,125</u>	<u>(1,219,209)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>288,114</u>	<u>1,504,204</u>	<u>(1,216,090)</u>	<u>523,027</u>	<u>503,854</u>	<u>19,173</u>
-	(11,164)	(11,164)	(113,027)	(267,193)	(154,166)
-	-	-	113,027	213,027	100,000
-	-	-	-	-	-
-	-	-	<u>113,027</u>	<u>213,027</u>	<u>100,000</u>
-	(11,164)	(11,164)	-	(54,166)	(54,166)
<u>579,399</u>	<u>579,399</u>	<u>-</u>	<u>16,613</u>	<u>16,613</u>	<u>-</u>
<u>\$ 579,399</u>	<u>\$ 568,235</u>	<u>\$ (11,164)</u>	<u>\$ 16,613</u>	<u>\$ (37,553)</u>	<u>\$ (54,166)</u>

(Continued)

**CLAYTON COUNTY BOARD OF EDUCATION**

**SPECIAL REVENUE FUNDS**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - BUDGET AND ACTUAL - NONMAJOR GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	Lottery		Variance With Final Budget
	Final Budget	Actual	
<b>REVENUES</b>			
Local sources	\$ -	\$ -	\$ -
State sources	2,127,051	2,087,522	(39,529)
Federal sources	-	-	-
Interest earned on investments	-	-	-
Total revenues	<u>2,127,051</u>	<u>2,087,522</u>	<u>(39,529)</u>
<b>EXPENDITURES</b>			
Current:			
Instruction	1,889,343	1,852,294	37,049
Pupil services	-	47,432	(47,432)
Improvement of instructional services	237,708	279,552	(41,844)
General administration	-	-	-
School administration	-	-	-
Maintenance and operations	-	-	-
Student transportation	-	-	-
Central support services	-	-	-
Other support services	-	35	(35)
Other non-instructional services	-	-	-
Community service	-	-	-
Total expenditures	<u>2,127,051</u>	<u>2,179,313</u>	<u>(52,262)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(91,791)</u>	<u>(91,791)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	-	91,791	91,791
Transfers out	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>91,791</u>	<u>91,791</u>
Net change in fund balances	-	-	-
<b>FUND BALANCES, beginning of year</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES, end of year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

South Metro			Title I		
Final Budget	Actual	Variance With Final Budget	Final Budget	Actual	Variance With Final Budget
\$ -	\$ 6,291	\$ 6,291	\$ -	\$ -	\$ -
4,437,676	4,245,897	(191,779)	-	-	-
1,401,624	326,741	(1,074,883)	38,880,703	18,208,503	(20,672,200)
-	-	-	-	-	-
<u>5,839,300</u>	<u>4,578,929</u>	<u>(1,260,371)</u>	<u>38,880,703</u>	<u>18,208,503</u>	<u>(20,672,200)</u>
4,724,263	3,552,695	1,171,568	26,010,012	13,229,508	12,780,504
643,958	591,303	52,655	-	-	-
25,617	3,142	22,475	7,710,532	1,484,120	6,226,412
44,376	50,116	(5,740)	934,442	485,091	449,351
401,086	381,673	19,413	3,909	3,910	(1)
-	-	-	-	-	-
-	-	-	416,148	167,939	248,209
-	-	-	-	-	-
-	-	-	3,805,660	2,837,935	967,725
-	-	-	-	-	-
-	-	-	-	-	-
<u>5,839,300</u>	<u>4,578,929</u>	<u>1,260,371</u>	<u>38,880,703</u>	<u>18,208,503</u>	<u>20,672,200</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(Continued)

# CLAYTON COUNTY BOARD OF EDUCATION

## SPECIAL REVENUE FUNDS

### SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - NONMAJOR GOVERNMENTAL FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	Title II		
	Final Budget	Actual	Variance With Final Budget
<b>REVENUES</b>			
Local sources	\$ -	\$ -	\$ -
State sources	-	-	-
Federal sources	4,162,929	1,831,942	(2,330,987)
Interest earned on investments	-	-	-
Total revenues	<u>4,162,929</u>	<u>1,831,942</u>	<u>(2,330,987)</u>
<b>EXPENDITURES</b>			
Current:			
Instruction	-	-	-
Pupil services	-	-	-
Improvement of instructional services	3,952,077	1,742,997	2,209,080
Educational media services	-	-	-
General administration	117,772	51,647	66,125
School administration	-	-	-
Maintenance and operations	-	-	-
Student transportation	-	-	-
Central support services	93,080	37,298	55,782
Other support services	-	-	-
Other non-instructional services	-	-	-
Community service	-	-	-
Total expenditures	<u>4,162,929</u>	<u>1,831,942</u>	<u>2,330,987</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	-	-
<b>FUND BALANCES, beginning of year</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES, end of year</b>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

Title III			All Other Special Revenue		
Final Budget	Actual	Variance With Final Budget	Final Budget	Actual	Variance With Final Budget
\$ -	\$ -	\$ -	\$ 51,328	\$ 40,059	\$ (11,269)
-	-	-	252,658	-	(252,658)
958,136	519,467	(438,669)	745,516	646,502	(99,014)
-	-	-	-	-	-
958,136	519,467	(438,669)	1,049,502	686,561	(362,941)
332,998	185,987	147,011	115,151	94,504	20,647
2,258	508	1,750	392,952	226,516	166,436
530,564	287,745	242,819	248,961	161,670	87,291
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	6,000	13,655	(7,655)
2,600	361	2,239	5,808	3,032	2,776
-	-	-	-	-	-
89,716	44,866	44,850	-	-	-
-	-	-	280,630	280,159	471
-	-	-	-	-	-
958,136	519,467	438,669	1,049,502	779,536	269,966
-	-	-	-	(92,975)	(92,975)
-	-	-	-	100,814	100,814
-	-	-	-	-	-
-	-	-	-	100,814	100,814
-	-	-	-	7,839	7,839
-	-	-	8,622	8,622	-
\$ -	\$ -	\$ -	\$ 8,622	\$ 16,461	\$ 7,839

(Continued)

**CLAYTON COUNTY BOARD OF EDUCATION**

**SPECIAL REVENUE FUNDS**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - BUDGET AND ACTUAL - NONMAJOR GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	Title VI-B Preschool		
	Final Budget	Actual	Variance With Final Budget
<b>REVENUES</b>			
Local sources	\$ -	\$ -	\$ -
State sources	-	-	-
Federal sources	610,908	318,596	(292,312)
Interest earned on investments	-	-	-
Total revenues	<u>610,908</u>	<u>318,596</u>	<u>(292,312)</u>
<b>EXPENDITURES</b>			
Current:			
Instruction	358,884	233,757	125,127
Pupil services	210,205	70,209	139,996
Improvement of instructional services	41,819	14,630	27,189
General administration	-	-	-
School administration	-	-	-
Maintenance and operations	-	-	-
Student transportation	-	-	-
Central support services	-	-	-
Other support services	-	-	-
Other non-instructional services	-	-	-
Community service	-	-	-
Total expenditures	<u>610,908</u>	<u>318,596</u>	<u>292,312</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	-	-
<b>FUND BALANCES, beginning of year</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES, end of year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Title VI-B			Vocational Programs		
Final Budget	Actual	Variance With Final Budget	Final Budget	Actual	Variance With Final Budget
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
14,881,057	10,239,451	(4,641,606)	579,997	579,503	(494)
-	-	-	-	-	-
14,881,057	10,239,451	(4,641,606)	579,997	579,503	(494)
11,583,918	8,069,865	3,514,053	526,864	526,314	550
2,924,181	1,973,769	950,412	-	-	-
262,601	148,692	113,909	53,133	53,189	(56)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
110,357	47,125	63,232	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
14,881,057	10,239,451	4,641,606	579,997	579,503	494
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

(Continued)

**CLAYTON COUNTY BOARD OF EDUCATION**

**SPECIAL REVENUE FUNDS**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - BUDGET AND ACTUAL - NONMAJOR GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	WorkTec		Variance With Final Budget
	Final Budget	Actual	
<b>REVENUES</b>			
Local sources	\$ -	\$ -	\$ -
State sources	-	-	-
Federal sources	-	-	-
Interest earned on investments	-	-	-
Total revenues	-	-	-
<b>EXPENDITURES</b>			
Current:			
Instruction	-	-	-
Pupil services	-	-	-
Improvement of instructional services	-	-	-
General administration	-	-	-
School administration	-	-	-
Maintenance and operations	-	-	-
Student transportation	-	-	-
Central support services	-	-	-
Other support services	-	-	-
Other non-instructional services	-	-	-
Community service	-	-	-
Total expenditures	-	-	-
Excess (deficiency) of revenues over (under) expenditures	-	-	-
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources (uses)	-	-	-
Net change in fund balances	-	-	-
<b>FUND BALANCES, beginning of year</b>	390,624	390,624	-
<b>FUND BALANCES, end of year</b>	\$ 390,624	\$ 390,624	\$ -

<b>Race To The Top</b>		
<b>Final Budget</b>	<b>Actual</b>	<b>Variance With Final Budget</b>
\$ -	\$ -	\$ -
-	-	-
4,294,723	2,871,209	(1,423,514)
-	-	-
<u>4,294,723</u>	<u>2,871,209</u>	<u>(1,423,514)</u>
1,806,400	1,743,144	63,256
332,672	-	332,672
1,827,412	1,072,982	754,430
218,939	41,783	177,156
102,300	-	102,300
-	-	-
-	-	-
7,000	13,300	(6,300)
-	-	-
-	-	-
-	-	-
<u>4,294,723</u>	<u>2,871,209</u>	<u>1,423,514</u>
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

# CLAYTON COUNTY BOARD OF EDUCATION

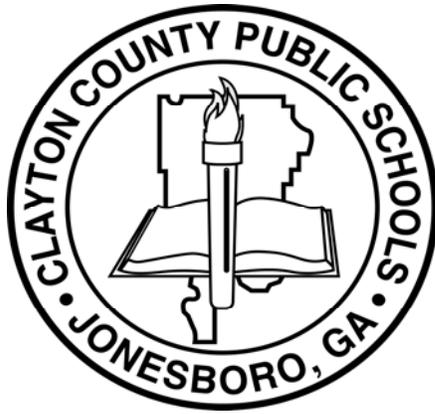
## STATEMENT OF CHANGES IN ASSETS AND LIABILITIES AGENCY FUND FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	Balance July 1, 2014	Increases	Decreases	Balance June 30, 2015
<b><u>STUDENT ACTIVITY FUND</u></b>				
<b>ASSETS</b>				
Cash and investments	\$ 420,191	\$ 2,081,942	\$ 2,070,663	\$ 431,470
<b>LIABILITIES</b>				
Due to student organizations				
<b>Elementary Schools:</b>				
Anderson	\$ 2,011	5,189	5,909	1,291
Arnold	2,724	16,969	14,594	5,099
Brown	4,731	10,433	10,593	4,571
Callaway	3,043	9,934	12,203	774
Church Street	1,245	6,088	5,114	2,219
East Clayton	1,017	5,392	5,477	932
Edmonds	1,438	2,832	2,630	1,640
Fountain	1,201	4,574	4,728	1,047
Harper	1,388	1,489	2,348	529
Hawthorne	2,009	14,999	16,067	941
Haynie	6,064	4,895	5,259	5,700
Huie	148	3,427	2,774	801
Jackson	4,076	39,045	30,694	12,427
Kemp	1,083	3,235	3,890	428
Kemp Primary	2,470	22,855	22,183	3,142
Kilpatrick	1,598	13,156	13,402	1,352
King	3,188	17,273	15,118	5,343
Lake City	11,010	730	4,731	7,009
Lake Ridge	243	7,143	7,215	171
Lee Street	377	16,827	16,354	850
Marshall	353	4,458	3,193	1,618
McGarrah	3,216	5,600	5,474	3,342
Morrow	1,109	4,421	3,755	1,775
Mt. Zion	1,523	12,685	12,121	2,087
Mt. Zion Primary	1,217	7,681	6,265	2,633
Northcutt	3,575	5,159	6,205	2,529
Oliver	2,837	14,805	16,566	1,076
Pointe South	2,615	4,528	5,624	1,519
Riverdale	2,035	5,552	5,871	1,716
River's Edge	4,061	18,873	20,336	2,598
Smith	6,437	27,496	25,603	8,330
Suder	5,718	3,498	4,550	4,666
Swint	1,670	7,458	6,661	2,467
Tara	3,578	1,618	3,908	1,288
Unidos	565	1,803	1,097	1,271
West Clayton	847	2,876	2,833	890
White Academy	2,569	42,705	36,423	8,851
Total Elementary Schools	94,989	377,701	367,768	104,922

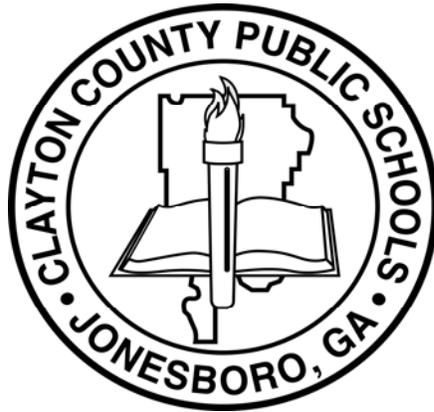
# CLAYTON COUNTY BOARD OF EDUCATION

## STATEMENT OF CHANGES IN ASSETS AND LIABILITIES AGENCY FUND FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	Balance July 1, 2014	Increases	Decreases	Balance June 30, 2015
<b>LIABILITIES</b> (continued)				
Due to student organizations (continued)				
<b>Middle Schools:</b>				
Adamson	\$ 1,761	\$ 20,695	\$ 19,160	\$ 3,296
Babb	9,384	40,820	47,425	2,779
Elite Scholars	2,835	71,480	65,744	8,571
Forest Park	2,014	11,348	10,822	2,540
Jonesboro	3,293	26,949	26,632	3,610
Kendrick	16,143	50,584	49,666	17,061
Lovejoy	1,885	17,376	17,109	2,152
Morrow	4,475	12,451	14,809	2,117
Mundy's Mill	7,156	22,208	24,431	4,933
North Clayton	6,511	9,306	10,878	4,939
Pointe South	2,705	15,383	14,545	3,543
Rex Mill	22,879	17,769	28,104	12,544
Riverdale	(715)	28,553	25,784	2,054
Roberts	31,623	29,391	38,976	22,038
Sequoyah	(978)	34,768	28,780	5,010
Total Middle Schools	110,971	409,081	422,865	97,187
<b>High Schools and Special Purpose Programs:</b>				
Drew	\$ 18,179	\$ 149,092	\$ 134,104	\$ 33,167
Forest Park	13,866	39,702	37,727	15,841
Jonesboro	8,994	149,342	151,151	7,185
Lovejoy	42,824	226,104	218,259	50,669
Morrow	33,968	182,399	182,247	34,120
Mt. Zion	42,863	92,819	131,848	3,834
Mundy's Mill	25,432	193,831	196,438	22,825
North Clayton	8,352	58,235	55,825	10,762
Riverdale	16,009	107,364	101,261	22,112
Perry Center	1,934	6,059	6,815	1,178
Stilwell	-	89,768	63,288	26,480
Flint River	70	81	136	15
South Metro	1,740	364	931	1,173
Total High Schools and Special Purpose Programs	214,231	1,295,160	1,280,030	229,361
Total due to student organizations	420,191	2,081,942	2,070,663	431,470
Total Liabilities	\$ 420,191	\$ 2,081,942	\$ 2,070,663	\$ 431,470



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## **Statistical Section**

**Clayton County  
Public Schools**

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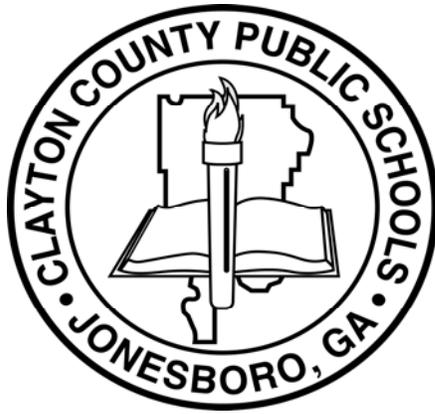


# STATISTICAL SECTION

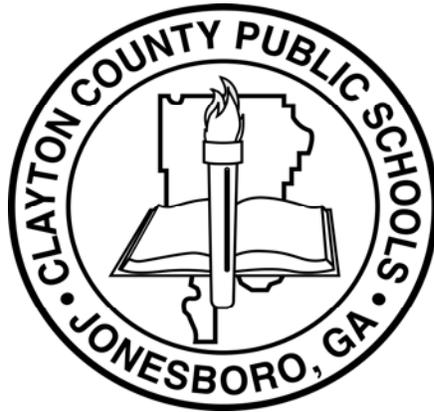
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This part of the Clayton County Board of Education’s comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, required supplementary information,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

<u>Contents</u>	<u>Page</u>
<b>Financial Trends</b> .....	<b>87 - 94</b>
<i>These schedules contain trend information to help the reader understand how the School System’s financial performance and well-being have changed over time.</i>	
<b>Revenue Capacity</b> .....	<b>95 - 100</b>
<i>These schedules contain information to help the reader assess the School System’s most significant local revenue sources.</i>	
<b>Debt Capacity</b> .....	<b>101 - 104</b>
<i>These schedules present information to help the reader assess the affordability of the School System’s current levels of outstanding debt and the School System’s ability to issue additional debt in the future.</i>	
<b>Demographic and Economic Information</b> .....	<b>105 - 108</b>
<i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the School System’s financial activities take place.</i>	
<b>Operating Information</b> .....	<b>109 - 119</b>
<i>These schedules contain service and infrastructure data to help the reader understand how the information in the School System’s financial report relates to the services the School System provides and the activities it performs.</i>	



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# **Financial Trends**

**Clayton County  
Public Schools**

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# CLAYTON COUNTY BOARD OF EDUCATION

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

Fiscal Year Ended June 30,	Net Investment in Capital Assets	Restricted	Unrestricted	Total Net Position
<b><u>Governmental Activities</u></b>				
2006	\$ 312,268,008	\$ 80,930,059	\$ 20,233,916	\$ 413,431,983
2007	364,805,589	73,348,770	53,352,595	491,506,954
2008	406,113,481	90,559,654	56,830,763	553,503,898
2009	454,722,369	75,170,499	39,738,569	569,631,437
2010	509,655,295	76,436,913	19,633,982	605,726,190
2011	514,975,636	107,326,734	34,102,935	656,405,305
2012	556,244,430	94,959,761	42,725,690	693,929,881
2013	629,552,909	50,650,232	63,922,382	744,125,523
2014	692,592,355	7,453,160	75,900,621	775,946,136
2015	697,860,759	25,018,520	(260,473,696)	462,405,583
<b><u>Business-type Activities</u></b>				
2006	\$ 7,534,451	\$ -	\$ 10,554,550	\$ 18,089,001
2007	7,448,608	-	10,680,978	18,129,586
2008	7,247,134	-	10,020,099	17,267,233
2009	6,745,609	-	5,260,291	12,005,900
2010	6,323,409	-	4,250,447	10,573,856
2011	5,847,343	-	3,670,506	9,517,849
2012	5,345,034	-	5,523,597	10,868,631
2013	4,971,075	-	7,219,819	12,190,894
2014	4,664,135	-	8,402,538	13,066,673
2015	4,343,550	-	6,137,845	10,481,395
<b><u>Total</u></b>				
2006	\$ 319,802,459	\$ 80,930,059	\$ 30,788,466	\$ 431,520,984
2007	372,254,197	73,348,770	64,033,573	509,636,540
2008	413,360,615	90,559,654	66,850,862	570,771,131
2009	461,467,978	75,170,499	44,998,860	581,637,337
2010	515,978,704	76,436,913	23,884,429	616,300,046
2011	520,822,979	107,326,734	37,773,441	665,923,154
2012	561,589,464	94,959,761	48,249,287	704,798,512
2013	634,523,984	50,650,232	71,142,201	756,316,417
2014	697,256,490	7,453,160	84,303,159	789,012,809
2015	702,204,309	25,018,520	(254,335,851)	472,886,978

# CLAYTON COUNTY BOARD OF EDUCATION

## CHANGES IN NET POSITION LAST TEN FISCAL YEARS

	2006	2007	2008	2009	2010
<b>Expenses:</b>					
<b>Governmental activities</b>					
Instructional services	\$ 280,507,442	\$ 284,656,120	\$ 315,439,752	\$ 326,173,396	\$ 299,228,401
Pupil services	9,586,304	12,303,138	16,178,872	16,664,267	16,355,400
Improvement of instructional services	16,447,052	22,658,292	25,400,221	25,553,694	23,188,322
Educational media services	6,579,784	6,930,008	7,491,836	7,789,435	7,839,592
General administration	3,664,557	4,809,647	3,742,791	5,008,540	4,429,848
School administration	21,061,645	21,414,697	24,287,809	24,529,652	23,897,928
Business administration	2,016,911	2,722,265	2,890,990	3,490,943	2,816,870
Maintenance and operations	27,537,489	28,614,235	32,548,593	35,601,121	32,152,942
Pupil transportation	17,795,290	22,222,626	22,975,264	22,484,075	22,035,391
Support services - central	8,514,016	15,059,973	11,291,357	11,774,644	9,325,934
Other support services	2,508,914	2,730,189	4,013,534	4,436,898	5,464,771
Non-instructional services	1,295,127	1,158,476	988,288	1,293,256	1,398,357
Community services	10,554,673	10,279,962	10,535,333	11,956,697	10,737,821
Interest	62,593	15,605	2,030	2,995	-
<b>Total governmental activities expenses</b>	<b>408,131,797</b>	<b>435,575,233</b>	<b>477,786,670</b>	<b>496,759,613</b>	<b>458,871,577</b>
<b>Business-type activities</b>					
School food service	23,772,468	25,031,796	27,611,912	32,860,220	28,756,695
Performing arts center	301,175	328,682	370,864	426,702	352,312
<b>Total business-type activities expenses</b>	<b>24,073,643</b>	<b>25,360,478</b>	<b>27,982,776</b>	<b>33,286,922</b>	<b>29,109,007</b>
<b>Total primary government expenses</b>	<b>\$ 432,205,440</b>	<b>\$ 460,935,711</b>	<b>\$ 505,769,446</b>	<b>\$ 530,046,535</b>	<b>\$ 487,980,584</b>
<b>Program Revenues:</b>					
<b>Governmental activities</b>					
<b>Charges for services:</b>					
Instructional services	\$ 10,366,020	\$ 189,571	\$ 9,333,417	\$ 8,073,750	\$ 7,360,729
Pupil services	116,125	78,415	-	-	-
Instructional staff	-	10,455	-	5,624	8,416
Maintenance and operations	-	-	-	-	-
Student transportation	-	-	-	-	-
Support services	-	140	-	-	-
Other support services	37,633	566	1,614	2,620	3,233
Non-instructional services	423,368	13,396,684	309,240	272,591	300,636
Community services	8,166,405	5,388,630	8,529,620	9,610,775	8,425,266
<b>Operating grants and contributions</b>					
Instructional services	175,822,013	194,953,512	203,773,082	185,098,116	179,348,500
Pupil services	3,847,847	5,656,282	4,507,765	3,681,184	3,840,784
Improvement of instructional services	10,723,888	10,056,464	15,581,205	15,719,475	14,652,112
Educational media services	4,277,109	4,769,039	5,308,086	4,980,672	5,048,222
General administration	2,025,376	2,158,239	1,436,808	1,906,241	2,245,639
School administration	8,275,510	8,769,853	9,545,589	8,822,397	9,417,316
Business administration	613,185	684,838	694,299	726,203	770,916
Maintenance and operations	12,964,693	13,186,473	13,603,315	12,346,817	12,530,318
Pupil transportation	3,122,515	4,153,936	5,335,415	4,020,197	3,106,713
Support services-central	2,333,145	2,269,802	2,935,988	2,508,607	2,482,733
Other support services	826,234	-	553,095	7,487	1,294,178
Non-instructional services	139,523	425,063	-	360,911	-
Community services	2,073,423	2,518,975	2,787,765	2,447,997	2,494,785
<b>Capital grants and contributions</b>					
Instructional services	7,130,175	7,375,103	17,412,902	11,322,264	13,158,977
<b>Total governmental activities revenue</b>	<b>253,284,187</b>	<b>276,042,040</b>	<b>301,649,205</b>	<b>271,913,928</b>	<b>266,489,473</b>

	2011	2012	2013	2014	2015
\$	289,659,696	\$ 296,417,202	\$ 274,436,343	\$ 296,878,576	\$ 297,202,738
	13,464,906	14,551,823	14,683,816	13,203,254	14,025,845
	11,912,843	15,202,766	15,796,653	15,833,477	19,513,550
	5,277,130	5,225,436	5,092,396	5,609,458	5,253,474
	3,537,595	3,473,960	3,626,977	3,127,409	4,761,203
	22,068,201	21,176,371	19,467,775	23,966,530	22,719,854
	2,574,738	2,143,768	1,939,044	2,244,748	2,244,181
	29,342,130	30,606,213	27,785,685	31,960,317	35,366,992
	18,493,121	17,990,667	18,086,692	18,450,638	18,854,508
	9,666,757	10,956,308	6,742,195	7,567,806	12,555,458
	3,550,816	5,066,385	5,230,988	5,165,030	8,171,240
	858,066	918,407	668,652	1,005,468	1,170,450
	9,783,485	2,446,409	1,382,974	1,399,265	1,394,705
	-	-	-	-	-
	<u>420,189,484</u>	<u>426,175,715</u>	<u>394,940,190</u>	<u>426,411,976</u>	<u>443,234,198</u>
	28,142,446	28,097,834	29,584,227	31,391,613	34,186,940
	271,104	211,090	237,737	251,027	233,425
	<u>28,413,550</u>	<u>28,308,924</u>	<u>29,821,964</u>	<u>31,642,640</u>	<u>34,420,365</u>
\$	<u>448,603,034</u>	<u>454,484,639</u>	<u>424,762,154</u>	<u>458,054,616</u>	<u>477,654,563</u>
\$	7,268,417	\$ 7,122,767	\$ 7,125,820	\$ 8,675,990	\$ 11,145,814
	-	-	-	-	-
	-	-	-	15,965	107,079
	-	1,738,894	358,066	-	-
	-	-	201,163	-	-
	-	-	-	-	-
	1,851	2,754	1,937	962	464
	4,574,055	8,813,883	4,898,162	4,377,974	5,236,965
	7,982,611	1,543,621	1,474,558	-	-
	191,262,473	196,060,639	185,064,312	193,902,391	216,285,212
	3,870,407	4,666,461	4,343,577	4,314,813	4,049,300
	8,241,160	11,820,745	10,439,188	10,308,672	7,123,749
	5,250,269	4,603,200	5,506,974	5,499,235	5,754,998
	1,736,626	2,096,166	2,066,794	1,846,936	2,012,643
	10,105,190	8,885,059	10,430,332	10,363,344	10,839,835
	807,810	1,272,151	1,519,304	1,328,582	1,409,139
	12,616,895	12,672,840	13,334,558	13,867,390	14,055,728
	3,195,117	3,765,960	3,753,867	3,368,761	2,927,363
	2,678,889	1,415,583	1,525,281	2,130,997	1,497,517
	1,209,526	2,225,391	2,326,854	2,741,154	3,111,032
	-	-	-	191,480	280,159
	2,303,110	-	-	-	-
	5,521,459	-	228,785	6,887,679	3,302,610
	<u>268,625,865</u>	<u>268,706,114</u>	<u>254,599,532</u>	<u>269,822,325</u>	<u>289,139,607</u>

# CLAYTON COUNTY BOARD OF EDUCATION

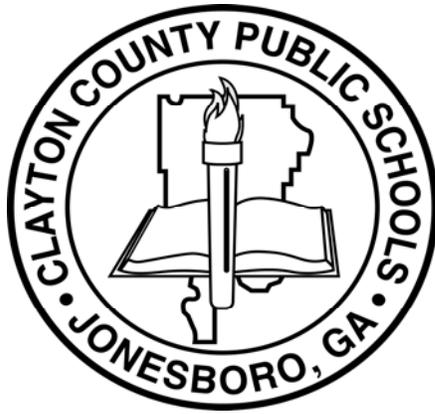
## CHANGES IN NET POSITION LAST TEN FISCAL YEARS

	2006	2007	2008	2009	2010
Business-type activities					
Charges for services					
School food service	\$ 3,744,923	\$ 3,134,147	\$ 2,861,587	\$ 2,684,373	\$ 2,321,346
Performing Arts center	188,838	213,115	298,144	249,268	236,175
Operating grants and contributions					
School food service	20,975,820	21,527,062	23,411,943	25,159,432	25,084,941
Total business-type activities program revenues	24,909,581	24,874,324	26,571,674	28,093,073	27,642,462
Total primary government program revenues	278,193,768	300,916,364	328,220,879	300,007,001	294,131,935
Net (Expense) Revenue					
Governmental activities	(154,847,610)	(159,533,193)	(176,137,465)	(224,845,685)	(192,382,104)
Business-type activities	835,938	(486,154)	(1,411,102)	(5,193,849)	(1,466,545)
Total primary government net expense	\$ (154,011,672)	\$ (160,019,347)	\$ (177,548,567)	\$ (230,039,534)	\$ (193,848,649)
General revenues and other changes in net assets					
Property taxes	\$ 122,894,927	\$ 148,448,796	\$ 151,424,563	\$ 161,522,560	\$ 148,094,346
Sales taxes	54,411,505	53,538,851	54,423,793	49,121,173	53,669,034
Other taxes	6,973,978	7,109,991	8,917,565	1,377,987	983,594
Non-program specific state and federal aid	16,894,461	17,409,359	14,142,824	26,847,151	20,855,861
Local school activity	2,649,154	4,036,302	3,632,980	5,361,901	4,229,182
Interest and investment earnings	3,690,941	6,991,393	5,534,144	1,790,719	396,312
Gain on sale of assets	622	73,472	58,300	14,390	268,841
Transfers	-	-	-	137,274	(20,313)
Total government activities	207,515,588	237,608,164	238,134,169	246,173,155	228,476,857
Business-type activities:					
Interest and investment earnings	356,087	526,739	350,446	69,790	14,188
Transfers	-	-	-	(137,274)	20,313
Total business-type activities	356,087	526,739	350,446	(67,484)	34,501
Total primary government	\$ 207,871,675	\$ 238,134,903	\$ 238,484,615	\$ 246,105,671	\$ 228,511,358
Change in Net Assets					
Governmental activities	\$ 52,667,978	\$ 78,074,971	\$ 61,996,704	\$ 21,327,470	\$ 36,094,753
Business-type activities	1,186,025	40,585	(1,060,656)	(5,261,333)	(1,432,044)
Total primary government	\$ 53,854,003	\$ 78,115,556	\$ 60,936,048	\$ 16,066,137	\$ 34,662,709

**Note:** FY 2005 Statement of Government Activities was restated in FY 2006

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

2011	2012	2013	2014	2015
\$ 2,050,732	\$ 2,229,141	\$ 1,997,313	\$ 151,302	\$ 577,970
187,542	62,508	161,314	94,780	67,039
25,085,843	27,354,321	28,983,556	32,266,406	34,346,668
27,324,117	29,645,970	31,142,183	32,512,488	34,991,677
295,949,982	298,352,084	285,741,715	302,334,813	324,131,284
(151,563,619)	(157,469,601)	(140,340,658)	(156,589,651)	(154,094,591)
(1,089,433)	1,337,046	1,320,219	869,848	571,312
\$ (152,653,052)	\$ (156,132,555)	\$ (139,020,439)	\$ (155,719,803)	\$ (153,523,279)
\$ 131,696,730	\$ 121,423,671	\$ 109,928,475	\$ 100,378,621	\$ 104,814,477
48,353,695	48,656,878	50,302,317	44,910,769	46,579,860
859,735	875,671	2,479,402	6,555,960	8,157,973
20,855,861	23,494,466	27,623,377	36,438,859	34,232,464
-	-	-	-	-
412,878	473,966	117,347	113,496	109,660
85,136	69,525	85,382	10,100	-
(21,301)	-	-	2,459	-
202,242,734	194,994,177	190,536,300	188,410,264	193,894,434
12,125	13,736	2,044	8,390	4,707
21,301	-	-	(2,459)	-
33,426	13,736	2,044	5,931	4,707
\$ 202,276,160	\$ 195,007,913	\$ 190,538,344	\$ 188,416,195	\$ 193,899,141
\$ 50,679,115	\$ 37,524,576	\$ 50,195,642	\$ 31,820,613	\$ 39,799,843
(1,056,007)	1,350,782	1,322,263	875,779	576,019
\$ 49,623,108	\$ 38,875,358	\$ 51,517,905	\$ 32,696,392	\$ 40,375,862



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# CLAYTON COUNTY BOARD OF EDUCATION

## FUND BALANCES, GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS (MODIFIED ACCRUAL BASIS OF ACCOUNTING)

Fiscal Year Ended June 30,	General Fund			
	Reserved	Unreserved Designated	Unreserved Undesignated	Total
2006	\$ -	\$ -	\$ 14,087,652	\$ 14,087,652
2007	2,376,397	-	44,782,464	47,158,861
2008	-	-	49,131,625	49,131,625
2009	-	-	37,015,898	37,015,898
2010	-	-	15,660,602	15,660,602

	All Other Governmental Funds			
	Reserved	Unreserved		Total
		Special Revenue	Capital Projects	
2006	\$ -	\$ 3,093,521	\$ 80,930,059	\$ 84,023,580
2007	-	3,595,866	73,348,770	76,944,636
2008	-	4,802,157	90,559,654	95,361,811
2009	-	4,944,145	75,170,499	80,114,644
2010	-	5,432,560	76,436,913	81,869,473

	General Fund				
	Nonspendable	Restricted	Assigned	Unassigned	Total
2011	\$ 41,250	\$ -	\$ -	\$ 28,247,867	\$ 28,289,117
2012	35,000	-	-	38,327,401	38,362,401
2013	90,964	-	-	56,429,149	56,520,113
2014	100,168	-	-	74,311,992	74,412,160
2015	108,564	-	22,179,645	56,002,569	78,290,778

	All Other Governmental Funds				
	Nonspendable	Restricted	Assigned	Unassigned	Total
2011	\$ -	\$ 107,326,734	\$ 6,521,236	\$ -	\$ 113,847,970
2012	-	94,959,761	4,760,921	(42,851)	99,677,831
2013	-	50,650,232	5,119,465	-	55,769,697
2014	-	7,453,160	5,163,429	-	12,616,589
2015	-	25,018,520	5,028,854	-	30,047,374

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

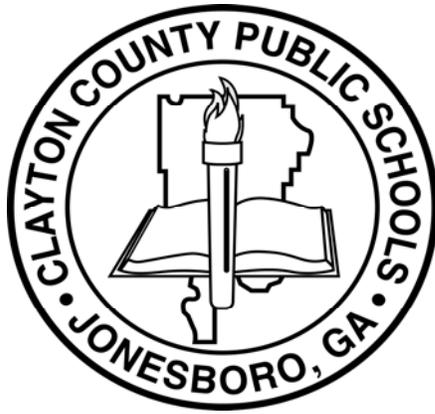
**CLAYTON COUNTY BOARD OF EDUCATION**  
**CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
<b>Revenues:</b>					
Local sources	\$ 196,000,977	\$ 227,174,904	\$ 236,387,341	\$ 236,158,812	\$ 224,080,154
State sources	215,063,542	239,246,916	264,830,746	239,563,950	211,161,926
Federal sources	39,547,241	39,671,292	37,089,659	39,790,750	58,901,510
Interest earned on investments	3,690,941	6,991,392	5,534,144	1,790,719	396,312
On-behalf payments	7,622,873	7,227,583	-	-	-
Other sources	-	-	-	-	-
Total revenues	<u>520,312,087</u>	<u>520,312,087</u>	<u>543,841,890</u>	<u>517,304,231</u>	<u>494,539,902</u>
<b>Expenditures:</b>					
Current:					
Instructional services	263,210,908	276,138,696	304,155,211	300,620,268	291,480,509
Pupil services	9,578,188	12,188,388	16,167,627	16,636,729	16,437,777
Improvement of instructional services	16,361,601	22,610,922	25,069,320	25,550,792	23,265,654
Educational media services	6,569,947	6,921,917	7,573,123	7,788,758	7,839,167
General administration	3,429,391	4,437,129	3,656,928	4,674,133	4,392,803
School administration	20,911,160	21,071,990	23,996,116	24,325,141	23,857,513
Business services	1,992,348	2,725,317	2,885,605	3,470,348	2,820,123
Maintenance and operations	27,285,453	28,257,473	32,293,341	35,200,907	32,031,887
Student transportation	14,997,106	20,307,028	23,415,849	20,227,700	19,875,107
Central support services	7,565,608	14,320,703	11,630,765	11,339,185	9,032,684
Other support services	2,500,260	2,725,457	3,577,663	4,449,389	5,464,771
On-behalf payments	7,622,873	7,227,583	-	-	-
Other non-instructional services	1,296,284	1,158,911	1,018,735	1,282,815	1,367,078
Community service	10,549,645	10,251,046	10,538,956	11,977,565	10,736,383
Capital outlay	30,580,662	62,254,348	57,502,959	77,176,502	65,790,820
Food Services					
Debt service:					
Principal retirement	2,077,328	1,420,440	26,262	24,793	-
Interest and fiscal charges	62,593	15,605	2,030	2,995	-
Total expenditures	<u>426,591,355</u>	<u>494,032,953</u>	<u>523,510,490</u>	<u>544,748,020</u>	<u>514,392,276</u>
Excess (deficiency) of revenues over (under) expenditures	<u>35,334,219</u>	<u>26,279,134</u>	<u>20,331,400</u>	<u>(27,443,789)</u>	<u>(19,852,374)</u>
<b>Other financing sources (uses):</b>					
Sale of capital assets	15,287	104,651	58,300	26,785	272,220
Transfer in	951,842	382,922	1,613,919	734,177	422,824
Transfers out	(951,842)	(774,442)	(1,613,679)	(680,067)	(443,137)
Total other financing sources (uses)	<u>15,287</u>	<u>(286,869)</u>	<u>58,540</u>	<u>80,895</u>	<u>251,907</u>
Net change in fund balances	35,349,506	25,992,265	20,389,940	(27,362,894)	(19,600,467)
Debt service as a percentage of noncapital expenditures	0.54%	0.33%	0.01%	0.01%	0.00%

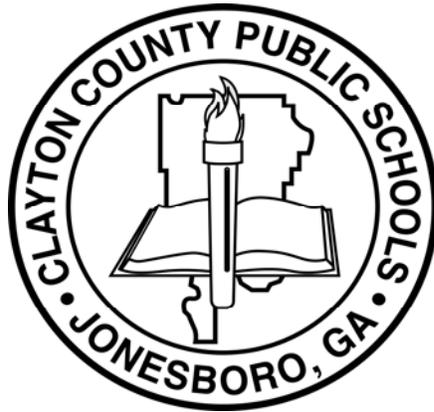
**Note:** FY 2005 Statement of Governmental Activities was restated in FY 2006

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

2011	2012	2013	2014	2015
\$ 202,005,781	\$ 189,018,853	\$ 175,498,829	\$ 169,375,757	\$ 176,820,222
225,951,240	225,789,473	233,999,813	253,751,123	269,909,227
42,691,134	47,204,487	33,006,129	38,582,753	36,702,290
412,878	473,966	117,347	113,496	109,660
-	-	-	-	-
-	-	-	-	-
<u>471,061,033</u>	<u>462,486,779</u>	<u>442,622,118</u>	<u>461,823,129</u>	<u>483,541,399</u>
276,880,679	281,944,616	254,809,048	266,021,147	282,533,495
13,599,670	14,629,255	13,084,577	13,185,489	14,411,017
12,115,303	15,252,324	15,808,070	16,298,275	19,990,827
5,276,279	5,224,585	5,091,545	5,608,607	5,446,811
3,475,667	3,347,211	3,485,599	3,001,000	4,591,596
21,982,071	21,277,130	21,074,910	21,960,773	23,268,814
2,551,289	2,189,673	1,937,246	2,222,126	2,298,166
29,180,214	30,451,346	27,873,512	32,036,483	36,143,408
15,643,181	16,041,104	16,682,505	16,898,474	18,107,722
8,386,233	6,647,633	6,380,546	6,886,945	12,397,616
3,550,816	5,066,385	5,230,988	5,306,530	8,258,167
-	-	-	-	-
828,279	895,063	714,765	931,815	1,039,630
9,783,485	2,446,409	1,382,974	1,399,265	1,397,125
23,264,690	61,373,053	94,905,861	95,339,820	32,353,981
-	-	-	-	-
-	-	-	-	-
<u>426,517,856</u>	<u>466,785,787</u>	<u>468,462,146</u>	<u>487,096,749</u>	<u>462,238,375</u>
<u>44,543,177</u>	<u>(4,299,008)</u>	<u>(25,840,028)</u>	<u>(25,273,620)</u>	<u>21,303,024</u>
85,136	202,153	89,606	10,100	6,379
237,682	23,805	92,200	304,292	420,633
(258,983)	(23,805)	(92,200)	(301,833)	(420,633)
<u>63,835</u>	<u>202,153</u>	<u>89,606</u>	<u>12,559</u>	<u>6,379</u>
44,607,012	(4,096,855)	(25,750,422)	(25,261,061)	21,309,403
0.00%	0.00%	0.00%	0.00%	0.00%



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# **Revenue Capacity**

**Clayton County  
Public Schools**

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## CLAYTON COUNTY BOARD OF EDUCATION

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

Fiscal Year	Real & Personal Property		Privately Owned Public Utilities		Motor Vehicles and Mobile Homes		Total School Board		Tax payer Exemptions	Net Assessed Value	Millage Rate	Total Tax Levy	Assessed Value as a Percentage of Actual Value
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value					
2006	\$ 7,103,414	\$ 17,758,535	\$ 903,746	\$ 2,259,365	\$ 646,348	\$ 1,615,870	\$ 8,653,508	\$ 21,633,770	\$ 979,974	\$ 7,673,534	0.0200	\$ 153,471	40.00%
2007	7,486,980	18,717,450	958,005	2,395,013	725,291	1,813,228	9,170,276	22,925,690	1,024,163	8,146,113	0.0198	161,586	40.00%
2008	7,883,623	19,709,058	918,347	2,295,868	731,920	1,829,800	9,533,890	23,834,725	1,264,115	8,269,775	0.0198	164,039	40.00%
2009	7,788,733	19,471,832	1,004,944	2,512,359	740,214	1,850,534	9,533,891	23,834,725	1,264,115	8,269,776	0.0198	164,039	40.00%
2010	7,549,508	18,873,770	1,007,183	2,517,958	621,749	1,554,373	9,178,440	22,946,101	1,145,096	8,033,344	0.0200	160,667	40.00%
2011	6,533,685	16,334,212	907,396	2,268,490	621,749	1,554,374	8,062,830	20,157,076	1,022,513	7,040,317	0.0200	140,806	40.00%
2012	6,126,861	15,317,153	856,786	2,141,965	433,061	1,082,651	7,416,708	18,541,769	1,038,686	6,378,022	0.0200	127,560	40.00%
2013	5,642,283	14,105,706	872,445	2,181,112	455,950	1,139,876	6,970,678	17,426,694	1,167,967	5,802,711	0.0200	116,054	40.00%
2014	5,584,027	13,960,067	785,766	1,964,415	494,307	1,235,769	6,864,100	17,160,251	1,124,912	5,739,188	0.0200	114,784	40.00%
2015	5,660,994	14,152,484	742,662	1,856,656	444,260	1,110,651	6,847,916	17,119,791	1,144,443	5,703,473	0.0198	112,952	40.00%

Source: Property Tax Division, Clayton County Tax Commission

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

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

# CLAYTON COUNTY BOARD OF EDUCATION

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

Fiscal Year	District Direct Rates			Overlapping Rates				
	School M & O	Debt Service	Total	State of Georgia	City of College Park	City of Forest Park	City of Morrow	City of Riverdale
	2006	18.916	-	18.916	0.250	9.560	6.593	4.000
2007	20.000	-	20.000	0.250	9.560	6.593	5.000	7.500
2008	19.836	-	19.836	0.250	9.560	10.343	5.000	7.500
2009	19.836	-	19.836	0.250	9.560	10.343	5.000	7.500
2010	20.000	-	20.000	0.250	9.560	12.343	6.000	7.500
2011	20.000	-	20.000	0.250	11.560	13.343	6.000	7.500
2012	20.000	-	20.000	0.250	11.560	14.743	7.500	7.500
2013	20.000	-	20.000	0.200	12.619	14.743	7.500	9.980
2014	20.000	-	20.000	0.150	12.619	14.743	9.500	9.980
2015	19.804	-	19.804	0.100	12.307	14.431	9.188	9.668

Fiscal Year	Overlapping Rates (Continued)				Clayton County Board of Commissioners		
	City of Jonesboro		City of Lake City	City of Lovejoy Fire District	City of Jonesboro	City of Lake City	City of Lovejoy Fire District
	M & O	Fire District	City	Fire District	M & O	Fire District	Total
2006	3.000	3.900	5.768	3.900	7.781	-	7.781
2007	1.000	3.900	5.768	3.900	8.764	-	8.764
2008	-	3.900	5.740	3.900	8.535	-	8.535
2009	-	3.900	5.737	3.900	8.962	-	8.962
2010	-	-	5.737	-	11.436	3.900	15.336
2011	-	-	5.737	-	11.327	3.900	15.227
2012	1.500	-	7.500	-	15.813	4.400	20.213
2013	1.500	-	7.500	-	14.912	4.400	19.312
2014	1.500	-	7.500	-	14.661	4.400	19.061
2015	1.188	-	7.188	-	14.869	5.000	19.869

Source: Clayton County Tax Commissioner's Office

# CLAYTON COUNTY BOARD OF EDUCATION

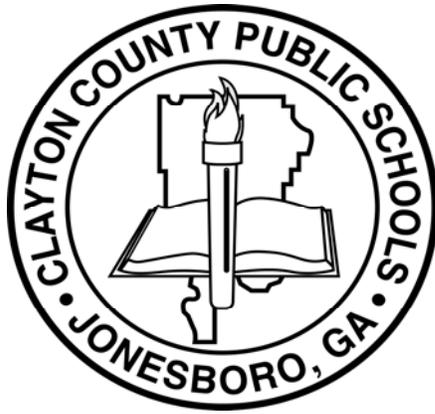
## PRINCIPAL PROPERTY TAXPAYERS CURRENT YEAR AND NINE YEARS AGO

Taxpayer	Calendar Year 2014			Calendar Year 2005		
	Taxable Assessed Value	Rank	Percent of District's Total Taxable Value (1)	Taxable Assessed Value	Rank	Percent of District's Total Taxable Value (1)
Delta Airlines	\$ 563,972,106	1	8.24%	\$ -	-	0.00%
Air Tran Airways	142,275,921	2	2.08%	73,295,039	4	0.91%
Georgia Power Company	135,967,251	3	1.99%	95,000,933	3	1.18%
City of Atlanta	51,764,494	4	0.76%	142,102,634	1	1.76%
ExpressJet Airlines	45,665,578	5	0.67%	-	-	0.00%
Clorox Company	44,503,410	6	0.65%	-	-	0.00%
Atlanta Gas Light	36,539,332	7	0.53%	31,535,698	9	0.39%
AMB Partners	26,388,320	8	0.39%	35,431,290	7	0.44%
Southwest Airlines	21,524,748	9	0.31%	-	-	0.00%
JC Penney	19,266,936	10	0.28%	-	-	0.00%
Hertz	-		0.00%	97,091,401	2	1.20%
Avis	-		0.00%	46,503,007	5	0.58%
BellSouth	-		0.00%	40,004,913	6	0.50%
Alamo	-		0.00%	33,037,284	8	0.41%
Southlake Mall	-		0.00%	27,909,600	10	0.35%
	<u>\$ 1,087,868,096</u>		<u>15.89%</u>	<u>\$ 621,911,799</u>		<u>7.71%</u>

**Source:** Clayton County Tax Commissioner's Office

(1) District's total taxable value for 2014 (fiscal year 2015) \$ 6,847,916,308

(2) District's total taxable value for 2005 (fiscal year 2006) \$ 8,069,596,652



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# CLAYTON COUNTY BOARD OF EDUCATION

## PROPERTY TAX LEVIES AND COLLECTIONS LAST TEN TAX YEARS

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Tax Year	Taxes Levied For The Tax Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2005	\$ 133,573,932	\$ 131,765,288	98.65%	\$ 1,517,390	\$ 133,282,678	99.78%
2006	153,470,689	135,978,504	88.60%	17,380,038	153,358,542	99.93%
2007	161,586,307	158,094,788	97.84%	3,070,185	161,164,973	99.74%
2008	164,039,251	159,495,677	97.23%	4,310,776	163,806,453	99.86%
2009	161,250,712	156,342,764	96.96%	4,639,719	160,982,483	99.83%
2010	140,806,351	134,322,336	95.40%	5,776,140	140,098,476	99.50%
2011	127,560,448	121,851,194	95.52%	4,946,998	126,798,192	99.40%
2012	116,054,221	111,310,517	95.91%	3,849,292	115,159,809	99.23%
2013	114,783,760	110,036,549	95.86%	2,036,119	112,072,668	97.64%
2014	112,951,579	108,449,460	96.01%	-	108,449,460	96.01%

**Source:** Clayton County Tax Commissioner's Office

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

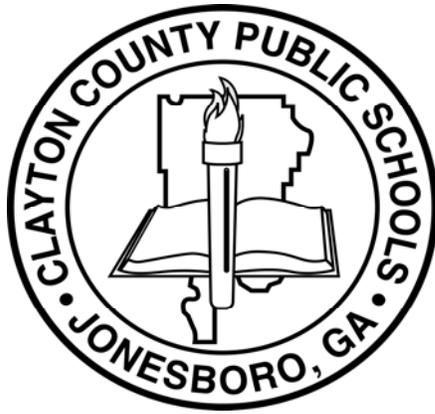
# CLAYTON COUNTY BOARD OF EDUCATION

## SCHEDULE OF REVENUES BY SOURCE GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
<b>Revenues:</b>					
Local sources	\$ 196,000,977	\$ 227,174,904	\$ 236,387,341	\$ 236,387,341	\$ 224,080,154
State sources	215,063,542	239,246,916	264,830,746	264,830,746	211,161,926
Federal sources	39,547,241	39,671,292	37,089,659	37,089,659	58,901,510
Interest earned on investments	3,690,941	6,991,392	5,534,144	5,534,144	396,312
On-behalf payments	7,622,873	7,227,583	-	-	-
Total revenues	<u>\$ 461,925,574</u>	<u>\$ 520,312,087</u>	<u>\$ 543,841,890</u>	<u>\$ 543,841,890</u>	<u>\$ 494,539,902</u>

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

<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
\$ 202,005,781	\$ 189,018,853	\$ 175,498,829	\$ 169,375,757	\$ 176,820,222
225,951,240	225,789,473	233,999,813	253,751,123	269,909,227
42,691,134	47,204,487	33,006,129	38,582,753	36,702,290
412,878	473,966	117,347	113,496	109,660
-	-	-	-	-
<u>\$ 471,061,033</u>	<u>\$ 462,486,779</u>	<u>\$ 442,622,118</u>	<u>\$ 461,823,129</u>	<u>\$ 483,541,399</u>



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# **Debt Capacity**

**Clayton County  
Public Schools**

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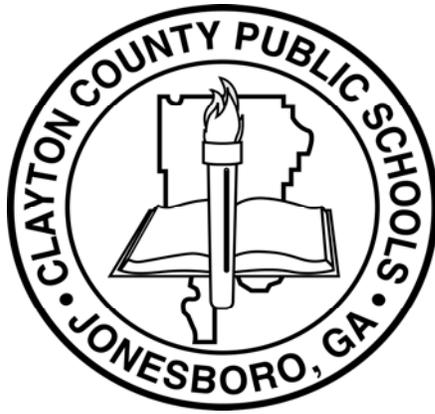
# CLAYTON COUNTY BOARD OF EDUCATION

## RATIOS OF OUTSTANDING DEBT BY TYPE LAST TEN FISCAL YEARS

Fiscal Year Ended June 30,	Capital Lease	General Obligation Bonds	Total Primary Government	Percentage of Personal Income*	Per Capita*
2006	1,471,495	-	1,471,495	0.03%	5
2007	51,055	-	51,055	0.00%	-
2008	24,793	-	24,793	0.00%	-
2009	-	-	-	0.00%	-
2010	-	-	-	0.00%	-
2011	-	-	-	0.00%	-
2012	-	-	-	0.00%	-
2013	-	-	-	0.00%	-
2014	-	-	-	0.00%	-
2015	-	-	-	0.00%	-

**Notes:**

\*See Schedule of Demographic and Economic Statistics



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**CLAYTON COUNTY BOARD OF EDUCATION**

**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
AS OF JUNE 30, 2015**

	Estimated Outstanding Debt	Percentage Applicable to Clayton County Board of Education	Amount Applicable to Clayton County Board of Education
Direct Debt			
Clayton County Board of Education	\$ -	-	\$ -
Overlapping Debt			
Clayton County	19,180,000	100%	19,180,000
Landfill Authority	9,520,000	100%	9,520,000
	<u>28,700,000</u>		<u>28,700,000</u>
Total Direct and Overlapping Debt	<u>\$ 28,700,000</u>		<u>\$ 28,700,000</u>

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

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

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

# CLAYTON COUNTY BOARD OF EDUCATION

## LEGAL DEBT MARGIN INFORMATION LAST TEN FISCAL YEARS

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	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Debt limit	\$ 72,529,100	\$ 73,192,000	\$ 74,021,400	\$ 62,174,900	\$ 62,174,900	\$ 43,306,100
Total net debt applicable to limit	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Legal debt margin	<u>\$ 72,529,100</u>	<u>\$ 73,192,000</u>	<u>\$ 74,021,400</u>	<u>\$ 62,174,900</u>	<u>\$ 62,174,900</u>	<u>\$ 43,306,100</u>
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

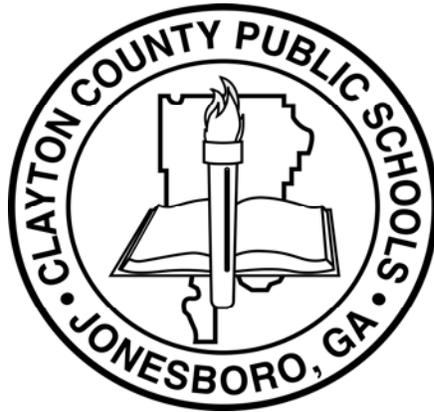
<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
\$ 45,595,000	\$ 697,067,800	\$ 686,097,000	\$ 684,791,600
-	-	-	-
<u>\$ 45,595,000</u>	<u>\$ 697,067,800</u>	<u>\$ 686,097,000</u>	<u>\$ 684,791,600</u>
0.00%	0.00%	0.00%	0.00%

Legal Debt Margin Calculation for Fiscal Year 2015

Assessed Value	\$ 6,847,916,000
Debt Limit (10% of assessed value)	684,791,600
Debt applicable to limit:	
General obligation bonds	-
Total net debt applicable to limit	-
Legal debt margin	<u>\$ 684,791,600</u>



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# **Demographic & Economic Information**

**Clayton County  
Public Schools**

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# CLAYTON COUNTY BOARD OF EDUCATION

## DEMOGRAPHIC AND ECONOMIC STATISTICS LAST TEN FISCAL YEARS

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Year	Population	Personal Income* (in thousands)	Per Capita Personal Income	County Unemployment Rate**
2006	272,600	\$ 5,460,710	\$ 20,032	5.1%
2007	274,220	6,635,480	24,198	4.7%
2008	273,690	5,979,930	21,849	7.9%
2009	275,580	5,960,557	21,629	12.5%
2010	277,463	6,140,280	22,130	12.3%
2011	279,580	6,274,560	22,443	13.0%
2012	267,180	6,551,330	24,520	11.5%
2013	269,610	6,551,720	24,301	11.0%
2014	272,600	7,157,660	26,257	9.4%
2015	270,640	6,936,580	25,630	7.9%

\* Woods & Poole Economics Data Pamphlet 2015

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

# CLAYTON COUNTY BOARD OF EDUCATION

## PRINCIPAL EMPLOYERS CURRENT YEAR AND NINE YEARS AGO

<u>Taxpayer</u>	<u>2015</u>			<u>2006</u>		
	<u>Number of Employees</u>	<u>Rank</u>	<u>Percent of Total County Employment</u>	<u>Number of Employees</u>	<u>Rank</u>	<u>Percent of Total County Employment</u>
Clayton County School System	6,800	1	4.06%	3,846	2	2.65%
Georgia Department of Transportation	6,000	2	3.58%	-	-	0.00%
Clayton County Board of Commissioners	2,113	3	1.26%	1,935	5	1.33%
Gate Gourmet, Inc.	1,645	4	0.98%	-	-	0.00%
Southern Regional Medical Center	1,450	5	0.87%	2,569	4	1.77%
Wal-Mart, Inc.	825	6	0.49%	1,085	7	0.75%
FedEx Ground	800	7	0.48%	-	-	0.00%
Fresh Express, Inc.	800	8	0.48%	1,050	8	0.72%
Clayton State University	675	9	0.40%	1,500	6	1.03%
ToTo, USA, Inc.	600	10	0.36%	-	-	0.00%
Delta Airlines, Inc./Tech Ops	-	-	0.00%	16,515	1	11.37%
Fort Gillem (U.S. Army)	-	-	0.00%	3,419	3	2.35%
Hartsfield Jackson International Airport	-	-	0.00%	400	9	0.28%
Bellsouth	-	-	0.00%	390	10	0.27%
Totals	<u>21,708</u>		<u>12.96%</u>	<u>32,709</u>		<u>22.52%</u>

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

**Note:** Total employment in Clayton County for 2015 was 167,550 and in 2006 was 145,260.

# CLAYTON COUNTY BOARD OF EDUCATION

## STUDENT ETHNICITY STATISTICS LAST TEN FISCAL YEARS

<b>Sex</b>	<b>Race</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
Female	American Indian/Alaskan Native	22	20	18	18	56	47	62	43	41	46
	Asian, Pacific Islander	1,056	1,061	1,030	1,030	1,153	1,159	1,151	1,162	1,082	1,101
	Black, not of Hispanic origin	18,921	18,643	17,408	17,387	17,454	17,667	17,720	17,876	17,785	18,150
	Hispanic	2,962	3,181	3,576	3,582	4,116	4,399	4,347	4,616	4,962	5,225
	Multi-racial	897	964	904	904	741	744	732	740	711	757
	White, not of Hispanic origin	1,790	1,355	1,042	1,043	932	844	813	792	756	727
	Sub Total	<u>25,648</u>	<u>25,224</u>	<u>23,978</u>	<u>23,964</u>	<u>24,452</u>	<u>24,860</u>	<u>24,825</u>	<u>25,229</u>	<u>25,337</u>	<u>26,006</u>
Male	American Indian/Alaskan Native	23	20	30	30	55	56	65	58	50	49
	Asian, Pacific Islander	1,155	1,157	1,148	1,147	1,213	1,228	1,222	1,242	1,174	1,155
	Black, not of Hispanic origin	19,605	19,385	18,488	18,514	18,411	18,708	18,548	18,768	18,848	19,236
	Hispanic	3,264	3,367	3,720	3,736	4,256	4,545	4,524	4,868	5,126	5,435
	Multi-racial	937	930	939	938	767	702	686	678	673	666
	White, not of Hispanic origin	2,025	1,514	1,176	1,179	1,050	919	895	914	822	820
	Sub Total	<u>27,009</u>	<u>26,373</u>	<u>25,501</u>	<u>25,544</u>	<u>25,752</u>	<u>26,158</u>	<u>25,940</u>	<u>26,528</u>	<u>26,693</u>	<u>27,361</u>
System Total	<u>52,657</u>	<u>51,597</u>	<u>49,479</u>	<u>49,508</u>	<u>50,204</u>	<u>51,018</u>	<u>50,765</u>	<u>51,757</u>	<u>52,030</u>	<u>53,367</u>	

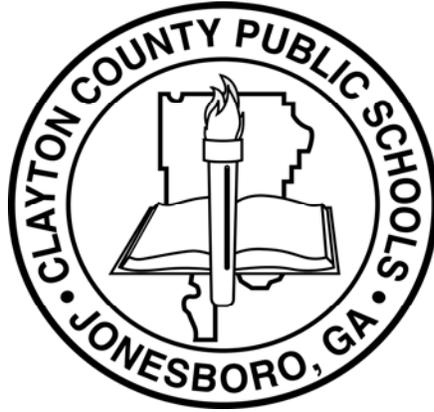
Source: Georgia Department of Education Website

# CLAYTON COUNTY BOARD OF EDUCATION

## STUDENT ENROLLMENT STATISTICS LAST TEN YEARS

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<u>Year Ended June 30,</u>	<u>Average Daily Membership</u>	<u>Average Daily Attendance</u>	<u>Attendance Percentage</u>	<u>Official State October 1 Enrollment Count</u>
2006	51,905	48,947	94.30%	52,657
2007	52,261	50,013	95.70%	51,597
2008	51,955	48,740	93.81%	49,479
2009	48,945	46,478	94.96%	49,508
2010	49,474	47,111	95.22%	50,204
2011	49,474	47,917	96.85%	50,366
2012	50,663	48,500	95.73%	51,018
2013	51,154	48,899	95.59%	51,757
2014	51,962	49,416	95.10%	52,296
2015	53,078	50,358	94.88%	53,367



# **Operating Information**

**Clayton County  
Public Schools**

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# CLAYTON COUNTY BOARD OF EDUCATION

## TEACHERS' BASE SALARIES LAST TEN FISCAL YEARS

---

<u>FISCAL YEAR</u>	<u>MINIMUM SALARY</u>	<u>MEDIAN SALARY</u>	<u>MAXIMUM SALARY</u>	<u>PERCENT CHANGE</u>
2006	\$35,241	\$54,999	\$74,756	30.33%
2007	\$38,859	\$58,130	\$77,400	3.54%
2008	\$39,809	\$59,635	\$79,461	2.66%
2009	\$40,624	\$61,527	\$82,430	3.74%
2010	\$40,624	\$61,452	\$82,280	-0.18%
2011	\$39,555	\$59,908	\$80,261	-2.45%
2012	\$39,555	\$59,908	\$80,261	0.00%
2013	\$39,555	\$59,908	\$80,261	0.00%
2014	\$39,555	\$59,908	\$80,261	0.00%
2015	\$40,742	\$61,705	\$82,669	3.00%

# CLAYTON COUNTY BOARD OF EDUCATION

## HISTORY OF HIGH SCHOOL GRADUATES LAST TEN SCHOOL YEARS

---

School Year	Drew High	Forest Park High	Jonesboro High	Lovejoy High	Morrow High	Mount Zion High	Mundy's Mill High	North Clayton High	Riverdale High	Alternative Programs	Total
2006	-	224	316	350	360	285	406	246	345	1	2,533
2007	-	232	293	374	330	297	374	254	303	8	2,465
2008	-	236	272	360	366	249	387	236	302	105	2,513
2009	-	230	271	361	316	238	355	215	294	234	2,514
2010	-	218	214	297	284	240	305	225	293	279	2,355
2011	34	264	229	365	332	352	375	216	309	34	2,510
2012	251	307	201	389	283	258	329	175	209	251	2,653
2013	275	230	254	335	276	253	300	125	188	168	2,404
2014	284	279	256	371	304	288	336	140	235	44	2,537
2015	250	292	279	398	369	244	382	151	242	100	2,707

# CLAYTON COUNTY BOARD OF EDUCATION

## RATIO OF PUPILS TO PROFESSIONAL PERSONNEL LAST TEN FISCAL YEARS

---

<u>Fiscal Year</u>	<u>Classroom Teachers (1)</u>	<u>Support Personnel (2)</u>	<u>Administrators (3)</u>	<u>Total Personnel</u>	<u>Average Daily Enrollment</u>	<u>Ratio of Pupils to Classroom Teachers</u>
2006	3,535	3,791	227	7,553	48,947	13.8
2007	3,535	3,826	263	7,624	50,013	14.1
2008	3,748	3,934	291	7,973	48,740	13.0
2009	3,819	3,482	215	7,516	46,478	12.2
2010	3,576	3,159	219	6,954	49,475	13.8
2011	3,412	2,917	209	6,538	47,917	14.0
2012	3,127	2,816	199	6,142	47,879	15.3
2013	3,011	2,703	199	5,913	51,154	17.0
2014	3,045	2,641	218	5,904	51,962	17.1
2015	3,096	3,080	239	6,415	53,078	17.1

**Notes:**

1. Classroom Teachers- All Teachers, certified and non-certified.
2. Support Personnel- Includes Media Specialist, Counselors, Clerical, Paraprofessionals, Custodians, Maintenance, Transportation, Nutritional Services and other Support Personnel.
3. Administrators- Includes the Superintendent, Asst. Superintendents, Principals, Asst. Principals, Directors, Coordinators and Instructional Supervisors.

# CLAYTON COUNTY BOARD OF EDUCATION

## COST PER PUPIL ENROLLED LAST TEN FISCAL YEARS

---

<u>Fiscal Year</u>	<u>Expenditures</u>	<u>Average Daily Enrollment</u>	<u>Cost Per Pupil Enrolled</u>	<u>Percentage of Change</u>
2006	408,131,797	48,947	8,338	0.90%
2007	435,575,233	50,013	8,709	4.45%
2008	477,786,670	48,740	9,803	12.56%
2009	496,759,613	46,478	10,688	9.03%
2010	458,871,577	47,111	9,740	-8.87%
2011	420,189,484	47,917	8,769	-9.97%
2012	426,175,715	50,663	8,412	-4.07%
2013	394,940,190	51,154	7,721	-8.34%
2014	425,016,774	51,962	8,179	6.08%
2015	409,173,771	50,358	8,125	-0.66%

# CLAYTON COUNTY BOARD OF EDUCATION

## NUTRITION SERVICES - FACTS AND FIGURES LAST TEN FISCAL YEARS

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Number of schools participating in:										
Lunch - regular schedule	58	59	59	60	61	61	60	60	60	60
Lunch - year round	-	-	-	-	-	-	1	1	1	-
Breakfast program	58	59	59	60	61	61	61	61	61	61
Student lunches served:										
Free	4,964,652	5,094,162	5,019,989	5,163,769	5,523,779	5,742,787	5,998,933	6,177,665	7,169,629	7,475,564
Reduced	873,018	864,873	899,588	793,806	683,265	501,529	557,755	514,819	-	-
Fully paid	1,598,251	1,431,720	1,356,064	1,198,349	1,007,164	910,669	811,167	634,576	337,191	352,431
Total	<u>7,435,921</u>	<u>7,390,755</u>	<u>7,275,641</u>	<u>7,155,924</u>	<u>7,214,208</u>	<u>7,154,985</u>	<u>7,367,855</u>	<u>7,327,060</u>	<u>7,506,820</u>	<u>7,827,995</u>
Adult lunches served	236,721	359,700	337,678	337,667	300,910	248,644	165,504	131,968	129,971	134,748
Student breakfasts served:										
Free	2,182,362	2,325,198	2,403,475	2,611,826	2,766,691	2,855,986	3,098,269	3,153,544	3,862,794	4,150,647
Reduced	269,025	272,792	308,777	299,277	271,852	213,274	247,560	230,084	-	-
Fully paid	301,172	293,284	333,376	322,811	285,175	263,094	246,104	192,917	183,478	195,883
Total	<u>2,752,559</u>	<u>2,891,274</u>	<u>3,045,628</u>	<u>3,233,914</u>	<u>3,323,718</u>	<u>3,332,354</u>	<u>3,591,933</u>	<u>3,576,545</u>	<u>4,046,272</u>	<u>4,346,530</u>
Number of serving days:										
Regular schedule	197	195	180	185	179	175	175	175	175	175
Year-round schedule	-	-	-	-	-	-	175	175	175	-
Weighted average	197.30	194.70	180.00	185.00	179.00	175.00	175.00	175.00	175.00	175.00
Average daily participation:										
Student lunch	37,688	37,960	40,420	38,681	40,303	40,886	42,102	41,869	42,896	44,731
Adult lunch	1,200	1,847	1,876	1,825	1,681	1,421	946	754	743	770
Student breakfast	13,951	14,850	16,920	17,481	18,568	19,042	20,525	20,437	23,122	24,837
October 1 pupil count (Kindergarten not included)	52,657	49,479	48,814	45,399	45,579	50,366	46,734	46,622	46,992	48,344
Percentage of students daily eating school lunch	71.57%	76.72%	82.80%	85.20%	88.42%	81.18%	90.09%	89.81%	91.28%	92.53%
October 1 count of benefits										
Students on free lunch	27,803	28,538	32,535	32,807	37,773	38,395	38,911	40,087	44,877	48,344
Student on reduced lunch	5,038	5,092	6,393	5,459	3,746	3,896	3,691	3,660	2,115	-
Percentage of students on:										
Free lunch	52.80%	57.68%	66.65%	72.26%	82.87%	76.23%	83.26%	85.98%	95.50%	100.00%
Reduced lunch	9.57%	10.29%	13.10%	12.02%	8.22%	7.74%	7.90%	7.85%	4.50%	0.00%
Total	<u>62.37%</u>	<u>67.97%</u>	<u>79.75%</u>	<u>84.29%</u>	<u>91.09%</u>	<u>83.97%</u>	<u>91.16%</u>	<u>93.83%</u>	<u>100.00%</u>	<u>100.00%</u>

# CLAYTON COUNTY BOARD OF EDUCATION

## SCHOOL BUILDING INFORMATION LAST TEN FISCAL YEARS

<u>School</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
<b>Elementary</b>										
Anderson (1971)										
Square feet	54,221	54,221	54,221	54,221	54,221	54,221	54,221	56,176	56,176	56,680
Capacity	450	450	450	450	450	450	450	450	450	450
Enrollment	507	519	484	482	497	490	496	496	554	552
Arnold (1963)										
Square feet	57,177	57,177	57,177	57,177	57,177	57,177	57,177	57,177	57,177	59,638
Capacity	500	500	500	500	500	500	500	500	500	500
Enrollment	510	520	467	469	477	481	460	489	518	529
Brown (1975)										
Square feet	81,615	81,615	81,615	81,615	81,615	81,615	81,615	81,615	81,615	80,547
Capacity	750	750	750	750	750	750	750	750	750	750
Enrollment	815	796	743	745	789	790	881	760	784	822
Callaway (2002)										
Square feet	91,014	105,494	105,494	105,494	105,494	105,494	105,494	105,494	105,494	104,889
Capacity	725	900	900	900	900	900	900	900	900	900
Enrollment	896	921	821	844	855	816	792	806	848	886
Church St (1966)										
Square feet	78,651	78,651	78,651	78,651	78,651	78,651	78,651	78,651	78,651	79,913
Capacity	825	825	825	825	825	825	825	825	825	825
Enrollment	929	949	813	868	832	817	886	904	890	967
East Clayton (1958)										
Square feet	68,818	68,818	68,818	68,818	68,818	68,818	68,818	68,818	68,818	68,818
Capacity	650	650	650	650	650	650	650	650	650	650
Enrollment	601	649	592	615	632	608	578	625	621	624
Edmonds (1957)										
Square feet	57,307	57,307	57,307	57,307	57,307	57,307	57,307	57,307	57,307	58,191
Capacity	450	450	450	450	450	450	450	450	450	450
Enrollment	418	470	515	560	587	547	610	576	590	582
Fountain (1952)										
Square feet	68,965	68,965	68,965	68,965	68,965	68,965	68,965	68,965	77,648	77,648
Capacity	650	650	650	650	650	650	650	650	650	650
Enrollment	537	499	496	549	626	553	597	600	634	652
Harper (2002)										
Square feet	91,014	91,014	91,014	91,014	91,014	105,994	105,994	105,994	107,701	106,854
Capacity	725	725	725	725	725	900	900	900	900	900
Enrollment	831	817	748	728	812	810	902	920	876	914

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

# CLAYTON COUNTY BOARD OF EDUCATION

## SCHOOL BUILDING INFORMATION (CONTINUED) LAST TEN FISCAL YEARS

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Hawthorne (1998)										
Square feet	89,226	102,500	102,500	102,500	102,500	102,500	102,500	102,500	102,500	103,289
Capacity	738	900	900	900	900	900	900	900	900	900
Enrollment	949	868	913	943	964	950	983	982	893	962
Haynie (1969)										
Square feet	72,107	72,107	72,107	72,107	72,107	72,107	72,107	72,332	72,332	71,746
Capacity	738	738	738	738	738	738	737	768	750	750
Enrollment	780	801	745	712	663	681	761	872	872	905
Hendrix (1955)										
Square feet	54,748	54,748	54,748	54,748	54,748	54,748	X	X	X	X
Capacity	450	450	450	450	450	450	-	-	-	-
Enrollment	338	254	124	119	27	27	-	-	-	-
Huie (1966)										
Square feet	71,569	71,569	71,569	71,569	71,569	71,569	71,569	71,569	71,569	71,081
Capacity	675	675	675	675	675	675	675	675	675	675
Enrollment	611	633	597	655	658	614	717	705	717	789
Jackson (2003)										
Square feet	90,229	90,229	90,229	90,229	90,229	90,229	105,209	105,209	105,209	104,841
Capacity	725	725	725	900	900	900	900	968	900	900
Enrollment	956	947	734	736	882	837	914	1,023	979	1,074
Kemp (1981)										
Square feet	71,882	71,882	71,882	71,882	71,882	71,882	71,882	71,882	71,882	74,068
Capacity	850	850	850	850	850	850	850	650	850	850
Enrollment	754	742	706	718	699	689	711	689	669	673
Kemp Primary (2004)										
Square feet	90,229	90,229	90,229	90,229	90,229	90,229	90,229	90,229	91,014	90,065
Capacity	663	663	663	663	663	650	650	650	650	650
Enrollment	720	741	605	718	693	624	711	711	667	682
Kilpatrick (1973)										
Square feet	75,379	75,379	75,379	75,379	75,379	75,379	75,379	75,379	75,379	72,260
Capacity	650	650	650	650	650	650	650	650	650	650
Enrollment	672	618	550	562	611	606	621	633	679	720
King (2003)										
Square feet	92,044	92,044	92,044	92,044	92,044	92,044	92,044	92,044	92,044	91,852
Capacity	700	700	700	700	700	700	700	700	700	700
Enrollment	1,048	993	870	906	957	935	957	1,014	1,039	1,048
Lake City (1957)										
Square feet	51,245	51,245	51,245	51,245	51,245	51,245	51,245	51,245	59,153	58,642
Capacity	463	463	463	463	463	463	462	462	450	450
Enrollment	456	490	501	510	535	516	540	539	548	553
Lake Ridge (1994)										
Square feet	85,000	94,662	94,662	94,662	94,662	94,662	94,662	94,662	94,662	94,138
Capacity	650	788	788	650	788	788	788	788	800	800
Enrollment	841	866	729	750	730	694	728	726	678	658

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# CLAYTON COUNTY BOARD OF EDUCATION

## SCHOOL BUILDING INFORMATION (CONTINUED) LAST TEN FISCAL YEARS

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Lee St (1960)										
Square feet	54,220	54,220	54,220	54,220	54,220	54,220	54,220	54,220	54,220	54,101
Capacity	500	500	500	500	500	500	500	500	500	500
Enrollment	580	622	541	596	562	509	555	589	640	677
Marshall (2004)										
Square feet	89,854	89,854	89,854	89,854	89,854	89,854	89,854	89,854	90,174	90,174
Capacity	725	725	725	725	725	725	725	725	725	725
Enrollment	950	901	852	826	828	818	833	861	909	917
McGarrah (1967)										
Square feet	73,782	73,782	73,782	73,782	73,782	73,782	73,782	74,837	74,787	74,729
Capacity	750	750	750	750	750	750	750	750	750	750
Enrollment	684	705	608	621	641	631	670	711	692	713
Morrow (1952)										
Square feet	54,382	54,382	54,382	54,382	54,382	54,382	54,382	54,382	54,382	61,950
Capacity	450	450	450	450	450	450	450	450	450	450
Enrollment	523	509	481	515	505	467	478	478	482	533
Mt Zion (1976)										
Square feet	85,815	85,815	85,815	85,815	85,815	85,815	85,815	85,815	85,815	76,503
Capacity	700	700	700	700	700	700	700	700	700	700
Enrollment	975	927	558	550	575	589	569	572	615	646
Mt Zion Primary (2008)										
Square feet	X	X	93,275	93,275	93,275	93,275	93,275	93,275	93,275	93,205
Capacity	-	-	750	750	750	750	750	750	750	750
Enrollment	-	-	540	548	660	629	689	686	639	641
Northcutt (1970)										
Square feet	78,013	78,013	78,013	78,013	78,013	78,013	78,013	79,394	79,394	77,030
Capacity	750	750	750	750	750	750	750	750	750	750
Enrollment	615	568	628	658	699	686	648	648	632	633
Oliver (1976)										
Square feet	67,194	67,194	67,194	67,194	67,194	67,194	67,194	67,194	67,194	75,187
Capacity	675	675	675	675	675	675	675	675	675	675
Enrollment	842	884	784	739	664	672	613	613	633	642
Pointe South (1981)										
Square feet	57,441	57,441	57,441	57,441	57,441	57,441	57,441	57,441	57,441	57,441
Capacity	675	675	675	675	675	675	675	675	675	675
Enrollment	736	775	643	697	674	662	697	703	637	726
River's Edge (1994)										
Square feet	85,000	100,300	100,300	100,300	100,300	100,300	100,820	100,820	100,280	101,094
Capacity	650	863	863	863	863	863	863	863	850	850
Enrollment	978	1,153	1,102	1,142	604	573	596	607	566	634
Riverdale (1954)										
Square feet	65,084	65,084	65,084	65,084	65,084	65,084	65,084	65,084	X	X
Capacity	700	700	700	700	700	700	700	700	-	-
Enrollment	708	660	608	606	669	643	643	663	-	-
Riverdale (2013)										
Square feet	X	X	X	X	X	X	X	X	108,324	108,324
Capacity	-	-	-	-	-	-	-	-	800	800
Enrollment	-	-	-	-	-	-	-	-	613	684
Smith (2000)										
Square feet	95,132	95,132	95,132	109,612	109,612	109,612	109,612	109,612	109,716	11,065
Capacity	725	725	725	900	900	900	900	900	900	900
Enrollment	922	937	938	938	871	851	930	957	953	969
Suder (1966)										
Square feet	79,783	79,783	79,783	79,783	79,783	79,783	79,783	79,783	79,783	82,493
Capacity	775	775	775	775	765	765	765	765	775	775
Enrollment	781	804	662	683	665	640	694	736	705	719

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

# CLAYTON COUNTY BOARD OF EDUCATION

## SCHOOL BUILDING INFORMATION (CONTINUED) LAST TEN FISCAL YEARS

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
<b>School</b>										
<b>Elementary</b>										
Swint (1968)										
Square feet	71,785	71,785	71,785	71,785	71,785	71,785	71,785	72,665	72,665	76,899
Capacity	788	788	788	788	776	776	776	776	750	750
Enrollment	649	565	524	571	642	605	639	598	596	670
Tara (1964)										
Square feet	76,224	76,224	76,224	76,224	76,224	76,224	76,224	76,224	83,111	88,155
Capacity	735	735	735	735	725	725	725	725	725	725
Enrollment	609	590	598	667	601	547	725	662	662	709
Unidos Charter (Hendrix)										
Square feet	X	76,224	76,224	76,224	76,224	76,224	54,748	54,748	54,748	56,278
Capacity	-	735	735	735	725	725	450	450	450	450
Enrollment	-	590	598	667	601	547	491	577	676	800
West Clayton (1964)										
Square feet	66,917	66,917	66,917	66,917	66,917	66,917	66,917	66,917	66,917	66,159
Capacity	600	600	600	600	600	600	600	600	600	600
Enrollment	507	527	499	510	462	436	444	468	503	593
White Academy (2010)										
Square feet	X	X	X	X	201,679	201,679	201,679	201,679	210,679	205,143
Capacity	-	-	-	-	1,425	1,425	1,425	1,425	1,425	1,425
Enrollment	-	-	-	-	-	1,414	1,410	1,381	1,444	1,398
<b>Middle</b>										
Adamson (1977)										
Square feet	120,015	120,015	120,015	120,015	120,015	120,015	120,015	120,015	120,015	113,033
Capacity	775	775	775	775	775	775	775	775	775	775
Enrollment	1,273	787	654	656	658	649	617	604	594	596
Babb (1966)										
Square feet	103,443	103,443	103,443	103,443	103,443	103,443	103,443	103,443	103,443	106,596
Capacity	775	775	775	775	775	775	775	775	775	775
Enrollment	891	869	793	783	766	796	755	808	831	844
Forest Park (1940)										
Square feet	84,964	84,964	84,964	84,964	84,964	84,964	84,964	85,894	85,884	94,677
Capacity	570	570	570	570	600	600	600	600	600	600
Enrollment	655	593	505	510	674	683	703	680	663	650
Jonesboro (2004)										
Square feet	128,170	128,170	128,170	128,170	128,170	128,170	128,170	128,170	128,170	128,188
Capacity	875	875	875	875	875	875	875	875	875	875
Enrollment	973	938	883	834	743	753	794	869	853	853
Kendrick (1996)										
Square feet	123,458	123,458	143,828	143,724	143,724	143,828	143,724	143,724	143,724	144,359
Capacity	850	850	1,075	1,100	1,100	1,100	1,100	1,100	1,100	1,100
Enrollment	936	921	770	787	852	883	847	820	777	731
Lovejoy (1990)										
Square feet	123,731	123,731	123,731	123,731	123,731	123,731	123,731	125,567	125,567	121,041
Capacity	738	738	738	738	725	725	725	725	725	725
Enrollment	1,312	1,280	1,175	1,172	584	578	586	663	659	581
Morrow #7 (2012)										
Square feet	X	X	X	X	171,727	171,727	171,727	171,727	174,539	174,539
Capacity	-	-	-	-	900	900	900	1,200	900	900
Enrollment	-	-	-	-	803	742	756	695	683	755

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

# CLAYTON COUNTY BOARD OF EDUCATION

## SCHOOL BUILDING INFORMATION (CONTINUED) LAST TEN FISCAL YEARS

<u>School</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
<b>Middle</b>										
Old Morrow - Elite (1967)										
Square feet	96,109	96,109	96,109	96,109	96,109	96,109	96,109	96,109	96,525	97,525
Capacity	650	650	650	650	650	650	650	650	650	650
Enrollment	791	824	704	681	725	737	376	424	495	597
Mundy's Mill (1973)										
Square feet	116,822	116,822	116,822	116,822	116,822	116,822	116,822	116,822	116,822	121,761
Capacity	850	850	850	850	850	850	850	850	850	850
Enrollment	983	961	887	869	804	818	823	798	809	793
N. Clayton Middle (1969)										
Square feet	107,374	107,374	126,179	126,179	126,179	126,179	126,179	118,255	126,179	126,128
Capacity	738	738	1,000	738	738	1,000	1,000	1,000	1,000	1,000
Enrollment	920	961	949	920	843	860	808	813	858	824
Pointe South (1978)										
Square feet	141,792	141,792	141,792	141,792	141,792	160,835	160,835	160,835	160,835	137,106
Capacity	875	875	875	875	875	925	925	925	925	925
Enrollment	968	954	814	803	822	838	844	873	836	795
Rex Mill (2007)										
Square feet	X	152,570	152,570	152,570	152,570	152,570	152,570	152,570	152,570	146,303
Capacity	-	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100
Enrollment	-	578	981	953	1,035	1,042	1,094	1,131	1,108	1,025
Riverdale (1968)										
Square feet	108,738	108,738	108,738	108,738	108,738	139,581	108,738	139,581	123,470	125,047
Capacity	850	850	850	850	850	850	850	850	850	850
Enrollment	853	859	841	833	741	752	779	760	712	690
Roberts (2000)										
Square feet	123,458	123,458	144,014	146,007	146,007	146,007	146,007	146,007	146,007	210,431
Capacity	838	838	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,350
Enrollment	1,053	815	644	649	699	667	675	737	789	894
Sequoyah (2004)										
Square feet	128,170	128,170	128,170	128,170	128,170	128,170	128,170	128,170	128,170	128,188
Capacity	875	875	875	875	875	875	875	875	875	875
Enrollment	996	926	769	737	808	804	885	876	866	922

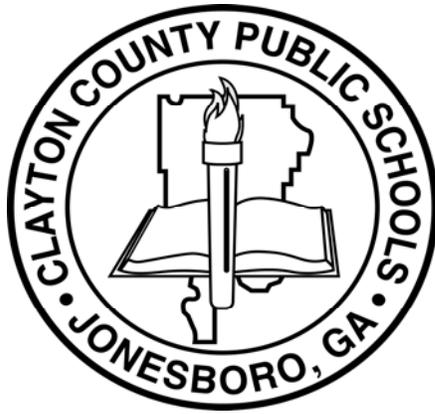
Note: "X" represents the year the building did not exist.

# CLAYTON COUNTY BOARD OF EDUCATION

## SCHOOL BUILDING INFORMATION (CONTINUED) LAST TEN FISCAL YEARS

<u>School</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
<b>High</b>										
Drew (2009)										
Square feet	X	X	X	297,918	297,918	297,918	297,918	308,859	318,859	317,251
Capacity	-	-	-	1,850	1,850	1,850	1,850	1,850	1,850	1,850
Enrollment	-	-	-	-	1,132	1,182	1,594	1,589	1,555	1,593
Forest Park (1962)										
Square feet	206,766	206,766	206,766	206,766	206,766	227,356	227,356	227,356	227,356	235,481
Capacity	1,550	1,550	1,550	1,550	1,550	1,550	1,550	1,550	1,550	1,550
Enrollment	1,518	1,626	1,545	1,518	1,626	1,643	1,651	1,710	1,742	1,742
Jonesboro (1963)										
Square feet	193,634	193,634	208,036	208,036	208,036	208,036	227,131	228,157	228,157	217,468
Capacity	1,500	1,500	1,725	1,500	1,500	1,725	1,725	1,725	1,725	1,725
Enrollment	1,828	1,697	1,268	1,153	1,212	1,235	1,311	1,372	1,319	1,289
Lovejoy (1989)										
Square feet	217,450	217,450	217,450	217,450	231,852	231,852	231,852	231,853	231,853	231,706
Capacity	1,625	1,625	1,625	1,625	1,850	1,850	1,850	1,850	1,850	1,850
Enrollment	1,837	1,903	1,804	1,662	1,815	1,894	1,978	2,000	2,044	1,992
Morrow (1970)										
Square feet	183,836	183,836	183,836	183,836	183,836	183,836	183,836	183,836	196,640	195,537
Capacity	1,375	1,375	1,375	1,375	1,375	1,375	1,375	1,375	1,900	1,900
Enrollment	2,149	2,074	1,742	1,534	1,722	1,819	1,762	1,728	1,737	1,990
Mt. Zion (1990)										
Square feet	216,241	231,952	231,952	216,241	231,952	231,952	231,952	233,593	233,593	230,925
Capacity	1,350	1,575	1,575	1,350	1,575	1,575	1,575	1,575	1,575	1,575
Enrollment	1,662	1,731	1,722	1,547	1,563	1,580	1,570	1,804	1,639	1,283
Mundy's Mill (2002)										
Square feet	254,667	254,667	254,667	292,512	292,512	292,512	292,512	313,882	313,882	313,882
Capacity	1,350	1,350	1,350	1,850	1,850	1,850	1,850	1,850	1,850	1,850
Enrollment	2,081	2,104	1,815	1,659	1,629	1,719	1,706	1,695	1,718	1,757
N. Clayton (1967)										
Square feet	194,138	194,138	194,138	194,138	194,138	194,138	211,657	211,657	211,657	188,824
Capacity	1,325	1,325	1,325	1,325	1,325	1,325	1,325	1,325	1,100	1,100
Enrollment	1,568	1,527	1,526	1,360	1,068	1,118	899	848	846	890
Riverdale (1977)										
Square feet	203,067	203,067	203,067	203,067	203,067	203,067	203,067	203,067	203,067	177,821
Capacity	1,325	1,325	1,325	1,325	1,325	1,325	1,325	1,325	1,325	1,325
Enrollment	1,933	1,961	1,670	1,532	1,053	1,416	1,237	1,303	1,393	1,342
M E Stilwell										
Square feet	X	X	X	X	X	X	X	X	X	133,195
Capacity	X	X	X	X	X	X	X	X	X	825
Enrollment	X	X	X	X	X	X	X	X	X	542

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



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# **Single Audit Section**

**Clayton County  
Public Schools**

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**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**

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

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Clayton County Board of Education as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise Clayton County Board of Education's basic financial statements and have issued our report thereon dated March 8, 2016. Our report includes a reference to the changes in accounting principles resulting from the implementation of Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pension – an amendment of GASB Statement No. 27*, as well as Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*, as of July 1, 2014.

**Internal Control Over Financial Reporting**

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be a material weakness. However, material weaknesses may exist that have not been identified.

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**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Clayton County Board of Education's financial statements are free from 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*.

**Purpose of this Report**

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

Macon, Georgia  
March 8, 2016

*Mauldin & Jenkins, LLC*



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

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

**Report on Compliance for Each Major Federal Program**

We have audited Clayton County Board of Education's compliance with the types of compliance requirements described in OMB *Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Clayton County Board of Education's major federal programs for the year ended June 30, 2015. Clayton County Board of Education's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

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

**Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of the Clayton County Board of Education's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Clayton County Board of Education's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Clayton County Board of Education's compliance.

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### **Opinion on Each Major Federal Program**

In our opinion, Clayton County Board of Education complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2015.

### **Other Matters**

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with OMB Circular A-133 and which is described in the accompanying schedule of findings and questioned costs as item 2015-001. Our opinion on each major federal program is not modified with respect to this matter.

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

### **Report on Internal Control Over Compliance**

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

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

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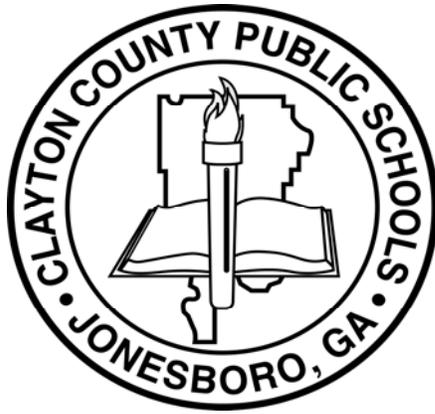
Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified a certain deficiency in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as item 2015-001, that we consider to be a significant deficiency.

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

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

*Mauldin & Jenkins, LLC*

Macon, Georgia  
March 8, 2016



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# CLAYTON COUNTY BOARD OF EDUCATION

## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Contract or Project Number	Total Expenditures
<b>U. S. DEPARTMENT OF AGRICULTURE</b>			
Passed through Georgia Department of Education:			
Child Nutrition Cluster			
School Breakfast Program	10.553	N/A	\$ 8,065,596
USDA Commodities	10.555	N/A	2,184,865
National School Lunch Program	10.555	N/A	23,007,219
National School Snack Program	10.555	N/A	287,641
Total Child Nutrition Cluster			33,545,321
Passed through Georgia Department of Education:			
Fresh Fruits and Vegetables	10.582	N/A	280,159
Total U. S. Department of Agriculture			33,825,480
<b>U. S. DEPARTMENT OF EDUCATION</b>			
Passed through Georgia Department of Technical and Adult Education:			
Adult Education	84.002	N/A	223,958
Adult Education	84.002	N/A	19,350
			243,308
Passed through Georgia Department of Education:			
Title I Programs - Improving Academic Achievement	84.010	N/A	17,100,999
Title I Programs - School Improvement Grant	84.010	N/A	1,031,480
Title I Programs - Distinguished School	84.010	N/A	76,024
			18,208,503
Title IV-B, Special Education Cluster			
Title VI-B Flowthrough	84.027	N/A	10,049,782
Title VI-B High Cost	84.027	N/A	189,669
Title VI-B South Metro	84.027	N/A	326,741
Title VI-B Preschool	84.173	N/A	318,596
Total Title IV-B, Special Education Cluster			10,884,788
Title II - Improving Teacher Quality	84.367	N/A	1,820,367
Title II - Advanced Placement	84.367	N/A	11,575
			1,831,942
Title III - Limited English Proficient	84.365	N/A	519,467

**(Continued)**

**CLAYTON COUNTY BOARD OF EDUCATION**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Contract or Project Number</u>	<u>Total Expenditures</u>
<b>U. S. DEPARTMENT OF EDUCATION (CONTINUED)</b>			
Passed through Georgia Department of Education (Continued):			
Education for Homeless Children and Youth	84.196	N/A	\$ <u>47,760</u>
Vocational Education - Basic Grants to States			
Program Improvement	84.048	N/A	538,848
Perkins Carryover	84.048	N/A	<u>40,655</u>
			<u>579,503</u>
Race To The Top			
ARRA - Race to the Top	84.395	N/A	2,843,806
ARRA - Race to the Top - Summer Leadership Academy	84.395	N/A	<u>17,195</u>
			<u>2,861,001</u>
Subtotal - Passed through Georgia Department of Education			<u>35,176,272</u>
Passed through Georgia State University Research Foundation			
Teacher Quality Partnership Grants - Network for Enhancing Teacher Quality	84.336	N/A	<u>40,117</u>
Collaboration and Resources for Encouraging and Supporting Transformations in Education	84.336	N/A	<u>26,000</u>
Subtotal - Passed through Georgia State University Research Foundation Department of Education			<u>66,117</u>
Passed through Georgia Professional Standards Commission			
ARRA - Race to the Top - Georgia Teacher Academy for Preparation and Pedagogy	84.395	N/A	<u>10,208</u>
Total U. S. Department of Education			<u>35,252,597</u>
<b>U. S. DEPARTMENT OF DEFENSE</b>			
Direct Award:			
ROTC	12.unknown	N/A	<u>687,701</u>
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>			
Passed through Georgia Department of Early Care and Learning			
Child Care and Development Block Grant	93.575	N/A	<u>60,679</u>
Total Child Care and Development Fund Cluster			<u>60,679</u>
Passed through Clayton County Board of Health			
Teenage Pregnancy Prevention	93.297	N/A	<u>99,600</u>
Total Teenage Pregnancy Prevention			<u>99,600</u>
<b>Total U. S. Department of Health and Human Services</b>			<u>160,279</u>

**(Continued)**

**CLAYTON COUNTY BOARD OF EDUCATION**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

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<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Contract or Project Number</u>	<u>Total Expenditures</u>
<b>U.S. DEPARTMENT OF LABOR</b>			
Passed through Georgia Governor's Office of Workforce Development Workforce Investment Act Grant	17.259	WD1109	<u>\$ 159,059</u>
<b>U.S. DEPARTMENT OF TRANSPORTATION</b>			
Passed through Georgia Governor's Office of Highway Safety Students Against Destructive Decisions	20.601	2012-000-00422	<u>32,728</u>
Total Expenditures of Federal Awards			<u>\$ 70,117,844</u>

# CLAYTON COUNTY BOARD OF EDUCATION

## NOTE TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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### **NOTE 1. BASIS OF PRESENTATION**

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

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

# CLAYTON COUNTY BOARD OF EDUCATION

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

### A. SUMMARY OF AUDIT RESULTS

#### Financial Statements

Type of auditor's report issued

Unmodified

Internal control over financial reporting:  
Material weaknesses identified?

yes  no

Significant deficiencies identified not considered  
to be material weaknesses?

yes  none reported

Noncompliance material to financial statements noted?

yes  no

#### Federal Awards

Internal Control over major programs:  
Material weaknesses identified?

yes  no

Significant deficiencies identified not considered  
to be material weaknesses?

yes  none reported

Type of auditor's report issued on compliance for  
major programs

Unmodified

Any audit findings disclosed that are required to  
be reported in accordance with OMB Circular  
A-133, Section 510(a)?

yes  no

Identification of major program:

CFDA Number

Name of Federal Program or Cluster

10.553

Child Nutrition Cluster Program:

10.555

U.S. Department of Agriculture

School Breakfast Program

National School Lunch Program

84.010

U.S. Department of Education

Title I, Part A

84.027

Special Education Cluster Program:

84.173

Special Education – Flowthrough

Special Education – Preschool

Dollar threshold used to distinguish between  
Type A and Type B programs:

\$2,103,535

Auditee qualified as low-risk auditee?

yes  no

# CLAYTON COUNTY BOARD OF EDUCATION

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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### **B. FINDINGS: FINANCIAL STATEMENTS AUDIT**

None reported

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

#### **2015-001 Compliance with Indirect Cost Allocation Requirements – Child Nutrition Cluster, CFDA 10.553 and 10.555**

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

Condition: Based on the above criteria, the School System did not properly charge indirect costs to the Child Nutrition Cluster for the fiscal year ended June 30, 2015.

Questioned Costs: \$36,276

Context: The School System elected to use the non-restricted indirect cost rate for the Child Nutrition Cluster. The non-restricted indirect cost rate was calculated by the Georgia Department of Education and was 9.93% for fiscal year 2015. The Child Nutrition Cluster adjustments to expenditures were made throughout the year without adjusting indirect costs. As such, the Child Nutrition indirect costs were overcharged by \$36,276 for the fiscal year ended June 30, 2015.

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

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

Views of Responsible Officials and Planned Corrective Action: Management concurs and has implemented steps to ensure indirect costs are appropriately calculated and recorded.

# CLAYTON COUNTY BOARD OF EDUCATION

## SCHEDULE OF PRIOR YEAR FINDINGS FOR THE YEAR ENDED JUNE 30, 2015

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### **2014-001.      Receivables and Revenues**

Criteria: Generally accepted accounting principles require revenue to be recognized in the accounting period in which it becomes both measurable and available to finance expenditures of the current period. Internal controls should be in place to ensure all revenues, receivables and deferred revenue amounts are properly recorded at year-end and the need for an allowance for uncollectible accounts has been considered. Additionally, management should implement processes to collect amounts earned and due to the School System or consider such accounts receivable for write-off.

Condition: The School System did not properly record accounts receivable, allowance for uncollectible accounts and unavailable revenues at June 30, 2014 in the Capital Projects and Worktec Funds.

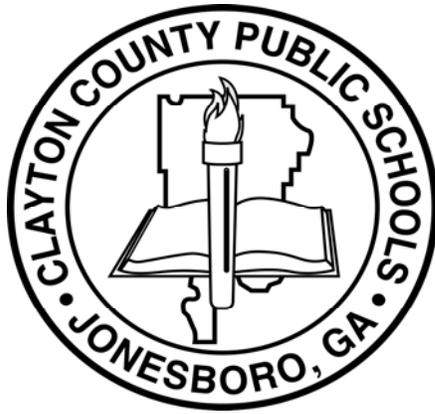
Views of Responsible Officials and Status: Resolved

### **2014-002.      Contracts and Retainage Payable**

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

Condition: The School System did not properly address the above criteria as of June 30, 2014 as it relates to retainage and contracts payable in the Capital Projects Fund.

Views of Responsible Officials and Status: Resolved



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