

**CHARLESTON COUNTY SCHOOL DISTRICT  
CHARLESTON, SOUTH CAROLINA**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED JUNE 30, 2007**



**CHARLESTON COUNTY SCHOOL DISTRICT  
CHARLESTON, SOUTH CAROLINA**

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**YEAR ENDED JUNE 30, 2007**

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CHARLESTON, SOUTH CAROLINA**

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**INDEPENDENT AUDITORS' REPORT**

The Board of Trustees  
Charleston County School District  
Charleston, South Carolina

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Charleston County School District, South Carolina (the "School District"), as of and for the year ended June 30, 2007, which collectively comprise the School District's basic financial statements as listed in the table of contents. These basic financial statements are the responsibility of the School District's management. Our responsibility is to express opinions on these basic financial statements based on our audit. We did not audit the basic financial statements of the discretely presented component units, which statements reflect total assets of \$10,266,131 as of June 30, 2007 and total revenues of \$21,488,664 for the year ended June 30, 2007. Those basic financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for the discretely presented component units, is based solely on the reports of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall basic financial statement presentation. We believe that our audit and the reports of other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the reports of other auditors, the basic financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Charleston County School District, South Carolina, as of June 30, 2007, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 28, 2007 on our consideration of the School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The accompanying management's discussion and analysis and budgetary comparison schedule for the General Fund, as listed in the table of contents, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School District's basic financial statements. The supplementary information of the primary government, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statement but has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole. The combining and individual fund schedule of the discretely presented component units, as listed in the table of contents, have not been subjected to the auditing procedures applied by us in the audit of the basic financial statements and, accordingly, we express no opinion on them.

*Greene, Finney & Horton LLP*

Greene, Finney & Horton, LLP

November 28, 2007

**CHARLESTON COUNTY SCHOOL DISTRICT  
CHARLESTON, SOUTH CAROLINA**

**REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

**YEAR ENDED JUNE 30, 2007**

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The Management's Discussion and Analysis (MD&A) provides an objective analysis of the Charleston County School District's financial condition based on facts known as of the date of the auditor's report. While the accompanying financial statements are for the year end June 30, 2007, the MD&A presents both a short-term and long-term analysis of the School District's financial status.

**Financial Highlights**

- The General Operating Fund (GOF) total fund balance at year-end, both designated and undesignated was \$19.7 million. The undesignated amount was \$13.3 million, an increase of \$1.7 million over last year. The School District's goal is to build an undesignated fund balance equal to no less than five percent of the GOF budget by fiscal year 2009. The \$13.3 million is 4.1% of the fiscal year 2008 GOF budgeted expenditures.
- The School District's revenues from governmental activities increased 5.2 percent to \$473.3 million. Property taxes and other local revenue accounted for 61.7 percent of the School District's revenue, with property taxes contributing about 51.7 cents of every dollar raised. The State revenue contribution was 27.2 percent; the federal was 11.1 percent and other sources were less than one percent.
- The percent of Education Finance Act (EFA) revenues sent to the School District remained the same as last year based on the School District's index of tax paying ability as calculated by the State. The District remains the wealthiest in the State with regards to property values. State support to the District for the Base Student Cost dropped from 42 percent in fiscal year 2005 to 34 percent in fiscal year 2006 and remained at 34 percent for fiscal year 2007.
- The number of students in the School District as of the 135<sup>th</sup> day dropped from 41,385 in fiscal year 2006 to 40,555 in fiscal year 2007, a 2 percent decline in the 135-day ADM.
- Total expenditures exceeded revenues and other financing sources for all funds by \$32 million. The majority of this net change, \$30.4 million, is a result of the use of prior year fund balance in the Capital Building Program 2005-2009. Additionally, \$6.2 million is the use of prior year fund balance was used for debt service payments.
- The total long term obligations of \$943 Million are comprised significantly of outstanding Charleston Educational Excellence Financing Corporation ("CEEF") bonds. The principal activity of CEEF is to acquire, construct, finance, pledge, improve, maintain, operate, manage, lease, and dispose of school buildings and other public education facilities. The facilities are to be used by the School District for essential governmental functions in connection with tax exempt lease purchase financing of such facilities.

**Overview of the Financial Statements**

The District's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains supplementary information designed to enhance the reader's understanding of the financial statements.

The School District's government-wide financial statements, which can be found as listed in the table of contents, include the Statement of Net Assets and the Statement of Activities. These two statements do not focus on the financial activities of the District's individual subprograms, but rather report information about the overall financial condition of the District's operation.

As described in the notes to the financial statements, other entities' activities are included in this report because of the relationship of these legally separate entities to the School District. Financial information of the Charleston Development Academy, Inc., James Island Charter High School, East Cooper Montessori Charter School, Susan G. Boykin Academy, Greg Mathis Charter High School and Orange Grove Charter Elementary School are collectively referred to in the financial statements as those of the discreetly-presented component units. This discussion and analysis focuses on the primary government. The financial information for Susan G. Boykin Academy and Greg Mathis Charter School, which are not material to the School District's financial statements, are not included in these financial statements. The complete financial statements (including MD&A, if any) of the component units may be obtained from the individual charter schools.

**CHARLESTON COUNTY SCHOOL DISTRICT  
CHARLESTON, SOUTH CAROLINA**

**REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

**YEAR ENDED JUNE 30, 2007**

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The District's fund financial statements can be found as listed in the table of contents. Unlike the government-wide financial statements, which consolidate financial data, the purpose of the School District's fund financial statements is to present detailed financial information about the District's operations. Included in these statements are the District's general operating fund, special revenue funds, education improvement act funds, debt service fund, capital projects fund, and the non-major permanent funds.

The notes to the financial statements provide additional information that may be necessary for understanding the data contained in both the government-wide and the fund financial statements. The notes to the financial statements can be found as listed in the table of contents of this report.

**Analysis of the District's Government-wide Statements**

An important question that should be asked about the School District's finances is, "Is the School District as a whole better off or worse off as a result of the year's activities?" The Statement of Net Assets and the Statement of Activities report consolidated financial information about the School District as a whole in a way that helps answer the question. These statements report the District's financial data using the accrual basis of accounting, which is similar to the accounting method used by most private-sector companies. The Statement of Net Assets includes all of the School District'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 School District's net assets and how they have changed from one year to the next. Net assets – which are the difference between the School District's assets and liabilities – is one way to measure the School District's financial health or position. Over time, increases or decreases in the School District's net assets indicate whether its financial position is improving or deteriorating. To assess the School Districts' overall health, additional economic factors, such as changes in the School District's property tax base, the condition of school buildings and other facilities, and changes in state and federal revenue should be considered. These factors are addressed in this report.

Government-wide financial statements report transactions that are considered governmental type activities. Such activities are funded primarily through local property taxes and state and federal revenues. Governmental activities account for the School District's basic services such as regular and special education, school bus transportation, school building maintenance, and administration.



**CHARLESTON COUNTY SCHOOL DISTRICT  
CHARLESTON, SOUTH CAROLINA**

**REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

**YEAR ENDED JUNE 30, 2007**

Our analysis below focuses on total net assets (Figure A-1) and changes in net assets (Figure A-2) of the School District's governmental activities.

Figure A-1  
Condensed Statement of Net Assets (in millions of dollars)

	Governmental Activities		
	2006	2007	Difference
<b>Assets</b>			
Current and Other Assets	\$ 930.1	652.7	\$ (277.4)
Capital Assets	565.5	581.3	15.8
<b>Total Assets</b>	<b>1,495.6</b>	<b>1,234.0</b>	<b>(261.6)</b>
<b>Liabilities</b>			
Long-term Debt Outstanding	954.5	943.0	(11.5)
Other Liabilities	301.0	58.6	(242.4)
<b>Total Liabilities</b>	<b>1,255.5</b>	<b>1,001.6</b>	<b>(253.9)</b>
<b>Net Assets</b>			
Invested in Capital Assets, Net of Related Debt	184.1	143.9	(40.2)
Restricted	12.9	79.8	66.9
Unrestricted	43.1	8.7	(34.4)
<b>Total Net Assets</b>	<b>\$ 240.1</b>	<b>232.4</b>	<b>\$ (7.7)</b>

The Statement of Net Assets reports all financial and capital resources. The statement presents the assets and liabilities in order of relative liquidity. The liabilities are reported in two components – the amount of long-term debt outstanding and all other liabilities. The difference between the school's assets and liabilities is its net assets.

The School District's assets, as of June 30, 2007, decreased by \$261.5 million, compared to the previous year. The decrease in assets was offset by a decrease in liabilities of \$253.9 million, resulting in a 3.2%, or \$7.7 million, decrease in net assets. Decreases in assets were primarily in cash at \$608.9 million less and property taxes receivable at \$248 million less partially offset by an increase in restricted investments of \$597.8 million and an increase in capital assets of \$15.9 million. Additionally, this year's presentation of property tax receivables and unearned income are not presented in the same format as previous financial statements. This reduced assets and liabilities by approximately \$242 million but had no impact on net assets. The decrease in cash is a result of the Capital Projects investments for use in the building program for the next several years. The largest decrease in liabilities was long term debt of \$11.5 million, most of which is for the repayment of debt. Additionally, the change in reporting for property tax and other liabilities further reduced liabilities by \$242.4 million.

**CHARLESTON COUNTY SCHOOL DISTRICT  
CHARLESTON, SOUTH CAROLINA**

**REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

**YEAR ENDED JUNE 30, 2007**

Figure A-2  
Changes in Net Assets from Operations Results (in millions of dollars)

	Governmental Activities	
	2006	2007
<b>Revenues</b>		
Program Revenues:		
Charges for Services	\$ 11.5	\$ 6.3
Operating Grants and Contributions	162.5	163.1
Capital Grants	0.6	0.4
General Revenues:		
Property Taxes	231.8	244.7
Other	43.3	58.8
Total Revenues	<u>449.7</u>	<u>473.3</u>
<b>Expenses</b>		
Instruction	211.3	214.3
Support Services	165.5	174.2
Community Services	3.7	4.1
Intergovernmental	1.0	1.1
Payment to Compolnent Units	14.9	22.9
Interest and Fiscal Charges	29.3	45.9
Depreciation Unallocated	13.2	12.7
Loss on Disposal of Assets	-	3.6
Total Expenses	<u>438.9</u>	<u>478.8</u>
Change in Net Assets	<u>10.8</u>	<u>(5.5)</u>
Net Assets, Beginning of Year	229.3	240.1
Prior Period Adjustments	-	(2.2)
Net Assets, Beginning of Year - Restated	<u>229.3</u>	<u>237.9</u>
Net Assets, End of Year	<u>\$ 240.1</u>	<u>\$ 232.4</u>

Revenues increased 5.2 percent, or \$23.6 million. Property taxes, with an increase of \$12.9 million, accounted for one of the largest increase in revenues. New home construction, rising property values, and an increase in millage resulted in a 5.6 percent increase in ad valorem tax revenues.

Expenses increased approximately 9.1 percent. This increase was primarily related to salary and related increases for teachers and staff. This area did not increase as much as previous years due to the conversion of one District elementary school to a charter school. Payments to component units increased by \$8 million due to the change in State formula and the addition of one converted charter school. Expenses for interest and other charges increased \$16.6 million, due to costs associated with financing the District's increased long-term debt.

**CHARLESTON COUNTY SCHOOL DISTRICT  
CHARLESTON, SOUTH CAROLINA**

**REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

**YEAR ENDED JUNE 30, 2007**

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**Financial Analysis of the School District's Funds**

The fund financial statements, which can be found as listed in the table of contents, provide more detailed information about the School District's funds, focusing on its significant funds – not the School District as a whole. Funds are accounting devices that the School District uses to keep track of specific sources of funding and spending on particular programs:

- Some funds are required by state law and by bond covenants.
- The School District establishes other funds to control and manage money for particular purposes (such as repaying its long-term debts) or to show that it is properly using certain revenues (such as federal grants).

The School District has two kinds of funds:

- **Governmental funds:** The School District's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the School District's programs. Because this information does not encompass the additional long-term focus of the district-wide statements, additional information follows the governmental funds statements, in the form of a reconciliation, to explain the relationship (or differences) between them.
- **Fiduciary funds:** The School District is the trustee, or fiduciary, for assets that belong to others, such as the scholarships and the student activities funds. The School District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. The School District excludes these activities from district-wide financial statements because it cannot use these assets to finance its operations.

**General Fund Budgetary Highlights**

The School District's original budget for the general fund anticipated that revenues and other financing sources would exceed expenditures and other financing sources by \$0.8 million. This amount represents the 1 percent set aside for fund balance of \$3 million, an additional \$500 thousand for staffing contingencies, \$150 thousand for non-staff contingencies and the use of \$4.5 million in fund balance. The final amended budget anticipated that expenditures and other financing sources would exceed revenues by \$4.5 million. Differences between the original and the final amended budget are primarily the result of an increase in budgeted expenditures of \$4.5 million for prior year encumbrances and operating transfers out. Differences between the actual results and the final amended budget are summarized as follows:

- Actual revenues were \$6.2 million more than the final budget, which is attributable to a combination of decreases in State Education Funding Act allocations offset by an increase in delinquent taxes and revenue in lieu of taxes, and interest income.
- Actual expenditures were \$1.8 million more than the final budget due to several expenditure accounts ending the year over budget, but the primary cause was the School District had an increase in expenditures for charter schools by State formula along with the addition of one new converted charter school resulting in a \$2.2 million increase the final budget.

The District continues to set aside an amount equal to one percent of the prior year's GOF budget specifically for replenishing undesignated fund balance. This year the District budgeted to set aside \$3 million.

**CHARLESTON COUNTY SCHOOL DISTRICT  
CHARLESTON, SOUTH CAROLINA**

**REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

**YEAR ENDED JUNE 30, 2007**

**Capital Asset and Debt Administration**

**Capital Assets**

The School District has invested \$770.6 million in a broad range of capital assets including land, school buildings, athletic facilities, equipment, and administrative offices (See Figure A-3). Accumulated depreciation on these assets as of June 30, 2007, was \$189.3 million. Total depreciation expense for the year was \$15.2 million while additions to capital assets amounted to \$34.7 million.

Figure A-3  
Capital Assets at June 30  
(Net of Depreciation, in millions of dollars)

	Governmental Activities	
	2006	2007
<b>Capital Assets</b>		
Land	\$ 17.0	\$ 24.3
Building & Improvements	522.1	676.5
Equipment	33.7	34.6
Construction in Progress	172.0	35.2
	<u>744.8</u>	<u>770.6</u>
Less: Accum. Depreciation	(179.4)	(189.3)
Capital Assets, Net	<u>\$ 565.4</u>	<u>\$ 581.3</u>

The School District has entered into various contracts for construction projects which are in progress. Outstanding obligations at June 30, 2007, were \$6.2 million.

More detailed information on capital assets is provided in the accompanying notes to the financial statements.

**CHARLESTON COUNTY SCHOOL DISTRICT  
CHARLESTON, SOUTH CAROLINA**

**REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

**YEAR ENDED JUNE 30, 2007**

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**Long-Term Obligation**

As of June 30, 2007, the School District had \$943 million in general obligation bonds and other long-term debt outstanding, an decrease of \$11.5 million over June 30, 2006, as shown in Figure A-4. The District's bond rating as of August 2007 was AA by Standard & Poors and Aa3 by Moody's.

Figure A-4  
Outstanding Bond Debt, at Year End  
(In millions of dollars)

	2006	2007
General Obligation Bonds	\$ 238.2	\$ 231.3
Installment Sale Revenue Bonds	675.3	673.0
COP's	1.8	0.9
QZAB Bonds	2.8	2.8
Other Obligations	36.4	35.0
Total	<u>\$ 954.5</u>	<u>\$ 943.0</u>

More detailed information on long-term obligations is provided in the accompanying notes to the financial statements.

**Factors Bearing on the School District's Future**

At the time these financial statements were prepared, the School District was aware of existing circumstances that could significantly affect its financial health in the future:

- A new Capital Building Program was approved by the Board of Trustees in August 2005. This four-year building plan is phase two of a three phase plan that the Board began in 1999 to upgrade the District's schools. In order to finance the construction and renovation of school facilities, the School District issued Installment Purchase Revenue Bonds. The new Capital Building Program 2005-2009 will build 17 new schools, renovate 4 schools, provide advance design for 7 schools and purchase land for 6 schools. This will, of course, have an impact on the operating budget of the School District in future fiscal years.
- State law changed the funding for K-12 education effective with fiscal year 2008. School Districts will no longer have authority to levy taxes against owner-occupied homes for operating expenses. The State has, instead, implemented a one cent sales tax increase to fund operating expenses for schools. Additionally, a cap on the annual millage increase has been implemented. For fiscal year 2008 each district will receive dollar for dollar the amount of their fiscal 2007 tax revenue.

**Contacting the School District's Financial Management**

This financial report is designed to provide the School District's citizens, taxpayers, customers, and investors and creditors with a general overview of the School District's finances and to demonstrate the School District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Financial Services Office, Charleston County School District, 3999 Bridge View Drive, Charleston, SC 29405.

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# **BASIC FINANCIAL STATEMENTS**

**CHARLESTON COUNTY SCHOOL DISTRICT  
CHARLESTON, SOUTH CAROLINA**

**STATEMENT OF NET ASSETS**

**JUNE 30, 2007**

	<b>Primary Government Governmental Activities</b>	<b>Charter Schools Component Units</b>
<b>ASSETS</b>		
Cash and Cash Equivalents	\$ 1,807,230	\$ 8,504,415
Cash and Cash Equivalents, Restricted	253,213	-
Accounts Receivable, Net	3,804,359	19,648
Accrued Interest	68,110	-
Property Taxes Receivable, Net	5,503,538	-
Due from Governmental Agencies	20,957,199	45,718
Due from Fiscal Agent	730,687	-
Due from Others	-	70,147
Due from Other Funds	-	8,312
Inventory	755,304	-
Prepaid Expenses	6,832	-
Investments, Restricted	613,457,328	-
Bond Issuance Costs, Net	5,377,730	-
Other Assets	-	49,292
Capital Assets - Not Being Depreciated	59,451,852	-
Capital Assets - Net of Accumulated Depreciation	521,862,897	1,568,599
<b>TOTAL ASSETS</b>	<b>1,234,036,279</b>	<b>10,266,131</b>
<b>LIABILITIES</b>		
Accounts Payable	9,370,629	1,317,381
Contracts Payable - Retainage	678,262	-
Unearned Revenue	4,897,063	40,194
Due to Other Entities	8,109	-
Due to Governmental Agencies	485,815	2,770,770
Accrued Compensation and Related Benefits	31,623,989	25,297
Accrued Interest Payable	7,195,425	-
Other Accrued Expenses	4,303,105	-
Long-term Liabilities:		
Due Within One Year	14,060,178	14,380
Due in More than One Year	928,996,038	177,489
<b>TOTAL LIABILITIES</b>	<b>1,001,618,613</b>	<b>4,345,511</b>
<b>NET ASSETS</b>		
Invested in Capital Assets, Net of Related Debt	143,900,503	1,376,730
Restricted For:		
Debt Service - District	5,116,825	-
Debt Service - Charleston Educational Excellence Financing	70,192,876	-
Debt Service - Development Corporation	898,975	-
Capital Projects	3,428,643	-
Endowments-Nonexpendable	178,314	-
Unrestricted	8,701,530	4,543,890
<b>TOTAL NET ASSETS</b>	<b>\$ 232,417,666</b>	<b>\$ 5,920,620</b>

The notes to the basic financial statements are an integral part of this statement.  
See accompanying independent auditors' report.



CHARLESTON COUNTY SCHOOL DISTRICT  
CHARLESTON, SOUTH CAROLINA

STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2007

FUNCTIONS/PROGRAMS	PROGRAM REVENUES				NET REVENUE (EXPENSE) AND CHANGE IN NET ASSETS	
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government Governmental Activities	Component Units Charter Schools
<b>PRIMARY GOVERNMENT</b>						
Governmental Activities:						
Instruction	\$ 214,244,643	29,275	95,320,102	-	(118,895,266)	
Support Services	174,201,655	6,244,192	40,937,133	420,241	(126,600,089)	
Community Services	4,091,691	-	3,929,617	-	(162,074)	
Intergovernmental	1,107,025	-	-	-	(1,107,025)	
Payment to Component Unit	22,889,621	-	22,889,621	-	-	
Interest and Other Charges	45,868,054	-	-	-	(45,868,054)	
Depreciation - Unallocated	12,671,767	-	-	-	(12,671,767)	
Loss on Disposal of Assets	3,631,306	-	-	-	(3,631,306)	
<b>TOTAL PRIMARY GOVERNMENT</b>	<b>478,705,762</b>	<b>6,273,467</b>	<b>163,076,473</b>	<b>420,241</b>	<b>(308,935,581)</b>	
<b>COMPONENT UNITS</b>						
Charleston Development Academy, Inc.	808,187	-	145,716	-		\$ (662,471)
James Island Charter High School	13,918,115	38,946	1,271,397	90,775		(12,516,997)
East Cooper Montessori Charter High School	771,971	29,031	51,669	-		(691,271)
Orange Grove Elementary Charter School	5,247,296	-	6,201,999	-		954,703
<b>TOTAL COMPONENT UNITS</b>	<b>\$ 20,745,569</b>	<b>67,977</b>	<b>7,670,781</b>	<b>90,775</b>		<b>(12,916,036)</b>

**GENERAL REVENUES**

Property Taxes Levied for		
General Purposes	210,098,116	-
Debt Service	34,600,115	-
Revenue in Lieu of Taxes	23,920,340	-
Miscellaneous Revenue	2,358,965	269,933
Intergovernmental Revenues	-	13,050,791
Grant and Contributions Not Restricted to Specific Programs	864,532	-
Interest on Investments	31,618,966	338,407
<b>Total General Revenue</b>	<b>303,461,034</b>	<b>13,659,131</b>

**CHANGE IN NET ASSETS**

NET ASSETS, Beginning of Year	240,080,779	5,177,525
Prior Period Adjustment	(2,188,566)	-
NET ASSETS, Beginning of Year, Restated	237,892,213	5,177,525
<b>NET ASSETS, End of Year</b>	<b>\$ 232,417,666</b>	<b>\$ 5,920,620</b>

The notes to the basic financial statements are an integral part of this statement.  
See accompanying independent auditors' report.

**CHARLESTON COUNTY SCHOOL DISTRICT  
CHARLESTON, SOUTH CAROLINA**

**BALANCE SHEET**

**GOVERNMENTAL FUNDS**

**JUNE 30, 2007**

	<u>GENERAL</u>	<u>SPECIAL PROJECTS</u>	<u>EIA</u>
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 1,286,094	399,801	-
Investments	44,475,710	-	-
Accounts Receivable, Net	3,353,771	1,008,086	23,187
Accrued Interest	3,232	-	-
Property Taxes Receivable, Net	4,695,638	-	-
Due From Other Funds	-	-	4,654,745
Due From County Treasurer	1,820,267	-	-
Due From State Department of Education	311,958	136,849	-
Due From Other Agencies	33,636	89,525	-
Due From Federal Agencies	-	14,832,152	-
Inventory	485,252	-	-
Prepaid Items	6,832	-	-
<b>TOTAL ASSETS</b>	<b><u>56,472,390</u></b>	<b><u>16,466,413</u></b>	<b><u>4,677,932</u></b>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>LIABILITIES:</b>			
Accounts Payable	3,980,991	1,583,296	420,709
Contracts Payable - Retainage	-	-	-
Deferred Revenue	3,378,218	2,830,394	1,828,982
Due to Other Funds	865,484	8,622,231	-
Due to State Department of Education	-	98,716	-
Due to Other Agencies	-	387,100	-
Accrued Compensation and Related Benefits	25,690,399	2,681,045	2,428,241
Other Accrued Expenditures	2,870,462	-	-
<b>TOTAL LIABILITIES</b>	<b><u>36,785,554</u></b>	<b><u>16,202,782</u></b>	<b><u>4,677,932</u></b>
<b>FUND BALANCES:</b>			
Fund Balances			
Reserved for:			
Inventory	485,252	-	-
Endowment Principal	-	-	-
Unreserved:			
Designated:			
Encumbrances	1,461,772	-	-
Future Years' Expenditures	4,465,020	-	-
Undesignated			
General Fund	13,274,792	-	-
Special Projects	-	263,631	-
Food Service	-	-	-
Debt Service Funds	-	-	-
Capital Project Funds	-	-	-
Permanent Funds	-	-	-
<b>TOTAL FUND BALANCES</b>	<b><u>19,686,836</u></b>	<b><u>263,631</u></b>	<b><u>-</u></b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b><u>\$ 56,472,390</u></b>	<b><u>16,466,413</u></b>	<b><u>4,677,932</u></b>

The notes to the basic financial statements are an integral part of this statement.  
See accompanying independent auditors' report.

<b>FOOD SERVICE</b>	<b>DEBT SERVICE - DISTRICT</b>	<b>DEBT SERVICE - CEEF</b>	<b>CAPITAL PROJECTS - DISTRICT</b>	<b>CAPITAL PROJECTS - CEEF</b>	<b>OTHER GOVERNMENTAL FUNDS</b>	<b>TOTAL GOVERNMENTAL FUNDS</b>
118,351	253,213	2,984	-	-	-	\$ 2,060,443
-	399,203	70,125,020	3,671,623	493,652,416	1,133,356	613,457,328
150,005	-	-	-	-	-	4,535,049
-	-	64,872	-	6	-	68,110
-	807,900	-	-	-	-	5,503,538
3,143,977	99,522	-	184,221	1,357,110	40,031	9,479,606
-	3,556,987	-	-	-	-	5,377,254
-	-	-	-	-	-	448,807
-	-	-	-	-	-	123,161
175,825	-	-	-	-	-	15,007,977
270,052	-	-	-	-	-	755,304
-	-	-	-	-	-	6,832
<b>3,858,210</b>	<b>5,116,825</b>	<b>70,192,876</b>	<b>3,855,844</b>	<b>495,009,532</b>	<b>1,173,387</b>	<b>656,823,409</b>
44,971	-	-	427,201	2,913,461	-	9,370,629
-	-	-	-	678,262	-	678,262
82,682	564,122	-	-	-	-	8,684,398
-	-	-	-	-	-	9,487,715
-	-	-	-	-	-	98,716
-	-	-	-	-	-	387,100
818,253	-	-	-	6,053	-	31,623,991
-	-	-	-	1,432,643	-	4,303,105
<b>945,906</b>	<b>564,122</b>	<b>-</b>	<b>427,201</b>	<b>5,030,419</b>	<b>-</b>	<b>64,633,916</b>
270,052	-	-	-	-	-	755,304
-	-	-	-	-	178,134	178,134
1,374	-	-	833,416	38,038,133	-	40,334,695
-	-	-	-	-	-	4,465,020
-	-	-	-	-	-	13,274,792
-	-	-	-	-	-	263,631
2,640,878	-	-	-	-	-	2,640,878
-	4,552,703	70,192,876	-	-	898,975	75,644,554
-	-	-	2,595,227	451,940,980	-	454,536,207
-	-	-	-	-	96,278	96,278
<b>2,912,304</b>	<b>4,552,703</b>	<b>70,192,876</b>	<b>3,428,643</b>	<b>489,979,113</b>	<b>1,173,387</b>	<b>592,189,493</b>
<b>3,858,210</b>	<b>5,116,825</b>	<b>70,192,876</b>	<b>3,855,844</b>	<b>495,009,532</b>	<b>1,173,387</b>	<b>\$ 656,823,409</b>

**CHARLESTON COUNTY SCHOOL DISTRICT  
CHARLESTON, SOUTH CAROLINA**

**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET ASSETS**

**JUNE 30, 2007**

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**TOTAL FUND BALANCES - GOVERNMENTAL FUNDS** **\$ 592,189,493**

Amounts reported for the governmental activities in the Statement of Net Assets are different because:

Property taxes receivable will be collected this year but are not available soon enough to pay for the current period's expenditures and therefore are deferred in the funds.	3,787,335
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds. The cost of the assets was \$770,594,541 and the accumulated depreciation was \$189,79,792	581,314,749
Bond issuance costs are amortized over the lives of the bonds; however, in governmental accounting, bond issuance costs are expenditures the year they are incurred. The bond issuance costs of \$5,677,799 has been shown net of accumulated amortization expense of \$300,069	5,377,730
Accrued interest on outstanding bonds in governmental accounting is not due and payable in the current period and therefore has not been reported as a liability in the funds.	(7,195,425)
Long-term obligations, including debt premiums and discounts, are not due and payable in the current period and therefore are not reported as liabilities in the funds. Long-term obligations consisted of:	
Long-Term Debt	(908,056,647)
Long-Term Debt Premium, net of accumulated amortization of \$1,746,175	(32,024,391)
Compensated Absences	<u>(2,975,178)</u>

**TOTAL NET ASSETS - GOVERNMENTAL ACTIVITIES** **\$ 232,417,666**

The notes to the basic financial statements are an integral part of this statement.  
See accompanying independent auditors' report.

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CHARLESTON COUNTY SCHOOL DISTRICT  
CHARLESTON, SOUTH CAROLINA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

GOVERNMENTAL FUNDS

YEAR ENDED JUNE 30, 2007

	GENERAL	SPECIAL REVENUE	EIA
<b>REVENUES</b>			
Local Property Taxes	\$ 210,161,597	-	-
Other Local	5,459,822	6,851,500	-
<b>Total Local</b>	<b>215,621,419</b>	<b>6,851,500</b>	<b>-</b>
State	85,140,607	6,884,106	35,469,615
Federal	278,344	40,608,812	-
Intergovernmental	44,203	79,307	-
<b>TOTAL REVENUE ALL SOURCES</b>	<b>301,084,573</b>	<b>54,423,725</b>	<b>35,469,615</b>
<b>EXPENDITURES</b>			
Current:			
Instruction	163,705,111	23,687,118	26,196,910
Support Services	117,386,962	24,389,336	4,549,559
Community Services	151,580	3,929,617	-
Intergovernmental	38,861	1,068,164	-
Payments to Component Units	20,210,448	1,027,362	1,651,811
Capital Outlay	365,090	88,788	9,521
Debt Service:			
Principal	-	-	-
Interest and Other Charges	1,764,401	-	-
<b>TOTAL EXPENDITURES</b>	<b>303,622,453</b>	<b>54,190,385</b>	<b>32,407,801</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(2,537,880)</b>	<b>233,340</b>	<b>3,061,814</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Sale of Capital Assets	33,566	-	-
Premium on Bonds Sold	-	-	-
Transfers In	9,657,870	449,503	3,904,675
Transfers Out	(6,510,703)	(902,264)	(6,966,489)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>3,180,733</b>	<b>(452,761)</b>	<b>(3,061,814)</b>
<b>NET CHANGES IN FUND BALANCES</b>	<b>642,853</b>	<b>(219,421)</b>	<b>-</b>
FUND BALANCES, Beginning of Year	21,232,549	483,052	-
Prior Period Adjustment	(2,188,566)	-	-
FUND BALANCES, Beginning of Year, Restated	19,043,983	483,052	-
<b>FUND BALANCES, End of Year</b>	<b>\$ 19,686,836</b>	<b>263,631</b>	<b>-</b>

The notes to the basic financial statements are an integral part of this statement.  
See accompanying independent auditors' report.

<b>FOOD SERVICE</b>	<b>DEBT SERVICE - DISTRICT</b>	<b>DEBT SERVICE - CEEF</b>	<b>CAPITAL PROJECTS - DISTRICT</b>	<b>CAPITAL PROJECTS - CEEF</b>	<b>OTHER GOVERNMENTAL FUNDS</b>	<b>TOTAL GOVERNMENTAL FUNDS</b>
-	34,662,369	-	-	-	-	\$ 244,823,966
6,357,384	64,799	3,840,458	327,014	23,992,254	70,526	46,963,757
<b>6,357,384</b>	<b>34,727,168</b>	<b>3,840,458</b>	<b>327,014</b>	<b>23,992,254</b>	<b>70,526</b>	<b>291,787,723</b>
29,571	597,047	-	420,241	-	-	128,541,187
11,870,358	-	-	-	-	-	52,757,514
-	-	-	-	-	-	123,510
<b>18,257,313</b>	<b>35,324,215</b>	<b>3,840,458</b>	<b>747,255</b>	<b>23,992,254</b>	<b>70,526</b>	<b>473,209,934</b>
-	-	-	-	-	-	213,589,139
18,326,378	-	-	4,102,228	3,228,795	17,728	172,000,986
-	-	-	-	-	-	4,081,197
-	-	-	-	-	-	1,107,025
-	-	-	-	-	-	22,889,621
-	-	-	1,798,278	32,428,581	-	34,690,258
-	7,805,000	2,250,000	-	-	-	10,055,000
-	11,221,811	33,974,404	-	-	-	46,960,616
18,326,378	19,026,811	36,224,404	5,900,506	35,657,376	17,728	505,373,842
<b>(69,065)</b>	<b>16,297,404</b>	<b>(32,383,946)</b>	<b>(5,153,251)</b>	<b>(11,665,122)</b>	<b>52,798</b>	<b>(32,163,908)</b>
6,284	-	-	-	-	-	39,850
-	-	-	107,167	-	-	107,167
1,239,589	968,412	34,680,623	7,577,194	-	913,664	59,391,530
(1,208,776)	(23,506,202)	-	(428,441)	(18,748,343)	(1,120,312)	(59,391,530)
37,097	(22,537,790)	34,680,623	7,255,920	(18,748,343)	(206,648)	147,017
<b>(31,968)</b>	<b>(6,240,386)</b>	<b>2,296,677</b>	<b>2,102,669</b>	<b>(30,413,465)</b>	<b>(153,850)</b>	<b>(32,016,891)</b>
2,944,272	10,793,089	67,896,199	1,325,974	520,392,578	1,327,237	626,394,950
-	-	-	-	-	-	(2,188,566)
2,944,272	10,793,089	67,896,199	1,325,974	520,392,578	1,327,237	624,206,384
<b>2,912,304</b>	<b>4,552,703</b>	<b>70,192,876</b>	<b>3,428,643</b>	<b>489,979,113</b>	<b>1,173,387</b>	<b>\$ 592,189,493</b>

**CHARLESTON COUNTY SCHOOL DISTRICT  
CHARLESTON, SOUTH CAROLINA**

**RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES**

**YEAR ENDED JUNE 30, 2007**

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**TOTAL NET CHANGE IN FUND BALANCES - GOVERNMENTAL FUNDS** **\$ (32,016,891)**

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

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds. This amount represents the change in deferred revenues for the year. (125,735)

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Activities. 10,055,000

Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due. This amount is the net change in accrued interest for the year. 1,392,631

Bond issuance costs are expenditures the year they are incurred in governmental funds, but are amortized over the lives of the bonds in the Statement of Activities. This amount represents the difference between the costs incurred during the current year and the amortization of bond issuance costs. (300,069)

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 the governmental funds. (339,242)

In the Statement of Activities the loss on the sale of capital assets is reported, whereas in the governmental funds, proceeds from the disposal of capital assets increase financial resources. Thus, the change in net assets differs from the change in fund balance by the net book value of the assets disposed. (3,631,306)

Governmental funds report asset additions as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital asset additions of \$34,690,203 exceeded depreciation expense of \$15,199,138 in the current year. 19,491,065

**CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES** **\$ (5,474,547)**

The notes to the basic financial statements are an integral part of this statement.  
See accompanying independent auditors' report.



**CHARLESTON COUNTY SCHOOL DISTRICT  
CHARLESTON, SOUTH CAROLINA**

**STATEMENT OF ASSETS AND LIABILITIES**

**FIDUCIARY FUND**

**JUNE 30, 2007**

	<b>PRIVATE- PURPOSE TRUSTS</b>	<b>AGENCY FUNDS</b>
<b>ASSETS</b>		
Cash and Cash Equivalents	\$ -	\$ 2,769,988
Due From Other Funds	1,655	6,454
Restricted Investment	260,311	-
<b>TOTAL ASSETS</b>	<b><u>261,966</u></b>	<b><u>2,776,442</u></b>
<b>LIABILITIES</b>		
Accounts Payable	-	11,318
Accrued Compensation and Related Benefits	-	6,075
Due to Schools	-	2,759,049
<b>TOTAL LIABILITIES</b>	<b><u>-</u></b>	<b><u>2,776,442</u></b>
<b>NET ASSETS</b>		
Held in Trust for Other Purposes	261,966	-
<b>TOTAL NET ASSETS</b>	<b><u>\$ 261,966</u></b>	<b><u>\$ -</u></b>

The notes to the basic financial statements are an integral part of this statement.  
See accompanying independent auditors' report.

**CHARLESTON COUNTY SCHOOL DISTRICT  
CHARLESTON, SOUTH CAROLINA**

**STATEMENT OF CHANGES IN NET ASSETS**

**FIDUCIARY FUND**

**JUNE 30, 2007**

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	<b>PRIVATE- PURPOSE TRUSTS</b>
<b>ADDITIONS</b>	
Interest	\$ 13,872
<b>TOTAL ADDITIONS</b>	<b>13,872</b>
<b>DEDUCTIONS</b>	
Scholarships Awarded	6,250
<b>TOTAL DEDUCTIONS</b>	<b>6,250</b>
<b>CHANGES IN NET ASSETS</b>	<b>7,622</b>
NET ASSETS, Beginning of Year	254,344
<b>NET ASSETS, End of Year</b>	<b>\$ 261,966</b>

The notes to the basic financial statements are an integral part of this statement.  
See accompanying independent auditors' report.

**CHARLESTON COUNTY SCHOOL DISTRICT  
CHARLESTON, SOUTH CAROLINA**

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2007**

---

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. The Reporting Entity**

**Charleston County School District** (the School District) was created in July, 1968 through the merger of eight former school districts (which became constituent districts) to form a single county-wide district. The School District operates 45 elementary schools (grades K-5), 15 middle schools (grades 6-8), 11 high schools (grades 9-12), one combination (K-12) school, two combination (K-8) schools, two combination (6-12) schools, 8 special programs and 5 charter schools.

The School District is the government which has responsibility for and control over all activities related to public school education in Charleston County. The School District receives funding from local, state and federal government sources and must comply with the related requirements of these funding source entities. The School District is governed by a nine member Board of Trustees (the "Board"). The Board determines the operating policies of the School District and such policies are implemented by the School District Superintendent. As required by accounting principles generally accepted in the United States of America, these basic financial statements present the School District and its component units, entities for which the School District is considered to be financially accountable or for which exclusion of a component unit would render the basic financial statements incomplete or misleading. Blended component units, although legally separate entities, are in substance part of the government's operations; data from these units are combined with data of the primary government. Discretely presented component units, on the other hand, are reported in a separate column in the basic financial statements to their separation from the School District.

**Blended Component Units.** The Charleston County School District Development Corporation (the Corporation) and the Charleston Educational Excellence Financing Corporation (CEEF), not-for-profit organizations, were formed to acquire, construct, and lease facilities to be used by the School District. A voting majority of the Corporation's and CEEF's Board of Directors are appointed by the School District, and the School District has the ability to modify or approve the Corporation's and CEEF's budgets. The School District has a financial burden to the Corporation and CEEF in that it is obligated for lease payments equaling the amount of debt to be relieved and associated interest payments. The Corporation is reported as a nonmajor governmental fund. Activities of the CEEF are reported as major capital projects and debt service funds. Separate financial statements for the Corporation and CEEF are not issued.

**Discretely Presented Component Units.** A charter school is considered a public school and these schools are a part of The School District for the purposes of state law and state constitution. Because the charter schools are fiscally dependent on the School District and because the nature and significance of the relationship between the School District and the charter schools is such that exclusion of the charter schools would cause the School District's basic financial statements to be incomplete, the financial statements of the charter schools are included in those of the School District. The charter schools are presented as governmental fund types. The following charter schools were established under the South Carolina Charter Schools Act by a charter granted by the School District.

**CHARLESTON COUNTY SCHOOL DISTRICT  
CHARLESTON, SOUTH CAROLINA**

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2007**

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**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**A. The Reporting Entity (Continued)**

Complete financial statements for each of the discretely presented component units may be obtained at the charter schools' administrative offices.

Charleston Development Academy, Inc. (CDA)  
233 Line Street  
P. O. Box 20518  
Charleston, SC 29413

East Cooper Montessori Charter School (ECMCS)  
188 Civitas Street  
Mt. Pleasant, SC 29464

James Island Charter High School (JICHS)  
1000 Fort Johnson Road  
Charleston, SC 29412

Orange Grove Elementary Charter  
1225 Orange Branch Road  
Charleston, SC 29407

Two additional charter schools, Greg Mathis Charter High School and Susan G. Boykin Academy, have been established under the South Carolina Charter School's Act by a charter granted by the School District. These charter schools' financial information is not material and is not included in the School Districts financial statements because the charter schools' audits were not completed at the time the School Districts financial statements were issued.

South Carolina State Department of Education ("SDE") regulations require that charter schools be discretely presented in the basic financial statements, but blended with the School District balances in the supplementary schedules. If this presentation format were followed, the amounts reported as revenues, expenditures and changes in fund balances for the General Fund and Special Revenue Funds in the supplementary schedules would not agree to the amounts reported as revenues, expenditures and changes in fund balances for the General Fund and Special Revenue Funds in the basic financial statements. The School District has not prepared the supplemental schedules in accordance with the SDE requirements as the School District does not believe that this presentation is consistent with Generally Accepted Accounting Principles ("GAAP"). Combining schedules for the component units have been provided as Schedule G series in the supplementary information to assist in providing this information to the SDE. These schedules include all of the information provided to the School District by the charter schools.

**B. Measurement Focus, Basis of Accounting and Basis of Presentation**

The government-wide basic financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the non-fiduciary activities of the School District (the primary government) and its component units. The School District does not provide any significant interfund services.

*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 support. The School District does not have any business-type activities. Likewise, the *primary government* (the School District) is reported separately from certain legally separate *component units* which are fiscally dependent on the School District.

CHARLESTON COUNTY SCHOOL DISTRICT  
CHARLESTON, SOUTH CAROLINA

NOTES TO THE BASIC FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2007

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I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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 customers or applicants 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*. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the School District.

The **government-wide basic financial statements** (which exclude fiduciary activities) are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the Fiduciary Fund financial statements. Revenues are recognized and recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of 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.

The government-wide basic financial statements are prepared using a different measurement focus from the manner in which governmental fund basic financial statements are prepared (see further detail below). Governmental fund financial statements, therefore, include reconciliations with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

**Governmental fund basic 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 or soon enough thereafter to pay liabilities of the current period. For this purpose, the government 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.

Property taxes, federal and state grant programs and interest 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. All other revenue items are considered to be measurable and available only when cash is received by the government.

Fund financial statements report detailed information about the School District. The focus of governmental and enterprise fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Fiduciary funds are reported by fund type.

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

The accounts of the government are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. There are a minimum number of funds maintained to keep the accounts consistent with legal and managerial requirements. The following major funds and fund types are used by the School District.

CHARLESTON COUNTY SCHOOL DISTRICT  
CHARLESTON, SOUTH CAROLINA

NOTES TO THE BASIC FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2007

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I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

*Governmental fund types* are those through which most governmental functions of the School District are financed. The School District's expendable financial resources and related assets and liabilities (except for those accounted for in the Proprietary Fund) are accounted for through governmental funds. Governmental funds are accounted for using a current financial resources measurement focus and the modified accrual basis of accounting. The following are the School District's major and nonmajor governmental fund types:

The *General Fund, a major fund*, is the general operating fund of the School District and accounts for all revenues and expenditures of the School District except those required to be accounted for in other funds. All general tax revenues and other receipts that are not allocated by law or contractual agreement to other funds are accounted for in the General Fund. General operating expenditures and the capital improvement costs that are not paid through other funds are paid from the General Fund. This is a budgeted fund, and any fund balance is considered a resource available for use.

*Special Revenue Funds* are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The School District has three Special Revenue Funds:

- i) **The Special Projects Fund, a major fund** and a budgeted fund, is used to account for financial resources provided by federal, state and local projects and grants and food service activities.
- ii) **The Education Improvement Act ("EIA") Fund, a major fund** and a budgeted fund, is used to account for the revenue from the South Carolina Education Improvement Act of 1984, which is legally required by the state, to be accounted for as a specific revenue source.
- iii). **The Food Service Fund, a major fund** and a budgeted fund, is used to account for the United States Department of Agriculture's ("USDA") approved school breakfast and lunch programs.

The *Debt Service Fund-District, a major fund* and a budgeted fund, is used to account for the accumulation of resources for, and payment of, all long-term debt principal, interest and related costs for the School District.

The *Debt Service Fund-CEEF, a major fund* and a budgeted fund, is used to account for the accumulation of resources for, and payment of, all long-term debt principal, interest and related costs for CEEF.

*The Charleston County School District Development Corporation is a debt service fund* which accounts for debt service of the Certificates of Participation, and leasing activity related to the Central Administration Building.

The *Capital Projects Fund-District, a major fund* and a budgeted fund, is used to account for financial resources to be used for site acquisitions, construction, equipment, and renovation of all major capital facilities and the CEEF Capital Projects Fund.

The *Capital Projects Fund-CEEF, a major fund* and a budgeted fund, is used to account for financial resources to be used for site acquisitions, construction, equipment, and renovation of all major capital facilities for CEEF.

CHARLESTON COUNTY SCHOOL DISTRICT  
CHARLESTON, SOUTH CAROLINA

NOTES TO THE BASIC FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2007

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I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The **Permanent Funds, nonmajor funds**, and unbudgeted funds, are used to account for financial resources endowed to the School District in trust, for which only the interest earnings may be used by the School District for various restricted purposes as specified by the private donors. The School District reports the following permanent funds:

- The Medals and Awards Fund accounts for amounts contributed to the School District for the purpose of providing monies from which medals and awards may be purchased. Initial contributions to this fund are recorded as principal and may not be expended. Earnings from investments are recorded as income and are available for the stated fund purposes.
- The Lawrence C. Derthick, Jr. Memorial Trust Fund is used to account for funds received from termination of the School District's Teacher's Retirement Fund. Grants for approved youth activities may be awarded by a committee of the School District's Board of Trustees and only earnings from investments may be awarded. The fund principal balance may not be expended.

**Fiduciary Fund types** are used to account for expendable assets held by the School District in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds and include agency funds. Fiduciary Fund Types include the following funds:

The **Agency Fund** accounts for the receipt and disbursement of monies to and from student activity organizations. These funds have no equity (assets are equal to liabilities) and do not include revenues and expenditures for general operation of the School District. This accounting reflects the agency relationship of the School District with the student activity organizations. Agency funds do not have a measurement focus.

The School District reports the following **private-purpose trust funds**:

- The William C. Bradley Fund accounts for monies given to the School District to fund engineering scholarships to students graduating from Wando High School. The fund principal balance may not be expended. Earnings from investments are recorded as income and are available for the stated fund purpose.
- The Heidel L. Lentz Memorial Trust provides awards to the James Island High School science fair winners. Both the principal and interest may be spent.

C. Assets, Liabilities and Equity

1. Cash, Cash Equivalents and Investments

**Cash and Cash Equivalents**

The School District considers all highly liquid investments (including restricted assets) with original maturities of three months or less when purchased and investments in the South Carolina Pooled Investment Fund to be cash equivalents. Securities with an initial maturity of more than three months (when initially purchased) that are not purchased from the South Carolina Pooled Investment Fund are reported as investments.

**CHARLESTON COUNTY SCHOOL DISTRICT  
CHARLESTON, SOUTH CAROLINA**

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2007**

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**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**C. Assets, Liabilities and Equity (Continued)**

**1. Cash, Cash Equivalents and Investments (Continued)**

***Investments***

The School District investment policy is designed to operate within existing statutes (which are identical for all funds, fund types and component units within the State of South Carolina) that authorize the School District to invest in the following:

- (a) Obligations of the United States and agencies thereof;
- (b) General obligations of the State of South Carolina or any of its political units;
- (c) Savings and Loan Associations to the extent that the same are insured by an agency of the Federal Government;
- (d) Certificates of Deposit and funds in deposit accounts with banking institutions provided that such certificates and funds in deposit accounts are collaterally secured by securities of the type described in (a) and (b) above, held by a third party as escrow agent, or custodian of a market value, not less than the amount of the certificates or funds in deposit accounts so secured, including interest; provided, however, such collateral shall not be required to the extent the same are insured by an agency of the federal government;
- (e) Collateralized repurchase agreements when collateralized by securities as set forth in (a) and (b) above and held by the governmental entity or a third party as escrow agent or custodian; and
- (f) No load open-end or closed-end management type investment companies or investment trusts registered under the Investment Company Act of 1940, as amended, where the investment is made by a bank or trust company or savings and loan association or other financial institution when acting as trustee or agent for a bond or other debt issue of that local government unit, political subdivision, or county treasurer if the particular portfolio of the investment company or investment trust in which the investment is made (i) is limited to obligations described in items (a), (b), and (e) of this subsection, and (ii) has among its objectives the attempt to maintain a constant net asset value of one dollar a share and to that end, value its assets by the amortized cost method.

The School District's cash investment objectives are preservation of capital, liquidity and yield. The School District reports its cash and investments at fair value which is normally determined by quoted market prices (except as noted).

The School District has used the following investments in the past year:

- Open ended mutual funds, primarily invested in money market funds which invest in short term obligations of the United States and related agencies.



**CHARLESTON COUNTY SCHOOL DISTRICT  
CHARLESTON, SOUTH CAROLINA**

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2007**

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**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**C. Assets, Liabilities and Equity (Continued)**

**1. Cash, Cash Equivalents and Investments (Continued)**

***Investments (Continued)***

- South Carolina Pooled Investment Fund ("SC Pool") investments are invested with the South Carolina State Treasurer's Office, which established the South Carolina Pool pursuant to Section 6-6-10 of the South Carolina Code. The Pool is an investment trust fund, in which public monies in excess of current needs, which are under the custody of any city treasurer or any governing body of a political subdivision of the State, may be deposited. The Pool is a 2a 7-like pool which is not registered with the Securities and Exchange Commission ("SEC") as an investment company, but has a policy that it will operate in a manner consistent with the SEC's Rule 2a 7 of the Investment Company Act of 1940. In accordance with GASB Statement No. 31, "*Accounting and Financial Reporting for Certain Investments and for External Investment Pools*", investments are carried at fair value determined annually based upon quoted market prices. The total fair value of the Pool is apportioned to the entities with funds invested on an equal basis for each share owned, which are acquired at a cost of \$1.00.

**2. Receivables and Payables**

Transactions between funds that are representative of reimbursement arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds." These amounts are eliminated in the governmental and business-type activities columns of the Statement of Net Assets, except for the net residual amounts due between governmental and business-type activities, which are presented as "internal balances."

All trade and property taxes receivable are shown net of an allowance for uncollectibles and are expected to be collected within one year.

**3. Inventories and Other Assets**

***Inventories***

Under the system of accounting for inventories, materials and supplies are carried in an inventory account at average cost, determined using the first-in, first-out method, and are subsequently charged to expenditures/expenses when consumed rather than when purchased. Inventories in General Fund include operating and instructional supplies. The Food Service Special Revenue Fund inventory includes an amount for commodities received from the USDA that are recorded at fair market value at the time of receipt but have not been consumed as of the end of the fiscal year.

***Prepaid Items***

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which services are consumed.

**CHARLESTON COUNTY SCHOOL DISTRICT  
CHARLESTON, SOUTH CAROLINA**

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2007**

---

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**C. Assets, Liabilities and Equity (Continued)**

**4. Restricted Assets**

The School District established certain accounts for assets restricted for specific purposes, typically by outside parties or legal agreement. Certain bond indentures require the establishment of (i) maximum annual principal and interest payments, unless a surety bond was provided; (ii) the next succeeding principal and accrued interest payment; and (iii) bond proceeds to be used for construction purposes as required in the bond agreement. These restrictions primarily apply to the assets of the Corporation and CEEF. Also, the principal portion of assets of the Permanent and Private-Purpose Trust funds are classified as restricted assets because their use is restricted by donors.

**5. Capital Assets**

General capital assets, which include land, buildings, furniture, equipment and improvements to land and buildings, generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net assets but are not reported in the fund financial statements.

All capital assets are recorded at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated fixed assets are recorded at their fair market values as of the date received. The School District maintains a capitalization threshold of \$5,000. The School District's infrastructure assets are immaterial and have been reported with the buildings and improvements. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized. Interest incurred during the construction of capital assets is not capitalized.

All reported capital assets except land and construction in progress are depreciated. Construction projects begin being depreciated once they are complete, at which time the complete costs of the project are transferred to the appropriate capital asset category. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

Assets	Years
Buildings	40
Furniture and fixtures	5-17
Print shop equipment	15
Food service equipment	12
Improvement other than buildings	10-20
Leasehold improvements	over term of lease

**6. Compensated Absences**

School District employees are granted vacation and sick leave in varying amounts. Upon termination of employment, an employee is reimbursed for accumulated vacation days. The entire compensated absence liability and expense is reported on the governmental-wide basic financial statements.

The School District's policy on compensated absences is as follows: Employees are entitled to vacations if employed on a twelve-month (12) basis. Vacation allowance shall not be cumulative. Vacation is earned at the end of the fiscal year and shall be used by the end of the succeeding year. A sixty-day grace period is automatically allowed. Employees are allowed to accumulate up to 45 days of vacation in the last five years prior to retirement.

**CHARLESTON COUNTY SCHOOL DISTRICT  
CHARLESTON, SOUTH CAROLINA**

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2007**

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**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**C. Assets, Liabilities and Equity (Continued)**

**7. *Accrued Liabilities and Long-Term Obligations***

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

In general, payables and accrued liabilities that will be paid from governmental funds are reported on the governmental fund basic financial statements regardless of whether they will be liquidated with current resources. However, claims and judgments (including estimated arbitrage liabilities), compensated absences, contractually required pension contributions and special termination benefits that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they will be paid with current, expendable, available financial resources. In general, payments made within sixty days after year-end are considered to have been made with current available financial resources. Bonds and other long-term obligations that will be paid from governmental funds are not recognized as a liability in the fund financial statements until due.

Salaries and employee benefits of teachers and certain other instruction employees are based on elections by those employees, paid over a twelve-month period from September 1 to August 31, but are earned by those employees over the school year of September through May. Salaries and related employee benefits earned but not paid because of such employee elections have been accrued and recorded in the financial statements as accrued compensation and related benefits.

In the government-wide basic financial statements for the Primary Government, long-term debt and other long-term obligations are reported as liabilities on the Statement of Net Assets. Bond premiums and discounts, as well as bond issuance costs, are deferred and amortized over the life of the bonds using the straight-line method that approximates the effective interest method. Advance refunding costs are deferred and amortized over the life of the refunding bonds, which has the same maturity as the bonds that were refunded. Amortization of premiums, discounts, bond issuance costs and deferred advance refunding costs are included in interest expense. Bonds payable are reported net of the applicable bond premiums, discount and deferred advance refunding costs. Bond issuance costs are reported as other assets and are amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures.

**8. *Fund Balance***

In the fund financial statements, the School District reserves those portions of fund balance which are legally segregated for a specific future use or which do not represent available expendable resources and therefore are not available for appropriation or expenditure. Unreserved fund balance indicates that portion of fund balance which is available for appropriation in future periods. Fund balance reserves have been established for inventories of supplies prepaid items and non-expendable portions of endowments. Designations of fund equity represent management's tentative plans that are subject to change.

**CHARLESTON COUNTY SCHOOL DISTRICT  
CHARLESTON, SOUTH CAROLINA**

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2007**

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**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**C. Assets, Liabilities and Equity (Continued)**

**9. Net Assets**

Net assets represent the difference between assets and liabilities. Net assets invested in *capital assets, net of related debt*, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Outstanding debt, which has not been spent, is included in the same net assets component as the unspent proceeds. Net assets are reported as *restricted* when there are limitations imposed on their use either through enabling legislation or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Both the expendable and nonexpendable portion of net assets related to certain endowments are reflected as Restricted Net Assets.

**10. Accounting Estimates**

The preparation of basic financial statements in accordance with accounting principles generally accepted in the United States of America requires the School District's management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the basic financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

**11. Comparative Data**

Comparative data (i.e., presentation of prior year totals by fund type) have not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to read.

**II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**A. Budgetary Information**

**Budgetary Practices** - Budgets are presented as required supplementary information for the General Fund

Each budget is presented on the modified accrual basis of accounting, which is consistent with accounting principles generally accepted in the United States of America.

The School District's policies allow funds to be transferred between functions. However, the total budget cannot be increased beyond that level without approval of the Board in supplementary action. The legal level of control is at the fund level. During the year, the Board revised the budget.

The following procedures are followed in establishing the budgetary data reflected in the basic financial statements:

- (1) In the fall of the preceding year, the School District begins its budget process for the next succeeding fiscal year beginning on July 1.
- (2) After the School District's budget committee reviews all requests and allocation requirements and related revenue, it presents a tentative proposed budget to the Superintendent for his review and adjustment.
- (3) The Superintendent then presents a proposed budget to the Board of Trustees, which reviews the proposed budget, in a series of workshops, and makes any additions or deletions as deemed necessary.

**CHARLESTON COUNTY SCHOOL DISTRICT  
CHARLESTON, SOUTH CAROLINA**

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2007**

**II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**A. Budgetary Information** (Continued)

(4) Prior to July 1, the Board legally enacts the budget through passage of a resolution.

The administration has discretionary authority to make transfers between appropriation accounts. The revised budget amounts in the basic financial statements are as amended by the administration. All annual appropriations lapse at fiscal year end.

Encumbrance accounting is employed in governmental funds. Encumbrances outstanding at year end do not constitute expenditures or liabilities because the commitments will be reappropriated and honored during the subsequent year.

**III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES**

**A. Deposits and Investments**

*Deposits*

**Custodial Credit Risk for Deposits:** Custodial credit risk for deposits is the risk that, in the event of a bank failure, the School District's deposits might not be recovered. The School District does not have a deposit policy for custodial credit risk but follows the investment policy statues of the State of South Carolina. As of June 30, 2007, \$4,551,149 of the School District's Primary Government's bank balances of \$9,449,507, which had a carrying amount of \$4,827,446, were exposed to custodial credit risk as it was uninsured and uncollateralized. In addition, \$358,688 of the School District's discretely presented component units' bank balances of \$9,401,249 were exposed to custodial credit risk as it was uninsured and uncollateralized.

As of June 30, 2007, the School District had the following investments, all with the Primary Government:

<u>Investment Type</u>	<u>Credit Rating</u>	<u>Fair Value</u>	<u>Weighted Average Maturity (Years)</u>
South Carolina Pooled Investment Fund	Unrated	\$ 25,373,078	Less than 1 year
Repurchase Agreements	^	502,765,984	Less than 1 year
Money Markets	^	31,431,465	Less than 1 year
Federal Disc. Notes	^	54,150,097	Less than 1 year
Total		<u>\$ 613,720,624</u>	

^ Investment is in Federated Treasury Obligations Fund, which is rated AAAM by Standard & Poors and Aaa by Moody's.

**Interest Rate Risk:** The School District does not have a formal policy limiting investment maturities that would help manage its exposure to fair value losses from increasing interest rates.

**CHARLESTON COUNTY SCHOOL DISTRICT  
CHARLESTON, SOUTH CAROLINA**

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2007**

**III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES (CONTINUED)**

**A. Deposits and Investments (Continued)**

*Deposits (Continued)*

**Custodial Credit Risk for Investments:** Custodial credit risk for investments is the risk that, in the event of a bank failure, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The School District does not have an investment policy for custodial credit risk but follows the investment policy statutes of the State of South Carolina. As of June 30, 2007, none of the School District's investments is exposed to custodial credit risk.

**Concentration of Credit Risk for Investments:** The School District places no limit on the amount it may invest in any one issuer. Investments issued or explicitly guaranteed by the U.S government and investments in mutual funds and external investment pools are excluded from this disclosure requirement. None of the School District's other investments exceeded 5% of the total amount invested.

A reconciliation of cash and investments as shown in the combined balance sheet for all fund types follows:

<u>Statement of Net Assets</u>		<u>Footnotes</u>
<u>Unrestricted Current Assets:</u>		
Cash and Cash Equivalents	\$ 1,807,230	Carrying Amount
Cash, Restricted	253,213	of Deposits \$ 4,827,446
Investments, Restricted	<u>613,457,328</u>	
	<u>615,517,771</u>	Fair Value of
		Investments 613,720,624
 <u>Statement of Fiduciary Net Assets</u>		
Cash	2,769,988	
Investments, Restricted	260,311	
	<u>3,030,299</u>	
	<u>\$ 618,548,070</u>	<u>\$ 618,548,070</u>

Due to higher cash flows at certain times during the year, the School District's investments were often significantly higher than at year end.

**B. Property Taxes and Other Receivables**

Charleston County, South Carolina (the "County") is responsible for levying and collecting sufficient property taxes to meet funding obligations for the School District. The property taxes are considered both measurable and available for purposes of recognizing revenue and a receivable from the county at the time they are collected by the County.

**CHARLESTON COUNTY SCHOOL DISTRICT  
CHARLESTON, SOUTH CAROLINA**

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2007**

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**III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES (CONTINUED)**

**B. Property Taxes and Other Receivables (Continued)**

Property taxes are levied and billed by the County on real and personal properties (excluding vehicles) on October 1 based on an assessed value of approximately \$1,792,000,000 at rates of 109 mills and 12.4 mills for the General Fund and Debt Service Fund, respectively. These taxes are due without penalty through January 15. Penalties are added to taxes depending on the date paid as follows:

January 16 through February 1	-	3% of tax
February 2 through March 16	-	10% of tax
After March 16	-	15% of tax

Current year real and personal property taxes become delinquent on March 17. Unpaid property taxes become a lien against the property as of June 1 of the calendar year following the levy date. The levy date for motor vehicles is the first day of the month in which the motor vehicle license expires. These taxes are due by the last day of the same month.

Taxes receivable include an allowance for uncollectibles of approximately \$3,447,385 at June 30, 2007. Allowances for uncollectibles were not necessary for the other receivable accounts, which are expected to be collected within the next twelve months.

Governmental funds report deferred and unearned revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At June 30, 2007, the various components of deferred revenue and unearned revenue reported in the governmental funds were as follows:

Delinquent Property Taxes Receivable (General Fund)	\$	3,223,213
Delinquent Property Taxes Receivable (Debt Service Fund)		564,122
Revenue Collected, but Unearned (General Fund)		155,005
Revenue Collected, but Unearned (Special Projects Fund)		2,830,394
Revenue Collected, but Unearned (Food Service Fund)		82,682
Revenue Collected, but Unearned (EIA Fund)		1,828,982
Total Deferred Revenue for Governmental Funds	\$	<u>8,684,398</u>

**CHARLESTON COUNTY SCHOOL DISTRICT  
CHARLESTON, SOUTH CAROLINA**

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2007**

**III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES (CONTINUED)**

**C. Capital Assets**

Capital asset activity for the School District's Primary Government for the year ended June 30, 2007, is as follows:

	<u>Beginning Balance</u>	<u>Additions to 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	\$ 17,010,502	-	7,239,807	-	21,000	\$ 24,271,309
Construction in Progress	171,960,292	-	25,188,759	-	(161,968,508)	35,180,543
Total Capital Assets, Not Being Depreciated	<u>188,970,794</u>	<u>-</u>	<u>32,428,566</u>	<u>-</u>	<u>(161,947,508)</u>	<u>59,451,852</u>
Capital Assets, Being Depreciated:						
Buildings and Improvements	471,114,286	-	-	(7,573,460)	161,947,508	625,488,334
Furniture and Equipment	46,681,033	-	677,900	(730,235)	-	46,628,698
Leasehold Improvements	4,375,660	-	-	-	-	4,375,660
	<u>522,170,979</u>	<u>-</u>	<u>677,900</u>	<u>(8,303,695)</u>	<u>161,947,508</u>	<u>676,492,692</u>
Furniture and Fixtures	29,573,747	(35,572)	1,583,738	(341,605)	-	30,780,308
Print Shop Equipment	14,203	-	-	-	-	14,203
Food Service Equipment	4,093,496	-	-	(238,009)	-	3,855,487
	<u>33,681,446</u>	<u>(35,572)</u>	<u>1,583,738</u>	<u>(579,614)</u>	<u>-</u>	<u>34,649,998</u>
Total Capital Assets Being Depreciated	<u>555,852,425</u>	<u>(35,572)</u>	<u>2,261,638</u>	<u>(8,883,309)</u>	<u>161,947,508</u>	<u>711,142,690</u>
Total Capital Assets, Cost	<u>744,823,219</u>	<u>(35,572)</u>	<u>34,690,204</u>	<u>(8,883,309)</u>	<u>-</u>	<u>770,594,542</u>
Less: Accumulated Depreciation for:						
Buildings	(129,148,935)	(87,676)	(10,181,745)	4,015,352	-	(135,403,004)
Furniture and Equipment	(25,978,763)	-	(2,227,435)	418,178	-	(27,788,020)
Leasehold Improvements	(1,017,450)	-	(226,289)	-	-	(1,243,739)
	<u>(156,145,148)</u>	<u>(87,676)</u>	<u>(12,635,469)</u>	<u>4,433,530</u>	<u>-</u>	<u>(164,434,763)</u>
Furniture and Fixtures	(20,674,196)	409,360	(2,328,167)	299,083	-	(22,293,920)
Print Shop Equipment	(14,203)	-	-	-	-	(14,203)
Food Service Equipment	(2,534,682)	-	(235,503)	233,278	-	(2,536,907)
	<u>(23,223,081)</u>	<u>409,360</u>	<u>(2,563,670)</u>	<u>532,361</u>	<u>-</u>	<u>(24,845,030)</u>
Total Accumulated Depreciation	<u>(179,368,229)</u>	<u>321,684</u>	<u>(15,199,139)</u>	<u>4,965,891</u>	<u>-</u>	<u>(189,279,793)</u>
Total Capital Assets, Being Depreciated, Net	<u>376,484,196</u>	<u>286,112</u>	<u>(12,937,501)</u>	<u>(3,917,418)</u>	<u>161,947,508</u>	<u>521,862,897</u>
Total Governmental Activities Capital Assets, Net	<u>\$ 565,454,990</u>	<u>286,112</u>	<u>19,491,065</u>	<u>(3,917,418)</u>	<u>-</u>	<u>\$ 581,314,749</u>



**CHARLESTON COUNTY SCHOOL DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2007**

**III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES (CONTINUED)**

**C. Capital Assets (Continued)**

Depreciation expense for governmental activities was charged to functions/programs as follows:

<b>Governmental Activities:</b>	
Instruction	\$ 236,312
Support Services	2,280,566
Community Services	10,494
Unallocated	12,671,767
Total Depreciation Expense - Governmental Activities	<u>\$ 15,199,139</u>

***Construction Commitments***

The School District has several ongoing construction projects as of June 30, 2007, consisting primarily of capital projects with CEEF. The projects include renovation of existing schools as well as construction of new facilities. Total outstanding construction commitments at June 30, 2007 are approximately \$ 6,169,292.

***Agreement with CEEF***

In 2004 the School District and CEEF entered into an agreement (the "Project Agreement") with Institutional Resources, LLC (the "Project Manager") to provide development, design coordination, project management and construction management services in connection with Capital Projects (as defined in the Project Agreement) to be funded with the proceeds from the CEEF bond issues (see Note III.G.). The expected completion date for all of these Capital Projects is 2010. This may change in response to changing circumstances, and the Project Agreement contains a mechanism for amending the plan.

***Discretely Presented Component Units***

Activity for the School District's discretely presented component units for fiscal 2007 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital Assets not being depreciated				
Construction in progress	\$ 4,665	-	-	\$ 4,665
Capital Assets :				
Building and Improvements	621,394	299,032	-	920,426
Vehicles and Furniture/Equipment	1,070,917	482,347	-	1,553,264
Total Capital Assets Being Depreciated	<u>1,692,311</u>	<u>781,379</u>	<u>-</u>	<u>2,473,690</u>
Less: Accumulated Depreciation for:				
Building and Improvements	92,278	70,034	-	162,312
Vehicles and Furniture/Equipment	407,884	339,560	-	747,444
Total Accumulated Depreciation	<u>500,162</u>	<u>409,594</u>	<u>-</u>	<u>909,756</u>
Total Capital Assets, Net	<u>\$ 1,196,814</u>	<u>371,785</u>	<u>-</u>	<u>\$ 1,568,599</u>

**CHARLESTON COUNTY SCHOOL DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2007**

**III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES (CONTINUED)**

**D. Interfund Receivables and Payables**

Interfund balances at June 30, 2007 (all of which are expected to be paid or received within one year), consisted of the following individual fund receivables and payables for the primary government:

<u>Fund</u>	<u>Receivables</u>	<u>Payables</u>
General Fund	\$ -	\$ 865,484
Special Revenue Funds:		
Special Projects		8,622,231
EIA	4,654,745	-
Food Services	3,143,977	-
Capital Projects Fund - District	184,221	
Capital Projects Fund - CEEF	1,357,110	
Debt Service District	99,522	-
Permanent Fund	40,031	
Fiduciary Fund	8,109	-
Totals	<u>\$ 9,487,715</u>	<u>\$ 9,487,715</u>

The General Fund payable is the result of amounts due to the EIA Fund, Capital Projects Fund and the Enterprise Fund.

Special Revenue – The net Special Revenue/EIA Fund receivables are a result of revenues received and deferred, but recorded as cash in the General Fund. These funds will be expended in the following fiscal year.

The Capital Projects Fund and CEEF Capital Projects Fund receivables are the result of cash received in the General Fund, transferred to these funds subsequent to year end.

The Debt Service – District, Food Services, Agency and Permanent Fund net receivable is primarily a result of revenues received and recorded as cash in the General Fund.

**CHARLESTON COUNTY SCHOOL DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2007**

**III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES (CONTINUED)**

**E. Transfers From and To Other Funds**

Transfer from and to other funds for the year ended June 30, 2007, consisted of the following:

<b>General Fund</b>			
Transfers from	Amount	Transfers to	Amount
Special Revenue - EIA	\$ 6,966,489	Special Revenue - Special Projects	\$ 4,354,178
Capital Projects	428,441	Special Revenue - Food Service	1,239,589
Debt Service	151,900	Capital Projects	3,272
Food Service - Indirect Costs	1,208,776	Debt Service - Development Corp.	913,664
Special Projects - Indirect Costs	902,264		
	<u>9,657,870</u>		<u>6,510,703</u>
<b>Special Revenue - EIA Fund</b>			
Transfers from	Amount	Transfers to	Amount
General Fund	<u>3,904,675</u>	General Fund	<u>6,966,489</u>
<b>Special Revenue - Special Projects Fund</b>			
Transfers from	Amount	Transfers to	Amount
General Fund	<u>449,503</u>	General Fund - Indirect Costs	<u>902,264</u>
<b>Special Revenue - Food Service</b>			
Transfers from	Amount	Transfers to	Amount
General Fund	<u>1,239,589</u>	General Fund - Indirect Costs	<u>1,208,776</u>
<b>Capital Projects Fund - District</b>			
Transfers from	Amount	Transfers to	Amount
General Fund	3,272	General Fund	<u>428,441</u>
Debt Service - CEEF	4,800,000		
Capital Projects	<u>2,773,922</u>		
	<u>7,577,194</u>		
<b>Capital Projects Fund - CEEF</b>			
Transfers from	Amount	Transfers to	Amount
	<u>-</u>	Debt Service - CEEF	15,974,421
		Capital Projects Fund _ District	<u>2,773,922</u>
			<u>18,748,343</u>
<b>Debt Service - District</b>			
Transfers from	Amount	Transfers to	Amount
Debt Service - Development Corp	<u>\$ 968,412</u>	Capital Projects	4,800,000
		Debt Service - CEEF	<u>18,706,202</u>
			<u>\$ 23,506,202</u>

(Continued)

**CHARLESTON COUNTY SCHOOL DISTRICT  
CHARLESTON, SOUTH CAROLINA**

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2007**

**III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES (CONTINUED)**

**E. Transfers From and To Other Funds (Continued)**

<b>General Fund (Continued)</b>			
<b>Debt Service - CEEF</b>			
Transfers from	Amount	Transfers to	Amount
Debt Service - District	\$ 18,706,202		\$ -
Capital Projects - CEEF	15,974,421		
	<u>34,680,623</u>		
 <b>Debt Service - Development Corporation</b>			
Transfers from	Amount	Transfers to	Amount
General Fund	913,664	General Fund	151,900
		Debt Service - District	968,412
			<u>1,120,312</u>
Total	<u>\$ 59,391,530</u>		<u>\$ 59,391,530</u>

**General Fund**

Transfers from:

Funds were transferred to the General Fund from other funds to cover EIA Raise for teachers, indirect costs for federal programs and food services, and the required Medicaid match and Barnwell flexible transfer.

Transfers to:

Funds were transferred from the General Fund into other funds to cover the required match for State Reduce Class Size Funding, supplemental funding for the preschool handicapped and child development programs, extracurricular Community Based Instruction, Supportive Employment Training, Youth Court and operational funding for schools and Food Service for benefit shortfall.

**Special Revenue/EIA Funds**

Transfers from:

Funds were transferred from the General Fund to cover the School District match for Reduce Class Size, supplemental funding for Preschool Handicapped, Child Development and Youth Court.

Transfers to:

Funds were transferred from Special Revenue/EIA funds to other funds to cover Medicaid match, indirect cost on federal programs and the EIA raise for teachers.

**Debt Service Funds**

Transfer from:

Funds were transferred from the School District's Debt Service Fund, the CEEF Capital Projects Fund, and the School District's Capital Projects Fund to the CEEF Debt Service to set up a reserve account and to provide funds to pay principal and interest on the CEEF bonds.

**CHARLESTON COUNTY SCHOOL DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2007**

**III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES (CONTINUED)**

**E. Transfers From and To Other Funds (Continued)**

**Debt Service Funds (Continued)**

Transfer to:

Funds were transferred to the Capital Projects Fund to fund the capital projects programs, for fixed cost of ownership to maintain the buildings, and funds were transferred to the CEEF Debt Service Fund to make the CEEF bond payments.

**Capital Projects Fund**

Transfer from:

Funds were transferred from the School District's Debt Service Fund to Capital Projects Fund to fund the capital projects program and fixed cost of ownership to maintain buildings.

Transfer to:

Funds were transferred to CEEF Debt Service to help make CEEF bond payments and to set up a reserve account.

**Proprietary Fund**

Transfer to:

Funds were transferred to the General Fund from the Food Service Fund for indirect costs.

**F. Short-Term Obligations**

The School District's short-term debt activity is as follows:

	<u>June 30, 2006</u>	<u>Additions</u>	<u>Retirements</u>	<u>June 30, 2007</u>
Tax Anticipation Note				
General Fund				
Issued July 2006, with interest at 3.75%.				
Matured April, 2007	\$ -	65,400,000	65,400,000	\$ -
Debt Service - District				
Issued September 2006, with interest at 3.75%.				
Matured March 2007	-	23,325,000	23,325,000	-
	<u>\$ -</u>	<u>88,725,000</u>	<u>88,725,000</u>	<u>\$ -</u>

All of the short-term debt is backed by the full faith and credit of the Charleston County School District and matures within one year. The Tax Anticipation Note was issued to fund ongoing operations and was repaid from operating revenues. The General Obligation Bond was issued to fund the School District's installments of purchase price coming due under the 2004 and 2005 Facilities Agreements entered into with CEEF, with an additional \$4,795,977 to fund costs of issuance and capital maintenance requirements.

In September 2006, the School District issued \$23,325,000 of general obligation bonds for the purpose of making payments to CEEF, receiving a premium of \$53,181 upon issuance. These bonds, including interest of \$432,808, were repaid in March, 2007 utilizing debt service fund property tax revenues. The premium has been netted against interest expenditures in the financial statements.

**CHARLESTON COUNTY SCHOOL DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2007**

**III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES (CONTINUED)**

**G. Long-Term Obligations**

The following is a summary of changes in School District long-term obligations for the year ended June 30, 2007:

	<u>June 30, 2006</u>	<u>Additions</u>	<u>Retirement</u>	<u>June 30, 2007</u>	<u>Due Within One Year</u>
General Obligation Bonds:					
Series 2001 Refunding GO Bonds (voter referendum)	\$ 59,190,000	-	1,640,000	57,550,000	\$ 1,810,000
Series 2001B Refunding GO Bonds - subject to 8%	21,160,000	-	1,025,000	20,135,000	1,065,000
Series 2004A GO Bonds (voter referendum)	88,995,000	-	5,000	88,990,000	5,000
Series 2004B Refunding GO Bonds - subject to 8%	68,890,000	-	4,275,000	64,615,000	4,465,000
<b>Total General Obligation Bonds</b>	<u>238,235,000</u>	<u>-</u>	<u>6,945,000</u>	<u>231,290,000</u>	<u>7,345,000</u>
Installment Revenue Bonds					
Series 2004 Bonds	135,620,000	-	2,250,000	133,370,000	2,830,000
Series 2005 Bonds	406,675,000	-	-	406,675,000	-
Series 2006 Bonds	132,995,000	-	-	132,995,000	-
<b>Total Installment Sale Revenue Bonds</b>	<u>675,290,000</u>	<u>-</u>	<u>2,250,000</u>	<u>673,040,000</u>	<u>2,830,000</u>
COPS Payable	1,770,000	-	860,000	910,000	910,000
QZAB Bonds	2,816,647	-	-	2,816,647	-
Total Premiums - net unamortized amount	33,770,566	-	1,746,175	32,024,391	-
Compensated Absences	2,635,936	2,151,686	1,812,444	2,975,178	2,975,178
<b>Total Long-Term Obligations</b>	<u>\$ 954,518,149</u>	<u>2,151,686</u>	<u>13,613,619</u>	<u>943,056,216</u>	<u>\$ 14,060,178</u>

Interest paid on the debt issued by the School District is exempt from federal income tax. The School District sometimes temporarily reinvests the proceeds of such tax-exempt debt in materially higher-yielding taxable securities, especially during construction projects. The federal tax code refers to this practice as arbitrage. Excess earnings (the difference between the interest on the debt and the investment earnings received) resulting from arbitrage must be rebated to the federal government on the fifth anniversary of the issuance of the tax-exempt debt and every five years thereafter until the debt has been repaid, in accordance with the arbitrage regulations. The School District has recorded an arbitrage liability of \$1,432,643 at June 30, 2007, included in other accrued expenses, which represents the positive arbitrage on the CEEF 2005 and 2006 bonds as of this date. The fifth anniversary of the 2005 CEEF bond issue is December, 2007, at which time the School District will remit to the federal government the amount of positive arbitrage pertaining to this issue. It is not known whether any positive arbitrage will exist in December, 2010 that would have to be paid to the federal government.

General Fund resources typically have been used in prior years to liquidate compensated absences payable and the Debt Service Funds have been used to liquidate all other long-term obligations.

**CHARLESTON COUNTY SCHOOL DISTRICT  
CHARLESTON, SOUTH CAROLINA**

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2007**

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**III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES (CONTINUED)**

**G. Long-Term Obligations (Continued)**

The CEEF bonds were issued pursuant to a School Facilities Purchase and Occupancy Agreement (the “Facilities Agreement”) and evidence proportionate interests of the owners in certain rental payments to be made by the School District under the terms of a Base Lease Agreement between the School District and CEEF dated March 15, 2002. The School District will purchase the Capital Projects from CEEF pursuant to the Facilities Agreement, which will obligate the School District to make semiannual installment payments to CEEF in amounts calculated to be sufficient to enable CEEF to pay the principal and interest on the outstanding bonds. The School District’s obligations under the Facilities Agreement are from year to year only and do not constitute a mandatory payment obligation of the School District in any fiscal year in which funds are not appropriated by the School District the installment payments of purchase price due in such fiscal year. However, the School District would forfeit possession of the Facilities for the remainder of the term of the Lease.

Details for each debt issue outstanding as of June 30, 2007 are as follows:

General Obligation Bonds

Series 2001 Refunding with interest from 4.0 to 5.0%, maturing in February, 2025, including unamortized bond issuance premium of \$290,789	\$ 59,480,789
Series 2001B Refunding with interest from 4.0 to 5.0%, maturing in February, 2021, including unamortized bond issuance premium of \$600,522	21,760,522
Series 2004A Refunding with interest from 2.0 to 5.0%, maturing in February, 2024, including unamortized bond issuance premium of \$2,451,548	91,446,548
Series 2004B Refunding with interest from 2.0 to 4.0%, maturing in February, 2019, including unamortized bond issuance premium of \$88,203	68,978,203
Total General Obligation Bonds	<u><u>\$ 241,666,062</u></u>

Installment Revenue Bonds

The CEEF issues Installment Revenue Bonds to finance the cost of acquiring, constructing, and renovating educational facilities to be sold by the CEEF to the School District pursuant to Facilities Agreements. The School District will issue general obligation debt annually in amounts sufficient to pay the installment sale revenue bonds. Installment Sale Revenue Bonds payable at June 30, 2006, are comprised of the following individual issues:

Series 2004 with interest from 3.0 to 5.0%, maturing in December, 2018 including unamortized bond issuance premium of \$7,896,435	\$ 143,516,435
Series 2005 with interest at 5.25%, maturing in June, 2031 including unamortized bond issuance premium of \$18,781,737	425,456,737
Series 2006 with interest from 4.75 to 5.0%, maturing in June, 2032, including unamortized bond issuance premium of \$3,661,332	136,656,332
Total Installment Revenue Bonds	<u><u>\$ 705,629,504</u></u>

**CHARLESTON COUNTY SCHOOL DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2007**

**III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES (CONTINUED)**

**G. Long-Term Obligations (Continued)**

Certificates of Participation

Certificates of Participation at June 30, 2006, include the May, 1993 issue of \$9,070,000 with interest rates of 5.625% to 6.125%. The balance at June 30, 2006 was \$1,770,000.

The schedule of payments due on the Certificates of Participation to be paid by the Debt Service Fund from amounts transferred from the Charleston County School District Development Corporation Debt Service fund is as follows:

Year ending June 30,	Principal	Interest
2008	\$ 910,000	\$ 55,737

Qualified Zone Academy Bonds

Qualified Zone Academy Bonds (QZAB) were issued pursuant to Section 1397E of the Internal Revenue Code of 1986. As such, tax credits will be issued to the lessor and the School District is not liable for interest payments. A promissory note for \$2,816,647 dated November 21, 2000, was delivered in accordance with the Lease Purchase Agreement which constituted the QZAB. The purpose of the QZAB was to purchase equipment through a financing lease. As of June 30, 2007, \$2,816,647 of the proceeds were initialized. The Lease Purchase Agreement requires 18 equal semi-annual fund payments of \$118,920 each, commencing on May 21, 2005, and on each May 21 and November 21 thereafter, ending on November 21, 2013. The sinking fund payments funded by the Debt Service Fund – District will be invested in an escrow fund until used to pay the principal balance of the bond in the amount of \$2,816,647 on its maturity date of November 21, 2013.

Annual sinking fund and debt service requirement to maturity for the QZAB Bonds are as follows:

Year ending June 30,	Sinking Fund Payments	Principal	Interest
2008	\$ 237,840	-	\$ -
2009	237,840	-	-
2010	237,840	-	-
2011	237,840	-	-
2012-2014	594,600	2,816,647	-
Total	\$ 1,545,960	2,816,647	\$ -



**CHARLESTON COUNTY SCHOOL DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2007**

**III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES (CONTINUED)**

**G. Long-Term Obligations (Continued)**

Annual debt service requirements to maturity for all long-term debt as of June 30, 2007 are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2008	\$ 11,085,000	44,750,715	\$ 55,835,715
2009	11,865,000	44,294,040	56,159,040
2010	12,965,000	43,796,421	56,761,421
2011	16,670,000	43,182,466	59,852,466
2012	18,065,000	42,437,426	60,502,426
2013-2017	123,746,647	197,709,793	321,456,440
2018-2022	190,655,000	161,822,109	352,477,109
2023-2027	253,120,000	105,076,531	358,196,531
2028-2032	269,885,000	30,545,507	300,430,507
Totals	<u>\$ 908,056,647</u>	<u>713,615,008</u>	<u>\$ 1,621,671,655</u>

The School District is subject to a statutory millage limit on the amount of ad valorem taxes it may annually levy to fund operations and does not presently have sufficient unused capacity under its operating millage limit to levy additional ad valorem taxes to fund the installment payments of purchase price due under the Facilities Agreement. The School District is, however, authorized to levy an unlimited ad valorem tax to pay its general obligation debt and has covenanted and agreed in the Facilities Agreement to exercise its best efforts to issue its general obligation debt from time to time to provide funds to make installment payments of purchase price due under the Facilities Agreement as well as base payments to CEEF.

The School District has continuous authority to issue general obligation bonds each calendar year, subject to a constitutional debt limit equal to 8% of the assessed valuation of property subject to levy by the School District, applicable to debt issued subsequent to November 30, 1982. As of November 30, 1982, the constitutional debt limit was decreased from 20% to 8% of the assessed valuation under the provisions of Section 15, Article X of the South Carolina Constitution. Of the outstanding general obligation debt at June 30, 2007, \$146,540,000 was approved through voter referendum. Therefore, \$84,750,000 is subject to the 8% limitation. Based on an assessed value of \$1,792,000,000 at June 30, 2007, the School District has available capacity to issue \$58,610,000 of additional general obligation debt.

**H. Charleston County School District Development Corporation**

On May 15, 1993, the School Board passed a Resolution which created a holding company known as Charleston County School District Development Corporation (the "Corporation"). This corporation is a not-for-profit corporation for the State of South Carolina and is exempt from income taxation under Internal Revenue Code 501(c)(3). The principal activity of the Corporation is to construct and lease facilities to be used by the School District for essential governmental functions in connection with tax exempt lease purchase financing of such facilities.

**CHARLESTON COUNTY SCHOOL DISTRICT  
CHARLESTON, SOUTH CAROLINA**

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2007**

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**III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES (CONTINUED)**

**H. Charleston County School District Development Corporation (Continued)**

In May, 1993, the Corporation issued \$9,070,000 Certificates of Participation and entered into several contracts with the school District and the Trustee (Bank of New York), by which, the Corporation has constructed and equipped a central administrative building and subsequently leased the building to the School District. The Corporation financed the purchase and construction for these capital assets through Certificates of Participation. Upon the termination of the lease, the School District will own the capital assets. The assets are included in the capital assets of the School District and the liability from the Certificates of Participation are included in long-term debt of the School District.

Currently the City of Charleston subleases one complete floor from the School District. Article II, Section 2.1 of the sublease states that the term of the lease ends February 1, 2008. The City may then renew the lease (Article IX, Section 9.4) at its sole discretion for 99 years for \$1 per year rental income (Article IV, Section 4.1(d)(ii)). In accordance with the Project Lease Agreement, the rental income to the School District from the City for year ended June 30, 2007, was \$313,060 and is reflected in the General Fund.

**I. Charleston Educational Excellence Financing Corporation**

The Charleston Educational Excellence Financing Corporation (the "CEEF") was incorporated on July 26, 2004, in accordance with a resolution approved by the School Board. The CEEF is a not-for-profit corporation of the State of South Carolina and is exempt from income taxation under Internal Revenue Code 501(c)(3). The principal activity of the CEEF is to acquire, construct, finance, pledge, improve, maintain, operate, manage, lease, and dispose of school buildings and other public education facilities. These facilities are to be used by the school District for essential governmental functions in connection with tax exempt lease purchase financing of such facilities.

The CEEF has issued the following Installment Sale Revenue Bonds:

Issue	Amount
Series 2004	\$ 135,620,000
Series 2005	406,675,000
Series 2006	132,995,000
Total	<u>\$ 675,290,000</u>

In addition to issuing the Installment Sale Revenue Bonds, the CEEF entered into several contracts with the School District and the Trustee (Wells Fargo), by which, the CEEF has or will acquire, construct, finance, pledge, improve, maintain, operate, and manage school buildings and other public education facilities and will subsequently sell them to the School District pursuant to School Facilities Purchase and Occupancy Agreements. The School Facilities Purchase and Occupancy Agreements obligate the School District to make semiannual installment payments of purchase price, also referred to as the principal and interest on the Installment Sale Revenue Bonds. It is anticipated that the payments will be funded by the future issuance of general obligation bonds through the Debt Service Fund District. Upon the termination/completion of the School Facilities Purchase and Occupancy Agreements, the School District will own all of the capital assets financed by the Installment Sale Revenue Bonds.

**CHARLESTON COUNTY SCHOOL DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2007**

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**III. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES (CONTINUED)**

**J. Endowments**

Lawrence C. Derthick, Jr. Memorial Permanent Trust Fund. For the year ended June 30, 2007, the net appreciation on investments of donor-restricted endowments was \$8,240. Under the terms of the endowment, the School District is authorized to spend the net appreciation on grants for approved youth activities to be awarded by a committee of the School District's Board of Trustees. At June 30, 2007, accumulated available net appreciation of \$150,187 is reported in expendable net assets restricted for endowments.

Medals and Awards Permanent Trust Fund. For the year ended June 30, 2007, the net appreciation on investments of donor-restricted endowments was \$6,445. Under the terms of the endowment, the School District is authorized to spend the net appreciation on medals and awards. At June 30, 2007, accumulated net appreciation of \$96,279 is reported in expendable net assets restricted for endowments.

William C. Bradley Private-Purpose Trust Fund. For the year ended June 30, 2007, the net appreciation on investments of donor-restricted endowments was \$13,872. Under the terms of the endowment, the School District is authorized to spend the net appreciation on engineering scholarships to students graduating from Wando High School. At June 30, 2007, the accumulated net appreciation of \$4,334 along with the principal balance of \$260,311 is reported as Fiduciary Net Assets held in trust for other purposes.

Heidel L. Lentz Memorial Private-Purpose Trust Fund. For the year ended June 30, 2007, there was no net appreciation on investments of donor-restricted endowments. Under the terms of the endowment, the School District is authorized to spend both the principal and net appreciation on awards to James Island Charter High School science fair winners. At June 30, 2007, the principal and net appreciation totaling \$1,655 are reported as fiduciary net assets held in trust for other purposes.

**K. Food Service**

***Federal Guidelines***

The School District's Food Service Fund administers the lunch programs in accordance with United States Department of Agriculture ("USDA") guidelines. Revenues are provided from USDA reimbursements and cash collections. Within the Food Service Fund, meals served to pupils are classified as regular, reduced or free. The type of meal served determines the amount of reimbursement received from the USDA. Reimbursements may be in the form of cash or commodities. The Food Service expenses are inclusive of \$ 766,812 of commodities consumed during the year ended June 30, 2007.

**CHARLESTON COUNTY SCHOOL DISTRICT  
CHARLESTON, SOUTH CAROLINA**

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2007**

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**IV. OTHER INFORMATION**

**A. Retirement Plans**

**South Carolina Retirement System (“SCRS”)**

*Plan Description* – A majority of all School District employees are members of the SCRS. The South Carolina Retirement System is a cost-sharing multi-employer defined benefit pension plan administered by the South Carolina Retirement System; a division of the South Carolina State Budget and Control Board. The system offers retirement and disability benefits, cost of living adjustments on an ad-hoc basis, life insurance benefits and survivor benefits. The Plan’s provisions are established under Title 9 of the SC Code of Laws. Only the South Carolina State Budget and Control Board has the authority to establish and amend benefits. Comprehensive Annual Financial Reports containing basic financial statements and required supplementary information for the System are issued and publicly available by writing to the South Carolina Retirement System, P.O. Box 11960, Columbia S C 29211-1960.

*Funding Policy* – Both employees and employers are required to contribute to the Plan under authority of Title 9 of the SC Code of Laws. Employee contributions to the Plan are 6.25% of salary. Employers are required to contribute at the following actuarially determined rates: SCRS State Agencies & Public Schools—7.55%. In addition to the above rates participating employers of the South Carolina Retirement System contribute 3.40% of payroll to provide retiree health and dental insurance and a group life insurance benefit for their active participants. All employers contribute at the actuarially required contribution rates. The School District contributed amounts equal to the required contribution to the SCRS of approximately \$23,988,865, \$21,844,796 and \$20,452,496 for the years ended June 30, 2007, 2006, and 2005, respectively. The School District’s contributions to PORS for the years ended June 30, 2007, 2006, and 2005 were \$1,520, \$239, and \$199, respectively. Only the South Carolina State Budget and Control Board has the authority to establish and amend funding policy.

**Other Retirement Plan**

The State of South Carolina also provides an optional retirement plan (“State ORP”). It is a governmental plan administered as a qualified plan pursuant to Section 401(a) of the IRC. The State ORP is a defined contribution plan that provides retirement and survivor benefits as an alternative to the SCRS. Employees may choose between the State ORP plan and the SCRS plan.

**Deferred Compensation Plan**

The School District offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all regular full-time and part-time employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to the employee or his beneficiaries until termination, retirement, death, or an unforeseeable emergency.

All amounts of compensation deferred under the plan are held in trust for the contributing employee and are not subject to the claims of the School District’s general creditors. The plan is administered by the State of South Carolina.

**B. Contingent Liabilities**

*Litigation*

Various claims and lawsuits are pending against the School District. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the School District's counsel that resolution of these matters will not have a material adverse effect on the financial condition of the School District.

**CHARLESTON COUNTY SCHOOL DISTRICT  
CHARLESTON, SOUTH CAROLINA**

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2007**

**IV. OTHER INFORMATION (CONTINUED)**

**C. Grants**

The School District participates in a number of federally assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. The amount of program expenditures which may be disallowed by the granting agencies cannot be determined at this time although the School District expects such amounts, if any, to be immaterial.

**D. Risk Management**

The School District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees' and natural disasters. The School District continues to carry commercial insurance for and general liability, auto, and property and casualty, employee health and dental coverage and is self-insured for workers' compensation. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years and there has been no significant reduction in insurance coverage.

As noted above, the School District is self insured related to risks associated with workers compensation. The School District has a \$350,000 per claim deductible with the insurance provider paying claims that are in excess of \$350,000 per claim. The School District has recorded an estimated liability of \$2,198,441 for incurred but unpaid claims at June 30, 2007, which is based on Governmental Accounting Standards Board Statement No. 10 which requires that a liability for claims be recorded if information prior to the issuance of the basic financial statements indicate that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. This amount is included in Other Accrued Expenses in the Statement of Net Assets.

Changes in the balances of estimated unpaid claims for workers' compensation during the past two years ended June 30, 2007, are as follows:

Year ending June 30,	Unpaid Claims at Beginning of Fiscal Year	Current-Year Claims and Changes in Estimates	Claim Payments	Unpaid Claims at June 30,
2004-2005	\$ 904,251	1,994,135	(1,776,385)	\$ 1,122,001
2005-2006	1,122,001	2,702,846	(2,057,452)	1,767,395
2006-2007	\$ 1,767,395	2,498,507	(2,067,461)	\$ 2,198,441

The School District is also self insured related to risks associated with general liability, auto, and property and casualty. The School District has a \$100,000 per claim deductible with the insurance provider paying claims that are in excess of \$100,000 per claim. The School District has recorded an estimated liability of \$664,991 for incurred but not reported claims at June 30, 2007, which is based on Governmental Accounting Standards Board Statement No. 10 which requires that a liability for claims be recorded if information prior to the issuance of the basic financial statements indicate that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

**CHARLESTON COUNTY SCHOOL DISTRICT  
CHARLESTON, SOUTH CAROLINA**

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2007**

**IV. OTHER INFORMATION (CONTINUED)**

**D. Risk Management (Continued)**

Changes in the balances of estimated unpaid claims for property damage, auto and general liability claims during the past two years ended June 30, 2007, are as follows:

	Unpaid Claims at Beginning of Fiscal Year	Current-Year Claims and Changes in Estimates	Claim Payments	Unpaid Claims at June 30,
2004-2005	\$ 508,301	257,428	(58,979)	\$ 706,750
2005-2006	706,750	597,593	(883,172)	421,171
2006-2007	\$ 421,171	265,079	(21,259)	\$ 664,991

**E. Service Contracts**

The School District is party to the following contracts for services which are funded by the General, Special Revenue, EIA Funds and Capital Projects Funds.

In June 2007, the School District contracted for student transportation services with Durham Services. The contract period is from July 2007 through June 2012. The School District pays a base payment which is calculated per bus per day based on bus routes. The first base payment is \$8,375,776 and will be increased annually. Additionally, the School District pays \$50,000 per year for administrative office space for the contractor.

In September, 2001, the School District entered into a five-year contract for grounds maintenance services with AccuSweep Services, Inc. (AccuSweep). Services under the contract were expanded in June, 2002, for an additional annual cost of \$76,846. The contract was subsequently extended for a two-year period ended June, 2008. The base contractual payment under the contract was \$521,559 for the first year of service and increases by 3% per year. Contracted payments are dependent upon vendor performance. In addition to the annual contract amount, the contractor may be eligible to receive a 5% performance incentive payment based on the total amount earned by the contractor for services rendered during the previous year.

In 2002, the School District entered into a five-year contract with SSC Service Solutions (SSC Service) for the cleaning of schools and administrative properties. The contract requires annual payments of \$1,110,998 in the first year, increasing annually by 2.5%. Contracted payments are dependent upon vendor performance. In addition to the annual contract amount, the contractor may be eligible to receive a 1.5% performance incentive payment based on the total amount earned by the contractor for services rendered during the previous year. In consideration for an extension of the contract to June 2008, the contractor reduced its 2.5% annual increase to .5% and its 1.5% performance incentive to .5% for the 2006 school year.

In March, 2004, the School District contracted with Edison Schools, Inc. (Edison) for products and services to support student achievement at nine schools. The contract expires in June, 2009 and may be extended by mutual agreement of the parties to the agreement. The contract requires payment of an annual implementation fee starting at \$1,960,000 and increasing 3% per year; except that one of the schools for which services were contract was closed at the end of fiscal year 2005, reducing the base amount by \$196,875.

The School District has entered into a three-year service agreement with IKON Office Solutions, Inc. (IKON) effective September, 2004, for copy, equipment management, and print layout and design services. Under this agreement, the School District will pay a monthly minimum fee of \$210,275 of which \$85,960 is for services and \$12,315 is for equipment usage.

**CHARLESTON COUNTY SCHOOL DISTRICT  
CHARLESTON, SOUTH CAROLINA**

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2007**

**IV. OTHER INFORMATION (CONTINUED)**

**E. Service Contracts (Continued)**

In June, 2005, the School District contracted with Community Education Partners, Inc. (CEP) for an educational program to improve school safety and education outcomes for students who are disruptive and may be performing below grade level. This contract expires in June, 2010, and may be renewed for one successive five-year term. The contract requires monthly payments of annual enrollment fees of \$9,066 per student for the first year of service, with a 2% increase per year. Enrollment is projected at 108 for the first three-months, 216 for the remainder of the first year and three months of the second year, then 432 for the remaining term of the contract. 6% of the contracted payments are dependent upon the vendor meeting accountability standards.

In May, 2006, the School District contracted with Heery International, PC (Heery) for construction management services. This contract expires in December, 2009. The contract initially required monthly payments totaling \$8,715,122. In October, 2006, the contract was amended for supplemental projects resulting in a total fee of \$11,367,817.

In May, 2006, the School District contracted with Southern Management Group (SMG) for construction management services. This contract expires in March, 2010. The contract initially required monthly payments totaling \$8,928,014. In July 2006, the contract was amended for supplemental projects resulting in a total fee of \$11,442,156.

Future required annual payments under the contracts for services are as follows:

<u>Fiscal Year</u>	<u>Durham</u>	<u>GCA Services</u>	<u>AccuSweep</u>	<u>SSC Service</u>	<u>IKON</u>
2008	\$ 8,881,732	3,554,042	711,855	3,683,695	\$ 119,000
2009	8,881,732	-	-	-	119,000
2010	8,881,732	-	-	-	-
2011	8,881,732	-	-	-	-
2012	8,881,732	-	-	-	-
	<u>\$ 44,408,660</u>	<u>3,554,042</u>	<u>711,855</u>	<u>3,683,695</u>	<u>\$ 238,000</u>

<u>Fiscal Year</u>	<u>CEP</u>	<u>Henry</u>	<u>SMG</u>	<u>Total</u>
2008	\$ 3,560,760	3,180,000	3,000,000	\$ 26,691,084
2009	3,631,975	3,100,000	3,000,000	18,732,707
2010	3,704,616	1,717,817	2,525,000	16,829,165
2011	-	-	467,156	9,348,888
2012	-	-	-	8,881,732
	<u>\$ 10,897,351</u>	<u>7,997,817</u>	<u>8,992,156</u>	<u>\$ 80,483,576</u>

**F. Unemployment Compensation**

The School District makes payments to the South Carolina Employment Security Commission on a reimbursement basis for costs incurred in the administration of the state unemployment compensation statutes. For the year ended June 30, 2007, the School District's total payments to the South Carolina Employment Security Commission were \$413,543.

**CHARLESTON COUNTY SCHOOL DISTRICT  
CHARLESTON, SOUTH CAROLINA**

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

**YEAR ENDED JUNE 30, 2007**

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**IV. OTHER INFORMATION (CONTINUED)**

**G. Postemployment Benefits**

In addition to providing retirement plan benefits, the state currently provides its retired employees with health care benefits. All postretirement benefits paid to the School District's retired members are made from the SCRS and from South Carolina's General Fund (Health Care). The School District has no liability beyond the payment of monthly contributions. Contributions are determined as a percentage of monthly covered pay roll. See Note IV-A above for details. The SCRS provides death benefits to retirees through the group life insurance program for members of the SCRS.

**H. Subsequent Events**

The School District issued \$29,285,000 in General Obligation Bonds in September, 2007. These Bonds have a stated interest rate of 4.25%. The District received premiums totaling \$79,362, which lowered the effective interest rate to 3.68%. The bonds, including interest, are due in full on March 1, 2008.

The School District issued a Tax Anticipation Note in July, 2007 for \$58,200,000 with interest at 1.25%. The Note is due to be repaid in April, 2008.

**I. Prior Period Adjustment**

In the past, the District presented the estimated an insurance cost for unpaid claims, based on actuarial estimates on the amounts needed to pay prior and current year claim, as a designation of the fund balance of the General Fund. The balance should have been recognized as a liability. As a result, the beginning balance of the District's Net Assets and General Fund balance have been adjusted by \$2,188,566 to properly reflect the liability for the year ended June 30, 2006.

**J. Impact of Act 388**

In 2006, the South Carolina enacted Act 388, which is effective for the School District beginning July 1, 2007. Act 388 provides an exemption for one hundred percent of the fair market value of owner occupied residential property, to the extent not already covered by the other property tax relief exemptions, from all property taxes imposed for school operating purposes but not including millage imposed for the repayment of general obligation debt for property tax years beginning after January 1, 2007. Act 388 also creates a new Homestead Exemption fund (the "Homestead Exemption Fund") which will be funded from an additional 1 cent sales tax imposed by Act 388.

Act 388 requires that, to the extent revenues in the Homestead Exemption Fund are insufficient to pay all required reimbursements to a school district, the State will pay the difference from the State's general fund. However, there can be no assurances that such funds will be appropriated in the event that there is such an insufficiency or that the change in funding sources resulting from Act 388 will not have an adverse effect on the School District's operations.

In addition, Act 388 removes the authority of governing bodies of school districts to increase operating millage in any year to "meet the minimum required local Education Finance Act inflation factor as projected by the State Budget and Control Board, Division of Research and Statistics, and the per pupil maintenance of effort requirement of Section 59-21-1030, if applicable" as previously provided in Section 6-1-320 of the SC Code. Act 388 does not, however, explicitly repeal the requirement found in Section 59-21-1030 of the SC Code that county auditors "establish a millage rate (for school districts) so that the level of financial effort per pupil for non-capital programs adjusted for an inflation factor estimated by the Division of Research and Statistical Services is maintained as a minimum effort." Whether Act 388 acts as an implied repeal of Section 59-21-1030 is unclear, and may require judicial or further legislative clarification



# **REQUIRED SUPPLEMENTARY INFORMATION**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
BUDGETS AND ACTUAL

GENERAL FUND

YEAR ENDED JUNE 30, 2007

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL		
<b>REVENUES</b>				
Local Property Taxes	\$ 206,295,329	206,295,329	210,161,597	\$ 3,866,268
Other Local	1,504,127	1,817,239	5,459,822	3,642,583
Total Local	<u>207,799,456</u>	<u>208,112,568</u>	<u>215,621,419</u>	<u>7,508,851</u>
State	86,105,818	86,105,818	85,140,607	(965,211)
Federal	709,554	709,554	278,344	(431,210)
Intergovernmental	3,000	3,000	44,203	41,203
<b>TOTAL REVENUE</b>	<u><b>294,617,828</b></u>	<u><b>294,930,940</b></u>	<u><b>301,084,573</b></u>	<u><b>6,153,633</b></u>
<b>EXPENDITURES</b>				
Current:				
Instruction	168,631,500	165,241,290	163,705,111	1,536,179
Support Services	114,666,213	117,140,072	117,386,962	(246,890)
Community Services	109,214	167,141	151,580	15,561
Intergovernmental	-	126,746	38,861	87,885
Payment to Component Units	18,037,828	18,037,828	20,210,448	(2,172,620)
Debt Service:				
Interest	-	-	1,764,401	(1,764,401)
Capital Outlay	21,600	476,927	365,090	111,837
<b>TOTAL EXPENDITURES</b>	<u><b>301,466,355</b></u>	<u><b>301,190,004</b></u>	<u><b>303,622,453</b></u>	<u><b>(2,432,449)</b></u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(6,848,527)</b>	<b>(6,259,064)</b>	<b>(2,537,880)</b>	<b>3,721,184</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of Capital Assets	-	25,000	33,566	8,566
Transfers In	8,843,732	8,823,932	9,657,870	833,938
Transfers Out	(2,816,141)	(6,464,975)	(6,510,703)	(45,728)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u><b>6,027,591</b></u>	<u><b>2,383,957</b></u>	<u><b>3,180,733</b></u>	<u><b>796,776</b></u>
<b>NET CHANGES IN FUND BALANCES</b>	<u><b>(820,936)</b></u>	<u><b>(3,875,107)</b></u>	<u><b>642,853</b></u>	<u><b>4,517,960</b></u>
FUND BALANCE, Beginning of Year	21,232,549	21,232,549	21,232,549	-
Prior Period Adjustment	-	-	(2,188,566)	(2,188,566)
FUND BALANCE, Beginning of Year, Restated	<u>21,232,549</u>	<u>21,232,549</u>	<u>19,043,983</u>	<u>(2,188,566)</u>
<b>FUND BALANCE, End of Year</b>	<u><u><b>\$ 20,411,613</b></u></u>	<u><u><b>17,357,442</b></u></u>	<u><u><b>19,686,836</b></u></u>	<u><u><b>\$ 2,329,394</b></u></u>

The budget is presented on the modified accrual basis of accounting, which is consistent with accounting principles generally accepted in the United States of America.

# **SUPPLEMENTARY INFORMATION**

**CHARLESTON COUNTY SCHOOL DISTRICT  
CHARLESTON, SOUTH CAROLINA**

**Schedule A-2**

**GENERAL FUND**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
REVISED BUDGET AND ACTUAL**

**YEAR ENDED JUNE 30, 2007**

	<b>REVISED BUDGET</b>	<b>ACTUAL</b>	<b>VARIANCE</b>
<b>REVENUES</b>			
1000 Revenue from Local Sources:			
1100 Taxes:			
1110 Ad Valorem Taxes-Including Delinquent (Independent)	\$ 203,295,329	204,043,120	\$ 747,791
1140 Penalties & Interest on Taxes (Independent)	3,000,000	6,118,477	3,118,477
1500 Earnings on Investments:			
1510 Interest on Investments	990,000	3,210,725	2,220,725
1900 Other Revenue from Local Sources:			
1910 Rentals	376,399	361,110	(15,289)
1920 Contributions & Donations Private Sources	10,498	87,163	76,665
1950 Refund of Prior Year's Expenditures	15,000	921,293	906,293
1990 Miscellaneous Local Revenue:			
1993 Receipt of Insurance Proceeds	61,177	609,444	548,267
1999 Revenue from Other Local Sources	364,165	270,087	(94,078)
Total Revenue from Local Sources	<u>208,112,568</u>	<u>215,621,419</u>	<u>7,508,851</u>
2000 Intergovernmental Revenue:			
2100 Payments from Other Governmental Units	3,000	44,203	41,203
Total Intergovernmental Revenue	<u>3,000</u>	<u>44,203</u>	<u>41,203</u>
3000 Revenue from State Sources:			
3100 Restricted State Funding:			
3130 Special Programs:			
3131 Handicapped Transportation	25,000	22,083	(2,917)
3132 Home Schooling (No Carryover Provision)	3,000	8,285	5,285
3160 School Bus Driver's Salary	2,079,554	2,275,337	195,783
3162 Transportation Workers' Compensation	-	170,804	170,804
3165 EEDA Transportation	-	14,173	14,173
3180 Fringe Benefits Employer Contributions (No Carryover Provision)	13,547,385	13,710,198	162,813
3181 Retiree Insurance (No Carryover Provision)	4,202,415	4,450,170	247,755
3199 Other Restricted State Grants	-	97,794	97,794
3300 Education Finance Act:			
3310 Full-Time Programs:			
3311 Kindergarten	3,543,342	3,218,943	(324,399)
3312 Primary	9,145,504	8,925,765	(219,739)
3313 Elementary	11,634,387	10,843,354	(791,033)
3314 High School	6,624,255	5,353,211	(1,271,044)
3315 Trainable Mentally Handicapped	291,257	288,146	(3,111)
3316 Speech Handicapped (Part-Time Program)	2,046,932	1,970,593	(76,339)
3317 Homebound	\$ 241,876	261,841	\$ 19,965

(Continued)

**CHARLESTON COUNTY SCHOOL DISTRICT  
CHARLESTON, SOUTH CAROLINA**

**Schedule A-2**

**GENERAL FUND**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
REVISED BUDGET AND ACTUAL**

**YEAR ENDED JUNE 30, 2007**

	<b>REVISED BUDGET</b>	<b>ACTUAL</b>	<b>VARIANCE</b>
3320 Part-Time Programs:			
3321 Emotionally Handicapped	\$ 891,467	659,754	\$ (231,713)
3322 Educable Mentally Handicapped	708,088	586,663	(121,425)
3323 Learning Disabilities	3,019,737	2,704,515	(315,222)
3324 Hearing Handicapped	168,277	143,142	(25,135)
3325 Visually Handicapped	78,582	50,363	(28,219)
3326 Orthopedically Handicapped	136,101	159,840	23,739
3327 Vocational	5,250,620	5,541,189	290,569
3330 Other EFA Programs:			
3331 Autism	336,817	361,151	24,334
3800 State Revenue in Lieu of Taxes:			
3810 Reimbursement for Local Residential Property Tax Relief	16,955,781	16,955,782	1
3820 Homestead Exemption	3,227,104	3,592,450	365,346
3830 Merchant's Inventory Tax	1,948,337	1,948,337	-
3840 Manufacturers Depreciation Reimbursement	-	826,724	826,724
Total Revenue from State Sources	<u>86,105,818</u>	<u>85,140,607</u>	<u>(965,211)</u>
4000 Revenue from Federal Sources:			
4100 Federally Impacted Areas:			
4110 Maintenance & Operations (P.L. 874)	535,123	95,774	(439,349)
4900 Other Federal Sources:			
4992 U.S. Forest Commission Revenues	174,431	182,570	8,139
Total Revenue from Federal Sources	<u>709,554</u>	<u>278,344</u>	<u>(431,210)</u>
<b>TOTAL REVENUE ALL SOURCES</b>	<b><u>294,930,940</u></b>	<b><u>301,084,573</u></b>	<b><u>6,153,633</u></b>

**EXPENDITURES**

100 Instruction:			
110 General Instruction:			
111 Kindergarten Programs:			
100 Salaries	10,272,473	10,341,769	(69,296)
200 Employee Benefits	2,917,276	2,907,899	9,377
300 Purchased Services	5,390	3,771	1,619
400 Supplies and Materials	120,588	117,411	3,177
112 Primary Programs:			
100 Salaries	18,624,766	18,750,354	(125,588)
200 Employee Benefits	5,136,231	5,287,636	(151,405)
400 Supplies and Materials	\$ 415,856	415,639	\$ 217

(Continued)

**CHARLESTON COUNTY SCHOOL DISTRICT  
CHARLESTON, SOUTH CAROLINA**

**Schedule A-2**

**GENERAL FUND**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
REVISED BUDGET AND ACTUAL**

**YEAR ENDED JUNE 30, 2007**

	<b>REVISED BUDGET</b>	<b>ACTUAL</b>	<b>VARIANCE</b>
113 Elementary Programs:			
100 Salaries	\$ 38,176,385	38,557,181	\$ (380,796)
200 Employee Benefits	10,333,149	10,226,254	106,895
300 Purchased Services	5,871,041	5,452,972	418,069
400 Supplies and Materials	812,195	803,571	8,624
500 Capital Outlay	5,532	-	5,532
600 Other Objects	1,623	1,623	-
114 High School Programs:			
100 Salaries	22,402,905	22,403,026	(121)
200 Employee Benefits	5,761,254	5,719,095	42,159
300 Purchased Services	1,660,132	1,588,581	71,551
400 Supplies and Materials	433,237	379,934	53,303
500 Capital Outlay	7,251	851	6,400
600 Other Objects	906	906	-
115 Vocational Programs:			
100 Salaries	6,019,977	5,933,243	86,734
200 Employee Benefits	1,652,471	1,569,348	83,123
300 Purchased Services - Other than Tuition	365,046	354,883	10,163
400 Supplies and Materials	356,813	319,491	37,322
120 Exceptional Programs:			
121 Educable Mentally-Handicapped:			
100 Salaries	3,941,179	4,058,407	(117,228)
200 Employee Benefits	1,224,910	1,158,167	66,743
300 Purchased Services	43,972	43,276	696
400 Supplies and Materials	21,977	14,585	7,392
122 Trainable Mentally Handicapped:			
100 Salaries	1,712,374	1,581,973	130,401
200 Employee Benefits	573,094	468,173	104,921
400 Supplies and Materials	5,000	4,083	917
123 Orthopedically Handicapped:			
100 Salaries	687,474	564,082	123,392
200 Employee Benefits	208,837	165,850	42,987
300 Purchased Services	80	111	(31)
400 Supplies and Materials	1,692	1,562	130
124 Visually Handicapped:			
100 Salaries	277,900	225,633	52,267
200 Employee Benefits	82,943	62,247	20,696
400 Supplies and Materials	5,200	4,483	717
600 Other Objects	2,000	551	1,449
125 Hearing Handicapped:			
100 Salaries	672,954	603,839	69,115
200 Employee Benefits	209,700	170,701	38,999
400 Supplies and Materials	\$ 1,235	1,170	\$ 65

(Continued)

**CHARLESTON COUNTY SCHOOL DISTRICT  
CHARLESTON, SOUTH CAROLINA**

**Schedule A-2**

**GENERAL FUND**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
REVISED BUDGET AND ACTUAL**

**YEAR ENDED JUNE 30, 2007**

	<b>REVISED BUDGET</b>	<b>ACTUAL</b>	<b>VARIANCE</b>
126 Speech Handicapped:			
100 Salaries	\$ 2,000,247	1,622,617	\$ 377,630
200 Employee Benefits	559,038	436,409	122,629
300 Purchased Services	8,256	8,256	-
400 Supplies and Materials	667	662	5
127 Learning Disabilities:			
100 Salaries	7,109,473	7,012,148	97,325
200 Employee Benefits	1,968,804	1,841,927	126,877
300 Purchased Services	11,350	11,338	12
400 Supplies and Materials	37,302	27,576	9,726
128 Emotionally Handicapped:			
100 Salaries	2,988,421	2,859,752	128,669
200 Employee Benefits	911,394	810,643	100,751
300 Purchased Services	8,015	4,394	3,621
400 Supplies and Materials	30,633	28,511	2,122
130 Pre-School Programs:			
132 Pre-School Handicapped Itinerant (5-Yr. Olds):			
100 Salaries	2,434,774	2,255,253	179,521
200 Employee Benefits	742,400	635,596	106,804
400 Supplies and Materials	636	619	17
136 Pre-School Handicapped Itinerant (3 & 4-Yr. Olds):			
100 Salaries	81	81	-
200 Employee Benefits	20	20	-
137 Pre-School Handicapped Self-Contained (3 & 4-Yr. Olds):			
100 Salaries	20,863	20,863	-
200 Employee Benefits	24,871	4,414	20,457
139 Early Childhood Programs:			
100 Salaries	1,079,373	1,125,649	(46,276)
200 Employee Benefits	335,883	295,754	40,129
300 Purchased Services	31,403	33,334	(1,931)
400 Supplies and Materials	46,505	2,138	44,367
140 Special Programs:			
141 Gifted and Talented - Academic:			
100 Salaries	651,809	629,488	22,321
200 Employee Benefits	196,131	174,620	21,511
300 Purchased Services	43,971	43,971	-
145 Homebound:			
100 Salaries	104,364	620,490	(516,126)
200 Employee Benefits	51,189	112,429	(61,240)
300 Purchased Services	358,346	358,346	-
148 Gifted and Talented - Artistic:			
300 Purchased Services	6,463	1,267	5,196
400 Supplies and Materials	\$ 73,360	23,666	\$ 49,694

(Continued)

**CHARLESTON COUNTY SCHOOL DISTRICT  
CHARLESTON, SOUTH CAROLINA**

**Schedule A-2**

**GENERAL FUND**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
REVISED BUDGET AND ACTUAL**

**YEAR ENDED JUNE 30, 2007**

	<b>REVISED BUDGET</b>	<b>ACTUAL</b>	<b>VARIANCE</b>
160 Other Exceptional Programs:			
161 Autism:			
100 Salaries	\$ 1,057,414	1,116,774	\$ (59,360)
200 Employee Benefits	321,971	331,300	(9,329)
400 Supplies and Materials	3,431	3,250	181
170 Summer School Programs:			
172 Elementary Summer School:			
100 Salaries	23,629	35,249	(11,620)
200 Employee Benefits	7,526	6,861	665
400 Supplies and Materials	349	334	15
175 Instructional Programs Beyond Regular School Day:			
100 Salaries	120,774	85,541	35,233
200 Employee Benefits	23,415	15,833	7,582
300 Purchased Services	45,200	44,610	590
400 Supplies and Materials	4,871	2,656	2,215
180 Adult/Continuing Educational Programs:			
181 Adult Basic Education Programs			
100 Salaries	23,494	-	23,494
200 Employee Benefits	6,717	-	6,717
183 Adult English Literacy (ELS)			
400 Supplies and Materials	-	2,616	(2,616)
188 Parenting/Family Literacy:			
100 Salaries	11,089	42,300	(31,211)
200 Employee Benefits	7,709	10,867	(3,158)
300 Purchased Services	-	819	(819)
400 Supplies and Materials	-	250	(250)
190 Instructional Pupil Activity:			
100 Salaries	612,760	621,095	(8,335)
200 Employee Benefits	117,132	119,045	(1,913)
Total Instruction	<u>165,248,541</u>	<u>163,705,962</u>	<u>1,542,579</u>
200 Support Services:			
210 Pupil Services:			
211 Attendance and Social Work Services:			
100 Salaries	446,109	521,640	(75,531)
200 Employee Benefits	120,009	137,308	(17,299)
300 Purchased Services	179,882	106,560	73,322
400 Supplies and Materials	72,060	36,548	35,512
212 Guidance Services:			
100 Salaries	6,144,034	6,059,193	84,841
200 Employee Benefits	1,599,737	1,608,337	(8,600)
300 Purchased Services	\$ 169,769	144,155	\$ 25,614

(Continued)



**CHARLESTON COUNTY SCHOOL DISTRICT  
CHARLESTON, SOUTH CAROLINA**

**Schedule A-2**

**GENERAL FUND**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
REVISED BUDGET AND ACTUAL**

**YEAR ENDED JUNE 30, 2007**

	<b>REVISED BUDGET</b>	<b>ACTUAL</b>	<b>VARIANCE</b>
213 Health Services:			
100 Salaries	\$ 2,475,170	2,428,957	\$ 46,213
200 Employee Benefits	705,059	659,929	45,130
300 Purchased Services	41,679	41,216	463
400 Supplies and Materials	90,125	76,432	13,693
214 Psychological Services:			
100 Salaries	616,532	616,532	-
200 Employee Benefits	152,117	164,123	(12,006)
400 Supplies and Materials	8,100	7,919	181
220 Instructional Staff Services:			
221 Improvement of Instruction-Curriculum Development:			
100 Salaries	1,638,020	1,592,366	45,654
200 Employee Benefits	434,719	400,929	33,790
300 Purchased Services	303,327	222,019	81,308
400 Supplies and Materials	143,507	149,350	(5,843)
600 Other Objects	10,545	10,035	510
222 Library and Media Services:			
100 Salaries	4,242,336	4,145,393	96,943
200 Employee Benefits	1,154,773	1,082,960	71,813
300 Purchased Services	56,844	53,995	2,849
400 Supplies and Materials	532,557	503,657	28,900
223 Supervision of Special Programs:			
100 Salaries	162,464	174,171	(11,707)
200 Employee Benefits	89,957	84,002	5,955
400 Supplies and Materials	-	1,754	(1,754)
224 Improvement of Instruction-Inservice and Staff Training:			
100 Salaries	286,179	285,474	705
200 Employee Benefits	85,002	83,846	1,156
300 Purchased Services	54,231	50,275	3,956
400 Supplies and Materials	13,066	14,692	(1,626)
230 General Administrative Services:			
231 Board of Education:			
100 Salaries	108,695	14,217	94,478
200 Employee Benefits	2,551,585	3,128,954	(577,369)
300 Purchased Services	4,739,298	5,111,573	(372,275)
400 Supplies and Materials	8,216	7,738	478
600 Other Objects	\$ 1,112,761	1,518,240	\$ (405,479)

(Continued)

**CHARLESTON COUNTY SCHOOL DISTRICT  
CHARLESTON, SOUTH CAROLINA**

**Schedule A-2**

**GENERAL FUND**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
REVISED BUDGET AND ACTUAL**

**YEAR ENDED JUNE 30, 2007**

	<b>REVISED BUDGET</b>	<b>ACTUAL</b>	<b>VARIANCE</b>
232 Office of Superintendent:			
100 Salaries	\$ 1,429,866	1,451,212	\$ (21,346)
200 Employee Benefits	370,279	831,385	(461,106)
300 Purchased Services	715,081	581,396	133,685
400 Supplies and Materials	36,807	33,282	3,525
600 Other Objects	18,456	17,363	1,093
233 School Administration:			
100 Salaries	16,463,053	16,342,867	120,186
200 Employee Benefits	4,084,306	4,270,874	(186,568)
300 Purchased Services	1,188,457	1,168,368	20,089
400 Supplies and Materials	241,900	233,227	8,673
600 Other Objects	735	335	400
250 Finance and Operations Services:			
252 Fiscal Services:			
100 Salaries	1,623,958	1,622,958	1,000
200 Employee Benefits	431,182	278,381	152,801
300 Purchased Services	160,014	132,103	27,911
400 Supplies and Materials	91,059	80,204	10,855
600 Other Objects	2,935	2,683	252
253 Facilities Acquisition and Construction:			
300 Purchased Services	83,340	60,573	22,767
400 Supplies and Materials	-	85	(85)
500 Capital Outlay:	26,282	-	26,282
254 Operation and Maintenance of Plant:			
100 Salaries	8,120,084	8,102,372	17,712
200 Employee Benefits	2,379,600	2,317,330	62,270
300 Purchased Services	15,625,176	15,481,697	143,479
400 Supplies and Materials	12,783,430	12,758,403	25,027
500 Capital Outlay	409,204	351,512	57,692
600 Other Objects	670,076	623,831	46,245
255 Student Transportation (State Mandated):			
100 Salaries	382,767	374,405	8,362
200 Employee Benefits	133,920	130,753	3,167
300 Purchased Services	8,495,800	8,464,043	31,757
400 Supplies and Materials	424,555	388,799	35,756
500 Capital Outlay	48,345	600	47,745
257 Internal Services:			
100 Salaries	1,008,134	1,008,134	-
200 Employee Benefits	275,262	275,262	-
300 Purchased Services	160,482	152,897	7,585
400 Supplies and Materials	59,939	64,741	(4,802)
600 Other Objects	\$ 1,029	1,025	\$ 4

(Continued)

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
 REVISED BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2007

	REVISED BUDGET	ACTUAL	VARIANCE
258 Security:			
100 Salaries	\$ 161,179	161,179	\$ -
200 Employee Benefits	40,542	40,542	-
300 Purchased Services	1,002,001	819,765	182,236
400 Supplies and Materials	27,698	26,030	1,668
259 Internal Auditing Services:			
100 Salaries	111,989	111,989	-
200 Employee Benefits	26,443	26,443	-
300 Purchased Services	5,784	4,279	1,505
400 Supplies and Materials	255	255	-
260 Central Support Services:			
262 Planning, Research, Development and Evaluation:			
100 Salaries	628,714	628,623	91
200 Employee Benefits	155,189	155,172	17
300 Purchased Services	59,103	35,641	23,462
400 Supplies and Materials	13,014	12,803	211
600 Other Objects	250	250	-
263 Information Services:			
100 Salaries	227,154	227,154	-
200 Employee Benefits	58,475	58,475	-
300 Purchased Services	217,069	217,069	-
400 Supplies and Materials	32,868	31,977	891
600 Other Objects	2,000	1,675	325
264 Staff Services:			
100 Salaries	1,502,594	1,547,539	(44,945)
200 Employee Benefits	402,053	412,848	(10,795)
300 Purchased Services	413,930	323,272	90,658
400 Supplies and Materials	186,338	96,177	90,161
600 Other Objects	1,975	1,095	880
266 Technology and Data Processing Services:			
100 Salaries	1,081,030	1,081,030	-
200 Employee Benefits	259,817	259,817	-
300 Purchased Services	798,895	651,459	147,436
400 Supplies and Materials	323,114	231,105	92,009
500 Capital Outlay	12,127	12,127	-
600 Other Objects	\$ 1,753	1,335	\$ 418

(Continued)

**CHARLESTON COUNTY SCHOOL DISTRICT  
CHARLESTON, SOUTH CAROLINA**

**Schedule A-2**

**GENERAL FUND**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
REVISED BUDGET AND ACTUAL**

**YEAR ENDED JUNE 30, 2007**

	<b>REVISED BUDGET</b>	<b>ACTUAL</b>	<b>VARIANCE</b>
270 Support Services Pupil Activity:			
271 Pupil Services Activities:			
100 Salaries (Optional)	\$ 881,639	1,033,733	\$ (152,094)
200 Employee Benefits (Optional)	157,557	344,366	(186,809)
300 Purchased Services (Optional)	133,121	121,813	11,308
400 Supplies and Materials (Optional)	131,809	130,555	1,254
600 Other Objects (Optional)	58,293	96,020	(37,727)
Total Support Services	<u>117,609,749</u>	<u>117,751,201</u>	<u>(141,452)</u>
300 Community Services:			
330 Civic Services:			
100 Salaries	103,999	91,609	12,390
200 Employee Benefits	30,717	29,141	1,576
350 Custody and Care of Children Services:			
100 Salaries	25,036	14,202	10,834
200 Employee Benefits	7,389	5,982	1,407
390 Other Community Services:			
100 Salaries	-	3,937	(3,937)
200 Employee Benefits	-	839	(839)
300 Purchased Services	-	5,870	(5,870)
Total Community Services	<u>167,141</u>	<u>151,580</u>	<u>15,561</u>
400 Other Charges:			
410 Intergovernmental Expenditures:			
720 Transits	126,746	38,861	87,885
416 Payments to Public Charter Schools			
720 Transits	18,037,828	20,210,448	(2,172,620)
Total Intergovernmental Expenditures	<u>18,164,574</u>	<u>20,249,309</u>	<u>(2,084,735)</u>
500 Debt Service:			
620 Interest	-	1,764,401	(1,764,401)
Total Debt Service	<u>-</u>	<u>1,764,401</u>	<u>(1,764,401)</u>
<b>TOTAL EXPENDITURES</b>	<b><u>301,190,005</u></b>	<b><u>303,622,453</u></b>	<b><u>(2,432,448)</u></b>

**OTHER FINANCING SOURCES (USES)**

5300 Sale of Fixed Assets	25,000	33,566	8,566
Interfund Transfers, From (To) Other Funds:			
5230 Transfer from Special Revenue EIA Fund	6,768,732	6,966,489	197,757
5240 Transfer from Debt Service Fund	-	151,900	151,900
5250 Transfer from Capital Projects Fund	505,200	428,441	(76,759)
5280 Transfer from Other Funds Indirect Costs	\$ 1,550,000	2,111,040	\$ 561,040

(Continued)

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
 REVISED BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2007

	<b>REVISED BUDGET</b>	<b>ACTUAL</b>	<b>VARIANCE</b>
421-710 Transfer to Special Revenue Fund	\$ (4,093,143)	(4,354,178)	\$ (261,035)
422-710 Transfer to Special Revenue EIA Fund	(146)	-	146
423-710 Transfer to Debt Service Fund	(968,414)	(913,664)	54,750
424-710 Transfer to Capital Projects Fund	(3,272)	(3,272)	-
425-710 Transfer to Food Service Fund	(1,400,000)	(1,239,589)	160,411
TOTAL OTHER FINANCING SOURCES (USES)	<u>2,383,957</u>	<u>3,180,733</u>	<u>796,776</u>
<b>EXCESS/DEFICIENCY OF REVENUES AND EXPENDITURES</b>	<b><u>(3,875,108)</u></b>	<b><u>642,853</u></b>	<b><u>4,517,961</u></b>
FUND BALANCE, Beginning of Year	21,232,549	21,232,549	-
Prior Period Adjustment	-	<u>(2,188,566)</u>	<u>(2,188,566)</u>
FUND BALANCE, Beginning of Year, Restated	<u>21,232,549</u>	<u>19,043,983</u>	<u>(2,188,566)</u>
<b>FUND BALANCE, End of Year</b>	<b><u>\$ 17,357,441</u></b>	<b><u>19,686,836</u></b>	<b><u>\$ 2,329,395</u></b>

**CHARLESTON COUNTY SCHOOL DISTRICT  
CHARLESTON, SOUTH CAROLINA**

**SPECIAL REVENUE FUND**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**

**YEAR ENDED JUNE 30, 2007**

	<b>Title I (BA Projects) (201/202)</b>	<b>IDEA (CA Projects) (203/213)</b>	<b>Preschool Handicapped (CG Projects) (205/206)</b>
<b>REVENUES</b>			
1000 Revenue from Local Sources:			
1300 Tuition:			
1310 From Patrons for Regular Day School	\$ -	-	-
1900 Other Revenue from Local Sources:			
1910 Rentals	-	-	-
1920 Contributions and Donations Private Sources	-	-	-
1930 Medicaid	-	-	-
1999 Revenue from Other Local Sources	-	-	-
Total Revenue from Local Sources	<u>-</u>	<u>-</u>	<u>-</u>
2000 Intergovernmental Revenue:			
2100 Payments from Other Governmental Units	-	-	-
Total Intergovernmental Revenue	<u>-</u>	<u>-</u>	<u>-</u>
3000 Revenue from State Sources:			
3100 Restricted State Funding:			
3110 Occupational Education:			
3118 EEDA Carrer Specialist	-	-	-
3120 General Education:			
3125 Career and Technology Education Equipment	-	-	-
3126 Refurbishment of K-8 Science Kits	-	-	-
3127 Student Health and Fitness	-	-	-
3128 High Schools That Work	-	-	-
3130 Special Programs:			
3150 Adult Education:			
3151 Adult Education, Basic (Includes Workforce Initiative)	-	-	-
3190 Miscellaneous Restricted State Grants:			
3193 Education License Plates	-	-	-
3199 Other Restricted State Grants	-	-	-
3600 Education Lottery Act Revenue:			
3607 6-8 Enhancement	-	-	-
3610 K-5 Enhancement	-	-	-
3615 EAA Technical Assistance	-	-	-
3699 Other State Lottery Programs	-	-	-
3900 Other State Revenue:			
3991 ADEPT (Assisting, Developing, and Evaluating Professional Teaching)	-	-	-
3999 Revenue from Other State Sources	-	-	-
Total Revenue from State Sources	<u>\$ -</u>	<u>-</u>	<u>-</u>

<b>Occupational Education (VA Projects) (207/208)</b>	<b>Drug Free (FP/FQ Projects) (209/210)</b>	<b>Adult Education* (EA Projects)</b>	<b>Other Designated Restricted State Grants* (900s)</b>	<b>Other Special Revenue Programs* (200s/800s)</b>	<b>Totals</b>
-	-	-	-	29,275	\$ 29,275
-	-	-	-	50,012	50,012
-	-	-	-	499,026	499,026
-	-	-	-	2,350,405	2,350,405
-	-	-	-	3,922,782	3,922,782
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,851,500</u>	<u>6,851,500</u>
-	-	-	-	79,307	79,307
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>79,307</u>	<u>79,307</u>
-	-	-	361,807	-	361,807
-	-	-	374,106	-	374,106
-	-	-	136,305	-	136,305
-	-	-	190,363	-	190,363
-	-	-	49,346	-	49,346
-	-	-	13,071	9,409	22,480
-	-	-	11,931	-	11,931
-	-	-	-	26,496	26,496
-	-	-	125,631	-	125,631
-	-	-	1,956,060	-	1,956,060
-	-	-	3,060,193	-	3,060,193
-	-	-	-	5,366	5,366
-	-	-	124,240	-	124,240
-	-	-	-	439,782	439,782
<u>-</u>	<u>-</u>	<u>-</u>	<u>6,403,053</u>	<u>481,053</u>	<u>\$ 6,884,106</u>

(Continued)

**CHARLESTON COUNTY SCHOOL DISTRICT  
CHARLESTON, SOUTH CAROLINA**

**SPECIAL REVENUE FUND**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**

**YEAR ENDED JUNE 30, 2007**

	<b>Title I (BA Projects) (201/202)</b>	<b>IDEA (CA Projects) (203/213)</b>	<b>Preschool Handicapped (CG Projects) (205/206)</b>
4000 Revenue from Federal Sources:			
4200 Occupational Education:			
4210 Vocational Aid, Title I	\$ -	-	-
4300 Elementary and Secondary Education Act of 1965 (ESEA):			
4310 Title I, Basic State Grant Programs (Carryover Provision)	15,383,678	-	-
4318 SC Reading First	-	-	-
4331 Enhancing Education through Technology (E2T2), Title II (Carryover Provision)	-	-	-
4340 Promoting Informed Parental Choice and Innovative Education Program Strategies, Title V (Carryover Provision)	-	-	-
4341 Language Instruction for Limited English Proficient and Immigrant Students, Title III (Carryover Provision)	-	-	-
4351 Improving Teacher Quality (Carryover Provision)	-	-	-
4370 Comprehensive School Reform Demonstration Grant	-	-	-
4400 Adult Education:			
4410 Basic Adult Education	-	-	-
4500 Programs for Children with Disabilities:			
4510 Individuals with Disabilities Education Act (IDEA) (Carryover Provision)	-	12,069,416	-
4520 Pre-School Grants (Carryover Provision)	-	-	379,451
4900 Other Federal Sources:			
4920 Drug and Violence Prevention, Title IV	-	-	-
4924 21st Century Community Learning Centers Grants, Title IV	-	-	-
4994 Temporary Emergency Impact Aid for Displaced Students	-	-	-
4996 Learn and Serve America	-	-	-
4999 Revenue from Other Federal Sources	-	-	-
Total Revenue from Federal Sources	<u>15,383,678</u>	<u>12,069,416</u>	<u>379,451</u>
<b>TOTAL REVENUE ALL SOURCES</b>	<b><u>15,383,678</u></b>	<b><u>12,069,416</u></b>	<b><u>379,451</u></b>

**EXPENDITURES**

100 Instruction:			
110 General Instruction:			
111 Kindergarten Program:			
100 Salaries	-	-	-
200 Employee Benefits	156	-	-
400 Supplies and Materials	-	-	-
112 Primary Programs:			
100 Salaries	732,872	-	-
200 Employee Benefits	208,261	-	-
300 Purchased Services	76,609	-	-
400 Supplies and Materials	\$ 67,906	-	-



<b>Occupational Education (VA Projects) (207/208)</b>	<b>Drug Free (FP/FQ Projects) (209/210)</b>	<b>Adult Education* (EA Projects)</b>	<b>Other Designated Restricted State Grants* (900s)</b>	<b>Other Special Revenue Programs* (200s/800s)</b>	<b>Totals</b>
793,429	-	-	-	-	\$ 793,429
-	-	-	-	1,056,237	16,439,915
-	-	-	-	1,601,237	1,601,237
-	-	-	-	141,130	141,130
-	-	-	-	70,089	70,089
-	-	-	-	147,545	147,545
-	-	-	-	2,915,065	2,915,065
-	-	-	-	656,027	656,027
-	-	242,565	-	-	242,565
-	-	-	-	-	12,069,416
-	-	-	-	-	379,451
-	275,107	-	-	-	275,107
-	-	-	-	436,670	436,670
-	-	-	-	436,500	436,500
-	-	-	-	4,462	4,462
-	-	-	-	4,000,204	4,000,204
<b>793,429</b>	<b>275,107</b>	<b>242,565</b>	<b>-</b>	<b>11,465,166</b>	<b>40,608,812</b>
<b>793,429</b>	<b>275,107</b>	<b>242,565</b>	<b>6,403,053</b>	<b>18,877,026</b>	<b>54,423,725</b>
-	-	-	-	19,228	19,228
-	-	-	-	10,047	10,203
-	-	-	-	12,789	12,789
-	-	-	31,401	584,277	1,348,550
-	-	-	8,612	163,502	380,375
-	-	-	-	6,504	83,113
-	-	-	73,116	382,625	\$ 523,647

(Continued)

**CHARLESTON COUNTY SCHOOL DISTRICT  
CHARLESTON, SOUTH CAROLINA**

**SPECIAL REVENUE FUND**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**

**YEAR ENDED JUNE 30, 2007**

	<b>Title I (BA Projects) (201/202)</b>	<b>IDEA (CA Projects) (203/213)</b>	<b>Preschool Handicapped (CG Projects) (205/206)</b>
113 Elementary Programs:			
100 Salaries	\$ 2,435,178	-	-
200 Employee Benefits	684,520	-	-
300 Purchased Services	168,408	-	-
400 Supplies and Materials	368,164	-	-
500 Capital Outlay	-	-	-
600 Other Objects	5,000	-	-
114 High School Programs:			
100 Salaries	1,124,434	-	-
200 Employee Benefits	232,789	-	-
300 Purchased Services	9,764	-	-
400 Supplies and Materials	135,244	-	-
500 Capital Outlay	-	-	-
115 Vocational Programs:			
100 Salaries	-	203,848	-
200 Employee Benefits	-	56,787	-
300 Purchased Services	-	-	-
400 Supplies and Materials	-	5,378	-
500 Capital Outlay	-	-	-
120 Exceptional Programs:			
121 Educable Mentally Handicapped:			
100 Salaries	-	915,301	-
200 Employee Benefits	-	273,521	-
300 Purchased Services	-	42,169	-
400 Supplies and Materials	-	71,802	-
122 Trainable Mentally Handicapped:			
100 Salaries	-	275,257	-
200 Employee Benefits	-	85,719	-
300 Purchased Services	-	163	-
400 Supplies and Materials	-	15,539	-
123 Orthopedically Handicapped:			
100 Salaries	-	136,069	-
200 Employee Benefits	-	43,737	-
400 Supplies and Materials	-	2,388	-
124 Visually Handicapped:			
100 Salaries	-	85,125	-
200 Employee Benefits	-	23,070	-
400 Supplies and Materials	-	1,492	-
600 Other Objects	\$ -	1,389	-

<b>Occupational Education (VA Projects) (207/208)</b>	<b>Drug Free (FP/FQ Projects) (209/210)</b>	<b>Adult Education* (EA Projects)</b>	<b>Other Designated Restricted State Grants* (900s)</b>	<b>Other Special Revenue Programs* (200s/800s)</b>	<b>Totals</b>
-	-	-	1,281,465	262,558	\$ 3,979,201
-	-	-	272,776	56,982	1,014,278
-	-	-	63,123	87,415	318,946
-	-	-	145,532	489,347	1,003,043
-	-	-	5,532	-	5,532
-	-	-	-	-	5,000
-	-	-	560,065	765,899	2,450,398
-	-	-	148,398	20,101	401,288
-	-	-	1,130	37,884	48,778
-	-	-	158,873	107,857	401,974
-	-	-	6,400	-	6,400
203,942	-	-	-	-	407,790
52,750	-	-	-	-	109,537
-	-	-	-	4,402	4,402
3,194	-	-	290,431	1,981	300,984
-	-	-	67,175	-	67,175
-	-	-	-	19,801	935,102
-	-	-	-	5,855	279,376
-	-	-	-	-	42,169
-	-	-	-	-	71,802
-	-	-	-	-	275,257
-	-	-	-	-	85,719
-	-	-	-	-	163
-	-	-	-	3,132	18,671
-	-	-	-	-	136,069
-	-	-	-	-	43,737
-	-	-	-	-	2,388
-	-	-	-	-	85,125
-	-	-	-	-	23,070
-	-	-	-	-	1,492
-	-	-	-	-	\$ 1,389

(Continued)

**CHARLESTON COUNTY SCHOOL DISTRICT  
CHARLESTON, SOUTH CAROLINA**

**SPECIAL REVENUE FUND**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**

**YEAR ENDED JUNE 30, 2007**

	<b>Title I (BA Projects) (201/202)</b>	<b>IDEA (CA Projects) (203/213)</b>	<b>Preschool Handicapped (CG Projects) (205/206)</b>
125 Hearing Handicapped:			
100 Salaries	\$ -	26,527	-
200 Employee Benefits	-	8,673	-
400 Supplies and Materials	-	15,356	-
126 Speech Handicapped:			
100 Salaries	-	193,777	-
200 Employee Benefits	-	53,130	-
300 Purchased Services	-	81,767	-
127 Learning Disabilities:			
100 Salaries	-	795,205	-
200 Employee Benefits	-	197,081	-
300 Purchased Services	-	-	-
400 Supplies and Materials	-	9,843	-
128 Emotionally Handicapped:			
100 Salaries	-	599,355	-
200 Employee Benefits	-	168,423	-
300 Purchased Services	-	23,585	-
400 Supplies and Materials	-	2,153	-
130 Pre-School Programs:			
132 Pre-School Handicapped Itinerant (5-Yr. Olds):			
100 Salaries	-	31,742	48,061
200 Employee Benefits	-	9,421	13,628
400 Supplies and Materials	-	-	210
135 Pre-School Handicapped Speech (3 & 4-Yr. Olds):			
300 Purchased Services	-	-	18,396
400 Supplies and Materials	-	-	7,424
137 Pre-School Handicapped Self-Contained (3 & 4-Yr. Olds):			
100 Salaries	-	-	-
200 Employee Benefits	-	-	-
400 Supplies and Materials	-	-	1,989
138 Pre-School Handicapped Homebased (3 & 4-Yr. Olds):			
300 Purchased Services	-	-	-
139 Early Childhood Programs:			
100 Salaries	861,511	-	-
200 Employee Benefits	261,923	-	-
300 Purchased Services	-	-	-
400 Supplies and Materials	-	-	-
600 Other Objects	-	-	-
160 Other Exceptional Programs:			
161 Autism:			
100 Salaries	-	50,976	-
200 Employee Benefits	-	13,568	-
300 Purchased Services	-	28,541	-
400 Supplies and Materials	\$ -	5,328	-

<b>Occupational Education (VA Projects) (207/208)</b>	<b>Drug Free (FP/FQ Projects) (209/210)</b>	<b>Adult Education* (EA Projects)</b>	<b>Other Designated Restricted State Grants* (900s)</b>	<b>Other Special Revenue Programs* (200s/800s)</b>	<b>Totals</b>
-	-	-	-	-	\$ 26,527
-	-	-	-	-	8,673
-	-	-	-	-	15,356
-	-	-	-	48,940	242,717
-	-	-	-	12,052	65,182
-	-	-	-	9,000	90,767
-	-	-	-	-	795,205
-	-	-	-	-	197,081
-	-	-	-	87,198	87,198
-	-	-	-	-	9,843
-	-	-	-	-	599,355
-	-	-	-	-	168,423
-	-	-	-	-	23,585
-	-	-	-	-	2,153
-	-	-	-	47,126	126,929
-	-	-	-	13,906	36,955
-	-	-	-	-	210
-	-	-	-	-	18,396
-	-	-	-	-	7,424
-	-	-	-	206,762	206,762
-	-	-	-	75,048	75,048
-	-	-	-	-	1,989
-	-	-	-	29,575	29,575
-	-	-	-	529,410	1,390,921
-	-	-	-	163,731	425,654
-	-	-	-	33,720	33,720
-	-	-	-	113,727	113,727
-	-	-	-	300	300
-	-	-	-	20,494	71,470
-	-	-	-	7,011	20,579
-	-	-	-	-	28,541
-	-	-	-	-	\$ 5,328

(Continued)

**CHARLESTON COUNTY SCHOOL DISTRICT  
CHARLESTON, SOUTH CAROLINA**

**SPECIAL REVENUE FUND**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**

**YEAR ENDED JUNE 30, 2007**

	<b>Title I (BA Projects) (201/202)</b>	<b>IDEA (CA Projects) (203/213)</b>	<b>Preschool Handicapped (CG Projects) (205/206)</b>
170 Summer School Programs:			
171 Primary Summer School:			
100 Salaries	\$ 57,335	-	-
200 Employee Benefits	8,611	-	-
300 Purchased Services	4,413	-	-
400 Supplies and Materials	3,075	-	-
172 Elementary Summer School:			
100 Salaries	-	-	-
200 Employee Benefits	-	-	-
300 Purchased Services	-	-	-
400 Supplies and Materials	45,737	-	-
173 High School Summer School:			
100 Salaries	16,833	-	-
200 Employee Benefits	2,900	-	-
400 Supplies and Materials	3,192	-	-
174 Gifted and Talented Summer School:			
100 Salaries	-	-	-
200 Employee Benefits	-	-	-
400 Supplies and Materials	-	-	-
175 Instructional Programs Beyond Regular School Day:			
100 Salaries	101,841	-	-
200 Employee Benefits	20,460	-	-
300 Purchased Services	1,384,128	-	-
400 Supplies and Materials	-	-	-
180 Adult/Continuing Educational Programs:			
181 Adult Basic Education Programs:			
100 Salaries	-	-	-
200 Employee Benefits	-	-	-
300 Purchased Services	-	-	-
400 Supplies and Materials	-	-	-
182 Adult Secondary Education Programs:			
100 Salaries	-	-	-
200 Employee Benefits	-	-	-
300 Purchased Services	-	-	-
400 Supplies and Materials	-	-	-
183 Adult English Literacy (ESL):			
100 Salaries	-	-	-
200 Employee Benefits	-	-	-
300 Purchased Services	-	-	-
400 Supplies and Materials	\$ -	-	-

<b>Occupational Education (VA Projects) (207/208)</b>	<b>Drug Free (FP/FQ Projects) (209/210)</b>	<b>Adult Education* (EA Projects)</b>	<b>Other Designated Restricted State Grants* (900s)</b>	<b>Other Special Revenue Programs* (200s/800s)</b>	<b>Totals</b>
-	-	-	-	5,323	\$ 62,658
-	-	-	-	1,003	9,614
-	-	-	-	-	4,413
-	-	-	-	-	3,075
-	-	-	18,169	38,565	56,734
-	-	-	3,260	7,616	10,876
-	-	-	-	100	100
-	-	-	-	8,010	53,747
-	-	-	-	241,964	258,797
-	-	-	-	38,167	41,067
-	-	-	-	2,061	5,253
-	-	-	-	99,395	99,395
-	-	-	-	18,591	18,591
-	-	-	-	56,994	56,994
-	-	-	77,861	219,726	399,428
-	-	-	15,439	35,249	71,148
-	-	-	-	40,274	1,424,402
-	-	-	-	43,431	43,431
-	-	98,718	8,326	8,978	116,022
-	-	20,102	1,674	1,795	23,571
-	-	-	-	577	577
-	-	3	3,071	-	3,074
-	-	-	-	119,259	119,259
-	-	-	-	25,509	25,509
-	-	-	-	35,782	35,782
-	-	-	-	15,707	15,707
-	-	91,886	-	15,574	107,460
-	-	20,929	-	1,188	22,117
-	-	487	-	-	487
-	-	4,178	-	-	\$ 4,178

(Continued)

**CHARLESTON COUNTY SCHOOL DISTRICT  
CHARLESTON, SOUTH CAROLINA**

**SPECIAL REVENUE FUND**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**

**YEAR ENDED JUNE 30, 2007**

	<b>Title I (BA Projects) (201/202)</b>	<b>IDEA (CA Projects) (203/213)</b>	<b>Preschool Handicapped (CG Projects) (205/206)</b>
188 Parenting/Family Literacy:			
100 Salaries	\$ 614,268	-	-
200 Employee Benefits	156,103	-	-
300 Purchased Services	-	-	-
400 Supplies and Materials	-	-	-
Total Instruction	<u>9,791,635</u>	<u>4,553,205</u>	<u>89,708</u>
200 Support Services:			
210 Pupil Services:			
211 Attendance and Social Work Services:			
100 Salaries	-	176,242	22,565
200 Employee Benefits	-	51,116	7,463
300 Purchased Services	-	38,842	6,805
400 Supplies and Materials	-	9,838	-
212 Guidance Services:			
100 Salaries	112,279	652,733	1,345
200 Employee Benefits	29,528	176,766	251
300 Purchased Services	79,293	-	-
400 Supplies and Materials	79,158	-	-
213 Health Services:			
100 Salaries	33,048	1,096,974	3,389
200 Employee Benefits	11,416	285,586	1,438
300 Purchased Services	42,440	13,000	-
400 Supplies and Materials	-	12,770	-
214 Psychological Services:			
100 Salaries	-	1,086,205	115,569
200 Employee Benefits	-	291,826	30,007
300 Purchased Services	-	40,689	-
400 Supplies and Materials	-	26,966	-
215 Exceptional Program Services:			
100 Salaries	-	73,894	-
200 Employee Benefits	-	20,322	-
300 Purchased Services	-	37,355	3,500
400 Supplies and Materials	-	27,802	3,947
216 Vocational Placement Services:			
300 Purchased Services	-	5,455	-
220 Instructional Staff Services:			
221 Improvement of Instruction - Curriculum Development:			
100 Salaries	2,078,782	480,655	-
200 Employee Benefits	550,230	122,523	-
300 Purchased Services	278,063	266,682	1,064
400 Supplies and Materials	53,179	58,314	-
600 Other Objects	\$ -	-	-



<b>Occupational Education (VA Projects) (207/208)</b>	<b>Drug Free (FP/FQ Projects) (209/210)</b>	<b>Adult Education* (EA Projects)</b>	<b>Other Designated Restricted State Grants* (900s)</b>	<b>Other Special Revenue Programs* (200s/800s)</b>	<b>Totals</b>
-	-	-	-	49,960	\$ 664,228
-	-	-	-	6,188	162,291
-	-	-	-	11,485	11,485
-	-	-	-	5,000	5,000
<u>259,886</u>	<u>-</u>	<u>236,303</u>	<u>3,241,829</u>	<u>5,593,657</u>	<u>23,766,223</u>
-	-	-	-	3,051	201,858
-	-	-	-	613	59,192
-	-	-	-	-	45,647
-	-	-	-	-	9,838
212,135	-	-	331,372	460,448	1,770,312
51,056	-	-	84,380	129,813	471,794
22,816	-	-	-	29,182	131,291
1,784	-	-	-	13,395	94,337
-	-	-	-	607,927	1,741,338
-	-	-	-	165,562	464,002
-	-	-	-	344,631	400,071
-	-	-	-	36,624	49,394
-	-	-	-	-	1,201,774
-	-	-	-	-	321,833
-	-	-	-	7,650	48,339
-	-	-	-	-	26,966
-	-	-	-	-	73,894
-	-	-	-	-	20,322
-	-	-	-	-	40,855
-	-	-	-	-	31,749
-	-	-	-	-	5,455
-	-	-	860,528	479,229	3,899,194
-	-	-	225,454	108,351	1,006,558
54,189	-	-	643,102	1,405,015	2,648,115
1,166	-	-	20,180	166,927	299,766
-	-	-	-	10,001	\$ 10,001

(Continued)

**CHARLESTON COUNTY SCHOOL DISTRICT  
CHARLESTON, SOUTH CAROLINA**

**SPECIAL REVENUE FUND**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**

**YEAR ENDED JUNE 30, 2007**

	<b>Title I (BA Projects) (201/202)</b>	<b>IDEA (CA Projects) (203/213)</b>	<b>Preschool Handicapped (CG Projects) (205/206)</b>
222 Library and Media:			
100 Salaries	\$ -	-	-
200 Employee Benefits	-	-	-
300 Purchased Services	-	-	-
400 Supplies and Materials	-	-	-
223 Supervision of Special Programs:			
100 Salaries	306,515	944,968	66,268
200 Employee Benefits	73,518	212,821	13,190
300 Purchased Services	46,984	70,469	3,146
400 Supplies and Materials	104,740	14,806	-
600 Other Objects	-	-	-
224 Improvement of Instruction - Inservice and Staff Training:			
100 Salaries	-	800	-
200 Employee Benefits	-	158	-
300 Purchased Services	-	26,713	-
400 Supplies and Materials	-	10,000	-
230 General Administration Services:			
232 Office of the Superintendent:			
100 Salaries	-	-	-
200 Employee Benefits	-	-	-
300 Purchased Services	-	-	-
400 Supplies and Materials	-	-	-
233 School Administration:			
100 Salaries	-	66,761	-
200 Employee Benefits	-	16,294	-
300 Purchased Services	-	-	-
400 Supplies and Materials	-	-	-
250 Finance and Operations Services:			
251 Student Transportation (Federal/District Mandated):			
300 Purchased Services	-	-	-
253 Facilities Acquisition and Construction:			
300 Purchased Services	-	-	-
254 Operation and Maintenance of Plant:			
100 Salaries	-	-	-
200 Employee Benefits	-	-	-
300 Purchased Services	-	-	-
400 Supplies and Materials	-	-	-
255 Student Transportation (State Mandated):			
100 Salaries	-	115,855	-
200 Employee Benefits	-	25,128	-
300 Purchased Services	1,159,974	81,729	-
500 Capital Outlay	-	-	-
258 Security:			
300 Purchased Services	\$ -	-	-

<b>Occupational Education (VA Projects) (207/208)</b>	<b>Drug Free (FP/FQ Projects) (209/210)</b>	<b>Adult Education* (EA Projects)</b>	<b>Other Designated Restricted State Grants* (900s)</b>	<b>Other Special Revenue Programs* (200s/800s)</b>	<b>Totals</b>
-	-	-	4,000	897	\$ 4,897
-	-	-	768	127	895
-	-	-	-	321	321
-	-	-	-	85,067	85,067
-	-	-	247,119	1,060,788	2,625,658
-	-	-	60,492	289,107	649,128
10,200	-	-	-	8,925	139,724
64	-	-	-	28,940	148,550
-	-	-	-	116,067	116,067
-	-	-	104,021	395,560	500,381
-	-	-	24,052	101,146	125,356
-	-	-	40,292	1,024,923	1,091,928
-	-	-	13,720	39,658	63,378
-	154,720	-	-	135,611	290,331
-	31,053	-	-	33,795	64,848
-	46,527	-	-	56,728	103,255
-	18,257	-	-	18,735	36,992
-	-	-	201,793	-	268,554
-	-	-	43,338	-	59,632
-	-	-	-	523	523
-	-	-	-	7,649	7,649
-	-	-	-	51,187	51,187
-	-	-	-	7,680	7,680
-	-	-	-	333	333
-	-	-	-	67	67
-	-	-	-	29,399	29,399
-	-	-	-	13,211	13,211
-	-	-	-	-	115,855
-	-	-	-	-	25,128
-	-	-	12,257	93,556	1,347,516
-	-	-	-	9,683	9,683
-	-	-	-	820	\$ 820

(Continued)

**CHARLESTON COUNTY SCHOOL DISTRICT  
CHARLESTON, SOUTH CAROLINA**

**SPECIAL REVENUE FUND**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**

**YEAR ENDED JUNE 30, 2007**

	<b>Title I (BA Projects) (201/202)</b>	<b>IDEA (CA Projects) (203/213)</b>	<b>Preschool Handicapped (CG Projects) (205/206)</b>
260 Central Support Services:			
262 Planning:			
100 Salaries	\$ -	-	-
200 Employee Benefits	-	-	-
300 Purchased Services	-	-	-
400 Supplies and Materials	-	-	-
263 Information Services:			
300 Purchased Services	-	-	-
264 Staff Services:			
100 Salaries	-	33,822	-
200 Employee Benefits	-	7,938	-
300 Purchased Services	-	-	-
400 Supplies and Materials	-	-	-
270 Support Services - Pupil Activity:			
271 Pupil Services Activities:			
100 Salaries	-	-	-
200 Employee Benefits	-	-	-
300 Purchased Services	39,309	-	-
400 Supplies and Materials	1,581	-	-
Total Support Services	<u>5,080,037</u>	<u>6,680,817</u>	<u>279,947</u>
300 Community Services:			
350 Custody and Care of Children:			
100 Salaries	-	-	-
200 Employee Benefits	-	-	-
300 Purchased Services	-	-	-
400 Supplies and Materials	-	-	-
390 Other Community Services:			
100 Salaries	-	-	-
200 Employee Benefits	-	-	-
300 Purchased Services	-	-	-
400 Supplies and Materials	-	-	-
600 Other Objects	-	-	-
Total Community Services	<u>\$ -</u>	<u>-</u>	<u>-</u>

<b>Occupational Education (VA Projects) (207/208)</b>	<b>Drug Free (FP/FQ Projects) (209/210)</b>	<b>Adult Education* (EA Projects)</b>	<b>Other Designated Restricted State Grants* (900s)</b>	<b>Other Special Revenue Programs* (200s/800s)</b>	<b>Totals</b>
19,995	-	-	-	53,980	\$ 73,975
4,019	-	-	-	15,832	19,851
305	-	-	-	-	305
-	-	-	-	2,000	2,000
-	-	-	-	907	907
-	-	-	-	677,327	711,149
-	-	-	-	96,179	104,117
-	-	-	-	200,484	200,484
-	-	-	-	16,814	16,814
-	-	-	-	368	368
-	-	-	-	74	74
15,000	-	-	107,687	44,544	206,540
-	-	-	-	2,946	4,527
<b>392,729</b>	<b>250,557</b>	<b>-</b>	<b>3,024,555</b>	<b>8,690,377</b>	<b>24,399,019</b>
-	-	-	-	2,162,391	2,162,391
-	-	-	-	422,939	422,939
-	-	-	-	124,076	124,076
-	-	-	-	26,685	26,685
-	-	-	-	813,299	813,299
-	-	-	-	194,367	194,367
-	-	-	-	173,879	173,879
-	-	-	-	11,281	11,281
-	-	-	-	700	700
<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,929,617</b>	<b>\$ 3,929,617</b>

(Continued)

CHARLESTON COUNTY SCHOOL DISTRICT  
 CHARLESTON, SOUTH CAROLINA

SPECIAL REVENUE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

YEAR ENDED JUNE 30, 2007

	Title I (BA Projects) (201/202)	IDEA (CA Projects) (203/213)	Preschool Handicapped (CG Projects) (205/206)
410 Intergovernmental Expenditures:			
411 Payments to SDE			
720 Transits	\$ -	-	-
412 Payments to Other Governmental Units			
720 Transits	-	-	-
413 Payments to Non-Public Schools			
720 Transits	-	-	-
416 Payments to Public Charter Schools			
720 Transits	118,218	531,140	-
Total Intergovernmental Expenditures	<u>118,218</u>	<u>531,140</u>	<u>-</u>
<b>TOTAL EXPENDITURES</b>	<b><u>14,989,890</u></b>	<b><u>11,765,162</u></b>	<b><u>369,655</u></b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Interfund Transfers, From (To) Other Funds:			
5210 Transfer from General Fund (Exclude Indirect Costs)	-	-	-
431-791 Special Revenue Fund Indirect Costs (Use Only for Transfer of Indirect Costs to General Fund)	(393,788)	(304,254)	(9,796)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(393,788)</u>	<u>(304,254)</u>	<u>(9,796)</u>
<b>EXCESS/DEFICIENCY OF REVENUES AND EXPENDITURES</b>	-	-	-
FUND BALANCE, Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE, End of Year</b>	<b><u>\$ -</u></b>	<b><u>-</u></b>	<b><u>-</u></b>

<b>Occupational Education (VA Projects) (207/208)</b>	<b>Drug Free (FP/FQ Projects) (209/210)</b>	<b>Adult Education* (EA Projects)</b>	<b>Other Designated Restricted State Grants* (900s)</b>	<b>Other Special Revenue Programs* (200s/800s)</b>	<b>Totals</b>
-	-	-	-	763,130	\$ 763,130
-	-	-	-	283,134	283,134
-	-	-	-	21,900	21,900
123,874	17,473	-	136,669	99,988	1,027,362
<u>123,874</u>	<u>17,473</u>	<u>-</u>	<u>136,669</u>	<u>1,168,152</u>	<u>2,095,526</u>
<b><u>776,489</u></b>	<b><u>268,030</u></b>	<b><u>236,303</u></b>	<b><u>6,403,053</u></b>	<b><u>19,381,803</u></b>	<b><u>54,190,385</u></b>
-	-	-	-	449,503	449,503
(16,940)	(7,077)	(6,262)	-	(164,147)	(902,264)
<u>(16,940)</u>	<u>(7,077)</u>	<u>(6,262)</u>	<u>-</u>	<u>285,356</u>	<u>(452,761)</u>
-	-	-	-	<b>(219,421)</b>	<b>(219,421)</b>
-	-	-	-	483,052	483,052
-	-	-	-	<b>263,631</b>	<b>\$ 263,631</b>

SPECIAL REVENUE FUND

SUPPLEMENTAL LISTING OF LEA SUBFUND CODES AND TITLES

YEAR ENDED JUNE 30, 2007

---

OTHER DESIGNATED RESTRICTED STATE GRANTS

904	Career And Technology Education (Cte) Technology Initiative
905	Career & Technology Equip
908	Refurbishing Science Kits
911	School Technology Initiative
916	Adept
918	Adult Education - Basic
919	Education License Plates
921	Ged Online Mini Grant
923	Alternative Schools Program
927	8Th Grade Awareness
928	Eeda Career Specialists
931	Eaa Summer School
934	Excellence In Middle Schools
937	Student Health & Fitness
938	Making Middle Grades Work
960	K-5 Enhancement Program
963	Eaa Homework Center Awards (Below Average Schools)
964	Eaa Retraining Grant
965	Eaa Palmetto Gold And Silver Awards
967	6-8 Enhancement
968	High School That Work
969	Misc Lottery Funds

OTHER SPECIAL REVENUE PROGRAMS

201	Title I (84.010)
202	Title I (84.010)
203	IDEA
213	Personnel Development
205	Preschool - Federal (84.173)
207	Vocational Education (84.048)
209	Drug and Violence Prevention
211	Capacity Building
218	Reading First
220	Before & After School Day Care
224	21St Century Community Learn
235	Title I Summer Migrant (84.011)
237	School Improvement Grant
241	Title Vi,V,Cal For Dist(84.298)
242	Even Start Literacy

(Continued)



SPECIAL REVENUE FUND

SUPPLEMENTAL LISTING OF LEA SUBFUND CODES AND TITLES

YEAR ENDED JUNE 30, 2007

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ADULT EDUCATION

243	Adult Education Federal (84.002)
244	Demsea Roots And Shoots
248	CDC State And Local Coordinated School Health Programs

OTHER SPECIAL REVENUE PROGRAMS

249	Learn & Serve America 94.004
250	Community Service Learning - Nclb
252	Public Charter School Grants
253	Ed Tech Formula
256	Homeless Children Grant 84.196
261	School-To-Work Implemnt 17.249
263	Comprehensive School Reform Demonstration Grant
264	Title Iii - Esol
267	Title Ii Improv Tchr Quality
271	Early Head Start
289	Child Family Development Cntr
294	Profoundly Mentally Handicap
299	Rotc
801	Summer School
802	Arts In Education
803	Medicaid
804	Rural Civic Engagement Init.
805	Smaller Learning Centers
806	School Nutrition Grant
807	DHEC Recycling
808	Can Do
809	Sectm Professional Dev.
810	Teacher Specialist Supplies
811	Material Resource Center
812	Bellsouth Grant
813	School Nurse Training
814	Sat/Act Improvement
815	Professional Development
816	Project Inquiry
817	Dist 4 Teacher Reward
818	Raising A Reader
819	National Science Foundation
821	Reading Recovery Grant
824	Spectrum Of The Arts
825	SC Gearup
826	Child Case Resolution - Ccrs
827	Advanced Placement Incentive P
828	New Teacher Project

(Continued)

SPECIAL REVENUE FUND

SUPPLEMENTAL LISTING OF LEA SUBFUND CODES AND TITLES

YEAR ENDED JUNE 30, 2007

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OTHER SPECIAL REVENUE PROGRAMS

829	Sceens/Eic Grant
830	Laura Bush Fund For America's Libraries
833	Tuition Kindergarten
834	Abc Child Care
835	Sceens/Eic-Vkrf Moultrie Ms
836	Rosie'S Girls
837	New Morning Foundation Grant
838	Donation For Schools Supplies
839	Gifted/Talented Tuition
841	Head Start Collaboration
842	Head Start Child & Family Dev
843	C E Williams' After School Program
844	Misc Donations
845	Extended School Yr State
848	Better Health For Children
851	Pirc W/Tuw
855	Community Education
856	Alcohol Abuse
857	Teacher Quality Enhancement
858	State Improvement Grant
860	Adult Education Cbo Literacy
861	Adult Education Local
865	Ptsa Funds
870	National Coord Prog Proj Pride
871	Character Education
872	Earth Force
873	Emerg Svs Grant-School Safety
875	Safe Schools & Healthy Kids
878	Smaller Learning Comm
880	Head Start
881	Cornerstone Medicaid Nurses
884	Teacher Quality Research Grant
885	Us Fish And Wildlife
893	After School Program @ Military Magnet
898	Summer School Tuition

SPECIAL REVENUE FUND

SUMMARY SCHEDULE FOR OTHER DESIGNATED RESTRICTED STATE GRANTS

YEAR ENDED JUNE 30, 2007

Subfund	Revenue	Programs	Revenues	Expenditures	Special Revenue		Special Revenue Fund Deferred
					Interfund Transfers In (Out)	Other Fund Transfers In (Out)	
905	3125	Career and Technology Education (CTE)	\$ 374,106	374,106	-	-	\$ -
908	3126	Refurbishment of K-8 Science Kits (No	136,305	136,305	-	-	-
916	3991	School Technology Initiative (Carryover from	124,240	124,240	-	-	191,868
919	3193	Education License Plates	11,931	11,931	-	-	-
921	3151	Adult Education, Basic ( Includes Workforce	13,071	13,071	-	-	-
928	3118	EEDA Career Specialists	361,807	361,807	-	-	195,601
937	3127	Student Health and Fitness	190,363	190,363	-	-	-
938	3128	High School That Works	49,346	49,346	-	-	21,154
960	3610	K - 5 enhancement	1,956,060	1,956,060	-	-	439,867
967	3607	6-8 Enhancement	125,631	125,631	-	-	13,043
975	3615	EAA Technical Assistance	3,060,193	3,060,193	-	-	-
<b>Totals</b>			<b>\$ 6,403,053</b>	<b>6,403,053</b>	<b>-</b>	<b>-</b>	<b>\$ 861,533</b>

SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
 ALL PROGRAMS

YEAR ENDED JUNE 30, 2007

REVENUES	ACTUAL
3000 Revenue from State Sources:	
3100 Restricted State Funding:	
3161 EAA Bus Driver Salary and Fringe	\$ 119,922
3500 Education Improvement Act:	
3501 Increase High School Diploma Requirements	1,469,780
3505 School Technology Initiative	119,957
3509 Arts in Education	20,000
3513 Parenting/Family Literacy	188,928
3515 Advanced Placement Courses	58,585
3517 Advanced Placement - Singleton (Subfund 315)	12,500
3520 Gifted and Talented - Academic	1,935,102
3522 Gifted and Talented - Artistic	249,092
3523 Junior Scholars	2,700
3527 Critical Teaching Needs	12,681
3529 EAA Retraining Funds (Carryover from 2005-06 Only)	444,981
3530 Trainable & Profoundly Mentally Disabled Student Services	257,591
3532 National Board Certification (NBC) Salary Supplement (No Carryover Provision)	2,929,638
3533 Teacher of the Year Awards	1,077
3534 Professional Development on Standards	239,015
3540 Early Childhood Program (4K Programs Serving Four-Year-Old Children)	1,443,504
3542 Preschool Programs for Children with Disabilities	148,884
3546 Academic Assistance K-3	3,886,323
3548 Academic Assistance 4-12	3,102,861
3549 Academic Assistance Reading Recovery	243,228
3550 Teacher Salary Increase (No Carryover Provision)	6,222,837
3553 Adult Education - Remedial	38,691
3555 School Employer Contributions (No Carryover Provision)	1,194,785
3562 Adult Education, Basic (Includes Rural and Workforce Initiative)	357,748
3564 Adult Education, Young Adult Initiative	204,879
3565 Adult Education, Literacy	50,000
3568 EAA Technical Assistance	2,876,079
3570 Intervention and Assistance	694,117
3575 Competitive Teacher Grants	35,898
3577 Teacher Supplies (No Carryover Provision)	853,250
3578 High Schools That Work	49,128
3582 Principal Salary/Fringe Increase (No Carryover Provision)	192,443
3583 EAA Summer School/Comprehensive Remediation	2,413,818
3588 EAA Palmetto Gold and Silver Awards	231,307
3591 Excellence In Middle Schools	361,761
3592 School-to-Work Transition Act	\$ 106,366

(Continued)

**CHARLESTON COUNTY SCHOOL DISTRICT  
CHARLESTON, SOUTH CAROLINA**

**Schedule B-4**

**SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
ALL PROGRAMS**

**YEAR ENDED JUNE 30, 2007**

	<u>ACTUAL</u>
3593 EAA Reduce Class Size Grades 1 - 3	\$ 1,918,330
3595 EAA Homework Center Awards (Carryover from 2006-06 Only)	460,445
3596 EAA Alternative Schools Program	319,975
3598 Bus Driver Salary Supplement (No Carryover Provision)	(146)
3599 Other EIA	1,555
Total Revenue from State Sources	<u>35,469,615</u>
<b>TOTAL REVENUE ALL SOURCES</b>	<b><u>35,469,615</u></b>
 <b>EXPENDITURES</b>	
100 Instruction:	
110 General Instruction:	
111 Kindergarten Programs:	
100 Salaries	253,710
200 Employee Benefits	52,975
112 Primary Programs:	
100 Salaries	6,176,843
200 Employee Benefits	1,421,924
300 Purchased Services	1,492,978
400 Supplies and Materials	828,650
113 Elementary Programs:	
100 Salaries	2,338,999
200 Employee Benefits	631,629
300 Purchased Services	1,157,606
400 Supplies and Materials	1,478,068
114 High School Programs:	
100 Salaries	1,715,526
200 Employee Benefits	408,489
300 Purchased Services	398,705
400 Supplies and Materials	946,154
115 Vocation Programs:	
100 Salaries	22,500
200 Employee Benefits	4,275
120 Exceptional Programs:	
121 Educable Mentally Handicapped:	
100 Salaries	22,500
200 Employee Benefits	4,287
122 Trainable Mentally Handicapped:	
100 Salaries	134,226
200 Employee Benefits	29,393
300 Purchased Services	24,655
400 Supplies and Materials	30,739
123 Orthopedically Handicapped:	
100 Salaries	11,250
200 Employee Benefits	\$ 2,153

(Continued)

SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
 ALL PROGRAMS

YEAR ENDED JUNE 30, 2007

	<u>ACTUAL</u>
124 Visually Handicapped:	
100 Salaries	\$ 3,750
200 Employee Benefits	714
400 Supplies and Materials	(250)
127 Learning Disabilities:	
100 Salaries	92,307
200 Employee Benefits	17,562
128 Emotionally Handicapped:	
100 Salaries	11,250
200 Employee Benefits	2,160
130 Pre-School Programs:	
132 Preschool Handicapped Itinerant (5-Yr. Olds):	
100 Salaries	21,000
200 Employee Benefits	4,013
136 Preschool Handicapped Itinerant (3-and 4-Yr. Olds):	
100 Salaries	759
200 Employee Benefits	293
300 Purchased Services	107,879
400 Supplies and Materials	37,455
137 Preschool Handicapped Self-Contained (3- and 4-Yr. Olds):	
300 Purchased Services	2,497
139 Early Childhood Programs:	
100 Salaries	1,215,431
200 Employee Benefits	378,378
400 Supplies and Materials	208
140 Special Programs:	
141 Gifted and Talented - Academic:	
100 Salaries	1,340,427
200 Employee Benefits	373,611
300 Purchased Services	66,090
400 Supplies and Materials	98,963
143 Advanced Placement:	
400 Supplies and Materials	50,218
148 Gifted and Talented - Artistic:	
100 Salaries	45,639
200 Employee Benefits	6,813
300 Purchased Services	40,412
400 Supplies and Materials	80,454
170 Summer School Programs:	
171 Primary Summer School:	
100 Salaries	11,884
200 Employee Benefits	2,305
400 Supplies and Materials	\$ 575

(Continued)

**CHARLESTON COUNTY SCHOOL DISTRICT  
CHARLESTON, SOUTH CAROLINA**

**Schedule B-4**

**SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
ALL PROGRAMS**

**YEAR ENDED JUNE 30, 2007**

	<u>ACTUAL</u>
172 Elementary Summer School:	
100 Salaries	\$ 745,362
200 Employee Benefits	145,658
300 Purchased Services	65,218
400 Supplies and Materials	240,439
174 Gifted and Talented Summer School:	
400 Supplies and Materials	9,676
175 Instructional Programs Beyond Regular School Day:	
100 Salaries	532,142
200 Employee Benefits	106,958
300 Purchased Services	100,022
400 Supplies and Materials	60,280
180 Adult/Continuing Educational Programs:	
181 Adult Basic Education Programs:	
100 Salaries	56,568
200 Employee Benefits	13,958
182 Adult Secondary Education Programs:	
100 Salaries	149,631
200 Employee Benefits	33,384
300 Purchased Services	39,777
400 Supplies and Materials	24,606
187 Adult Education - Remedial:	
100 Salaries	30,741
200 Employee Benefits	6,353
400 Supplies and Materials	1,597
188 Parenting/Family Literacy:	
100 Salaries	165,186
200 Employee Benefits	48,142
300 Purchased Services	8,194
400 Supplies and Materials	11,987
Total Instruction	<u>26,196,910</u>
200 Support Services:	
210 Pupil Services:	
212 Guidance Services:	
100 Salaries	422,009
200 Employee Benefits	120,413
300 Purchased Services	2,473
213 Health Services:	
100 Salaries	29,307
200 Employee Benefits	\$ 8,888

(Continued)

SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
 ALL PROGRAMS

YEAR ENDED JUNE 30, 2007

	<u>ACTUAL</u>
220 Instructional Staff Services:	
221 Improvement of Instruction-Curriculum Development:	
100 Salaries	\$ 1,314,246
200 Employee Benefits	330,669
300 Purchased Services	560,624
400 Supplies and Materials	127,664
600 Other Objects	1,905
222 Library and Media:	
100 Salaries	60,000
200 Employee Benefits	11,188
300 Purchased Services	925
400 Supplies and Materials	15,622
223 Supervision of Special Programs:	
100 Salaries	578,218
200 Employee Benefits	147,063
300 Purchased Services	4,224
400 Supplies and Materials	250
224 Improvement of Instruction - Inservice and Staff Training:	
100 Salaries	4,875
200 Employee Benefits	831
300 Purchased Services	289,251
400 Supplies and Materials	80,601
500 Capital Outlay	6,121
230 General Administration Services:	
233 School Administration:	
100 Salaries	140,681
200 Employee Benefits	39,570
250 Finance and Operations Services:	
255 Student Transportation (State Mandated):	
300 Purchased Services	234,492
260 Central Support Services:	
262 Planning:	
100 Salaries	2,355
200 Employee Benefits	565
266 Technology and Data Processing Services:	
500 Capital Outlay	3,400
270 Support Services - Pupil Activity:	
271 Pupil Services Activities:	
300 Purchased Services (Optional)	19,850
400 Supplies and Materials (Optional)	800
Total Support Services	<u>\$ 4,559,080</u>

(Continued)



**CHARLESTON COUNTY SCHOOL DISTRICT  
CHARLESTON, SOUTH CAROLINA**

**Schedule B-4**

**SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
ALL PROGRAMS**

**YEAR ENDED JUNE 30, 2007**

	<u>ACTUAL</u>
410 Intergovernmental Expenditures:	
416 Payments to Public Charter Schools	
720 Transits	\$ 1,651,811
Total Intergovernmental Expenditures	<u>1,651,811</u>
<b>TOTAL EXPENDITURES</b>	<b><u>32,407,801</u></b>
<b>OTHER FINANCING SOURCES (USES)</b>	
Interfund Transfers, From (To) Other Funds:	
5210 Transfer from General Fund (Exclude Indirect Costs)	3,904,675
420-710 Transfer to General Fund (Exclude Indirect Costs)	(6,966,489)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(3,061,814)</u>
<b>EXCESS/DEFICIENCY OF REVENUES AND EXPENDITURES</b>	<b>-</b>
FUND BALANCE, Beginning of Year	<u>-</u>
<b>FUND BALANCE, End of Year</b>	<b><u>\$ -</u></b>

SPECIAL REVENUE FUND - EDUCATION IMPROVEMENT ACT

SUMMARY SCHEDULE BY PROGRAM

YEAR ENDED JUNE 30, 2007

Program	Revenues	Expenditures	EIA Interfund Transfers In/(Out)	Other Fund Transfers In/(Out)	EIA Fund Deferred Revenue
3100 Restricted State Funding					
3161 EAA Bus Driver Salary and Fringe	\$ 119,922	119,922	-	-	\$ -
3500 Education Improvement Act:					
3501 Increase High School Diploma Requirements	1,469,780	1,469,780	-	-	966
3505 School Technology Initiative	119,957	119,957	-	-	-
3509 Arts in Education	20,000	20,000	-	-	-
3513 Parenting/Family Literacy (Carryover from 2004-05 Only)	188,928	188,928	-	-	-
3515 Advanced Placement Courses	58,585	58,585	-	-	-
3517 Advanced Placement - Singleton (Subfund 315)	12,500	12,500	-	-	-
3520 Gifted and Talented - Academic	1,935,102	1,935,102	-	-	-
3522 Gifted and Talented - Artistic	249,092	249,092	-	-	3,240
3523 Junior Scholars Program	2,700	2,700	-	-	-
3527 Critical Teaching Needs	12,681	12,681	-	-	-
3529 EAA Retraining Funds (Carryover from 2005-06 Only)	444,981	444,981	-	-	-
3530 Trainable & Profoundly Mentally Disabled Student Services	257,591	257,591	-	-	-
3532 National Board Certification (NBC) Salary Supplement	2,929,638	2,929,638	-	-	-
3533 Teacher of the Year Awards (No Carryover Provision)	1,077	1,077	-	-	-
3534 Professional Development on Standards	239,015	239,015	-	-	52,959
3540 Four-Year Old Early Childhood Program	1,443,504	1,443,504	-	-	-
3542 Preschool Programs for Children with Disabilities	148,884	148,884	-	-	-
3546 Academic Assistance K-3 (No Carryover Provision)	3,886,323	3,886,323	-	-	102
3548 Academic Assistance 4-12 (No Carryover Provision)	3,102,861	7,007,536	-	3,904,675	50
3549 Academic Assistance Reading Recovery	243,228	243,228	-	-	22,242
3550 Teacher Salary Increase	6,222,837	(743,652)	-	(6,966,489)	-
3553 Adult Education - Remedial	38,691	38,691	-	-	22,631
3555 School Employer Contributions (No Carryover Provision)	1,194,785	1,194,785	-	-	-
3562 Adult Education, Basic (Rural And Workforce Initiative)	357,748	357,748	-	-	17,008
3564 Adult Education, Young Adult Initiative	204,879	204,879	-	-	8,866
3565 Adult Education, Literacy	50,000	50,000	-	-	-
3568 EAA Technical Assistance	2,876,079	2,876,079	-	-	-
3570 Intervention and Assistance	694,117	694,117	-	-	-
3575 Competitive Teacher Grants	35,898	35,898	-	-	-
3577 Teacher Supplies (No Carryover Provision)	853,250	853,250	-	-	-
3578 High Schools That Work	49,128	49,128	-	-	44,591
3582 Principal Salary/Fringe Increase (No Carryover Provision)	192,443	192,443	-	-	-
3583 EAA Summer School/Comprehensive Remediation	2,413,818	2,413,818	-	-	876,151
3588 EAA Palmetto Gold and Silver Awards	231,307	231,307	-	-	158,103
3591 Excellence in Middle Schools	361,761	361,761	-	-	123,219
3592 School-to-Work Transition Act	106,366	106,366	-	-	16,064
3593 EAA Reduce Class Size Grades 1 - 3	1,918,330	1,918,330	-	-	-
3595 EAA Homework Center Awards (Carryover from 2005-06 Only) (Unsatisfactory and Below Average Schools)	460,445	460,445	-	-	-
3596 EAA Alternative Schools Program	319,975	319,975	-	-	477,043
3598 Bus Driver Salary Supplement (No Carryover Provision)	(146)	(146)	-	-	-
3599 Other EIA	1,555	1,555	-	-	5,747
<b>Totals</b>	<b>\$ 35,469,615</b>	<b>32,407,801</b>	<b>-</b>	<b>(3,061,814)</b>	<b>\$ 1,828,982</b>

DETAILED SCHEDULE OF DUE TO STATE DEPARTMENT OF EDUCATION/FEDERAL GOVERNMENT

YEAR ENDED JUNE 30, 2007

<u>Program</u>	<u>Project/Grant Number</u>	<u>Revenue &amp; Subfund Code</u>	<u>Description</u>	<u>Amount Due to State Department of Education or Federal Government</u>	<u>Status of Amount Due to Grantors</u>
21st Century Community Learning	Special Revenue	4924	Unexpended Funds	\$ 522	Paid After Year-End
Medicaid	Special Revenue	1930	Unexpended Funds	98,194	Paid After Year-End
<b>Total</b>				<b>\$ 98,716</b>	

FOOD SERVICE FUND

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS

YEAR ENDED JUNE 30, 2007

	<u>ACTUAL</u>
<b>REVENUES</b>	
1000 Revenue from Local Sources:	
1500 Earnings on Investments:	
1510 Interest on Investments	\$ 113,192
1600 Food Service:	
1610 Lunch Sales to Pupils	1,844,001
1620 Breakfast Sales to Pupils	80,564
1630 Special Sales to Pupils	3,296,713
1640 Lunch Sales to Adults	257,485
1650 Breakfast Sales to Adults	12,018
1660 Special Sales to Adults	286,955
1900 Other Revenue from Local Sources:	
1992 Canteen Operations	422,227
1999 Revenue from Other Local Sources	44,229
Total Revenue from Local Sources	<u>6,357,384</u>
3000 Revenue from State Sources:	
3100 Restricted State Funding:	
3140 School Lunch:	
3142 Program Aid	29,571
Total Revenue from State Sources	<u>29,571</u>
4000 Revenue from Federal Sources:	
4800 USDA Reimbursement:	
4810 School Lunch and After School Snacks Program	7,669,017
4830 School Breakfast Program	3,434,529
4900 Other Federal Sources:	
4991 USDA Commodities (Food Distribution Program) (Carryover Provision)	766,812
Total Revenue from Federal Sources	<u>11,870,358</u>
<b>TOTAL REVENUE ALL SOURCES</b>	<b><u>18,257,313</u></b>
<b>EXPENSES</b>	
200 Support Services:	
256 Food Service:	
100 Salaries	6,722,020
200 Employee Benefits	1,996,007
300 Purchased Services (Exclude Gas, Oil, Electricity and Other Heating Fuels)	261,598
400 Supplies and Materials (Include Gas, Oil, Electricity and Other Heating Fuels)	9,346,953
600 Other Objects	(200)
Total Food Services Expenses	<u>18,326,378</u>
<b>TOTAL EXPENSES</b>	<b><u>\$ 18,326,378</u></b>

(Continued)

FOOD SERVICE FUND

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS

YEAR ENDED JUNE 30, 2007

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	<u>ACTUAL</u>
<b>OTHER FINANCING SOURCES (USES)</b>	
5300 Sale of Fixed Assets	\$ 6,284
Interfund Transfers, From (To) Other Funds:	
5210 Transfer from General Fund (Excludes Indirect Costs)	1,239,589
432-791 Food Service Fund Indirect Costs	(1,208,776)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u><b>37,097</b></u>
<b>EXCESS/DEFICIENCY OF REVENUES AND EXPENSES</b>	<b>(31,968)</b>
NET ASSETS, Beginning of Year	<u>2,944,272</u>
<b>NET ASSETS, End of Year</b>	<u><b>\$ 2,912,304</b></u>

**CHARLESTON COUNTY SCHOOL DISTRICT  
CHARLESTON, SOUTH CAROLINA**

**Schedule C-1**

**DEBT SERVICE FUND - DISTRICT**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**

**YEAR ENDED JUNE 30, 2007**

	<u>ACTUAL</u>
<b>REVENUES</b>	
1000 Revenue from Local Sources:	
1100 Taxes:	
1110 Ad Valorem Taxes-Including Delinquent (Fiscally Independent LEA)	\$ 33,574,043
1140 Penalties & Interest on Taxes (Independent)	1,088,326
1500 Earnings on Investments:	
1510 Interest on Investments	64,799
Total Revenue from Local Sources	<u>34,727,168</u>
3000 Revenue from State Sources:	
3800 State Revenue in Lieu of Taxes:	
3830 Merchant's Inventory Tax	445,953
3840 Manufacturers Depreciation Reimbursement	122,592
3890 Other State Property Tax Revenues (Includes Motor Carrier Vehicle Tax)	28,502
Total Revenue from State Sources	<u>597,047</u>
<b>TOTAL REVENUE ALL SOURCES</b>	<u><b>35,324,215</b></u>
<b>EXPENDITURES</b>	
500 Debt Service:	
610 Redemption of Principal	7,805,000
620 Interest	11,221,811
Total Debt Service	<u>19,026,811</u>
<b>TOTAL EXPENDITURES</b>	<u><b>19,026,811</b></u>
<b>OTHER FINANCING SOURCES (USES)</b>	
Interfund Transfers, From (To) Other Funds:	
5240 Transfer from Debt Service Fund - Development Corporation	968,412
423-710 Transfer to Debt Service Fund - District	(18,706,202)
424-710 Transfer to Capital Projects Fund	(4,800,000)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(22,537,790)</u>
<b>EXCESS/DEFICIENCY OF REVENUES AND EXPENDITURES</b>	<u><b>(6,240,386)</b></u>
FUND BALANCE, Beginning of Year	<u>10,793,089</u>
<b>FUND BALANCE, End of Year</b>	<u><u><b>\$ 4,552,703</b></u></u>

**CHARLESTON COUNTY SCHOOL DISTRICT  
CHARLESTON, SOUTH CAROLINA**

**Schedule C-2**

**DEBT SERVICE FUND - CEEF**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**

**YEAR ENDED JUNE 30, 2007**

	<u>ACTUAL</u>
<b>REVENUES</b>	
1000 Revenue from Local Sources:	
1500 Earnings on Investments:	
1510 Interest on Investments	\$ 3,840,458
Total Revenue from Local Sources	<u>3,840,458</u>
<b>TOTAL REVENUE ALL SOURCES</b>	<b><u>3,840,458</u></b>
 <b>EXPENDITURES</b>	
500 Debt Service:	
610 Redemption of Principal	2,250,000
620 Interest	33,974,404
Total Debt Service	<u>36,224,404</u>
<b>TOTAL EXPENDITURES</b>	<b><u>36,224,404</u></b>
 <b>OTHER FINANCING SOURCES (USES)</b>	
Interfund Transfers, From (To) Other Funds:	
5240 Transfer from Debt Service Fund	18,706,202
5250 Transfer from Capital Projects Fund - CEEF	15,974,421
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b><u>34,680,623</u></b>
<b>EXCESS/DEFICIENCY OF REVENUES AND EXPENDITURES</b>	<b>2,296,677</b>
 FUND BALANCE, Beginning of Year	 <u>67,896,199</u>
 <b>FUND BALANCE, End of Year</b>	 <b><u>\$ 70,192,876</u></b>

**CAPITAL PROJECTS FUND - DISTRICT**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**

**YEAR ENDED JUNE 30, 2007**

	<u>ACTUAL</u>
<b>REVENUES</b>	
1000 Revenue from Local Sources:	
1500 Earnings on Investments:	
1510 Interest on Investments	\$ 327,014
Total Revenue from Local Sources	<u>327,014</u>
3000 Revenue from State Sources:	
3100 Restricted State Funding:	
3172 Children's Education Endowment (Barnwell Facilities Fund)	420,241
Total Revenue from State Sources	<u>420,241</u>
<b>TOTAL REVENUE ALL SOURCES</b>	<b><u>747,255</u></b>
<b>EXPENDITURES</b>	
250 Finance and Operations:	
253 Facilities Acquisition & Construction:	
100 Salaries	1,347
200 Employee Benefits	(3)
300 Purchased Services	1,970,535
400 Supplies and Materials	2,130,350
500 Capital Outlay:	
520 Construction Services	68,123
530 Improvements Other Than Buildings	677,900
540 Equipment	259,549
545 Technology, Equipment and Software	522,270
550 Vehicles	270,395
590 Other Capital Outlay	40
Total Support Services	<u>5,900,506</u>
<b>TOTAL EXPENDITURES</b>	<b><u>5,900,506</u></b>
<b>OTHER FINANCING SOURCES (USES)</b>	
5110 Premium on Bonds Sold	107,167
Interfund Transfers, From (To) Other Funds:	
5210 Transfer from General Fund (Exclude Indirect Costs)	3,272
5250 Transfer from Capital Projects Fund - CEEF	2,773,922
5242 Transfer from Debt Service Fund	4,800,000
420-710 Transfer to General Fund (Exclude Indirect Cost)	(428,441)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b><u>7,255,920</u></b>
<b>EXCESS/DEFICIENCY OF REVENUES AND EXPENDITURES</b>	<b>2,102,669</b>
FUND BALANCE, Beginning of Year	<u>1,325,974</u>
<b>FUND BALANCE, End of Year</b>	<b><u>\$ 3,428,643</u></b>



**CHARLESTON COUNTY SCHOOL DISTRICT  
CHARLESTON, SOUTH CAROLINA**

**Schedule D-2**

**CAPITAL PROJECTS FUND - CEEF**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**

**YEAR ENDED JUNE 30, 2007**

	<u>ACTUAL</u>
<b>REVENUES</b>	
1000 Revenue from Local Sources:	
1500 Earnings on Investments:	
1510 Interest on Investments	\$ 23,992,254
Total Revenue from Local Sources	<u>23,992,254</u>
<b>TOTAL REVENUE ALL SOURCES</b>	<b><u>23,992,254</u></b>
<b>EXPENDITURES</b>	
250 Finance and Operations:	
253 Facilities Acquisition & Construction:	
100 Salaries	562,960
200 Employee Benefits	131,104
300 Purchased Services	2,306,832
400 Supplies and Materials	227,025
500 Capital Outlay:	
510 Land	7,552,600
520 Construction Services	12,280,919
530 Improvements Other Than Buildings	116,263
540 Equipment	462,167
545 Technology, Equipment and Software	309,171
550 Vehicles	249
580 Mobile Classrooms	2,271,979
590 Other Capital Outlay	9,435,233
600 Other Objects:	
690 Other Objects	874
Total Support Services	<u>35,657,376</u>
<b>TOTAL EXPENDITURES</b>	<b><u>35,657,376</u></b>
<b>OTHER FINANCING SOURCES (USES)</b>	
423-710 Transfer to Debt Service Fund - CEEF	(15,974,421)
424-710 Transfer to Capital Projects Fund - District	(2,773,922)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(18,748,343)</u>
<b>EXCESS/DEFICIENCY OF REVENUES AND EXPENDITURES</b>	<b>(30,413,465)</b>
FUND BALANCE, Beginning of Year	<u>520,392,578</u>
<b>FUND BALANCE, End of Year</b>	<b><u>\$ 489,979,113</u></b>

CHARLESTON COUNTY SCHOOL DISTRICT  
 CHARLESTON, SOUTH CAROLINA

Schedule E-1

STATEMENT OF ASSETS AND LIABILITIES

NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2007

	Debt Service Fund	Permanent Funds		Total Nonmajor Governmental Funds
	Charleston County School Dist. Development Corporation	Lawrence C. Dethrick Jr. Memorial Trust	Medals & Awards	
<b>ASSETS</b>				
Investments	\$ 898,974	110,156	124,226	\$ 1,133,356
Due From Other Funds	-	40,031	-	40,031
<b>TOTAL ASSETS</b>	<b><u>898,974</u></b>	<b><u>150,187</u></b>	<b><u>124,226</u></b>	<b><u>1,173,387</u></b>
<b>LIABILITIES AND FUND EQUITY</b>				
<b>EQUITY</b>				
Fund Balance Reserved for Endowment Principal	-	150,187	27,947	178,134
Unreserved & Undesignated Fund Balance	898,974	-	96,279	995,253
<b>TOTAL EQUITY</b>	<b><u>898,974</u></b>	<b><u>150,187</u></b>	<b><u>124,226</u></b>	<b><u>1,173,387</u></b>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b><u>\$ 898,974</u></b>	<b><u>150,187</u></b>	<b><u>124,226</u></b>	<b><u>\$ 1,173,387</u></b>

NONMAJOR GOVERNMENTAL FUNDS

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

YEAR ENDED JUNE 30, 2007

	<u>Debt Service Fund</u>	<u>Permanent Funds</u>		
	<u>Charleston County School District Development Corporation</u>	<u>Lawrence C. Derhick, Jr. Memorial Trust</u>	<u>Medal &amp; Awards</u>	<u>Total Nonmajor Governmental Funds</u>
<b>REVENUES</b>				
1000 Revenue from Local Sources:				
1500 Earnings on Investments:				
1510 Interest on Investments	\$ 55,841	8,240	6,445	\$ 70,526
Total Revenue from Local Sources	<u>55,841</u>	<u>8,240</u>	<u>6,445</u>	<u>70,526</u>
<b>TOTAL REVENUE ALL SOURCES</b>	<u><b>55,841</b></u>	<u><b>8,240</b></u>	<u><b>6,445</b></u>	<u><b>70,526</b></u>
<b>EXPENDITURES</b>				
250 Finance and Operations:				
253 Facilities Acquisition & Construction:				
300 Purchased Services	7,759	-	-	7,759
270 Support Services				
273 Agency and Trust Activity				
600 Other Objects:	-	9,969	-	9,969
Total Support Services	<u>7,759</u>	<u>9,969</u>	<u>-</u>	<u>17,728</u>
<b>TOTAL EXPENDITURES</b>	<u><b>7,759</b></u>	<u><b>9,969</b></u>	<u><b>-</b></u>	<u><b>17,728</b></u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Interfund Transfers, From (To) Other Funds:				
5210 Transfer from General Fund (Exclude Indirect Costs)	913,664	-	-	913,664
420-710 Transfer to General Fund (Exclude Indirect Cost)	(151,900)	-	-	(151,900)
423-710 Transfer to Debt Service Fund - District	(968,412)	-	-	(968,412)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(206,648)</u>	<u>-</u>	<u>-</u>	<u>(206,648)</u>
<b>EXCESS/DEFICIENCY OF REVENUES AND EXPENDITURES</b>	<u><b>(158,566)</b></u>	<u><b>(1,729)</b></u>	<u><b>6,445</b></u>	<u><b>(153,850)</b></u>
FUND BALANCE, Beginning of Year	<u>1,057,541</u>	<u>151,916</u>	<u>117,780</u>	<u>1,327,237</u>
<b>FUND BALANCE, End of Year</b>	<u><b>\$ 898,975</b></u>	<u><b>150,187</b></u>	<u><b>124,225</b></u>	<u><b>\$ 1,173,387</b></u>

PUPIL ACTIVITY FUND

SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN DUE TO STUDENT ORGANIZATIONS

YEAR ENDED JUNE 30, 2007

	<u>ACTUAL</u>
<b>RECEIPTS</b>	
1000 Receipts from Local Sources:	
1500 Earnings on Investments:	
1510 Interest on Investments	\$ 45,016
1700 Pupil Activities:	
1710 Admissions	1,522,350
1720 Bookstore Sales	228,887
1730 Pupil Organization Membership Dues and Fees	53,843
1740 Student Fees	1,599,955
1790 Other	4,620,878
1900 Other Revenue from Local Sources	
1999 Revenue from Other Local Sources	4,342,126
Total Receipts from Local Sources	<u>12,413,055</u>
<b>TOTAL RECEIPTS ALL SOURCES</b>	<b><u>12,413,055</u></b>
<b>DISBURSEMENTS</b>	
190 Instructional Pupil Activity:	
660 Pupil Activity	3,057,640
Total Instruction	<u>3,057,640</u>
270 Support Services Pupil Activity:	
271 Pupil Service Activities:	
100 Salaries (Optional)	162,486
200 Employee Benefits (Optional)	28,863
300 Purchased Services (Optional)	361,460
400 Supplies and Materials (Optional)	21,628
660 Pupil Activity	479,178
272 Enterprise Activities:	
400 Supplies and Materials (Optional)	167
660 Pupil Activity	2,799,194
273 Trust and Agency Activities:	
660 Enterprise Activity	5,619,047
Total Pupil Activity Expenditures	<u>9,472,023</u>
<b>TOTAL DISBURSEMENTS</b>	<b><u>12,529,663</u></b>
<b>EXCESS/DEFICIENCY OF REVENUES AND EXPENDITURES</b>	<b>(116,608)</b>
STUDENT ORGANIZATIONS, Beginning of Year	<u>2,875,657</u>
<b>STUDENT ORGANIZATIONS, End of Year</b>	<b><u>\$ 2,759,049</u></b>

CHARTER SCHOOLS

COMBINING SCHEDULE OF NET ASSETS

JUNE 30, 2007

	James Island Charter High School	Charleston Development Academy, Inc.	East Cooper Monessori Charter School	Orange Grove Elementary Charter School	Totals
<b>ASSETS</b>					
Cash and Cash Equivalents	\$ 7,111,676	149,720	350,267	892,752	\$ 8,504,415
Accounts Receivable	-	19,648	-	-	19,648
Due from Governmental Agencies	18,838	20,367	87	6,426	45,718
Due from Others	38,345	-	31,802	-	70,147
Due from Other Funds	-	8,312	-	-	8,312
Other Assets	49,292	-	-	-	49,292
Capital Assets - Net of Accumulated Depreciated	1,108,894	230,130	106,698	122,877	1,568,599
<b>TOTAL ASSETS</b>	<b>8,327,045</b>	<b>428,177</b>	<b>488,854</b>	<b>1,022,055</b>	<b>10,266,131</b>
<b>LIABILITIES</b>					
Accounts Payable	1,202,859	57,086	42,979	14,457	1,317,381
Unearned Revenue	21,868	-	-	18,326	40,194
Due to Governmental Agencies	2,733,971	11,816	24,983	-	2,770,770
Accrued Compensation and Related Benefits	25,297	-	-	-	25,297
Long-term Liabilities:					
Due Within One Year	-	14,380	-	-	14,380
Due in More than One Year	-	177,489	-	-	177,489
<b>TOTAL LIABILITIES</b>	<b>3,983,995</b>	<b>260,771</b>	<b>67,962</b>	<b>32,783</b>	<b>4,345,511</b>
<b>NET ASSETS</b>					
Invested in Capital Assets, Net of Related Debt	1,108,894	38,261	106,698	122,877	1,376,730
Unrestricted	3,234,156	129,145	314,194	866,395	4,543,890
<b>TOTAL NET ASSETS</b>	<b>\$ 4,343,050</b>	<b>167,406</b>	<b>420,892</b>	<b>989,272</b>	<b>\$ 5,920,620</b>

CHARTER SCHOOLS

COMBINING SCHEDULE OF ACTIVITIES

YEAR ENDED JUNE 30, 2007

	<u>James Island Charter High School</u>	<u>Charleston Development Academy, Inc.</u>	<u>East Cooper Monessori Charter School</u>	<u>Orange Grove Elementary Charter School</u>	<u>Totals</u>
<b>FUNCTIONS/PROGRAMS</b>					
<b>PRIMARY GOVERNMENT</b>					
Governmental Activities:					
Instruction					
Expenses	\$ (8,620,702)	(530,404)	(445,575)	(4,033,784)	\$ (13,630,465)
Revenues					
Charges for Services	38,946	-	29,031	-	67,977
Operating Grants and Contributions	1,215,870	134,923	42,382	3,912,744	5,305,919
Support Services					
Expenses	(5,080,468)	(250,153)	(309,944)	(1,213,512)	(6,854,077)
Operating Grants and Contributions	55,527	10,793	9,287	2,271,057	2,346,664
Community Services					
Expenses	-	(1,053)	(8,159)	-	(9,212)
Capital Outlay					
Expenses	(216,945)	(2,740)	(2,285)		(221,970)
Revenues					
Capital Grants and Contributions	90,775	-	-	-	90,775
Intergovernmental					
Revenues					
Operating Grants and Contributions	-	-	-	18,198	18,198
Interest Expense and Other Charges	-	(7,410)	-	-	(7,410)
Depreciation Expense - Unallocated *	-	(16,427)	(6,008)	-	(22,435)
<b>TOTAL GOVERNMENT ACTIVITIES</b>	<u>(12,516,997)</u>	<u>(662,471)</u>	<u>(691,271)</u>	<u>954,703</u>	<u>(12,916,036)</u>
<b>GENERAL REVENUES</b>					
Miscellaneous Revenue	165,552	67,692	2,120	34,569	269,933
Intergovernmental Revenues	11,555,304	706,308	789,179	-	13,050,791
Interest on Investments	332,231	961	5,215	-	338,407
Total General Revenue	<u>12,053,087</u>	<u>774,961</u>	<u>796,514</u>	<u>34,569</u>	<u>13,659,131</u>
<b>CHANGE IN NET ASSETS</b>	(463,910)	112,490	105,243	989,272	743,095
NET ASSETS, Beginning of Year	<u>4,806,960</u>	<u>54,916</u>	<u>315,649</u>	<u>-</u>	<u>5,177,525</u>
<b>NET ASSETS, End of Year</b>	<u>\$ 4,343,050</u>	<u>167,406</u>	<u>420,892</u>	<u>989,272</u>	<u>\$ 5,920,620</u>

\*This amount excludes the depreciation that is included in the direct expense of the various functions.