



**Auditor of State
Betty Montgomery**

**COLUMBUS CITY SCHOOL DISTRICT
FRANKLIN COUNTY**

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**COLUMBUS CITY SCHOOL DISTRICT
FRANKLIN COUNTY**

**FEDERAL AWARDS RECEIPTS AND EXPENDITURES SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2004**

Federal Grantor/ Pass Through Grantor Program Title	Pass Through Entity Number	Federal CFDA Number	Receipts	Non-Cash Receipts	Disbursements	Non-Cash Disbursements
<u>U.S. DEPARTMENT OF AGRICULTURE</u>						
<i>Passed Through Ohio Department of Education:</i>						
Nutrition Cluster:						
Food Donation Program	043802	10.550	\$ -	\$ 1,367,059	\$ -	\$ 1,367,059
School Breakfast Program	043802 05PU-2003	10.553	1,005,529	-	1,005,529	-
	043802 05PU-2004	10.553	2,719,901	-	2,719,901	-
Total School Breakfast Program			3,725,430	-	3,725,430	-
National School Lunch Program	043802 LLP4-2003	10.555	3,240,134	-	3,240,134	-
	048302 LLP4-2004	10.555	9,460,716	-	9,460,716	-
Total National School Lunch Program			12,700,850	-	12,700,850	-
Total Nutrition Cluster:			16,426,280	1,367,059	16,426,280	1,367,059
Child and Adult Care Food Program	043802 CCCP-2003	10.558	581	-	581	-
	043802 CCCP-2004	10.558	344	-	344	-
	043802 CCMN-2003	10.558	(337)	-	-	-
	043802 CCMO-2003	10.558	9,494	-	9,494	-
	043802 CCMO-2004	10.558	16,281	-	16,281	-
	043802 CCXR-2003	10.558	(3)	-	-	-
Total Child and Adult Care Food Program			26,360	-	26,700	-
Team Nutrition Grants	043802 TWAD-2004	10.574	10,000	-	10,000	-
TOTAL U.S. DEPARTMENT OF AGRICULTURE			16,462,640	1,367,059	16,462,980	1,367,059
<u>U.S. DEPARTMENT OF EDUCATION</u>						
Federal Pell Grant Program		84.063	294,595	-	295,765	-
Special Education - Grants for Infants and Families with Disabilities		84.181	200,187	-	204,920	-
Safe and Drug Free Schools and Communities: National Programs		84.184	1,055,181	-	1,337,189	-
Fund for the Improvement of Education		84.215	702,295	-	779,457	-
Twenty-First Century Community Learning Centers		84.287	286,662	-	308,140	-
Foreign Language Incentive Program		84.294	21,545	-	21,588	-
Dropout Prevention Program		84.360	441,000	-	395,565	-
Total Direct Funding:			3,001,465	-	3,342,624	-
<i>Passed Through Ohio Department of Education:</i>						
Special Education Cluster:						
Special Education Grants to States	043802 6BEC-2002	84.027	(6,314)	-	-	-
	043802 6BSF-2002	84.027	-	-	150	-
	043802 PFS1-1996	84.027	-	-	41	-
	043802 6BSF-2001	84.027	-	-	2,081	-
	043802 6BSF-2003	84.027	9,471,038	-	9,518,642	-
Total Special Education Grants to States			9,464,724	-	9,520,914	-
Special Education - Preschool Grant	043802 PGS1-1999	84.173	-	-	51	-
	043802 PGS1-2002	84.173	-	-	25	-
	043802 PGS1-2003	84.173	-	-	55,502	-
	043802 PGS1-2004	84.173	252,444	-	250,510	-
Total Special Education- Preschool Grant			252,444	-	306,088	-
Total Special Education Cluster:			9,717,168	-	9,827,002	-
Adult Education: State Grant Program	043802 ABS1-2003	84.002	173,537	-	62,295	-
	043802 ABS1-2003C	84.002	83,437	-	83,437	-
	043802 ABS1-2004	84.002	561,698	-	843,216	-
Total Adult Education: State Grant Program			818,672	-	988,948	-

**COLUMBUS CITY SCHOOL DISTRICT
FRANKLIN COUNTY**

**FEDERAL AWARDS RECEIPTS AND EXPENDITURES SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2004
(Continued)**

Federal Grantor/ Pass Through Grantor Program Title	Pass Through Entity Number	Federal CFDA Number	Receipts	Non-Cash Receipts	Disbursements	Non-Cash Disbursements
U.S. DEPARTMENT OF EDUCATION (Continued)						
<i>Passed Through Ohio Department of Education: (Continued)</i>						
Title I - Grants to Local Educational Agencies	043802 C1S1-2001	84.010	-	-	(1,400)	-
	043802 C1S1-2003	84.010	3,389,157	-	3,677,421	-
	043802 C1S1-2004	84.010	21,960,633	-	21,204,570	-
	043802 C1SD-2003	84.010	55,630	-	55,630	-
	043802 C1SD-2004	84.010	37,400	-	40,517	-
	043802 C1SK-2003	84.010	188,948	-	95,454	-
	043802 C1SK-2004	84.010	370,241	-	311,615	-
Total Title 1-Grants to Local Educational Agencies			26,002,009	-	25,383,807	-
Vocational Education: Basic Grants to States	043802 20C1-2003	84.048	1,163,524	-	1,049,799	-
	043802 20C1-2004	84.048	1,502,118	-	1,435,452	-
	043802 20C2-2003	84.048	169,919	-	183,040	-
Total Vocational Education: Basic Grants to States			2,835,561	-	2,668,291	-
Safe and Drug Free Schools and Communities State Grants	043802 DRS1-2001	84.186	(17,802)	-	-	-
	043802 DRS1-2002	84.186	(47,887)	-	-	-
	043802 DRS1-2003	84.186	287,997	-	342,505	-
	043802 DRS1-2004	84.186	258,527	-	559,379	-
Total Safe and Drug Free Schools and Communities State Grants			480,835	-	901,884	-
Education for Homeless Children and Youth	043802 HCS1-2003	84.196	71,332	-	32,267	-
	043802 HCS1-2004	84.196	267,340	-	253,206	-
	043802 HCSP-2003	84.196	40,747	-	40,747	-
	043802 HCSP-2004	84.196	13,500	-	-	-
Total Education for Homeless Children and Youth			392,919	-	326,220	-
Even Start: State Educational Agencies	043802 EVS1-2002	84.213	-	-	(60,594)	-
	043802 EVS1-2004	84.213	321,546	-	223,025	-
	043802 EVS2-2003	84.213	188,674	-	231,114	-
Total Even Start: State Educational Agencies			510,220	-	393,545	-
Goals 2000 State and Local Education Systemic Improvement	043802 G1S1-01	84.276	(48,406)	-	-	-
	043802 G2S2-01	84.276	(2,323)	-	-	-
	043802 G2S5-01	84.276	(7,289)	-	-	-
	043802 HSTW-01	84.276	(32)	-	-	-
Total Goals 2000 State and Local Education Systemic Improvement			(58,050)	-	-	-
Twenty-First Century Community Learning Centers	043802 T1S1-2003	84.287	10,857	-	17,761	-
	043802 T1S1-2004	84.287	808,694	-	708,684	-
Total Twenty-First Century Community Learning Centers			819,551	-	726,445	-
Innovative Education Program Strategies	043802 C2S1-2002	84.298	(111,703)	-	-	-
	043802 C2S1-2003	84.298	332,418	-	289,327	-
	043802 C2S1-2004	84.298	513,474	-	602,596	-
Total Innovative Education Program Strategies			734,189	-	891,923	-
Technology Literacy Challenge Fund Grant	043802 TJS1-2003	84.318	95,065	-	125,726	-
	043802 TJS1-2004	84.318	344,614	-	325,183	-
	043802 TJS1-2004	84.318	4,734,000	-	3,858,036	-
Total Technology Literacy Challenge Fund Grant			5,173,679	-	4,308,945	-
Advanced Placement Program	043802 AVS1-2002	84.330	10,350	-	10,350	-
Comprehensive School Reform Demonstration	043802 RFCC-2004	84.332	780,052	-	572,606	-
	043802 RFK1-2002	84.332	98,093	-	77,625	-
	043802 RFK1-2003	84.332	22,188	-	17,534	-
	043802 RFS1-2001	84.332	(13,096)	-	-	-
	043802 RFS1-2002	84.332	31,623	-	28,919	-
	043802 RFS2-2002	84.332	112,295	-	100,370	-
	043802 RFS1-2003	84.332	64,218	-	56,081	-
	043802 RFS3-2003	84.332	225,660	-	219,380	-
Total Comprehensive School Reform Demonstration			1,321,033	-	1,072,515	-
Teacher Quality Enhancement Grants	043802 QEA1-2001	84.336	55,000	-	55,000	-
Reading Excellence	043802 RNS1-2000	84.338	(26,016)	-	-	-

COLUMBUS CITY SCHOOL DISTRICT
FRANKLIN COUNTY

FEDERAL AWARDS RECEIPTS AND EXPENDITURES SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2004
(Continued)

Federal Grantor/ Pass Through Grantor Program Title	Pass Through Entity Number	Federal CFDA Number	Receipts	Non-Cash Receipts	Disbursements	Non-Cash Disbursements
<u>U.S. DEPARTMENT OF EDUCATION (Continued)</u>						
<i>Passed Through Ohio Department of Education: (Continued)</i>						
School Renovation Grants	043802 ATS2-2002	84.352	(11,113)	-	109	-
	043802 ATS3-2003	84.352	-	-	60,544	-
	043802 ATS4-2004	84.352	-	-	14,650	-
Total School Renovation Grants			(11,113)	-	75,303	-
English Language Acquisition Grants	043802 T3S1-2003	84.365	92,434	-	78,062	-
	043802 T3S1-2004	84.365	532,884	-	650,205	-
Total English Language Acquisition Grants			625,318	-	728,267	-
Improving Teacher Quality State Grants	043802 MSS1-2001	84.367	25,393	-	-	-
	043802 MSS1-2002	84.367	-	-	573	-
	043802 TRS1-2002	84.367	(63,341)	-	-	-
	043802 TRS1-2003	84.367	1,208,188	-	1,007,553	-
	043802 TRS1-2004	84.367	5,083,872	-	4,706,189	-
Total Improving Teacher Quality State Grants			6,254,112	-	5,714,315	-
Total Passed Through Ohio Department of Education:			55,655,437	-	54,072,760	-
<i>Passed Through Columbus Urban League:</i>						
Parental Assistance Centers		84.310	72,176	-	5,000	-
TOTAL U.S. DEPARTMENT OF EDUCATION:			58,729,078	-	57,420,384	-
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>						
Childcare and Development Block Grant		93.575	-	-	5,302	-
Head Start		93.600	104,000	-	97,600	-
Total Direct Funding:			104,000	-	102,902	-
<i>Passed Through Ohio Department of Education:</i>						
Refugee and Entrant Assistance: Discretionary Grants	043802 RIS1-2001	93.576	-	-	15,731	-
	043802 RIS1-2002	93.576	-	-	53,048	-
	043802 RIS1-2003	93.576	-	-	46,211	-
	043802 RIS1-2004	93.576	16,200	-	189,535	-
Total Refugee and Entrant Assistance: Discretionary Grants			16,200	-	304,525	-
<i>Passed Through Ohio Department of Job and Family Services:</i>						
<i>Passed Through Franklin County Department of Job and Family Services:</i>						
Temporay Assistance for Needy Families		93.558	60,000	-	60,000	-
<i>Passed Through State Department of Mental Retardation and Dev. Disabled</i>						
Medical Assistance Program (Medicaid Title XIX)	2500823	93.778	2,292,222	-	2,292,222	-
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES:			2,472,422	-	2,759,649	-
<u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>						
Emergency Management and Performance Grants		97.042	-	-	112,460	-
<u>CORPORATION FOR NATIONAL AND COMMUNITY SERVICE</u>						
<i>Passed Through Ohio Department of Education:</i>						
Learn and Serve America School and Community Based	043802 SVS1-2004	94.004	30,000	-	25,272	-
	043802 SVS5-2003	94.004	(280)	-	7,960	-
	043802 SVSP-2003	94.004	25,859	-	20,993	-
Total Learn and Serve American School and Community Based			55,579	-	54,225	-
<u>NATIONAL SCIENCE FOUNDATION</u>						
Education and Human Resources		47.076	1,126,721	-	995,684	-
Total Federal Awards			\$ 78,846,440	\$ 1,367,059	\$ 77,805,382	\$ 1,367,059

The accompanying notes to this schedule are an integral part of this schedule.

**COLUMBUS CITY SCHOOL DISTRICT
FRANKLIN COUNTY**

**NOTES TO FEDERAL AWARDS RECEIPTS AND EXPENDITURES SCHEDULE
FISCAL YEAR ENDED JUNE 30, 2004**

NOTE A—SIGNIFICANT ACCOUNTING POLICIES

The accompanying Federal Awards Receipts and Expenditures Schedule (the Schedule) summarizes activity of the District's federal award programs. The Schedule has been prepared on the cash basis of accounting.

NOTE B— SUBRECIPIENTS

The District passes-through certain Federal assistance received from the Ohio Department of Education to participating private school (subrecipients). As described in Note A, the District records expenditures of Federal awards to subrecipients when paid in cash.

The subrecipient agencies have certain compliance responsibilities related to administering these Federal Programs. Under Federal Circular A-133, the District is responsible for monitoring subrecipients to help assure that Federal awards are used for authorized purposes in compliance with laws, regulations and the provisions of contracts or grant agreements, and that performance goals are achieved.

NOTE C—CHILD NUTRITION CLUSTER

Program regulations do not require the District to maintain separate inventory records for purchased food and food received from the U.S. Department of Agriculture. This nonmonetary assistance (expenditures) is reported in the Schedule at the fair market value of the commodities received.

Cash receipts from the U.S. Department of Agriculture are commingled with State grants. It is assumed federal monies are expended first.

NOTE D—MATCHING REQUIREMENTS

Certain Federal programs require that the District contribute non-Federal funds (matching funds) to support the Federally-funded programs. The District has complied with the matching requirements. The expenditure of non-Federal matching funds is not included on the Schedule.



Auditor of State Betty Montgomery

INDEPENDENT ACCOUNTANTS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY GOVERNMENT AUDITING STANDARDS

Columbus City School District
Franklin County
270 East State Street
Columbus, Ohio 43215

To the Board of Education:

We have audited the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the Columbus City School District, Franklin County, Ohio, (the District), as of and for the year ended June 30, 2004, which collectively comprise the District's basic financial statements and have issued our report thereon dated January 28, 2005. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting to determine our auditing procedures in order to express our opinions on the financial statements and not to opine on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its operation that we consider reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the District's ability to record, process, summarize, and report financial data consistent with management's assertions in the financial statements. Reportable conditions are described in the accompanying schedule of findings and questioned costs as items 2004-002 and 2004-003.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts material to the financial statements we audited may occur and not be timely detected by employees when performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered material weaknesses. However, we do not believe the reportable conditions described above are material weaknesses. In a separate letter to the District's management dated January 28, 2005, we reported other matters involving internal control over financial reporting which we did not deem a reportable condition.

Compliance and Other Matters

As part of reasonably assuring whether the District's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts and grant agreements, non compliance with which could directly and materially affect the determination of financial statements amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and, accordingly, we do not express an opinion. The results of our tests disclosed an instance of noncompliance or other matter that we must report under *Government Auditing Standards* which is described in the accompanying schedule of findings and questioned costs as item 2004-2001. In a separate letter to the District's management dated January 28, 2005, we reported other matters related to noncompliance we deemed immaterial.

We intend this report solely for the information and use of the audit committee, management, the Board of Education, federal awarding agencies, and pass-through entities. It is not intended for anyone other than these specified parties.

A handwritten signature in black ink that reads "Betty Montgomery". The signature is written in a cursive, flowing style.

Betty Montgomery
Auditor of State

January 28, 2005



Auditor of State Betty Montgomery

INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR FEDERAL PROGRAM, INTERNAL CONTROL OVER COMPLIANCE IN IN ACCORDANCE WITH OMB CIRCULAR A-133 AND THE FEDERAL AWARDS RECEIPTS AND EXPENDITURES SCHEDULE

Columbus City School District
Franklin County
270 East State Street
Columbus, Ohio 43215

To the Board of Education:

Compliance

We have audited the compliance of the Columbus City School District, Franklin County, Ohio, (the District) with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133, Compliance Supplement* that apply to each of its major federal programs for the year ended June 30, 2004. The summary of auditor's results section of the accompanying schedule of findings and questioned costs identifies the District's major federal programs. The District's management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to each major federal program. Our responsibility is to express an opinion on the District's compliance based on our audit.

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

In our opinion, the District complied, in all material respects, with the requirements referred to above that apply to each of its major federal programs for the year ended June 30, 2004. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements that OMB Circular A-133 requires us to report, which are described in the accompanying schedule of findings and questioned costs as items 2004-005 through 2004-007.

Internal Control Over Compliance

The District's management is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the District's internal control over compliance with requirements that could directly and materially affect a major federal program to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

We noted a matter involving the internal control over compliance and its operation that we consider a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over compliance that, in our judgment, could adversely affect the District's ability to administer a major federal program in accordance with applicable requirements of laws, regulations, contracts and grants. A reportable condition is described in the accompanying schedule of findings and questioned costs as item 2004-004.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants caused by error or fraud that would be material in relation to a major federal program being audited may occur and not be timely detected by employees when performing their assigned functions. Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. We do not believe the reportable condition described above is a material weakness. We also noted other matters involving the internal control over federal compliance that do not require inclusion in this report that we reported to the District's management in a separate letter dated January 28, 2005.

Federal Awards Receipts and Expenditures Schedule

We have audited the financial statements of the governmental activities, business-type activities, each major fund and the aggregated remaining fund information of the District as of and for the year ended June 30, 2004, and have issued our report thereon dated January 28, 2005. Our audit was performed to form opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying federal awards receipts and expenditures schedule provides additional information as required by OMB Circular A-133 and is not a required part of the basic financial statements. We subjected this information to the auditing procedures applied in the audit of the basic financial statements. In our opinion, this information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

We intend this report solely for the information and use of the audit committee, management and the Board of Education, federal awarding agencies, and pass-through entities. It is not intended for anyone other than these specified parties.



Betty Montgomery
Auditor of State

**COLUMBUS CITY SCHOOL DISTRICT
FRANKLIN COUNTY**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A -133 ' .505
JUNE 30, 2004**

1. SUMMARY OF AUDITOR'S RESULTS		
(d)(1)(i)	Type of Financial Statement Opinion	Unqualified
(d)(1)(ii)	Were there any material control weakness conditions reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?	Yes
(d)(1)(iii)	Was there any reported material non-compliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Were there any material internal control weakness conditions reported for major federal programs?	No
(d)(1)(iv)	Were there any other reportable internal control weakness conditions reported for major federal programs?	Yes
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unqualified
(d)(1)(vi)	Are there any reportable findings under .510?	Yes
(d)(1)(vii)	Major Programs (list):	<ul style="list-style-type: none"> • <u>Nutrition Cluster:</u> Commodity Distribution, CFDA #10.550 School Breakfast Program, CFDA #10.553 National School Lunch Program, CFDA #10.555 • Title 1, CFDA #84.010 • Vocational Education, CFDA #84.048 • Safe & Drug-Free Schools and Communities: National Program, CFDA #84.184 • Technology Literacy Challenge Fund Grant, CFDA #84.318 • Title XIX Medicaid, CFDA #93.778
(d)(1)(viii)	Dollar Threshold: Type A\B Programs	Type A: > \$2,375,173 Type B: all others
(d)(1)(ix)	Low Risk Auditee?	No

**COLUMBUS CITY SCHOOL DISTRICT
FRANKLIN COUNTY**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A -133 ' .505
JUNE 30, 2004**

2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS

Finding Number	2004-001
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Travel Advances, Finding for Recovery - Repaid Under Audit

Columbus City School Board Policy 4117.4, Reimbursement for Conference Expenses, states that the following regulations shall govern school employee attendance at conferences as authorized in advance by the Superintendent or designee, (i.e. Director, Executive Directors):

Part 11. Advance reimbursement is limited to out-of-state conferences. Advances will be limited to no more than 80% of estimated expenses. The minimum dollar amount of an advance is \$150. Therefore, the purchase order to the employee must exceed \$188 for an advance to be paid. A Request for Advance of Estimated Travel Expenses form must be submitted no later than 30 days prior to the conference. A purchase order for the estimated amount of the trip payable to the employee must be obtained and the partial receiving copy must be included with the request for an advance.

Part 12. A Claim for Expense Reimbursement form must be completed upon return from the conference. If the completed form is not submitted within 10 days of the employee's return from the conference, any advance of cash for that trip may be deducted from the employee's next paycheck. Claims received more than 90 days following the trip will receive no reimbursement. Original itemized receipts for commercial travel, lodging, and registration fee must be submitted to the superintendent or designee for approval before a reimbursement will be processed.

Within the travel advance expenditures tested, a total of \$1,475.32 in advances were made over the course of the 2004 fiscal year to employees who did not submit the "Claim for Expense Reimbursement" form with supporting itemized receipts for the advances received. Due to the lack of receipts, the advance of funds provided to the employees should have been paid back or withheld from the employees' paychecks in accordance with the District policy. No repayments from individuals receiving the advances or withholding from the employee's paychecks were made during the 2004 fiscal year regarding these expenditures.

In accordance with the forgoing facts, and pursuant to Ohio Rev. Code Section 117.28, a Finding for Recovery for public money due but not collected is hereby issued in favor of the Columbus City School District General Fund against the employees listed in the chart below, individually, for the corresponding dollar amounts, and against Jerry Buccilla, Treasurer, jointly and severally, for the total dollar amount of all employees, in his supervisory capacity for assuring that all such payments are in accordance with District policy; and their bonding company, Old Republic Surety Company.

**COLUMBUS CITY SCHOOL DISTRICT
FRANKLIN COUNTY**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A -133 ' .505
JUNE 30, 2004
(Continued)**

**2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS
(Continued)**

Finding Number (Continued)	2004-001
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Travel Advances, Finding for Recovery - Repaid Under Audit (Continued)

All amounts were repaid by the employees indicated in the chart below:

Employee Name	Finding Amount	Finding Repaid Under Audit	Date Finding Repaid
Jerry Buccilla	\$ 86.00	\$ 86.00	12/6/2004
Allison Graham	127.41	127.41	4/12/2005
Alice Grant	42.50	42.50	4/4/2005
Joleata Howell	536.00	536.00	3/22/2005
Charles Richardson Jr.	149.60	149.60	3/18/2005
Eich Thomas	26.24	26.24	4/4/2005
Deborah Tice	348.23	348.23	5/13/2005
Cheryl Watson	70.84	70.84	4/1/2005
Taft Woodford	88.50	88.50	3/21/2005
	\$ 1,475.32	\$ 1,475.32	

We recommend the District develop a monitoring system for travel expense advances to ensure that "Claim for Expense Reimbursement" forms are completed upon return from all conferences along with original receipt documentation so that only appropriate supported travel expenses are paid. If "Claim for Expense Reimbursement" forms and original receipts are not received for employees receiving advances, the amount of the advance received for the trip should be deducted from the employee's next paycheck in accordance with the District policy. If the current policy does not meet the District's current needs, or the Board's intent, the District should modify this policy to meet those needs, or the Board's intent.

Finding Number	2004-002
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Student Activities

Cash receipts from student activities are often a source of concern for Districts. Recognizing the risk associated with these cash transactions, the Board adopted Policy #5156, Elementary, Middle and High School Activities, on November 5, 1985. This policy requires all fund-raising activities conducted for a school, or through a club, class, athletic team or organization connected with the school to be approved by the building principal prior to the commencement of the activity. All receipts and disbursements relative to the activity must be processed through the Student Activity fund of the District, and a final accounting of the financial activity must be documented on the Financial Report-Student Activities Fund-Raiser Project form.

**COLUMBUS CITY SCHOOL DISTRICT
FRANKLIN COUNTY**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A -133 ' .505
JUNE 30, 2004
(Continued)**

2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)

Finding Number	2004-002 (Continued)
-----------------------	-----------------------------

Student Activities (Continued)

Board policies governing student activities are not being followed on a consistent basis. Applications for fund raising projects were not completed for 33 percent of fund raisers tested. Additionally, for those fund raisers tested which had completed applications eight percent were not completely or accurately completed and 31 percent were approved by the building principal on the same day as the Financial Report-Student Activities Fund-Raiser Project form (which is to be used to reconcile the activity at completion). Furthermore, for the Financial Report-Student Activities Fund-Raiser Project forms tested, 33 percent were not prepared and an additional 10 percent were not completed in a complete or accurate manner. In addition, in 70 percent of the fund raisers tested, no supporting documentation was maintained for receipts or disbursements recorded and presented in the District's financial records.

We recommend the District ensure current Board policies established to govern student activities are adhered to on a consistent basis and in addition, supporting ledgers, duplicate receipts and other financial records should be maintained by advisors to ensure accountability and assets are safeguarded. We also recommend student activities be subject to ongoing monitoring by the District's Internal Audit Department to help ensure compliance.

Finding Number	2004-003
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Capital Assets

The District has developed and implemented procedures to track the movement of capital assets from department to department, retirement, sale, disposal and acquisition. An "Inventory Control Form" (the Form) is used to document the status and location of assets. At the time of acquisition, the Form is prepared using a unique tag number and the serial number. The department receiving the asset is required to document on the Form the asset location and return the Form to the Treasurer's office. Further asset movements and changes in status are required to be documented on the Form and forwarded to the Treasurer's office also.

Annually, the Treasurer's office distributes a capital asset listing to each department. Each department head is to verify the accuracy of the information for all departmental capital assets. Discrepancies, including disposal and location and condition changes, are to be identified and forwarded to the capital asset coordinator for update to the District's capital asset tracking system. Asset disposals require the completion of the respective portion of the Form.

**COLUMBUS CITY SCHOOL DISTRICT
FRANKLIN COUNTY**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A -133 ' .505
JUNE 30, 2004
(Continued)**

2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)

Finding Number (Continued)	2004-003
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Capital Assets (Continued)

The review of the capital asset tracking system and procedures identified the following conditions:

- Twelve percent of the department capital asset listings provided to the schools for update were not completed and returned to the capital asset coordinator;
- Twelve percent of equipment disposals tested were not indicated as disposed on the respective building's yearly capital asset inventory and six percent of the disposals lacked a capital asset disposal form;
- Thirty-two percent of equipment tested could not be located and an additional five percent was located, but was not in the location indicated on the capital asset listing;
- Thirty-four percent of equipment tested was not tagged by the District;
- Thirty-two percent of equipment tested as a current year addition was purchased in the prior year and not recorded until the current fiscal year, indicating a timing delay in the entry of such assets;
- Forty-five percent of vehicles tested and twenty-six percent of equipment tested was fully depreciated, indicating that the estimated useful lives established by the District do not reflect the true useful life of the assets and that the estimated useful lives have not been re-evaluated for appropriateness;
- Eighty percent of equipment additions tested for the food service fund during the current year weren't able to be traced back to identifiable supporting documentation for the purchase. This is caused by the Food Service department using their own method of identifying assets purchased, tagging assets, and forwarding information to the Capital Asset Specialist to be logged into the District's fixed asset system. These methods do not follow the established guidelines of the capital asset process for the District; and,
- Capital asset tracking becomes especially important considering the institution of the Master Facilities Plan (the Plan). To facilitate construction, demolition or repair of the District's buildings under the Plan, it will be necessary to physically move a significant number of capital assets from one building to another. So, the competence of the tracking system will play a vital role in ensuring capital asset movement is documented and timely updated to the asset tracking system. During the audit period, three buildings, under modification due to the Plan, were closed at fiscal year end. Responsible school officials began to disburse the capital assets to other buildings. The District did not track the movement of the capital assets from these buildings to their final disposition. Consequently, the weakness inhibited the District's ability to determine the current location of these capital assets and prevented the disposition update to the capital asset system.

The combination of these capital asset weaknesses could result in the loss, misappropriation, theft, or diversion of assets, noncompliance with federal grant requirements, and an inaccurate and improperly valued capital asset listing.

We recommend the District ensure that all of its schools/departments comply with its capital asset tracking policies to help ensure an accurate and complete capital asset listing is maintained and updated timely. In order to promote compliance, the District may wish to institute some consequences for not complying with District policy. Additionally, the District should consider reevaluating the estimated useful lives of its assets in order to prevent further recognition of fully depreciated assets that are still in use.

**COLUMBUS CITY SCHOOL DISTRICT
FRANKLIN COUNTY**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A -133 ' .505
JUNE 30, 2004
(Continued)**

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS
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Finding Number	2004-004
CFDA Title and Number	Nutrition Cluster, #10.550, #10.553, and #10.555; Title I, #84.010; Vocational Education, #84.048; Technology Literacy Challenge Fund Grant, #84.318
Federal Award Number / Year	043802 05PU-2003, 043802 05PU-2004, 043802 LLP4-2003, 043802 LLP4-2004; 043802 C1S1-2001, 043802 C1S1-2003, 043802 C1S1-2004, 043802 C1SD-2003 043802 C1SD-2004, 043802 C1SK-2003, 043802 C1SK-2004; 043802 20C1-2003, 043802 20C1-2004, 043802 C2-2003, 043802 C2-2004; 043802 TJS1-2003, 043802 TJS1-2004, 043802 TJSL-2004
Federal Agency	U.S. Department of Agriculture U.S. Department of Education
Pass-Through Agency	Ohio Department of Education

Capital Assets

See Findings Related to the Financial Statements Required to be reported under GAGAS number 2004-003. This finding is also required to be reported under OMB Circular A-133 § 510 (a)(1).

Finding Number	2004-005
CFDA Title and Number	Title I , #84.010
Federal Award Number / Year	043802 C1S1-2001, 043802 C1S1-2003, 043802 C1S1-2004, 043802 C1SD-2003 043802 C1SD-2004, 043802 C1SK-2003, 043802 C1SK-2004
Federal Agency	U.S. Department of Education
Pass-Through Agency	Ohio Department of Education

Allowable Cost/Cost Principles-Questioned Cost

OMB Circular A-87, Attachment B subsection 8.h. provides in part that salaries and wages shall be based on payrolls documented in accordance with generally accepted practice of the governmental unit and approved by a responsible official of the government unit. When employees work on multiple activities or cost objectives, a distribution of compensation shall be supported by personnel activity reports that reflect the actual activity and total activity of the employees, unless certain time study requirements are met. An employee whose compensation is allocated solely to a single cost objective must furnish semiannual certificates that he/she has been engaged solely in activities supportive of the cost objectives.

**COLUMBUS CITY SCHOOL DISTRICT
FRANKLIN COUNTY**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A -133 ' .505
JUNE 30, 2004
(Continued)**

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS (Continued)
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Finding Number (Continued)	2004-005
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CFDA Title and Number	Title I , #84.010
Federal Award Number / Year	043802 C1S1-2001, 043802 C1S1-2003, 043802 C1S1-2004, 043802 C1SD-2003 043802 C1SD-2004, 043802 C1SK-2003, 043802 C1SK-2004
Federal Agency	U.S. Department of Education
Pass-Through Agency	Ohio Department of Education

Allowable Cost/Cost Principles-Questioned Cost (Continued)

The District was unable to provide personnel activity reports/certification or any supporting time and effort documentation as required by OMB Circular A-87, Attachment B, paragraph 8.h3 for twenty-five employees with payroll expenditures totaling \$302,085. In addition, the certifications for four employees had payroll expenditures charged to the Title I grant in excess of the percentage of time that was certified in the amount of \$8,475. Furthermore, payroll costs were adjusted to the Title I grant that were in excess of the amount of the payroll that had originally been charged to other funds by \$42,611. Total questioned costs for expenditures that were not properly supported by a time and effort certification or had amounts charged to the grant in excess of the eligible amounts certified are three hundred fifty three thousand one hundred seventy one dollars (\$353,171) of the District's \$25,383,807 spent on the Title I program during 2004.

We recommend the District maintain personnel activity reports that reflect an after-the-fact distribution of the actual activity of each employee, account for the total activity for which each employee is compensated, and contain a certification signature of the grant coordinator and employee. These personnel activity reports should be completed semi-annually for employees that are paid solely from the Title I grant and should coincide with one or more pay periods on at least a monthly basis for those employees who receive less than 100% of their compensation from Title I. These records should then be used to adjust budgeted grant costs to actual grant costs on at least a quarterly basis. We further recommend an effective system of reconciling the personnel activity reports with the actual payroll costs charged to Title I to ensure the completeness and accuracy of Title I payroll expenditures.

Finding Number	2004-006
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CFDA Title and Number	Vocational Education, #84.048
Federal Award Number / Year	043802 20C1-2003
Federal Agency	U.S. Department of Education
Pass-Through Agency	Ohio Department of Education

Period of Availability-Questioned Cost

20 USC 2353(b) requires that in any academic year that a Local Education Agency (LEA) does not expend all of the amounts it is allocated under the Secondary, Postsecondary and Adult Vocational Education programs for that year, it must return the unexpended amounts to the State to be reallocated under the Secondary, Postsecondary and Adult Vocational Education Programs.

**COLUMBUS CITY SCHOOL DISTRICT
FRANKLIN COUNTY**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A -133 ' .505
JUNE 30, 2004
(Continued)**

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS (Continued)
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Finding Number (Continued)	2004-006
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CFDA Title and Number	Vocational Education, #84.048
Federal Award Number / Year	043802 20C1-2003
Federal Agency	U.S. Department of Education
Pass-Through Agency	Ohio Department of Education

Period of Availability-Questioned Cost (Continued)

The end of the 2003 grant year for the program was June 30, 2003. The pay for extended service employees who worked the 2003 academic year was obligated by June 30, 2003 and the entire amount was liquidated by the August 29, 2003 payroll. On September 30, 2003, the District paid employees \$5,280 from the grant year 2003 Vocational Education award for employee benefits. The September 30, 2003 payments were not obligated within the 2003 grant year obligation period which ended June 30, 2003. Additional expenditures from the 2003 grant after the end of the period of availability included expenditures for a training conference held on July 8-12 which amounted to \$1,442, expenditures for software and computer equipment which amounted to \$56,624, and expenditures for bus passes which totaled \$122,440.

Total questioned costs for expenditures obligated after the period of availability is one hundred eighty five thousand seven hundred eighty six dollars (\$185,786). We recommend the District use grant funds only for expenditures obligated during the period of availability and return any unexpended amounts as required by law.

Finding Number	2004-007
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CFDA Title and Number	Safe and Drug-Free Schools and Communities – National Grant, #84.184
Federal Award Number / Year	043802 1999
Federal Agency	U.S. Department of Education
Pass-Through Agency	None

Safe and Drug-Free Schools and Communities – National Grant – Period of Availability

34 CFR 74.71(b) states that a recipient shall liquidate all obligations incurred under the award not later than 90 calendar days after the funding period or the date of completion as specified in the terms and conditions of the award or in the Department of Education implementing instructions. 34.CFR 74.71(d) states that the recipient shall promptly refund any balances of unobligated cash that the Secretary has advanced or paid and that is not authorized to be retained by the recipient for use in other projects.

The end of the extended 1999 grant award for the Safe and Drug Free Schools and Communities – National Grant was September 30, 2003. Expenditures from the 1999 grant were entered into after the end of the period of availability for equipment and services totaling \$116,550.

Total questioned costs for expenditures obligated after the period of availability is one hundred sixteen thousand five hundred fifty dollars (\$116,550). We recommend the District use grant funds only for expenditures obligated during the period of availability.

**COLUMBUS CITY SCHOOL DISTRICT
FRANKLIN COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A -133 ' .315 (b)
JUNE 30, 2004**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; Explain:
2003-001	Policy on student activities adopted by the Board of Education is not being followed on a consistent basis.	No	Not Corrected – Reissued as 2004-002
2003-002	Vocational Education expenditures were made outside of the grant's period of availability resulting in a questioned cost.	No	Not Corrected – Reissued as 2004-006 Questioned Cost not repaid
2003-003	Employee payroll certifications were not completed for Title I payroll expenditures in accordance with allowable costs/cost principles requirements resulting in a questioned cost	No	Not Corrected – Reissued as 2004-005 Questioned Cost not repaid
2003-004	Safe and Drug-Free Schools and Communities: National Programs Reporting compliance citation	No	Partially Corrected – Reissued in Management Letter

**COLUMBUS CITY SCHOOL DISTRICT
FRANKLIN COUNTY**

**CORRECTIVE ACTION PLAN
FOR THE YEAR ENDED JUNE 30, 2004
SINGLE AUDIT FINDINGS**

Finding	Responsible Contact Person(s)	Planned Corrective Action
<p><u>Finding Number 2004 –001</u> Travel Advances, Finding for Recovery</p>	<p>D. Littlefield</p>	<p>The district has received full payment from all of the nine parties cited. We will increase our monitoring of travel advances in fiscal year 2006 to assure that accounts are settled timely. The travel committee is also reviewing the current procedures to assure they allow for alternative collection methods when employees do not willingly pay amounts due the district.</p>
<p><u>Finding Number 2004 –002</u> Student Activities – It is recommended that the district ensure that current Board policies established to govern student activities are adhered to on a consistent basis and in addition, that supporting ledgers, duplicate receipts and other financial records be maintained by advisors to ensure accountability.</p>	<p>D. Littlefield/ M. Bosley</p>	<p>In fiscal year 2005 we have instituted several measures to help address the identified weaknesses:</p> <p style="padding-left: 40px;">Overdue financial reports are reported to school treasurers so they may follow-up with sponsors. This information is also reported to the Principals and their executive directors.</p> <p style="padding-left: 40px;">The application for fundraiser has been consolidated into the purpose statement and budget, so that principals can approve all the fundraisers for an account at once instead of individually.</p> <p style="padding-left: 40px;">In the middle of this fiscal year we sent out requests to sponsors to begin submitting supporting documentation for fundraisers to their area treasurers.</p> <p>Area treasurers complete a supporting documentation checklist for fundraisers meeting certain criteria. They note to sponsors any deficiencies, so that the sponsors can improve for future fundraisers. We believe these changes will help improve compliance with district policy. Both the Treasurer’s and Superintendent’s Offices are committed to improving in this area. Internal Audits review compliance as part of their school audits in 2006. An Audit and Accountability sub-committee will be established in fiscal year 2006 to assess the districts student activity policy and procedures and recommend improvements.</p>

**COLUMBUS CITY SCHOOL DISTRICT
FRANKLIN COUNTY**

**CORRECTIVE ACTION PLAN
FOR THE YEAR ENDED JUNE 30, 2004
SINGLE AUDIT FINDINGS**

<p>Finding Number 2004 – 003 Capital Assets - It is recommended the district ensure that all of its schools/department comply with its capital asset tracking policies to help ensure an accurate and complete capital asset listing is maintained and updated timely. Additionally, the district should consider reevaluating the estimated useful lives of its assets in order to prevent further recognition of fully depreciated assets that are still in use.</p>	<p>D. Littlefield/M. Bosley/Karin Rilley</p>	<p>In fiscal year 2005 the Treasurer's Office has taken a number of measures to address the principal aspects of the auditor's finding, and will continue to work with the Superintendent's Office improve in this area in fiscal year 2006:</p> <p>We are regularly sending out notices to principals and their executive directors regarding overdue capital asset listings and physical inventory reports. This year we will also place increased emphasis on following up with department administrators regarding overdue inventories for non-school sites.</p> <p>We have migrated to an electronic tracking system to ensure new assets are added to the asset tracking system.</p> <p>We have simplified inventory forms to increase compliance.</p> <p>Delivery Services picks up obsolete equipment from district sites. Beginning in the middle of this fiscal year they are requiring administrators to complete disposal logs before they pick up equipment.</p> <p>Area treasurer will inventory district some schools and departments for six weeks this summer. We are doing this to take some of the inventorying burden off of school principals and to obtain more consistent inventorying results. We are hiring five student interns to assist the treasurers.</p> <p>Food Service is now required to use the centralized process of identifying and tagging capital assets. This will allow the Fixed Asset Department to better monitor Food Service reporting. An Audit and Accountability sub-committee will be established in fiscal year 2006 to assess the districts capital assets policy and procedures and recommend improvements.</p>
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**COLUMBUS CITY SCHOOL DISTRICT
FRANKLIN COUNTY**

**CORRECTIVE ACTION PLAN
FOR THE YEAR ENDED JUNE 30, 2004
SINGLE AUDIT FINDINGS**

<p><u>Finding Number 2004 – 004</u> Findings and Questioned Costs for Federal Awards Capital Assets – See Findings Related to the Financial Statements Required to be reported under GAGAS number 2004-003. This finding is also required to be reported under OMB Circular A-133 & 510 (a) (1).</p>	<p>D. Littlefield</p>	<p>See Planned Corrective Action Plan for <u>Finding Number 2004-003</u></p>
<p><u>Finding Number 2004 – 005</u> Title I - Allowable Cost/Cost Principles- Questioned Cost – It is recommended the district maintain time and effort records that reflect an after-the-fact distribution of the actual activity of each employee, account for the total activity for which each employee is compensated, and contain a certification signature of grant coordinator and employee.</p>	<p>J. Wires/ M. Bosley</p>	<p>In fiscal year 2005 we have implemented a time and effort reporting process which we believe substantially meets the requirements of OMB Circular A-87. Management has established a committee including representation from the Superintendent's and Treasurer's Offices, and Internal Audits, to review the current process and identify weaknesses. We expect to implement improvements to our reporting and reconciliation processes in July 2005. Management also plans to hire an additional manager this year whom will be responsible for monitoring time and effort reporting.</p>
<p><u>Finding Number 2004 – 006</u> Vocational Education - Period of Availability – Questioned Cost – It is recommended the district use grant funds only for expenditures obligated during the period of availability.</p>	<p>J. Wires/ M. Bosley</p>	<p>In fiscal year 2006 we will increase our monitoring and training to assure that grant funds are not obligated outside the available period. In fiscal year 2005 and forward, management will implement procedures to provide the required documentation to confirm that order dates are within the period of availability.</p>
<p><u>Finding Number 2004 – 007</u> Safe and Drug-Free Schools and Communities – National Grant – Period of Availability - It is recommended the district use grant funds only for expenditures obligated during the period of availability.</p>	<p>J. Wires/ M. Bosley</p>	<p>In fiscal year 2005 we will increase our monitoring and training to assure that grant funds are not obligated outside the available period. In fiscal year 2005 and forward, management will implement procedures to provide the required documentation to confirm that order dates are within the period of availability.</p>

**Comprehensive Annual Financial Report
of the
Columbus City School District**

270 East State Street

Columbus, Ohio 43215

Fiscal Year Ended June 30, 2004

**Prepared by
Treasurer's Office
Jerry K. Buccilla
Treasurer**

Columbus City School District
Board of Education
Fiscal Year 2004



Stephanie Hightower
President



Karen Schwarzwalder
Vice President



Terry Boyd



Jeff Cabot



Betty Drummond



Andrew Ginther



Loretta Heard



Gene T. Harris
Superintendent



Jerry Buccilla
Treasurer

COLUMBUS CITY SCHOOL DISTRICT

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2004**

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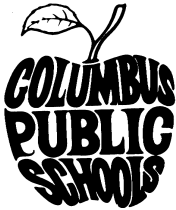
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INTRODUCTORY SECTION



Columbus Public Schools

270 East State Street • Columbus, Ohio 43215 • Ph. (614) 365-6400 • Fax (614) 365-5628

January 28, 2005

Board of Education Members and Citizens
Columbus City School District

Dear Board Members and Citizens:

The Comprehensive Annual Financial Report (CAFR) of the Columbus City School District (District) for the fiscal year ended June 30, 2004 is hereby submitted. This report was prepared by the Treasurer's Office, and includes the Independent Accountants' Report from Betty Montgomery, Auditor of State. Responsibility for both the accuracy of the data presented and the completeness and fairness of this presentation, including financial statements, supporting schedules and statistical tables, lies with the management of the District, specifically the Treasurer's Office. The management of the District represents that the accounting system and the budgetary and internal accounting controls of the District provide reasonable assurance that the District's assets are safeguarded against material loss and that financial records are reliable for preparing financial statements and maintaining accountability for assets. All disclosures necessary to enable the reader to gain the maximum understanding of the District's financial affairs have been included.

The CAFR is presented in three sections:

The Introductory Section includes the table of contents, letter of transmittal, the District's organizational chart and a list of Board members and other officials.

The Financial Section begins with the Independent Accountants' Report and includes Management's Discussion and Analysis (MD&A), the basic financial statements and notes that provide an overview of the District's financial position and operating results, required supplementary information, the combining statements for non-major funds and other schedules that provide information relative to the basic financial statements.

The Statistical Section includes selected financial, supplemental and demographic information, generally presented on a multi-year basis.

Generally Accepted Accounting Principles (GAAP) also requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The District's MD&A can be found immediately following the Independent Accountants' Report.

This report will be available on the District's website. The Internet address is <http://www.columbus.k12.oh.us>.

The District is required to undergo an annual single audit in conformity with the provisions of the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

The Columbus City School District does not discriminate because of race, color, national origin, religion, sex or handicap with regard to admission, access, treatment or employment. This policy is applicable in all District programs and activities.

Reporting Entity

The District has reviewed its reporting entity definition in order to insure conformance with the Governmental Accounting Standards Board Statement No. 14, "The Financial Reporting Entity." GASB Statement No. 39 is an amendment to GASB Statement No. 14 and provides additional guidance to determine whether certain organizations for which the primary government is not financially accountable should be reported as component units based on the nature and significance of their relationships with the primary government. In evaluating how to define the School District for financial reporting purposes, management has considered all agencies, departments and organizations making up the District (the primary government) and its potential component units.

GENERAL INFORMATION CONCERNING THE BOARD AND THE SCHOOL DISTRICT ORGANIZATION

The Board and Administration

The Board of Education of the Columbus City School District (the Board) is a body both politic and corporate charged with the responsibility of managing and controlling affairs of the District and is, together with the District, governed by the general laws of the State (Ohio Revised Code). The Board is comprised of seven members who are elected for overlapping four-year terms. The Board members during the year ended June 30, 2004 were:

	<u>Date Current Term Commenced</u>	<u>Present Term Expires</u>
Stephanie Hightower, President	01/01/04	12/31/07
Karen Schwarzwaldner, Vice President	01/01/04	12/31/07
Jeff Cabot	01/01/04	12/31/07
Betty Drummond	01/01/02	12/31/05
Andrew Ginther	01/01/02	12/31/05
Loretta Heard	01/01/02	12/31/05
Terry Boyd	01/01/04	12/31/07

The Superintendent of Schools (Superintendent), appointed by the Board for a maximum term of five years, is the executive officer of the District and has the responsibility for directing and assigning teachers and other employees, assigning the pupils to the proper schools and grades, and performing other such duties as determined by the Board. Dr. Gene Harris was appointed Superintendent on June 11, 2001, and began her term on July 18, 2001. Prior to the superintendency, Dr. Gene T. Harris was the Deputy Superintendent of Business and Operations.

The District and Its Facilities

This report of the District includes all funds, organizations, activities and functions of the District. The District presently does not have any component units for which the District is financially accountable or that are fiscally dependent on the District. The District covers approximately 120 square miles. According to information obtained from the Mid Ohio Regional Planning Commission, the City of Columbus population was estimated at 557,507 at December 31, 2003 (the latest available data). The City's population from the 2000 U.S. census was 533,603.

GENERAL INFORMATION CONCERNING THE BOARD AND THE SCHOOL DISTRICT ORGANIZATION (Continued)

The District and Its Facilities – Continued

The District's students are enrolled in 90 regular elementary schools (30,363 students enrolled in grades kindergarten through 5 and 1,023 students enrolled in two K through 8 schools), 25 middle schools (14,724 students enrolled in grades 6 through 8), 18 comprehensive senior high schools and 4 career centers (15,559 students enrolled in grades 9 through 12), and 10 special schools and 3 programs (1,215 students enrolled) which provide special curricula, vocational education and skills programs, and programs for handicapped pupils, including physically handicapped and hearing impaired children.

The School District also operates several administrative facilities consisting of the Northgate Center, Neil Avenue Center, Shepard Center, Food Production Center, Hudson Distribution Center, Kingswood, Smith Road, 17th Avenue and three transportation depots.

In addition, the School District owns 27.84 acres of undeveloped land with an estimated value of \$100,000.

Employee Relations

The District currently has approximately 8,643 full-time equivalent employees. During fiscal 2004, the District paid (determined on a cash basis) from its General Fund approximately \$391,751,714 in salaries and wages and \$111,744,295 for fringe benefits and other labor-related costs such as employer retirement contributions, workers' compensation coverage, unemployment compensation, life insurance and medical and dental insurance premiums.

Of the current full-time-equivalent employees, 5,512 are professionals serving as teachers and administrators, all of whom have at least a bachelor's degree. The 2003-2004 starting salary for a teacher with a bachelor's degree is \$36,054; the maximum teacher salary (for a teacher with a Ph.D. degree and 30 years' experience) is \$78,395.

The District's administrators and supervisors (such as principals) are represented by the Columbus Administrators Association (CAA).

Classified supervisors and employees not eligible for membership in a bargaining unit are represented by the Columbus Schools Classified Supervisors Association (CSCSA).

The District's teachers and educational specialists are represented for collective bargaining purposes by the Columbus Education Association (CEA). The District has an eighteen month collective bargaining agreement with the CEA that expired December 31, 2004.

The Columbus School Employees Association (CSEA), a division of the Ohio Association of Public School Employees (OAPSE), represents classified employees (secretarial-clerical, custodial, maintenance, transportation and food services staff) of the District for collective bargaining purposes. The current OAPSE contract expired February 28, 2004. In the judgment of the Board, labor relations with its employees are good.

Intergovernmental Relations

The District maintains a good working relationship with the City of Columbus, Franklin County and other governmental agencies. City of Columbus officials and District Board members are communicating effectively to resolve tax abatement issues, use of surplus property and other public policy matters.

ECONOMIC CONDITION AND OUTLOOK

Local Economy

Employment in the Greater Columbus Area continues to be service oriented. Eight of the top fourteen (14) largest employers in the Columbus area are government or government-oriented (the State of Ohio, The Ohio State University, United States Postal Service, Defense Supply Center – Columbus, Defense Finance and Accounting Service – Columbus, Columbus Public Schools and Franklin County). The fifty largest employers in the Greater Columbus area are shown in the Statistical Section of this report. These major employers, representing government, insurance, public utilities, manufacturing, retail, banking, research, medical and services, provide a broad and stable employment base.

A significant factor in the area's history of consistent growth is the balance between its manufacturing and other major employment sectors. The sectors and their percentage of the Columbus Metropolitan Statistical Area's employment base are as follows:

Natural Resources, Mining and Construction	4.6%
Manufacturing	8.1%
Transportation, Warehousing and Utilities	4.1%
Wholesale and Retail Trade	16.1%
Information	2.3%
Financial Activities	8.8%
Professional and Business Services	14.1%
Educational and Health Services	11.0%
Leisure and Hospitality Services	9.9%
Other Services	4.2%
Government	16.8%

Source: Ohio Department of Jobs and Family Services, Labor Market Information (LMI)

Although a significant amount of manufacturing takes place in the Columbus economy, manufacturing activities do not dominate the local economy. As a result of this balance, the Columbus economy is considered less vulnerable to national recessions and less susceptible to regional shifts of resources. The City's economic stability is reflected in Columbus' past and continuing population growth. Columbus continues to be the largest city in Ohio, both in area and population. The City of Columbus economy has been severely tested over the past few years. Although employment continued to grow, unemployment rose to its highest level since 1993. However, the City's unemployment rate has consistently remained below state and national levels.

Columbus has grown to an area covering 222.5 square miles through an aggressive annexation policy. Columbus has continued to experience residential and commercial major developments in the downtown and throughout the City. These developments provide indications of continued economic activity and a quality living experience. An abundance of accessible, serviced and reasonably priced land is available in all areas of Columbus and Central Ohio. Columbus area industrial parks are concentrated on controlled access roads that connect to the interstate highway system or its associated outer belt. Numerous industrial office and research parks have been established in proximity to the Columbus outer belt in recent years. Easy access to markets makes Columbus a good location for business.

ECONOMIC CONDITION AND OUTLOOK (Continued)

Financial Outlook – District

With the passage of a 6.95 mill levy in November of 2004, the District's financial outlook over the next three years reveals the fiscal year 2005 ending projected General Fund cash balance to be approximately \$10,918,666 in unencumbered cash. The District's fiscal year 2006 ending General Fund cash balance is projected to be \$16,235,000 million. A negative ending cash balance is projected to occur in fiscal year 2008. The declining projected ending General Fund cash balance is a reflection of the natural challenge of Ohio school District financing. This is due to "capped" revenue growth and natural inflationary growth on the expenditure costs. The District is currently determining the means to address the fiscal picture.

CURRENT INITIATIVES

Under the strong leadership of its 19th Superintendent, Gene T. Harris, Ph.D., the Columbus City School District, popularly known as the Columbus Public Schools, is making measurable progress in increasing student academic achievement, the District's prime goal. The 2004-2006 District Continuous Improvement Plan (DCIP), which was unanimously approved by the Columbus Board of Education in August 2004, and the Superintendent's Work Plan guide the coordinated efforts of all staff.

The DCIP, the Superintendent's work plan, and the District's equity plan have a common organizational structure that is divided into six areas. These areas are the means by which all staff are working to increase academic achievement and to ensure that all Columbus students receive equitable access to a quality education. They are:

1. Quality Instruction;
2. Committed Leadership;
3. Opportunity to Learn;
4. Student Motivation;
5. Efficient, Equitable Operations; and
6. Parent/Community Involvement.

Executive Summary of Efforts Supporting the District's Prime Goal: Increasing Academic Achievement

The broad focus of the District's educational program is to ensure that every student, in every classroom in the District, is offered a quality educational program. It focuses on all students making measurable progress as the result of a shared emphasis on aligned curriculum, targeted instruction, and higher expectations for students at school and at home.

Upon becoming superintendent in July 2001, Dr. Harris vowed to get the District beyond the state's designation of "academic emergency" on the annual report card by summer 2003. On the 2001-02 state report card, the District showed improvement in 21 of 22 categories. Dr. Harris achieved this first major goal of her work plan (moving to "academic watch") as promised in August 2003, when the Columbus Public Schools tied with Canton to become the first of the "Big 8" Ohio urban Districts to achieve seven state standards.

CURRENT INITIATIVES (Continued)

One of the state standards the District met for the first time in August 2003 was attendance. The District met the attendance standard again in 2004 and showed a .3 percent gain, from 93.2 percent to 93.5 percent. Surpassing the state attendance standard of 93 percent by .5 percent means that 1,112 more students were attending school on an average day last school year (2003-04) than meeting the state standard required based on a student enrollment of 62,884. An increase of 1,112 students equals the population of one high school, two middle schools, or three elementary schools.

Other state standardized test results for the 2003-04 school year continue to provide solid evidence that our students are achieving at higher levels. The District has maintained or improved its performance on 16 of the 17 state standards that were on last year's report card. There is one new standard, reading at grade 3.

The 2004 state report card results for the District indicate 57.4 percent of District students are proficient on the Third-Grade Reading Achievement Test, the first time this test will be counted as a state standard. The District showed a 6 percent improvement over last year on the Ohio Fourth-Grade Reading Proficiency Test, pushing it over the 50 percent mark during the regular school year for the first time.

Twenty District students had perfect scores in reading on the fall and spring administrations of the new Third-Grade Reading Achievement Test. One of the students achieving a perfect score is profoundly deaf, and this student's accomplishment reflects the District's commitment to every student achieving to his or her full potential.

Gains in math proficiency at the fourth-grade level increased 6 percent and at the sixth-grade level, 11.5 percent. Every year a new group of students takes a different version of these subject-area tests, so maintaining a gain is a significant achievement.

Combined growth over all the state report card standards from last year to this year was 46.3 points. The District was also successful in 34 of 40 Annual Yearly Progress rating areas required by the federal No Child Left Behind legislation.

Members of the District's senior class of 2004 earned a record \$28.9 million in scholarships, with more than half the graduates declaring their intentions of continuing school or entering military service in the fall. Students in every one of the District's high schools attracted scholarship offers of at least \$500,000 per school.

Stronger policies, procedures, and fiscal controls relating to accountability are supporting the steady gains in achievement. In 2002, Columbus citizens gave the District a vote of confidence when they approved a \$392 million bond issue which, with a state match of 30 percent, will fund the first two phases of the District's comprehensive Facilities Master Plan. Linden Elementary School was the first Columbus school to be funded through the levy and state matching funds; its community open house was held in August 2004. Design teams comprised of architects and designers, school and District staff, parents, students, and community members are busy finalizing plans related to rebuilding or renovating 17 other Phase I schools. Twenty Phase II schools will also be funded by the bond issue.

CURRENT INITIATIVES (Continued)

Dr. Harris has committed the District's leadership to develop, implement, replicate, and monitor the best practices and procedures to increase all students' levels of academic performance. By creating an executive management team with business or other skills specifically needed to accomplish major District-wide changes, Superintendent Harris continues to make systemic changes and transform the school culture from one of defensive defeatism to re-energized optimism, bringing community and staff together to achieve high, but achievable, goals. Again meeting the state attendance standard this past school year and continuing in academic watch in spite of changing state standards are two examples of the impact of this strategy. Dr. Harris has set a short-term goal of moving the District from the category of academic watch to continuous improvement by summer 2006 and meeting the state standard of a 90 percent graduation rate by 2012.

Complementing Dr. Harris's vision are changes Treasurer Jerry Buccilla has made in the Treasurer's Office. The most recent two annual state audits noted "no material operational weaknesses in [the District's] fiscal controls."

The favorable audit helped the District to achieve and maintain improved bond ratings by Standard & Poor's (A+), Moody's Investor Service (A-1) ratings services. The Columbus Public Schools is one of only six school Districts in Ohio to have such bond ratings. The higher bond ratings saved the District and the greater community a substantial amount of money when the District construction bonds were sold.

District staff are supporting systemic changes and focusing on targeted initiatives, all of which are designed to increase student academic achievement; to close long-standing achievement gaps that can be identified by race, poverty and gender, among other factors; and to build staff capacity to provide quality instruction, set higher expectations for all students and achieve measurable results in safe, warm, dry, inviting and adequately equipped learning environments.

Selected initiatives of the 2003-04 school year included:

- The International Baccalaureate diploma program at Columbus Alternative High School, preparing Columbus students for higher education opportunities worldwide;
- The after-school Credit Recovery Program, helping students earn credits they need to receive their high school diplomas. At the end of the 2003-04 school year, 340 students had participated in the program and 125 had completed enough credits to graduate in June.
- The Virtual High School program, focusing on bringing back former District students lacking credits to graduate, reclaiming charter school students, attracting home-schooled students, and providing a different path for those seeking to earn additional credits while attending high school. Currently, 136 students are enrolled at four sites around the city and 46 are on a waiting list. When one student finishes earning course credit for graduation, another student begins, so the waiting list will continue as needed.
- The Columbus Africentric Early College, beginning with a Summer Bridge Program for eighth graders and preparing them to earn college credits, up to an associate's degree at Columbus State Community College, while they are still in high school.

CURRENT INITIATIVES (Continued)

Specific District activities that support the goal of increased academic achievement, grouped under the six major areas of the 2004-06 DCIP include the following:

I. Quality Instruction

All teachers will deliver high quality instruction to increase academic achievement for all students.

In order to insure that teachers have the knowledge, skills and expertise to effectively deliver instruction to increase academic achievement for all students, the District must address a number of needs and issues. Teachers must have technical knowledge and skills to get results from all students (content, instructional strategies, standards and assessment), and must hold themselves accountable for the performance of their students. Teachers should be culturally competent and able to establish rapport with all student groups and be able to relate positively with parents, community [members] and colleagues. Teachers must take responsibility for their own professional development and have access to District professional development in-services that relate directly to student achievement. The District must insure that teachers are hired as a result of interview procedures considering their content knowledge and their ability to work in an urban environment; that teachers are certified to teach in the areas they instruct; and that experienced teachers are equitably represented in low-performing schools.

This goal is supported by four performance objectives and a variety of strategies and performance measures.

II. Committed Leadership

District leaders will create and maintain policies and practices that support increased academic achievement and efficient business operations.

For this to occur, it is important to identify what leadership qualities are desired and what real leaders actually do. Leaders model belief systems for the entire staff and show evidence of planning. They are advocates for all students and set high expectations for staff and students. Leaders know the diverse communities they lead and initiate ongoing discussions about race and poverty. They have knowledge/awareness of the best instructional practices and use data that focuses on improving learning. Leaders are accountable and hold others accountable as well, and they are evaluated according to student achievement, as well as parent and student satisfaction.

Leaders allocated resources based on the needs of all students to achieve at high levels. Leaders build the capacity of others through quality professional development and take responsibility for their own personal and professional growth. Most importantly, leaders are team builders who have the ability to motivate and encourage change.

This goal is supported by five performance objectives and a variety of strategies and performance measures.

III. Opportunity to Learn

All students will be given equitable opportunities for learning.

Accomplishing this goal requires the identification of certain indicators which include, but are not limited to, the following: access to a curriculum that is aligned to District and state standards, access to the most challenging coursework (advanced placement courses, advanced math and foreign languages) and proportion representation in these classes. Another indicator is the way students are identified and placed in programs. For example, all student groups should be proportionately referred to special education and have access to gifted and talented programs.

CURRENT INITIATIVES (Continued)

Finally, suspensions or expulsions of students from a particular group should be no greater than their proportion of the total student population. The District will recruit all student groups to participate in its after-school and summer school programs and help alleviate any financial barriers that would prevent some students from participating.

This goal is supported by seven performance objectives and a variety of strategies and performance measures.

IV. Student Motivation

All students will be motivated to give their best effort.

While student motivation is complex and originates from many sources, there are things that teachers and administrators can do to improve students' motivation. First and foremost, students must understand how the instruction they are receiving relates to their interests and career goals. Students must be encouraged by teachers and significant adults to persist, especially when setbacks occur. Students, themselves, can be a source of ideas regarding motivation. Students should be encouraged to provide feedback on how the school environment could be modified in ways that would encourage them to put forth greater effort.

This goal is supported by two performance objectives and a variety of strategies and performance measures.

V. Efficient, Equitable Operations

The District will operate more efficiently and equitably.

At the heart of equity is a system that allocates appropriate resources with the adoption of a weighted student formula that will determine how resources are allocated to schools on an equitable basis (includes allocation of people: counselors, nurses, secretaries, etc., and things: computers, library books, facilities, etc.) Additionally, the District must adopt effective operational practices which will improve delivery of services to schools and reduce the waste of valuable resources.

This goal is supported by 15 performance objectives and a variety of strategies and performance measures.

Goal VI. Parent/Community Involvement

The District will engage parents and community organizations to support student success.

In order to engage the active involvement of parents, businesses, and political and civic organizations, the District must provide meaningful roles for them that directly support improved academic achievement for students such as: recruiting business partners and targeting them to assist schools with the greatest needs; encouraging community-based pre-kindergarten programs to adopt a curriculum that is aligned with the District's; encouraging parents and community organizations to engage students in activities that promote reading outside of the school day; and working with parents and community organizations to reduce truancy and increase student attendance.

This goal is supported by four performance objectives and a variety of strategies and performance measures.

FINANCIAL INFORMATION

Fiscal Management

The Interim Treasurer, Ms. Jeri Wires, was appointed by the Board in December of 2004 following the resignation of Jerry K. Buccilla. Ms. Wires previously served as the treasurer of Marion Schools. The treasurer oversees the District budget of approximately \$900 million, along with monitoring various funds and grants, cost analysis, payroll, general accounting, cash reconciliation and daily bank assessment. The treasurer is aided by two assistant treasurers and supervises 69 employees.

Financial Condition

This is the third year the District has prepared financial statements following GASB 34, "Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments." Basic financial statements for reporting on the District's financial activities are as follows:

Government-wide financial statements: these statements are prepared on an accrual basis of accounting that is similar to the basis of accounting followed by many businesses. The Government-wide statements distinguish between those activities of the District that are Governmental and those that are considered Business-Type Activities.

Fund financial statements: these statements present information for individual major funds rather than by fund type. Nonmajor funds are presented in total in one column. Governmental funds use the modified accrual basis of accounting and include a reconciliation to the Governmental Activities accrual information presented in the Government-wide financial statements. Proprietary and fiduciary funds use the accrual basis of accounting.

As part of this reporting model, management is responsible for preparing a Management Discussion and Analysis of the District. This discussion is presented in the financial section of this report and provides an assessment of the District's finances for 2004.

Budgeting, Tax Levy and Appropriations Procedures

The Ohio Revised Code contains detailed provisions regarding the District's budgeting, tax levy and appropriation procedures. These procedures involve review by County officials at several steps. District budgeting for a fiscal year formally begins with the preparation of a tax budget. After a public hearing, this budget is adopted by the Board prior to the fiscal year to which it pertains. Among other items, the tax budget must show the amounts required for debt service, the estimated receipts for payment from sources other than ad valorem property taxes and the net amount for which an ad valorem property tax levy must be made. The tax budget then is presented for review to the County Budget Commission, comprised of the County Auditor, County Treasurer and County Prosecuting Attorney. Upon approval of the tax budget, the County Budget Commission certifies its actions to the Board together with the approved tax rates. Thereafter, the Board levies the approved taxes and certifies them to the proper County officials. The approved and certified tax rates are reflected in the tax bills sent to property owners during the collection year. Real property taxes are payable on a calendar-year basis, generally in two installments with the first due usually in January and the second due in June.

At the start of each fiscal year, the Board adopts a temporary appropriation measure to begin that new fiscal year and then, within three months, a permanent appropriation measure for that fiscal year. Permanent appropriation measures may be amended or supplemented during the fiscal year. Annual appropriations may not exceed the County Budget Commission's official estimates of resources. The County Auditor must certify that the Board's appropriation measures, including any supplements or amendments, do not appropriate monies in excess of the amounts set forth in the latest of those official estimates.

FINANCIAL INFORMATION (Continued)

Financial Reports and Auditing

The District maintains its accounts, appropriations and other fiscal records in accordance with the procedures established and prescribed by the Auditor of State. Law charges the Auditor of State with the responsibility of auditing the accounts and records of each taxing subdivision and most public agencies and institutions. District receipts and expenditures are maintained on a cash basis, pursuant to accounting procedures prescribed by the Auditor of State which is generally applicable to all Ohio School Districts. Beginning with Fiscal Year 1988, the records of these cash receipts and expenditures have been converted annually for report purposes to a basis of accounting in accordance with accounting principles generally accepted in the United States of America for governments as prescribed by the Governmental Accounting Standards Board.

Internal Control

The Administration has established and staffed an internal audit position with responsibility for developing, monitoring and reporting on internal accounting controls and performing compliance and operational audits, specialized investigations, and post-audit reviews.

Pension Plans

Present and retired employees of the District are covered under two statewide public retirement (including disability retirement) systems. The State Teachers Retirement System (STRS) is applicable to all teachers, principals, supervisors and administrators employed by the District who are required to hold a certificate issued by the State Department of Education pursuant to the Code. All other employees (with the exception of two Board members who are covered by FICA) are covered by the School Employees Retirement System (SERS). Pursuant to federal law, all District employees hired after March 31, 1986 are required to participate in the federal Medicare program which currently requires employee and employer contributions each equal to 1.45 percent of the employee's wages. Both STRS and SERS were created by and operate pursuant to Ohio law. The General Assembly could determine to amend the format of either system and could revise rates or methods of contribution to be made by the District into the pension funds and revise benefits or benefit levels.

Cash Management

The District pools its cash for maximum investing efficiency. Ohio law and District policy authorize the Treasurer to invest in various investments that are detailed in Note 5 of the Notes to the Basic Financial Statements. Investment earnings were credited to the General Fund, the Classroom Facilities Capital Projects Fund, and the Classroom Facilities Maintenance Fund.

Risk Management:

Employee Health Care Benefits

The District is self-insured for the employee health care benefits for all of its employees. The District program is administered by United Health Care, which provides claims review and processing services. The health care self-insurance is accounted for in the General Fund. The District records a liability for incurred but unreported claims at year-end based upon an independent actuarial evaluation of claims payable. The District recorded claims payable of \$7,778,064 in the General Fund on the Balance Sheet for these obligations. The District carries stop-loss coverage for employee health care benefits.

FINANCIAL INFORMATION (Continued)

Workers Compensation Retrospective Rating Program

The District participates in the Ohio Bureau of Workers' Compensation (the Bureau) Retrospective Rating Plan. Under the retrospective rating plan, the District assumes a portion of the risk in return for a reduction in current premiums. Current limits for claims incurred in calendar year 2003 are an unlimited amount per claim and 150% of the annual premium in the aggregate. The respective long-term liability for workers' compensation is recorded in the statement of net assets in the total amount of \$18,934,520.

Vehicle and General Liability

The District is responsible for the first \$500,000 per claim, the next \$4,500,000 in claims is payable by The Insurance Company of the State of Pennsylvania and the remaining \$5,000,000 in claims payable is covered by Royal Insurance Company. The renewal date is June 30, 2005. A new policy was entered into on July 1, 2004.

The District has general liability with Genesis Insurance Company in the amount of \$2,000,000 per occurrence, and \$3,000,000 aggregate. The renewal date is August, 2005.

Property Damage

The District is insured for property damage by Allianz Insurance Company, with a per occurrence policy limit of \$100,000,000 and a deductible of \$1,000,000.

The policy allows for losses in excess of \$250,000, but less than \$1 million is counted towards the deductible. The deductible, if needed, will be paid from the Replacement Fund (Capital Projects). The renewal date was December 2004.

The District also carries insurance on leased modular units with Travelers Indemnity Company of Illinois in an amount equal to the agreed upon value of the leased modular units with an expiration date of June 30, 2004. This policy was renewed on July 1, 2004.

Builder's Risk Insurance

The District carries builders risk insurance with RLI Insurance Company in the amount of \$2,000,000 per occurrence and \$4,000,000 aggregate coverage. This policy expires May 2005. Additionally, a separate builder's risk policy is in place to cover the Linden Elementary construction project.

Boiler and Machinery Coverage

The District is insured for boiler and machinery coverage with \$30,000,000 limit with Chubb.

Settled claims have not exceeded these commercial coverages in any of the past three years.

LITIGATION

The District is party to various legal proceedings for damages or injunctive relief. The District's legal counsel estimates that the potential uninsured claims against the District resulting from those proceedings would not materially affect the financial statements of the District.

INDEPENDENT AUDIT

The Basic Financial Statements of the District are audited by the District's independent auditor, Betty Montgomery, Auditor of State. The Independent Accountants' Report is included in the financial section of this report.

AWARDS

GFOA - Certificate of Achievement for Excellence in Financial Reporting

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Columbus City School District for its Comprehensive Annual Financial Report (CAFR) for the Fiscal Year Ended June 30, 2003. This was the 4th consecutive year that the District has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized CAFR. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Award is valid for a period of one year only. We are submitting our current CAFR to GFOA to determine its eligibility for another certificate as we believe our current report conforms to the Certificate of Award Achievement Program's requirements.

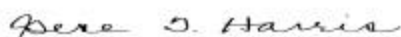
ASBO - Certificate of Excellence

The Columbus City School District received the Association of School Business Officials International (ASBO) Certificate of Excellence in Financial Reporting for its Comprehensive Annual Financial Report (CAFR) for the fiscal years ended June 30, 2003, 2002, 2001 and 2000. This award certifies that the report substantially conforms to the principles and standards of financial reporting as recommended and adopted by the Association of School Business Officials International. An expert ASBO Panel of Review consisting of certified public accountants and practicing school business officials grants the award only after an intensive review of financial reports. Receiving the award is recognition that a school system has met the highest standards of excellence in school financial reporting. A Certificate of Excellence is valid for a period of one year only. We are submitting our current CAFR to ASBO, as we believe that our current report conforms to the Certificate of Excellence Program requirements.

ACKNOWLEDGEMENTS

The preparation of this report on a timely basis could not have been accomplished without the efficient and dedicated services of the entire staff of the Treasurer's Office. We want to express our appreciation to all who assisted and contributed to its preparation.

We also thank the members of the Board for their interest and support in planning and conducting the financial operations of the District in a fiscally responsible and progressive manner.



Gene T. Harris, Ph.D.
Superintendent



Jeri S. Wires
Interim Treasurer

**COLUMBUS CITY SCHOOL DISTRICT
APPOINTED OFFICIALS
JUNE 30, 2004**

Gene Harris, Ph.D.

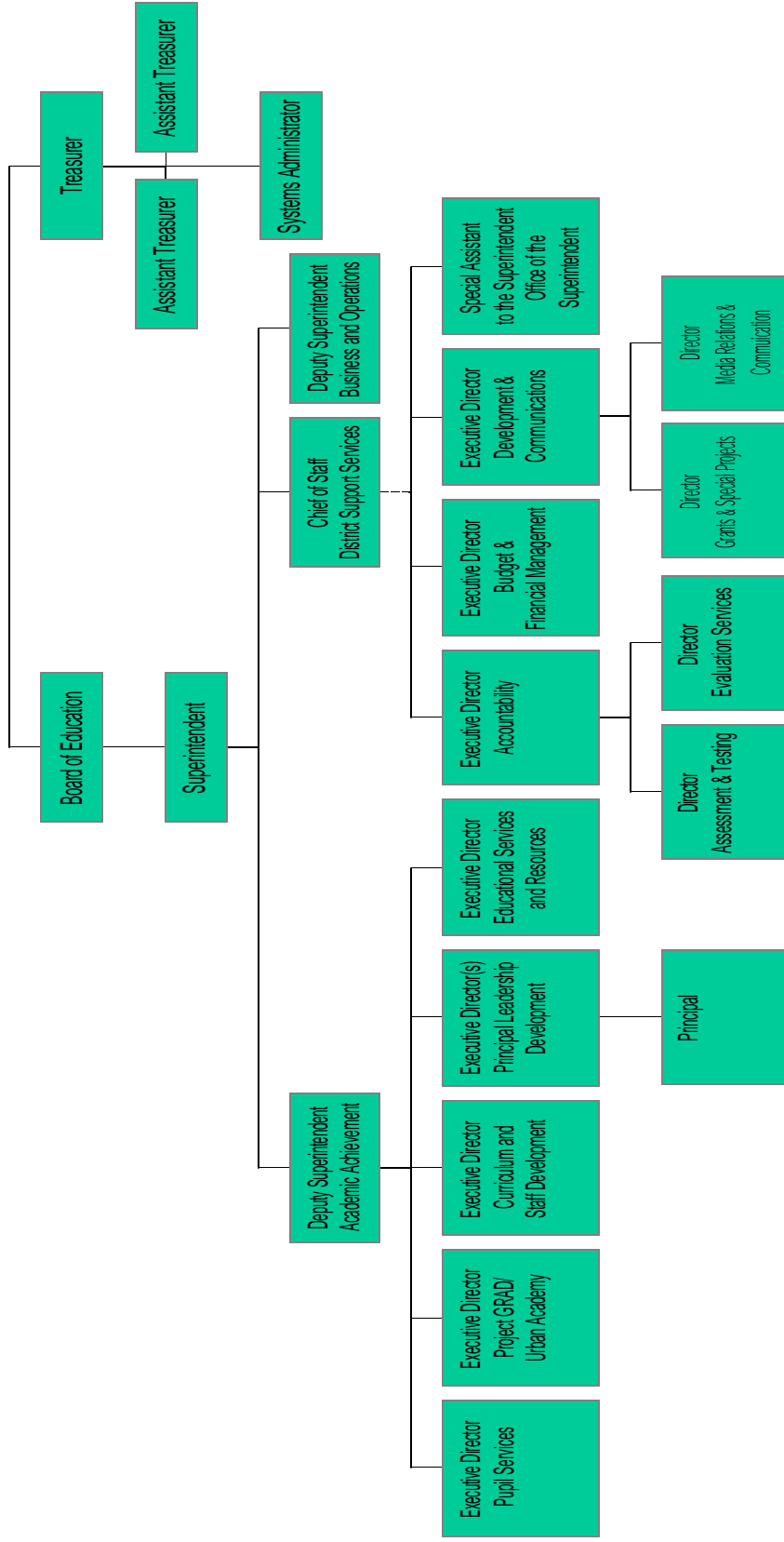
Superintendent of Schools

Jerry K. Buccilla

Treasurer

COLUMBUS CITY SCHOOL DISTRICT

ORGANIZATION CHART



Certificate of Achievement for Excellence in Financial Reporting

Presented to
Columbus City School District,
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2003

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



President

Executive Director

**ASSOCIATION OF SCHOOL BUSINESS OFFICIALS
INTERNATIONAL**



This Certificate of Excellence in Financial Reporting is presented to

COLUMBUS CITY SCHOOL DISTRICT

For its Comprehensive Annual Financial Report (CAFR)
For the Fiscal Year Ended June 30, 2003

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

William F. Hill
President

Barbara W. Miller
Executive Director

FINANCIAL SECTION

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**Auditor of State
Betty Montgomery**

INDEPENDENT ACCOUNTANTS' REPORT

Columbus City School District
Franklin County
270 East State Street
Columbus, Ohio 43215

To the Board of Education:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Columbus City School District, Franklin County, Ohio (the District), as of and for the year ended June 30, 2004, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Columbus City School District, Franklin County, Ohio, as of June 30, 2004, and the respective changes in financial position and cash flows, where applicable, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 4, the District restated beginning governmental activities net assets associated with the accretion on capital appreciation bond liabilities.

In accordance with *Government Auditing Standards*, we have also issued our report dated January 28, 2005, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

35 N. Fourth St. / Second Floor / Columbus, OH 43215
Telephone: (614) 466-3402 (800) 443-9275 Fax: (614) 728-7199
www.auditor.state.oh.us

Management's Discussion and Analysis and the budgetary comparison for the General Fund are not a required part of the basic financial statements but are supplementary information the Governmental Accounting Standards Board requires. 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.

We conducted our audit to form opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory section, combining and individual non-major fund statements and schedules and statistical tables are presented for additional analysis and are not a required part of the basic financial statements. We subjected the combining and individual non-major fund statements and schedules to the auditing procedures applied in the audit of the basic financial statements. In our opinion, this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole. We did not subject the introductory section and statistical tables to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

A handwritten signature in black ink that reads "Betty Montgomery". The signature is written in a cursive, flowing style.

Betty Montgomery
Auditor of State

January 28, 2005

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Columbus City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2004
Unaudited

This discussion and analysis of Columbus City School District's (the District) financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2004. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should also review the transmittal letter, notes to the basic financial statements and financial statements to enhance their understanding of the District's financial performance.

Financial Highlights

Key financial highlights for 2004 are as follows:

Overall:

Total net assets decreased \$70.6 million, primarily in Governmental Activities.

Total revenue was \$686.3 million in 2004.

Total program expenses were \$756.9 million in 2004.

Long term debt and other obligations increased to \$376.3 million in 2004 from \$368.8 million in 2003.

Governmental Activities:

Liabilities increased \$11.4 million from 2003, total assets decreased by \$55.6 million.

Total revenue was \$660.2 million in 2004, while program expenses were \$727.2 million.

Program expenses were primarily composed of Instruction, where expenses were \$382.6 million in 2004.

Business-Type Activities:

Program revenues were \$25.7 million for Business Activities, while corresponding expenses were \$29.7 million. This is the primary reason for the decrease in net assets in the business-type activities.

Using this Comprehensive Annual Financial Report (CAFR)

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The *Statement of Net Assets* and *Statement of Activities* provide information about the activities of the whole District, presenting both an aggregate view of the District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For Governmental Funds, these statements tell how services were financed in the short-term and what remains for future spending. The Fund Financial Statements also look at the District's most significant funds with all other nonmajor funds presented in total in one column. In the case of the District, the General Fund is by far the most significant fund.

Columbus City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2004
Unaudited

Reporting the District as a Whole

Statement of Net Assets and the Statement of Activities

While this document contains the large number of funds used by the District to provide programs and activities, the view of the District as a whole looks at all financial transactions and asks the question, "How did we do financially during 2004?" The Statement of Net Assets and the Statement of Activities answers this question. These statements include *all assets* and *liabilities* using the *accrual basis of accounting* similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid. These two statements report the District's *net assets* and changes in those assets. This change in net assets is important because it tells the reader that, for the District as a whole, the *financial position* of the District has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors include the District's property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, required educational programs and other factors.

In the Statement of Net Assets and the Statement of Activities, the District is divided into two distinct kinds of activities:

Governmental Activities – Most of the District's programs and services are reported here including instruction, support services, operation and maintenance of plant, pupil transportation and extracurricular activities.

Business-Type Activities – These services are provided on a charge for goods or services basis to recover all of the expenses of the goods or services provided. The District's food service, adult education, latchkey, radio station, rotary special services and uniform school supplies programs are reported as business activities.

Reporting the District's Most Significant Funds

Fund Financial Statements

The analysis of the District's major funds begins on page F-16. Fund financial reports provide detailed information about the District's major funds. The District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the District's most significant funds. The District's major Governmental Funds are the General Fund, the Debt Service Fund and the Classroom Facilities Fund. The District's major Proprietary Fund is the Food Service Fund.

Governmental Funds Most of the District's activities are reported in Governmental Funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using an accounting method called *modified accrual*, which measures cash and all other *financial assets* that can readily be converted to cash. The Governmental Fund Statements provide a detailed *short-term view* of the District's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between Governmental *Activities* (reported in the Statement of Net Assets and the Statement of Activities) and Governmental *Funds* is reconciled in the financial statements.

Proprietary Funds Proprietary funds use the same basis of accounting as Business-Type Activities; therefore, these statements will essentially match the information provided in statements for the District as a whole.

Columbus City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2004
Unaudited

The District as a Whole

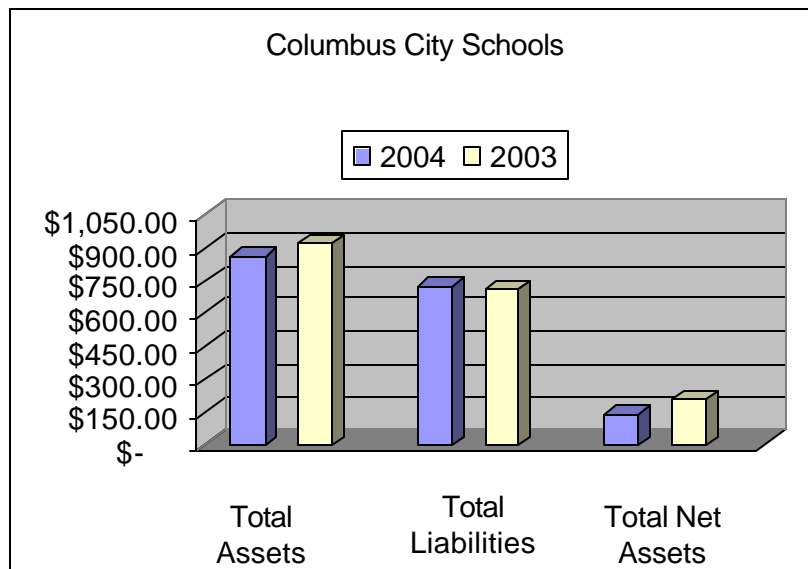
Recall that the Statement of Net Assets provides the perspective of the District as a whole. Table 1 provides a summary of the District's net assets for 2004 compared to the prior year:

Table 1
Net Assets
(In Millions)

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Totals</u>	
	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>
<i>Assets</i>						
Current and Other Assets	\$ 650.3	\$ 708.2	\$ 2.8	\$ 6.6	\$ 653.1	\$ 714.8
Capital Assets	212.1	209.8	3.2	3.2	215.3	213.0
<i>Total Assets</i>	<u>862.4</u>	<u>918.0</u>	<u>6.0</u>	<u>9.8</u>	<u>868.4</u>	<u>927.8</u>
<i>Liabilities</i>						
Long Term Liabilities	374.8	367.0	1.6	1.7	376.4	368.7
Other Liabilities	348.3	344.6	0.7	0.6	349.0	345.2
<i>Total Liabilities</i>	<u>723.1</u>	<u>711.6</u>	<u>2.3</u>	<u>2.3</u>	<u>725.4</u>	<u>713.9</u>
<i>Net Assets</i>						
Invested in Capital Assets						
Net of Debt	135.7	131.1	3.1	3.0	138.8	134.1
Restricted	311.0	315.7	-	-	311.0	315.7
Unrestricted (deficit)	(307.3)	(240.4)	0.7	4.4	(306.6)	(236.0)
<i>Total Net Assets</i>	<u>\$ 139.4</u>	<u>\$ 206.4</u>	<u>\$ 3.8</u>	<u>\$ 7.4</u>	<u>\$ 143.2</u>	<u>\$ 213.8</u>

Total assets decreased by \$59.4 million. Equity in Pooled Cash and Cash Equivalents decreased by \$54.8 million from 2003 to 2004. Liabilities increased by \$11.5 million. This increase in liabilities for 2004 was primarily the result of the implementation of an Early Retirement Incentive Program that required an Early Retirement Incentive Payable liability to be recorded in the amount of \$23.7 million with a net increase in long-term liabilities of \$7.7 million. The net impact was a decrease in net assets of \$70.6 million.

Graph 1.
Net Assets Governmental Activities
(In Millions)



Columbus City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2004
Unaudited

The District as a Whole – Continued

Table 2 shows the comparative changes in net assets for fiscal years 2004 and 2003.

Table 2
Changes In Net Assets For Governmental Activities and Business-Type Activities
(In Millions)

	Governmental Activities		Business-Type Activities	
	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>
Revenues				
<i>Program Revenues:</i>				
Charges For Services and Sales	\$ 7.9	\$ 7.9	\$ 8.6	\$ 9.2
Operating Grants	147.2	145.2	17.1	19.7
Capital Grants and Contributions	-	68.2	-	-
<i>General Revenue:</i>				
Property Taxes	309.6	324.9	-	-
Grants and Entitlements	188.6	186.3	-	-
Other	6.9	7.8	0.4	-
Total Revenue	<u>660.2</u>	<u>740.3</u>	<u>26.1</u>	<u>28.9</u>
Program Expenses				
Instruction	382.6	378.6	-	-
<i>Support Services:</i>				
Pupil and Instructional Staff	121.1	102.1	-	-
Board of Education, Administration Fiscal and Business	75.6	71.6	-	-
Operation and Maintenance of Plant	61.8	65.3	-	-
Pupil Transportation	29.6	29.6	-	-
Other Support Services	26.8	25.7	-	-
Enterprise Operations	0.2	0.2	-	-
Extracurricular Services	8.7	8.4	-	-
Community Services	5.7	6.2	-	-
Interest and Fiscal Changes	15.1	6.7	-	-
Food Service	-	-	23.7	24.8
Adult and Community Education	-	-	2.4	2.8
WCBE Radio	-	-	1.0	1.0
Latchkey and Uniform School Supplies	-	-	2.6	2.4
Total Expenses	<u>727.2</u>	<u>694.4</u>	<u>29.7</u>	<u>31.0</u>
Increase (Decrease) In Net Assets	(67.0)	45.9	(3.6)	(2.1)
Net Assets - July 1	<u>206.4</u>	<u>160.4</u>	<u>7.4</u>	<u>9.5</u>
Net Assets - June 30	<u>\$ 139.4</u>	<u>\$ 206.4</u>	<u>\$ 3.8</u>	<u>\$ 7.4</u>

Columbus City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2004
Unaudited

Governmental Activities

The unique nature of property taxes in Ohio creates the need to routinely seek voter approval for operating funds. The overall revenue generated by a voted levy does not increase solely as a result of inflation. Thus school districts dependent upon property taxes are hampered by a lack of revenue growth and must regularly return to voters to maintain a constant level of service. Property taxes made up 47 percent of revenues for Governmental Activities for the District in fiscal year 2004. Interest expense amounting to \$15.07 million was attributable to the outstanding bonds and capital leases.

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows, for Government Activities, the total cost of services and the net cost of services. That is, it identifies the cost of these services supported by tax revenue and unrestricted State entitlements.

The dependence upon tax revenues and intergovernmental foundation monies for governmental activities is apparent. Over 75 percent of instruction activities are supported through taxes, intergovernmental foundation monies and other general revenues; for all governmental activities general revenue support is 79 percent as shown in Table 2. The community and the State of Ohio, as a whole, provide the vast majority of resources for Columbus City School District students.

Table 3
 Total Cost of Program Services
 Governmental Activities
 (In Thousands)

	2004		2003	
	<u>Total Cost of Service</u>	<u>Net Cost of Service</u>	<u>Total Cost of Service</u>	<u>Net Cost of Service</u>
Instruction	\$ 382,614	\$ 288,291	\$ 378,581	\$ 283,867
Support Services:				
Pupil and Instructional Staff	121,123	88,788	102,077	66,932
Board of Education, Administration				
Fiscal and Business	75,650	70,602	71,554	66,780
Operation and Maintenance of Plant	61,823	61,089	65,305	64,416
Pupil Transportation	29,611	17,763	29,596	19,249
Other	26,791	24,026	25,741	24,166
Enterprise Operations	206	127	169	90
Extracurricular Activities	8,650	6,730	8,428	6,753
Community Services	5,673	(425)	6,212	(729)
Facilities Acquisition and Construction	-	-	-	(65,140)
Interest and Fiscal Charges	<u>15,073</u>	<u>15,073</u>	<u>6,596</u>	<u>6,596</u>
Total Expenses	<u>\$ 727,214</u>	<u>\$ 572,064</u>	<u>\$ 694,259</u>	<u>\$ 472,980</u>

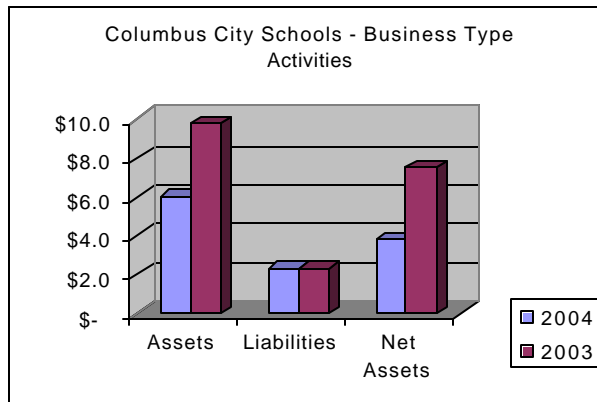
Columbus City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2004
Unaudited

Business-Type Activities

Business-type activities include food service, adult education, WCBE radio station, latchkey and uniform school supply and rotary special services.

Overall net assets declined \$3.6 million from 2003 to 2004. The primary reason for this decrease relates to the decline in Unrestricted Net Assets from \$4.4 million in 2003 to (\$0.7) million in 2004. Cash has declined from \$3.8 million in 2003 to just over \$1.9 million for 2004. Program revenues support the majority of Business-Type Activities and during 2004 program expenses exceeded program revenues which resulted in the above declines.

Graph 2.
 Net Assets Business-Type Activities
 (In Millions)



The District's Funds

Information about the District's major Governmental Funds starts on page F-16. The Governmental Funds are accounted for using the modified accrual basis of accounting. All Governmental Funds had total revenues of \$667.8 million and expenditures of \$719.2 million. The net change in fund balance for the year was most significant in the General Fund, where the General Fund unreserved fund balance went from a deficit of \$15.9 million in 2003 to a deficit of \$58.2 million for 2004. This deficit is a result of expenditures exceeding revenues by \$36.79 million. While revenues remained fairly consistent with the prior year, debt related expenses decreased by \$7.84 million from the prior year, however, current operating expenses for the General Fund, net of debt principal and interest expenditures decreased from \$601.75 million in 2003 to \$601.65 million in 2004. The Debt Service Major fund had expenditures in excess of revenues in the amount of \$985.47. Interest expense was the fund's largest expense, amounting to \$11.68 million. The Classroom Facilities Major Fund had expenditures in excess of revenues totaling \$5.65 million. The Classroom Facilities fund had expenditures for capital outlay that totaled \$8.3 million, while revenue for the classroom facilities project received from the Ohio School Facilities Commission totaled only \$2.4 million. Information about the Food Service Fund, the District's only major Proprietary Fund, starts on page F-20. The Proprietary Funds are accounted for using the full accrual basis of accounting. Proprietary Funds had a net decrease in net assets of \$3.6 million with the Food Service Fund accounting for \$3.1 million of the change. Operating revenues declined by \$1 million, expenses increased by \$1.4 million, and nonoperating revenues decreased by \$2.8 million in the Food Service Fund.

General Fund Budgeting Highlights

The District's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted fund is the General Fund. During the course of fiscal year 2004 the District amended its General Fund budget numerous times, none significant.

Columbus City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2004
Unaudited

General Fund Budgeting Highlights– Continued

For the General Fund, budget basis revenue was \$570.0 million, above original budget estimates of \$563.8 million. Of this \$6.2 million difference, advances in were 6.5 million above original estimates and various other revenue categories made up the remaining difference.

Total actual expenditures on the budget basis (cash outlays plus encumbrances) were \$629.4 million, \$59.4 million above revenues.

Capital Assets and Debt Administration

Capital Assets

At the end of fiscal 2004 the District had \$215.36 million invested in land, land improvements, buildings and improvements, furniture and equipment, vehicles, library books and textbooks and construction in progress, \$212.11 million in Governmental Activities. Tables 4.1 and 4.2 show fiscal 2004 and 2003 balances by Governmental Activity and Business-Type Activity:

Capital Assets At June 30
 (Net of Depreciation-In Millions)
 Governmental Activity

	<u>2004</u>	<u>2003</u>
Land	\$ 2498	\$ 2498
Land Improvements	752	726
Buildings & Improvements	13374	13012
Furniture & Equipment	1508	1753
Vehicles	804	915
Library Books & Textbooks	1894	1697
Construction in Progress	<u>381</u>	<u>374</u>
Total	<u>\$ 21211</u>	<u>\$ 20975</u>

Capital Assets At June 30
 (Net of Depreciation-In Millions)
 Business-Type Activities

	<u>2004</u>	<u>2003</u>
Land	\$ 0.15	\$ 0.15
Buildings & Improvements	0.54	0.60
Vehicles	0.49	0.54
Furniture & Equipment	<u>2.07</u>	<u>1.95</u>
Total	<u>\$ 3.25</u>	<u>\$ 3.24</u>

Columbus City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2004
Unaudited

Capital Assets and Debt Administration - Continued

Capital Assets - Continued

The increase in Capital Assets for Governmental Activities is due to recognizing \$17.8 million in depreciation expense for 2004, offset by \$20.2 million in acquisitions. These acquisitions were distributed among land improvements, building improvements, furniture and equipment, library books and textbooks and construction in progress. The District also retired \$3.5 million in assets (net of depreciation). The District continued its ongoing commitment to maintaining and improving its Capital Assets. Please see Note 7 of the Notes to the Basic Financial Statements for a more detailed analysis of Capital Assets.

For fiscal year 2000, a change in Ohio law required school districts to set aside two percent of certain revenues for capital improvements and an additional two percent for textbooks; this amount was increased to three percent beginning in fiscal 2001. For fiscal year 2004, this amounted to \$3.5 million for each set aside. For fiscal year 2004 the District had qualifying disbursements or offsets exceeding these requirements for capital improvements and for textbooks.

Debt

At June 30, 2004 the District had \$278.32 million in bonds, \$12.52 million due within one year.

Table 5 summarizes bonds outstanding for the past two years:

Table 5
 Outstanding Debt At June 30
 Governmental Activities
(In Millions)

	<u>2004</u>	<u>2003</u>
General Obligation Bonds	\$ 267.02	\$ 271.82
Energy Conservation Bonds	<u>11.30</u>	<u>13.07</u>
Total	<u>\$ 278.32</u>	<u>\$ 284.99</u>

All General Obligation Bonds and Energy Conservation Bonds outstanding are general obligations of the District for which the full faith and credit of the District is pledged for repayment. The source of repayment is derived from a current 2.0 mill bonded debt tax levy.

At June 30, 2004, the District's overall legal debt margin was \$594.18 million with an unvoted debt margin of \$8.98 million. The debt is well within permissible limits. The District maintains an A-1 bond rating from Moody's Investors Service and an A+ bond rating from Standard & Poor's Rating Services.

Columbus City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2004
Unaudited

Capital Lease Obligations

The District did not have any new significant capital leases entered into during fiscal year 2004. The District had previous capital leases, which are being paid for out of both the General Fund (Governmental Activities) and the Food Service Fund (Business-Type Activities). The total capital lease obligations outstanding as of June 30, 2004 were \$864,881 in the General Fund (Governmental Activities) and \$78,825 in the Food Service Fund (Business-Type Activities). Of these balances \$645,055 in the Governmental Activities and the entire amount of the Business-Type Activities were due within one year.

Current Financial Related Activities

The declining projected ending General Fund cash balance is a reflection of the natural challenge of Ohio school district financing. This is due to "capped" revenue growth and natural inflationary growth on the expenditure costs. The District has been able to stretch the additional revenues realized from the passage of the 5.5 mill-operating levy in November of 1996 to over a six-year life. This was accomplished through strong fiscal management of the District's finances. District voters passed a 6.95 million dollar operating levy on November 2, 2004. The District also issued \$60,000,000 in Revenue Anticipation Notes dated December 14, 2004 and maturing March 15, 2005. The Notes were issued in anticipation of the collection of property tax revenues in and for the fiscal year ending June 30, 2005. The District is currently determining the means to address the fiscal picture.

The District cannot look to the State of Ohio for increased revenue. On December 11, 2002, the Ohio Supreme Court issued its latest opinion regarding the State's school funding plan. The decision reaffirmed earlier decisions that Ohio's current school-funding plan is unconstitutional. The Supreme Court relinquished jurisdiction over the case and directed "...the Ohio General Assembly to enact a school-funding scheme that is thorough and efficient...". The District is currently unable to determine what effect, if any, this decision will have on its future State funding and its financial operations. This scenario requires management to plan carefully and prudently to provide the resources to meet student needs over the next several years.

Columbus City School District has committed itself to financial excellence for many years. The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Award of Financial Reporting Achievement to the Columbus City School District for its Comprehensive Annual Financial Report for the Fiscal Years Ended June 30, 2003, 2002, 2001 and 2000. Columbus City School District received the Association of School Business Officials International (ASBO) Certificate of Excellence in Financial Reporting for its Comprehensive Annual Financial Report for the fiscal years ended June 30, 2003, 2002, 2001 and 2000.

Contacting the District's Financial Management

This financial report is designed to provide our citizen's, taxpayers, and investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional financial information contact Jeri S. Wires, Interim Treasurer at Columbus City School District, 270 East State Street, Columbus, Ohio 43215. Or e-mail at jwires@columbus.k12.oh.us.

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BASIC FINANCIAL STATEMENTS

Columbus City School District

Statement of Net Assets

As of June 30, 2004

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Equity in Pooled Cash and Cash Equivalents	\$265,078,295	\$1,924,091	\$267,002,386
Receivables			
Taxes	293,860,870	-	293,860,870
Intergovernmental	86,415,928	556,224	86,972,152
Accounts	1,450,436	-	1,450,436
Interest	912,790	-	912,790
Internal Balances	286,276	(286,276)	-
Materials and Supplies Inventory	688,210	637,539	1,325,749
Unamortized Financing Costs	1,625,127	-	1,625,127
Nondepreciable Capital Assets	28,790,000	151,610	28,941,610
Depreciable Capital Assets, Net	183,318,763	3,096,272	186,415,035
Total Assets	862,426,695	6,079,460	868,506,155
LIABILITIES			
Accounts Payable	7,902,523	148,290	8,050,813
Accrued Wages and Benefits	53,674,273	531,441	54,205,714
Claims Payable	7,778,064	-	7,778,064
Accrued Interest Payable	1,158,367	-	1,158,367
Deferred Revenue	257,993,990	-	257,993,990
Due to Other Governments	19,770,289	10,884	19,781,173
Long-Term Liabilities:			
Due Within One Year	20,100,127	141,589	20,241,716
Due In More Than One Year	354,676,031	1,417,943	356,093,974
Total Liabilities	723,053,664	2,250,147	725,303,811
NET ASSETS			
Invested in Capital Assets, Net of Related Debt	135,742,271	3,169,057	138,911,328
Restricted for:			
Debt Service	15,904,608	-	15,904,608
Capital Projects	262,393,282	-	262,393,282
Permanent Fund			
Expendable	140,787	-	140,787
Nonexpendable	673,401	-	673,401
Other Purposes	31,904,733	-	31,904,733
Unrestricted (Deficit)	(307,386,051)	660,256	(306,725,795)
Total Net Assets	\$139,373,031	\$3,829,313	\$143,202,344

The notes to the financial statements are an integral part of this statement.

Columbus City School District

Statement of Activities

For the Fiscal Year Ended June 30, 2004

	Expenses	Program Revenues		
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities				
Instruction:				
Regular	\$278,118,279	\$2,293,253	\$7,143,646	\$0
Special	80,535,499	498,407	79,485,321	-
Vocational	21,114,819	169,545	3,969,997	-
Other	2,846,109	11,512	752,232	-
Support Services:				
Pupil	53,188,569	378,917	6,711,875	-
Instructional Staff	67,934,149	375,753	24,853,003	15,000
Administration	53,056,148	1,277,087	2,109,395	-
Business and Fiscal	22,593,436	210,299	1,450,564	-
Operation and Maintenance of Plant	61,823,222	507,852	226,097	-
Pupil Transportation	29,611,211	240,519	11,607,399	-
Other	26,790,621	178,019	2,586,122	-
Enterprise Operations	206,457	70,434	9,125	-
Extracurricular Activities	8,650,003	1,702,455	217,963	-
Community Services	5,672,603	5,943	6,091,930	-
Interest and Fiscal Charges	15,072,633	-	-	-
<i>Total Governmental Activities</i>	<u>727,213,758</u>	<u>7,919,995</u>	<u>147,214,669</u>	<u>15,000</u>
Business-Type Activities				
Food Service	23,695,554	4,840,687	15,739,374	-
Adult and Community Education	2,406,708	1,315,229	295,765	-
WCBE Radio	1,007,607	-	1,065,379	-
Latchkey	2,562,084	2,435,727	-	-
Uniform School Supplies	27,240	24,549	-	-
<i>Total Business-Type Activities</i>	<u>29,699,193</u>	<u>8,616,192</u>	<u>17,100,518</u>	<u>-</u>
Totals	<u><u>756,912,951</u></u>	<u><u>16,536,187</u></u>	<u><u>164,315,187</u></u>	<u><u>15,000</u></u>

General Revenues

Property Taxes Levied for:

 General Purposes

 Debt Service

 Capital Outlay

Grants and Entitlements not Restricted to Specific Programs

Investment Earnings

Miscellaneous

Total General Revenues

Change in Net Assets

Net Assets Beginning of Year, As Restated

Net Assets End of Year

The notes to the financial statements are an integral part of this statement.

Net (Expense) Revenue
and Changes in Net Assets

Governmental Activities	Business-Type Activities	Total
(\$268,681,380)	\$0	(\$268,681,380)
(551,771)	-	(551,771)
(16,975,277)	-	(16,975,277)
(2,082,365)	-	(2,082,365)
(46,097,777)	-	(46,097,777)
(42,690,393)	-	(42,690,393)
(49,669,666)	-	(49,669,666)
(20,932,573)	-	(20,932,573)
(61,089,273)	-	(61,089,273)
(17,763,293)	-	(17,763,293)
(24,026,480)	-	(24,026,480)
(126,898)	-	(126,898)
(6,729,585)	-	(6,729,585)
425,270	-	425,270
(15,072,633)	-	(15,072,633)
(572,064,094)	-	(572,064,094)
-	(3,115,493)	(3,115,493)
-	(795,714)	(795,714)
-	57,772	57,772
-	(126,357)	(126,357)
-	(2,691)	(2,691)
-	(3,982,483)	(3,982,483)
(572,064,094)	(3,982,483)	(576,046,577)
287,429,181	-	287,429,181
18,413,900	-	18,413,900
3,707,953	-	3,707,953
188,643,400	-	188,643,400
1,489,025	-	1,489,025
5,385,350	371,976	5,757,326
505,068,809	371,976	505,440,785
(66,995,285)	(3,610,507)	(70,605,792)
206,368,316	7,439,820	213,808,136
<u>\$139,373,031</u>	<u>\$3,829,313</u>	<u>\$143,202,344</u>

The notes to the financial statements are an integral part of this statement.

Columbus City School District

**Balance Sheet
Governmental Funds**

As of June 30, 2004

	<u>General</u>	<u>Debt Service</u>	<u>Classroom Facilities</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS					
Equity in Pooled Cash and Cash Equivalents	\$ 27,803,245	\$ 12,127,248	\$ 149,919,587	\$ 75,228,215	\$ 265,078,295
Receivables					
Taxes	272,740,651	17,660,619	-	3,459,600	293,860,870
Accounts	1,450,436	-	-	-	1,450,436
Interest	431,567	-	468,626	12,597	912,790
Due from Other Governments	-	-	62,695,280	23,720,648	86,415,928
Interfund Loans Receivable	2,807,926	-	-	-	2,807,926
Materials and Supplies Inventory	688,210	-	-	-	688,210
Total Assets	<u>\$305,922,035</u>	<u>\$ 29,787,867</u>	<u>\$ 213,083,493</u>	<u>\$ 102,421,060</u>	<u>\$ 651,214,455</u>
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts Payable	\$ 3,881,375	\$ -	\$ 747,378	\$ 3,273,769	\$ 7,902,522
Accrued Wages and Benefits	49,428,203	-	-	4,246,070	53,674,273
Matured Compensated Absences	1,666,240	-	-	147,656	1,813,896
Claims Payable	7,778,064	-	-	-	7,778,064
Deferred Revenues	260,727,249	16,883,890	62,674,723	27,041,127	367,326,989
Interfund Loans Payable	-	-	-	2,521,650	2,521,650
Matured Early Retirement Incentive Payable	736,772	-	-	80,973	817,745
Due to Other Governments	13,051,865	-	-	46,922	13,098,787
Total Liabilities	337,269,768	16,883,890	63,422,101	37,358,167	454,933,926
Fund Balances					
Reserved for Encumbrances	14,214,870	-	8,738,543	2,969,777	25,923,190
Reserved for Property Taxes not available for current appropriation	12,013,402	776,729	-	155,346	12,945,477
Reserved for Inventory	688,210	-	-	-	688,210
Reserved for Endowment	-	-	-	673,401	673,401
Unreserved					
Undesignated - Reported In					
General Fund	(58,264,215)	-	-	-	(58,264,215)
Special Revenue Funds	-	-	-	11,647,877	11,647,877
Capital Projects Funds	-	-	140,922,849	49,475,705	190,398,554
Debt Service Fund	-	12,127,248	-	-	12,127,248
Permanent Fund	-	-	-	140,787	140,787
Total Fund Balances	<u>(31,347,733)</u>	<u>12,903,977</u>	<u>149,661,392</u>	<u>65,062,893</u>	<u>196,280,529</u>
Total Liabilities and Fund Balances	<u>\$305,922,035</u>	<u>\$ 29,787,867</u>	<u>\$ 213,083,493</u>	<u>\$ 102,421,060</u>	<u>\$ 651,214,455</u>

The notes to the financial statements are an integral part of this statement.

Columbus City School District

**Reconciliation of Total Governmental Fund Balances to
Net Assets of Governmental Activities**

As of June 30, 2004

Total Governmental Fund Balances	\$	196,280,529
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Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		212,108,763
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Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds.

Taxes	86,407,924		
Intergovernmental	22,925,074		
Unamortized Financing Costs	1,625,127		
Total	110,958,125		110,958,125

Long-Term Liabilities, including bonds, notes payable, capital lease obligations, long-term portion of compensated absences and the long-term portion of pension obligations, are not due and payable in the current period and therefore are not reported in the funds.

Early Retirement Incentive Payable	(22,850,959)		
Interest Payable	(1,158,367)		
Compensated Absences	(51,174,612)		
Pension Obligations	(6,671,502)		
Workers Compensation	(18,934,520)		
Capital Lease Obligations	(864,881)		
General Obligation and Energy Conservation Bonds	(278,319,545)		
Total	(379,974,386)		(379,974,386)

Net Assets of Governmental Activities	\$	139,373,031
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Columbus City School District

**Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds**

For the Fiscal Year Ended June 30, 2004

	<u>General</u>	<u>Debt Service</u>	<u>Classroom Facilities</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues					
Taxes	\$ 303,976,229	\$ 18,801,014	\$ -	\$ 3,847,407	\$ 326,624,650
Tuition and Fees	5,006,330	-	-	765,684	5,772,014
Earnings on Investments	892,313	-	874,780	33,656	1,800,749
Intergovernmental	252,052,758	1,949,542	2,465,157	68,345,602	324,813,059
Extracurricular	-	-	-	1,921,431	1,921,431
Donations	2,855	-	-	763,256	766,111
Other	4,351,809	-	87,364	1,172,764	5,611,937
Total Revenues	566,282,294	20,750,556	3,427,301	76,849,800	667,309,951
Expenditures					
Current Operating					
Instruction					
Regular	259,432,928	-	-	5,921,552	265,354,480
Special	57,067,247	-	-	21,725,879	78,793,126
Vocational	18,993,991	-	-	725,358	19,719,349
Other	1,078,317	-	-	866,401	1,944,718
Pupil Support Services	42,176,899	-	-	8,882,818	51,059,717
Instructional Support Services	41,303,955	-	-	25,324,033	66,627,988
Administration	45,396,373	-	-	3,563,614	48,959,987
Business and Fiscal Services	20,417,118	472,554	-	1,114,579	22,004,251
Operation and Maintenance of					
Plant Services	61,292,436	-	778,417	341,185	62,412,038
Transportation Services-Pupils	28,605,977	-	-	309,037	28,915,014
Other Support Services	19,777,873	-	-	4,329,475	24,107,348
Enterprise Operations	-	-	-	108,483	108,483
Extracurricular Activities	5,953,034	-	-	4,185,925	10,138,959
Community Services	-	-	-	5,590,180	5,590,180
Debt Service					
Principal	932,362	9,580,000	-	-	10,512,362
Interest	101,909	11,683,475	-	-	11,785,384
Capital Outlay	155,769	-	8,306,452	2,253,790	10,716,011
Total Expenditures	602,686,188	21,736,029	9,084,869	85,242,309	718,749,395
Excess (Deficiency) of Revenues Over (Under) Expenditures	(36,403,894)	(985,473)	(5,657,568)	(8,392,509)	(51,439,444)
Other Financing Sources (Uses)					
Transfers In	-	-	-	437,323	437,323
Transfers Out	(437,323)	-	-	-	(437,323)
Proceeds from the Sale of Assets	43,095	-	-	9,250	52,345
Total Other Financing Sources (Uses)	(394,228)	-	-	446,573	52,345
Net Change in Fund Balances	(36,798,122)	(985,473)	(5,657,568)	(7,945,936)	(51,387,099)
Fund Balances at Beginning of Year	5,450,389	13,889,450	155,318,960	73,008,829	247,667,628
Fund Balances at End of Year	\$ (31,347,733)	\$ 12,903,977	\$ 149,661,392	\$ 65,062,893	\$ 196,280,529

The notes to the financial statements are an integral part of this statement.

Columbus City School District

**Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to the Statement of Activities**

For the Fiscal Year Ended June 30, 2004

Net Change in Fund Balances- Total Governmental Funds \$ (51,388,843)

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

Governmental funds report capital outlays as expenditures. However in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period.

Capital Asset Additions	20,265,131	
Current Year Depreciation	<u>(17,778,837)</u>	
Total		2,486,294

Governmental funds only report the disposal of assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal. This is the amount of the gains and losses on the disposal of capital assets.

Proceeds from Sale of Capital Assets	(52,345)	
Loss on Disposal of Capital Assets	<u>(77,157)</u>	
Total		(129,502)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

Taxes	(10,860,966)	
Intergovernmental	5,553,587	
Interest	<u>(311,724)</u>	
Total		(5,619,103)

Debt issuance costs reported in the statement of revenues, expenditures, and changes in fund balances that are reported as expenditures are not reported as expenses in the statement of activities. (60,549)

Repayment of bond principal is recorded as expenditures in the governmental funds, but the repayment reduces liabilities in the statement of net assets and does not result in an expense in the statement of activities. 9,580,000

Repayment of capital lease obligations are expenditures in the governmental funds, but the repayment reduces liabilities in the statement of net assets and does not result in an expense in the statement of activities. 932,362

In the statement of activities, interest is accrued on outstanding bonds and long-term notes payable, whereas in governmental funds, an interest expenditure is reported when due. (285,683)

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.

Compensated Absences	12,944,057	
Early Retirement Incentive Payable	(23,668,704)	
Workers Compensation Claims Payable	(4,436,217)	
Capital Bond Accretion	(3,001,566)	
Intergovernmental Payable	<u>(4,347,831)</u>	
Total		(22,510,261)

Net Change in Net Assets of Governmental Activities \$ (66,995,285)

Columbus City School District

**Statement of Net Assets
Proprietary Funds**

As of June 30, 2004

	<u>Business - Type Activities - Enterprise Funds</u>		
	<u>Food Service</u>	<u>Other Enterprise Funds</u>	<u>Totals</u>
ASSETS			
<u>Current Assets</u>			
Equity in Pooled Cash and Cash Equivalents	\$ 1,658,240	\$ 265,851	\$ 1,924,091
Due from Other Governments	556,224	-	556,224
Materials and Supplies Inventory	637,539	-	637,539
<i>Total Current Assets</i>	<u>2,852,003</u>	<u>265,851</u>	<u>3,117,854</u>
<u>Non-Current Assets</u>			
Capital Assets, Net	3,247,882	-	3,247,882
<i>Total Non-Current Assets</i>	<u>3,247,882</u>	<u>-</u>	<u>3,247,882</u>
Total Assets	<u>\$ 6,099,885</u>	<u>\$ 265,851</u>	<u>\$ 6,365,736</u>
LIABILITIES			
<u>Current Liabilities</u>			
Accounts Payable	\$ 118,889	\$ 29,401	\$ 148,290
Accrued Wages and Benefits	496,081	35,360	531,441
Intergovernmental Payable	10,520	364	10,884
Interfund Loans Payable	-	286,276	286,276
Compensated Absences	32,514	7,990	40,504
Early Retirement Incentive Payable	16,585	5,675	22,260
Obligations Under Capital Leases	78,825	-	78,825
<i>Total Current Liabilities</i>	<u>753,414</u>	<u>365,066</u>	<u>1,118,480</u>
<u>Long-Term Liabilities (Net of Current Portion)</u>			
Compensated Absences	622,824	215,519	838,343
Early Retirement Incentive Payable	354,601	224,999	579,600
<i>Total Long-Term Liabilities</i>	<u>977,425</u>	<u>440,518</u>	<u>1,417,943</u>
Total Liabilities	<u>\$ 1,730,839</u>	<u>\$ 805,584</u>	<u>\$ 2,536,423</u>
NET ASSETS			
Invested in Capital Assets, Net of Related Debt	3,169,057	-	3,169,057
Unrestricted	1,199,989	(539,733)	660,256
Total Net Assets	<u>\$ 4,369,046</u>	<u>\$ (539,733)</u>	<u>\$ 3,829,313</u>

The notes to the financial statements are an integral part of this statement.

Columbus City School District
Statement of Revenues, Expenses and
Changes in Fund Net Assets
Proprietary Funds

For the Fiscal Year Ended June 30, 2004

	<u>Business - Type Activities - Enterprise Funds</u>		
	<u>Food Service</u>	<u>Other Enterprise Funds</u>	<u>Totals</u>
Operating Revenues			
Tuition and Fees	\$ -	\$ 3,750,956	\$ 3,750,956
Sales	4,840,687	24,549	4,865,236
Gifts and Donations	-	1,065,379	1,065,379
Miscellaneous	968	371,008	371,976
Total Operating Revenues	<u>4,841,655</u>	<u>5,211,892</u>	<u>10,053,547</u>
Operating Expenses			
Salaries and Wages	9,762,730	4,176,496	13,939,226
Fringe Benefits	2,878,226	1,112,439	3,990,665
Purchased Services	876,110	400,652	1,276,762
Materials and Supplies	8,936,163	291,709	9,227,872
Depreciation	313,335	-	313,335
Miscellaneous	899,314	22,343	921,657
Total Operating Expenses	<u>23,665,878</u>	<u>6,003,639</u>	<u>29,669,517</u>
Operating Loss	(18,824,223)	(791,747)	(19,615,970)
Nonoperating Revenues (Expenses)			
Intergovernmental Revenues	15,739,374	295,765	16,035,139
Interest Expense	(9,416)	-	(9,416)
Loss on the Disposal of Assets	(20,260)	-	(20,260)
Total Nonoperating Revenues (Expenses)	<u>15,709,698</u>	<u>295,765</u>	<u>16,005,463</u>
Changes in Net Assets	(3,114,525)	(495,982)	(3,610,507)
Net Assets			
at Beginning of Year	<u>7,483,571</u>	<u>(43,751)</u>	<u>7,439,820</u>
Net Assets			
at End of Year	<u>\$ 4,369,046</u>	<u>\$ (539,733)</u>	<u>\$ 3,829,313</u>

The notes to the financial statements are an integral part of this statement.

Columbus City School District

**Statement of Cash Flows
Proprietary Funds**

For the Fiscal Year Ended June 30, 2004

	Business - Type Activities - Enterprise Funds		
	Food Service	Other Enterprise Funds	Totals
Cash Flows from Operating Activities:			
Cash Received from Sales	\$ 4,840,687	\$ 24,549	\$ 4,865,236
Cash Received from Tuition and Fees	-	3,779,291	3,779,291
Cash Received from Contributions	-	1,065,379	1,065,379
Cash Paid to Suppliers	(9,815,425)	(726,753)	(10,542,178)
Cash Paid for Employee Salaries, Wages, and Fringe Benefits	(12,495,691)	(5,296,722)	(17,792,413)
Other Receipts	2,598	371,008	373,606
Other Expenses	(954,221)	-	(954,221)
Net Cash Provided (Used) by Operating Activities	(18,422,052)	(783,248)	(19,205,300)
Cash Flows from Capital Financing Activities:			
Principal Payment on Capital Lease	(152,074)	-	(152,074)
Interest Payment on Capital Lease	(9,416)	-	(9,416)
Capital Outlay	(340,127)	-	(340,127)
Net Cash Provided (Used) by Capital Financing Activities	(501,617)	-	(501,617)
Cash Flows from Noncapital Financing Activities:			
Proceeds from Interfund Loans	-	286,276	286,276
Payment on Interfund Loans	-	(184,543)	(184,543)
Cash Received from Other Governments	17,391,202	295,765	17,686,967
Net Cash Provided by Noncapital Financing Activities	17,391,202	397,498	17,788,700
Decrease in Cash and Cash Equivalents	(1,532,467)	(385,750)	(1,918,217)
Cash and Cash Equivalents at Beginning of Year	3,190,707	651,601	3,842,308
Cash and Cash Equivalents at End of Year	\$ 1,658,240	\$ 265,851	\$ 1,924,091

The notes to the financial statements are an integral part of this statement.

Columbus City School District
Statement of Cash Flows (Continued)
Proprietary Funds

For the Fiscal Year Ended June 30, 2004

	Business - Type Activities - Enterprise Funds		
	Food Service	Other Enterprise Funds	Totals
Reconciliation of Operating Income (Loss) to Net Cash Provided By (Used for) Operating Activities			
Operating Loss	\$ (18,824,223)	\$ (791,747)	\$ (19,615,970)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities			
Depreciation	313,335	-	313,335
Decrease in Due from Other Governments	-	28,335	28,335
Decrease in Materials and Supplies Inventory	-	-	-
Decrease in Accounts Payable	(56,429)	(12,049)	(68,478)
Increase in Early Retirement Incentive Payable	371,186	230,674	601,860
Increase in Intergovernmental Payable	10,520	364	10,884
Decrease in Compensated Absences	(316,565)	(242,469)	(559,034)
Increase in Accrued Wages and Benefits	80,124	3,644	83,768
Net Cash Provided by (Used for) Operating Activities	<u>\$ (18,422,052)</u>	<u>\$ (783,248)</u>	<u>\$ (19,205,300)</u>

The notes to the financial statements are an integral part of this statement.

Columbus City School District
Statement of Fiduciary Assets and Liabilities

As of June 30, 2004

	<u>Agency</u>
ASSETS	
Equity in Pooled Cash and Cash Equivalents	\$ <u>702,762</u>
Total Assets	\$ <u>702,762</u>
LIABILITIES	
Accounts Payable	\$ 35,142
Due to Students	641,375
Due to Other Governments	<u>26,245</u>
Total Liabilities	\$ <u>702,762</u>

The notes to the financial statements are an integral part of this statement

COLUMBUS CITY SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

For the Fiscal Year Ended June 30, 2004

1. DESCRIPTION OF DISTRICT AND REPORTING ENTITY

The District

The Columbus City School District, Franklin County, Ohio (the District) is a body politic and corporate established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The District is a city district as defined by Section 3311.02 of the Ohio Revised Code. The District operates under an elected Board of Education (7 members) and is responsible for the provision of public education to residents of the District. The District also provides vocational (job training) education for residents of the District.

Reporting Entity

The reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements of the District are not misleading. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the District. For the District, this includes general operations, food services, student guidance, extracurricular activities, educational media, care and upkeep of grounds and buildings of the District, and other appropriate areas. Component units are legally separate organizations for which the District is financially accountable. The District is financially accountable for an organization if the District appoints a voting majority of the organization's governing board and (1) the District is able to significantly influence the programs or services performed or provided by the organization; or (2) the District is legally entitled to or can otherwise access the organization's resources; the District is legally obligated or has assumed responsibility to finance the deficits of, or provide financial support to, the organization; or the District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the District in that the District approves the budget, the levying of taxes or the issuance of debt. The District did not have any component units or other related organizations in fiscal year 2004.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies followed in the preparation of these financial statements are summarized below. These policies conform to generally accepted accounting principles (GAAP) as applied to governmental units prescribed in the statements issued by the Governmental Accounting Standards Board (GASB) and other recognized authoritative sources. The District has elected, under GASB No. 20, to apply Financial Accounting Standards Board (FASB) Statements and Interpretations issued on or before November 30, 1989, except those that conflict with or contradict GASB pronouncements.

Fund Accounting

The District's accounts are maintained on the basis of funds, each of which is considered a separate accounting entity. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to specific District functions or activities. The operation of each fund is accounted for within a separate set of self-balancing accounts.

Governmental Funds

Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purpose for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the District's major governmental funds:

COLUMBUS CITY SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS-CONTINUED

For the Fiscal Year Ended June 30, 2004

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Governmental Funds - Continued

General Fund

The General Fund is the general operating fund of the District and is used to account for all financial resources except those required to be accounted for in another fund. The General Fund is available to the District for any purpose provided it is expended or transferred according to the school laws of Ohio.

Debt Service Fund

The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

Classroom Facilities Fund

The Classroom Facilities Fund is a fund provided to account for monies received and expended in connection with contracts entered into by the District and the Ohio Department of Education for the building and equipping of classroom facilities.

The other non-major governmental funds of the District account for grants and other resources whose use is restricted to a particular purpose.

Permanent Fund

The permanent fund is a fund provided to account for donations/contributions received where the principal balance is non-expendable and the interest can only be used for pupil support services.

Proprietary Funds

Proprietary funds focus on the determination of changes in net assets, financial position and cash flows and are classified as either enterprise or internal service. The District only has enterprise funds.

Enterprise Funds

Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The District's major Enterprise Fund is:

Food Service Fund

This fund accounts for the financial transactions related to the food service operations of the District.

The other non-major enterprise funds of the District are used to account for other enterprise related activities of the District.

Fiduciary Funds

Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private purpose trust funds and agency funds. Trust funds are used to account for assets held by the District under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the District's own programs. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The District's only fiduciary funds are agency funds which account for student managed programs and activities, as well as monies held in an agency capacity on behalf of the Franklin County Educational Council. In accordance with GASB 34, fiduciary funds are not included in the government-wide statements.

COLUMBUS CITY SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS-CONTINUED

For the Fiscal Year Ended June 30, 2004

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Basis of Presentation

The District's Basic Financial Statements consist of Government-Wide Statements, which include the Statement of Net Assets and the Statement of Activities, and Fund Financial Statements.

Government-Wide Financial Statements

The Statement of Net Assets and the Statement of Activities display information about the District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the District that are Governmental and those that are considered Business-Type Activities.

The Statement of Net Assets presents the financial condition of Governmental and Business-Type Activities of the District at year-end. The Statement of Activities presents a comparison between direct expenses and program revenues for each program or function of the District's Governmental Activities and for each segment type of the Business-Type Activities of the District. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. There are no indirect costs reported separately in the Statement of Activities. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the District. 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 District.

Fund Financial Statements

During the year, the District segregates transactions related to certain District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the District at a more detailed level. 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. Non-major funds are aggregated and presented in a single column. Fiduciary funds are reported by fund type.

Measurement Focus

The Government-Wide Financial Statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the District are included in the Statement of Net Assets. All Governmental Funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the Balance Sheet. The Statement of Revenues, Expenditures and Changes in Fund Balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the Governmental Activities of the Government-Wide Financial Statements are prepared. Governmental Fund Financial Statements therefore include a reconciliation with brief explanations to better identify the relationship between the Government-Wide Statements and the statements for Governmental Funds.

COLUMBUS CITY SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS-CONTINUED

For the Fiscal Year Ended June 30, 2004

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Measurement Focus - Continued

Like the Government-Wide Statements, all Proprietary Fund Types are accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the Statement of Net Assets. The Statement of Changes in Fund Net Assets presents increases (i.e., revenues) and decreases (i.e., expenses) in net total assets. The Statement of Cash Flows provides information about how the District finances and meets the cash flow needs of its proprietary activities.

Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-Wide financial statements are prepared using the accrual basis of accounting. The fund financial statements are prepared using either the modified accrual basis of accounting for governmental funds or the accrual basis of accounting for proprietary and fiduciary funds. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures.

Revenues – Exchange and Non-exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. "Measurable" means the amount of the transaction can be determined, and available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, available means expected to be received within 90 days of year-end.

Non-exchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. (See Note 6). Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the District must provide local resources to be used for a specified purpose, and expenditures requirements, in which the resources are provided on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year-end: property taxes available as an advance, investment earnings, tuition, grants, and fees.

COLUMBUS CITY SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

For the Fiscal Year Ended June 30, 2004

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Basis of Accounting - Continued

Deferred Revenue

The District reports deferred revenue on its Statement of Net Assets and Governmental Funds Balance Sheet. Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied. Property taxes for which there is an enforceable legal claim as of June 30, 2004, but which were levied to finance fiscal year 2005 operations, have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue. On Governmental Fund Financial Statements, receivables that will not be collected within the available period have also been reported as deferred revenue.

Expenses/Expenditures

On the accrual basis of accounting, expenses are recognized at the time they are incurred. The fair value of donated commodities used during the year is reported in the operating statement as an expense with a like amount reported as donated commodities revenue.

The measurement focus of Governmental Fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in Governmental Funds.

Budgetary Process

The District adopts annual appropriation budgets for all funds with the exception of Agency Funds. The specific timetable for the fiscal year follows:

Prior to January 15, the District Superintendent and Treasurer submit to the Board of Education a proposed operating budget (tax budget) for the fiscal year commencing the following July 1. The budget includes proposed expenditures and the means of financing for all funds. A public hearing is publicized and conducted to obtain taxpayers comments.

No later than January 20, the Board of Education adopted budget is filed with the Franklin County Budget Commission (Commission) for rate determination.

Prior to May 15, the Board of Education accepts, by formal resolution, the tax rates as determined by the Commission and receives the Commission's Certificate of Estimated Resources (Certificate) that states the projected revenue of each budgeted fund. Prior to June 30, the District must revise its budget so that total contemplated expenditures from any fund during the ensuing year will not exceed the amount stated in the Certificate. The revised budget then serves as a basis for the appropriation measure.

COLUMBUS CITY SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

For the Fiscal Year Ended June 30, 2004

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Budgetary Process - Continued

On or about July 1, the Certificate is amended to include any unencumbered balances from the preceding year. The Certificate may be further amended during the year if the District Treasurer identifies projected increases or decreases in revenue. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported in the budgetary statements in the Required Supplemental Information Section reflect the amounts set forth in the final amended Certificate issued for the fiscal year. By July 1, the annual appropriation resolution (or temporary resolution) is legally enacted by the Board of Education. Appropriations by fund must be within the estimated resources as certified by the Commission. Revisions that alter appropriations for the total expenditures for each fund must be approved by the Board of Education.

Formal budgetary integration is employed as a management control device during the year for fiscal year budgeted funds. Expenditures and year-end encumbrances may not exceed appropriations at the fund total level (legal level of control). Instances were noted in the General Fund of expenditures and year-end encumbrances exceeding their legally authorized appropriations are reported in Note 3. The amounts reported as the original budgeted amounts reflect the first appropriation resolution for that fund that covered the entire year, including amounts automatically carried forward from prior years. The amounts reported as the revised budgeted amounts represent the final appropriation amounts passed by the Board of Education during the year. There were several revisions to appropriations for budgeted funds during the fiscal year ended June 30, 2004.

Encumbrances

Encumbrance accounting is utilized by the District for all funds in the normal course of operations for purchase orders and contract related expenditures. An encumbrance is a reserve on the available spending authority due to a commitment for a future expenditure and does not represent a liability. On the Fund Financial Statements encumbrances outstanding at fiscal year-end are reported as a reservation of fund balance for subsequent year expenditures for governmental funds. A reserve for encumbrances is not reported on the Government-Wide Financial Statements. Encumbrances are reported as part of expenditures on a non-GAAP budgetary basis in the Required Supplemental Information.

Cash and Investments

Cash received by the District is deposited into one of several bank accounts with individual fund balance integrity maintained. Balances of all funds are maintained in these accounts or are temporarily used to purchase certificates of deposit or investments. All investment earnings accrue to the General Fund except those specifically related to specific grants, Classroom Facilities and Classroom Facilities Maintenance. The General Fund allocation to these funds is made based on the proportion of the fund balance to the pooled balance. The proportional interest earned is transferred from the General Fund to these funds at year-end. Interest earned amounted to \$892,313, \$874,780 and \$33,656 in the General Fund, Classroom Facilities (Major Capital Projects Fund) and the Classroom Facilities Maintenance (Non-major Capital Projects Fund), respectively. The District also maintains one imprest account used solely for the payment of payroll checks.

COLUMBUS CITY SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

For the Fiscal Year Ended June 30, 2004

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Cash and Investments - Continued

The District records all its investments at cost and reports repurchase agreements at cost and all other investments at fair value. For purposes of the Statement of Cash Flows and for presentation on the Balance Sheet, investments of the cash management pool are considered to be cash equivalents. The District has invested in the State Treasury Asset Reserve of Ohio (STAR Ohio) during fiscal year 2004. STAR Ohio is an investment pool managed by the State Treasurer's Office, which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price, which is the price the investment could be sold for on June 30, 2004.

Inventory

On Government-Wide Financial Statements, inventories are presented at the lower of cost or market on a first-in, first-out basis and are expensed when used.

On Fund Financial Statements, inventories of governmental funds are stated at cost while inventories of proprietary funds are stated at the lower of cost or market. For all funds, cost is determined on a first-in, first-out basis. Inventory in governmental funds consists of expendable supplies held for consumption. Inventories of the enterprise funds are expensed when used.

Capital Assets and Depreciation

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets 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. Capital assets utilized by the proprietary funds are reported both in the Business-Type Activities column of the Government-Wide Statement of Net Assets and in the respective funds.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The District maintains a capitalization threshold of \$5,000 for governmental funds and \$1,000 for enterprise funds for equipment and vehicles. For land, land improvements, buildings, and building improvements the District maintains a capitalization threshold of \$50,000. The District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. Interest incurred during the construction of capital assets utilized by the enterprise funds is also capitalized.

All reported capital assets except land and construction in progress, are depreciated. 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:

COLUMBUS CITY SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

For the Fiscal Year Ended June 30, 2004

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Capital Assets and Depreciation - Continued

Description	Governmental Activities Estimated Lives	Business-Type Activities Estimated Lives
Land improvements	10-65 years	N/A
Building and improvements	10-100 years	10-40 years
Furniture and equipment	5-15 years	5-20 years
Vehicles	7-12 years	4-12 years
Textbooks & Library Books	5-15 years	N/A

Estimated useful lives are higher for older capital assets that were still in use as of the date of GASB 34 implementation. New acquisitions will generally have estimated useful lives that are significantly lower than the upper end of the useful life threshold.

Interfund Balances

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "Interfund Loans Receivable/Payable." These amounts are eliminated in the Governmental and Business-Type Activities columns of the Statement of Net Assets, except for any net residual amounts due between Governmental and Business-Type Activities, which are presented as Internal Balances.

Compensated Absences

Vacation and personal leave benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the District will compensate its employees for the benefits through paid time off or some other means. Sick leave benefits are accrued as a liability using the vesting method. The liability includes the employees who are currently eligible to receive severance benefits and those the District has identified as probable of receiving payment in the future. The District records an accrual for sick leave for all employees with ten or more years of service. The accrual amount is based upon accumulated sick leave and employees' wage rates at year-end, taking into consideration any limits specified in the District's severance policy. The entire compensated absence liability is reported in the Government-Wide Financial Statements. The amount of accumulated vacation and sick leave of employees paid from Governmental Funds has been recorded in the appropriate Governmental Fund as a current liability to the extent that the employees have applied for leave payment, but have not received payment as of June 30, 2004. The noncurrent portion of this liability is not reported in the Fund Financial Statements. Vacation, personal, and sick leave for employees paid from Enterprise Funds is recorded as an expense and liability of the fund.

COLUMBUS CITY SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

For the Fiscal Year Ended June 30, 2004

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities and long-term obligations are reported in the Government-Wide Financial Statements, and all payables, accrued liabilities and long-term obligations payable from Proprietary Funds are reported on the Proprietary Fund Financial Statements. In general, Governmental Fund payables and accrued liabilities are reported as obligations of the funds regardless of whether they will be liquidated with current resources. However, claims and judgements, 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 are normally due for the payment during the current fiscal year.

Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consist of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for acquisition, construction or improvements of those assets. Net assets are reported as restricted for Debt Service, Capital Projects and Other Purposes when there are limitations imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. The expendable and nonexpendable portions of net assets are based upon external restrictions imposed by donors whereas the expendable portion of net assets must be used for school district purposes and the nonexpendable portion must be retained intact by the District. The District applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the District, these revenues are sales and fees for food service, uniform school supplies, rotary special services, adult education, WCBE radio station, and latchkey and extended daycare/preschool programs. Operating expenses are necessary costs incurred to provide the goods and/or service that is the primary activity of the fund.

Fund Balance Reserves

Reserved fund balances indicate that portion of fund equity, which is not available for current appropriation or is legally segregated for a specific use. Fund balances are reserved for encumbrances, inventory, property tax revenue reserved for future year's appropriations and endowments. The reserve for property tax represents taxes recognized as revenue under Generally Accepted Accounting Principles but not available for appropriation under State statute. The reserve for endowments signifies the legal restrictions on the use of principal donated to the District. The unreserved, undesignated portions of fund equity reflected for Governmental Funds are available for use within the specific purpose of those funds.

Intergovernmental Revenues

In Governmental Funds, entitlements and grants not based on reimbursement are recorded as intergovernmental receivables and revenues when eligibility requirements have been satisfied and when measurable and available. Reimbursement type grants are recorded as intergovernmental receivables and revenues when eligibility requirements have been satisfied and when the related expenditures are incurred. Grants for Proprietary Fund operations are recognized as revenue when eligibility requirements have been satisfied and when earned.

COLUMBUS CITY SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

For the Fiscal Year Ended June 30, 2004

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Intergovernmental Revenues - Continued

The District currently participates in various State and Federal programs, categorized as follows:

Entitlements

General Fund

- State Foundation Program
- State Property Tax Relief
- School Bus Purchase Allocation

Special Revenue Funds

- Pupil Competency/
Lottery Program
- Disadvantaged Pupil
Impact Aid

Non-Reimbursable Grants

Special Revenue Funds

- Auxiliary Services
- Venture Capital
- Consumer Education
- Urban Pilot Project
- Career Development
- Community Education
- Teacher Development
- Adult Vocational Education
- Early Childhood
- Industrial Training
- Career Enhancement
- Gifted Education
- Management Information Systems
- Public School Preschool
- Entry Year Programs
- Data Communication
- Schoolnet Professional Development
- Instructional Material Subsidy
- Special Education Transitional Funding
- Ohio Reads
- Summer Intervention

- Alternative Schools
- Voc. Education Enhancements
- National Defense Education
Act, Title III
- Title VI-B
- Title II – Limited English Proficiency
- Indian Education
- Title I
- Title VI
- Emergency Immigrant
Education
- Drug Free Schools
- EHA Preschool Grants/
Handicapped
- Adult Basic Education
- Telecommunications Act Grant
- Transition PGM – Refugee Child
- Reducing Class Size
- Goals 2000
- EC OPP ACT -1964- IIA Headstart

Capital Projects Funds

- School Net Equipment
- Telecommunity
- Classroom Facilities

- Power Up Technologies
- School Building Assistance
Limited

Reimbursable Grants

General Fund

- Driver Education Reimbursement
- Vocational Education Reimbursement
- Transportation Reimbursement
- Medicaid

Special Revenue Funds

- Vocational Education Program

Proprietary Funds

- National School Lunch Program
- Government Donated Commodities

Grants and entitlements for Governmental Funds amounted to approximately 48 percent of the District's operating revenue during the 2004 fiscal year.

COLUMBUS CITY SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

For the Fiscal Year Ended June 30, 2004

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Interfund Transactions

Transfers between Governmental and Business-Type Activities in the Government-Wide Financial Statements are reported as general revenues. All transfers between Governmental Activities have been eliminated in the Government-Wide Financial Statements. Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in Governmental Funds and after nonoperating revenues/expenses in Proprietary Funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

Estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles requires management to make estimates and assumptions that affect the amounts reported on the financial statements and accompanying notes. Actual results may differ from those estimates.

3. COMPLIANCE AND ACCOUNTABILITY

The General Fund had a deficit fund balance on a GAAP Basis of \$31,347,733 which was created by the application of generally accepted accounting principles. The Power Up, School Building Assistance Limited, Alternative Schools, EHA Title VI-B, Vocational Education, EC OPP Act Head Start, Title III Limited English Proficiency, ECIA Title I, ECIA Title VI, Drug-Free Schools, EHA Preschool Grants/Handicapped, and Reducing Class Size Non-Major Governmental Funds, and Adult Education, WCBE Non-Major Enterprise Funds had the following deficits on a GAAP Basis: \$652,057, \$752,774, \$18,937, \$842,142, \$229,724, \$4,288, \$159,089, \$1,571,326, \$8,819, \$402,375, \$24,643, \$438,090, \$467,881 and \$190,738 respectively. The General Fund provides transfers when cash is required, not when expenditures are incurred.

WCBE Radio Station Non-Major Enterprise Fund had a negative ending budgetary fund balance of \$34,891 and appropriations in excess of estimated resources by \$34,891 as of June 30, 2004.

The General Fund expenditures plus encumbrances exceed appropriations by \$3,869,351 which is in violation of ORC 5705.41(B).

4. CHANGES IN ACCOUNTING PRINCIPLE AND RESTATEMENT OF NET ASSETS

Change in Accounting Principle:

For the fiscal year 2004, the School District has implemented Governmental Accounting Standards Board (GASB) Statement No.39, "Determining Whether Certain Organizations are Component Units." GASB Statement No. 39 is an amendment to GASB Statement No. 14 and provides additional guidance to determine whether certain organizations for which the primary government is not financially accountable should be reported as component units based on the nature and significance of their relationships with the primary government. At June 30, 2004, the District does not have any organizations that qualify as a component unit of the primary government and therefore, there was no effect as a result of implementing GASB 39.

COLUMBUS CITY SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

For the Fiscal Year Ended June 30, 2004

4. CHANGES IN ACCOUNTING PRINCIPLE AND RESTATEMENT OF NET ASSETS- Continued

Restatement of Net Assets:

The Net Asset balance was restated due to accretion related to capital appreciation bonds that was not recorded in prior years. This error had the following effect on the Governmental Activities beginning net asset balance:

Net Assets, June 30, 2003	\$236,473,001
Long Term Liabilities Due in More than One Year	<u>30,104,685</u>
Net Assets as Restated, July 1, 2003	<u>\$206,368,316</u>

5. POOLED CASH AND CASH EQUIVALENTS

The District records all its investments at cost and reports repurchase agreements at cost and all other investments at fair value. At June 30, 2004 the District's cost for investments exceeded fair value by \$1,998,060.

State statutes classify monies held by the District into three categories.

Active deposits are public deposits necessary to meet current demands on the treasury. Such monies must be maintained either as cash in the District Treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Inactive deposits are public deposits that the Board of Education has identified as not required for use within the current five-year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

Interim deposits are deposits of interim monies. Interim monies are those monies that are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts including pass book accounts.

Protection of District's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, by surety company bonds deposited with the Treasurer by the financial institution or by a single collateral pool established by the financial institution to secure the repayment of all public monies deposited with the institution.

Interim monies can be deposited or invested in the following securities:

1. United States treasury notes, bills, bonds, or any other obligation or security issued by the United States treasury or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any Federal government agency or instrumentality, including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All Federal agency securities shall be direct issuances of Federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;

COLUMBUS CITY SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

For the Fiscal Year Ended June 30, 2004

5. POOLED CASH AND CASH EQUIVALENTS - Continued

5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. The State Treasurer's investment pool (STAR Ohio);
7. Certain bankers' acceptances and commercial paper notes for a period not to exceed one hundred and eighty days in an amount not to exceed twenty-five percent of the interim moneys available for investment at any one time; and,
8. Under limited circumstances, corporate debt interests rated in either of the two highest rating classifications by at least two nationally recognized rating agencies.

Investments in stripped principal or interest obligations reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the District, and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the Treasurer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian. During fiscal year 2004, the District's investments were limited to government securities, mutual funds, repurchase agreements, and STAR Ohio. During the fiscal year, all investments of the District had a maturity of five years or less.

The following information classifies deposits and investments by categories of risk as defined in GASB Statement 3, "Deposits with Financial Institutions, Investments and Reverse Repurchase Agreements."

Deposits

At fiscal year end, the carrying amount of the District's deposits was \$(2,172,791) and the bank balance was \$5,974,433. \$300,000 of the bank balance was covered by federal depository insurance. The remaining balance was uninsured and uncollateralized. Although the securities serving as collateral were held by the pledging institution in the pledging institution's name and all State statutory requirements for the deposit of money had been followed, noncompliance with federal requirements would potentially subject the District to a successful claim by the FDIC.

COLUMBUS CITY SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

For the Fiscal Year Ended June 30, 2004

5. POOLED CASH AND CASH EQUIVALENTS - Continued

Investments

The District's investments are categorized below to give an indication of the level of risk assumed by the District at fiscal year end. Category 1 includes investments that are insured or registered or for which the securities are held by the District or its agent in the District's name. Category 2 includes uninsured and unregistered investments, which are held by the counterparty's trust department or agent in the District's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the counterparty, or by its trust department or agent but not in the District's name. The District's investments in STAR Ohio, an investment pool operated by the Ohio State Treasurer, are unclassified investments since they are not evidenced by securities that exist in physical or book entry form.

	Category			Book Value	Fair Value
	1	2	3		
Investments:					
U.S. Government Securities	\$ -	\$ 232,467,277	\$ -	\$ 232,467,277	\$ 230,469,217
Repurchase Agreements	-	-	5,346,518	5,346,518	5,346,518
State Treasury Pool	N/A	N/A	N/A	34,062,204	34,062,204
Total Investments	\$ -	\$ 232,467,277	\$ 5,346,518	\$ 271,875,999	\$ 269,877,939

The classification of equity in pooled cash and cash equivalents and investments on the Basic Financial Statements is based on criteria set forth in GASB Statement No. 9. Cash and cash equivalents are defined to include investments included within the District's cash management pool.

Reconciliation between the classifications of cash and investments on the Basic Financial Statements and the classification per GASB Statement No. 3 is as follows:

	Cash and Cash Equivalents/ Deposits	Investments
GASB Statement 9	\$ 267,705,148	\$ -
Investments:		
Government Securities	(230,469,217)	230,469,217
Repurchase Agreements	(5,346,518)	5,346,518
Star Ohio	(34,062,204)	34,062,204
GASB Statement 3	\$ (2,172,791)	\$ 269,877,939

COLUMBUS CITY SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

For the Fiscal Year Ended June 30, 2004

6. PROPERTY TAXES

Property taxes are levied and assessed on a calendar year basis. Second half distributions occur in a new fiscal year. Property taxes include amounts levied against all real, public utility, and tangible personal (used in business) property located in the District. Real property taxes are levied after April 1 on the assessed value listed as of the prior January 1, the lien date. Public utility property taxes attached as a lien on December 31 of the prior year, were levied April 1 and are collected with real property taxes. Assessed values for real property taxes are established by State law at 35% of appraised market value. All property is required to be revalued every six years. Public utility property taxes are assessed on tangible personal property at 88% of true value (with certain exceptions) and on real property at 35% of true value. Tangible personal property taxes are levied after April 1 on the value listed as of December 31 of the current year. Tangible personal property assessments are 25% of true value.

Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Tangible personal property taxes paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30, with the remainder payable by September 20. The District receives property taxes from Franklin County. The County Auditor periodically advances to the District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2004 are available to finance fiscal year 2004 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable represents real property, tangible personal property, and public utility taxes, which became measurable as of June 30, 2004 and delinquent taxes outstanding. Although total property tax collections for the next fiscal year are measurable, only the amount available as an advance at June 30 is intended to finance current fiscal year operations. The receivable is therefore offset by a credit to deferred revenue for that portion not intended to finance current year operations. The amount available as an advance at June 30, 2004, was \$12,013,402 in the General Fund, \$776,729 in the Debt Service Fund, and \$155,346 in the Classroom Facilities Maintenance Fund. The assessed values upon which the fiscal year 2004 taxes were collected are as follows:

	2003 Second- Half Collections	2004 First- Half Collections
Real Property		
Residential/Agricultural	\$ 4,138,011,010	\$ 4,242,585,580
Commercial/Industrial	3,428,627,110	3,467,712,210
Public Utilities	5,535,780	5,912,780
Tangible Personal Property Taxes		
General	1,066,732,618	951,276,948
Public Utilities	323,196,300	314,165,560
	\$ 8,962,102,818	\$ 8,981,653,078
Tax rate per \$1,000 of assessed valuation	\$58.80	\$59.18

COLUMBUS CITY SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

For the Fiscal Year Ended June 30, 2004

7. CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2004, is as follows:

	Balance 6/30/2003	Additions	Deductions	Balance 6/30/2004
Governmental Activities:				
Capital Assets, not being depreciated:				
Land	\$ 24,978,397	\$ -	\$ -	\$ 24,978,397
Construction in Progress	3,743,928	3,456,883	(3,389,208)	3,811,603
Total Capital Assets, not being depreciated	28,722,325	3,456,883	(3,389,208)	28,790,000
Capital Assets, being depreciated:				
Land Improvements	20,378,040	922,304	(28,745)	21,271,599
Buildings and Improvements	352,799,022	13,665,123	(1,658,649)	364,805,496
Furniture and Equipment	79,932,869	2,148,746	(787,494)	81,294,121
Vehicles	25,515,509	-	(72,213)	25,443,296
Library Books and Textbooks	40,718,514	3,426,799	(604,281)	43,541,032
Total Capital Assets, being depreciated	519,343,954	20,162,972	(3,151,382)	536,355,544
Less Accumulated Depreciation:				
Land Improvements	13,121,345	647,353	(14,373)	13,754,325
Buildings and Improvements	222,675,816	10,052,672	(1,658,649)	231,069,839
Furniture and Equipment	62,405,087	4,532,009	(719,682)	66,217,414
Vehicles	16,367,583	1,089,910	(59,380)	17,398,113
Library Books and Textbooks	23,744,477	1,456,894	(604,281)	24,597,090
Total Accumulated Depreciation	338,314,308	17,778,838	(3,056,365)	353,036,781
Total Capital Assets, being depreciated, net	181,029,646	2,384,134	(95,017)	183,318,763
Governmental Activities Capital Assets, Net	\$ 209,751,971	\$ 5,841,017	\$ (3,484,225)	\$ 212,108,763
Business Type Activities:				
Land	\$ 151,610	\$ -	\$ -	\$ 151,610
Building and Improvements	2,147,360	-	-	2,147,360
Vehicles	972,644	-	-	972,644
Furniture and Equipment	6,187,717	341,757	(115,427)	6,414,047
Total Capital Assets before Depreciation	9,459,331	341,757	(115,427)	9,685,661
Less Accumulated Depreciation:				
Building and Improvements	1,542,653	65,071	-	1,607,724
Vehicles	436,413	47,085	-	483,498
Furniture and Equipment	4,240,545	201,179	(95,167)	4,346,557
Total Accumulated Depreciation	6,219,611	313,335	(95,167)	6,437,779
Business-Type Activities Capital assets, net	\$ 3,239,720	\$ 28,422	\$ (20,260)	\$ 3,247,882

COLUMBUS CITY SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

For the Fiscal Year Ended June 30, 2004

7. CAPITAL ASSETS - Continued

Depreciation expense was charged to governmental functions as follows:

Regular Instruction	\$ 13,489,097
Special Instruction	280,518
Vocational Instruction	999,708
Other Instruction	136,170
Pupil Support Services	1,014,948
Instructional Support Services	258,947
Administration	824,955
Operation & Maint. of Plant Serv.	556,751
Transportation Services - Pupils	107,134
Other Support Services	42,300
Enterprise Operations	45,651
Extracurricular	<u>22,659</u>
Total Depreciation Expense - 2004	<u>\$ 17,778,838</u>

8. DEFEASED DEBT

On May 15, 1993, the District advance refunded three general obligation bonds with an aggregate outstanding balance of \$86,015,000. The refunded general obligation bonds are not reported in the accompanying financial statements. The remaining balance on the refunded general obligation bonds as of June 30, 2004 was \$45,185,000.

COLUMBUS CITY SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

For the Fiscal Year Ended June 30, 2004

9. LONG-TERM DEBT AND OTHER OBLIGATIONS

Long-term debt and other obligations at June 30, 2004 and the related transactions for the year then ended are summarized below:

Issue Date	Interest Rate	Maturity Date Through	Balance July 1, 2003 (As Restated)	Additions	Deductions	Balance June 30, 2004	Amounts Due Within One Year
Governmental Activities:							
General Obligation Bonds							
5/15/1993	3 1/2 - 8 1/4	12/01/11	\$ 57,377,297	\$ 3,001,566	\$ 7,630,000	\$ 52,748,863	\$ 8,030,000
Original Issue Amount			\$86,012,613				
11/21/2001	3 - 5 1/2	12/01/28	7,605,000	-	170,000	7,435,000	175,000
Original Issue Amount			\$7,760,000				
5/1/2003	2 - 5	12/01/31	206,840,682	-	-	206,840,682	2,480,714
Original Issue Amount			\$206,879,996				
Energy Conservation Bonds							
01/01/1994	4 - 5 1/2	08/01/05	3,895,000	-	1,195,000	2,700,000	1,225,000
Original Issue Amount			\$8,500,000				
10/1/2000	5 1/4 - 6 3/4	06/01/15	9,180,000	-	585,000	8,595,000	610,000
Original Issue Amount			\$10,380,000				
Compensated Absences Payable			65,932,542	2,916,636	15,860,670	52,988,508	2,916,613
*Extended Severance Payout Program			-	23,668,704	-	23,668,704	817,745
Obligations Under Capital Leases			1,797,243	-	932,362	864,881	645,055
Bureau of Workers Compensation							
Retro-active Plan Claims - Payable			14,498,303	7,336,217	2,900,000	18,934,520	3,200,000
Total Governmental Activities			\$ 367,126,067	\$ 36,923,123	\$ 29,273,032	\$ 374,776,158	\$ 20,100,127
Business-Type Activities:							
Compensated Absences Payable			\$ 1,437,881	\$ 40,504	\$ 599,538	\$ 878,847	\$ 40,504
*Extended Severance Payout Program			0	601,860	-	601,860	22,260
Obligations Under Capital Leases			230,899	-	152,074	78,825	78,825
Total Business-Type Activities			\$ 1,668,780	\$ 642,364	\$ 751,612	\$ 1,559,532	\$ 141,589

* In fiscal year 2004, the District offered an Extended Severance Payout Program incentive retirement program, which included salary, accrued sick leave, accrued vacation leave, and accrued personal leave components paid out over a time period from 24 to 96 months. No payments relating to the extended service payout program were made until after fiscal year end. The Extended Severance Payout Program liability above includes only the salary component, while the accrued sick, vacation and personal leave components are reported within the compensated absences liability.

COLUMBUS CITY SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

For the Fiscal Year Ended June 30, 2004

9. LONG-TERM DEBT AND OTHER OBLIGATIONS - Continued

All General Obligation Bonds and Energy Conservation Bonds outstanding are general obligations of the District for which the full faith and credit of the District is pledged for repayment. The source of repayment is derived from a current 2.00 mill bonded debt tax levy. Compensated absences payable will be paid from the funds from which the employees were paid. Claims payable will be paid from the General Fund. Obligations under capital leases will be paid from the General Fund and the Food Service Fund. Under Ohio Revised Code debt limitations, the District has the capacity to issue \$8.98 million in additional unvoted general obligation debt and \$594.18 million in overall additional debt.

Future Long-term Debt

A summary of the District's future long-term debt funding requirements as of June 30, 2004 follows:

Year of Funding	Bonds	
	Principal	Interest
2005	12,305,000	10,391,062
2006	6,906,496	16,007,009
2007	7,062,974	16,119,544
2008	7,264,292	16,196,066
2009	7,233,745	16,223,230
2010-2014	33,115,106	54,007,705
2015-2019	33,530,005	36,826,453
2020-2024	41,405,000	27,667,146
2025-2029	52,790,000	16,014,960
2030-2032	36,760,000	2,816,525
Totals	<u>\$ 238,372,618</u>	<u>\$ 212,269,700</u>

The above amortization schedule (principal payments) does not agree to the bonds payable amount on page F-42 because it does not include the \$6,840,676 in unamortized premium on the 2003 bond issue. This amortization schedule also does not include accretion for capital appreciation bonds that will be due December 1, 2011 in the amount of \$47,235,000. Capital Bonds were accreted in the amount of \$3,001,566 for fiscal year June 30, 2004.

Capital Lease Obligations

The District has entered into several lease agreements in past years to lease various types of equipment. Konica copiers were capitalized as equipment in the amount of \$2,235,256 and sedans were capitalized as vehicles in the amount of \$257,304. There were no new capital leases for the District's governmental funds. The terms of the agreements provide options to purchase the equipment. The leases all met the criteria of a capital lease as defined by Statement of Financial Accounting Standards No. 13 "Accounting for Leases," which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee. The capital lease payments for all leases related to the General Fund have been classified as debt service in the General Fund in the fund financial statements. These expenditures are reflected as program/function expenditures on a budgetary basis. The capital lease payments for leases related to the Food Service fund have been classified as reductions of lease obligations for the principal payment and as interest expense for the interest payment. These expenses are reflected as program expenses on a budgetary basis.

COLUMBUS CITY SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

For the Fiscal Year Ended June 30, 2004

9. LONG-TERM DEBT AND OTHER OBLIGATIONS - Continued

Capital Lease Obligations - Continued

For the leased assets related to the Governmental Funds, capital assets acquired by lease, as described in the preceding paragraph, were capitalized in the Government-Wide Financial Statements in an amount equal to the present value of the future minimum lease payments at the time of acquisition. A corresponding liability was recorded in the Government-Wide Financial Statements. The District's future minimum lease payments under capital lease obligations for Governmental Activities as of June 30, 2004 are as follows:

<u>Fiscal Year</u>	<u>Governmental Activities Capital Leases</u>
2005	\$ 692,194
2006	<u>224,733</u>
Total minimum lease payments	916,927
Less: amount representing interest	<u>52,046</u>
Present value of minimum lease payments	<u>\$864,881</u>

The vehicle lease related to the Food Service Enterprise Fund has been properly capitalized in the accompanying financial statements in an amount equal to the present value of the future minimum lease payments at the time of acquisition and the lease payments are recorded as a reduction of the lease obligation and interest expense accordingly. Refrigeration Trucks were capitalized in prior years as vehicles in the amount of \$594,696. There were no new capital leases for the District's Business-Type Activity Funds. The District's future minimum lease payments under capital lease obligations for Business-Type Activities as of June 30, 2004 are as follows:

<u>Fiscal Year</u>	<u>Business- Type Activities Capital Leases</u>
2005	\$80,744
Less: amount representing interest	<u>1,919</u>
Present value of minimum lease payments	<u>\$78,825</u>

10. DEFINED BENEFIT PENSION PLANS

School Employees Retirement System

The Columbus City School District contributes to the School Employees Retirement System of Ohio (SERS), a cost-sharing multiple employer defined benefit pension plan. SERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by State statute per Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the School Employees Retirement System, 300 East Broad Street, Suite 100, Columbus, Ohio 43215-3746 or by calling (614) 222-5853.

COLUMBUS CITY SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

For the Fiscal Year Ended June 30, 2004

10. DEFINED BENEFIT PENSION PLANS - Continued

School Employees Retirement System - Continued

Plan members are required to contribute 10% of their annual covered salary and the Columbus City School District is required to contribute at an actuarially determined rate. The current rate is 14% of annual covered payroll. For fiscal year 2004, 9.09% was the portion allocated to fund pension obligations. The contribution requirements of plan members and employers are established and may be amended, up to statutory maximum amounts, by the SERS' Retirement Board. The District's required contributions for pension obligations to SERS for the years ended June 30, 2004, 2003, and 2002 were \$9.7 million, \$8.3 million, and \$5.3 million, respectively. 47% has been contributed for fiscal year 2004 and 100% for the fiscal years 2003 and 2002. \$5,135,938 represents the unpaid contribution for fiscal year 2004.

State Teachers Retirement System

The District participates in the State Teachers Retirement System of Ohio (STRS Ohio), a cost-sharing multiple employer pension plan. STRS Ohio is a statewide retirement plan for licensed teachers and other faculty members employed in the public schools of Ohio or any school, college, university, institution or other agency controlled, managed and supported in whole or in part, by the state or any political subdivision thereof. STRS Ohio provides retirement and disability benefits, and death and survivor benefits to plan members and beneficiaries. Benefits are established by Chapter 3307 of the Ohio Revised Code. STRS Ohio issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the State Teachers Retirement System of Ohio, 275 East Broad Street, Columbus, Ohio 43215-3371.

Plan Options – There are two plan options offered to selected members. New members have a choice of three retirement plan options. In addition to the Defined Benefit (DB) Plan, new members are offered a Defined Contribution (DC) Plan and a Combined Plan. The DC Plan allows members to allocate all their member contributions and employer contributions equal to 10.5% of earned compensation. The Combined Plan offers features of the DC Plan and the DB Plan. In the Combined Plan, member contributions are allocated by the member, and employer contributions are used to fund a defined benefit payment at a reduced level from the regular DB Plan. Contributions into the DC Plan and the Combined Plan are credited to member accounts as employers submit their payroll information to STRS Ohio, generally on a biweekly basis. DC and Combined Plan members will transfer to the Defined Benefit Plan during their fifth year of membership unless they permanently select the DC or Combined Plan.

DB Plan Benefits – Plan benefits are established under Chapter 3307 of the Revised Code. Any member may retire who has (i) five years of service credit and attained age 60; (ii) 25 years of service credit and attained age 55; or (iii) 30 years of service credit regardless of age. The annual retirement allowance, payable for life, is the greater of the "formula benefit" or the "money-purchase benefit" calculation. Under the "formula benefit," the retirement allowance is based on years of credited service and final average salary, which is the average of the member's three highest salary years. The annual allowance is calculated by using a base percentage of 2.2% multiplied by the total number of years of service credit (including Ohio-valued purchased credit) times the final average salary. The 31st year of earned Ohio service credit is calculated at 2.5%. An additional one-tenth of a percent is added to the calculation of every year of earned Ohio service over 31 years (2.6% for 32 years, 2.7% for 33 years and so on) until 100% of final average salary is reached. For members with 35 or more years of Ohio contributing service, the first 30 years will be calculated at 2.5% instead of 2.2%. Under the "money-purchase benefit" calculation, a member's lifetime contributions plus interest at specified rates are matched by an equal amount from other STRS Ohio funds. This total is then divided by an actuarially determined annuity factor to determine the maximum annual retirement allowance.

COLUMBUS CITY SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

For the Fiscal Year Ended June 30, 2004

10. DEFINED BENEFIT PENSION PLANS - Continued

State Teacher Retirement System-Continued

DC Plan Benefits – Benefits are established under Sections 3307.80 to 3307.89 of the Revised Code. For members who select the DC Plan, all member contributions and employer contributions at a rate of 10.5% are placed in an investment account. The member determines how to allocate the member and employer money among various investment choices. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The member may elect to receive a lifetime monthly annuity or a lump-sum withdrawal. Employer contributions into members' accounts are vested after the first anniversary of the first day of paid service. Members in the DC Plan who become disabled are entitled only to their account balance. If a member dies before retirement benefits begin, the member's designated beneficiary is entitled to receive the member's account balance.

Combined Plan Benefits – Member contributions are allocated by the member, and employer contributions are used to fund a defined benefit payment. A member's defined benefit is determined by multiplying 1% of the member's final average salary by the member's years of service credit. The defined benefit portion of the Combined Plan payment is payable to a member on or after age 60. The defined contribution portion of the account may be taken as a lump sum or converted to a lifetime monthly annuity at age 50. Eligible faculty of Ohio's public colleges and universities may choose to enroll in either STRS Ohio or an alternative retirement plan (ARP) offered by their employer. Employees have 120 days from their employment date to select a retirement plan. A retiree of STRS Ohio or another Ohio public retirement system is eligible for reemployment as a teacher following the elapse of two months from the date of retirement. Contributions are made by the reemployed member and employer during the reemployment. Upon termination of reemployment or age 65, whichever comes later, the retiree is eligible for a money-purchase benefit or a lump-sum payment in addition to the original retirement allowance. Benefits are increased annually by 3% of the original base amount for Defined and Combined Benefit Plan Participants.

The Defined Benefit and Combined Plans offer access to health care coverage to eligible retirees who participated in the plans and their eligible dependents. Coverage under the current program includes hospitalization, physicians' fees, prescription drugs and partial reimbursement of monthly Medicare Part B premiums. By Ohio law, health care benefits are not guaranteed.

A Defined Benefit or Combined Plan member with five or more years' credited service who becomes disabled may qualify for a disability benefit. Eligible spouses and dependents of these active members who die before retirement may qualify for survivor benefits. A death benefit of \$1,000 is payable to the beneficiary of each deceased retired member who participated in the Defined Benefit Plan. Death benefit coverage up to \$2,000 can be purchased by participants in the DB, DC or Combined Plans. Various other benefits are available to members' beneficiaries.

For fiscal year 2004 plan members were required to contribute 10% of their annual covered salaries. The District was required to contribute 14% and 13% was the portion used to fund pension obligations. Chapter 3307 of the Revised Code provides statutory authority for member and employer contributions. Contribution rates are established by STRS Ohio, upon recommendations of its consulting actuary, not to exceed statutory maximum rates of 10% for members and 14% for employers. The District's required contributions for pension obligations to STRS Ohio for the fiscal years ended June 30, 2004, 2003, and 2002 were \$42.9 million, \$42.7 million, and \$29.7 million, respectively; 78.6% has been contributed for fiscal year 2004 and 100% for fiscal years 2003 and 2002. \$9,172,727 represents the unpaid contribution for fiscal year 2004 and is recorded as a liability within the respective funds.

COLUMBUS CITY SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

For the Fiscal Year Ended June 30, 2004

10. DEFINED BENEFIT PENSION PLANS - Continued

STRS Ohio issues a stand-alone financial report. Copies of STRS Ohio's 2004 *Comprehensive Annual Financial Report* will be available after January 1, 2005. Additional information or copies of STRS Ohio's 2004 Comprehensive Annual Financial Report can be requested by writing to STRS Ohio, 275 E. Broad Street, Columbus, Ohio 43215-3371, by calling 614-227-4090, or by visiting the STRS Ohio Web site at www.strsoh.org.

Social Security System

Effective July 1, 1991, all employees not otherwise covered by the School Employees Retirement System or the State Teachers Retirement System have an option to choose Social Security or the School Employees Retirement System/State Teachers Retirement System. As of June 30, 2004, two members of the Board of Education had elected Social Security. The Board's liability is 6.2 percent of wages paid.

11. POSTEMPLOYMENT BENEFITS

The District provides comprehensive health care benefits to retired teachers and their dependents through the State Teachers Retirement System of Ohio (STRS), and to retired non-certified employees and their dependents through the School Employees Retirement System of Ohio (SERS). Benefits include hospitalization, physicians' fees, prescription drugs and reimbursement of monthly Medicare premiums. Benefit provisions and the obligations to contribute are established by the Systems based on authority granted by State statute. Both systems are on a pay-as-you-go basis.

All STRS benefit recipients and sponsored dependents are eligible for health care coverage. The STRS Board has statutory authority over how much, if any, of the health care costs will be absorbed by STRS. Most benefit recipients pay a portion of the health care cost in the form of a monthly premium. By law, the cost of coverage paid from STRS funds is included in the employer contribution rate, currently 14% of covered payroll. For the fiscal year 2004, the STRS Board allocated employer contributions equal to 1% of covered payroll to the Health Care Reserve Fund. For the District, this amount equaled \$3,298,023 for fiscal year 2004.

STRS pays health care benefits from the Health Care Stabilization Fund. At June 30, 2004 the balance in the Fund was \$3.1 billion. For the year ended June 30, 2004, net health care costs paid by STRS were \$268,739,000 and STRS had 111,853 eligible benefit recipients.

The Ohio Revised Code gives SERS the discretionary authority to provide postretirement health care to retirees and their dependents. Coverage is made available to service retirees with ten or more fiscal years of qualifying service credit, disability and survivor benefit recipients. Members retiring on or after August 1, 1989, with less than twenty-five years of service credit must pay a portion of their premium for health care. The portion is based on years of service up to a maximum of 75% of the premium.

After the allocation for basic benefits, the remainder of the employer's 14% contribution is allocated to providing health care benefits. For the fiscal year 2004, employer contributions to fund health care benefits were 4.91% of covered payroll. In addition, SERS levies a surcharge to fund health care benefits equal to 14 percent of the difference between a minimum pay and the member's pay, pro-rated for partial service credit. For fiscal year 2004, the minimum pay was established at \$24,500. The surcharge, added to the unallocated portion of the 14% employer contribution rate, provides for maintenance of the asset target level for the health care fund. For the District, the amount contributed to fund health care benefits, including the surcharge, during the 2004 fiscal year equaled \$7,961,911. The target level for the health care reserve is 150 percent of the annual health care expenses. Expenses for health care for the fiscal year ended June 30, 2004, were \$223,443,805 and the target level was \$335.2 million. At June 30, 2004, SERS had net assets available for payment of health care benefits of \$300.8 million. SERS has approximately 62,000 participants currently receiving health care benefits.

COLUMBUS CITY SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

For the Fiscal Year Ended June 30, 2004

12. INTERFUND RECEIVABLES/PAYABLES

Interfund balances at June 30, 2004, consist of the following individual fund receivables and payables, which are expected to be repaid during the 2005 fiscal year:

<u>Interfund Loans</u>	<u>Receivable</u>	<u>Payable</u>
General Fund	\$ 2,807,926	\$ -
Non-Major Special Revenue Funds		
Parents As Teachers	-	5,650
EHA Title VI-B	-	65,000
Title III - Limited English Proficiency	-	125,000
Drug Free Schools	-	405,000
Total Non-Major Special Revenue Funds	-	600,650
Non-Major Capital Projects Funds		
Power-up Technologies	-	721,000
School Building Assistance Limited	-	1,200,000
Total Non-Major Capital Projects Funds	-	1,921,000
Total Governmental Funds	2,807,926	2,521,650
Non-Major Enterprise Funds		
WCBE Radio Station	-	141,276
Adult Education/Career Centers	-	145,000
Total Non-Major Enterprise Funds	-	286,276
Total Interfund Receivables/Payables	\$ 2,807,926	\$ 2,807,926

For all of the above interfund receivables except for WCBE Radio Station Non-Major Enterprise Fund, this balance relates to advances from the General Fund in anticipation of the receipt of grant monies. The WCBE Radio Station receivable is a result of a deficit cash balance in that fund for which the General Fund provides the resources.

For purposes of reporting in the District-Wide Financial Statements all interfund receivables were eliminated with the exception of the interfund receivable in the amount of \$286,276 that was due from Business-Type Activities (WCBE Radio Station and Adult Education/Career Centers Non-Major Enterprise Fund).

The General Fund (a major fund) made a transfer in the amount of \$437,323 to the District Managed Activities Fund (a Non-Major Special Revenue Fund). This transfer is routine and is made annually to provide support for District managed student activities.

All interfund transfers were eliminated for purposes of reporting in the District-Wide Financial Statements since the transfers were all between Government Activities.

COLUMBUS CITY SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

For the Fiscal Year Ended June 30, 2004

13. RISK MANAGEMENT

The 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 District insures through commercial insurance companies for the following:

Vehicle and General Liability

The District is responsible for the first \$500,000 per claim, the next \$4,500,000 in claims is payable by The Insurance Company of the State of Pennsylvania and the remaining \$5,000,000 in claims payable is covered by Royal Insurance Company. The renewal date is June 30, 2005. A new policy was entered into on July 1, 2004.

The District has general liability insurance with Genesis Insurance Company in the amount of \$2,000,000 per occurrence, and \$3,000,000 aggregate. The renewal date is August 2005.

Property Damage

The District is insured for property damage by Allianz Insurance Company, with a per occurrence policy limit of \$100,000,000 and a deductible of \$1,000,000. The deductible, if needed, will be paid from the Replacement Fund (Capital Projects). The policy allows for losses in excess of \$250,000, but less than \$1,000,000 is to be counted towards the deductible. The renewal date is December, 2004.

The District also carries insurance on leased modular units with Travelers Indemnity Company of Illinois in an amount equal to the agreed upon value of the leased modular units with an expiration date of June 30, 2004. This policy was renewed on July 1, 2004.

Builder's Risk Insurance

The District carries builders risk insurance with RLI Insurance Company in the amount of \$2,000,000 per occurrence and \$4,000,000 aggregate coverage. This policy expires May 2005. Additionally, a separate builder's risk policy is in place to cover the Linden Elementary construction project.

Boiler and Machinery Coverage

The District is insured for boiler and machinery coverage with a \$30,000,000 limit with Chubb Insurance Company.

Settled claims have not exceeded these commercial coverages in any of the past three years. There has not been a significant reduction in coverage from the prior year.

Employee Health Care Benefits

The District is self-insured for employee health care benefits for all of its employees. The program is administered by United Health Care, which provides claims review and processing services. The District carries stop-loss coverage for employee health care benefits. The health care self-insurance is accounted for in the General Fund. The District records a liability for incurred but unreported claims at year-end based on actuarial estimates of liability. As of June 30, 2004 the estimate was \$7,778,064 and was recorded as a liability in the General Fund.

COLUMBUS CITY SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

For the Fiscal Year Ended June 30, 2004

13. RISK MANAGEMENT - Continued

Workers' Compensation Retrospective Rating Program

The District participates in the Ohio Bureau of Workers' Compensation (the Bureau) Retrospective Rating Plan. Under the retrospective rating plan, the District assumes a portion of the risk in return for a reduction in current premiums. Current limits for claims incurred in calendar year 2004 are an unlimited amount per claim and 150% of the annual premium in the aggregate. Estimates of claims liabilities based on actuarial methods, for incurred claims as calculated by the Bureau for the cumulative retrospective rating period January 1, 1995, through June 30, 2004, total \$17,725,029 and are recorded in addition to an estimate for incurred but not reported (IBNR) claims totaling \$1,209,491, in the District-Wide Financial Statements. The General Fund pays the worker's compensation claims and then charges a percentage based upon historical information to each of the respective funds in the same year that the salaries are paid. This liability for the Workers' Compensation Retrospective Rating Program is recorded within the long-term liabilities in the Statement of Net Assets for \$18,934,520.

Claims Liability

The total claims liability of \$26,712,584 is reported as follows in the District-Wide Financial Statements: \$7,778,064 relates to the health care liability and is reported in the liability category claims liability; \$18,934,520 relates to the Workers' Compensation Retrospective Rating Program and is reported as part of the long-term liabilities. The amounts reported in the District-Wide Financial Statements at June 30, 2004, is based on the requirements of GASB No. 10 "Accounting and Financial Reporting for Risk Financing and Related Insurance Issues" as amended by GASB Statement No. 30 "Risk Management Omnibus," which requires that a liability for claims be reported if information prior to issuance of the finance statements indicates 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. Estimates were calculated by using actual claims reports for several months following the balance sheet date. This estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses. Changes in claims activity for self-insured health care benefits and for the workers' compensation retrospective rating program for the past two fiscal years are as follows:

	<u>FY 2001-2002</u>	<u>FY 2002-2003</u>	<u>FY 2003-2004</u>
Balance at beginning of year	\$ 14,787,281	\$ 20,994,717	\$ 25,511,643
Estimated current years claims	47,023,366	50,776,992	64,699,547
Paid claims - current and prior year	<u>(40,815,930)</u>	<u>(46,260,066)</u>	<u>(63,498,606)</u>
Balance at end of year	<u>\$ 20,994,717</u>	<u>\$ 25,511,643</u>	<u>\$ 26,712,584</u>

14. FOUNDATION MONIES

On December 11, 2002, the Ohio Supreme Court issued its latest opinion regarding the State's school funding plan. The decision reaffirmed earlier decisions that Ohio's current school-funding plan is unconstitutional. The Supreme Court relinquished jurisdiction over the case and directed "...the Ohio General Assembly to enact a school-funding scheme that is thorough and efficient...". The District is currently unable to determine what effect, if any, this decision will have on its future State funding and its financial operations. On March 4, 2003, the Plaintiffs filed a motion with the Common Pleas Court of Perry County requesting that such Court schedule and conduct a conference to address the State's compliance with the orders of such Court and the Supreme Court. On May 16, 2003, the Ohio Supreme Court granted a Writ of Prohibition as filed by the State and ordered the Common Pleas Court of Perry County to dismiss the motion for a compliance conference. The Ohio Supreme Court further stated again its ruling made on December 11, 2002. The School District is currently unable to determine what effect, if any, this decision will have on its future State funding and on its financial operations.

COLUMBUS CITY SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

For the Fiscal Year Ended June 30, 2004

15. SET-ASIDE CALCULATIONS AND FUND RESERVES

The District is required by State statute to annually set aside in the General Fund an amount based on a statutory formula for the purchase of textbooks and other instructional materials and an equal amount for the acquisition or construction of capital improvements. Amounts not spent by the year-end or offset by similarly restricted resources received during the year must be held in cash at year-end and carried forward to be used for the same purpose in future years. In prior years the District was also required to set aside money for budget stabilization; however, this requirement has been eliminated.

The following cash basis information describes the change in the year-end set-aside amounts for textbooks and instructional materials and capital acquisition. Disclosure of this information is required by State statute.

	Textbooks	Acquisition	Totals
Set-aside cash balance as of June 30, 2003	\$ -	\$ -	\$ -
Current year set-aside requirements	3,521,024	3,521,024	7,042,048
Qualifying disbursements	(3,521,024)	(3,521,024)	(7,042,048)
Set-aside balance at June 30, 2004	\$ -	\$ -	\$ -

16. RECEIVABLES

Receivables at June 30, 2004 consisted of property taxes, interest, accounts and intergovernmental grants. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current fiscal year guarantee of Federal funds. A summary of the principal items of intergovernmental receivables follows:

	Amount
Classroom Facilities Major Capital Projects Fund	\$ 62,695,280
Non-Major Special Revenue Funds:	
Teacher Development	582,180
Summer Intervention	213,915
Title III - Limited English Proficiency	695,978
ECIA Title I	14,011,573
ECIA Title VI	466,211
Drug Free Schools	166,043
Reducing Class Size	6,866,392
Miscellaneous Federal	718,356
Total Non-Major Special Revenue Funds	\$ 23,720,648
Food Service Major Enterprise Fund	556,224
Total All Funds	\$ 86,972,152

COLUMBUS CITY SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

For the Fiscal Year Ended June 30, 2004

17. CONTINGENT LIABILITIES

Contractual Commitments

The District is undertaking several new construction projects as parts of the Ohio's School Facilities Program. Below is a list of related outstanding contractual commitments as of year end:

Vendor	Contract Amount	Amount Expended	Balance At 06/30/04
Abbot & Abbot Architects	\$ 460,418	\$ 110,501	\$ 349,917
ADC Integrated Building Systems	122,035	118,191	3,844
Bogden Architects Inc.	432,091	61,357	370,734
Braun & Steidi	460,418	110,500	349,918
C&N Construction Services, Inc.	189,800	3,800	186,000
Caloric Mechanical Inc.	89,727	60,318	29,409
Caloric Mechanical Inc.	115,887	57,430	58,457
Chemcote	99,921	39,633	60,288
Continental Education Environments	168,341	82,303	86,038
Dynalectric Company ofo Ohio	816,266	764,832	51,434
Econco, Inc.	435,244	306,452	128,792
Econco, Inc.	117,000	0	117,000
Feinknopf Macioce Schappa	432,091	105,430	326,661
Firestone Jaros Mullen, Inc.	397,489	98,301	299,188
Firestone Jaros Mullen, Inc.	489,112	241,111	248,001
Foreman Davis Ltd.	397,489	17,959	379,530
Hilliard Glass	205,329	198,873	6,456
HKI Associates, Inc.	439,768	212,189	227,579
Holdridge Mechanical	440,314	396,822	43,492
Howard's Sheet Metal, Inc.	1,242,595	1,201,041	41,554
JL Bender, Inc.	414,851	37,337	377,514
Karlsberger	638,121	223,343	414,778
Miles-McClellan Construction	4,580,558	4,397,703	182,855
Moody Nolan, Inc.	397,489	91,422	306,067
Polster	62,170	49,438	12,732
Ricciuti Balog & Partners	397,489	19,874	377,615
Ricciuti Balog & Partners	405,793	55,797	349,996
Roger Fields & Associates	91,500	88,764	2,736
SA Comunale Co.	111,884	101,207	10,677
Schooley Caldwell Associates	1,174,929	320,735	854,194
SEM Architects	613,507	61,351	552,156
Smith Roofing Ltd.	119,450	0	119,450
Smith Roofing Ltd.	160,000	123,719	36,281
Smith Roofing Ltd.	520,000	0	520,000
Steed Hammond Paul Inc.	435,769	208,080	227,689
Steed Hammond Paul Inc.	647,410	16,185	631,225
Stonecreek Interior Systems, Inc.	302,398	294,335	8,063
The Comm Group Inc.	61,194	58,573	2,621
	<u>\$ 18,685,847</u>	<u>\$ 10,334,906</u>	<u>\$ 8,350,941</u>

COLUMBUS CITY SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

For the Fiscal Year Ended June 30, 2004

17. CONTINGENT LIABILITIES- Continued

Grants

The District receives significant financial assistance from numerous Federal, State and local agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on any of the financial statements of the individual funds included herein or on the overall financial position of the District at June 30, 2004.

Litigation

There are several lawsuits pending in which the District is involved. The District's attorneys estimate that the potential uninsured claims against the District resulting from those lawsuits would not materially affect the financial statements of the District.

18. SUBSEQUENT EVENTS

District voters passed a 6.95 million dollar operating levy on November 2, 2004, which will be used to fund the District's further operations.

The District issued \$60,000,000 in Revenue Anticipation Notes dated December 14, 2004 and maturing March 15, 2005. The Notes were issued in anticipation of the collection of property tax revenues in and for the fiscal year ending June 30, 2005.

**REQUIRED
SUPPLEMENTARY
INFORMATION**

Columbus City School District

**Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual (Non-GAAP Basis)**

For the Fiscal Year Ended June 30, 2004

	General Fund			Variance Favorable (Unfavorable)
	Original Budget	Final Budget	Actual	
Revenues				
Taxes	299,681,973	\$ 299,681,973	\$ 299,323,749	\$ (358,224)
Tuition and Fees	5,284,353	5,284,353	5,284,353	-
Earnings on Investments	1,668,826	1,668,826	1,668,826	-
Intergovernmental	252,897,255	252,897,255	252,897,255	-
Donations	2,855	2,855	2,855	-
Other	4,286,884	4,286,884	4,286,884	-
Total Revenues	563,822,146	563,822,146	563,463,922	(358,224)
Expenditures				
Current Operating				
Instruction:				
Regular	267,570,057	266,826,712	266,350,397	476,315
Special	59,989,717	58,770,763	58,680,347	90,416
Vocational	20,568,215	19,247,321	19,221,319	26,002
Adult/Continuing	730,816	816,033	815,213	820
Support Services:				
Pupils	37,448,967	42,296,096	42,257,182	38,914
Instructional Staff	52,024,335	43,597,260	43,590,159	7,101
Board of Education	98,415	57,370	45,075	12,295
Administration	44,424,604	46,068,384	45,934,307	134,077
Fiscal	13,317,367	15,604,044	15,560,882	43,162
Business	4,507,667	3,813,601	3,037,349	776,252
Operation and Maintenance of Plant	64,521,083	64,713,771	64,700,045	13,726
Pupil Transportation	30,434,186	30,614,286	30,593,486	20,800
Central	33,101,930	23,892,298	23,625,560	266,738
Operation of Non-Instructional Services:				
Food Service	-	2,886	2,886	-
Extracurricular Activities	5,165,164	6,201,180	6,022,599	178,581
Capital Outlay	456,349	267,374	172,290	95,084
Total Expenditures	634,358,872	622,789,379	620,609,096	2,180,283
Excess of Revenues Over (Under) Expenditures	(70,536,726)	(58,967,233)	(57,145,174)	1,822,059
Other Financing Sources (Uses)				
Advances In	-	6,113,165	6,468,300	355,135
Advances Out	(2,766)	(2,102,723)	(8,365,000)	(6,262,277)
Refund of Prior Years Expenditures	-	27,890	27,890	-
Refund of Prior Years Receipts	(501)	(1,501)	(765)	736
Transfers Out	(2,191,191)	(649,727)	(437,323)	212,404
Proceeds from the Sale of Assets	-	43,095	43,095	-
Total Other Financing Sources (Uses)	(2,194,458)	3,430,199	(2,263,803)	(5,694,002)
Net Change in Fund Balance	(72,731,184)	(55,537,034)	(59,408,977)	(3,871,943)
Fund Balance at Beginning of Year	49,394,489	49,394,489	49,394,489	-
Prior Year Encumbrances Appropriated	21,016,830	21,016,830	21,016,830	-
Fund Balance at End of Year	\$ (2,319,865)	\$ 14,874,285	\$ 11,002,342	\$ (3,871,943)

Columbus City School District

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

For the Fiscal Year Ended June 30, 2004

Note A- Reconciliation Between Budget Basis and GAAP Basis

Adjustments necessary to convert the results of operations at end of year on the budget basis to the modified accrual basis (GAAP) are as follows:

Net Change in Fund Balance per the Budgetary Comparison Schedule	\$ (59,408,977)
Net revenue accruals	2,790,482
Net expenditures	356,607
Advances In	(6,468,300)
Advances Out	8,365,000
Encumbrances	17,567,066
Net Change in Fund Balance per the Statement of Revenues, Expenditures, and Changes in Fund Balances	\$ (36,798,122)

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Combining and Individual Fund Financial Statements and Schedules

Columbus City School District

Combining Statements and Individual Fund Schedules - Nonmajor Funds

Nonmajor Special Revenue Funds

Special Revenue Funds are established to account for revenues from specific sources which legally, or otherwise, are restricted to expenditures for specific purposes. A description of the District's Nonmajor Special Revenue Funds follow:

Public School Support

A fund provided to account for special local revenue sources, other than taxes and expendable trusts (i.e. profits from vending machines, sales of pictures, etc.) that are restricted to expenditures for specified purposes approved by Board resolution.

Other Grants

A fund used to account for the proceeds of specific revenue sources, except for state and federal grants that are legally restricted to expenditures for specified purposes.

Computer Network Class "A" Site

A fund used to account for the operations of class "A" sites of the computer network of the Department of Education.

School Improvement Models

A fund provided where the State Department of Education provides unrestricted grants to individual schools within the District to improve classroom practices, assessment, and professional development.

Classroom Facilities Maintenance

A fund used to account for the proceeds of a levy for the maintenance of facilities.

District Managed Activities

A fund provided to account for those student activity programs which have student participation in the activity, but do not have student management of the programs.

Auxiliary Services (NPSS)

A fund used to account for monies which provide services and materials to pupils attending non-public schools within the school district.

Disadvantaged Pupils Program (DPPF)

A fund used to account for monies which are provided for the improvement of the educational and cultural status of disadvantaged pupils.

Urban Pilot Projects

A fund used to provide rehabilitation, preventive, and developmental programs in a coordinated and systematic school and community effort to test the impact of a maximal educational program for disadvantaged students.

Community Education

A fund to provide for receipts and expenditures for developing, maximizing, coordinating, enhancing, strengthening, and further legitimizing the process of community interaction and communication with the school district.

Post Secondary Vocational Education

A fund provided to account for receipts and expenditures involved in upgrading and retraining out-of-school youths and adults for the purpose of improving their skills and knowledge in their occupations or planned occupations.

Columbus City School District

Combining Statements and Individual Fund Schedules - Nonmajor Funds (continued)

Nonmajor Special Revenue Funds - Continued

Teacher Development

A fund used to account for receipts and expenditures necessary for providing assistance to local school districts for the development of in-service programs.

Adult Vocational Education Fund

A fund provided to account for receipts and expenditures involved in upgrading and retaining out-of-school youths and adults for the purpose of improving their skills and knowledge in their occupations or planned occupations.

Parents As Teachers

A fund used to provide information, training, and support to parents of preschool and Head Start children.

Career Enhancement

A fund provided to account for career enhancement opportunities for District teachers through professional advancement, growth and leadership

Gifted Education

A fund provided to account for research and demonstration projects and other purposes as established under appropriation line item 200-521, Gifted Pupil Program.

Management Information Systems

A fund to account for amounts distributed to school districts to be used solely for costs associated with the Education Management Information System.

Public School Preschool

A fund to assist school districts in paying the cost of preschool programs for three- and four-year-olds.

Entry Year Programs

A fund to implement entry-year programs pursuant to division (T) of section 3317.024 of the Revised Code.

Disadvantaged Pupils Impact Aid (DPIA)

A fund used to account for monies received through the state foundation for disadvantaged impact aid.

Data Communication

A fund used to account for monies appropriated for Ohio Educational Computer Network Connections.

Schoolnet Professional Development

A fund used to account for a limited number of professional development subsidy grants.

Special Instructional Material Subsidy

A fund used to account for monies appropriated to purchase instructional materials for the classrooms.

Ohio Reads

A fund used to account for monies spent to improve reading outcomes, especially on the fourth grade reading proficiency test and for volunteer coordinators in public school buildings.

Columbus City School District

Combining Statements and Individual Fund Schedules - Nonmajor Funds (continued)

Nonmajor Special Revenue Funds - Continued

Summer Intervention

A fund used to account for summer intervention services satisfying criteria defined in division (E) of section 3313.608 of the Revised Code.

Vocational Educational Enhancements

A fund used to account for Vocational Education Enhancements that: 1) expand the number of students enrolled in tech prep programs, 2) enable students to develop career plans, to identify initial educational and career goals, and to develop a career passport which provides a clear understanding of the student's knowledge, skills, and credentials to present to future employers, universities, and other training institutes and 3) replace or update equipment essential for the instruction of students in job skills taught as part of a vocational program or programs approved for such instruction by the State Board of Education.

Alternative Schools

A fund used to account for alternative educational programs for existing and new at-risk and delinquent youth. Programs shall be focused on youth in one or more of the following categories: those who have been expelled or suspended, those who have dropped out of school or who are at risk of dropping out of school, those who are habitually truant or disruptive, or those on probation or on parole from a Department of Youth Services' facility.

Miscellaneous State Grants

A fund used to account for various monies received from state agencies which are not classified elsewhere.

Adult Basic Education

Provision of funds for planning and conducting programs for persons 16 years of age and older who are not enrolled in school and who have less than a twelfth-grade education or its equivalent; development of basic educational skills; increase of opportunities for useful employment; improvement of attitudes toward self, family and community.

National Defense Education Act (NDEA), Title III

Provision of funds for strengthening instructions in science, mathematics, modern foreign languages, English, arts and humanities, reading, history, geography, civics, economics, and industrial arts through acquisition of laboratory and other special equipment and materials and through minor remodeling.

Education of the Handicapped Act (EHA), Title VI-B

Provision of grants to assist with the training of teachers, supervisors, administrators, clinicians, or other specialists providing educational services to the handicapped.

Vocational Education

Provision of funds to boards of education, teacher training institutions, and the state administering agency for cooperating in development of vocational education programs in the following categories: secondary, post-secondary, adult, disadvantaged and handicapped persons, exemplary programs, cooperative education, vocational schools construction, ancillary services, research, advisory committees, work-study projects and sex equity grants.

Columbus City School District

Combining Statements and Individual Fund Schedules - Nonmajor Funds (continued)

Nonmajor Special Revenue Funds - Continued

EC OPP Act Head Start

Provision of funds in order to help urban and rural communities mobilize their resources in combating poverty.

Indian Education Grants

Provision for Federal financial assistance to school districts to develop and implement elementary and secondary school programs designed to meet the special educational needs of Indian children.

Title III – Limited English Proficiency

A fund to develop and carry out elementary and secondary school programs, including activities at the pre-school level, to meet the educational needs of children of limited English proficiency.

Transition PGM – Refugee Child

Provision for Federal financial assistance to school districts to develop and implement elementary and secondary school programs designed to meet the special educational needs of refugee children.

Education Career Incentive Act (ECIA) - Title I

A fund to provide financial assistance to State and Local educational agencies to meet the special needs of educationally deprived children.

Education Career Incentive Act (ECIA) - Title VI

A fund to consolidate various programs into a single authorization of grants to states for the same purposes set forth in the provisions of law as specified in the authorization section, to be used in accordance with the educational needs and priorities of the state and local agencies.

Drug-Free Schools Grant

A fund to provide monies to local educational agencies and consortia of these agencies to establish, operate and improve local programs of drug abuse prevention, early intervention, rehabilitation referral and education in elementary and secondary schools, and to engage in development, training, technical assistance and coordination activities.

Education of the Handicapped Act (EHA Preschool Grants/Handicapped)

A fund used to account for monies received from the Preschool Grant Program, Section 619 of Public Law 99-457, which addresses the improvement and expansion of services for handicapped children ages three through five years.

Reducing Class Size

A fund used to account for monies to hire additional classroom teachers in grades 1 through 3, so that the number of students per teacher will be reduced.

Miscellaneous Federal Grants

A fund used to account for various monies received through state agencies from the federal government or directly from the federal government which are not classified elsewhere. A separate special cost center must be used for each grant.

Columbus City School District

Combining Statements and Individual Fund Schedules - Nonmajor Funds (continued)

Nonmajor Capital Projects Funds

The nonmajor Capital Project Funds account for the receipt and disbursement of monies used for the acquisition, construction or major renovation of capital facilities (other than those financed by Proprietary and Trust Funds).

Permanent Improvement Fund

A fund provided to account for all transactions related to the acquiring, constructing, or improving of such permanent improvements as are authorized by Section 5705, Ohio Revised Code.

Building Fund

A fund provided to account for all transactions related to the acquiring, constructing, or improving of such building improvements as are authorized by Section 5705.09, Revised Code.

Replacement Fund

A fund provided to account for monies used in the rebuilding, restoration or improvement of property which has been totally or partially destroyed from any cause. Such property may have become unfit for use necessitating its demolition in whole or in part, and require repair or restoration before it can again be used.

Schoolnet Equipment Fund

A fund used to account for wiring to all classrooms and to provide a computer workstation and related technology for every classroom in Ohio's low-wealth school districts.

Telecommunity

A fund used to account for Telecommunity grants from the Ohio Department of Education.

Power Up Technologies

A fund used to account for advanced technology grants from the Ohio Department of Education.

School Building Assistance Limited

A fund used to account for capital improvement grants which are limited to the largest eight school districts in the State of Ohio.

Nonmajor Permanent Fund

Endowment

A fund used to account for money, securities, or land which have been set aside as an investment for public school purposes. The income from such a fund may be expended, but the principal must remain intact. The funds may be spent for restricted school district purposes.

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Columbus City School District

Combining Statements and Individual Fund Schedules - Nonmajor Funds (continued)

Nonmajor Enterprise Funds

To account for operations a) that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs of providing goods and services to the general public on a continuing basis be financed or recovered primarily through the user's charges: or b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Adult Education

A fund provided to account for all revenues and expenses related to the provision of credit and non-credit classes to the community.

WCBE

A fund provided to account for funds received from donations and grants for the purpose of improving the operations and services provided by the District's FM radio station.

Latchkey

A fund to provide after-school care and instructional services to students whose parents are not at home when the student gets out of school.

Uniform School Supplies

A fund to account for the purchase and sale of school supplies as adopted by the Board of Education for use in the schools of the district.

Rotary - Special Services

A fund to account for income and expenses made in connection with goods and services provided by the District.

Agency Funds

Franklin County Educational Council

A fund used to account for monies held in an agency capacity on behalf of the Franklin County Educational Council.

Student Managed Activities

A fund provided to account for those student activity programs which have student participation in the activity and have students involved in the management of the program. This fund typically includes those student activities which consist of a student body, student president, student treasurer, and faculty advisor.

Columbus City School District

**Combining Balance Sheet
Nonmajor Governmental Funds (By Fund Type)**

As of June 30, 2004

	<u>Nonmajor Special Revenue Funds</u>	<u>Nonmajor Capital Projects Funds</u>	<u>Nonmajor Permanent Fund</u>	<u>Total Non-major Governmental Funds</u>
ASSETS				
Equity in Pooled Cash and Cash Equivalents	\$ 22,235,947	\$ 52,178,080	\$ 814,188	\$ 75,228,215
Receivables				
Taxes	3,459,600	-	-	3,459,600
Interest	12,597	-	-	12,597
Due from Other Governments	<u>23,720,648</u>	<u>-</u>	<u>-</u>	<u>23,720,648</u>
Total Assets and Other Debits	<u>\$ 49,428,792</u>	<u>\$ 52,178,080</u>	<u>\$ 814,188</u>	<u>\$ 102,421,060</u>
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts Payable	\$ 3,216,514	\$ 57,255	\$ -	\$ 3,273,769
Accrued Wages and Benefits	4,201,046	45,024	-	4,246,070
Matured Compensated Absences	147,656	-	-	147,656
Early Retirement Incentive Payable	80,973	-	-	80,973
Deferred Revenues	27,041,127	-	-	27,041,127
Interfund Loans Payable	600,650	1,921,000	-	2,521,650
Due to Other Governments	<u>46,448</u>	<u>474</u>	<u>-</u>	<u>46,922</u>
Total Liabilities	35,334,414	2,023,753	-	37,358,167
Fund Balances				
Reserved for Encumbrances	2,291,155	678,622	-	2,969,777
Reserved for Property Taxes	155,346	-	-	155,346
Reserved for Endowment	-	-	673,401	673,401
Unreserved				
Undesignated - Reported In				
Special Revenue Funds	11,647,877	-	-	11,647,877
Capital Projects Funds	-	49,475,705	-	49,475,705
Permanent Fund	-	-	140,787	140,787
Total Fund Balances	<u>14,094,378</u>	<u>50,154,327</u>	<u>814,188</u>	<u>65,062,893</u>
Total Liabilities and Fund Balances	<u>\$ 49,428,792</u>	<u>\$ 52,178,080</u>	<u>\$ 814,188</u>	<u>\$ 102,421,060</u>

Columbus City School District

Combining Statement of Revenues, Expenditures and Changes in Fund Balances Nonmajor Governmental Funds (By Fund Type)

For the Fiscal Year Ended June 30, 2004

	<u>Nonmajor Special Revenue Funds</u>	<u>Nonmajor Capital Projects Funds</u>	<u>Nonmajor Permanent Fund</u>	<u>Total Non-major Governmental Funds</u>
Revenues				
Taxes	\$ 3,847,407	\$ -	\$ -	\$ 3,847,407
Tuition and Fees	765,684	-	-	765,684
Earnings on Investments	33,656	-	-	33,656
Intergovernmental	68,330,602	15,000	-	68,345,602
Extracurricular	1,921,431	-	-	1,921,431
Donations	763,256	-	-	763,256
Other	1,154,323	18,441	-	1,172,767
Total Revenues	76,816,359	33,441	-	76,849,803
Expenditures				
Current Operating				
Instruction				
Regular	5,921,552	-	-	5,921,552
Special	21,725,879	-	-	21,725,879
Vocational	725,358	-	-	725,358
Other Instruction	866,401	-	-	866,401
Pupil Support Services	8,882,198	-	620	8,882,818
Instructional Support Services	24,371,712	952,321	-	25,324,033
Administration	3,563,614	-	-	3,563,614
Business and Fiscal Services	1,114,579	-	-	1,114,579
Operation and Maintenance of Plant Services	341,185	-	-	341,185
Transportation Services-Pupils	309,037	-	-	309,037
Other Support Services	4,329,475	-	-	4,329,475
Enterprise Operations	108,483	-	-	108,483
Extracurricular Activities	4,185,925	-	-	4,185,925
Community Services	5,590,180	-	-	5,590,180
Capital Outlay	-	2,253,790	-	2,253,790
Total Expenditures	82,035,578	3,206,111	620	85,242,309
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,219,219)	(3,172,670)	(620)	(8,392,509)
Other Financing Sources				
Transfers In	437,323	-	-	437,323
Proceeds from the Sale of Assets	9,250	-	-	9,250
Total Other Financing Sources	446,573	-	-	446,573
Net Change in Fund Balances	(4,772,646)	(3,172,670)	(620)	(7,945,936)
Fund Balances at Beginning of Year	18,867,024	53,326,997	814,808	73,008,829
Fund Balances at End of Year	\$ 14,094,378	\$ 50,154,327	\$ 814,188	\$ 65,062,893

Columbus City School District
Combining Balance Sheet
Nonmajor Special Revenue Funds

As of June 30, 2004

	<u>Public School Support</u>	<u>Other Grants</u>	<u>Computer Network Class A Site</u>	<u>School Improvement Models</u>	<u>Classroom Facilities Maintenance</u>	<u>District Managed Activities</u>
ASSETS						
Equity in Pooled Cash and Cash Equivalents	1,930,447	500,090	154,366	59,056	6,125,715	1,534,017
Taxes Receivable	-	-	-	-	3,459,600	-
Accrued Interest Receivable	-	-	-	-	12,597	-
Due from Other Governments	-	-	-	-	-	-
Total Assets	\$ 1,930,447	\$ 500,090	\$ 154,366	\$ 59,056	\$ 9,597,912	\$ 1,534,017
LIABILITIES AND FUND BALANCES						
Liabilities						
Accounts Payable	\$ 132,305	\$ 21,021	\$ -	\$ -	\$ -	\$ 120,885
Accrued Wages and Benefits	-	34,970	-	-	-	-
Matured Compensated Absences	-	-	-	-	-	-
Deferred Revenues	-	-	-	-	3,304,254	-
Interfund Loans Payable	-	-	-	-	-	-
Due to Other Governments	-	173	-	-	-	-
Early Retirement Incentive Payable	-	-	-	-	-	-
Total Liabilities	132,305	56,164	-	-	3,304,254	120,885
Fund Balances						
Reserved for Encumbrances	224,172	33,349	3,380	-	-	303,295
Reserved for Property Taxes	-	-	-	-	155,346	-
Unreserved, undesignated	<u>1,573,970</u>	<u>410,577</u>	<u>150,986</u>	<u>59,056</u>	<u>6,138,312</u>	<u>1,109,837</u>
Total Fund Balances	<u>1,798,142</u>	<u>443,926</u>	<u>154,366</u>	<u>59,056</u>	<u>6,293,658</u>	<u>1,413,132</u>
Total Liabilities and Fund Balances	\$ 1,930,447	\$ 500,090	\$ 154,366	\$ 59,056	\$ 9,597,912	\$ 1,534,017

<u>Auxiliary Services</u>	<u>DPPF</u>	<u>Urban Pilot Projects</u>	<u>Community Education</u>	<u>Post Secondary Vocational Education</u>	<u>Teacher Development</u>	<u>Parents as Teachers</u>
\$ 2,671,659	\$ 6,568	\$ 18,642	\$ 119	\$ 10,841	\$ 139,192	\$ 20,280
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	582,180	-
\$ 2,671,659	\$ 6,568	\$ 18,642	\$ 119	\$ 10,841	\$ 721,372	\$ 20,280
\$ 387,341	\$ -	\$ -	\$ -	\$ 10,179	\$ 30,481	\$ -
287,116	-	-	-	-	-	-
3,877	-	-	-	-	-	-
-	-	-	-	-	582,180	-
-	-	-	-	-	-	5,650
3,369	-	-	-	-	-	-
3,248	-	-	-	-	-	-
684,951	-	-	-	10,179	612,661	5,650
256,232	-	-	-	-	22,000	-
-	-	-	-	-	-	-
1,730,476	6,568	18,642	119	662	86,711	14,630
1,986,708	6,568	18,642	119	662	108,711	14,630
\$ 2,671,659	\$ 6,568	\$ 18,642	\$ 119	\$ 10,841	\$ 721,372	\$ 20,280

Columbus City School District

**Combining Balance Sheet
Nonmajor Special Revenue Funds (Continued)**

As of June 30, 2004

	<u>Career Enhancement</u>	<u>Gifted Education Fund</u>	<u>Management Information Systems</u>	<u>Public School Preschool</u>	<u>Entry Year Programs</u>
ASSETS					
Equity in Pooled Cash and Cash Equivalents	\$ 67,850	\$ 123,935	\$ 158,799	\$ 136,525	\$ 6,882
Taxes Receivable	-	-	-	-	-
Accrued Interest Receivable	-	-	-	-	-
Due from Other Governments	-	-	-	-	-
Total Assets	\$ 67,850	\$ 123,935	\$ 158,799	\$ 136,525	\$ 6,882
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts Payable	\$ -	\$ 8,290	\$ 450	\$ 348	\$ -
Accrued Wages and Benefits	-	-	-	43,420	-
Matured Compensated Absences	-	1,169	-	6,816	-
Deferred Revenues	-	-	-	-	-
Interfund Loans Payable	-	-	-	-	-
Due to Other Governments	-	-	-	425	-
Early Retirement Incentive Payable	-	2,000	-	3,685	-
Total Liabilities	-	11,459	450	54,694	-
Fund Balances					
Reserved for Encumbrances	-	27,537	15,100	5,208	-
Reserved for Property Taxes	-	-	-	-	-
Unreserved, undesignated	67,850	84,939	143,249	76,623	6,882
Total Fund Balances	67,850	112,476	158,349	81,831	6,882
Total Liabilities and Fund Balances	\$ 67,850	\$ 123,935	\$ 158,799	\$ 136,525	\$ 6,882

<u>DPIA</u>	<u>Data Communication</u>	<u>Schoolnet Professional Development</u>	<u>Special Instructional Material Subsidy</u>	<u>Ohio Reads</u>	<u>Summer Intervention</u>	<u>Vocational Educational Enhancements</u>
\$ 3,985	\$ 1,637,398	\$ 32,879	\$ 207,569	\$ 385,672	429,811	\$ 84,537
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	213,915	-
\$ 3,985	\$ 1,637,398	\$ 32,879	\$ 207,569	\$ 385,672	\$ 643,726	\$ 84,537
\$ -	\$ 4,899	\$ -	\$ -	\$ 84,893	\$ 100,403	\$ 58,673
-	-	-	-	-	-	3,587
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	213,915	-
-	-	-	-	-	-	-
-	-	-	-	-	-	52
-	-	-	-	-	-	-
-	4,899	-	-	84,893	314,318	62,312
-	94,216	12,999	-	31,643	194,317	8,202
-	-	-	-	-	-	-
3,985	1,538,283	19,880	207,569	269,136	135,091	14,023
3,985	1,632,499	32,879	207,569	300,779	329,408	22,225
\$ 3,985	\$ 1,637,398	\$ 32,879	\$ 207,569	\$ 385,672	\$ 643,726	\$ 84,537

...continued

Columbus City School District

**Combining Balance Sheet
Nonmajor Special Revenue Funds (Continued)**

As of June 30, 2004

	<u>Alternative Schools</u>	<u>Misc. State Grants</u>	<u>Adult Basic Education</u>	<u>NDEA Title III</u>	<u>EHA Title VI-B</u>	<u>Vocational Education</u>
ASSETS						
Equity in Pooled Cash and Cash Equivalents	\$ 29,942	\$ 238,954	\$ 61,652	\$ 341	29,240	\$ 93,569
Taxes Receivable	-	-	-	-	-	-
Accrued Interest Receivable	-	-	-	-	-	-
Due from Other Governments	-	-	-	-	-	-
Total Assets	\$ 29,942	\$ 238,954	\$ 61,652	\$ 341	\$ 29,240	\$ 93,569
LIABILITIES AND FUND BALANCES						
Liabilities						
Accounts Payable	\$ -	\$ 2,165	\$ 1,479	\$ -	\$ 18,395	\$ 243,597
Accrued Wages and Benefits	42,378	9,403	3,854	-	759,910	66,803
Matured Compensated Absences	4,063	-	1,294	-	11,438	8,406
Deferred Revenues	-	-	37,902	-	-	-
Interfund Loans Payable	-	-	-	-	65,000	-
Due to Other Governments	438	136	-	-	8,777	504
Early Retirement Incentive Payable	2,000	-	2,015	-	7,862	3,985
Total Liabilities	48,879	11,704	46,544	-	871,382	323,295
Fund Balances						
Reserved for Encumbrances	-	15,298	3,066	-	9,278	150,765
Reserved for Property Taxes	-	-	-	-	-	-
Unreserved, undesignated	(18,937)	211,952	12,042	341	(851,420)	(380,491)
Total Fund Balances	(18,937)	227,250	15,108	341	(842,142)	(229,726)
Total Liabilities and Fund Balances	\$ 29,942	\$ 238,954	\$ 61,652	\$ 341	\$ 29,240	\$ 93,569

<u>EC OPP Act Head Start</u>	<u>Indian Education</u>	<u>Title III Limited English Proficiency</u>	<u>Transition PGM- Refugee Child</u>	<u>ECIA Title I</u>	<u>ECIA Title VI</u>	<u>Drug-Free Schools</u>
\$ 6,400	\$ 3,634	\$ 7,681	\$ 15,221	\$ 1,411,814	\$ 74,046	\$ 66,228
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	695,978	-	14,011,573	466,211	166,043
<u>\$ 6,400</u>	<u>\$ 3,634</u>	<u>\$ 703,659</u>	<u>\$ 15,221</u>	<u>\$ 15,423,387</u>	<u>\$ 540,257</u>	<u>\$ 232,271</u>
\$ -	\$ -	\$ 3,330	\$ 584	\$ 703,314	\$ 82,865	\$ 35,992
10,534	-	37,890	-	2,163,073	-	21,777
-	-	-	-	79,749	-	3,268
-	3,634	695,978	-	13,986,262	466,211	166,043
-	-	125,000	-	-	-	405,000
154	-	550	-	21,619	-	316
-	-	-	-	40,696	-	2,250
10,688	3,634	862,748	584	16,994,713	549,076	634,646
-	-	3,757	353	553,748	11,532	29,098
-	-	-	-	-	-	-
<u>(4,288)</u>	<u>-</u>	<u>(162,846)</u>	<u>14,284</u>	<u>(2,125,074)</u>	<u>(20,351)</u>	<u>(431,473)</u>
<u>(4,288)</u>	<u>-</u>	<u>(159,089)</u>	<u>14,637</u>	<u>(1,571,326)</u>	<u>(8,819)</u>	<u>(402,375)</u>
<u>\$ 6,400</u>	<u>\$ 3,634</u>	<u>\$ 703,659</u>	<u>\$ 15,221</u>	<u>\$ 15,423,387</u>	<u>\$ 540,257</u>	<u>\$ 232,271</u>

...continued

Columbus City School District
Combining Balance Sheet
Nonmajor Special Revenue Funds (Continued)

As of June 30, 2004

	<u>EHA Preschool Grants/ Handicapped</u>	<u>Reducing Class Size</u>	<u>Miscel- laneous Federal Grants</u>	<u>Totals</u>
ASSETS				
Equity in Pooled Cash and Cash Equivalents	\$ 10,213	\$ 511,521	\$ 3,228,657	\$ 22,235,947
Taxes Receivable	-	-	-	3,459,600
Accrued Interest Receivable	-	-	-	12,597
Due from Other Governments	-	<u>6,866,392</u>	<u>718,356</u>	<u>23,720,648</u>
 Total Assets	 <u>\$ 10,213</u>	 <u>\$ 7,377,913</u>	 <u>\$ 3,947,013</u>	 <u>\$ 49,428,792</u>
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts Payable	\$ 1,712	\$ 444,347	\$ 718,566	\$ 3,216,514
Accrued Wages and Benefits	32,670	461,030	222,631	4,201,046
Matured Compensated Absences	-	27,576	-	147,656
Early Retirement Incentive Payable	-	-	-	-
Deferred Revenues	-	6,866,392	718,356	27,041,127
Interfund Loans Payable	-	-	-	600,650
Due to Other Governments	474	6,658	2,803	46,448
Early Retirement Incentive Payable	-	<u>10,000</u>	<u>3,232</u>	<u>80,973</u>
 Total Liabilities	 34,856	 7,816,003	 1,665,588	 35,334,414
Fund Balances				
Reserved for Encumbrances	-	-	-	2,291,155
Reserved for Property Taxes	508	66,217	215,885	155,346
Unreserved, undesignated	<u>(25,151)</u>	<u>(504,307)</u>	<u>2,065,540</u>	<u>11,647,877</u>
 Total Fund Balances	 <u>(24,643)</u>	 <u>(438,090)</u>	 <u>2,281,425</u>	 <u>14,094,378</u>
 Total Liabilities and Fund Balances	 <u>\$ 10,213</u>	 <u>\$ 7,377,913</u>	 <u>\$ 3,947,013</u>	 <u>\$ 49,428,792</u>

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Columbus City School District

**Combining Statement of Revenues, Expenditures and
Changes in Fund Balances
Nonmajor Special Revenue Funds**

For the Fiscal Year Ended June 30, 2004

	<u>Public School Support</u>	<u>Other Grants</u>	<u>Computer Network Class A Site</u>	<u>Venture Capital</u>	<u>Classroom Facilities Maintenance</u>	<u>District Managed Activities</u>
Revenues						
Taxes	\$ -	\$ -	\$ -	\$ -	3,847,407	\$ -
Tuition and Fees	342,317	-	-	-	-	361,029
Earnings on Investments	-	-	-	-	33,656	-
Intergovernmental	-	49,700	44,812	-	398,403	-
Extracurricular	664,989	-	-	-	-	1,256,442
Donations	196,887	359,953	-	-	-	206,416
Other	492,289	372,761	-	-	-	150,714
Total Revenues	1,696,482	782,414	44,812	-	4,279,466	1,974,601
Expenditures						
Current Operating						
Instruction						
Regular	1,867	196,360	-	-	-	-
Special	-	21,293	-	-	-	201
Vocational	-	1,828	-	-	-	-
Other	-	-	-	-	-	-
Pupil Support Services	2,478	303,785	-	-	-	114
Instructional Support Services	2,339	187,598	-	-	-	-
Administration	1,385,809	369,294	-	-	-	-
Business and Fiscal Services	-	-	-	-	37,879	-
Operation and Maintenance of						
Plant Services	1,995	6,799	-	-	-	-
Transportation Services-Pupils	-	10,170	-	-	-	-
Other Support Services	79	1,995	53,664	-	-	-
Enterprise Operations	3,172	-	-	-	-	105,311
Extracurricular Activities	161,690	-	-	-	-	2,382,479
Community Services	9,133	-	-	-	-	-
Total Expenditures	1,568,562	1,099,122	53,664	-	37,879	2,488,105
Excess (Deficiency) of Revenues Over (Under) Expenditures	127,920	(316,708)	(8,852)	-	4,241,587	(513,504)
Other Financing Sources						
Transfers In	-	-	-	-	-	437,323
Proceeds from Sale of Assets	-	-	-	-	-	9,250
Total Other Financing Sources	-	-	-	-	-	446,573
Net Changes in Fund Balances	127,920	(316,708)	(8,852)	-	4,241,587	(66,931)
Fund Balances at Beginning of Year	1,670,222	760,634	163,218	59,056	2,052,071	1,480,063
Fund Balances at End of Year	\$ 1,798,142	\$ 443,926	\$ 154,366	\$ 59,056	\$ 6,293,658	\$ 1,413,132

<u>Auxiliary Services</u>	<u>DPPF</u>	<u>Urban Pilot Projects</u>	<u>Community Education</u>	<u>Post Secondary Vocational Education</u>	<u>Teacher Development</u>	<u>Adult Vocational Education</u>	<u>Parents as Teachers</u>
-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
5,909,124	-	-	-	18,000	356,404	2,700	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>5,909,124</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>18,000</u>	<u>356,404</u>	<u>2,700</u>	<u>-</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
172,916	-	-	-	17,338	234,191	956	-
-	-	-	-	-	13,502	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
1,641,756	-	-	-	-	-	-	-
<u>5,216,511</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>7,031,183</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>17,338</u>	<u>247,693</u>	<u>956</u>	<u>-</u>
(1,122,059)	-	-	-	662	108,711	1,744	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
(1,122,059)	-	-	-	662	108,711	1,744	-
<u>3,108,767</u>	<u>6,568</u>	<u>18,642</u>	<u>119</u>	<u>-</u>	<u>-</u>	<u>(1,744)</u>	<u>14,630</u>
<u>\$ 1,986,708</u>	<u>\$ 6,568</u>	<u>\$ 18,642</u>	<u>\$ 119</u>	<u>\$ 662</u>	<u>\$ 108,711</u>	<u>\$ -</u>	<u>\$ 14,630</u>

continued...

Columbus City School District

**Combining Statement of Revenues, Expenditures and
Changes in Fund Balances
Nonmajor Special Revenue Funds (Continued)**

For the Fiscal Year Ended June 30, 2004

	<u>Career Enhancement</u>	<u>Gifted Education Fund</u>	<u>Management Information Systems</u>	<u>Public School Preschool</u>	<u>Entry Year Programs</u>
Revenues					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Tuition and Fees	-	-	-	62,263	-
Earnings on Investments	-	-	-	-	-
Intergovernmental	-	177,210	239,121	527,550	80,300
Extracurricular	-	-	-	-	-
Donations	-	-	-	-	-
Other	-	-	-	-	-
Total Revenues	-	177,210	239,121	589,813	80,300
Expenditures					
Current Operating					
Instruction					
Regular	-	-	-	265,309	-
Special	-	-	-	-	-
Vocational	-	-	-	-	-
Other	-	-	-	-	-
Pupil Support Services	-	157,430	-	120,497	-
Instructional Support Services	-	-	-	105,155	80,299
Administration	-	-	-	-	-
Business and Fiscal Services	-	-	-	8,364	-
Operation and Maintenance of					
Plant Services	-	-	-	-	-
Transportation Services-Pupils	-	-	-	2,795	-
Other Support Services	-	-	491,847	-	-
Enterprise Operations	-	-	-	-	-
Extracurricular Activities	-	-	-	-	-
Community Services	-	-	-	-	-
Total Expenditures	-	157,430	491,847	502,120	80,299
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	19,780	(252,726)	87,693	1
Other Financing Sources					
Transfers In	-	-	-	-	-
Proceeds from the Sale of Assets	-	-	-	-	-
Total Other Financing Sources	-	-	-	-	-
Net Change in Fund Balances	-	19,780	(252,726)	87,693	1
Fund Balances at Beginning of Year	67,850	92,696	411,075	(5,862)	6,881
Fund Balances at End of Year	\$ 67,850	\$ 112,476	\$ 158,349	\$ 81,831	\$ 6,882

<u>DPIA</u>	<u>Data Communication</u>	<u>Schoolnet Professional Development</u>	<u>Special Instructional Material Subsidy</u>	<u>Ohio Reads</u>	<u>Summer Intervention</u>	<u>Vocational Educational Enhancements</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	557,963	41,000	-	747,500	1,648,322	152,548
-	-	-	-	-	-	-
-	-	-	-	2,962	-	-
-	557,963	41,000	-	750,462	1,648,322	152,548
-	195,771	-	-	494,546	1,149,839	-
-	-	-	-	-	920	-
-	-	-	-	-	-	58,673
-	-	-	-	-	-	-
-	-	-	-	293,518	67,995	49,994
-	-	100,860	-	29,931	89,618	25,150
-	-	-	-	-	30,200	-
-	-	-	-	-	31,098	1,198
-	-	-	-	-	12,648	-
-	-	-	-	14,740	165,465	-
-	626,338	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	822,109	100,860	-	832,735	1,547,783	135,015
-	(264,146)	(59,860)	-	(82,273)	100,539	17,533
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	(264,146)	(59,860)	-	(82,273)	100,539	17,533
3,985	1,896,645	92,739	207,569	383,052	228,869	4,692
\$ 3,985	\$ 1,632,499	\$ 32,879	\$ 207,569	\$ 300,779	\$ 329,408	\$ 22,225

continued...

Columbus City School District

**Combining Statement of Revenues, Expenditures and
Changes in Fund Balances
Nonmajor Special Revenue Funds (Continued)**

For the Fiscal Year Ended June 30, 2004

	<u>Alternative Schools</u>	<u>Misc. State Grants</u>	<u>Adult Basic Education</u>	<u>NDEA Title III</u>	<u>EHA Title VI-B</u>	<u>Vocational Education</u>
Revenues						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tuition and Fees	-	-	-	-	-	-
Earnings on Investments	-	-	-	-	-	-
Intergovernmental	702,713	273,141	904,870	25,393	9,471,038	2,835,561
Extracurricular	-	-	-	-	-	-
Donations	-	-	-	-	-	-
Other	-	170	-	-	-	-
Total Revenues	702,713	273,311	904,870	25,393	9,471,038	2,835,561
Expenditures						
Current Operating						
Instruction						
Regular	-	49,648	-	-	-	11,427
Special	-	588	-	-	1,388,204	-
Vocational	-	-	-	-	-	664,857
Other	-	-	852,267	-	-	14,134
Pupil Support Services	706,643	57,284	32,427	-	401,340	1,009,038
Instructional Support Services	-	241,974	109,155	573	7,328,045	702,520
Administration	-	-	55,181	-	286,159	-
Business and Fiscal Services	12,012	4,680	15,110	-	158,166	41,394
Operation and Maintenance of						
Plant Services	-	-	-	-	-	-
Transportation Services-Pupils	-	22,114	-	-	-	289,916
Other Support Services	5,000	11,000	-	-	-	-
Enterprise Operations	-	-	-	-	-	-
Extracurricular Activities	-	-	-	-	-	-
Community Services	-	-	-	-	51,131	-
Total Expenditures	723,655	387,288	1,064,140	573	9,613,045	2,733,286
Excess (Deficiency) of Revenues Over (Under) Expenditures	(20,942)	(113,977)	(159,270)	24,820	(142,007)	102,275
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
Proceeds from the Sale of Assets	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-
Net Change in Fund Balances	(20,942)	(113,977)	(159,270)	24,820	(142,007)	102,275
Fund Balances at Beginning of Year:	2,005	341,227	174,378	(24,479)	(700,135)	(332,001)
Fund Balances at End of Year	\$ (18,937)	\$ 227,250	\$ 15,108	\$ 341	\$ (842,142)	\$ (229,726)

<u>EC OPP Act Head Start</u>	<u>Indian Education</u>	<u>Title III Limited English Proficiency</u>	<u>Transition PGM- Refugee Child</u>	<u>ECIA Title I</u>	<u>ECIA Title VI</u>	<u>Drug-Free Schools</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	-
104,000	-	523,482	312,940	24,139,537	734,189	238,164
-	-	-	-	-	-	-
-	-	-	-	63,303	-	-
104,000	-	523,482	312,940	24,202,840	734,189	238,164
-	-	-	-	82,403	-	-
63,553	-	214,709	203,625	16,191,346	137,981	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
8,170	-	219,767	9,892	2,009,189	-	716,941
36,565	-	310,428	81,700	7,846,146	652,483	209,777
-	-	-	-	1,029,925	-	-
-	-	11,829	3,086	505,400	13,585	16,362
-	-	-	-	3,335	-	-
-	-	-	-	84,655	-	7,278
-	-	-	-	10,000	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	249,776	53,861	6,141
108,288	-	756,733	298,303	28,012,175	857,910	956,499
(4,288)	-	(233,251)	14,637	(3,809,335)	(123,721)	(718,335)
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
(4,288)	-	(233,251)	14,637	(3,809,335)	(123,721)	(718,335)
-	-	74,162	-	2,238,009	114,902	315,960
\$ (4,288)	\$ -	\$ (159,089)	\$ 14,637	\$ (1,571,326)	\$ (8,819)	\$ (402,375)

continued...

Columbus City School District

**Combining Statement of Revenues, Expenditures and
Changes in Fund Balances
Nonmajor Special Revenue Funds (Continued)**

For the Fiscal Year Ended June 30, 2004

	<u>EHA Preschool Grants/ Handicapped</u>	<u>Reducing Class Size</u>	<u>Miscel- laneous Federal Grants</u>	<u>Totals</u>
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ 3,847,407
Tuition and Fees	-	-	75	765,684
Earnings on Investments	-	-	-	33,656
Intergovernmental	259,945	5,081,631	11,773,341	68,330,602
Extracurricular	-	-	-	1,921,431
Donations	-	-	-	763,256
Other	-	-	72,124	1,154,323
Total Revenues	259,945	5,081,631	11,845,540	76,816,359
Expenditures				
Current Operating				
Instruction				
Regular	-	3,064,966	409,416	5,921,552
Special	295,372	210	3,207,877	21,725,879
Vocational	-	-	-	725,358
Other	-	-	-	866,401
Pupil Support Services	-	-	2,715,696	8,882,198
Instructional Support Services	-	3,075,151	2,903,760	24,371,712
Administration	-	33,858	200,272	3,563,614
Business and Fiscal Services	4,216	98,588	142,326	1,114,579
Operation and Maintenance of				
Plant Services	-	-	312,192	341,185
Transportation Services-Pupils	-	-	1,820	309,037
Other Support Services	-	-	2,839,636	4,329,475
Enterprise Operations	-	-	-	108,483
Extracurricular Activities	-	-	-	4,185,925
Community Services	-	1,107	2,520	5,590,180
Total Expenditures	299,588	6,273,880	12,735,515	82,035,578
Excess (Deficiency) of Revenues Over (Under) Expenditures	(39,643)	(1,192,249)	(889,975)	(5,219,219)
Other Financing Sources (Uses)				
Transfers In	-	-	-	437,323
Proceeds from the Sale of Assets	-	-	-	9,250
Total Other Financing Sources	-	-	-	446,573
Net Change in Fund Balances	(39,643)	(1,192,249)	(889,975)	(4,772,646)
Fund Balances at Beginning of Year	15,000	754,159	3,171,400	18,867,024
Fund Balances at End of Year	\$ (24,643)	\$ (438,090)	\$ 2,281,425	\$ 14,094,378

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Columbus City School District
Combining Balance Sheet
Nonmajor Capital Projects Funds

As of June 30, 2004

	Permanent Improvement	Building	Replacement
ASSETS			
Equity in Pooled Cash and Cash Equivalents	<u>\$ 1,454,790</u>	<u>\$ 48,443,185</u>	<u>\$ 1,747,465</u>
Total Assets	<u>\$ 1,454,790</u>	<u>\$ 48,443,185</u>	<u>\$ 1,747,465</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts Payable	\$ -	\$ 57,255	\$ -
Accrued Wages	-	45,024	-
Due to Other Governments	-	474	-
Interfund Loans Payable	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	-	102,753	-
Fund Balances			
Reserved for Encumbrances	-	670,950	2,449
Unreserved - Undesignated	<u>1,454,790</u>	<u>47,669,482</u>	<u>1,745,016</u>
Total Fund Balances	<u>1,454,790</u>	<u>48,340,432</u>	<u>1,747,465</u>
Total Liabilities and Fund Balances	<u>\$ 1,454,790</u>	<u>\$ 48,443,185</u>	<u>\$ 1,747,465</u>

<u>Schoolnet Equipment</u>	<u>Telecommunity</u>	<u>Power Up Technologies</u>	<u>School Building Assistance Limited</u>	<u>Total</u>
\$ 14,999	\$ 1,472	\$ 68,943	\$ 447,226	\$ 52,178,080
<u>\$ 14,999</u>	<u>\$ 1,472</u>	<u>\$ 68,943</u>	<u>\$ 447,226</u>	<u>\$ 52,178,080</u>
\$ -	\$ -	\$ -	\$ -	\$ 57,255
-	-	-	-	45,024
-	-	-	-	474
<u>-</u>	<u>-</u>	<u>721,000</u>	<u>1,200,000</u>	<u>1,921,000</u>
-	-	721,000	1,200,000	2,023,753
-	1,474	-	3,749	678,622
<u>14,999</u>	<u>(2)</u>	<u>(652,057)</u>	<u>(756,523)</u>	<u>49,475,705</u>
<u>14,999</u>	<u>1,472</u>	<u>(652,057)</u>	<u>(752,774)</u>	<u>50,154,327</u>
<u>\$ 14,999</u>	<u>\$ 1,472</u>	<u>\$ 68,943</u>	<u>\$ 447,226</u>	<u>\$ 52,178,080</u>

Columbus City School District

**Combining Statement of Revenues, Expenditures and
Changes in Fund Balances
Nonmajor Capital Projects Funds**

For the Fiscal Year Ended June 30, 2004

	<u>Permanent Improvement</u>	<u>Building</u>	<u>Replacement</u>
Revenues			
Intergovernmental	\$ -	\$ -	\$ -
Other	<u>18,441</u>	<u>-</u>	<u>-</u>
Total Revenues	18,441	-	-
Expenditures			
Instructional Support Services	-	-	-
Capital Outlay	<u>22,133</u>	<u>2,209,500</u>	<u>-</u>
Total Expenditures	<u>22,133</u>	<u>2,209,500</u>	<u>-</u>
Excess of Revenues Over (Under) Expenditures	(3,692)	(2,209,500)	-
Fund Balances at			
Beginning of Year	<u>1,458,482</u>	<u>50,549,932</u>	<u>1,747,465</u>
Fund Balances at			
End of Year	<u>\$ 1,454,790</u>	<u>\$ 48,340,432</u>	<u>\$ 1,747,465</u>

<u>Schoolnet Equipment</u>	<u>Telecommunity</u>	<u>Power Up Technologies</u>	<u>School Building Assistance Limited</u>	<u>Total</u>
\$ 15,000	\$ -	\$ -	\$ -	\$ 15,000
-	-	-	-	18,441
15,000	-	-	-	33,441
912,654	39,667	-	-	952,321
-	-	-	22,157	2,253,790
<u>912,654</u>	<u>39,667</u>	<u>-</u>	<u>22,157</u>	<u>3,206,111</u>
(897,654)	(39,667)	-	(22,157)	(3,172,670)
<u>912,653</u>	<u>41,139</u>	<u>(652,057)</u>	<u>(730,617)</u>	<u>53,326,997</u>
<u>\$ 14,999</u>	<u>\$ 1,472</u>	<u>\$ (652,057)</u>	<u>\$ (752,774)</u>	<u>\$ 50,154,327</u>

Columbus City School District

**Balance Sheet
Nonmajor Permanent Fund**

As of June 30, 2004

ASSETS

Equity in Pooled Cash and Cash Equivalents	<u>\$ 814,188</u>
 Total Assets	 <u><u>\$ 814,188</u></u>

LIABILITIES AND FUND BALANCES

Fund Balance	
Reserved for Endowment	673,401
Undesignated - Reported in Permanent Fund	<u>140,787</u>
Total Fund Balance	<u><u>814,188</u></u>
 Total Liabilities and Fund Balance	 <u><u>\$ 814,188</u></u>

Columbus City School District
Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Permanent Fund

For the Fiscal Year Ended June 30, 2004

Revenues	\$ _____	-
Total Revenues		-
Expenditures		
Pupil Support Services	_____	620
Excess of Revenues Over (Under) Expenditures		(620)
Fund Balance at Beginning of Year	_____	814,808
Fund Balance at End of Year	\$ _____	814,188

Columbus City School District
Combining Statement of Net Assets
Nonmajor Enterprise Funds

As of June 30, 2004

	<u>Adult Education</u>	<u>WCBE</u>	<u>Latchkey</u>
ASSETS			
<i>Current Assets</i>			
Equity in Pooled Cash and Cash Equivalents	\$ 108,387	\$ -	\$ 87,620
Due from Other Governments	-	-	-
<i>Total Current Assets</i>	<u>108,387</u>	<u>-</u>	<u>87,620</u>
Total Assets	<u>\$ 108,387</u>	<u>\$ -</u>	<u>\$ 87,620</u>
LIABILITIES			
<i>Current Liabilities</i>			
Accounts Payable	\$ 11,175	\$ 16,751	\$ 1,007
Accrued Wages and Benefits	18,550	-	16,810
Intergovernmental Payable	120	-	244
Interfund Loans Payable	145,000	141,276	-
Compensated Absences Payable	7,345	400	245
Early Retirement Incentive Payable	5,675	-	-
<i>Total Current Liabilities</i>	<u>187,865</u>	<u>158,427</u>	<u>18,306</u>
<i>Long-Term Liabilities Net of Current Portion</i>			
Compensated Absences	163,404	32,311	19,804
Early Retirement Incentive Payable	224,999	-	-
<i>Total Long-Term Liabilities</i>	<u>388,403</u>	<u>32,311</u>	<u>19,804</u>
Total Liabilities	<u>\$ 576,268</u>	<u>\$ 190,738</u>	<u>\$ 38,110</u>
NET ASSETS			
Unrestricted	(467,881)	(190,738)	49,510
Total Net Assets	<u>\$ (467,881)</u>	<u>\$ (190,738)</u>	<u>\$ 49,510</u>

<u>Uniform School Supplies</u>	<u>Rotary Special Services</u>	<u>Totals</u>
\$ 68,404	\$ 1,440	\$ 265,851
-	-	-
68,404	1,440	265,851
<u>\$ 68,404</u>	<u>\$ 1,440</u>	<u>\$ 265,851</u>
\$ 468	\$ -	\$ 29,401
-	-	35,360
-	-	364
		286,276
		7,990
-	-	5,675
468	-	365,066
-	-	215,519
-	-	224,999
-	-	440,518
<u>\$ 468</u>	<u>\$ -</u>	<u>\$ 805,584</u>
67,936	1,440	(539,733)
<u>\$ 67,936</u>	<u>\$ 1,440</u>	<u>\$ (539,733)</u>

Columbus City School District

**Combining Statement of Revenues, Expenses and
Changes in Net Assets
Nonmajor Enterprise Funds**

For the Fiscal Year Ended June 30, 2004

	<u>Adult Education</u>	<u>WCBE</u>	<u>Latchkey</u>
Operating Revenues			
Tuition and Fees	\$ 1,315,229	\$ -	\$ 2,435,727
Sales	-	-	-
Gifts and Donations	-	1,065,379	-
Miscellaneous	371,008	-	-
Total Operating Revenues	<u>1,686,237</u>	<u>1,065,379</u>	<u>2,435,727</u>
Operating Expenses			
Salaries and Wages	1,791,290	515,729	1,869,477
Fringe Benefits	397,998	156,163	558,278
Purchased Services	65,650	309,790	25,212
Materials and Supplies	141,429	25,883	98,127
Miscellaneous	10,341	42	10,990
Total Operating Expenses	<u>2,406,708</u>	<u>1,007,607</u>	<u>2,562,084</u>
Operating Income (Loss)	(720,471)	57,772	(126,357)
Nonoperating Revenues			
Intergovernmental Revenues	295,765	-	-
Total Nonoperating Revenues	<u>295,765</u>	<u>-</u>	<u>-</u>
Changes in Net Assets	(424,706)	57,772	(126,357)
Net Assets			
at Beginning of Year	<u>(43,175)</u>	<u>(248,510)</u>	<u>175,867</u>
Net Assets			
at End of Year	<u>\$ (467,881)</u>	<u>\$ (190,738)</u>	<u>\$ 49,510</u>

<u>Uniform School Supplies</u>	<u>Rotary Special Services</u>	<u>Totals</u>
\$ -	\$ -	\$ 3,750,956
24,549	-	24,549
-	-	1,065,379
-	-	371,008
<u>24,549</u>	<u>-</u>	<u>5,211,892</u>
-	-	4,176,496
-	-	1,112,439
-	-	400,652
26,270	-	291,709
970	-	22,343
<u>27,240</u>	<u>-</u>	<u>6,003,639</u>
(2,691)	-	(791,747)
<u>-</u>	<u>-</u>	<u>295,765</u>
<u>-</u>	<u>-</u>	<u>295,765</u>
(2,691)	-	(495,982)
<u>70,627</u>	<u>1,440</u>	<u>\$ (43,751)</u>
<u>\$ 67,936</u>	<u>\$ 1,440</u>	<u>\$ (539,733)</u>

Columbus City School District

**Combining Statement of Cash Flows
Nonmajor Enterprise Funds**

For the Fiscal Year Ended June 30, 2004

	<u>Adult Education</u>	<u>WCBE</u>	<u>Latchkey</u>
Cash Flows from Operating Activities:			
Cash Received from Sales	\$ -	\$ -	\$ -
Cash Received from Tuition and Fees	1,343,564	-	2,435,727
Cash Received from Contributions	-	1,065,379	-
Cash Paid to Suppliers	(231,711)	(323,655)	(144,615)
Cash Paid for Employee Salaries, Wages, and Fringe Benefits	(2,161,512)	(698,457)	(2,436,753)
Other Receipts	371,008	-	-
	<hr/>	<hr/>	<hr/>
Net Cash Provided by (Used for) Operating Activities	(678,651)	43,267	(145,641)
	<hr/>	<hr/>	<hr/>
Cash Flows from Noncapital Financing Activities:			
Proceeds from Interfund Loans	145,000	141,276	-
Payment on Interfund Loan	-	(184,543)	-
Cash Received from Other Governments	295,765	-	-
	<hr/>	<hr/>	<hr/>
Net Cash Provided by (used for) Noncapital Financing Activities	440,765	(43,267)	-
	<hr/>	<hr/>	<hr/>
Increase (Decrease) in Cash and Cash Equivalents	(237,886)	-	(145,641)
	<hr/>	<hr/>	<hr/>
Cash and Cash Equivalents at Beginning of Year	346,273	-	233,261
	<hr/>	<hr/>	<hr/>
Cash and Cash Equivalents at End of Year	\$ 108,387	\$ -	\$ 87,620
	<hr/>	<hr/>	<hr/>

<u>Uniform School Supplies</u>	<u>Rotary Special Services</u>	<u>Totals</u>
\$ 24,549	\$ -	\$ 24,549
-	-	3,779,291
-	-	1,065,379
(26,772)	-	(726,753)
-	-	(5,296,722)
-	-	371,008
<u>(2,223)</u>	<u>-</u>	<u>(783,248)</u>
-	-	286,276
-	-	(184,543)
-	-	295,765
<u>-</u>	<u>-</u>	<u>397,498</u>
(2,223)	-	(385,750)
<u>70,627</u>	<u>1,440</u>	<u>651,601</u>
<u>\$ 68,404</u>	<u>\$ 1,440</u>	<u>\$ 265,851</u>
		continued...

Columbus City School District

**Combining Statement of Cash Flows
Nonmajor Enterprise Funds (Continued)**

For the Fiscal Year Ended June 30, 2004

	<u>Adult Education</u>	<u>WCBE</u>	<u>Latchkey</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided By (Used for) Operating Activities			
Operating Income (Loss)	\$ (720,471)	\$ 57,772	\$ (126,357)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities			
Decrease in Due from Other Governments	28,335	-	-
Increase (Decrease) in Accounts Payable	(14,291)	12,060	(10,286)
Increase in Early Retirement Incentive Payable	230,674	-	-
Increase in Intergovernmental Payable	120	-	244
Decrease in Compensated Absences	(206,205)	(26,565)	(9,699)
Increase in Accrued Wages and Benefits	<u>3,187</u>	<u>-</u>	<u>457</u>
Net Cash Provided by (Used for) Operating Activities	<u>\$ (678,651)</u>	<u>\$ 43,267</u>	<u>\$ (145,641)</u>

<u>Uniform School Supplies</u>	<u>Rotary Special Services</u>	<u>Totals</u>
\$ (2,691)	\$ -	\$ (791,747)
-	-	28,335
468	-	(12,049)
-	-	230,674
-	-	364
-	-	(242,469)
-	-	3,644
<u>\$ (2,223)</u>	<u>\$ -</u>	<u>\$ (783,248)</u>

Columbus City School District

**Combining Statement of Changes in
Assets and Liabilities
Agency Funds**

For the Fiscal Year Ended June 30, 2004

	<u>Balance 07/01/03</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance 06/30/04</u>
FRANKLIN CO. EDUCATIONAL COUNCIL				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$ 26,245	\$ -	\$ -	\$ 26,245
Total Assets	<u>\$ 26,245</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 26,245</u>
Liabilities				
Due to Other Governments	\$ 26,245	\$ -	\$ -	\$ 26,245
Total Liabilities	<u>\$ 26,245</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 26,245</u>
STUDENT MANAGED ACTIVITIES				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$ 598,891	\$ 680,545	\$ 602,919	\$ 676,517
Total Assets	<u>\$ 598,891</u>	<u>\$ 680,545</u>	<u>\$ 602,919</u>	<u>\$ 676,517</u>
Liabilities				
Accounts Payable	\$ 35,021	\$ 35,142	\$ 35,021	\$ 35,142
Due to Students	<u>563,870</u>	<u>645,403</u>	<u>567,898</u>	<u>641,375</u>
Total Liabilities	<u>\$ 598,891</u>	<u>\$ 680,545</u>	<u>\$ 602,919</u>	<u>\$ 676,517</u>
TOTAL-ALL AGENCY FUNDS				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$ 625,136	\$ 680,545	\$ 602,919	\$ 702,762
Total Assets	<u>\$ 625,136</u>	<u>\$ 680,545</u>	<u>\$ 602,919</u>	<u>\$ 702,762</u>
Liabilities				
Accounts Payable	\$ 35,021	\$ 35,142	\$ 35,021	\$ 35,142
Due to Students	563,870	645,403	567,898	641,375
Due to Other Governments	<u>26,245</u>	<u>-</u>	<u>-</u>	<u>26,245</u>
Total Liabilities	<u>\$ 625,136</u>	<u>\$ 680,545</u>	<u>\$ 602,919</u>	<u>\$ 702,762</u>

**Individual Fund Schedules of Revenues,
Expenditures/Expenses and Changes in
Fund Balances/Fund Equity-Budget (Non-
GAAP Basis) and Actual**

Columbus City School District

**Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual (Non-GAAP Basis)**

For the Fiscal Year Ended June 30, 2004

	General Fund			Variance Favorable (Unfavorable)
	Original Budget	Final Budget	Actual	
Revenues				
Taxes	299,681,973	\$ 299,681,973	\$ 299,323,749	\$ (358,224)
Tuition and Fees	5,284,353	5,284,353	5,284,353	-
Earnings on Investments	1,668,826	1,668,826	1,668,826	-
Intergovernmental	252,897,255	252,897,255	252,897,255	-
Donations	2,855	2,855	2,855	-
Other	4,286,884	4,286,884	4,286,884	-
Total Revenues	563,822,146	563,822,146	563,463,922	(358,224)
Expenditures				
Current Operating				
Instruction:				
Regular	267,570,057	266,826,712	266,350,397	476,315
Special	59,989,717	58,770,763	58,680,347	90,416
Vocational	20,568,215	19,247,321	19,221,319	26,002
Adult/Continuing	730,816	816,033	815,213	820
Support Services:				
Pupils	37,448,967	42,296,096	42,257,182	38,914
Instructional Staff	52,024,335	43,597,260	43,590,159	7,101
Board of Education	98,415	57,370	45,075	12,295
Administration	44,424,604	46,068,384	45,934,307	134,077
Fiscal	13,317,367	15,604,044	15,560,882	43,162
Business	4,507,667	3,813,601	3,037,349	776,252
Operation and Maintenance of Plant	64,521,083	64,713,771	64,700,045	13,726
Pupil Transportation	30,434,186	30,614,286	30,593,486	20,800
Central	33,101,930	23,892,298	23,625,560	266,738
Operation of Non-Instructional Services:				
Food Service	-	2,886	2,886	-
Extracurricular Activities	5,165,164	6,201,180	6,022,599	178,581
Capital Outlay	456,349	267,374	172,290	95,084
Total Expenditures	634,358,872	622,789,379	620,609,096	2,180,283
Excess of Revenues Over (Under) Expenditures	(70,536,726)	(58,967,233)	(57,145,174)	1,822,059
Other Financing Sources (Uses)				
Advances In	-	6,113,165	6,468,300	355,135
Advances Out	(2,766)	(2,102,723)	(8,365,000)	(6,262,277)
Refund of Prior Years Expenditures	-	27,890	27,890	-
Refund of Prior Years Receipts	(501)	(1,501)	(765)	736
Transfers Out	(2,191,191)	(649,727)	(437,323)	212,404
Proceeds from the Sale of Assets	-	43,095	43,095	-
Total Other Financing Sources (Uses)	(2,194,458)	3,430,199	(2,263,803)	(5,694,002)
Net Change in Fund Balance	(72,731,184)	(55,537,034)	(59,408,977)	(3,871,943)
Fund Balance at Beginning of Year	49,394,489	49,394,489	49,394,489	-
Prior Year Encumbrances Appropriated	21,016,830	21,016,830	21,016,830	-
Fund Balance at End of Year	\$ (2,319,865)	\$ 14,874,285	\$ 11,002,342	\$ (3,871,943)

Columbus City School District

**Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual (Non-GAAP Basis)**

For the Fiscal Year Ended June 30, 2004

	Original Budget	Final Budget	Actual	Variance with Final Budget
<u>Public School Support Fund</u>				
Total Revenues and Other Sources	\$ 1,907,568	\$ 1,711,252	\$ 1,696,482	\$ (14,770)
Total Expenditures and Other Uses	<u>2,216,160</u>	<u>2,931,307</u>	<u>1,910,327</u>	<u>1,020,980</u>
Net Change in Fund Balance	(308,592)	(1,220,055)	(213,845)	1,006,210
Fund Balance at Beginning of Year	1,476,532	1,476,532	1,476,532	-
Prior Year Encumbrances Appropriated	<u>316,160</u>	<u>316,160</u>	<u>316,160</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 1,484,100</u>	<u>\$ 572,637</u>	<u>\$ 1,578,847</u>	<u>\$ 1,006,210</u>
<u>Other Grant Funds</u>				
Total Revenues and Other Sources	\$ 840,602	\$ 782,412	\$ 782,414	\$ 2
Total Expenditures and Other Uses	<u>2,064,568</u>	<u>1,575,684</u>	<u>1,131,898</u>	<u>443,786</u>
Net Change in Fund Balance	(1,223,966)	(793,272)	(349,484)	443,788
Fund Balance at Beginning of Year	730,627	730,627	730,627	-
Prior Year Encumbrances Appropriated	<u>64,572</u>	<u>64,572</u>	<u>64,572</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ (428,767)</u>	<u>\$ 1,927</u>	<u>\$ 445,715</u>	<u>\$ 443,788</u>
<u>Computer Network Class "A" Site Fund</u>				
Total Revenues and Other Sources	\$ -	\$ 44,812	\$ 44,812	\$ -
Total Expenditures and Other Uses	<u>153,380</u>	<u>208,031</u>	<u>53,664</u>	<u>154,367</u>
Net Change in Fund Balance	(153,380)	(163,219)	(8,852)	154,367
Fund Balance at Beginning of Year	159,839	159,839	159,839	-
Prior Year Encumbrances Appropriated	<u>3,380</u>	<u>3,380</u>	<u>3,380</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 9,839</u>	<u>\$ -</u>	<u>\$ 154,367</u>	<u>\$ 154,367</u>

Columbus City School District

**Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual (Non-GAAP Basis)**

For the Fiscal Year Ended June 30, 2004

<u>School Improvement Models Fund</u>	Original Budget	Final Budget	Actual	Variance with Final Budget
Total Revenues and Other Sources	\$ 266,763	\$ -	\$ -	\$ -
Total Expenditures and Other Uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	266,763	-	-	-
Fund Balance at Beginning of Year	<u>59,062</u>	<u>59,062</u>	<u>59,062</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 325,825</u>	<u>\$ 59,062</u>	<u>\$ 59,062</u>	<u>\$ -</u>
<u>Classroom Facilities Maintenance Fund</u>				
Total Revenues and Other Sources	\$ -	\$ -	\$ 4,234,913	\$ 4,234,913
Total Expenditures and Other Uses	<u>-</u>	<u>40,000</u>	<u>37,879</u>	<u>2,121</u>
Net Change in Fund Balance	-	(40,000)	4,197,034	4,237,034
Fund Balance at Beginning of Year	<u>1,956,158</u>	<u>1,956,158</u>	<u>1,956,158</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 1,956,158</u>	<u>\$ 1,916,158</u>	<u>\$ 6,153,192</u>	<u>\$ 4,237,034</u>
<u>District Managed Activities Fund</u>				
Total Revenues and Other Sources	\$ 2,563,092	\$ 2,441,715	\$ 2,421,154	\$ (20,561)
Total Expenditures and Other Uses	<u>3,693,754</u>	<u>4,072,545</u>	<u>2,961,826</u>	<u>1,110,719</u>
Net Change in Fund Balance	(1,130,662)	(1,630,830)	(540,672)	1,090,158
Fund Balance at Beginning of Year	1,215,682	1,215,682	1,215,682	-
Prior Year Encumbrances Appropriated	<u>443,765</u>	<u>443,765</u>	<u>443,765</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 528,785</u>	<u>\$ 28,617</u>	<u>\$ 1,118,775</u>	<u>\$ 1,090,158</u>

Columbus City School District

**Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual (Non-GAAP Basis)**

For the Fiscal Year Ended June 30, 2004

<u><i>Auxiliary Services Fund</i></u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Total Revenues and Other Sources	\$ 4,500,000	\$ 5,909,124	\$ 5,909,124	\$ -
Total Expenditures and Other Uses	<u>7,275,354</u>	<u>9,113,031</u>	<u>8,004,243</u>	<u>1,108,788</u>
Net Change in Fund Balance	(2,775,354)	(3,203,907)	(2,095,119)	1,108,788
Fund Balance at Beginning of Year	2,848,150	2,848,150	2,848,150	-
Prior Year Encumbrances Appropriated	<u>1,275,354</u>	<u>1,275,354</u>	<u>1,275,354</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 1,348,150</u>	<u>\$ 919,597</u>	<u>\$ 2,028,385</u>	<u>\$ 1,108,788</u>
 <u><i>DPPF Fund</i></u>				
Total Revenues and Other Sources	\$ -	\$ -	\$ -	\$ -
Total Expenditures and Other Uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	-	-	-	-
Fund Balance at Beginning of Year	<u>6,567</u>	<u>6,567</u>	<u>6,567</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 6,567</u>	<u>\$ 6,567</u>	<u>\$ 6,567</u>	<u>\$ -</u>
 <u><i>Urban Pilot Projects Fund</i></u>				
Total Revenues and Other Sources	\$ -	\$ -	\$ -	\$ -
Total Expenditures and Other Uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	-	-	-	-
Fund Balance at Beginning of Year	18,642	18,642	18,642	-
Prior Year Encumbrances Appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 18,642</u>	<u>\$ 18,642</u>	<u>\$ 18,642</u>	<u>\$ -</u>

Columbus City School District

**Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual (Non-GAAP Basis)**

For the Fiscal Year Ended June 30, 2004

	Original Budget	Final Budget	Actual	Variance with Final Budget
<u>Career Development Fund</u>				
Total Revenues and Other Sources	\$ -	\$ -	\$ -	\$ -
Total Expenditures and Other Uses	<u>36,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	(36,000)	-	-	-
Fund Balance at Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ (36,000)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>Community Education Fund</u>				
Total Revenues and Other Sources	\$ -	\$ -	\$ -	\$ -
Total Expenditures and Other Uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	-	-	-	-
Fund Balance at Beginning of Year	<u>118</u>	<u>118</u>	<u>118</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 118</u>	<u>\$ 118</u>	<u>\$ 118</u>	<u>\$ -</u>
<u>Post Secondary Vocational Education</u>				
Total Revenues and Other Sources	\$ -	\$ 18,000	\$ 18,000	\$ -
Total Expenditures and Other Uses	<u>-</u>	<u>18,000</u>	<u>17,338</u>	<u>662</u>
Net Change in Fund Balance	-	-	662	662
Fund Balance at Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 662</u>	<u>\$ 662</u>

Columbus City School District

**Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual (Non-GAAP Basis)**

For the Fiscal Year Ended June 30, 2004

	Original Budget	Final Budget	Actual	Variance with Final Budget
<u>Teacher Development Fund</u>				
Total Revenues and Other Sources	\$ 354,515	\$ 356,403	\$ 356,404	\$ 1
Total Expenditures and Other Uses	<u>-</u>	<u>353,584</u>	<u>225,693</u>	<u>127,891</u>
Net Change in Fund Balance	354,515	2,819	130,711	127,892
Fund Balance at Beginning of Year	-	-	-	-
Prior Year Encumbrances Appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 354,515</u>	<u>\$ 2,819</u>	<u>\$ 130,711</u>	<u>\$ 127,892</u>
<u>Adult Vocational Education Fund</u>				
Total Revenues and Other Sources	\$ -	\$ 2,700	\$ 2,700	\$ -
Total Expenditures and Other Uses	<u>20,000</u>	<u>5,082</u>	<u>5,082</u>	<u>-</u>
Net Change in Fund Balance	(20,000)	(2,382)	(2,382)	-
Fund Balance at Beginning of Year	-	-	-	-
Prior Year Encumbrances Appropriated	<u>2,382</u>	<u>2,382</u>	<u>2,382</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ (17,618)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>Parents As Teachers Fund</u>				
Total Revenues and Other Sources	\$ 1,178,426	\$ -	\$ -	\$ -
Total Expenditures and Other Uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	1,178,426	-	-	-
Fund Balance at Beginning of Year	<u>20,280</u>	<u>20,280</u>	<u>20,280</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 1,198,706</u>	<u>\$ 20,280</u>	<u>\$ 20,280</u>	<u>\$ -</u>

Columbus City School District

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (Non-GAAP Basis)

For the Fiscal Year Ended June 30, 2004

<u>Career Enhancement Fund</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Total Revenues and Other Sources	\$ 200,000	\$ -	\$ -	\$ -
Total Expenditures and Other Uses	-	-	-	-
Net Change in Fund Balance	200,000	-	-	-
Fund Balance at Beginning of Year	67,851	67,851	67,851	-
Prior Year Encumbrances Appropriated	-	-	-	-
Fund Balance at End of Year	<u>\$ 267,851</u>	<u>\$ 67,851</u>	<u>\$ 67,851</u>	<u>\$ -</u>
<u>Gifted Education Fund</u>				
Total Revenues and Other Sources	\$ -	\$ 177,210	\$ 177,210	\$ -
Total Expenditures and Other Uses	271,127	295,947	211,843	84,104
Net Change in Fund Balance	(271,127)	(118,737)	(34,633)	84,104
Fund Balance at Beginning of Year	1,877	1,877	1,877	-
Prior Year Encumbrances Appropriated	121,127	121,127	121,127	-
Fund Balance at End of Year	<u>\$ (148,123)</u>	<u>\$ 4,267</u>	<u>\$ 88,371</u>	<u>\$ 84,104</u>
<u>Management Information Systems Fund</u>				
Total Revenues and Other Sources	\$ 188,970	\$ 239,221	\$ 239,121	\$ (100)
Total Expenditures and Other Uses	308,932	674,129	533,827	140,302
Net Change in Fund Balance	(119,962)	(434,908)	(294,706)	140,202
Fund Balance at Beginning of Year	429,024	429,024	429,024	-
Prior Year Encumbrances Appropriated	8,932	8,932	8,932	-
Fund Balance at End of Year	<u>\$ 317,994</u>	<u>\$ 3,048</u>	<u>\$ 143,250</u>	<u>\$ 140,202</u>

Columbus City School District

**Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual (Non-GAAP Basis)**

For the Fiscal Year Ended June 30, 2004

	Original Budget	Final Budget	Actual	Variance with Final Budget
<u>Public School Preschool Fund</u>				
Total Revenues and Other Sources	\$ 588,537	\$ 589,813	\$ 589,813	\$ -
Total Expenditures and Other Uses	<u>614,121</u>	<u>645,201</u>	<u>521,336</u>	<u>123,865</u>
Net Change in Fund Balance	(25,584)	(55,388)	68,477	123,865
Fund Balance at Beginning of Year	48,370	48,370	48,370	-
Prior Year Encumbrances Appropriated	<u>14,121</u>	<u>14,121</u>	<u>14,121</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 36,907</u>	<u>\$ 7,103</u>	<u>\$ 130,968</u>	<u>\$ 123,865</u>
<u>Entry Year Programs Fund</u>				
Total Revenues and Other Sources	\$ -	\$ 80,300	\$ 80,300	\$ -
Total Expenditures and Other Uses	<u>-</u>	<u>80,300</u>	<u>80,299</u>	<u>1</u>
Net Change in Fund Balance	-	-	1	1
Fund Balance at Beginning of Year	<u>6,880</u>	<u>6,880</u>	<u>6,880</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 6,880</u>	<u>\$ 6,880</u>	<u>\$ 6,881</u>	<u>\$ 1</u>
<u>DPIA Fund</u>				
Total Revenues and Other Sources	\$ -	\$ -	\$ -	\$ -
Total Expenditures and Other Uses	<u>1,768</u>	<u>5,410</u>	<u>1,426</u>	<u>3,984</u>
Net Change in Fund Balance	(1,768)	(5,410)	(1,426)	3,984
Fund Balance at Beginning of Year	3,642	3,642	3,642	-
Prior Year Encumbrances Appropriated	<u>1,768</u>	<u>1,768</u>	<u>1,768</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 3,642</u>	<u>\$ -</u>	<u>\$ 3,984</u>	<u>\$ 3,984</u>

Columbus City School District

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (Non-GAAP Basis)

For the Fiscal Year Ended June 30, 2004

<u>Data Communication Fund</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Total Revenues and Other Sources	\$ 215,948	\$ 557,963	\$ 557,963	\$ -
Total Expenditures and Other Uses	<u>2,364,986</u>	<u>2,429,608</u>	<u>916,325</u>	<u>1,513,283</u>
Net Change in Fund Balance	(2,149,038)	(1,871,645)	(358,362)	1,513,283
Fund Balance at Beginning of Year	1,031,659	1,031,659	1,031,659	-
Prior Year Encumbrances Appropriated	<u>864,986</u>	<u>864,986</u>	<u>864,986</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ (252,393)</u>	<u>\$ 25,000</u>	<u>\$ 1,538,283</u>	<u>\$ 1,513,283</u>
 <u>Schoolnet Professional Development Fund</u>				
Total Revenues and Other Sources	\$ 230,000	\$ 56,000	\$ 41,000	\$ (15,000)
Total Expenditures and Other Uses	<u>128,043</u>	<u>121,238</u>	<u>113,859</u>	<u>7,379</u>
Net Change in Fund Balance	101,957	(65,238)	(72,859)	(7,621)
Fund Balance at Beginning of Year	14,695	14,695	14,695	-
Prior Year Encumbrances Appropriated	<u>78,043</u>	<u>78,043</u>	<u>78,043</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 194,695</u>	<u>\$ 27,500</u>	<u>\$ 19,879</u>	<u>\$ (7,621)</u>
 <u>Instructional Materials Subsidy Fund</u>				
Total Revenues and Other Sources	\$ -	\$ -	\$ -	\$ -
Total Expenditures and Other Uses	<u>-</u>	<u>207,070</u>	<u>-</u>	<u>207,070</u>
Net Change in Fund Balance	-	(207,070)	-	207,070
Fund Balance at Beginning of Year	207,570	207,570	207,570	-
Prior Year Encumbrances Appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 207,570</u>	<u>\$ 500</u>	<u>\$ 207,570</u>	<u>\$ 207,070</u>

Columbus City School District

**Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual (Non-GAAP Basis)**

For the Fiscal Year Ended June 30, 2004

	Original Budget	Final Budget	Actual	Variance with Final Budget
<u>Ohio Reads Fund</u>				
Total Revenues and Other Sources	\$ 500,000	\$ 750,462	\$ 750,462	\$ -
Total Expenditures and Other Uses	<u>697,309</u>	<u>1,201,034</u>	<u>1,023,366</u>	<u>177,668</u>
Net Change in Fund Balance	(197,309)	(450,572)	(272,904)	177,668
Fund Balance at Beginning of Year	345,416	345,416	345,416	-
Prior Year Encumbrances Appropriated	<u>197,309</u>	<u>197,309</u>	<u>197,309</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 345,416</u>	<u>\$ 92,153</u>	<u>\$ 269,821</u>	<u>\$ 177,668</u>
<u>Summer Intervention Fund</u>				
Total Revenues and Other Sources	\$ -	\$ 1,648,322	\$ 1,648,322	\$ -
Total Expenditures and Other Uses	<u>927,526</u>	<u>1,881,263</u>	<u>1,750,262</u>	<u>131,001</u>
Net Change in Fund Balance	(927,526)	(232,941)	(101,940)	131,001
Fund Balance at Beginning of Year	199,500	199,500	199,500	-
Prior Year Encumbrances Appropriated	<u>37,526</u>	<u>37,526</u>	<u>37,526</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ (690,500)</u>	<u>\$ 4,085</u>	<u>\$ 135,086</u>	<u>\$ 131,001</u>
<u>Vocational Educational Enhancements Fund</u>				
Total Revenues and Other Sources	\$ -	\$ 152,547	\$ 152,548	\$ 1
Total Expenditures and Other Uses	<u>139,297</u>	<u>183,070</u>	<u>170,694</u>	<u>12,376</u>
Net Change in Fund Balance	(139,297)	(30,523)	(18,146)	12,377
Fund Balance at Beginning of Year	11,510	11,510	11,510	-
Prior Year Encumbrances Appropriated	<u>24,297</u>	<u>24,297</u>	<u>24,297</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ (103,490)</u>	<u>\$ 5,284</u>	<u>\$ 17,661</u>	<u>\$ 12,377</u>

Columbus City School District

**Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual (Non-GAAP Basis)**

For the Fiscal Year Ended June 30, 2004

<i>Alternative Schools Fund</i>	Original Budget	Final Budget	Actual	Variance with Final Budget
Total Revenues and Other Sources	\$ -	\$ 702,713	\$ 702,713	\$ -
Total Expenditures and Other Uses	<u>743,985</u>	<u>705,598</u>	<u>675,657</u>	<u>29,941</u>
Net Change in Fund Balance	(743,985)	(2,885)	27,056	29,941
Fund Balance at Beginning of Year	-	-	-	-
Prior Year Encumbrances Appropriated	<u>2,886</u>	<u>2,886</u>	<u>2,886</u>	<u>-</u>
Fund Balance at End of Year	\$ <u>(741,099)</u>	\$ <u>1</u>	\$ <u>29,942</u>	\$ <u>29,941</u>
 <i>Miscellaneous State Grants Fund</i>				
Total Revenues and Other Sources	\$ 2,041,193	\$ 273,140	\$ 273,311	\$ 171
Total Expenditures and Other Uses	<u>1,188,771</u>	<u>708,532</u>	<u>566,424</u>	<u>142,108</u>
Net Change in Fund Balance	852,422	(435,392)	(293,113)	142,279
Fund Balance at Beginning of Year	325,830	325,830	325,830	-
Prior Year Encumbrances Appropriated	<u>188,771</u>	<u>188,771</u>	<u>188,771</u>	<u>-</u>
Fund Balance at End of Year	\$ <u>1,367,023</u>	\$ <u>79,209</u>	\$ <u>221,488</u>	\$ <u>142,279</u>
 <i>Adult Basic Education Fund</i>				
Total Revenues and Other Sources	\$ 727,732	\$ 1,245,280	\$ 1,161,844	\$ (83,436)
Total Expenditures and Other Uses	<u>980,733</u>	<u>1,258,041</u>	<u>1,117,494</u>	<u>140,547</u>
Net Change in Fund Balance	(253,001)	(12,761)	44,350	57,111
Fund Balance at Beginning of Year	7,025	7,025	7,025	-
Prior Year Encumbrances Appropriated	<u>5,733</u>	<u>5,733</u>	<u>5,733</u>	<u>-</u>
Fund Balance at End of Year	\$ <u>(240,243)</u>	\$ <u>(3)</u>	\$ <u>57,108</u>	\$ <u>57,111</u>

Columbus City School District

**Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual (Non-GAAP Basis)**

For the Fiscal Year Ended June 30, 2004

<i>NDEA Title III Fund</i>	Original Budget	Final Budget	Actual	Variance with Final Budget
Total Revenues and Other Sources	\$ 571,536	\$ 25,392	\$ 25,393	\$ 1
Total Expenditures and Other Uses	-	25,999	25,673	326
Net Change in Fund Balance	571,536	(607)	(280)	327
Fund Balance at Beginning of Year	620	620	620	-
Fund Balance at End of Year	\$ 572,156	\$ 13	\$ 340	\$ 327
<i>EHA Title VI-B Fund</i>				
Total Revenues and Other Sources	\$ 3,274,824	\$ 9,536,038	\$ 9,536,038	\$ -
Total Expenditures and Other Uses	8,564,884	9,611,713	9,610,226	1,487
Net Change in Fund Balance	(5,290,060)	(75,675)	(74,188)	1,487
Fund Balance at Beginning of Year	10,870	10,870	10,870	-
Prior Year Encumbrances Appropriated	64,884	64,884	64,884	-
Fund Balance at End of Year	\$ (5,214,306)	\$ 79	\$ 1,566	\$ 1,487
<i>Vocational Education Fund</i>				
Total Revenues and Other Sources	\$ 2,867,490	\$ 2,835,561	\$ 2,835,561	\$ -
Total Expenditures and Other Uses	3,885,225	3,722,386	3,722,126	260
Net Change in Fund Balance	(1,017,735)	(886,825)	(886,565)	260
Fund Balance at Beginning of Year	2,074	2,074	2,074	-
Prior Year Encumbrances Appropriated	885,225	885,225	885,225	-
Fund Balance at End of Year	\$ (130,436)	\$ 474	\$ 734	\$ 260

Columbus City School District

**Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual (Non-GAAP Basis)**

For the Fiscal Year Ended June 30, 2004

	Original Budget	Final Budget	Actual	Variance with Final Budget
<u>EC OPP ACT-1964 IIA Head Start Fund</u>				
Total Revenues and Other Sources	\$ -	\$ 104,000	\$ 104,000	\$ -
Total Expenditures and Other Uses	<u>-</u>	<u>97,600</u>	<u>97,600</u>	<u>-</u>
Net Change in Fund Balance	-	6,400	6,400	-
Fund Balance at Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ 6,400</u>	<u>\$ 6,400</u>	<u>\$ -</u>
 <u>Indian Education Fund</u>				
Total Revenues and Other Sources	\$ -	\$ -	\$ -	\$ -
Total Expenditures and Other Uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	-	-	-	-
Fund Balance at Beginning of Year	<u>3,634</u>	<u>3,634</u>	<u>3,634</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 3,634</u>	<u>\$ 3,634</u>	<u>\$ 3,634</u>	<u>\$ -</u>
 <u>Title III - Limited English Proficiency Fund</u>				
Total Revenues and Other Sources	\$ -	\$ 759,719	\$ 750,318	\$ (9,401)
Total Expenditures and Other Uses	<u>716,223</u>	<u>784,903</u>	<u>775,353</u>	<u>9,550</u>
Net Change in Fund Balance	(716,223)	(25,184)	(25,035)	149
Fund Balance at Beginning of Year	9,405	9,405	9,405	-
Prior Year Encumbrances Appropriated	<u>16,223</u>	<u>16,223</u>	<u>16,223</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ (690,595)</u>	<u>\$ 444</u>	<u>\$ 593</u>	<u>\$ 149</u>

Columbus City School District

**Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual (Non-GAAP Basis)**

For the Fiscal Year Ended June 30, 2004

	Original Budget	Final Budget	Actual	Variance with Final Budget
<u>Transition Program for Refugee Children Fund</u>				
Total Revenues and Other Sources	\$ 25,000	\$ 16,200	\$ 16,200	\$ -
Total Expenditures and Other Uses	<u>168,238</u>	<u>305,909</u>	<u>305,466</u>	<u>443</u>
Net Change in Fund Balance	(143,238)	(289,709)	(289,266)	443
Fund Balance at Beginning of Year	295,312	295,312	295,312	-
Prior Year Encumbrances Appropriated	<u>8,238</u>	<u>8,238</u>	<u>8,238</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 160,312</u>	<u>\$ 13,841</u>	<u>\$ 14,284</u>	<u>\$ 443</u>
<u>Title I Fund</u>				
Total Revenues and Other Sources	\$ 21,063,339	\$ 28,342,113	\$ 28,398,851	\$ 56,738
Total Expenditures and Other Uses	<u>27,744,315</u>	<u>30,829,260</u>	<u>30,732,376</u>	<u>96,884</u>
Net Change in Fund Balance	(6,680,976)	(2,487,147)	(2,333,525)	153,622
Fund Balance at Beginning of Year	744,324	744,324	744,324	-
Prior Year Encumbrances Appropriated	<u>1,744,316</u>	<u>1,744,316</u>	<u>1,744,316</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ (4,192,336)</u>	<u>\$ 1,493</u>	<u>\$ 155,115</u>	<u>\$ 153,622</u>
<u>Title VI Fund</u>				
Total Revenues and other Sources	\$ 3,879,435	\$ 846,508	\$ 734,189	\$ (112,319)
Total Expenditures and Other Uses	<u>772,231</u>	<u>1,076,379</u>	<u>963,256</u>	<u>113,123</u>
Net Change in Fund Balance	3,107,204	(229,871)	(229,067)	804
Fund Balance at Beginning of Year	59,548	59,548	59,548	-
Prior Year Encumbrances Appropriated	<u>172,231</u>	<u>172,231</u>	<u>172,231</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 3,338,983</u>	<u>\$ 1,908</u>	<u>\$ 2,712</u>	<u>\$ 804</u>

Columbus City School District

**Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual (Non-GAAP Basis)**

For the Fiscal Year Ended June 30, 2004

	Original Budget	Final Budget	Actual	Variance with Final Budget
<u>Emergency Immigrant Education Fund</u>				
Total Revenues and Other Sources	\$ 79,626	\$ -	\$ -	\$ -
Total Expenditures and Other Uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	79,626	-	-	-
Fund Balance at Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 79,626</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>Drug-Free Schools Fund</u>				
Total Revenues and Other Sources	\$ 945,677	\$ 989,450	\$ 903,637	\$ (85,813)
Total Expenditures and Other Uses	<u>1,369,885</u>	<u>1,219,657</u>	<u>1,132,772</u>	<u>86,885</u>
Net Change in Fund Balance	(424,208)	(230,207)	(229,135)	1,072
Fund Balance at Beginning of Year	387	387	387	-
Prior Year Encumbrances Appropriated	<u>229,885</u>	<u>229,885</u>	<u>229,885</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ (193,936)</u>	<u>\$ 65</u>	<u>\$ 1,137</u>	<u>\$ 1,072</u>
<u>EHA Preschool Grants/Handicapped Fund</u>				
Total Revenues and Other Sources	\$ 198,449	\$ 252,444	\$ 252,444	\$ -
Total Expenditures and Other Uses	<u>336,560</u>	<u>312,238</u>	<u>308,007</u>	<u>4,231</u>
Net Change in Fund Balance	(138,111)	(59,794)	(55,563)	4,231
Fund Balance at Beginning of Year	51,996	51,996	51,996	-
Prior Year Encumbrances Appropriated	<u>11,560</u>	<u>11,560</u>	<u>11,560</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ (74,555)</u>	<u>\$ 3,762</u>	<u>\$ 7,993</u>	<u>\$ 4,231</u>

Columbus City School District

**Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual (Non-GAAP Basis)**

For the Fiscal Year Ended June 30, 2004

<i>Reducing Class Size Fund</i>	Original Budget	Final Budget	Actual	Variance with Final Budget
Total Revenues and Other Sources	\$ -	\$ 6,292,060	\$ 6,228,718	\$ (63,342)
Total Expenditures and Other Uses	<u>6,224,284</u>	<u>6,316,797</u>	<u>6,252,809</u>	<u>63,988</u>
Net Change in Fund Balance	(6,224,284)	(24,737)	(24,091)	646
Fund Balance at Beginning of Year	763	763	763	-
Prior Year Encumbrances Appropriated	<u>24,284</u>	<u>24,284</u>	<u>24,284</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ (6,199,237)</u>	<u>\$ 310</u>	<u>\$ 956</u>	<u>\$ 646</u>
<i>Miscellaneous Federal Grants Fund</i>				
Total Revenues and Other Sources	\$ -	\$ 13,046,367	\$ 13,044,684	\$ (1,683)
Total Expenditures and Other Uses	<u>5,974,807</u>	<u>14,180,658</u>	<u>13,916,429</u>	<u>264,229</u>
Net Change in Fund Balance	(5,974,807)	(1,134,291)	(871,745)	262,546
Fund Balance at Beginning of Year	2,191,261	2,191,261	2,191,261	-
Prior Year Encumbrances Appropriated	<u>974,807</u>	<u>974,807</u>	<u>974,807</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ (2,808,739)</u>	<u>\$ 2,031,777</u>	<u>\$ 2,294,323</u>	<u>\$ 262,546</u>

Columbus City School District

**Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual (Non-GAAP Basis)**

For the Fiscal Year Ended June 30, 2004

<i>Debt Service Fund</i>	Original Budget	Final Budget	Actual	Variance with Final Budget
Total Revenues and Other Sources	20,253,519	19,912,529	20,381,637	469,108
Total Expenditures and Other Uses	<u>21,458,130</u>	<u>21,878,166</u>	<u>21,736,029</u>	<u>142,137</u>
Net Change in Fund Balance	(1,204,611)	(1,965,637)	(1,354,392)	611,245
Fund Balance at Beginning of Year	13,223,508	13,223,508	13,223,508	-
Prior Year Encumbrances Appropriated	<u>258,130</u>	<u>258,130</u>	<u>258,130</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 12,277,027</u>	<u>\$ 11,516,001</u>	<u>\$ 12,127,246</u>	<u>\$ 611,245</u>

Columbus City School District

**Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual (Non-GAAP Basis)**

For the Fiscal Year Ended June 30, 2004

<u>Permanent Improvement Fund</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Total Revenues and Other Sources	\$ 400,242	\$ 956,012	\$ 18,441	\$ (937,571)
Total Expenditures and Other Uses	<u>1,530,705</u>	<u>1,441,656</u>	<u>22,133</u>	<u>1,419,523</u>
Net Change in Fund Balance	(1,130,463)	(485,644)	(3,692)	481,952
Fund Balance at Beginning of Year	1,427,776	1,427,776	1,427,776	-
Prior Year Encumbrances Appropriated	<u>30,705</u>	<u>30,705</u>	<u>30,705</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 328,018</u>	<u>\$ 972,837</u>	<u>\$ 1,454,789</u>	<u>\$ 481,952</u>
<u>Building Fund</u>				
Total Revenues and Other Sources	\$ -	\$ -	\$ -	\$ -
Total Expenditures and Other Uses	<u>6,722,971</u>	<u>22,146,915</u>	<u>2,844,478</u>	<u>19,302,437</u>
Net Change in Fund Balance	(6,722,971)	(22,146,915)	(2,844,478)	19,302,437
Fund Balance at Beginning of Year	49,511,958	49,511,958	49,511,958	-
Prior Year Encumbrances Appropriated	<u>1,047,571</u>	<u>1,047,571</u>	<u>1,047,571</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 43,836,558</u>	<u>\$ 28,412,614</u>	<u>\$ 47,715,051</u>	<u>\$ 19,302,437</u>
<u>Replacement Fund</u>				
Total Revenues and Other Sources	\$ -	\$ -	\$ -	\$ -
Total Expenditures and Other Uses	<u>-</u>	<u>18,131</u>	<u>2,449</u>	<u>15,682</u>
Net Change in Fund Balance	-	(18,131)	(2,449)	15,682
Fund Balance at Beginning of Year	<u>1,747,466</u>	<u>1,747,466</u>	<u>1,747,466</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 1,747,466</u>	<u>\$ 1,729,335</u>	<u>\$ 1,745,017</u>	<u>\$ 15,682</u>

Columbus City School District

**Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual (Non-GAAP Basis)**

For the Fiscal Year Ended June 30, 2004

<u>Classroom Facilities Fund</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Total Revenues and Other Sources	\$ -	\$ 4,281,329	\$ 4,344,005	\$ 62,676
Total Expenditures and Other Uses	<u>41,878,311</u>	<u>158,600,863</u>	<u>17,946,125</u>	<u>140,654,738</u>
Excess of Revenues Over (Under) Expenditures	(41,878,311)	(154,319,534)	(13,602,120)	140,717,414
Net Change in Fund Balance	(41,878,311)	(154,319,534)	(13,602,120)	140,717,414
Fund Balance at Beginning of Year	148,129,908	148,129,908	148,129,908	-
Prior Year Encumbrances Appropriated	<u>6,931,711</u>	<u>6,931,711</u>	<u>6,931,711</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 113,183,308</u>	<u>\$ 742,085</u>	<u>\$ 141,459,499</u>	<u>\$ 140,717,414</u>
<u>Schoolnet Equipment Fund</u>				
Total Revenues and Other Sources	\$ -	\$ -	\$ 15,000	\$ 15,000
Total Expenditures and Other Uses	<u>1,029,796</u>	<u>952,288</u>	<u>952,288</u>	<u>-</u>
Net Change in Fund Balance	(1,029,796)	(952,288)	(937,288)	15,000
Fund Balance at Beginning of Year	772,491	772,491	772,491	-
Prior Year Encumbrances Appropriated	<u>179,796</u>	<u>179,796</u>	<u>179,796</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ (77,509)</u>	<u>\$ (1)</u>	<u>\$ 14,999</u>	<u>\$ 15,000</u>
<u>Telecommunity Fund</u>				
Total Revenues and Other Sources	\$ -	\$ -	\$ -	\$ -
Total Expenditures and Other Uses	<u>144,870</u>	<u>112,527</u>	<u>112,527</u>	<u>-</u>
Net Change in Fund Balance	(144,870)	(112,527)	(112,527)	-
Fund Balance at Beginning of Year	17,657	17,657	17,657	-
Prior Year Encumbrances Appropriated	<u>94,870</u>	<u>94,870</u>	<u>94,870</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ (32,343)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Columbus City School District

**Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual (Non-GAAP Basis)**

For the Fiscal Year Ended June 30, 2004

<u>Power Up Technologies Fund</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Total Revenues and Other Sources	\$ -	\$ -	\$ -	\$ -
Total Expenditures and Other Uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	-	-	-	-
Fund Balance at Beginning of Year	<u>68,943</u>	<u>68,943</u>	<u>68,943</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 68,943</u>	<u>\$ 68,943</u>	<u>\$ 68,943</u>	<u>\$ -</u>
<u>School Building Assistance Limited Fund</u>				
Total Revenues and Other Sources	\$ -	\$ -	\$ -	\$ -
Total Expenditures and Other Uses	<u>471,905</u>	<u>469,382</u>	<u>25,906</u>	<u>443,476</u>
Net Change in Fund Balance	(471,905)	(469,382)	(25,906)	443,476
Fund Balance at Beginning of Year	467,477	467,477	467,477	-
Prior Year Encumbrances Appropriated	<u>1,905</u>	<u>1,905</u>	<u>1,905</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ (2,523)</u>	<u>\$ -</u>	<u>\$ 443,476</u>	<u>\$ 443,476</u>

Columbus City School District

**Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual (Non-GAAP Basis)**

For the Fiscal Year Ended June 30, 2004

<u><i>Permanent Fund</i></u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Total Revenues and Other Sources	\$ 50,000	\$ -	\$ -	\$ -
Total Expenditures and Other Uses	<u>60,000</u>	<u>1,142</u>	<u>500</u>	<u>642</u>
Net Change in Fund Balance	(10,000)	(1,142)	(500)	642
Fund Balances at Beginning of Year	<u>814,688</u>	<u>814,688</u>	<u>814,688</u>	<u>-</u>
Fund Balances at End of Year	<u>\$ 804,688</u>	<u>\$ 813,546</u>	<u>\$ 814,188</u>	<u>\$ 642</u>

Columbus City School District

**Schedule of Revenues, Expenses and Changes
in Fund Equity - Budget and Actual (Non-GAAP Basis)**

For the Fiscal Year Ended June 30, 2004

<u>Food Service Fund</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Total Revenues and Other Sources	18,000,000	22,121,911	22,234,487	112,576
Total Expenses and Other Uses	<u>23,307,307</u>	<u>25,305,502</u>	<u>24,433,223</u>	<u>872,279</u>
Net Change in Fund Equity	(5,307,307)	(3,183,591)	(2,198,736)	984,855
Fund Equity at Beginning of Year	1,883,402	1,883,402	1,883,402	-
Prior Year Encumbrances Appropriated	<u>1,307,307</u>	<u>1,307,307</u>	<u>1,307,307</u>	<u>-</u>
Fund Equity at End of Year	<u>\$ (2,116,598)</u>	<u>\$ 7,118</u>	<u>\$ 991,973</u>	<u>\$ 984,855</u>
<u>Uniform School Supplies Fund</u>				
Total Revenues and Other Sources	2,000,000	33,831	24,549	(9,282)
Total Expenses and Other Uses	<u>154,667</u>	<u>102,924</u>	<u>32,329</u>	<u>70,595</u>
Excess of Revenues Over (Under) Expenses	1,845,333	(69,093)	(7,780)	61,313
Fund Equity at Beginning of Year	65,957	65,957	65,957	-
Prior Year Encumbrances Appropriated	<u>4,667</u>	<u>4,667</u>	<u>4,667</u>	<u>-</u>
Fund Equity at End of Year	<u>\$ 1,915,957</u>	<u>\$ 1,531</u>	<u>\$ 62,844</u>	<u>\$ 61,313</u>
<u>Rotary-Special Services Fund</u>				
Total Revenues and Other Sources	2,500	-	-	-
Total Expenses and Other Uses	<u>-</u>	<u>802</u>	<u>-</u>	<u>-</u>
Net Change in Fund Equity	2,500	(802)	-	802
Fund Equity at Beginning of Year	<u>1,438</u>	<u>1,438</u>	<u>1,438</u>	<u>-</u>
Fund Equity at End of Year	<u>\$ 3,938</u>	<u>\$ 636</u>	<u>\$ 1,438</u>	<u>\$ 802</u>

Columbus City School District

**Schedule of Revenues, Expenses and Changes
in Fund Equity - Budget and Actual (Non-GAAP Basis)**

For the Fiscal Year Ended June 30, 2004

<u>Adult Education Fund</u>	Original Budget	Final Budget	Actual	Variance with Final Budget
Total Revenues and Other Sources	3,200,000	2,153,758	2,155,337	1,579
Total Expenses and Other Uses	<u>2,586,715</u>	<u>2,494,316</u>	<u>2,420,147</u>	<u>74,169</u>
Net Change in Fund Equity	613,285	(340,558)	(264,810)	75,748
Fund Equity at Beginning of Year	259,556	259,556	259,556	-
Prior Year Encumbrances Appropriated	<u>86,715</u>	<u>86,715</u>	<u>86,715</u>	<u>-</u>
Fund Equity at End of Year	<u>\$ 959,556</u>	<u>\$ 5,713</u>	<u>\$ 81,461</u>	<u>\$ 75,748</u>
<u>WCBE Fund</u>				
Total Revenues and Other Sources	950,000	1,190,379	1,190,379	-
Total Expenses and Other Uses	<u>862,548</u>	<u>1,040,728</u>	<u>1,040,728</u>	<u>-</u>
Net Change in Fund Equity	87,452	149,651	149,651	-
Fund Equity at Beginning of Year	(196,454)	(196,454)	(196,454)	-
Prior Year Encumbrances Appropriated	<u>11,912</u>	<u>11,912</u>	<u>11,912</u>	<u>-</u>
Fund Equity at End of Year	<u>\$ (97,090)</u>	<u>\$ (34,891)</u>	<u>\$ (34,891)</u>	<u>\$ -</u>
<u>Latchkey Fund</u>				
Total Revenues and Other Sources	1,050,000	2,398,546	2,435,727	37,181
Total Expenses and Other Uses	<u>1,855,552</u>	<u>2,592,033</u>	<u>2,591,982</u>	<u>51</u>
Net Change in Fund Equity	(805,552)	(193,487)	(156,255)	37,232
Fund Equity at Beginning of Year	227,070	227,070	227,070	-
Prior Year Encumbrances Appropriated	<u>6,188</u>	<u>6,188</u>	<u>6,188</u>	<u>-</u>
Fund Equity at End of Year	<u>\$ (572,294)</u>	<u>\$ 39,771</u>	<u>\$ 77,003</u>	<u>\$ 37,232</u>

Statistical Section

Columbus City School District
Government-Wide Revenue by Source (1)

Last Three Fiscal Years

<u>Fiscal Year (2)</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
Program Revenues			
Charges for Services and Sales	\$7,919,995	\$7,925,019	\$7,994,809
Operating Grants and Contributions	147,214,669	145,161,832	99,435,969
Capital Grants and Contributions	15,000	68,190,609	424,171
General Revenues			
Property Taxes	309,551,034	324,895,494	296,202,763
Grants and Entitlements not Restricted to Specific Programs	188,643,400	186,288,707	203,015,816
Investment Earnings	1,489,025	4,070,833	6,629,998
Gain on Sale of Capital Assets	0	59,254	856,744
Miscellaneous	5,385,350	3,627,487	4,062,809
Total Revenues	<u>\$660,218,473</u>	<u>\$740,219,235</u>	<u>\$618,623,079</u>

(1) Includes all governmental activities.

(2) Fiscal Year 2002 is the first year reported in accordance with GASB Statement No. 34.

Columbus City School District

Government-Wide Expenses by Function (1)

Last Three Fiscal Years

Fiscal Year (2)	<u>2004</u>	<u>2003</u>	<u>2002</u>
Instruction			
Regular	\$ 278,118,279	\$ 281,964,404	\$ 256,444,114
Special	80,535,499	72,484,995	73,439,876
Vocational	21,114,819	21,987,545	25,256,824
Other	2,846,109	2,143,723	2,653,726
Total Instruction	<u>382,614,706</u>	<u>378,580,667</u>	<u>357,794,540</u>
Support Services			
Pupils	53,188,569	49,792,142	40,121,652
Instructional Staff	67,934,149	52,285,197	62,492,058
Administration	53,056,148	62,026,022	41,998,634
Business and Fiscal	22,593,436	9,528,287	25,320,785
Operation and Maintenance of Plant	61,823,222	65,304,673	60,639,039
Pupil Transportation	29,611,211	29,595,632	30,200,073
Other	26,790,621	25,740,780	27,404,953
Enterprise Operations	206,457	169,317	150,978
Extracurricular Activities	8,650,003	8,427,562	8,250,527
Community Services	5,672,603	6,211,707	6,696,640
Total Support Services	<u>329,526,419</u>	<u>309,081,319</u>	<u>303,275,339</u>
Interest and Fiscal Charges	<u>15,072,633</u>	<u>6,596,228</u>	<u>5,980,304</u>
Total Expenses	<u>\$ 727,213,758</u>	<u>\$ 694,258,214</u>	<u>\$ 667,050,183</u>

Source: School District Financial Records

(1) Includes all governmental activities.

(2) Fiscal Year 2002 is the first year reported in accordance with GASB Statement No. 34.

Columbus City School District

General Government Revenues by Source (1)

Last Ten Fiscal Years

Fiscal Year (2)	Taxes	Tuition and Fees	Earnings on Investments	Inter- Governmental	Other	Total Revenues
1995	207,370,386	5,159,993	2,991,521	127,690,919	518,829	343,731,648
1996	199,749,951	4,646,529	3,596,458	132,615,007	1,015,650	341,623,595
1997	225,644,364	4,449,724	4,657,378	134,989,615	679,648	370,420,729
1998	246,610,385	3,842,943	6,560,682	164,222,058	3,910,730	425,146,798
1999	256,149,842	5,461,181	8,202,994	199,193,550	887,096	469,894,663
2000	257,409,441	4,741,051	11,572,552	201,555,919	1,539,731	476,818,694
2001	284,923,706	3,837,574	12,344,076	230,285,937	3,820,462	535,211,755
2002	286,372,154	4,245,888	5,881,707	245,204,790	3,832,175	545,536,714
2003	304,514,425	4,900,042	3,007,647	252,074,632	2,733,161	567,229,907
2004	303,976,229	5,006,330	892,313	252,052,758	4,354,664	566,282,294

Source: Columbus City School District Records

(1) Includes the revenues of the General Fund only.

(2) All fiscal years are reported on a GAAP basis.

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Columbus City School District

General Government Expenditures by Function (1)

Last Ten Fiscal Years

Fiscal Year (2)	Instruction	Pupil Support Services	Instructional Support Services	Administration	Business and Fiscal Services	Operation and Maintenance of Plant Services
1995	201,407,127	22,314,130	20,998,997	28,214,027	8,722,752	40,082,050
1996	200,705,385	21,520,792	18,681,889	31,674,109	1,859,766	39,376,889
1997	202,619,527	21,785,660	17,625,657	31,734,036	3,079,009	39,295,562
1998	222,874,516	26,479,643	22,992,084	32,475,418	13,201,857	40,390,445
1999	240,245,127	25,665,848	28,188,625	35,863,893	12,413,228	44,346,044
2000	259,663,007	31,632,220	41,069,837	36,705,010	12,765,362	47,763,031
2001	281,222,525	33,015,285	40,184,093	34,994,542	8,727,495	54,618,222
2002	307,391,502	34,441,029	47,408,085	39,097,084	20,728,656	55,159,927
2003	337,292,183	40,180,102	33,978,309	57,556,663	8,436,981	63,976,599
2004	336,572,483	42,176,899	41,303,955	45,396,373	20,417,118	61,292,436

Source: Columbus City School District Records

(1) Includes the expenditures of the General Fund only.

(2) All fiscal years are reported on a GAAP basis.

Trans- portation Services- Pupils	Other Support Services	Extra- curricular Activities	Enterprise Operations & Community Services	Capital Outlay	Debt Service	Total Expenditures
20,539,480	7,072,211	3,671,115	-	-	1,005,152	354,027,041
20,808,544	6,617,313	3,534,301	-	-	1,276,664	346,055,652
20,010,282	7,255,605	3,276,555	-	-	863,177	347,545,070
23,725,129	8,999,137	3,660,435	-	51,306	-	394,849,970
22,293,266	14,460,502	3,890,727	-	132,539	-	427,499,799
26,465,141	12,785,479	4,805,737	-	40,081	-	473,694,905
28,667,130	15,147,522	5,288,824	-	272,566	4,326,732	506,464,936
29,092,277	24,992,001	5,396,225	-	3,024,639	9,961,621	576,693,046
29,429,428	24,669,000	5,749,471	9,312	473,401	8,877,651	610,629,100
28,605,977	19,777,873	5,953,034	-	155,769	1,034,271	602,686,188

Columbus City School District

Property Tax Levies and Collections

Last Ten Collection (Calendar) Years

<u>Collection Year</u>	<u>Tax Levied</u>	<u>Current Tax Collection</u>	<u>Percent of Levy Collected</u>	<u>Delinquent Collection</u>
1994	\$ 241,816,285	\$ 234,969,467	97.17%	\$ 11,109,769
1995	242,828,807	235,765,458	97.09%	10,299,641
1996	248,385,612	239,709,230	96.51%	9,580,848
1997	281,920,840	274,122,678	97.23%	9,729,094
1998	289,787,838	282,506,372	97.49%	11,584,455
1999	302,405,022	292,083,930	96.59%	11,508,152
2000	309,899,227	301,538,056	97.30%	8,888,182
2001	318,921,808	307,438,893	96.40%	12,909,204
2002	318,637,659	302,893,143	95.06%	14,622,228
2003	337,620,850	321,129,221	95.12%	16,086,346

Source: Franklin County Auditor

2004 Property tax levies and collections are not available.

<u>Total Tax Collections</u>	<u>Percent of Total Collections to Levy</u>	<u>Outstanding Delinquent Taxes</u>	<u>Percent of Outstanding Delinquent Taxes to Levy</u>
\$ 246,079,236	101.76%	\$ 21,844,916	9.03%
246,065,099	101.33%	22,811,601	9.39%
249,290,078	100.36%	24,806,259	9.99%
283,851,772	100.68%	21,556,576	7.65%
294,090,827	101.48%	23,689,638	8.17%
303,592,082	100.39%	27,309,998	9.03%
310,426,238	100.17%	30,561,002	9.86%
320,348,097	100.45%	33,432,049	10.48%
317,515,371	99.65%	37,364,783	11.73%
337,215,567	99.88%	40,153,091	11.89%

Columbus City School District

Assessed and Estimated Actual Value of Taxable Property

Last Ten Collection (Calendar) Years (1)

Collection Year	Real Property		Personal Property	
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value
1995	\$ 4,990,974,510	\$ 14,259,927,171	\$ 846,374,896	\$ 3,385,499,584
1996	5,037,645,370	14,393,272,486	840,711,855	3,362,847,420
1997	5,276,254,050	15,075,011,571	935,568,371	3,742,273,484
1998	5,403,886,770	15,439,676,486	944,203,285	3,776,813,140
1999	5,651,961,330	16,148,460,943	987,119,988	3,948,479,952
2000	6,434,224,710	18,383,499,171	1,029,084,082	4,116,336,328
2001	6,563,117,280	18,751,763,657	1,090,814,513	4,363,258,052
2002	6,730,267,310	19,229,335,171	1,087,959,261	4,351,837,044
2003	7,572,173,900	21,634,782,571	1,066,732,618	4,266,930,472
2004	7,716,210,570	22,046,315,914	951,276,948	4,092,508,470

Source: Franklin County Auditor

(1) Franklin County Auditor property tax records are maintained on a calendar year basis.

Public Utility		Total	
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value
\$ 426,414,590	\$ 1,218,327,400	\$ 6,263,763,996	\$ 18,863,754,155
391,372,830	1,118,208,086	6,269,730,055	18,874,327,992
388,280,920	1,109,374,057	6,600,103,341	19,926,659,112
406,168,050	1,160,480,143	6,754,258,105	20,376,969,769
405,981,940	1,159,948,400	7,045,063,258	21,256,889,295
411,779,800	1,176,513,714	7,875,088,592	23,676,349,213
404,814,710	1,156,613,457	8,058,746,503	24,271,635,166
340,258,620	972,167,486	8,158,485,191	24,553,339,701
323,196,300	923,418,000	8,962,102,818	26,825,131,043
314,165,560	897,615,886	8,981,653,078	27,036,440,270

Columbus City School District

Property Tax Rates (Per \$1,000 of Assessed Valuation)--Direct and Overlapping Governments

Last Ten Collection (Calendar) Years (1)

Year	Columbus City School District				Corporations			Townships	
	General Fund	Bond Fund	Permanent Improvement /Maintenance	Total	Columbus	Gahanna	Valleyview	Blendon	Clinton
1995	50.80	2.21	0.00	53.01	3.14	2.40	27.37	19.00	25.64
1996	50.80	2.18	0.00	52.98	3.14	2.40	24.53	19.00	25.64
1997	56.30	1.81	0.00	58.11	3.14	2.40	24.53	21.45	25.64
1998	56.30	1.74	0.00	58.04	3.14	2.40	24.53	22.60	25.64
1999	56.30	1.65	0.00	57.95	3.14	2.40	24.53	22.43	25.64
2000	56.30	1.27	0.00	57.57	3.14	2.40	24.53	22.41	25.64
2001	56.30	1.07	0.00	57.37	3.14	2.40	24.53	22.16	25.64
2002	56.30	1.07	0.00	57.37	3.14	2.40	24.53	22.00	25.64
2003	56.30	2.00	0.50	58.80	3.14	2.40	24.53	25.40	25.64
2004	56.30	2.38	0.50	59.18	3.14	2.40	24.53	25.07	25.64

(1) Source: Franklin County Auditor

Townships							Other Units		
Franklin	Mifflin-Gahanna	Mifflin	Perry	Sharon	Truro	Franklin-Valleyview	Franklin County	Columbus-Franklin County Library District	Metropolitan Park District
13.05	10.70	20.80	23.80	8.10	10.40	0.30	14.02	2.20	0.55
13.05	10.70	20.80	23.80	13.10	12.65	0.30	14.27	2.20	0.55
13.05	10.70	22.80	23.80	13.10	12.65	0.30	14.57	2.20	0.55
13.05	10.70	20.80	23.80	13.10	12.65	0.30	14.67	2.20	0.55
13.05	8.70	20.80	23.80	13.10	12.65	0.30	16.99	2.20	0.55
13.05	8.70	20.80	23.80	19.10	12.65	0.30	16.99	2.20	0.55
13.05	9.70	21.80	20.50	19.08	12.65	0.30	16.99	2.20	0.65
13.05	9.70	21.80	23.80	19.00	12.65	0.30	16.99	2.20	0.65
13.05	9.70	21.80	23.80	23.50	16.65	0.30	16.99	2.20	0.65
13.05	9.70	21.80	20.40	23.50	16.65	0.30	16.99	2.20	0.65

Columbus City School District

Ratio of Net General Bonded Debt to Assessed Value and Net Bonded Debt Per Capita

Last Ten Collection (Calendar) Years (4)

Year (4)	(1) Population	Assessed Value (2) (In thousands)	Gross Bonded Debt (3)	Less Debt Service Fund (3)
1995	494,924	6,263,764	109,976,503	12,158,146
1996	499,301	6,269,730	113,257,613	11,992,055
1997	506,284	6,600,103	88,957,612	12,824,818
1998	513,696	6,754,258	79,072,612	10,697,836
1999	522,637	7,045,063	58,032,612	9,751,530
2000	523,871	7,875,089	58,242,612	7,684,268
2001	533,603	8,058,747	58,917,612	5,323,552
2002	540,173	8,158,485	57,057,612	3,427,618
2003	550,518	8,962,103	247,952,612	13,889,450
2004	557,507	8,981,653	238,372,613	12,903,977

Sources: (1) Based on 75% of City of Columbus population as estimated by City of Columbus Department of Trade and Development for calendar years 1993-1995, but reported for fiscal years 1994-1996; and Mid-Ohio Regional Planning Commission for the calendar years 1996-1999, but reported for fiscal years 1997-2000 and calendar years 2001-2003 reported for fiscal years 2002-2004, the U.S. Bureau of Census for calendar year 2000, but reported for fiscal year 2001.

(2) Franklin County Auditor, calendar year.

(3) Columbus City School District records (Excludes unamortized premium and accretion on bonds).

(4) All collection years are reported on a GAAP basis.

<u>Net Bonded Debt</u>	<u>Ratio of Net Bonded Debt to Assessed Value (%)</u>	<u>Estimated Net Bonded Debt Per Capita</u>
97,818,357	1.56%	198
101,265,558	1.62%	203
76,132,794	1.15%	150
68,374,776	1.01%	133
48,281,082	0.69%	92
50,558,344	0.64%	97
53,594,060	0.67%	100
53,629,994	0.66%	99
234,063,162	2.61%	425
225,468,636	2.51%	404

Columbus City School District

Computation of Legal Debt Margin

As of June 30, 2004

Overall Direct Debt Limitation

Direct debt limitation		
9% of assessed valuation	\$	808,348,777
Amount available in Debt Service Fund		12,903,977
Gross indebtedness	\$	238,372,613
Less: debt exempt from limitation		<u>(11,295,000)</u>
Debt subject to 9% limitation		<u>(227,077,613)</u>
Legal debt margin within 9% limitation	\$	<u><u>594,175,141</u></u>

Unvoted Direct Debt Limitation

Unvoted debt limitation		
0.1% of assessed valuation	\$	8,981,653
Amount available in Debt Service Fund		-
Gross indebtedness authorized by the Board	\$	-
Less: debt exempt from limitation		<u>-</u>
Debt subject to 0.1% limitation		<u>-</u>
Legal debt margin within 0.1% limitation	\$	<u><u>8,981,653</u></u>

Ohio Revised Code Section 133.042

Energy Conservation Bonds Limitation

Debt limitation		
0.9% of assessed valuation	\$	80,834,878
Energy Conservation Bonds authorized by the Board		<u>(11,295,000)</u>
Legal debt margin within 0.9% limitation	\$	<u><u>69,539,878</u></u>

Columbus City School District

Computation of Direct and Overlapping Debt

As of June 30, 2004

<u>Governmental Unit</u>	<u>Gross General Obligation Debt</u>	<u>Percent Applicable to School District</u>	<u>Amount Applicable to School District</u>
Direct:			
Columbus City School District	\$ 238,372,613 (2)	100.00%	\$ 238,372,613
Overlapping:			
Franklin County	146,590 (1)	36.22%	53,095
City of Columbus	283,748,348 (1)	62.37%	176,973,845
City of Gahanna	3,400,000 (1)	1.11%	37,740
Village of New Albany	16,914,773 (1)	0.07%	11,840
Blendon Township	850,000 (1)	1.07%	9,095
Plain Township	3,400,000 (1)	0.22%	7,480
Mifflin Township	346,500 (1)	3.88%	13,444
Washington Township	<u>3,285,000 (1)</u>	0.01%	<u>329</u>
Total overlapping	<u>312,091,211 (1)</u>		<u>177,106,868</u>
	<u>\$ 550,463,824</u>		<u>\$ 415,479,481</u>

Source: Franklin County Auditor

(1) Determined as of December 31, 2003.

(2) Determined as of June 30, 2004.

Columbus City School District

Ratio of Annual Debt Service Expenditures for General Bonded Debt to Total General Expenditures

Last Ten Fiscal Years

Fiscal Year	Principal	Interest	Total Debt Service (1)	Total General Expenditures (2)	Ratio of Debt Service to General Expenditures (%)
1995	10,129,312	5,075,340	15,204,652	354,027,041	4.29%
1996	10,318,891	4,299,065	14,617,956	346,055,652	4.22%
1997	10,700,000	4,089,995	14,789,995	347,545,070	4.26%
1998	10,050,000	3,797,880	13,847,880	394,849,970	3.51%
1999	10,425,000	3,109,076	13,534,076	427,499,799	3.17%
2000	10,525,000	2,612,035	13,137,035	473,694,905	2.77%
2001	9,705,000	2,521,730	12,226,730	506,464,936	2.41%
2002	9,620,000	2,315,384	11,935,384	576,693,046	2.07%
2003	9,105,000	5,996,840	15,101,840	610,629,100	2.47%
2004	9,580,000	11,683,475	21,263,475	602,686,188	3.53%

(1) Includes all general obligation bond debt service, but excludes debt issuance costs.

(2) Includes General Fund only.

(3) All fiscal years are reported on a GAAP basis.

Columbus City School District

Demographic Statistics

Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Population (1)</u>	<u>Franklin County Per Capita Income (2)</u>	<u>School Enrollment (3)</u>	<u>Franklin County Unemployment Rate (4)</u>
1995	494,924	24,644	62,915	3.90%
1996	499,301	25,399	62,812	2.90%
1997	506,284	26,143	63,368	2.90%
1998	513,696	27,950	64,248	2.70%
1999	522,637	29,425	65,054	2.50%
2000	523,871	30,419	64,339	2.50%
2001	533,603	31,527	64,859	2.40%
2002	540,173	32,036	63,948	2.80%
2003	550,518	33,465	63,628	4.40%
2004	557,507	34,152	62,884	4.70%

- Sources:
- (1) Based on 75% of City of Columbus population as estimated by City of Columbus Department of Trade and Development for calendar years 1992-1995, but reported for fiscal years 1993-1996; and Mid-Ohio Regional Planning Commission for the calendar years 1996-1999, but reported for fiscal years 1997 through 2000 and calendar year 2001 reported for fiscal year 2002, the U.S. Bureau of Census for calendar year 2000, but reported for fiscal year 2001.
 - (2) Per capita income information is reported for calendar years 1993 through 2003 reported as fiscal years 1994-2004 using data provided in Franklin County's 2003 Comprehensive Annual Financial Report. Original source is Woods & Poole Economics, Inc.
 - (3) Columbus City School District records.
 - (4) Ohio Department of Jobs and Family Services, Bureau of Labor Market Information.

Columbus City School District

Construction, Bank Deposits and Property Values

Last Ten Tax Years

<u>Fiscal Year</u>	<u>Valuation of Building Permits Issued (1) (in thousands)</u>	<u>Bank Deposits (2) (in thousands)</u>	<u>Property Values (3) (in thousands)</u>
1995	679,086	18,842,859	6,263,764
1996	749,610	21,808,752	6,269,730
1997	863,499	38,010,414	6,600,103
1998	1,423,717	39,608,322	6,754,258
1999	1,760,144	38,390,073	7,045,063
2000	1,559,322	41,165,622	7,875,089
2001	2,011,122	37,883,097	8,058,747
2002	1,783,275	35,261,010	8,158,485
2003	1,253,557	39,867,184	8,962,103
2004	970,972	39,220,448	8,981,653

Sources: (1) City of Columbus, Ohio, Department of Trade and Development.
For the preceding calendar year.

(2) Total deposits of all banks headquartered in Franklin County
(includes national and state chartered banks). State of Ohio,
Department of Commerce, Banks Division.

(3) Franklin County Auditor

Columbus City School District

Principal Property Taxpayers

As of June 30, 2004

	Total Assessed Valuation	% of Total Assessed Valuation (1)
<u>Public Utilities</u>		
Columbus Southern Power Company	\$ 148,130,220	1.65%
Ohio Bell Telephone Company	86,249,930	0.96%
Columbia Gas of Ohio, Inc.	30,485,320	0.34%
<u>Real Estate</u>		
Nationwide Mutual Insurance Company	98,635,640	1.10%
Huntington Center	58,450,000	0.65%
Capital South Community	43,603,800	0.49%
American Electric Power	29,770,160	0.33%
Duke Realty LP	22,287,060	0.25%
Olentangy Commons LP	18,267,210	0.20%
Battelle Memorial	18,094,410	0.20%
NC Plaza LLC	15,141,860	0.17%
TrizecHahn Regional	14,000,000	0.16%
<u>Tangible Personal Property</u>		
Abbott Laboratories	28,878,350	0.32%
Techneglas, Inc.	27,549,520	0.31%
Amerisource Corporation	22,005,830	0.25%
BLC Corporation	16,010,760	0.18%
Time Warner Entertainment Company LP	15,672,480	0.17%
Insight Cable Communications Company	14,108,170	0.16%
Sterling Commerce America, Inc.	13,277,250	0.15%
Columbus Coatings Company	11,164,300	0.12%
J C Penney Company, Inc.	11,058,560	0.12%
Battelle Memorial Institute	10,491,190	0.12%
All Others	<u>8,203,121,058</u>	<u>91.32%</u>
Total Assessed Valuation	<u>\$ 8,981,653,078</u>	<u>100.00%</u>

Source: Franklin County Auditor.

(1) The assessed valuation for Columbus City School District totaled \$8,981,653,078 for collection (calendar) year 2004.

Columbus City School District

Columbus Metropolitan Area 50 Largest Employers

As of June 30, 2004

<u>Employer</u>	<u>Number of Employees</u>	<u>Employer</u>	<u>Number of Employees</u>
1. The State of Ohio	27,787	25. Battelle	2,184
2. The Ohio State University	17,361	26. Retail Ventures Inc.	2,058
3. United States Postal Service	5,925 (1)	27. Big Lots Inc.	2,030
* Defense Supply Center	2,275 (1)	28. Big Bear Stores Co.	2,000
* Defense Finance & Accounting Service Center	2,080 (1)	29. Cardinal Health Inc.	2,000
4. Columbus Public Schools	12,092	30. ARC Industries Inc.	1,950
5. Nationwide	10,815	31. Dispatch Printing Co.	1,900
6. Bank One Corp.	8,873	32. State Farm	1,800
7. Ohio Health	8,304	33. National City Corp.	1,795
9. Limited Brands	7,200	35. Alliance Data Systems	1,647
10. Franklin County	7,161	36. Westerville City Schools	1,606
11. Honda of America Mfg. Inc.	6,600	37. United Parcel Service	1,601
12. Mount Carmel Hospitals	4,983	38. NetJets Inc.	1,533
13. Kroger Co.	4,632	39. Owens Corning	1,531
14. Wendy's International Inc.	4,500	40. Ashland Inc.	1,511
15. Wal-Mart Stores Inc.	4,444	41. Dublin City Schools	1,449
16. American Electric Power	3,795	42. Chemical Abstracts Service	1,420
17. Huntington Bancshares Inc.	3,521	43. Verizon Wireless	1,401
18. SBC Ohio	3,000	44. Lucent Technologies	1,400
19. Chase Home Finance	2,861	45. Fairfield Medical Center	1,230
20. Medco Health Solutions, Inc.	2,528	46. TS Tech North America	1,225
21. Columbus Children's Hospital Inc.	2,505	47. McDonald's Corp.	1,199
22. Discover Financial Services	2,496	48. Worthington City Schools	1,190
23. South-Western City Schools	2,440	49. Anchor Hocking Glass Co.	1,185
24. Ross Products, division Abbott Laboratories	2,392	50. Liebert Corp.	1,169

(1) Greater Columbus Federal government employment total was 13,300 as of August, 2003 including those agencies shown above

Source: Reprinted with permission of Business First

Business First of Columbus, Inc.
December 26, 2003

Columbus City School District

Staff Level by Race and Sex in Full Time Equivalents

As of June 30, 2004

	Male		Female		Total	
	No.	%	No.	%	No.	%
Administration						
White	70.00	21.5	99.00	30.4	169.0	51.9
Black	51.00	15.6	105.00	32.2	156.0	47.8
Spanish	0.00	0.0	1.00	0.3	1.0	0.3
Asian	0.00	0.0	0.00	0.0	0.0	0.0
Indian	0.00	0.0	0.00	0.0	0.0	0.0
	<u>121.00</u>	<u>37.1</u>	<u>205.00</u>	<u>62.9</u>	<u>326.0</u>	<u>100.0</u>
White	903.99	17.4	3038.54	58.6	3,942.5	76.0
Black	272.00	5.2	893.00	17.2	1,165.0	22.4
Asian	8.00	0.2	24.00	0.5	32.0	0.7
Indian	1.00	0.0	6.99	0.1	8.0	0.1
	<u>1195.99</u>	<u>23.0</u>	<u>3990.13</u>	<u>76.9</u>	<u>5,186.1</u>	<u>99.9</u>
Classified						
White	318.96	15.8	613.31	30.4	932.3	46.2
Black	503.40	24.9	571.47	28.3	1,074.9	53.2
Spanish	1.12	0.1	2.37	0.1	3.5	0.2
Asian	4.75	0.2	4.11	0.2	8.9	0.4
Indian	1.00	0.0	2.00	0.1	3.0	0.1
	<u>829.23</u>	<u>41.0</u>	<u>1193.26</u>	<u>59.1</u>	<u>2,022.5</u>	<u>100.1</u>
Educational Aides						
White	30.27	2.7	507.51	45.9	537.8	48.5
Black	120.50	10.9	408.79	36.9	529.3	47.8
Spanish	5.00	0.5	16.00	1.4	21.0	1.9
Asian	3.00	0.3	14.50	1.3	17.5	1.6
Indian	1.00	0.1	2.00	0.2	3.0	0.3
	<u>159.77</u>	<u>14.5</u>	<u>948.80</u>	<u>85.7</u>	<u>1,108.6</u>	<u>100.1</u>
Total						
White	1323.22	15.3	4258.36	49.3	5,581.6	64.6
Black	946.90	11.0	1978.26	22.9	2,925.2	33.9
Spanish	17.12	0.2	46.97	0.5	64.1	0.7
Asian	15.75	0.2	42.61	0.5	58.4	0.7
Indian	3.00	0.0	10.99	0.1	14.0	0.1
	<u>2305.99</u>	<u>26.7</u>	<u>6337.19</u>	<u>73.3</u>	<u>8,643.2</u>	<u>100.0</u>

Columbus City School District

Miscellaneous Statistical Data

As of June 30, 2004

Year of Incorporation:	1845
Form of Government:	School Board/President
Area of District:	120 square miles
Population:	557,507

<u>Number of Schools</u>		<u>Enrollment</u>	
Elementary	90	Elementary	30,363
K - 8	3	K - 8	1,023
Middle	25	Middle	14,724
High	18	High	15,559
Career Centers	4	Other	1,215
Special Schools	10		<u>62,884</u>
	<u>150</u>		

Number of Teachers, Levels of Degree and Years of Experience

<u>Degree</u>	<u>Education</u>	
	<u>Number of Teachers</u>	<u>% of Total</u>
Bachelor's Equivalent	43	0.80%
Bachelor of Arts	1,034	19.70%
Bachelor's + 30	1,486	28.30%
Master's	2,038	38.90%
Master's + 30	583	11.10%
Doctorate	61	1.20%
	<u>5,245</u> *	<u>100.00%</u>

<u>Years of Experience</u>	<u>Experience</u>	
	<u>Number of Teachers</u>	<u>% of Total</u>
0 - 5	2,383	45.43%
6 - 10	707	13.48%
11 - 15	688	13.12%
16 - 20	558	10.64%
21 - 25	375	7.15%
26 - over	534	10.18%
	<u>5,245</u> *	<u>100.00%</u>

* This schedule reflects the actual number of teachers, while the schedule on Page S-21 is based upon full time equivalents resulting in the difference in the number of teachers.



**Auditor of State
Betty Montgomery**

88 East Broad Street
P.O. Box 1140
Columbus, Ohio 43216-1140
Telephone 614-466-4514
800-282-0370
Facsimile 614-466-4490

**COLUMBUS CITY SCHOOL DISTRICT
FRANKLIN COUNTY**

CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
JUNE 16, 2005**