



Dave Yost • Auditor of State



**TOLEDO CITY SCHOOL DISTRICT  
LUCAS COUNTY**

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**TOLEDO CITY SCHOOL DISTRICT  
LUCAS COUNTY**

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

<b>FEDERAL GRANTOR</b> <i>Pass Through Grantor</i> Program Title	Federal CFDA Number	Receipts	Disbursements
<b>U.S. DEPARTMENT OF AGRICULTURE</b>			
<i>Passed Through Ohio Department of Education:</i>			
ARRA School Lunch Equipment Child Nutrition Discretionary Grants Limited Availability	10.579	\$ 12,186	\$ 12,186
Fruit and Vegetable Program Fruit and Vegetable Program	10.582	\$ 40,279	\$ 40,279
<u>Child Nutrition Cluster:</u>			
School Breakfast Program (Non-Cash Assistance)	10.553	\$ 102,983	\$ 102,983
School Breakfast Program	10.553	\$ 1,636,224	\$ 1,636,224
<i>Total CFDA #10.553</i>		1,739,207	1,739,207
Cash Assistance:			
National School Lunch Program ( Non-Cash Assistance)	10.555	\$ 411,932	\$ 411,932
National School Lunch Program	10.555	6,448,149	6,448,149
<i>Total CFDA #10.555</i>		6,860,081	6,860,081
<i>Total Child Nutrition Cluster</i>		8,599,288	8,599,288
<i>Total U.S. Department of Agriculture</i>		<b>8,639,567</b>	<b>8,651,753</b>
<b>U.S. DEPARTMENT OF EDUCATION</b>			
Direct Programs:			
<u>Student Financial Assistance Cluster:</u>			
Federal Pell Grant Program	84.063		
LPN Pell Grant FY-10		\$ 293,912	\$ 293,912
LPN Pell Grant FY-11		361,562	361,562
<i>Total Federal Pell Grant Program</i>		655,474	655,474
Federal Family Education Loan Program:	84.032		
Adult Education FY-11		\$ 492,455	\$ 492,455
<i>Total Family Education Loan Program</i>		492,455	492,455
<i>Total Student Financial Assistance Cluster</i>		1,147,929	1,147,929
<i>Total U.S. Department of Education - Direct Programs</i>		1,147,929	1,147,929
<i>Passed Through Ohio Department of Education:</i>			
<u>Special Education Cluster:</u>			
Special Education Grants to States	84.027		
Special Education IDEA, Part B FY-10		\$ 143,864	\$ 839,973
Special Education IDEA, Part B FY11		6,797,845	6,560,855
<i>Total CFDA #84.027</i>		6,941,709	7,400,828
ARRA Special Education IDEA, Part B FY-11	84.391	3,553,718	4,165,052
<i>Total Special Education Grants to States</i>		10,495,427	11,565,880

(Continued)

**TOLEDO CITY SCHOOL DISTRICT  
LUCAS COUNTY**

**SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES  
FOR THE FISCAL ENDED YEAR JUNE 30, 2011  
(Continued)**

<b>FEDERAL GRANTOR Pass Through Grantor Program Title</b>	Federal CFDA Number	Receipts	Disbursements
Special Education Preschool Grants Preschool Grant FY-11	84.173	\$ 184,160	\$ 210,181
Preschool Grants, Recovery Act FY-11	84.392	91,826	109,125
<i>Total Special Education Preschool Grants</i>		<u>275,986</u>	<u>319,306</u>
<i>Total Special Education Cluster</i>		10,771,413	11,885,186
State Fiscal Stabilization Fund (SFSF) - Race-to-the-Top Incentive Grants ARRA Race to the Top FY-11	84.395	\$ 54,506	\$ 82,239
Title I Grants to Local Educational Agencies	84.010		
Title I FY 10		\$ 391,434	\$ 2,364,242
Title I FY 11		19,069,894	18,414,468
<i>Total CFDA #84.010</i>		<u>19,461,328</u>	<u>20,778,710</u>
ARRA Title I FY 10	84.389	5,983,551	5,918,591
ARRA Title I FY 11		826,423	3,498,781
<i>ARRA Title I Grants to Local Educational Agencies Subtotal</i>		<u>6,809,974</u>	<u>9,417,372</u>
<i>Total Title I Grants to Local Educational Agencies</i>		26,271,302	30,196,082
Vocational Education Basic Grants to States			
Adult FY09	84.048		
Secondary FY 10		\$ 386,150	\$ 328,398
Secondary FY 11		1,042,041	689,226
<i>Total Vocational Education Basic Grants to States</i>		<u>1,428,191</u>	<u>1,017,624</u>
Safe and Drug - Free Schools and Communities State Grants Safe and Drug Free Schools FY 11	84.186	\$ 155,469	\$ 189,011
Education for Homeless Children and Youth	84.196		
FY 10		\$ 31,871	\$ 2,939
FY 11		140,611	154,502
<i>Total Education for Homeless Children and Youth</i>		<u>172,482</u>	<u>157,441</u>
Teacher Incentive Fund			
ARRA Ohio Teacher Incentive Fund FY-11	84.385	\$ 1,438,000	\$ 2,018,768
Ohio Teacher Incentive Fund FY-11	84.374	91,078	194,691
<i>Total Teacher Incentive Fund</i>		<u>1,529,078</u>	<u>2,213,459</u>
ARRA State Fiscal Stabilization Fund ARRA FY 11	84.394	\$ 15,896,789	\$ 15,896,789
Improving Teacher Quality State Grants	84.367		
Improving Teacher Quality FY10			\$ 583,870
Improving Teacher Quality FY11		\$ 2,960,303	2,791,515
<i>Total Improving Teacher Quality State Grants</i>		<u>2,960,303</u>	<u>3,375,385</u>

(Continued)

**TOLEDO CITY SCHOOL DISTRICT  
LUCAS COUNTY**

**SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES  
FOR THE FISCAL ENDED YEAR JUNE 30, 2011  
(Continued)**

<b>FEDERAL GRANTOR Pass Through Grantor Program Title</b>	Federal CFDA Number	Receipts	Disbursements
English Language Acquisition Grants	84.365		
Limited English Grant FY 10		\$ 1,440	\$ 8,834
Limited English Grant FY 11		70,935	73,175
<i>Total English Language Acquisition Grants</i>		<u>72,375</u>	<u>82,009</u>
Reading First State Grants	84.357		
Reading First -Ohio FY10		<u>\$ 67,493</u>	<u>\$ 49,332</u>
ARRA McKinney Vento	84.387		
ARRA McKinney Vento FY10		<u>\$ 3,348</u>	<u>\$ 9,231</u>
Education Technology State Grants	84.318		
Technology, Title II-D FY10		\$ 19,886	\$ 22,972
Technology, Title II-D FY11		73,996	66,405
<i>Total Education Technology State Grants</i>		<u>93,882</u>	<u>89,377</u>
Readiness and Emergency Management System	84.687	\$ 119,392	\$ 158,817
<i>Total U.S. Department of Education - Pass Thru Programs</i>		<u>59,596,023</u>	<u>65,401,982</u>
Total U.S. Department of Education		<u><b>60,743,952</b></u>	<u><b>66,549,911</b></u>
<b>Total Federal Awards Receipts and Expenditures</b>		<u><b>\$ 69,383,519</b></u>	<u><b>\$ 75,201,664</b></u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THIS SCHEDULE.

**TOLEDO CITY SCHOOL DISTRICT  
LUCAS COUNTY**

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

**NOTE A - SIGNIFICANT ACCOUNTING POLICIES**

The accompanying Schedule of Federal Awards Receipts and Expenditures (the Schedule) reports the Toledo City School District's (the District's) federal award programs' receipts and disbursements. The schedule has been prepared on the cash basis of accounting.

**NOTE B - CHILD NUTRITION CLUSTER**

The District commingles cash receipts from the U.S. Department of Agriculture with similar State grants. When reporting expenditures on this Schedule, the District assumes it expends federal monies first.

**NOTE C - MATCHING REQUIREMENTS**

Certain Federal programs require the District to contribute non-Federal funds (matching funds) to support the Federally-funded programs. The District has met its matching requirements. The Schedule does not include the expenditure of non-Federal matching funds.

**NOTE D – FOOD DONATION PROGRAM**

The District reports commodities consumed on the Schedule at the fair value. The District allocated donated food commodities to the programs that benefitted from the use of those donated food commodities.





# Dave Yost • Auditor of State

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

Toledo City School District  
Lucas County  
420 East Manhattan Blvd.  
Toledo, Ohio 43608-1267

To the Board of Education:

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Toledo City School District, Lucas County, Ohio (the District), as of and for the year ended June 30, 2011, and have issued our report thereon dated March 21, 2012, wherein we noted the District implemented Governmental Accounting Standards Board Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions". 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 the Comptroller General of the United States' *Government Auditing Standards*.

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of opining on the effectiveness of the District's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the District's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. Therefore, we cannot assure that we have identified all deficiencies, significant deficiencies or material weaknesses. However, as described in the accompanying schedule of findings and questioned costs we identified certain deficiencies in internal control over financial reporting, that we consider material weaknesses and other deficiencies we consider to be significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and timely corrected. We consider findings 2011-004 through 2011-006 described in the accompanying schedule of findings and questioned costs to be material weaknesses.

A significant deficiency is a deficiency or a combination of deficiencies in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider findings 2011-007 through 2011-009 described in the accompanying schedule of findings and questioned costs to be significant deficiencies.

### **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, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed instances of noncompliance or other matters we must report under *Government Auditing Standards* which are described in the accompanying schedule of findings and questioned costs as items 2011-001 through 2011-003.

We also noted certain matters not requiring inclusion in this report that we reported to the District's management in a separate letter dated March 21, 2012.

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

We intend this report solely for the information and use of management, the audit committee, the Board of Education, federal awarding agencies and pass-through entities, and others within the District. We intend it for no one other than these specified parties.



**Dave Yost**  
Auditor of State

March 21, 2012



# Dave Yost • Auditor of State

## INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

Toledo City School District  
Lucas County  
420 East Manhattan Blvd  
Toledo, Ohio 43608-1267

To the Board of Education:

### Compliance

We have audited the compliance of Toledo City School District, Lucas 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 could directly and materially affect each of the the District's major federal programs for the year ended June 30, 2011. 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 opine on the District's compliance based on our audit.

Our compliance audit followed auditing standards generally accepted in the United States of America; the standards applicable to financial audits included in the Comptroller General of the United States' *Government Auditing Standards*; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. These standards and OMB Circular A-133 require that we plan and perform the audit to reasonably assure whether noncompliance occurred with the 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 these 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 these requirements.

As described in findings 2011-010 through 2011-012 and 2011-015 in the accompanying schedule of findings and questioned costs, the District did not comply with requirements regarding allowable costs, equipment and real property management, program income, eligibility, and cash management applicable to its Child Nutrition Cluster and Teacher Incentive Fund major federal programs. Compliance with these requirements is necessary, in our opinion, for the District to comply with requirements applicable to these programs.

In our opinion, except for the noncompliance described in the preceding paragraph, the Toledo City School District complied, in all material respects, with the requirements referred to above that could directly and materially affect each of its major federal programs for the year ended June 30, 2011.

### **Internal Control over Compliance**

The District's management is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the District's internal control over compliance with the 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, but not for the purpose of opining on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of the District's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses and therefore, we cannot assure we have identified all deficiencies, significant deficiencies, or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be material weaknesses.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, when performing their assigned functions, to prevent, or to timely detect and correct, noncompliance with a federal program compliance requirement. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a federal program compliance requirement will not be prevented, or timely detected and corrected. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2011-010 through 2011-018 to be material weaknesses.

We also noted matters involving federal compliance or internal control over federal compliance not requiring inclusion in this report, that we reported to the District's management in a separate letter dated March 21, 2012.

### **Schedule of Federal Awards Receipts and Expenditures**

We have also audited and issued our unqualified opinion on the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Toledo City School District (the District) as of and for the year ended June 30, 2011, and have issued our report thereon dated March 21, 2012. Our opinion also explained that the District adopted *Governmental Accounting Standard No. 54* during the year. Our audit was performed to form opinions on the financial statements that collectively comprise the District's basic financial statements taken as a whole. The accompanying schedule of federal awards receipts and expenditures provides additional information required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and is not a required part of the basic financial statements. The schedule is management's responsibility, and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. This schedule was subject to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, in accordance with auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Toledo City School District  
Lucas County  
Independent Accountants' Report on Compliance with Requirements  
Applicable to Each Major Federal Program and on Internal Control Over  
Compliance in Accordance with OMB Circular A-133  
Page 3

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

We intend this report solely for the information and use of the audit committee, management, Board of Education, others within the District, 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 "Dave Yost". The signature is written in a cursive style with a large, looping initial "D".

**Dave Yost**  
Auditor of State

March 21, 2012

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TOLEDO CITY SCHOOL DISTRICT  
LUCAS COUNTY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
OMB CIRCULAR A -133 § .505  
JUNE 30, 2011

**1. SUMMARY OF AUDITOR'S RESULTS**

<i>(d)(1)(i)</i>	Type of Financial Statement Opinion	Unqualified
<i>(d)(1)(ii)</i>	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	Yes
<i>(d)(1)(ii)</i>	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	Yes
<i>(d)(1)(iii)</i>	Was there any reported material noncompliance at the financial statement level (GAGAS)?	Yes
<i>(d)(1)(iv)</i>	Were there any material internal control weaknesses reported for major federal programs?	Yes
<i>(d)(1)(iv)</i>	Were there any significant deficiencies in internal control reported for major federal programs?	No
<i>(d)(1)(v)</i>	Type of Major Programs' Compliance Opinion	Unqualified for all major programs except for Child Nutrition Cluster, which we qualified Allowable Costs, Equipment and Real Property Management, Program Income, and Eligibility. Teacher Incentive Fund which we qualified Cash Management.
<i>(d)(1)(vi)</i>	Are there any reportable findings under § .510(a)?	Yes
<i>(d)(1)(vii)</i>	Major Programs (list):	CFDA # 10.553, 10.555 Child Nutrition Cluster, CFDA # 84.027, 84.391, 84.173, 84.392 Special Education Cluster, CFDA # 84.010, 84.389 Title I, CFDA # 84.374, 84.385 Teacher Incentive Fund, CFDA # 84.394 State Fiscal Stabilization Fund
<i>(d)(1)(viii)</i>	Dollar Threshold: Type A/B Programs	Type A: > \$ 2,256,050 Type B: all others
<i>(d)(1)(ix)</i>	Low Risk Auditee?	Yes

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

**FINDING NUMBER 2011-001**

**Proper Certification**

**Noncompliance Citation**

**Ohio Revised Code, §5705.41(D)**, states that no subdivision shall make any contract or give any order involving the expenditure of money unless there is attached thereto a certificate of the Treasurer of the subdivision. The Treasurer must certify that the amount required to meet such a commitment has been lawfully appropriated and is in the treasury or in the process of collection to the credit of an appropriate fund free from any previous encumbrance. Further, contracts and orders for expenditures lacking prior certification shall be null and void.

There are several exceptions to the standard requirement stated above that a Treasurer's certificate must be obtained prior to a subdivision or taxing authority entering into a contract or order involving the expenditure of money. The main exceptions are: "then and now" certificates, blanket certificates, and super blanket certificates, which are provided for in sections 5705.41(D)(1) and 5705.41(D)(3), respectively, of the Ohio Revised Code.

1. **"Then and Now" Certificate** – If the Treasurer can certify that both at the time that the contract or order was made ("then"), and at the time that the Treasurer is completing the certification ("now"), that sufficient funds were available or in the process of collection, to the credit of a proper fund, properly appropriated and free from any previous encumbrance, the District can authorize the drawing of a warrant for the payment of the amount due. The District has thirty days from the receipt of the "then and now" certificate to approve payment by ordinance or resolution.

Amounts of less than \$3,000 may be paid by the Treasurer without a resolution or ordinance upon completion of the "then and now" certificate, provided that the expenditure is otherwise lawful. This does not eliminate any otherwise applicable requirement for approval of expenditures by the District.

2. **Blanket Certificate** – Treasurers may prepare "blanket" certificates for a certain sum of money not in excess of an amount established by resolution or ordinance adopted by a majority of the members of the legislative authority against any specific line item account over a period not running beyond the end of the current fiscal year. The blanket certificates may, but need not, be limited to a specific vendor. Only one blanket certificate may be outstanding at one particular time for any one particular line item appropriation.
3. **Super Blanket Certificate** – The District may also make expenditures and contracts for any amount from a specific line-item appropriation account in a specified fund upon certification of the Treasurer for most professional services, fuel, oil, food items, and any other specific recurring and reasonably predictable operating expense. This certification is not to extend beyond the current year. More than one super blanket certificate may be outstanding at a particular time for any line item appropriation.

For twelve percent of the transactions tested, certification occurred after the invoice date and no then and now certificates were utilized. For three percent of the transactions tested, certification was not obtained. Certification is not only required by Ohio law but is a key control in the disbursement process to assure purchase commitments receive prior approval, and to help reduce the possibility of District funds being over expended or exceeding budgetary spending limitations as set by the Board.



**FINDING NUMBER 2011-001  
(Continued)**

**Officials' Response:**

Multiple transactions were demonstrated to be in compliance after the 12% of transactions tested where certification occurred after the invoice date and no then and now certificates were utilized was calculated.

Compliance with this finding has been corrected with continued improvements and understanding of the new financial software.

**FINDING NUMBER 2011-002**

**Severance Overpayment**

**Finding for Recovery Repaid Under Audit**

In July 2011, Toledo City School District made an overpayment of a severance payment in the amount of \$5,565 to The Variable Annuity Life Insurance Company on behalf of Gary Wooden.

In accordance with the foregoing facts and pursuant to Ohio Rev. Code Section 117.28, a Finding for Recovery for public monies illegally expended is hereby issued against Gary Wooden, in the amount of \$5,565, and in favor of Toledo City School District.

On February 21, 2012, The Variable Annuity Life Insurance Company, on behalf of Gary Wooden, reimbursed Toledo City School District \$5,565.

**Official's Response:**

The overpayment cited in this finding took place outside the period of this audit. As stated in the finding, the overpayment has been repaid.

**FINDING NUMBER 2011-003**

**Payroll Contracts**

**Noncompliance Citation**

Article VII. of the Toledo Association of Administrative Personnel Contract, Article VI. of the Toledo Federation of Teachers Contract, and Article IX. of the Toledo Federation of Teachers Contract require District employees to be issued a contract. An employee must have a contract to show the correct rate of pay approved by the District's board and to show valid employees.

Signed contracts were not returned and obtained by the District for all employees who are part of the above noted union contract.

Absence of a signed contract hinders the ability to determine the individual is a valid employee of the District. Failure to maintain employee contracts could result in the improper salary rate being paid to employees.

We recommend the District issue and collect contracts for all employees to ensure that the employees are being paid the approved rate of pay. We also recommend a copy of the valid employee contract be maintained in the employee personnel file.

**FINDING NUMBER 2011-003  
(Continued)**

**Officials' Response:**

A collaborative effort between the Human Resource and Payroll Departments will be made to increase the rate of compliance with regard to signed contracts.

**FINDING NUMBER 2011-004**

**Disbursements**

**Material Weakness**

The following conditions exist over the District's disbursements:

- Fifty percent of the invoices tested that were paid by the District did not show any sign of being reviewed and/or paid.
- The District did not maintain purchase orders signed by the Treasurer for five percent that were tested.

Ensuring that supporting documentation for expenditures is obtained, reviewed, and retained is a key control over the disbursement process. Lack of signing off invoices could result in the double payment of expenditures. Without proper documentation showing approval for purchases could result in funds being spent on purchases that are not for a proper public purpose and misappropriation of assets.

To maintain adequate monitoring controls over disbursements and to reduce the possibility of making duplicate payments from the District's funds, we recommend the Board perform the following:

- Review bills received by the District for approval and sign off stating invoice being paid and entered into the system.
- Maintain purchase orders showing approval of purchase from the Treasurer.

**Officials' Response:**

Prior to payment purchases are reviewed by way of the electronic "receiving". This ensures the quantity and price of products received and total amount to be paid. Using the "receiving" process as part of a three way match is consistent with the recommendation from the audit staff that the invoice not be used as a verification of goods received. The financial software does not allow for duplicate payments of an invoice.

Hard and electronic copies of certified purchase orders are on file and kept for review.

**FINDING NUMBER 2011-005**

**Grants Receivable**

**Material Weakness**

For government-mandated and voluntary non-exchange transactions, receivables and revenues are recognized when all eligibility requirements are met. Resources received before the eligibility requirements are satisfied are deferred. Eligibility requirements include one or more of the following:

**FINDING NUMBER 2011-005  
(Continued)**

- Required characteristics of recipients. The recipient has the characteristics specified by the provider.
- Time requirements. Time requirements specified by enabling legislation or the provider have been met. (The period when the resources are required to be used or when use is first permitted has begun, as specified by the provider.)

Grants receivable was understated for Remaining Fund Information by \$7,578,666 for the Education Jobs Grant. The district had passed a resolution to not use the funds until fiscal year 2012. However, the funds met the eligibility requirements and were available for use in 2011. The district has made the adjustment to its financial statements.

Also, the District has estimated receivables from grants based on a comparison of its appropriations for the fund and cost center and the fiscal year to date revenues. The appropriations did not always agree with the grant award resulting in an overstatement of the receivable. This condition provides for possible inaccuracies in reporting grants receivable and misrepresentation of the financial statements.

To correct the above conditions we recommend the district evaluate each fund and cost center potentially receiving Intergovernmental Receipts and the eligibility requirements related to funding. The receivable amount should be determined by a comparison of the grant awards to the amount received in the fiscal year, and an analysis to determine To correct the above conditions we recommend the district evaluate each fund and cost center potentially receiving Intergovernmental Receipts and the eligibility requirements related to funding. The receivable amount should be determined by a comparison of the grant awards to the amount received in the fiscal year, and an analysis to determine the amount available to the district at year end or for when the use of such funds is first permitted.

**Officials' Response:**

This finding cites "the receivable amount should be determined by a comparison of the grant awards to the amount received in the fiscal year". By Board action deferring the receipt and expenditure of Ed Jobs funds to FY12, Toledo Public Schools determined "the amount received in the fiscal year" in FY11 was to be 0 (zero) dollars.

The full amount of the Ed Jobs Fund has been included as a receivable in FY12.

**FINDING NUMBER 2011-006**

**Budgetary Financial Statements**

**Material Weakness**

The District's legal level of control for budgeting is at the fund level. The legal level of control should be at a more detailed level to allow appropriate monitoring of the budget. Budgeted receipts should represent current year estimated receipts from the Certificate of Estimated Resource or any Board approved amendments throughout the year. Appropriations should represent prior year carryover appropriations plus current year Board approved current year appropriations or any Board approved amendments.

The accounting system should reflect the prior year unencumbered balance plus current year Board approved estimated receipts and prior year carryover appropriations and Board approved current year appropriations or any amendments to either. The accounting system should facilitate monthly comparisons of:

**FINDING NUMBER 2011-006  
 (Continued)**

- Current year budgeted receipts with current year actual receipts;
- Unencumbered fund balances plus current year budgeted receipts with total appropriations including prior year carry over appropriations;
- Total appropriations including carryover appropriations with year to date actual expenditures plus current year outstanding encumbrances.

The budgetary financial statements should agree to what has been input into the financial accounting system from the Board approved estimated receipts and appropriations.

We have identified the following exceptions when testing the Budgetary Financial Statements:

- The District's legal level of control is at the fund level. We could not determine if the Board approves estimated receipts or appropriations at a level of control greater than the fund level;
- Taxes and Other estimated receipts reported on the Certificate of Estimated Resources did not always agree with the Budgetary Financial Statements for the following major funds and amounts:

<b>Fund</b>	<b>Difference between original budgeted receipts and Budgetary Statements</b>	<b>Difference between final budgeted receipts and Budgetary Statements</b>
General Fund	\$15,594,389	\$ 2,815,066
Debt Service	<6,072,292>	
Locally Funded Initiative	44,013,410	47,253,350
Classroom Facilities	15,091,005	44,647,513

The District has made the budgetary adjustments for the Locally Funded Initiative and the Classroom Facilities Fund as of February 27, 2012.

- We were unable to identify Board approval of the Original, Amendments, or the Final Certificate of Estimated Resources;
- We were unable to obtain supporting documentation for the classifications of General Fund budgeted receipts presented on the Budgetary Financial Statements;
- We could identify final appropriations approved by the Board in the Board minutes. However, the resolution was brief, and did not identify a value for the appropriations being approved;
- The District comprises appropriations amounts near year end, to reflect the fiscal year actual expenditures plus year-end outstanding encumbrances to achieve zero variances on the budgetary financial statements;
- Reserve for encumbrances used to provide zero variances on the budgetary financial statements did not always agree with the reserve for encumbrances reported in the cash basis financial statements;

**FINDING NUMBER 2011-006  
(Continued)**

- Appropriations from the Board approved Appropriations Resolutions did not agree with the General Fund Budgetary Financial Statement Original Budget due to an audit adjustment to Transfers Out;
- We were unable to obtain accounting system reports identifying that estimated receipts and appropriations were input according to the official Board approved documents or monthly or annual reports from the accounting system that provided for comparisons as indicated above.

These conditions provide for inaccurate presentation of the Budgetary Financial Statements, lack of appropriate approvals for budgets and amendments to the budget, and inability of management to appropriately monitor the budget.

To improve these conditions we recommend the following:

- The District's legal level of control should be at more detail than the fund level.
- The Amended Certificate of Estimated Resources or any amendments thereto, reflecting Board approved unencumbered balances and current year estimated receipts should be the source document for what is input into the accounting system and subsequently reported in the Budgetary Financial Statements;
- Supporting documentation should be maintained for the classification of General Fund estimated receipts reported on the Budgetary Financial Statement;
- The Board approved Appropriations Resolution or any amendments thereto should be the source document for what is input into the accounting system and subsequently reported in the Budgetary Financial Statements;
- Supporting documentation should be maintained for the Board approved detail of the General Fund Original and Final Appropriations presented on the Budgetary Financial statements;
- Board approval of any of the aforementioned budgetary documents should be clearly expressed in a manner to be able to associate the Board approval or resolution with the document;
- The District's final Board approved Appropriations Resolution should reflect a budgeted amount, and not the actual fiscal year expenditures plus year end outstanding encumbrances.

**Officials' Response:**

For approximately 10 (ten) years, the District's legal level of control for budgeting has been at the fund level, which is consistent with the Ohio Revised Code. Audits in recent years by the Auditor of State have not raised concerns regarding this issue.

For Appropriation Measures in FY12, multiple levels of detail have been provided in support of fund level appropriation resolutions.

Corrections have been made in the FY11 CAFR where taxes and other estimated receipts reported on the Certificate of Estimated Resources did not agree with the Budgetary Financial Statements.

For FY12 measures have been taken to reconcile the totals of the tax settlement sheet, the Certificate of Estimated Resources and the general ledger.

**FINDING NUMBER 2011-006  
(Continued)**

The practice of reflecting actual fiscal year expenditures plus year end outstanding encumbrances in the Districts final Board approved Appropriations Resolution is a long standing practice and has not been cited in recent audits.

In future fiscal years, Board Resolutions will identify the supporting documentation to address these concerns. In cases where all activities are completed prior to the final appropriation resolution, Actual expenditures plus outstanding encumbrances may equal the budgeted amount.

**FINDING NUMBER 2011-007**

**Capital Assets**

**Significant Deficiency**

According to the District's Fixed Asset policy adopted on August 18, 2009:

- The District conducts a complete inventory every five years, by physical count, of all District-owned equipment and supplies;
- Each building and additions to buildings are identified by location or name and are described in detail (e.g., size, number of floors, square footage, type of construction, etc.) with the value shown for all individual structures;
- Fixed equipment is inventoried by building, floor and room name or number; each item is to be listed individually;
- Movable equipment is inventoried by building, floor and room name or number; each item is to be listed individually;
- Any item that has a model number or serial number has that number noted in the description for full identification;
- All equipment purchased, after the initial inventory, as capital outlay or replacement with a cost of \$5,000 or more and with an estimated useful life of five years or more is tagged and made part of the equipment inventory.

We have identified the following:

- The District has not performed a physical inventory since June, 2002, exceeding the five year Board policy requirement;
- The District does not use Capital Asset software to maintain and update additions, deletions, and depreciation. Capital Assets are currently maintained and updated by the use of spreadsheets;
- The assets reported on the spreadsheets do not always have an assigned asset tag number, and do not always have an adequate description to enable location and observation of the asset, and the equipment assets in school buildings are not always tagged and not always traceable to the capital asset spreadsheets;
- Disposal forms are nonexistent and supporting documentation for the deletion of assets from the asset spreadsheets were incomplete, and buildings that have been demolished still have values reported on the asset spreadsheets;

**FINDING NUMBER 2011-007  
(Continued)**

- Depreciation expenses for the new building additions were overstated by \$214,094.

These conditions provide for possible incomplete and inaccurate reporting of capital assets in the financial statements, possible inadequate insurance coverage, and a lack of control and accountability over the District's capital assets.

To correct the above conditions we recommend the District:

- Perform on an annual basis a physical inventory, investigate any unusual variances, and adjust the asset balances accordingly;
- Obtain and implement capital asset software;
- Review the fixed asset policy and consider revisions and inclusion of policy regarding the disposal of assets, transfer of assets, and depreciation;
- Complete asset tagging and provide adequate descriptions of assets;
- Complete disposal forms for the disposal of assets with adequate documentation to support the disposal, and eliminate or transfer asset values reported in buildings that have been razed.

**Officials' Response:**

The overstatement of depreciation expense was immaterial in amount resulting from a calculation error when creating the CAFR and has been corrected.

Toledo Public Schools has issued an RFP and is contracting for a physical inventory of our assets. The capital asset process is being reviewed by the District with the intent of using the capital asset feature of the new financial software.

**FINDING NUMBER 2011-008**

**Program Change Procedures**

**Significant Deficiency**

Effective program change practices include the use of a standard form to document authorization of requests for programming changes. Changes should be tested in a test library and documentation should be kept with the change request form. Programmers should not have access to the production environment and a verification process should be in place to ensure the changes made are the changes moved into production.

During the prior audit period the District implemented a change request form for USAS changes. This was not implemented for payroll and was not in place for USAS during the current audit period. USAS just stores prior year data as the district went live with their new financial package.

Without proper change control procedures, changes made to application software could cause revenues and expenditures to be misstated on the financial statements. Without these controls there is an increased risk these changes could go undetected.

**FINDING NUMBER 2011-008  
(Continued)**

A standard request form should be implemented. It should include at a minimum:

- User requesting the change.
- Supervisor approval.
- Description of the change requested.
- Description of the changes made.
- Programmer who made the change.
- Test documentation.
- User approval of the changes made.
- Document and verify the change made is the change that is moved into production.

In addition, the District should maintain strict control over interim production program libraries. Changes to programs should be performed and tested within a test environment. Once a modified program has been approved for implementation, a person independent of the programming staff should transfer the program into interim production.

**Officials' Response:**

Computer Services will review procedures to document program changes. Continuing to implement the new software will help to increase this control.

**FINDING NUMBER 2011-009**

**Accrued Wages and Compensated Absences**

**Significant Deficiency**

The District accrues wages and benefits to recognize work performed prior to June 30, 2011 but unpaid at that time. The District also compensates its employees for vacation and sick leave balances at the time of separation.

The following was noted in regards to these accruals:

- State Fiscal Stabilization fund wages were accrued in the General fund instead of the State Fiscal Stabilization fund. Entries were made to properly classify these accrued wages;
- The District accrued wages for some employees twice. Entries were made to eliminate the duplication.
- The District accrued severance payments related to actual and estimated sick leave payouts. The entire amounts of these accruals were posted to the Noninstructional expense line item. Instead, these accruals should have been charged to each employees function (i.e. instructional, support services, and noninstructional expenses);
- The District accrued severance payments to some employees twice. Entries were made to eliminate the duplication;



**FINDING NUMBER 2011-009  
 (Continued)**

- Ten month employees were paid out annually for their vacation leave balances. No accrual was made to accrue the payouts;
- The District only accrued cabinet employee's vacation leave balances subject to payout for amounts due within one year. Entries to accrue severance payments to employees known to be retiring at June 30, 2011 were made; and,
- The District has not established policies and procedures that identify how accrued wages, benefits, and compensated absences will be accrued.

Failure to properly accrue wages, benefits, and compensated absences payable could result in the District misstating its liabilities.

We recommend the District established formalized policies and procedures that identify how accrued wages, benefits, and compensated absences will be accrued. This policy should be consistent with Generally Accepting Accounting Principles (GAAP) and Governmental Accounting Standards Board (GASB) Statement 16. The District should ensure that amounts accrued are reviewed for reasonableness, completeness, and proper classification.

**Officials' Response:**

Toledo Public Schools will review the process used for accrual of wages and compensated absences for future years.

<b>3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS</b>
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**FINDING NUMBER 2011-010**

**Federal Payroll Disbursements**

<b>Finding Number</b>	2011-010
<b>CFDA Title and Number</b>	Various
<b>Federal Award Number / Year</b>	2011
<b>Federal Agency</b>	U.S. Department of Education
<b>Pass-Through Agency</b>	Ohio Department of Education

**Questioned Cost/Noncompliance/Material Weakness**

2CFR, Part 225 requires employees who work on multiple activities or cost objectives, to support the distribution of their salaries or wages with personnel activity reports or equivalent documentation which meets the standards unless a statistical sampling system or other substitute system has been approved by the cognizant Federal agency. Employees 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.

The District charged Federal grant programs for payroll and benefits expenditures that were either unsupported by personnel activity reports required or did not match activities documented on personnel activity reports provided.

**FINDING NUMBER 2011-010  
 (Continued)**

Based on the non-compliance identified above, we are questioning the following grant expenditures:

<b>Program</b>	<b>CFDA</b>	<b>Amount</b>
Child Nutrition	10.553/10.555	\$ 6,896,032
Special Education	84.027	2,676
Special Education - ARRA	84.391	5,117
State Fiscal Stabilization Fund	84.394	5,989
Title I	84.010	15,695
Title I - ARRA	84.389	2,536
<b>Total</b>		<b>\$ 6,928,045</b>

We recommend the District implement procedures to ensure that Federal payroll expenditures are support as required by 2 CFR, Part 225.

**Officials' Response:**

Toledo Public Schools will include Child Nutrition Program in Time and Effort documentation and work to improve employee filing of Time and Effort.

**FINDING NUMBER 2011-011**

**Federal Equipment Listing**

<b>Finding Number</b>	2011-011
<b>CFDA Title and Number</b>	Child Nutrition Cluster – CFDA # 10.553/10.555
<b>Federal Award Number / Year</b>	2011
<b>Federal Agency</b>	U.S. Department of Agriculture
<b>Pass-Through Agency</b>	Ohio Department of Education

**Noncompliance Citation/Material Weakness**

Part 7 CFR 3015.160 through .175 provides that:

- Title to equipment acquired by a non-Federal entity with Federal awards vests with the non-Federal entity. (7 CFR 3015.62)
- Equipment should be used in the program which acquired it or, when appropriate, other Federal programs. (7 CFR 3015.166)
- Equipment records shall be maintained, a physical inventory of equipment shall be taken at least once every two years and reconciled to the equipment records, an appropriate control system shall be used to safeguard equipment, and equipment shall be adequately maintained. (7 CFR 3015.169)

**FINDING NUMBER 2011-011  
(Continued)**

- When equipment with a current per unit fair market value in excess of \$1,000 (the A-102 Common Rule amount is \$5,000) is no longer needed for a Federal program, it may be retained or sold with the Federal agency having a right to a proportionate (percent of Federal participation in the cost of the original project) amount of the current fair market value. (7 CFR 3015.168)
- Proper sales procedures shall be used that provide for competition to the extent practicable and result in the highest possible return. (7 CFR 3015.169)

The District did not maintain the required federal equipment listing, physical inventories and related reconciliation to equipment records have not been performed, control systems to safeguard equipment have not be established, and disposal procedures have not been established.

These conditions provide for possible misappropriations of assets purchased with federal funding, and the possibility of jeopardizing future federal funding.

To correct the above conditions, we recommend the District:

- Maintain records for equipment purchased with Federal funds, which should include the following information:
- A description of the equipment
  - Manufacturer's serial number, model number, Federal stock number, national stock number, or other identification number
  - Source of the equipment, including the award number
  - Whether the title vests in the recipient or the Federal Government
  - Acquisition date (or date received, if the equipment was furnished by the Federal Government) and cost
  - Information from which one can calculate the percentage of federal participation in the cost of the equipment (not applicable to equipment furnished by the (Federal Government)
  - Location and condition of the equipment and the date the information was reported
  - Unit acquisition cost compensates the Federal awarding agency for its share
- Perform annual physical inventory and reconcile the inventory count to equipment records.
- Establish an appropriate control system to safeguard equipment
- Implement disposal procedures to ensure compliance with federal regulations. Disposition data should include date of disposal and sales price or the method used to determine current fair market value where a recipient compensates the Federal awarding agency for its share.

**Officials' Response:**

Toledo Public Schools will establish and maintain equipment records for Child Nutrition program.

**FINDING NUMBER 2011-012**

**Teacher Incentive Fund Cash Management**

<b>Finding Number</b>	2011-012
<b>CFDA Title and Number</b>	Teacher Incentive Fund – CFDA # 84.374/84.385
<b>Federal Award Number / Year</b>	2011
<b>Federal Agency</b>	U.S. Department of Education
<b>Pass-Through Agency</b>	Ohio Department of Education

**Noncompliance Citation/Material Weakness**

**34 CFR 80.21 (b)** states methods and procedures for payment shall minimize the time elapsing between the transfer of funds and disbursement by the grantee or subgrantee, in accordance with Treasury regulations at 31 CFR part 205.

The following was noted during review of the District's Teacher Incentive Fund grant cash management policies and procedures:

- The District does not have policies or procedures in place to ensure compliance with grant cash management requirements;
- The District is required to complete and submit project cash requests to the Ohio Department of Education to draw down grant funds. The District did not submit the required project cash requests to draw down grant funds; and,
- The District is required to complete and submit a final expenditure report to the Ohio Department of Education to identify total grant expenditures. The District did not submit the required report.

Not having policies or procedures in place to ensure compliance with cash management resulted in the District being in noncompliance with the cash management requirement and could result in unallowable expenditures.

We recommend the District establish policies and procedures to ensure the District complies with grant cash management requirements.

**Officials' Response:**

Toledo Public Schools was not able to submit project cash request to the Ohio Dept of Education until all appeals were settled and incentives were paid. The cash requests have been filed.

Final Expenditure Report for the operating portion of the TIF Grant was completed for FY11 however the FER for the incentive portion was not able to be completed until February, 2012.

In the future Toledo Public Schools intends to submit Project Cash Request's and Final Expenditure Report's appropriate and consistent with grant cash management requirements.

**FINDING NUMBER 2011-013**

**Title I Suspension and Debarment**

<b>Finding Number</b>	2011-013
<b>CFDA Title and Number</b>	Title I – CFDA # 84.010/84.389
<b>Federal Award Number / Year</b>	2011
<b>Federal Agency</b>	U.S. Department of Education
<b>Pass-Through Agency</b>	Ohio Department of Education

**Material Weakness**

The District is prohibited from contracting with or making subawards under covered transactions to parties that are suspended or debarred or whose principals are suspended or debarred. When the District enters into a covered transaction with a vendor, the District must verify that the entity is not suspended or debarred or otherwise excluded. This verification may be accomplished by checking the *Excluded Parties List System (EPLS)* maintained by the General Services Administration (GSA), collecting a certification from the entity, or adding a clause or condition to the covered transaction with that entity.

The District has not implemented internal controls to ensure compliance with Suspension and Debarment requirements.

The lack of an internal control structure over suspension and debarment requirements could result in the District making unallowable expenditures to suspended or disbarred parties, which could result in a loss of Federal funding.

We recommend the District establish policies and procedures to ensure each vendor paid from Federal funds is not suspended or disbarred by the Federal government.

**Officials' Response:**

Toledo Public Schools will check the Excluded Parties List System (EPLS) maintained by the General Services Administration (GSA), collecting a certification from the entity, or adding a clause or condition to the covered transaction with that entity.

**FINDING NUMBER 2011-014**

**Title I Final Expenditure Report**

<b>Finding Number</b>	2011-014
<b>CFDA Title and Number</b>	Title I - CFDA # 84.010/84.389
<b>Federal Award Number / Year</b>	2011
<b>Federal Agency</b>	U.S. Department of Education
<b>Pass-Through Agency</b>	Ohio Department of Education

**FINDING NUMBER 2011-014  
 (Continued)**

**Material Weakness**

Consolidated Application Assurances item 5 provides, that LEA's will make reports to ODE as may be reasonably necessary to enable ODE to perform its duties. Program funds are reported to the State of Ohio. The final expenditure report is to be submitted for each project immediately after all financial obligations have been liquidated. The report is due no later than 90 days after the end of the project period, for programs contained in the CCIP. Failure to submit the report in a timely manner may result in a temporary suspension of the flow of federal funds for this grant until the project is closed.

Actual expenditures authorized by the approved project application and charges to the project special cost center are to be reported (report amounts actually expended, not encumbered).

This report must be submitted before approval can be given to use the unexpended portion of the allocation as carryover funds.

Although the Final Expenditure Report was filed timely and approved by Ohio Department of Education, the supporting documentation provided for the Final Expenditure Report was not sufficient competent evidential matter, we were unable to agree the Final Expenditure Report to the support provided. The supporting documentation provided was \$1,145,249 greater than the amounts reported in the Final Expenditure Report. The district re-visited and provided revised supporting documentation that was \$220,953 greater than the Final Expenditure Report. The District concluded that the Final Expenditure Report filed and approved by Ohio Department of Education was incorrect and would need to be re-filed.

**Officials' Response:**

Continual improvements with the new financial software now allows for increased accuracy in reporting.

**FINDING NUMBER 2011-015**

**Child Nutrition Eligibility**

<b>Finding Number</b>	2011-015
<b>CFDA Title and Number</b>	Child Nutrition Cluster – CFDA # 10.553/10.555
<b>Federal Award Number / Year</b>	2011
<b>Federal Agency</b>	U.S. Department of Agriculture
<b>Pass-Through Agency</b>	Ohio Department of Education

**Noncompliance Citation/Material Weakness**

7 C.F.R. Section 210.7(c)(1)(iii) requires that all claims for reimbursements be based on accurate counts for lunches and meal supplements and correctly identify the number of free, reduced price and paid lunches served to eligible children.

Cash register tapes were the point of sale records used by each high school and junior high to record lunch counts and receipts. The cash register tapes were used to prepare each school's weekly lunch and breakfast reports provided to the Food Service Department. Neither the cash register tapes or the weekly lunch and breakfast report identify which children received free and reduced lunches.

**FINDING NUMBER 2011-015  
 (Continued)**

As a result of these control failures, we were unable to determine which children received free and reduced lunch benefits and verify that these children were eligible to receive these benefits. These deficiencies could result in children receiving free or reduced lunch benefits that are not eligible. Furthermore, the deficiencies prohibit management from reviewing who received benefits and may result in misappropriation or theft of assets if a cashier identifies a child in the cash register as free or reduced, when the child in fact paid.

We recommend the District develop procedures to properly document the number of lunches and breakfasts served and receipts collected by students. Each student receiving free or reduced benefits should be identified and documented. These listings should be maintained and made available during audit. In addition, District management should regularly review these listings to ensure each student served a free or reduced meal is eligible for such. These reviews should be documented.

**Officials' Response:**

Toledo Public Schools will review procedures to properly document the number of lunches and breakfasts served and receipts collected by students. Each student receiving free or reduced benefits should be identified and documented.

**FINDING NUMER 2011-016**

**Federal Program Payroll Disbursements**

<b>Finding Number</b>	2011-016
<b>CFDA Title and Number</b>	Various
<b>Federal Award Number / Year</b>	2011
<b>Federal Agency</b>	U.S. Department of Education
<b>Pass-Through Agency</b>	Ohio Department of Education

**Material Weakness**

In relation to federal grant programs, when employees work on multiple activities or cost objectives, a distribution of compensation shall be supported by monthly personnel activity reports that reflect the actual 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.

The following conditions exist over the Districts documentation of personnel activity;

- Employees working on multiple activities or cost objectives did not always complete time and effort forms (i.e. monthly personnel activity reports);
- Personnel activity as documented by employees on time and effort forms did not always match amounts charged to grants;
- Subs and employees separated from employment did not document personnel activity during the fiscal year;

**FINDING NUMBER 2011-016  
 (Continued)**

- Time and effort forms provided to employees for completion include language that identifies the budgeted time each employee must support (i.e. time and effort forms do not necessarily reflect actual time spent on an activity); and,
- There is no reconciliation of budgeted personnel activity to actual activity documented by time and effort forms; as such, no adjustments were made to payroll amounts posted to federal grants to reflect actual work performed.

Failure to establish and monitor controls over personnel activity reports could result in the District inappropriately charging federal grants for work not performed. This could result in reduced grant funding in the future.

We recommend the District perform the following procedures:

- Review federal guidelines that identify requirements for documenting personnel activity;
- Establish procedures to determine which employees are required to complete time and effort forms and those which are required to complete biannual certifications;
- Establish procedures to monitor the completion and accuracy of personnel activity documentation to ensure that each charge to a Federal Grant is properly supported;
- Remove language from time and effort forms that require employees to support a specified level of time towards certain grants; and,
- The District should reconcile, not less than quarterly, amounts budgeted for each employee to a federal grant to actual time spent on the federal grant. Any differences should be posted to the account system.

**Officials' Response:**

Toledo Public Schools will make an effort to reduce the number of split funded employees. Additionally, we will review and update our Time and Effort documentation process as necessary.

**FINDING NUMBER 2011-017**

**Child Nutrition Non-Payroll Disbursements**

<b>Finding Number</b>	2011-017
<b>CFDA Title and Number</b>	Child Nutrition Cluster – CFDA # 10.553/10.555
<b>Federal Award Number / Year</b>	2011
<b>Federal Agency</b>	U.S. Department of Agriculture
<b>Pass-Through Agency</b>	Ohio Department of Education



**FINDING NUMBER 2011-017  
 (Continued)**

**Material Weakness**

Child Nutrition Federal Program requirements indicate that an expenditure must be both an allowable activity as defined by the grant and an allowable cost as defined by 2 CFR, Part 225.

The District has not established formal policies and procedures to ensure each expenditure, based upon the vendor invoice, meets that allowable activity and cost requirements of the Child Nutrition grant. As a result, most of the expenditures tested (82 percent) were not approved by the Director of Food Service as to allowable activity. In addition, there was no evidence any of the transactions selected for testing were reviewed and approved as to allowable cost.

Failure to ensure proper controls exist over allowable activities and cost could result in the District expending monies that do not comply with grant requirements. As a result, the District may see reductions in future funding.

We recommend the District establish written policies that identify who is responsible for reviewing Child Nutrition program disbursements for allowable activities and costs and how this review is to be documented.

**Officials' Response:**

All purchase requests for this fund are approved by the Director of Child Nutrition and the Business Manager prior to contracting with vendors for goods and services.

Toledo Public Schools will review the process by which child nutrition expenditures are reviewed and approved as allowable costs.

**FINDING NUMBER 2011-018**

**Child Nutrition Program Income**

<b>Finding Number</b>	2011-018
<b>CFDA Title and Number</b>	Child Nutrition Cluster – CFDA # 10.553/10.555
<b>Federal Award Number / Year</b>	2011
<b>Federal Agency</b>	U.S. Department of Agriculture
<b>Pass-Through Agency</b>	Ohio Department of Education

**Material Weakness**

The District collects money from students for breakfast meals, lunch meals, and ala cart items. Students may pay daily for meals, may pay in advance for multiple meals, or may charge all or part of a meal to be paid in the future.

The District has not implemented controls over program income to ensure the correct rates are charged to students related to the food service program. For 60 percent of transactions tested, the District did not maintain written support to identify what products were sold and the amount collected for each item. As such, it was impossible to determine students were charged the correct rate in accordance with the pricing list.

**FINDING NUMBER 2011-018  
(Continued)**

Failure to document products sold and receipts collected could result in theft of District assets or charging students incorrectly for products.

We recommend the District establish policies and procedures to ensure that all receipts collected are supported as to products sold and amounts collected.

**Officials' Response:**

Students are not allowed to charge ala carte items for future payment.

Beginning with FY12, Toledo Public Schools has a "Point of Sale" system for food sales in all high schools.

Toledo Public Schools will review policies and procedures related to receipts, sales and Collections.

**TOLEDO CITY SCHOOL DISTRICT  
LUCAS COUNTY**

**CORRECTIVE ACTION PLAN  
OMB CIRCULAR A -133 § .315 (c)  
JUNE 30, 2011**

Finding Number	Planned Corrective Action	Anticipated Completion Date	Responsible Contact Person
2011-010	Toledo Public Schools will include Child Nutrition Program in Time and Effort documentation and work to improve employee filing of Time and Effort.	Continuous	S. Ramirez/ M. Cleland
2011-011	Toledo Public Schools will establish and maintain equipment records for Child Nutrition program	6.30.12	R. Debroas/ J. Gant
2011-012	Toledo Public Schools will submit Project Cash Request's and Final Expenditure Report's appropriate and consistent with grant cash management requirements.	Continuous	S. Ramirez/ M. Cleland
2011-013	Toledo Public Schools will check the Excluded Parties List System (EPLS) maintained by the General Services Administration (GSA), collecting a certification from the entity, or adding a clause or condition to the covered transaction with that entity.	Continuous	B. Murry/ S. Ramirez/ M. Cleland
2011-014	Continual improvements with the new financial software now allows for increased accuracy in reporting.	Continuous	S. Ramirez/ M. Cleland
2011-015	Toledo Public Schools will review procedures to properly document the number of lunches and breakfasts served and receipts collected by students. Each student receiving free or reduced benefits should be identified and documented.	Continuous	R. Debroas/ J. Gant
2011-016	Toledo Public Schools will make an effort to reduce the number of split funded employees. Additionally, we will review and update our time and effort documentation process as necessary.	6.30.12	S. Ramirez/ M. Cleland
2011-017	Toledo Public Schools will review the process by which child nutrition expenditures are reviewed and approved as allowable costs.	6.30.12	R. Debroas/ J. Gant
2011-018	Toledo Public Schools will review policies and procedures related to receipts, sales and collections	6.30.12	R. Debroas/ J. Gant

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# Dave Yost • Auditor of State

## INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Toledo City School District  
Lucas County  
420 East Manhattan Blvd.  
Toledo, Ohio 43608-1267

To the Board of Education:

Ohio Rev. Code Section 117.53 states "the auditor of state shall identify whether the school district or community school has adopted an anti-harassment policy in accordance with Section 3313.666 of the Revised Code. This determination shall be recorded in the audit report. The auditor of state shall not prescribe the content or operation of any anti-harassment policy adopted by a school district or community school."

Accordingly, we have performed the procedure enumerated below, which was agreed to by the Board, solely to assist the Board in evaluating whether Toledo City School District (the District) has updated its anti-harassment policy in accordance with Ohio Rev. Code Section 3313.666. Management is responsible for complying with this requirement. This agreed-upon procedure engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of this procedure is solely the responsibility of the Board. Consequently; we make no representation regarding the sufficiency of the procedure described below either for the purpose for which this report has been requested or for any other purpose.

1. We noted the Board did not amend its anti-harassment policy to include violence within a dating relationship within its definition of harassment, intimidation or bullying.

Ohio Rev. Code Section 3313.666 required the Board to amend its definition by September 28, 2010.

We were not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion on compliance with the anti-harassment policy. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Board of Education and is not intended to be and should not be used by anyone other than these specified parties.

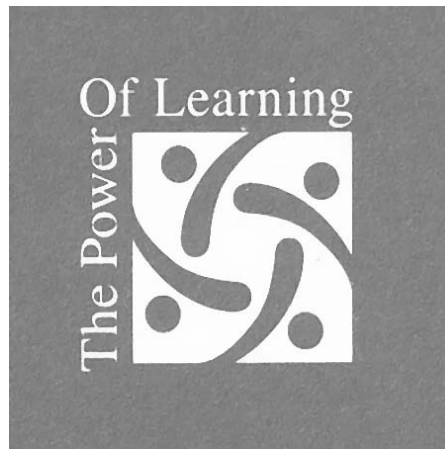
A handwritten signature in black ink that reads "Dave Yost".

**Dave Yost**  
Auditor of State

March 21, 2012

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*Lucas County, Ohio*



**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED  
JUNE 30, 2011**





*Lucas County, Ohio*

**COMPREHENSIVE ANNUAL  
FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED  
JUNE 30, 2011**

*Prepared by:*  
Mr. Matthew J. Cleland, Treasurer



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**TOLEDO CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

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## *INTRODUCTORY SECTION*

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*Letter of Transmittal  
For the Fiscal Year Ended June 30, 2011*

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**TOLEDO CITY SCHOOL DISTRICT**

**Thurgood Marshall Building • 420 East Manhattan Blvd.  
Toledo, Ohio 43608**

Treasurer's Office: phone (419) 671-8370

fax (419)-671-8474

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March 21, 2012

Board of Education Members and Citizens of the Toledo City School District:

As the Superintendent and Treasurer of the Toledo City School District (the District), we are pleased to submit to you this Comprehensive Annual Financial Report (CAFR) of the District. This CAFR, for the year ended June 30, 2011, which includes an opinion from the Auditor of the State of Ohio, conforms to generally accepted accounting principles (GAAP) and is in conformance with standards of financial reporting established by the Governmental Accounting Standards Board (GASB) using guidelines recommended by the Government Finance Officers Association of the United States and Canada (GFOA).

Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the District. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included. This report will provide the taxpayers of the Toledo City School District with comprehensive financial data in a format enabling them to gain an understanding of the School District's financial affairs. Copies will be made available to National Municipal Information Repository (NMSIR), State Information Depository (SID), other financial rating services and other interested parties.

Generally Accepted Accounting Principles require 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 MD&A and should be read in conjunction with it. The Toledo City School District's MD&A can be found immediately following the report of the independent accountants.

As of October 2011, the School District had 23,315 students (compared to 24,319 as of October 2010) enrolled in its 41 K-8 schools, 8 senior high schools and 8 education/specialized learning centers (which provide special curriculums and vocational education and skills programs), making it the fourth largest public school system in the State. For the current academic year the average class size is 29 students (for grades 1 through 8), and the average pupil/teacher ratio 18:1. The District's five-year plan forecasts total enrollment for the 2012-13 academic year to decrease by 927.

## ***TOLEDO CITY SCHOOL DISTRICT***

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### ***Letter of Transmittal For the Fiscal Year Ended June 30, 2011***

---

The District employs (full- and part-time) 2,325 professional staff members and 1,319 nonteaching and support staff employees. Approximately 56% of the members of the teaching staff have master's degrees, and .5% have doctorates. The District's faculty has an average of 17.5 years' teaching experience, compared to the statewide average of 15.0 (as of Fiscal Year 2010). The District also operates a central office facility, a maintenance center, a central kitchen, a warehouse and a transportation depot.

For fiscal year 2011, the District has organized into learning communities. Each learning community has its own high school, with middle and elementary schools that feed into it. Special facilities and School Assistance Centers also support these learning communities. Two assistant superintendents work with the schools to provide direction for leadership and school management. In addition, the curriculum division works to enhance student learning and to drive school reform efforts. A District-wide parent coordinator also works with parent coordinators in each of the learning communities to build parental involvement. A 28-member Parent Congress meets monthly with the Superintendent to learn about District matters and share ideas.

The District's high schools are fully accredited by the North Central Association of Colleges and Schools. The District's curriculum offers a wide range of electives and comprehensive courses of study in college preparatory, vocational and physical education programs. A full range of extracurricular programs and activities is available, beginning in the elementary grades. All District schools have libraries, lunch programs and multipurpose rooms or gyms for student activities.

The Board of Education of the Toledo City School District (the Board) is a five-member body politic and corporate, as defined by Section 3313.02, Ohio Revised Code. The Board serves as the taxing authority, contracting body, policy maker, and ensures that all other general laws of the State of Ohio are followed in the expenditure of the District's tax dollars and approves the annual appropriation resolution.

### **ECONOMIC CONDITIONS AND OUTLOOK**

Over three-fourths of North America's car and truck final assembly plants are within 500 miles of Toledo and 35 percent (35%) of these facilities are within 250 miles. Thirty-six percent (36%) of U.S. and nineteen percent (19%) of Canadian transportation equipment manufacturing are within a 250-mile radius of Toledo. In addition, 33 percent (33%) of the U.S. population resides within 500 miles of Toledo. The Toledo Metropolitan Area offers 25 industrial parks, seven of which are located within the Toledo City School District. Statistics indicate that employment in the Toledo area-manufacturing industries represent only about one-fourth of the available jobs in the area. The majority of work is found in non-manufacturing areas such as service industries, retail trade, and government jobs.

Transportation plays an important role in the Toledo area economy. The Port of Toledo is Ohio's largest and most diversified port and one of the nation's largest shippers of coal and grain. The Port offers a foreign trade zone encompassing 300,000 square feet of covered storage area serviced by ship, rail, and truck. Toledo is one of the nation's largest rail hubs with four major lines serving the area. Intrastate and interstate truck services are provided by more than 100 common carriers, including almost all major truck lines, as well as approximately 30 local cartage companies. Toledo Express Airport offers both general and commercial aviation services

## ***TOLEDO CITY SCHOOL DISTRICT***

---

### ***Letter of Transmittal For the Fiscal Year Ended June 30, 2011***

---

Lucas County is the home of the Toledo Mud Hens and operates the 10,000 seat Fifth Third Field Stadium, in the Warehouse District. The Mud Hens, a Triple A baseball team, is in the Detroit Tigers farm system.

Lucas County's Huntington Center is a multi-purpose arena in downtown Toledo. The arena is located one block from Fifth Third Field and had 147,942 people in attendance in 2011.

Lucas County partnered with the Toledo Arena Sports, Inc. (TASI), a subsidiary of the Toledo Mud Hens organization, to secure a sports tenant for the new multi-purpose arena. The new ECHL hockey tenant is the Toledo Walleye, a feeder team to the Detroit Red Wings.

Like many areas of the Country, the local economy has seen a significant down turn in revenues, however, the future economic outlook for the area remains positive. City of Toledo officials have enacted budget reductions, are continuing to monitor spending, and have taken steps to control the size and structure of the City's workforce. The City continues to trim support costs and eliminate expenditures for inefficient and unnecessary contractual services to keep aggregate appropriations in balance with projected revenues.

While the economy is still sluggish there were economic gains in 2010/11. Penn National Gaming, Inc. began construction on the \$250 million "Hollywood Casino Toledo" on a remediated brownfield site in the City of Toledo, as authorized by an amendment to the Ohio Constitution approved by the voters on November 3, 2009. The Casino is expected to open in the spring of 2012.

The area has diverse recreational, cultural, and educational resources. The City of Toledo has over 100 parks ranging from small neighborhood playgrounds to large centralized parks with full recreational facilities including picnic areas, ball diamonds, tennis courts, and swimming pools. The Maumee River and Lake Erie offer many water sport activities such as boating, sailing, water skiing, and fishing. The Area Metropark System has over 6,000 acres in nine locations. Local professional sports include the Toledo Mudhens Baseball Team, the Toledo Walleye Hockey Team, and the Annual LPGA Golf Tournament. There are over 20 public and private golf courses in the area. The Toledo Zoo ranks among the best in the country. Toledo also boasts the world-renowned Toledo Museum of Art, which houses over 700 paintings, 5,000 pieces of glass, and a nationally respected symphony. The Museum also has a glass exhibit, storage, and research center. Continuing and Advanced Education is available at the University of Toledo, University of Toledo Community and Technical College, UT Health Sciences Campus, Bowling Green State University, Owens Community College, and Lourdes College.

### **SIGNIFICANT ACCOMPLISHMENTS FOR THE YEAR**

Dr. Jerome Pecko became the 29<sup>th</sup> Superintendent for Toledo Public Schools on August 1, 2010. A veteran educator, Dr. Pecko has an extensive background in the field of education, including serving as the Superintendent of the Barberton City Schools and the Springfield Local Schools in Summit County, Ohio.

## ***TOLEDO CITY SCHOOL DISTRICT***

---

### ***Letter of Transmittal For the Fiscal Year Ended June 30, 2011***

---

In February, District leaders introduced a transformation plan, to be implemented in July, that was designed to "right size" the District and ensure efficiencies and effectiveness in the classroom and in overall operations. Attributes of the plan range from establishing K-8 neighborhood schools across the District, to distance learning labs in each comprehensive high school, to offering seventh and eighth grade students the opportunity to take high school courses, to web-based credit recovery programs for students looking to finish high school. The District also secured federal funds to provide additional support and interventions to students attending underperforming schools.

Toledo Public Schools once again achieved the ranking of Continuous Improvement on the 2010-11 State of Ohio Annual Report Card. Further review of the report showed that 35 schools were rated as Continuous Improvement or higher, with five reaching the status of Excellent, including two of the District's elementary schools and three high schools.

The report also indicated that 34 percent of TPS students are performing at proficient levels, with another 15 percent rated as accelerated. In addition, 15 schools met Adequate Yearly Progress, a federally required measure that focuses on each school and the district as a whole regarding established goals in the areas of reading and math proficiency, test participation, attendance and graduation rate. The State report also indicated that compared to the other large urban school districts in Ohio, TPS recorded a student attendance rate of 94.9 percent, which was one of the highest among other large urban Districts.

The new Woodward High School welcomed students for the 2010-11 school year. Through the Building for Success Program 42, new state-of-the-art learning centers are open across the District. These new schools offer students the latest in technology and many energy efficient amenities. Toledo voters approved the original bond issue for this historic building project in 2002. The project is scheduled for completion in mid-2012.

## **MAJOR INITIATIVES FOR THE FUTURE**

Although not a new initiative, the District continues to be fully engaged in major school building and renovation projects. The massive size of the project will be most challenging for all District personnel, specifically the Business Office and the Treasurer's Office.

## **DEPARTMENT FOCUS**

The Treasurer's Division has continued to show leadership and growth by striving for excellence in developing and implementing sound fiscal management, accounting and reporting standards.

Revenue Sharing Agreements between the City of Toledo, Toledo City School District and abated companies provide 67.5% of taxes foregone back to the District in the form of "Payments in Lieu of Taxes". Since the inception of Revenue Sharing Agreements, "Contributions in Lieu of Taxes", totaled over \$13,268,540. Currently there are 22 companies actively participating in the tax abatement program. These Agreements promote the economic welfare of our community by creating new jobs, while retaining and preserving existing jobs and employment opportunities, as facilities are established, expanded, renovated or occupied within designated Enterprise Zones. It is hoped that the success of these Tax Exemption Revenue Sharing Agreements will set the stage for future cooperation between government entities.

## ***TOLEDO CITY SCHOOL DISTRICT***

---

### ***Letter of Transmittal***

***For the Fiscal Year Ended June 30, 2011***

---

As of June 30, 2011, the Toledo City School District has underlying debt ratings of A from Fitch Ratings, A1 from Moody's Investment Service and AA- from Standard and Poor's. Financial information was provided to all external-rating agencies resulting in the District maintaining the above-mentioned rating. Financial information was also furnished to the Ohio Municipal Advisory Council (OMAC), which has applied for and received the designation of being the State Information Depository (SID) for the State of Ohio. The establishment of SID provides the State with more uniform central distribution of financial information to debt holders and potential bidders of debt for the Toledo City School District.

The District provides annual Continuing Disclosure filings with the appropriate National Municipal Information Repository (NMSIR) and SID to keep bondholders of the Ohio School Facilities bond issue abreast of the current financial status of the District.

The Treasurer's Division implemented requirements of the Ohio Legislature as they relate to the mandatory preparation of a Five-Year Revenue and Expenditure Forecast, the multi-year Certification of Estimated Revenues, and the proper identification and appropriation of DPIA Funds. One provision of House Bill 412 requires the Board of Education to submit a Five-Year Financial Forecast to the Ohio Department of Education. The Five-Year Financial Forecast is presented to the Board of Education for adoption each May and October.

An additional provision of the Legislature requires the President of the Board of Education, the Superintendent and the Treasurer to certify that adequate revenue will be available to maintain all personnel, programs, and services essential to the operation of an adequate educational program for the length of each contract up to five years. This certification is attached to all contracts, leases, and other business transactions as required by law. Procedures are in place to ensure compliance.

During the past year, the Treasurer's Division has focused on improving the financial position of the District. The Division has actively studied all possible alternatives to property tax financing, searched for additional revenue sources, and implemented cost saving measures. The Treasurer's Division staff will continue to maintain a high level of service and support, and identify ways to improve communications with their customers. They will continue to improve internal controls, management practices, technology utilization and enhancements, operational efficiencies, and financial processes in order to assure the fiscal integrity of District assets and maintain excellent audit results. They will continue to focus on the Board's primary objective of improving educational opportunities for the children in our community.

The Superintendent, Treasurer and Business Manager began implementing a major initiative during fiscal year 2009-10. New software programs for all facets of the District which included Financial, Payroll, Human Resources and Student Data were to be implemented. The financial software was implemented July 1, 2010. Payroll and Human Resources departments' implementation was initiated but not yet completed. The Student Data portion was implemented in fiscal year 2010.

## ***TOLEDO CITY SCHOOL DISTRICT***

---

### ***Letter of Transmittal For the Fiscal Year Ended June 30, 2011***

---

Other Treasurer goals and objectives that continue to be formulated and put into place include:

- Improve fiscal integrity and accountability of the District by establishing business community “forums”/meetings, developing a “popular annual financial report and budget report as a means to establish board friendly financial reports;
- Improve customer service for all customers – internal and external- from all Treasurer’s division Departments;
- Improved communications from, to and between Treasurer’s office departments;
- Contribute to District improvement efforts in Leadership Development;
- Contribute to District improvements in effectiveness and efficiency in service delivery;
- Improve “intergovernmental relations” with related government entities, i.e. institute a local Government Finance Officers Association with local government finance officers;
- Implement a “Supplier Diversity Program”;
- Provide and facilitate improved communications, to, from and amongst the Board of Education;
- Develop an “Ethically Conscious” work environment for staff and volunteers;
- Implement policy and operational recommendations pursuant to the investment review by PFM Asset Management, LLC.
- Improve internal and fiscal controls by conducting a thorough review of purchasing and payment policies and procedures with State Auditors Office;
- Continually utilize technology to generate cost savings, and
- Participate in legislative and community efforts for school funding and other financial impacts to the District.

### **OTHER INFORMATION**

**Independent Audit:** State statutes require an annual audit by independent accountants. The Ohio State Auditor's Office conducted the audit for the Fiscal Year ended June 30, 2011. The Auditor's Audit Opinion is on the Basic Financial Statements. The introductory section and statistical tables are not a required part of the opinion and no opinion is rendered on those sections.

**Awards:** The Government Finance Officers Association (GFOA) of the United States and Canada awarded a Certificate of Achievement for Excellence in Financial Reporting to the Toledo City School District for its Comprehensive Annual Financial Report (CAFR) for the Fiscal Year ended June 30, 2010. The Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting.

**TOLEDO CITY SCHOOL DISTRICT**

---

***Letter of Transmittal  
For the Fiscal Year Ended June 30, 2011***

---

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report (CAFR) that conforms to program standards. A CAFR must satisfy both Generally Accepted Accounting Principles and applicable legal requirements. A Certificate of Achievement award is valid for a period of one year. The Toledo City School District has received a Certificate of Achievement for the past twenty-two years (1989-2010). We believe our current report continues to conform to the Certificate of Achievement program requirements, and are submitting it to the GFOA for consideration.

The Toledo City School District also received the Association of School Business Officials International Certificate of Excellence in Financial Reporting for its Comprehensive Annual Financial Report for the Fiscal Year ended June 30, 2010. 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. This is the fourteenth year the District has received the Certificate of Excellence. We believe our current report continues to conform to the Certificate of Excellence requirements, and we are submitting it to ASBO to determine its eligibility for another certificate.

Acknowledgment: Preparation of this report would not have been possible without the joint cooperation of all Divisions in the District. We would like to specifically acknowledge the following individuals within the Treasurer's Division and the Business Division: Jeff Richard Schroeder, Director of General Accounting, C.P.A., W. Paul Overman, Jr., Director of Treasury Management, and James Gant, Chief Business Manager. We are also grateful for the services of Donald J. Schonhardt & Associates, Inc. for their assistance in preparing this report. Special recognition is extended to Seth Sansing, Treasury Specialist, for his efforts in preparing this report.

Finally, we would like to express our appreciation to the Board Members for their fiscal integrity and continued support.

Sincerely,



Jerome Pecko, Ed. D.  
Superintendent and CEO



Matthew J Cleland  
Treasurer of the Board

## ***TOLEDO CITY SCHOOL DISTRICT***

---

### ***Members of the Board of Education, Superintendent of Schools and Treasurer For the Fiscal Year Ended June, 30, 2011***

---

#### ***Members of the Board of Education***

The Board of Education is a body politic and corporate with the responsibility of managing and controlling affairs of the District and is governed by laws of the State of Ohio. The Board is comprised of five members who are elected for overlapping four-year terms. The current members of the Board of Education of the Toledo City School District are:

	Began Service as a Board Member	Present Term Expires
Bob Vasquez, President	03/07/2008	12/31/2013
Lisa Sobecki, Vice President	01/01/2008	12/31/2011
Jack Ford, Member	07/05/2007	12/31/2011
Brenda Hill, Member	07/20/2009	12/31/2013
Larry Sykes, Member	01/01/2010	12/31/2013

#### ***Superintendent***

The Superintendent serves as the Chief Executive Officer of the School District and is responsible for administering policies adopted by the Board of Education. The Superintendent is expected to provide leadership in all phases of policy formulation and is the chief advisor to the Board on all aspects of the educational program and total operation of the District. On August 1, 2010 Dr. Pecko was appointed Superintendent with his term of contract expiring July 31, 2013.

#### ***Treasurer***

The Treasurer serves as the Chief Fiscal Officer of the District and Secretary to the Board of Education. The Treasurer receives, accounts for, and disburses all District funds as required by applicable laws in accordance with Board policies and regulations. At June 30, 2011, the Treasurer was Daniel M. Romano, III who subsequently resigned effective September, 28, 2011. Matthew J. Cleland was appointed Interim Treasurer effective September 29, 2011 and was named District Treasurer on February 28, 2012 with his contract expiring July 31, 2014.



***TOLEDO CITY SCHOOL DISTRICT***

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***School District Organizational Chart  
For the Fiscal Year Ended June, 30, 2011***

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***Management Team Members***

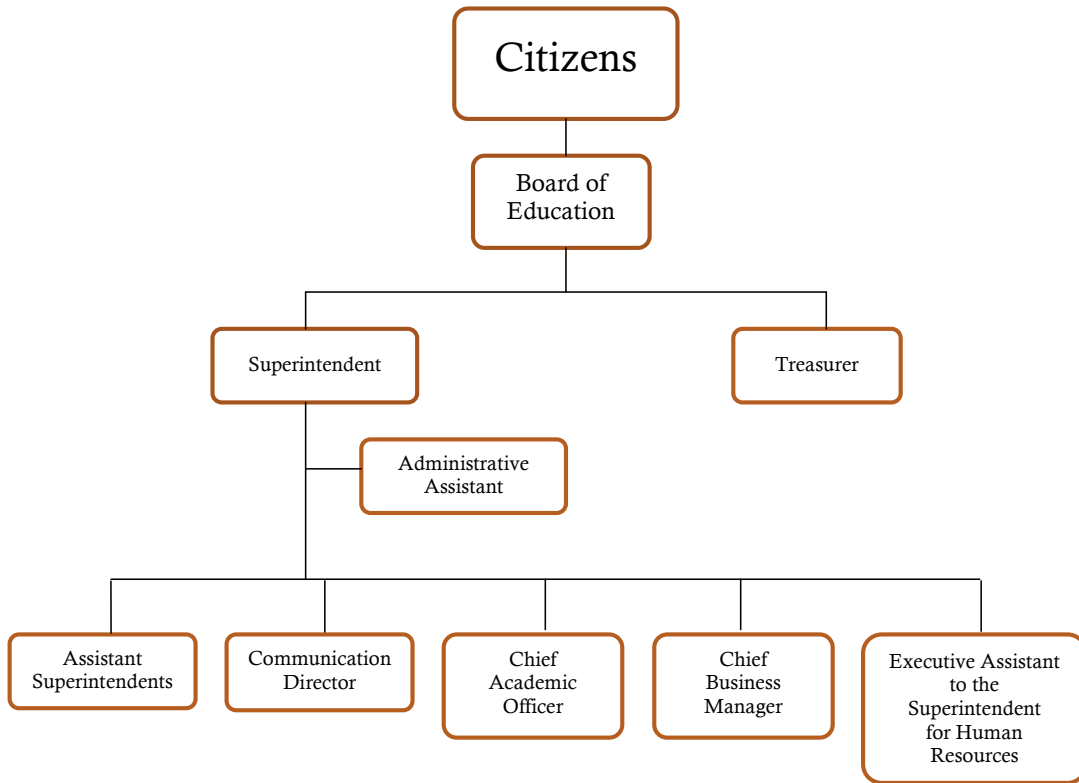
Dr. Jerome Pecko	Superintendent
Daniel M. Romano III	Treasurer of the Board
James E. Gault	Chief Academic Officer
Diane Irving	Executive Assistant to the Superintendent for Human Resources
Patricia Mazur	Communication Director
Jim Gant	Chief Business Manager
Brian Murphy	Assistant Superintendent, High Schools
Romulus Durant	Assistant Superintendent, Elementary Schools

**TOLEDO CITY SCHOOL DISTRICT**

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**School District Organizational Chart  
For the Fiscal Year Ended June, 30, 2011**

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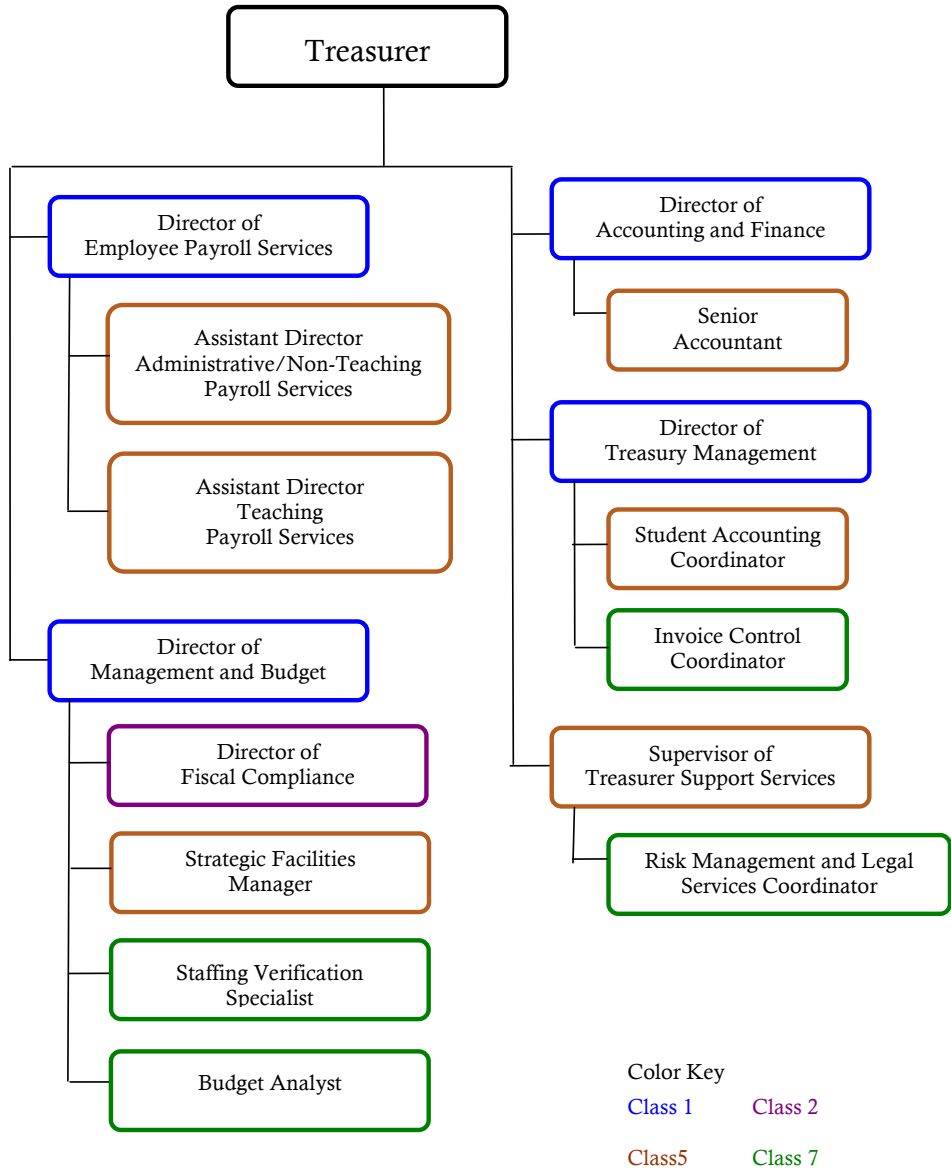


**TOLEDO CITY SCHOOL DISTRICT**

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**Treasurer's Division Organizational Chart  
For the Fiscal Year Ended June, 30, 2011**

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Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

Toledo City School District  
Ohio

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

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



*Linda C. Danison*

President

*Jeffrey R. Emer*

Executive Director

**ASSOCIATION OF SCHOOL BUSINESS OFFICIALS  
INTERNATIONAL**



This Certificate of Excellence in Financial Reporting is presented to

**TOLEDO CITY SCHOOL DISTRICT**

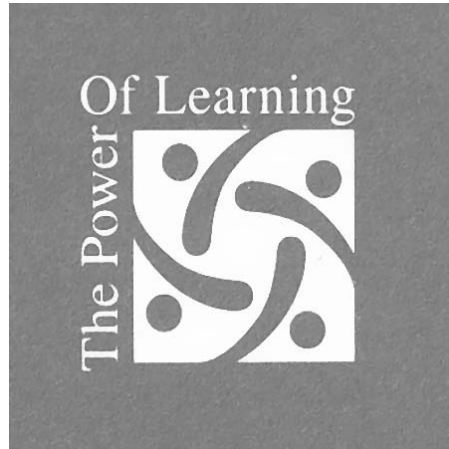
**For its Comprehensive Annual Financial Report (CAFR)**

For the Fiscal Year Ended June 30, 2010

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

President

Executive Director



***FINANCIAL SECTION***

---

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# Dave Yost • Auditor of State

## INDEPENDENT ACCOUNTANTS' REPORT

Toledo City School District  
Lucas County  
420 East Manhattan Blvd.  
Toledo, Ohio 43608-1267

To the Board of Education:

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Toledo City School District, Lucas County, Ohio (the District), as of and for the year ended June 30, 2011, 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 the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure 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 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, each major fund, and the aggregate remaining fund information of Toledo City School District, Lucas County, Ohio, as of June 30, 2011, and the respective changes in financial position and where applicable, cash flows, thereof and the budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 2, the District implemented Governmental Accounting Standards Board Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions".

In accordance with *Government Auditing Standards*, we have also issued our report dated March 21, 2012, 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 grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require this presentation to include *Management's discussion and analysis*, as listed in the table of contents, to supplement the basic financial statements. Although this information is not part of the basic financial statements, the Governmental Accounting Standards Board considers it essential for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any other assurance.

We conducted our audit to opine on the financial statements that collectively comprise the District's basic financial statements taken as a whole. The introductory section, the financial section's combining statements, individual fund statements and schedules, and the statistical section information provides additional analysis and are not a required part of the basic financial statements. The financial section's combining statements, individual fund statements and schedules are management's responsibility, and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. These statements and schedules were subject to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, in accordance with auditing standards generally accepted in the United States of America. 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 section information to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion or any other assurance on them.



**Dave Yost**  
Auditor of State

March 21, 2012

## ***TOLEDO CITY SCHOOL DISTRICT***

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***Management's Discussion and Analysis  
For the Fiscal Year Ended June, 30, 2011***

***Unaudited***

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The discussion and analysis of the Toledo City School District's financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2011. 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, financial statements and notes to the basic financial statements to enhance their understanding of the District's financial performance.

### ***FINANCIAL HIGHLIGHTS***

**Key financial highlights for 2011 are as follows:**

- ❑ General revenues accounted for \$339,522,247 in revenue or 79% of all revenue. Program specific revenues in the form of charges for services and grants and contributions accounted for \$89,297,002 or 21% of total revenues of \$428,819,249. The District continues to see enrollment declining, resulting in a reduction of State of Ohio financial assistance. Also, tax revenues declined due to home foreclosures.
- ❑ The District had \$418,375,808 in expenses related to governmental activities; only \$89,297,002 of these expenses were offset by program specific revenues in the form of charges for services, grants or contributions. General revenues (primarily taxes totaling \$107,171,241 and unrestricted state and federal revenues totaling \$232,087,828, plus prior year carry over revenues) were adequate to provide for these programs.
- ❑ The assets of the District exceeded its liabilities at June 30, 2011 by \$508,739,120 (net assets). The District's total net assets increased by \$10,443,441 in fiscal year 2011. The major portion of this increase was the result of the addition of capital assets to the District funded by State monies that came in during 2011 coupled with the Districts efforts to decrease expenditures across the board from 2010 to 2011.
- ❑ Among major funds, the general fund had \$313,432,316 in revenue, \$310,669,831 in expenditures and (\$2,099,747) in net other financing uses, resulting in the general fund balance increasing by \$662,738 to (\$10,805,316). This increase is attributable to cuts in expenditures for instructional and supporting services along with decreased transfers out of monies to other funds during 2011.

### ***OVERVIEW OF THE FINANCIAL STATEMENTS***

This Annual Report consists of three parts – management's discussion and analysis, the basic financial statements, and an optional section that presents combining statements for nonmajor governmental funds. The basic financial statements include two kinds of statements that present different views of the District:

These statements are as follows:

1. *The Government-Wide Financial Statements* – These statements provide both long-term and short-term information about the District's overall financial status.

## ***TOLEDO CITY SCHOOL DISTRICT***

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***Management's Discussion and Analysis  
For the Fiscal Year Ended June, 30, 2011***

***Unaudited***

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2. *The Fund Financial Statements* – These statements focus on individual parts of the District, reporting the District's operations in more detail than the government-wide financial statements.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data.

### ***Government-wide Statements***

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

The two government-wide statements report the District's net assets and how they have changed. Net-assets (the difference between the District's assets and liabilities) are one way to measure the District's financial health or position.

- Over time, increases or decreases in the District's net assets are an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the District you need to consider additional nonfinancial factors such as the property tax base, current property tax laws, and student enrollment growth and facility conditions.

The government-wide financial statements of the District falls into one category:

- *Governmental Activities* – All of the District's programs and services are reported here including instruction, support services, non-instructional and extracurricular activities.

### ***Fund Financial Statements***

The fund financial statements provide more detailed information about the District's most significant funds, not the District as a whole. Funds are accounting devices that the District uses to keep track of specific sources of funding and spending for particular purposes.

***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 accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the 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 difference) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds is reconciled in the financial statements.

**TOLEDO CITY SCHOOL DISTRICT**

**Management's Discussion and Analysis  
For the Fiscal Year Ended June, 30, 2011**

**Unaudited**

**Proprietary Funds** – The District uses internal service funds to report activities that provide supplies and services for the District's other programs and activities. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Assets and the Statement of Activities.

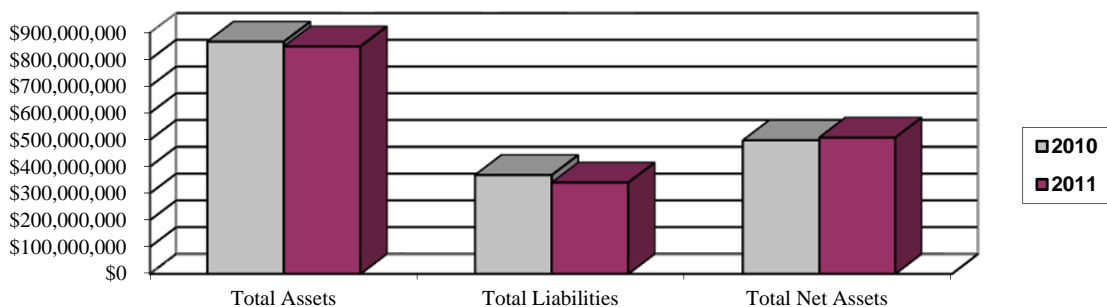
**Fiduciary Funds** – The District is the trustee, or fiduciary, for various student-managed activity programs, various scholarship programs and other items listed as agency and private purpose. It is also responsible for other assets that, due to a trust arrangement can only be used for the trust beneficiaries. All of the District's fiduciary activities are reported in separate Statements of Fiduciary Net Assets and Changes in Fiduciary Net Assets. We exclude these activities from the District's other financial statements because the assets cannot be utilized by the District to finance its operations.

**FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT AS A WHOLE**

The following table provides a summary of the District's net assets for 2011 compared to 2010:

	Governmental Activities		Increase (Decrease)
	2011	2010	
Current and other assets	\$326,884,583	\$419,393,431	(\$92,508,848)
Capital assets, Net	522,339,028	447,612,543	74,726,485
Total assets	849,223,611	867,005,974	(17,782,363)
Long-term debt outstanding	206,808,792	215,823,653	(9,014,861)
Other liabilities	133,675,699	152,886,642	(19,210,943)
Total liabilities	340,484,491	368,710,295	(28,225,804)
Net assets			
Invested in capital assets, net of related debt	356,044,033	295,429,243	60,614,790
Restricted	157,586,684	242,622,219	(85,035,535)
Unrestricted	(4,891,597)	(39,755,783)	34,864,186
Total net assets	\$508,739,120	\$498,295,679	\$10,443,441

**Toledo City Schools Governmental Activities**



**TOLEDO CITY SCHOOL DISTRICT****Management's Discussion and Analysis  
For the Fiscal Year Ended June, 30, 2011****Unaudited**

**Changes in Net Assets** – The following table shows the net assets for the fiscal year 2011 compared to 2010:

	Governmental Activities		Increase (Decrease)
	2011	2010	
Revenues			
Program revenues:			
Charges for Services	\$14,867,083	\$16,825,596	(\$1,958,513)
Operating Grants	74,429,919	71,728,806	2,701,113
General revenues:			
Property Taxes	107,171,241	106,146,803	1,024,438
Grants and Entitlements	232,087,828	233,261,864	(1,174,036)
Other	263,178	2,854,171	(2,590,993)
Total revenues	<u>428,819,249</u>	<u>430,817,240</u>	<u>(1,997,991)</u>
Program Expenses			
Instruction	260,842,406	247,655,446	13,186,960
Support Services	121,820,020	132,178,983	(10,358,963)
Non-Instructional Services	25,822,082	23,329,071	2,493,011
Extracurricular Activities	3,563,783	5,397,381	(1,833,598)
Interest and Fiscal Charges	6,327,517	8,249,037	(1,921,520)
Total expenses	<u>418,375,808</u>	<u>416,809,918</u>	<u>1,565,890</u>
Total Change in Net Assets	10,443,441	14,007,322	(3,563,881)
Beginning Net Assets	<u>498,295,679</u>	<u>484,288,357</u>	<u>14,007,322</u>
Ending Net Assets	<u>\$508,739,120</u>	<u>\$498,295,679</u>	<u>\$10,443,441</u>

**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. As an example, a homeowner with a home value at \$100,000 and taxed at 1.0 mill would pay \$35.00 annually in taxes. If three years later the home were reappraised and increased to \$200,000 (and this inflationary increase in value is comparable to other property owners) the effective tax rate would become .5 mills and the owner would still pay \$35.00. However, the assessed millage cannot be reduced below 20 mills, according to state statutes. 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.

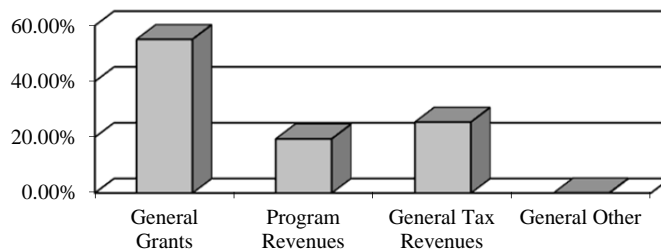
Property taxes made up approximately 25% of revenues for governmental activities for the Toledo City School District in fiscal year 2011. The District's reliance upon tax revenues is demonstrated by the following graph indicating 24.99% of total revenues from general tax revenues:

**TOLEDO CITY SCHOOL DISTRICT**

**Management's Discussion and Analysis  
For the Fiscal Year Ended June, 30, 2011**

**Unaudited**

Revenue Sources	2011	Percent of Total
General Grants	\$232,087,828	54.12%
Program Revenues	89,297,002	20.82%
General Tax Revenues	107,171,241	24.99%
General Other	263,178	0.07%
Total Revenue	<u>\$428,819,249</u>	<u>100.00%</u>



**FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT'S FUNDS**

The District's governmental funds reported a combined fund balance of \$107,197,075, which is a decrease from last year's total of \$153,046,901. The schedule below indicates the fund balance and the total change in fund balance by fund type as of June 30, 2011 and 2010.

	Fund Balance June 30, 2011	Fund Balance June 30, 2010	Increase (Decrease)
General	(\$10,805,316)	(\$11,468,054)	\$662,738
Debt Service	5,193,016	5,293,079	(100,063)
Locally Funded			
Initiative	37,463,756	51,459,530	(13,995,774)
Classroom Facilities			
Capital Projects	50,992,152	84,400,602	(33,408,450)
Other Governmental	24,353,467	23,361,744	991,723
Total	<u>\$107,197,075</u>	<u>\$153,046,901</u>	<u>(\$45,849,826)</u>

The General Fund State Foundation payments continued to decrease due to a decline in student enrollment; however, the District offset this reduction by decreasing expenditures related to instructional and supporting services in the General Fund by about 7% during the fiscal year. Overall property tax collections continued to be lower due to increases in foreclosures. Current expenditures and transfers were less than total revenues resulting in the increase of the General Fund balance. The reduction of the Debt Service Fund balance was a result of timing differences of property tax receipts. The decrease in the Locally Funded Initiative Fund was due to a large increase in project capital outlay expenditures during the year. The Classroom Facilities Capital Building Fund also realized a drastic increase in project capital outlay expenditures. This combined with a large decrease in transfers in during 2011, resulted in a decrease in the fund balance.

**TOLEDO CITY SCHOOL DISTRICT****Management's Discussion and Analysis  
For the Fiscal Year Ended June, 30, 2011****Unaudited**

**General Fund** – The tables that follow assist in illustrating the financial activities and balance of the General Fund:

	2011 <u>Revenues</u>	2010 <u>Revenues</u>	Increase <u>(Decrease)</u>
Taxes	\$85,283,941	\$87,179,834	(\$1,895,893)
Tuition	1,872,992	1,437,144	435,848
Transportation Fees	512,767	789,969	(277,202)
Investment Earnings	318,169	369,143	(50,974)
Extracurricular Activities	504,737	675,601	(170,864)
Class Materials and Fees	111,435	319,090	(207,655)
Intergovernmental - State	215,350,861	221,961,043	(6,610,182)
Intergovernmental - Federal	1,344,044	1,026,870	317,174
All Other Revenue	8,133,370	8,309,829	(176,459)
Total	<u>\$313,432,316</u>	<u>\$322,068,523</u>	<u>(\$8,636,207)</u>

During fiscal year 2010 total General Fund revenues decreased by approximately 3.0%. The material make up of this decrease is as follows:

- Property tax revenues decreased due to actions taken by the County Board of Revisions to reduce property values.
- Investment earnings were lower as a result of the current economic climate and available interest rates.
- State Foundation payments continued to decrease due to a decline in student enrollment, combined with a cut in funding from the State.

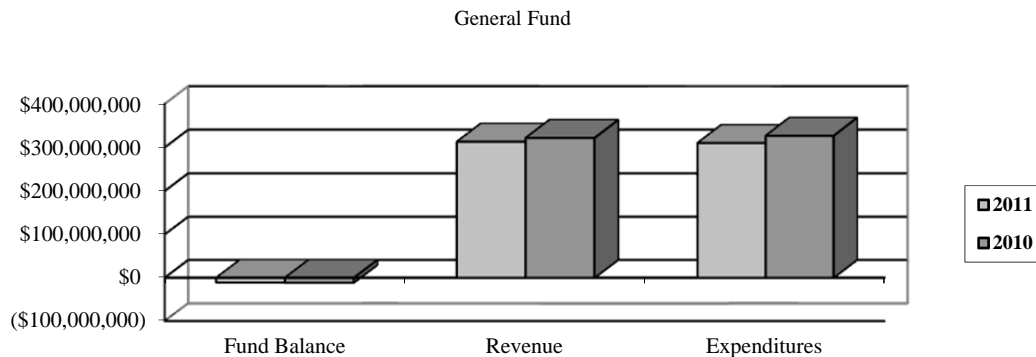
	2011 <u>Expenditures</u>	2010 <u>Expenditures</u>	Increase <u>(Decrease)</u>
Instruction	\$195,854,434	\$202,951,247	(\$7,096,813)
Supporting Services	95,782,965	109,632,360	(13,849,395)
Non-Instructional Services	15,762,562	9,713,224	6,049,338
Extracurricular Activities	2,998,561	4,644,583	(1,646,022)
Capital Outlay	271,309	191,730	79,579
Total	<u>\$310,669,831</u>	<u>\$327,133,144</u>	<u>(\$16,463,313)</u>



**TOLEDO CITY SCHOOL DISTRICT**

**Management's Discussion and Analysis  
For the Fiscal Year Ended June, 30, 2011**

**Unaudited**



During fiscal year 2011 total General Fund expenditures decreased by about 5.0%. The material make up of this decrease is as follows:

- Increased Non-Instructional Services in the form of severance payments in addition to a small increase in Capital Outlay are the only exceptions to the decrease in General Fund expenditures.

The District's budget is prepared according to Ohio law and is based on accounting for transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted fund is the General Fund. The legal level of control established by the Board of Education is at the fund level.

During the course of fiscal year 2011, the District amended its General Fund budget as new sources of revenue were received. A final Supplementing/Amending Appropriation Measure was approved prior to the close of the fiscal year.

The following schedule provides a comparison of the original budget estimates compared to the final budget, including other financing sources and uses, estimates for the General Fund:

	Original Budget	Final Budget	Percent of Change
General Fund			
Revenue	\$308,034,666	\$331,848,000	7.73%
Expenditures	329,576,983	337,939,923	2.54%

**TOLEDO CITY SCHOOL DISTRICT**

**Management's Discussion and Analysis  
For the Fiscal Year Ended June, 30, 2011**

**Unaudited**

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

*Capital Assets* - At the end of fiscal 2011 the District had \$522,339,028 net of accumulated depreciation invested in land, land improvements, buildings, building additions, equipment, vehicles and construction in progress. The following table shows fiscal year 2011 and 2010 balances:

	Governmental Activities		Increase (Decrease)
	2011	2010	
Land	\$13,856,745	\$13,856,745	\$0
Construction in Progress	94,921,281	41,441,727	53,479,554
Land Improvements	8,533,154	8,533,154	0
Buildings	471,415,267	441,459,795	29,955,472
Building Improvements	28,513,672	29,988,091	(1,474,419)
Machinery and Equipment	10,801,565	10,595,062	206,503
Vehicles	10,371,518	10,976,479	(604,961)
Less: Accumulated Depreciation	(116,074,174)	(109,238,510)	(6,835,664)
Totals	<u>\$522,339,028</u>	<u>\$447,612,543</u>	<u>\$74,726,485</u>

For financial reporting purposes the District capitalizes all assets in excess of \$5,000. Detailed information regarding capital asset activity is included in the notes to the basic financial statements (Note 11).

The District and the Ohio School Facilities Commission have cooperatively entered into an agreement to build and/or renovate sixty-three buildings at an estimated cost of \$645,461,140, for which the District's local share is \$183,498,000. This project will be over a ten-year period. To date the District has expended approximately \$567,088,950 for construction and related costs. During fiscal year 2011, the District opened Woodward High School and added an addition to Ottawa River Elementary School.

*Debt* - At June 30, 2011, the District had \$166,294,995 in General Obligation Bonds outstanding, \$4,395,000 due within one year. The following table summarizes the District's debt outstanding as of June 30, 2011 and 2010:

	2011	2010
Governmental Activities:		
General Obligation Bonds	\$166,294,995	\$170,554,995
Premium on G.O. Bonds	3,242,235	\$3,395,677
Compensated Absences	37,271,562	41,872,981
Totals	<u>\$206,808,792</u>	<u>\$215,823,653</u>

Under current state statutes, the District's debt issue is subject to a legal limitation based on 9% of the total assessed value of real and personal property. At June 30, 2011, the District's outstanding debt was below the legal limit. Detailed information regarding debt is included in the notes to the basic financial statements (Note 15).

## **ECONOMIC FACTORS**

School Districts are required by Ohio law to prepare, and submit to the State Department of Education each year, a five-year financial forecast. The District submitted its last such annual forecast to the Department in October 2011.

The District is self-insured for the medical, dental and prescription drug care benefits provided to its employees under current contracts with their collective bargaining units and with the individual employees who are not represented by those units. The Board and the Administration continue to explore all methods available to reduce the District's costs for these employee health care benefits.

Fiscal Year 2011 was a pivotal year for the Toledo Public Schools. The District began the year with cuts in transportation, co-curricular activities and other areas of operations, and approximately 300 fewer teachers and administrators, all for the purpose of balancing a budget that was approximately \$30 million in deficit. The deficit was the result of decreased state and local revenues. With a new superintendent aboard, staff and community volunteers launched a campaign to sell a 7.8 mill November 2010 levy. In addition to a traditional campaign strategy, board members and administration began an intense effort to reach out to various community stakeholders to obtain support for the Toledo Public Schools. The levy failed in part due to economic conditions in spite of the fact that the Toledo Blade, Toledo Area Chamber of Commerce, United Way, and other significant organizations endorsed it. Consequently, the administration's attention turned to the unpleasant task of reducing operations by another \$37 million. This time the strategy also enhanced the quality of TPS schools. The initiative was titled the TPS Transformation and it literally did transform the District. In April, negotiations began in earnest as contracts would expire in July. All three bargaining units settled mid to late summer after agreeing to generous salary and benefits concessions. The TPS transformation, coupled with the bargaining unit concessions, enabled the District to achieve a balance through Fiscal Year 2013.

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

This financial report is designed to provide our citizens, 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 information please contact Matthew Cleland, Treasurer, at Toledo City School District, 420 E. Manhattan Boulevard, Toledo, Ohio 43608.

**TOLEDO CITY SCHOOL DISTRICT**

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**Statement of Net Assets**  
**June 30, 2011**

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	<b>Governmental Activities</b>
<b>Assets:</b>	
Cash and Cash Equivalents	\$ 159,650,785
Cash with Fiscal Agent	2,232,940
Receivables:	
Taxes	109,862,885
Accounts	920,746
Intergovernmental	52,050,689
Interest	487,035
Inventory Held for Resale	443,378
Restricted Assets:	
Unamortized Bond Issuance Costs	1,236,125
Capital Assets Not Being Depreciated	108,778,026
Capital Assets Being Depreciated, Net	413,561,002
<b>Total Assets</b>	<b>849,223,611</b>
<b>Liabilities:</b>	
Accounts Payable	17,232,914
Accrued Wages and Benefits	28,625,535
Intergovernmental Payable	7,367,943
Unearned Revenue	79,795,910
Accrued Interest Payable	653,397
Long Term Liabilities:	
Due Within One Year	13,894,815
Due in More Than One Year	192,913,977
<b>Total Liabilities</b>	<b>340,484,491</b>
<b>Net Assets:</b>	
Invested in Capital Assets, Net of Related Debt	356,044,033
Restricted For:	
Capital Projects	135,580,227
Debt Service	6,055,588
Permanent Fund:	
Expendable	309,119
Nonexpendable	503,291
Other Purposes	15,138,459
Unrestricted (Deficit)	(4,891,597)
<b>Total Net Assets</b>	<b>\$ 508,739,120</b>

See accompanying notes to the basic financial statements

**TOLEDO CITY SCHOOL DISTRICT**

**Statement of Activities  
For the Fiscal Year Ended June 30, 2011**

		<u>Program Revenues</u>		Net (Expense) Revenue and Changes in Net Assets
	<u>Expenses</u>	<u>Charges for Services and Sales</u>	<u>Operating Grants and Contributions</u>	<u>Governmental Activities</u>
<b>Governmental Activities:</b>				
Instruction	\$ 260,842,406	\$ 2,738,592	\$ 49,651,287	\$ (208,452,527)
Support Services	121,820,020	10,155,473	21,081,797	(90,582,750)
Non-Instructional Services	25,822,082	0	3,256,791	(22,565,291)
Extracurricular Activities	3,563,783	1,973,018	440,044	(1,150,721)
Interest and Fiscal Charges	6,327,517	0	0	(6,327,517)
<b>Totals</b>	<u>\$ 418,375,808</u>	<u>\$ 14,867,083</u>	<u>\$ 74,429,919</u>	<u>(329,078,806)</u>
<b>General Revenues</b>				
Property Taxes Levied for:				
				95,606,344
				1,002,932
				9,129,011
				1,432,954
Programs				232,087,828
Investment Earnings				(398,979)
Miscellaneous				662,157
Total General Revenues				<u>339,522,247</u>
Change in Net Assets				10,443,441
Net Assets Beginning of Year				498,295,679
Net Assets End of Year				<u>\$ 508,739,120</u>

See accompanying notes to the basic financial statements

**TOLEDO CITY SCHOOL DISTRICT**

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**Balance Sheet  
Governmental Funds  
June 30, 2011**

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	General	Debt Service	Locally Funded Initiative
<b>Assets:</b>			
Cash and Cash Equivalents	\$ 5,822,310	\$ 4,592,738	\$ 43,682,284
Cash with Fiscal Agent	0	0	0
Receivables:			
Taxes	95,883,053	12,687,779	0
Accounts	808,275	0	39,647
Intergovernmental	571,462	0	0
Interest	105,070	0	109,347
Interfund Loan Receivable	1,324,935	0	0
Inventory Held for Resale	62,902	0	0
<b>Total Assets</b>	<b>\$ 104,578,007</b>	<b>\$ 17,280,517</b>	<b>\$ 43,831,278</b>
<b>Liabilities:</b>			
Accounts Payable	\$ 952,218	\$ 0	\$ 6,363,465
Accrued Wages and Benefits	18,432,263	0	0
Intergovernmental Payable	5,666,087	0	4,057
Interfund Loans Payable	0	0	0
Deferred Revenue	90,332,755	12,087,501	0
<b>Total Liabilities</b>	<b>115,383,323</b>	<b>12,087,501</b>	<b>6,367,522</b>
<b>Fund Balances:</b>			
Nonspendable	62,902	0	0
Restricted	0	5,193,016	37,463,756
Unassigned	(10,868,218)	0	0
<b>Total Fund Balances</b>	<b>(10,805,316)</b>	<b>5,193,016</b>	<b>37,463,756</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 104,578,007</b>	<b>\$ 17,280,517</b>	<b>\$ 43,831,278</b>

See accompanying notes to the basic financial statements

**TOLEDO CITY SCHOOL DISTRICT**

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Classroom Facilities	Other Governmental Funds	Total Governmental Funds
\$ 59,556,582	\$ 31,060,195	\$ 144,714,109
0	2,232,940	2,232,940
0	1,292,053	109,862,885
0	10,302	858,224
36,397,266	15,068,190	52,036,918
165,588	69,778	449,783
0	0	1,324,935
0	380,476	443,378
<u>\$ 96,119,436</u>	<u>\$ 50,113,934</u>	<u>\$ 311,923,172</u>
\$ 8,730,018	\$ 1,168,136	\$ 17,213,837
0	4,912,072	23,344,335
0	1,051,597	6,721,741
0	1,324,935	1,324,935
36,397,266	17,303,727	156,121,249
<u>45,127,284</u>	<u>25,760,467</u>	<u>204,726,097</u>
0	503,291	566,193
50,992,152	27,388,692	121,037,616
0	(3,538,516)	(14,406,734)
<u>50,992,152</u>	<u>24,353,467</u>	<u>107,197,075</u>
<u>\$ 96,119,436</u>	<u>\$ 50,113,934</u>	<u>\$ 311,923,172</u>

**TOLEDO CITY SCHOOL DISTRICT**

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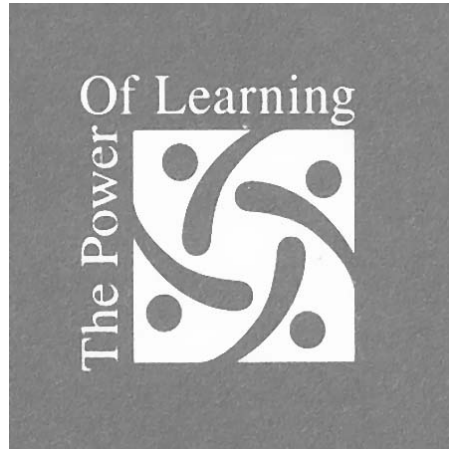
***Reconciliation of Total Governmental Fund Balances to  
Net Assets of Governmental Activities  
June 30, 2011***

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<b>Total Governmental Fund Balances</b>	\$ 107,197,075
 <i>Amounts reported for governmental activities in the statement of net assets are different because</i>	
Capital Assets used in governmental activities are not resources and therefore are not reported in the funds.	522,339,028
Other long-term assets are not available to pay for current- period expenditures and therefore are deferred in the funds.	77,561,464
Internal service funds are used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.	9,103,742
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	<u>(207,462,189)</u>
<b><i>Net Assets of Governmental Activities</i></b>	<b><u>\$ 508,739,120</u></b>

See accompanying notes to the basic financial statements





**TOLEDO CITY SCHOOL DISTRICT**

**Statement of Revenues, Expenditures and Changes in Fund Balances  
Governmental Funds  
For the Fiscal Year Ended June 30, 2011**

	General	Debt Service	Locally Funded Initiative
<b>Revenues:</b>			
Taxes	\$ 85,283,941	\$ 9,129,011	\$ 0
Tuition	1,872,992	0	0
Transportation Fees	512,767	0	0
Food Services	0	0	0
Investment Earnings	318,169	(3,553)	(95,372)
Extracurricular Activities	504,737	0	0
Class Materials and Fees	111,435	0	0
Intergovernmental - State	215,350,861	1,660,480	0
Intergovernmental - Federal	1,344,044	0	0
All Other Revenue	8,133,370	0	0
<b>Total Revenue</b>	<b>313,432,316</b>	<b>10,785,938</b>	<b>(95,372)</b>
<b>Expenditures:</b>			
Current:			
Instruction	195,854,434	0	0
Supporting Services	95,782,965	179,595	542,428
Non-Instructional Services	15,762,562	0	0
Extracurricular Activities	2,998,561	0	0
Capital Outlay	271,309	0	14,833,999
Debt Service:			
Principal Retirement	0	4,260,000	0
Interest and Fiscal Charges	0	6,446,406	0
<b>Total Expenditures</b>	<b>310,669,831</b>	<b>10,886,001</b>	<b>15,376,427</b>
Excess (Deficiency) of Revenues Over Expenditures	2,762,485	(100,063)	(15,471,799)
<b>Other Financing Sources (Uses):</b>			
Sale of Capital Assets	0	0	0
Transfers In	0	0	1,476,025
Transfers Out	(2,099,747)	0	0
<b>Total Other Financing Sources (Uses)</b>	<b>(2,099,747)</b>	<b>0</b>	<b>1,476,025</b>
Net Change in Fund Balance	662,738	(100,063)	(13,995,774)
<b>Fund Balances (Deficit) at Beginning of Year</b>	<b>(11,468,054)</b>	<b>5,293,079</b>	<b>51,459,530</b>
<b>Fund Balances (Deficit) End of Year</b>	<b>\$ (10,805,316)</b>	<b>\$ 5,193,016</b>	<b>\$ 37,463,756</b>

See accompanying notes to the basic financial statements

**TOLEDO CITY SCHOOL DISTRICT**

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Classroom Facilities	Other Governmental Funds	Total Governmental Funds
\$ 0	\$ 2,435,886	\$ 96,848,838
0	123,911	1,996,903
0	0	512,767
0	1,053,241	1,053,241
(566,729)	(12,210)	(359,695)
0	370,310	875,047
0	9,564	120,999
51,212,218	6,250,312	274,473,871
0	71,821,826	73,165,870
732,125	1,373,131	10,238,626
<u>51,377,614</u>	<u>83,425,971</u>	<u>458,926,467</u>
0	42,141,164	237,995,598
4,094,918	25,515,692	126,115,598
0	15,263,283	31,025,845
0	468,879	3,467,440
79,215,121	1,808,185	96,128,614
0	0	4,260,000
0	0	6,446,406
<u>83,310,039</u>	<u>85,197,203</u>	<u>505,439,501</u>
(31,932,425)	(1,771,232)	(46,513,034)
0	663,208	663,208
0	2,099,850	3,575,875
(1,476,025)	(103)	(3,575,875)
<u>(1,476,025)</u>	<u>2,762,955</u>	<u>663,208</u>
(33,408,450)	991,723	(45,849,826)
<u>84,400,602</u>	<u>23,361,744</u>	<u>153,046,901</u>
<u>\$ 50,992,152</u>	<u>\$ 24,353,467</u>	<u>\$ 107,197,075</u>

**TOLEDO CITY SCHOOL DISTRICT**

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***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, 2011***

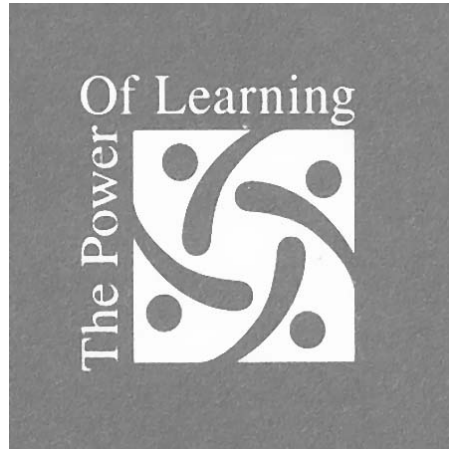
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**Net Change in Fund Balances - Total Governmental Funds** \$ (45,849,826)

***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 capital outlay exceeded depreciation in the current period.	75,104,067
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 loss on the disposal of capital assets net of proceeds received.	(377,582)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	(30,799,591)
The issuance of long-term debt provides current financial resources to governmental funds, but has no effect on net assets. In addition, repayment of bond and capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.	4,413,442
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.	22,206
Some expenses reported in the statement of activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.	4,544,660
The internal service funds are used by management to charge the costs of services to individual funds is not reported in the statement of activities. Governmental fund expenditures and related internal service fund revenues are eliminated. The net revenue (expense) of the internal service funds are allocated among the governmental activities.	3,386,065
<b><i>Change in Net Assets of Governmental Activities</i></b>	<b><u>\$ 10,443,441</u></b>

See accompanying notes to the basic financial statements



**TOLEDO CITY SCHOOL DISTRICT**

**Statement of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
General Fund  
For the Fiscal Year Ended June 30, 2011**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Revenue from Local Sources	\$ 85,208,303	\$ 95,823,124	\$ 95,322,707	\$ (500,417)
Revenue from State Sources	204,549,256	217,993,994	215,350,861	(2,643,133)
Revenue from Federal Sources	1,045,113	1,111,090	1,344,044	232,954
Total Revenues	290,802,672	314,928,208	312,017,612	(2,910,596)
<b>Expenditures:</b>				
Current:				
Instructional Services:				
Regular	64,963,142	89,087,002	89,087,002	0
Special	20,870,622	31,704,497	31,704,497	0
Vocational Education	6,655,779	8,594,083	8,594,083	0
Other	75,558,602	69,838,165	69,838,165	0
Support Services:				
Pupils	9,761,870	15,054,176	15,054,176	0
Instructional Staff	6,972,979	10,517,275	10,517,275	0
Board of Education	58,665	62,087	62,087	0
Administration	14,471,813	17,717,289	17,717,289	0
Fiscal Services	5,693,630	5,956,263	5,956,263	0
Business	1,782,225	2,219,962	2,219,962	0
Operation and Maintenance of Plant	26,332,230	32,058,809	32,058,809	0
Pupil Transportation	5,833,963	11,272,276	11,272,276	0
Central	8,186,557	6,081,149	6,081,149	0
Other Services:				
Food Service Operations	32,953	46,056	46,056	0
Community Services	904,571	283,037	283,037	0
Other Operation of Non-Instructional Services	60,323,224	15,526,791	15,526,791	0
Academic and Subject Oriented Activities	240,974	320,757	320,757	0
Occupation Oriented Activities	5,561	10,162	10,162	0
Sport Oriented Activities	1,678,277	2,148,798	2,148,798	0
School and Public Service Co-Curricular. Activities	226,919	208,959	208,959	0
Site Improvement Services	202,401	285,768	285,768	0
Architecture and Engineering	27,000	15,000	15,000	0
Total Expenditures	310,783,957	319,008,361	319,008,361	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	(19,981,285)	(4,080,153)	(6,990,749)	(2,910,596)

**TOLEDO CITY SCHOOL DISTRICT**

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<b>Other Financing Sources (Uses):</b>				
Sale of Notes	15,000,000	15,000,000	15,000,000	0
Transfers Out	(17,243,025)	(17,475,663)	(17,475,663)	0
Advances In	1,331,994	1,411,534	1,411,534	0
Advances Out	(1,500,000)	(1,438,168)	(1,438,168)	0
Refund of Prior Year's Expenditures	900,000	508,258	508,258	0
Refund of Prior Year's Receipts	<u>(50,001)</u>	<u>(17,731)</u>	<u>(17,731)</u>	<u>0</u>
Total Other Financing Sources (Uses):	<u>(1,561,032)</u>	<u>(2,011,770)</u>	<u>(2,011,770)</u>	<u>0</u>
Net Change in Fund Balances	(21,542,317)	(6,091,923)	(9,002,519)	(2,910,596)
Fund Balance at Beginning of Year	4,534,664	4,534,664	4,534,664	0
Prior Year Encumbrances	<u>5,091,236</u>	<u>5,091,236</u>	<u>5,091,236</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ (11,916,417)</u>	<u>\$ 3,533,977</u>	<u>\$ 623,381</u>	<u>\$ (2,910,596)</u>

See accompanying notes to the basic financial statements

**TOLEDO CITY SCHOOL DISTRICT**

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***Statement of Net Assets  
Proprietary Funds  
June 30, 2011***

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	Governmental Activities - Internal Service Funds
<b>Assets:</b>	
<i>Current Assets:</i>	
Cash and Cash Equivalents	\$ 14,936,676
Receivables:	
Accounts	62,522
Intergovernmental	13,771
Interest	<u>37,252</u>
<b>Total Assets</b>	<u>15,050,221</u>
<b>Liabilities:</b>	
<i>Current Liabilities:</i>	
Accounts Payable	19,077
Accrued Wages and Benefits	5,281,200
Intergovernmental Payable	<u>646,202</u>
<b>Total Liabilities</b>	<u>5,946,479</u>
<b>Net Assets:</b>	
Unrestricted	<u>9,103,742</u>
<b>Total Net Assets</b>	<u>\$ 9,103,742</u>

See accompanying notes to the basic financial statements



**TOLEDO CITY SCHOOL DISTRICT**

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***Statement of Revenues, Expenses and Changes in Fund Net Assets  
Proprietary Funds  
For the Fiscal Year Ended June 30, 2011***

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	Governmental Activities - Internal Service Funds
<b>Operating Revenues:</b>	
Interfund Charges	\$ 57,838,906
<b>Total Operating Revenues</b>	<u>57,838,906</u>
<b>Operating Expenses:</b>	
Personal Services	2,604,078
Purchased Services	51,737,753
Supplies and Materials	<u>194,959</u>
<b>Total Operating Expenses</b>	<u>54,536,790</u>
Operating Income	3,302,116
<b>Nonoperating Revenue (Expenses):</b>	
Investment Earnings	83,949
Change in Net Assets	3,386,065
Net Assets Beginning of Year	<u>5,717,677</u>
Net Assets End of Year	<u>\$ 9,103,742</u>

See accompanying notes to the basic financial statements

**TOLEDO CITY SCHOOL DISTRICT**

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**Statement of Cash Flows  
Proprietary Funds  
For the Fiscal Year Ended June 30, 2011**

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	Governmental Activities - Internal Service Funds
<u>Cash Flows from Operating Activities:</u>	
Cash Received from Interfund Charges	\$57,770,457
Cash Payments to Employees for Services and Benefits	(56,179,004)
Net Cash Provided by Operating Activities	<u>1,591,453</u>
<u>Cash Flows from Investing Activities:</u>	
Receipts of Interest	94,655
Net Cash Provided by Investing Activities	<u>94,655</u>
Net Increase in Cash and Cash Equivalents	1,686,108
Cash and Cash Equivalents at Beginning of Year	<u>13,250,568</u>
Cash and Cash Equivalents at End of Year	<u><u>\$14,936,676</u></u>
<u>Reconciliation of Operating Income to Net Cash</u>	
<u>Provided by Operating Activities:</u>	
Operating Income	\$3,302,116
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:	
Changes in Assets and Liabilities:	
Decrease in Accounts Receivable	88,111
Increase in Intergovernmental Receivables	(11,945)
Increase in Accounts Payable	15,169
Decrease in Accrued Wages and Benefits	(1,594,200)
Decrease in Intergovernmental Payables	(207,798)
Total Adjustments	<u>(1,710,663)</u>
Net Cash Provided by Operating Activities	<u><u>\$1,591,453</u></u>

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During 2011 the fair value of investments decreased by \$15,132 and \$6,445 in the Health Insurance and Workers' Compensation Funds, respectively.

See accompanying notes to the basic financial statements.

**TOLEDO CITY SCHOOL DISTRICT**

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**Statement of Net Assets  
Fiduciary Funds  
June 30, 2011**

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	Private Purpose Trust	
	Special Trust Fund	Agency
<b>Assets:</b>		
Cash and Cash Equivalents	\$ 1,359,578	\$ 458,764
Receivables:		
Interest	1,713	1,259
<b>Total Assets</b>	<u>1,361,291</u>	<u>460,023</u>
<b>Liabilities:</b>		
Accounts Payable	4,223	46,601
Accrued Wages and Benefits	106	0
Intergovernmental Payable	4,480	589
Due to Students	0	412,833
<b>Total Liabilities</b>	<u>8,809</u>	<u>460,023</u>
<b>Net Assets:</b>		
Unrestricted	1,352,482	0
<b>Total Net Assets</b>	<u>\$ 1,352,482</u>	<u>\$ 0</u>

See accompanying notes to the basic financial statements

**TOLEDO CITY SCHOOL DISTRICT**

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**Statement of Changes in Net Assets  
Fiduciary Fund  
For the Fiscal Year Ended June 30, 2011**

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	Private Purpose Trust Special Trust Fund
<b>Additions:</b>	
Contributions:	
Sales	\$ 6,696
Dues and Fees	620
Private Donations	40,514
Total Contributions	<u>47,830</u>
Investment Earnings:	
Interest	13,742
Net Decrease in the Fair Value of Investments	(1,161)
Total Investment Earnings	<u>12,581</u>
Total Additions	<u>60,411</u>
<b>Deductions:</b>	
Administrative Expenses	<u>125,207</u>
Total Deductions	<u>125,207</u>
Change in Net Assets	(64,796)
Net Assets at Beginning of Year	<u>1,417,278</u>
Net Assets End of Year	<u>\$ 1,352,482</u>

See accompanying notes to the basic financial statements

***Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2011***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Reporting Entity**

Toledo City School District, 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 governed by a locally elected five member Board of Education (the Board) which provides educational services. The Board controls the School District's instructional support facilities staffed by approximately 1,319 noncertified and approximately 2,325 certified teaching personnel and administrative employees providing education to 23,315 students.

The accompanying basic financial statements comply with the provisions of Governmental Accounting Standards Board (GASB) Statement No. 14, "*The Financial Reporting Entity*," in that the financial statements include all organizations, activities, functions and component units for which the District (the reporting entity) is financially accountable. Financial accountability is defined as the appointment of a voting majority of a legally separate organization's governing board and either the District's ability to impose its will over the organization or the possibility that the organization will provide a financial benefit to, or impose a financial burden on the District. There were no potential component units that met the criteria imposed by GASB Statement No. 14 to be included in the District's reporting entity. Based on the application of the above criteria for a component unit, and the criteria for defining joint ventures set forth under section J50.102 of the 2004 Codification there are no component units or "Joint Ventures." Based on the foregoing, the reporting entity of the District includes the following services: instructional (regular, special education, vocational), student guidance, extracurricular activities, food service, pupil transportation and care and upkeep of grounds and buildings. The District is the sponsor of the Polly Fox and the Phoenix Academies, both charter schools established under Chapter 3314 of the Ohio Revised Code. These community schools are not considered part of the District.

The accounting policies and financial reporting practices of the District conform to Generally Accepted Accounting Principles as applicable to governmental units. The following is a summary of its significant accounting policies.

**B. Basis of Presentation - Fund Accounting**

The accounting system is organized and operated on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures/expenses. The various funds are grouped into the categories governmental, proprietary and fiduciary.

***Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2011***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**B. Basis of Presentation - Fund Accounting (Continued)**

***Governmental Funds*** - These are funds through which most governmental functions typically are financed. The acquisition, use and balances of the District's expendable financial resources and the related current liabilities (except those accounted for in the proprietary funds) are accounted for through governmental funds. The measurement focus is upon determination of "financial flow" (sources, uses and balances of financial resources). The following are the District's major governmental funds:

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

**Debt Service Fund** - This fund is used for the accumulation of resources for, and the payment of, long-term debt principal and interest.

**Locally Funded Initiative Fund** - This fund is used to account for receipts and expenditures related to special bond funds in the District. Expenditures recorded represent the costs of acquiring capital facilities including real property.

**Classroom Facilities Fund** - This fund accounts 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 governmental funds of the District account for grants and other resources whose use is restricted to a particular purpose.

***Proprietary Funds*** - The proprietary funds are accounted for on a "economic resources" measurement focus. This measurement focus provides that all assets and all liabilities associated with the operation of the proprietary funds are included on the balance sheet. The proprietary fund operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net total assets.

**Internal Service Funds** - The internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the District or to other governments on a cost-reimbursement basis. The District uses internal service funds to account for employee health insurance, workers' compensation, operations of the computer network of the Department of Education and operations that provide goods and services to other departments within the District.

***Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2011***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**B. Basis of Presentation - Fund Accounting** (Continued)

***Fiduciary Funds*** – Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary 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 therefore not available to support the District’s own programs. The District’s trust fund is a private purpose trust that accounts for scholarship programs for students and unclaimed monies. The agency funds are custodial in nature (assets equal liabilities) and do not involve the measurement of results of operation. These funds operate on an accrual basis of accounting. The District has two agency funds. One fund is used to account for federal grant monies used for tuition in Toledo Public Schools’ Adult Education programs and the other to account for student activity programs.

**C. Basis of Presentation – 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. Internal service fund activity is eliminated to avoid “doubling up” revenues and expenses. The statements distinguish between those activities of the School District that are governmental and those that are considered business-type activities. The School District has no activities considered business-type activities.

The government-wide statements are prepared using the economic resources measurement focus. This is the same approach used in the preparation of the proprietary fund financial statements but differs from the manner in which governmental fund 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.

The government-wide statement of activities presents direct expenses and program revenues for each function or program of the District’s governmental activities. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. 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 that are not classified as program revenues are presented as general revenues of the School District, with certain limited exceptions. Interfund services provided and used are not eliminated in the process of consolidation. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the District.

***Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2011***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**C. Basis of Presentation – Financial Statements (Continued)**

**Fund Financial Statements** – Fund financial statements report detailed information about the School District. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Internal service funds are combined and the totals are presented in a single column on the face of the proprietary fund statements. Fiduciary funds are reported by fund type.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources measurement focus. The financial statements for governmental funds are a balance sheet, which generally includes only current assets and current liabilities, and a statement of revenues, expenditures and changes in fund balances, which reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources.

All proprietary fund types are accounted for on a flow of economic resources measurement focus. With this 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 School District finances and meets the cash flow needs of its proprietary activities.

Fiduciary funds are reported using the economic resources measurement focus. The agency funds are custodial in nature (assets equal liabilities) and do not have a measurement focus.

**D. Basis of Accounting**

Basis of accounting represents the methodology utilized in the recognition of revenues and expenditures or expenses reported in the financial statements. The accounting and reporting treatment applied to a fund is determined by its measurement focus.

Government-wide, proprietary and fiduciary fund financial statements measure and report all assets, liabilities, revenues, expenses, gains and losses using the economic resources measurement focus and accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Agency funds use no measurement focus.



***Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2011***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Basis of Accounting (Continued)**

The modified accrual basis of accounting is followed by the governmental funds. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. The term “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, which for the District is considered to be 60 days after fiscal year end. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt which is recognized when due.

Under the modified accrual basis, the following revenue sources are considered susceptible to accrual at year end: property taxes, tuition, grants and entitlements, student fees, and interest on investments.

Current property taxes measurable at June 30, 2011, and which are not intended to finance fiscal 2011 operations, have been recorded as unearned revenue on the Statement of Net Assets. Delinquent property taxes measurable and available (received within 60 days) and amounts available as an advance on future tax settlements are recognized as revenue at year end. Taxes available for advance and recognized as revenue but not received by the District prior to June 30, 2011 are reflected as a reservation of fund balance for future appropriations. The District is prohibited by law from appropriating this revenue in accordance with ORC Section 5705.35, since an advance of revenue was not requested or received prior to the fiscal year end.

The accrual basis of accounting is utilized for reporting purposes by the government-wide financial statements, proprietary funds and the fiduciary funds. Revenues are recognized when they are earned and expenses are recognized when incurred.

***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.

Nonexchange 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. 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 expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

***Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2011***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**E. Budgetary Process**

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the Certificate of Estimated Resources and the Appropriation Resolution, all of which are prepared on the budgetary basis of accounting. The Certificate of Estimated Resources and the Appropriation Resolution are subject to amendment throughout the year.

All funds other than agency funds are legally required to be budgeted and appropriated; however, only the general fund and major special revenue funds are required to be reported. The primary level of budgetary control is at the fund level.

Supplemental budgetary modifications may only be made by resolution of the Board of Education.

**1. Estimated Resources**

Prior to April 1, the Board accepts by formal resolution, the tax rates as determined by the County Budget Commission and receives the Commission's Certificate of Estimated Resources which states the projected revenue of each fund. Prior to June 30, the District must revise its budget so that the total contemplated expenditures from any fund during the ensuing fiscal year will not exceed the amount available as stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriations measure. On or about July 1, the certificate of estimated resources is amended to include any unencumbered fund balances from the preceding year. The certificate may be further amended during the year if a new source of revenue is identified or actual receipts exceed current estimates. The amounts reported on the budgetary statement reflect the amounts in the final Amended Official Certificate of Estimated Resources issued during fiscal year 2011.

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***Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2011***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**E. Budgetary Process (Continued)**

**2. Appropriations**

A Temporary Appropriation Measure to control expenditures may be passed on or about July 1 of each year for the period July 1 through September 30. An Annual Appropriation Resolution must be passed by October 1 of each year for the period July 1 through June 30. The Appropriation Resolution establishes spending controls at the fund level. The appropriation resolution may be amended during the year as additional information becomes available, provided that total fund appropriations do not exceed the current estimated resources as certified. During the year, several supplemental appropriations were necessary to budget the use of contingency funds. Administrative control is maintained through the establishment of more detailed line-item budgets. The budgetary figures which appear in the "Statement of Revenues, Expenditures, and Changes in Fund Balances-Budget and Actual" are provided on the budgetary basis to provide a comparison of actual results to the final budget, including all amendments and modifications. Pursuant to the provisions of Section 323.17, Ohio Revised Code, an exception to the October 1 filing deadline is permitted when the delivery of a tax duplicate, from the County Auditor, is delayed. For fiscal year 2011 the Board of Education passed the annual certification on June 23, 2010.

**3. Lapsing of Appropriations**

At the close of each fiscal year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriations. The encumbered appropriation balance is carried forward to the subsequent fiscal year and need not be reappropriated.

**4. Budgetary Basis of Accounting**

The District's budgetary process accounts for certain transactions on a basis other than generally accepted accounting principles (GAAP). The major differences between the budgetary basis and the GAAP basis lie in the manner in which revenues and expenditures are recorded. Under the budgetary basis, revenues and expenditures are recognized on a cash basis. Utilizing the cash basis, revenues are recorded when received in cash and expenditures when paid. Under the GAAP basis, revenues and expenditures are recorded on the modified accrual basis of accounting. Encumbrances are recorded as the equivalent of expenditures (budgetary basis) as opposed to reservations of fund balance (GAAP basis).

**TOLEDO CITY SCHOOL DISTRICT**

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**Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2011**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**E. Budgetary Process (Continued)**

**4. Budgetary Basis of Accounting (Continued)**

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the General Fund:

	<u>Net Change in Fund Balance</u>
	<u>General Fund</u>
GAAP Basis (as reported)	\$662,738
Increase (Decrease):	
Accrued Revenues at June 30, 2011, received during FY 2012	(8,422,942)
Accrued Revenues at June 30, 2010, received during FY 2011	7,220,589
Accrued Expenditures at June 30, 2011, paid during FY 2012	25,050,568
Accrued Expenditures at June 30, 2010, paid during FY 2011	(29,592,923)
Perspective Difference:	
2010 Advance to Fiduciary Fund	36,797
2011 Advance to Fiduciary Fund	(70,490)
Activity of Funds Reclassified For GAAP Reporting Purposes	(70,177)
2010 Adjustment to Fair Value	(37)
2011 Adjustment to Fair Value	67,392
Encumbrances Outstanding	(3,884,034)
Budget Basis	<u>(\$9,002,519)</u>

**F. Cash and Investments**

Cash received by the District is deposited in one of seven banks with individual fund balance integrity maintained throughout. Monies for all funds are maintained in these accounts or temporarily used to purchase short-term cash equivalent investments, which are stated at cost. In accordance with 2450.106 of the 2004 GASB Codification on reporting cash flows of Proprietary Funds, cash equivalents are defined as investments of the cash management pool and short term, highly liquid investments that are readily convertible to cash and so near to maturity that they present insignificant risk of changes in value because of changes in interest rates. Investments with original maturities of less than three months are considered to meet this definition; otherwise they are shown as "investments" for these funds. At June 30, 2011, there were no investment balances as defined under section 2450.106 of the 2004 GASB Codification.

***Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2011***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**F. Cash and Investments (Continued)**

During fiscal year 2011, investment purchases were exclusively limited to Star Ohio, Commercial Paper, Banker's Acceptance, U.S. Treasury Obligations, U.S. Agency Issues, Interest Bearing Savings Accounts, Sweep Accounts, Negotiable Orders of Withdrawals and Money Market Mutual Funds. Except for participating interest earning investments and money market investments that had a remaining maturity of one year or less at the time of purchase and non-participating interest earning investments, investments are reported at fair value. All remaining investments are reported at cost. Under existing Ohio statutes, all investment earnings accrue to the General Fund except those specifically related to certain funds and according to Board policy and resolution. The District's investments are affected by fair value change; therefore, they are participating. Interest revenue credited to the General Fund during fiscal year 2011 amounted to \$318,169, which includes \$238,076 assigned from other funds.

The District has invested funds in the STAR Ohio during 2011. 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 and is rated AAAM by Standard and Poor's Rating Agency. 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, 2011.

The District invests inactive funds for the School Building Support, Vocational Rotary, and Administratively Managed Student Activity Funds and distributes interest earned on these funds to the individual accounts. The District also invests inactive funds in the Auxiliary Services Program Fund, the School Facilities Maintenance Fund, the Locally Funded Initiatives Fund, the Classroom Facilities Project Fund, the Permanent Improvement Fund, the Employee Benefit – Insurance Fund, the Worker's Compensation Fund and distributes interest earned directly to the funds. See Note 6, "Cash, Cash Equivalents and Investments."

From July 1, 2010 the investment portfolio exhibited a decrease in fair value of approximately \$31.9 million, while the average maturity decreased by 3 days and the average yield decreased by 20 basis points (.20%). The decrease in fair value was directly attributable to the increased expenditure patterns in the Ohio School Facilities Commission Building Project funds. Interest earnings for all funds since July 1, 2010, were down approximately 44% as the interest rate environment continued to decline and there were significantly less dollars available for investment due to increased expenditures in the Project fund.

**TOLEDO CITY SCHOOL DISTRICT**

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**Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2011**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**G. Inventory**

Inventory is stated at cost (first-in, first-out) in the governmental funds and at the lower-of-cost-or-market in the proprietary funds. The costs of inventory items are recorded as expenditures in the governmental funds when purchased and as expenses in the proprietary funds when used.

**H. Capital Assets and Depreciation**

**1. Property, Plant and Equipment - Governmental Activities**

Capital assets generally are acquired or constructed for governmental activities and are recorded as expenditures in the governmental funds and are capitalized at cost (or estimated historical cost for assets not purchased in recent years). These assets are reported in the Government-wide Statement of Net Assets, but they are not reported in the Fund Financial Statements. The District follows the policy of not capitalizing assets with a cost of less than \$5,000.

Contributed capital assets are recorded at fair market value at the date received. The District does not possess any infrastructure. Estimated historical costs of capital assets were derived, when information supporting historical costs was not obtainable, by adjusting current replacement cost back to the estimated year of acquisition.

**2. Depreciation**

All capital assets, except for land, are depreciated. Depreciation has been provided using the straight-line method over the following estimated useful lives:

<u>Description</u>	<u>Estimated Lives (in years)</u>
Land Improvements	20
Buildings	45-100
Furniture, Fixtures and Equipment	5 - 20
Vehicles	5 - 10
Portable Trailers	10 - 20

**I. Long-Term Obligations**

Long-term liabilities are being repaid from the following funds:

<u>Obligation</u>	<u>Fund</u>
General Obligation Bonds	Debt Service Fund
Compensated Absences	General Fund

***Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2011***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**J. Compensated Absences and Salary Related Payments**

The District has implemented the provisions of Section C60 of the 2004 GASB Codification. Vacation benefits are accrued as a liability as the benefits are earned if the employee's 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 and other salary related payments. The amount is based on accumulated sick leave and employee's wage rates at year-end, taking into consideration any limits specified in the District's severance policy. For governmental funds, that portion of unpaid compensated absences that has matured and is expected to be paid using expendable, available resources is reported as an expenditure in the fund from which the individual earning the leave is paid, and a corresponding liability is reflected in the account "Compensated Absences Payable." In the government wide statement of net assets, the current portion of "Compensated Absences Payable" is recorded within the "Due within one year" account and the long-term portion of the liability is recorded within the "Due in more than one year" account.

**K. Net Assets**

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted 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. Net Assets restricted for Other Purposes include restricted state and federal grants.

The District applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

**L. Fund Balance**

Fund balance is divided into five classifications based primarily on the extent to which the District is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

***Nonspendable*** - The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of loans receivable, as well as property acquired for resale, unless the use of the proceeds from the collection of those receivables or from the sale of those properties is restricted, committed, or assigned.

***Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2011***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**L. Fund Balance** (Continued)

***Restricted*** – The fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or is imposed by law through constitutional provisions.

***Committed*** - The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by a formal action (resolution) of the District Board of Education. Those committed amounts cannot be used for any other purpose unless the District Board of Education removes or changes the specified use by taking the same type of action (resolution) it employed to previously commit those amounts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

***Assigned*** - Amounts in the assigned fund balance classification are intended to be used by the District for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by the District Board of Education.

***Unassigned*** - Unassigned fund balance is the residual classification for the general fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned. The District applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

**M. Pensions**

The provision for pension cost is recorded when the related payroll is accrued and the obligation is incurred.

**N. Intergovernmental Revenues**

Reimbursement type grants are recorded as receivables and revenues when the related expenditures are incurred with the exception of those grants where the grant period extends past June 30. For these grants, prepayment amounts that exceed related expenditures are reported as deferred revenue.



***Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2011***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**O. Interfund Activity**

Exchange transactions between governmental funds are eliminated on the government-wide 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.

**P. Estimates**

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

**Q. 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 interfund charges for the internal service funds. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

**R. Extraordinary and Special Items**

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the Board of Education and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during fiscal year 2011.

**TOLEDO CITY SCHOOL DISTRICT**

**Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2011**

**NOTE 2 – CHANGES IN ACCOUNTING PRINCIPLES**

For the fiscal year 2011, the District has implemented Governmental Accounting Standards Board (GASB) Statement No. 54 which enhances the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions. This statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of resources reported in governmental funds. The implementation of this statement did not result in a restatement of the District’s financial statements.

**NOTE 3 – FUND BALANCES**

Fund balance is classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the District is bound to observe constraints imposed upon the use of resources in the government funds. The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented below:

Fund Balances	General Fund	Debt Service Fund	Locally Funded Initiative Fund	Classroom Facilities Fund	Other Governmental Funds	Total Governmental Funds
Nonspendable:						
Supplies Inventory	\$62,902	\$0	\$0	\$0	\$0	\$62,902
Corpus	0	0	0	0	503,291	503,291
Total Nonspendable	<u>62,902</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>503,291</u>	<u>566,193</u>
Restricted:						
Endowments	0	0	0	0	309,119	309,119
Food Services	0	0	0	0	348,050	348,050
School Facilities Maintenance	0	0	0	0	14,692,523	14,692,523
Staff Development and Support	0	0	0	0	4,812	4,812
Auxiliary Services	0	0	0	0	546,873	546,873
Extracurricular Activities	0	0	0	0	356,702	356,702
Drug Education Program	0	0	0	0	1,440	1,440
Technology Improvements	0	0	0	0	133,219	133,219
Targeted Academic Assistance	0	0	0	0	268,901	268,901
Debt Service Payments	0	5,193,016	0	0	0	5,193,016
Capital Acquisition and Improvement	0	0	37,463,756	50,992,152	10,727,053	99,182,961
Total Restricted	<u>0</u>	<u>5,193,016</u>	<u>37,463,756</u>	<u>50,992,152</u>	<u>27,388,692</u>	<u>121,037,616</u>
Unassigned (Deficits):	<u>(10,868,218)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(3,538,516)</u>	<u>(14,406,734)</u>
Total Fund Balances	<u><u>(\$10,805,316)</u></u>	<u><u>\$5,193,016</u></u>	<u><u>\$37,463,756</u></u>	<u><u>\$50,992,152</u></u>	<u><u>\$24,353,467</u></u>	<u><u>\$107,197,075</u></u>

**TOLEDO CITY SCHOOL DISTRICT**

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**Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2011**

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**NOTE 4 – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

**A. Explanation Of Certain Differences Between The Governmental Fund Balance Sheet And The Government-Wide Statement Of Net Assets**

The governmental fund balance sheet includes a reconciliation between fund balance – total governmental funds and net assets of governmental funds as reported in the government-wide statement of net assets. The following is a detailed listing of those reconciling items that are net adjustments or a combination of several transactions:

*Other long-term assets not available to pay for current-period expenditures:*

Delinquent Tax Revenue	\$26,080,165
Grants Receivable	50,245,174
Unamortized Bond Issuance Costs	<u>1,236,125</u>
	\$77,561,464

*Long-Term liabilities not reported in the funds:*

Accrued Interest Payable on G.O. Bond Payable	(\$653,397)
G.O. Bonds Payable	(169,537,230)
Compensated Absences Payable	<u>(37,271,562)</u>
	(\$207,462,189)

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**TOLEDO CITY SCHOOL DISTRICT**

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**Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2011**

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**NOTE 4 – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (Continued)**

**B. Explanation Of Certain Differences Between The Governmental Fund Statement Of Revenues, Expenditures, And Changes In Fund Balances And The Government-Wide Statement Of Activities**

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances – total governmental funds and changes in net assets of governmental activities as reported in the government – wide statement of activities. The following is a detailed listing of those reconciling items that are net adjustments or a combination of several transactions:

*Amount by which capital outlay exceeded depreciation in the current period:*

Capital Outlay	\$86,828,467
Depreciation Expense	<u>(11,724,400)</u>
	\$75,104,067

*Governmental revenues not reported in the funds:*

Increase in Delinquent Tax Revenue	\$10,322,403
Decrease in Grants Receivable	<u>(41,121,994)</u>
	(\$30,799,591)

*Net amount of long-term debt issuance and bond and lease principal payments:*

G.O. Bond Principal Payment	\$4,260,000
Amortize Premium on G.O. Bonds Issued	<u>153,442</u>
	\$4,413,442

*Expenses not requiring the use of current financial resources:*

Decrease in Compensated Absences Payable	\$4,601,419
Amortization of Bond Issuance Costs	<u>(56,759)</u>
	\$4,544,660

**TOLEDO CITY SCHOOL DISTRICT**

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***Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2011***

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**NOTE 5 - COMPLIANCE AND ACCOUNTABILITY**

***Fund Deficits*** - The fund deficits at June 30, 2011 of \$10,805,316 in the General Fund, \$757,017 in the Adult Education Fund, \$118,958 in the Other Grants Fund, \$3,605 in the Public School Preschool Fund, \$602 in the Alternative Schools Fund, \$2,391 in the Miscellaneous State Grants Fund, \$35,266 in the Race to the Top Fund, \$24,211 in the Special Education Handicapped Fund, \$6,130 in the Title VII Bilingual Education Program Fund, \$836,296 in the Title I Fund, \$24,328 in the Preschool Grants for the Handicapped Fund, \$145,881 in the Improving Teacher Quality Fund, \$127,825 in the Miscellaneous Federal Grants Fund, \$996,741 in the ARRA Stimulus Fund and \$459,265 in the Title I School Improvement Fund (special revenue funds) arise from the recognition of expenditures on the modified accrual basis which are greater than expenditures recognized on the budgetary basis. The deficits do not exist under the budgetary/cash basis of accounting. The General Fund provides transfers when cash is required, not when accruals occur.

**NOTE 6 - CASH, CASH EQUIVALENTS AND INVESTMENTS**

***Deposits with Financial Institutions***

At June 30, 2011, the carry amount of all District deposits was \$70,537,394. Based on the criteria described in GASB Statement No. 40, Deposits and Investment Risk Disclosures, at June 30, 2011 cash concentration accounts, savings accounts and certificates of deposit totaled \$82,365,635. Of this amount, \$78,874,907 was exposed to custodial risk as discussed below, while \$3,490,728 was covered by Federal Deposit Insurance Corporation.

Custodial risk is the risk that, in the event of a bank failure, the District's deposits may not be returned. Consistent with the requirements of state law, it is the policy of the District to require full collateralization of all District investments and funds on deposit with any depository. All deposits are collateralized with eligible securities in amounts equal to at least 105% of the carrying value of the deposits. Such collateral, as permitted by the Ohio Revised Code, is held in single financial institution collateral pools at the Federal Reserve Banks, or at member banks of the federal reserve system, in the name of the respective depository bank and pledged as a pool of collateral against all of the public deposits it holds or as specific collateral held at the Federal Reserve Bank in the name of the District.

Any District holdings in sweep accounts, savings accounts or certificates of deposit are collateralized with pooled securities. Any repurchase agreement with a maturity greater than 30 days requires physical delivery of specific securities to a third party custodian. Repurchase agreement activity maturing 30 days and less is collateralized by pooled securities. At June 30, 2011, there were no Repurchase Agreements with a maturity of greater than 30 days.

**TOLEDO CITY SCHOOL DISTRICT**

**Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2011**

**NOTE 6 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)**

**Investments**

As of June 30, 2011, the District had the following investments and maturities.

Investment Type	June 30, 2011 Adjusted Cost	June 30, 2011 Fair Value	Investment Maturities (in Years)		
			less than 1	1-2	2-5
Star Ohio	\$2,634,416	\$2,634,416	\$2,634,416	\$0	\$0
US Treasury Securities	7,326,321	7,313,464	7,313,464	0	0
Non-Callable US Agency Securities	83,487,752	83,216,793	69,105,654	14,111,139	0
Total Investments	<u>\$93,448,489</u>	<u>\$93,164,673</u>	<u>\$79,053,534</u>	<u>\$14,111,139</u>	<u>\$0</u>
			<u>84.85%</u>	<u>15.15%</u>	<u>0.00%</u>

Note: The maturity analysis above assumes that callable securities will not be called.  
All Investment securities are assumed to mature on their final stated maturity date.

The Weighted Average Maturity (in Days) of the Entire Investment Portfolio from Purchase Date to Maturity Date is:	331
The Remaining Life (in Days) of the Entire Investment Portfolio From Year End to Maturity Date is:	224
The Average Duration of the Entire Investment Portfolio is:	0.61
The Weighted Average Coupon of the Entire Portfolio is:	0.646%
The Weighted Average Yield of the Entire Portfolio is:	0.232%

A security with less than one (1) year to maturity (based on Remaining Life), is reported at cost, plus or minus, accretion or amortization adjustment. A security with a maturity of more than one (1) year (based on Remaining Life), is reported at adjusted cost, plus or minus, market value adjustment. Star Ohio, Bank Certificates of Deposit and Repurchase Agreements are reported at adjusted cost.

**Interest Rate Risk**

As a means of limiting its exposure to fair value losses arising from rising interest rates and according to state law, the District's investment policy limits investment portfolio maturities to five years and less. As of June 30, 2010, eighty-five percent (85%) of the investment portfolio matures within one year and fifteen percent (15%) of the investment portfolio matures within two years.

***Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2011***

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**NOTE 6 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)**

***Investment Policy***

The District's investment policy is more restrictive in nature than the requirements of the Ohio Revised Code; providing for safety of principal, liquidity, diversity of portfolio assets while minimizing associated investment risks. The policy is intended to compliment the law and provide guidance to District personnel while administering the daily cash management and investment practices of the District. The policy is reviewed at least annually to incorporate any changes in the Ohio Revised Code; consider recommendations made by the Auditor of State's Office and the Ohio Compliance Supplement; monitor changes in "best practices" published by the Government Finance Officers Association; and reflect any legislative changes on behalf of the Toledo Board of Education. The policy has been reviewed and has received a national certification from the Association of Public Treasurer's Investment Policy Certification Committee.

***Credit Risk***

The District's investments, except for repurchase agreements, savings accounts, sweep accounts and certificates of deposit as discussed above were rated AAA and Aaa by Standard & Poor's and Moody's Investor Services respectively. The holdings in the State Treasury Asset Reserve Fund (STAR Ohio) have been assigned an AAAM money market rating by Standard & Poor's. As required by District policy all commercial paper holdings were rated A1-P1 by Standard & Poor's and Moody's Investor Service respectively at the time of purchase. Combined holdings of Commercial Paper and Banker Acceptances are limited to 25% of total investment portfolio holdings. The mutual fund used to transact third party safekeeping of U.S. Treasury, U.S. Agency, Commercial Paper, Banker's Acceptance securities and select Repurchase Agreement Collateral, has been assigned an AAA rating based on the securities held in the fund. All District holdings in U.S. Agency securities carry the explicit guarantee of the United States government and are rated Aaa by Moody's and AAA by Standard & Poor's rating agencies.

***Concentration of Credit Risk***

In order to avoid an undue concentration of credit risk, the District's investment policy places limits on the amount that may be invested in any one issuer at any one time. The limits are as follows:

- (a) No more than ten percent (10%) of average portfolio outstanding will be invested in Certificates of Deposit of any one Depository at any one time. District Funds invested in Certificates of Deposit of any one Depository may not exceed thirty percent (30%) of the Depository's assets. Only collateralized, non-negotiable Certificates of Deposit, from Depository's approved to hold interim funds, will be considered for purchase.
- (b) No more than ten percent (10%) of average portfolio outstanding will be invested in Term Repurchase Agreements of any one issuer at any one time. Deliverable collateral consisting of U.S. Government Securities with a market value equal to at least 102% of principal plus interest of the transaction and with a maturity of five years or less is required for all Term Repurchase Agreement transactions.

**TOLEDO CITY SCHOOL DISTRICT**

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**Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2011**

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**NOTE 6 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)**

- (c) Pooled collateral is acceptable on all district demand deposits. Delivery of collateral is **not** required on demand repurchase agreement activities (i.e. overnight cash management accounts with depositories). Surety bond collateral is acceptable for Certificate of Deposit investments if the insurer is rated in the highest class by a national recognized rating agency.
- (d) No more than ten percent (10%) of average portfolio outstanding will be invested in Commercial Paper in any one issuer at any one time.
- (e) No more than ten percent (10%) of average portfolio outstanding will be invested in Banker's Acceptances in any one issuer at any one time.

The following table includes the percentage of total of each investment type held by the District at June 30, 2011:

Concentration of Credit Risk by Investment Type

<u>Investment Type</u>	<u>Fair Value</u>	<u>Percent to Total</u>
STAR Ohio	\$2,634,416	2.83%
US Treasury Securities	7,313,464	7.85%
Non-Callable US Agency Securities	83,216,793	89.32%
Total Investments	<u>\$93,164,673</u>	<u>100.00%</u>

The following table includes the percentage of total of each issuer of investments held by the District at June 30, 2011:

<u>Issuer</u>	<u>Fair Value</u>	<u>Percent to Total</u>
STAR Ohio	\$2,634,416	2.83%
United States Treasury Securities	7,313,464	7.85%
Federal Home Loan Bank System	16,645,973	17.87%
Federal National Mortgage Association	15,197,874	16.31%
Federal Home Loan Mortgage Corporation	26,595,020	28.55%
Federal Farm Credit System	24,777,926	26.59%
Total Investments	<u>\$93,164,673</u>	<u>100.00%</u>



**TOLEDO CITY SCHOOL DISTRICT**

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**Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2011**

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**NOTE 7 - PROPERTY TAXES**

Property taxes are levied and assessed on a calendar year basis while the District fiscal year runs from July through June. First half collections are received by the District in the second half of the fiscal year. Second half distributions occur in the first half of the following fiscal year.

Property taxes include amounts levied against all real estate and public utility property, and tangible personal property used in business and located in the District. Real property taxes (other than public utility) collected during 2011 were levied after April 1, 2010 on assessed values as of January 1, 2010, the lien date. Assessed values are established by the County Auditor at 35 percent of appraised market value. All property is required to be reappraised every six years and equalization adjustments made the third year following reappraisal. The last equalization adjustment was completed in 2008. Real property taxes are payable annually or semi-annually. The first payment is due December 31, with the remainder payable by June 20.

Tangible personal property tax revenues received in 2011 (other than public utility property) represent the collection of 2011 taxes levied against local and inter-exchange telephone companies. Tangible personal property tax on business inventory, manufacturing machinery and equipment, furniture and fixtures is no longer levied and collected. Tangible personal property taxes received from telephone companies in calendar year 2011 were levied after October 1, 2010 on values as of December 31, 2010. Amounts paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semiannually. If paid annually, the first payment is due April 30; if paid semiannually, the first payment is due April 30, with the remainder payable by September 20.

The tax on telephone and telecommunications property was eliminated in calendar year 2011. The tax was phased out by reducing the assessment rate on the property each year. House Bill No. 66 was to hold districts harmless by replacing a portion of the revenue lost by the District due to the phasing out of the tax. In fiscal years 2006-2009, the District was fully reimbursed for the lost revenue. In fiscal years after 2010, the District will not be reimbursed for the lost revenue.

Public utility real and tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year, the lien date. Certain public utility tangible personal property is currently assessed at varying ratios of its true value. Public utility property taxes are payable on the same dates as real property described previously.

The County Treasurer collects property taxes on behalf of all taxing districts in the County including Toledo City School District. The County Auditor periodically remits to the District its portion of the taxes collected. The assessed values for collection in 2011, upon which the 2010 levies were based, were as follows:

	2010 Second Half Collections	2011 First Half Collections
Real Estate	\$2,667,356,800	\$2,622,616,460
Tangible Personal and Public Utility Property	101,945,040	107,158,390
Total Assessed Value	<u>\$2,769,301,840</u>	<u>\$2,729,774,850</u>
Tax rate per \$1,000 of assessed valuation	\$67.70	\$65.70

**TOLEDO CITY SCHOOL DISTRICT**

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**Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2011**

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**NOTE 8 - RECEIVABLES**

Receivables at June 30, 2011 consisted of taxes receivable, interest receivable, accounts receivable, interfund loans receivable and intergovernmental receivables.

**NOTE 9 - INTERFUND RECEIVABLES/PAYABLES**

Interfund loans receivable/payable and advances to/from other funds – short-term loans at June 30, 2011 from one individual fund to another are as follows:

	Interfund Loan Receivable	Interfund Loan Payable
General Fund	\$1,324,935	\$0
Other Governmental Funds	0	1,324,935
Totals	<u>\$1,324,935</u>	<u>\$1,324,935</u>

The interfund loans receivable/payable are amounts that have been advanced from one fund to another and will be repaid during the following reporting period.

**NOTE 10 - TRANSFERS**

Following is a summary of transfers in and out for all funds at June 30, 2011:

	Transfers In:		
	Locally Funded Initiative Fund	Other Governmental Funds	Total
<u>Transfers Out:</u>			
General Fund	\$0	\$2,099,747	\$2,099,747
Classroom Facilities Fund	1,476,025	0	1,476,025
Other Governmental Funds	0	103	103
	<u>\$1,476,025</u>	<u>\$2,099,850</u>	<u>\$3,575,875</u>

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

**TOLEDO CITY SCHOOL DISTRICT**

**Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2011**

**NOTE 11 - CAPITAL ASSETS**

**A. Governmental Activities Capital Assets**

Summary by category of changes in governmental activities capital assets at June 30, 2011:

*Historical Cost:*

Class	June 30, 2010	Additions	Deletions	June 30, 2011
<i>Capital assets not being depreciated:</i>				
Land	\$13,856,745	\$0	\$0	\$13,856,745
Construction in Progress	41,441,727	86,277,947	(32,798,393)	94,921,281
<i>Capital assets being depreciated:</i>				
Land Improvements	8,533,154	0	0	8,533,154
Buildings	441,459,795	32,798,393	(2,842,921)	471,415,267
Building Improvements	29,988,091	0	(1,474,419)	28,513,672
Machinery and Equipment	10,595,062	421,220	(214,717)	10,801,565
Vehicles	10,976,479	129,300	(734,261)	10,371,518
Total Cost	\$556,851,053	\$119,626,860	(\$38,064,711)	\$638,413,202

*Accumulated Depreciation:*

Class	June 30, 2010	Additions	Deletions	June 30, 2011
Land Improvements	(\$7,954,678)	(\$105,875)	\$690	(\$8,059,863)
Buildings	(60,462,444)	(9,430,953)	2,597,766	(67,295,631)
Building Improvements	(23,722,127)	(961,650)	1,341,302	(23,342,475)
Machinery and Equipment	(8,499,607)	(686,460)	214,717	(8,971,350)
Vehicles	(8,599,654)	(539,462)	734,261	(8,404,855)
Total Depreciation	(\$109,238,510)	(\$11,724,400) *	\$4,888,736	(\$116,074,174)
<i>Net Value:</i>	\$447,612,543			\$522,339,028

\* Depreciation expenses were charged to governmental functions as follows:

Instruction	\$10,077,300
Support Services	1,341,288
Non-Instructional Services	186,470
Extracurricular Activities	119,342
Total Depreciation Expense	\$11,724,400

***Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2011***

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**NOTE 12- DEFINED BENEFIT PENSION PLANS**

All of the District's full-time employees participate in one of two separate retirement systems which are cost-sharing, multiple-employer defined benefit pension plans.

**A. School Employee Retirement System**

Plan Description - The District contributes to the School Employees Retirement System (SERS), a cost-sharing multiple employer 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 Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. Interested parties may obtain a copy by making a written request to SERS, 300 East Broad Street, Suite 100, Columbus, Ohio 43215-3746 or by calling (800) 878-5853. It is also posted on SERS' website, [www.ohsers.org](http://www.ohsers.org), under Forms and Publications.

Funding Policy - Plan members are required to contribute 10 percent of their annual covered salary and the District is required to contribute at an actuarially determined rate. The current District rate is 14 percent of annual covered payroll. A portion of the District's contribution is used to fund pension obligations with the remainder being used to fund health care benefits; for fiscal year 2011, 11.81 percent of annual covered salary was the portion used to fund pension obligations. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to a statutory maximum amount of 10 percent for plan members and 14 percent for employers. Chapter 3309 of the Ohio Revised Code provides statutory authority for member and employer contributions. The District's required contributions for pension obligations to SERS for the fiscal years ended June 30, 2011, 2010 and 2009 were \$4,769,037, \$5,599,201 and \$4,206,668 respectively; 57.61% has been contributed for fiscal year 2011 and 100% for fiscal years 2010 and 2009.

**B. State Teachers Retirement System**

Plan Description - The District participates in the State Teachers Retirement System of Ohio (STRS Ohio), a cost-sharing, multiple employer public employee retirement plan. STRS Ohio provides retirement and disability benefits to members and death and survivor benefits to beneficiaries. STRS Ohio issues a stand-alone financial report that may be obtained by writing to STRS Ohio, 275 E. Broad St., Columbus, OH 43215-3771, by calling (888) 227-7877, or by visiting the STRS Ohio Web site at [www.strsoh.org](http://www.strsoh.org).

***Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2011***

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**NOTE 12- DEFINED BENEFIT PENSION PLANS (Continued)**

**B. State Teachers Retirement System (Continued)**

New members have a choice of three retirement plans, a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan and a Combined Plan. The DB plan offers an annual retirement allowance based on final average salary times a percentage that varies based on years of service, or an allowance based on a member's lifetime contributions and earned interest matched by STRS Ohio funds divided by an actuarially determined annuity factor. The DC Plan allows members to place all their member contributions and employer contributions equal to 10.5 percent of earned compensation into an investment account. Investment decisions are made by the member. 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. The Combined Plan offers features of both the DC Plan and the DB Plan. In the Combined Plan, member contributions are invested by the member, and employer contributions are used to fund the defined benefit payment at a reduced level from the regular DB Plan. The DB portion of the Combined Plan payment is payable to a member on or after age 60; the DC portion of the account may be taken as a lump sum or converted to a lifetime monthly annuity at age 50. Benefits are established by Chapter 3307 of the Ohio Revised Code.

A DB 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. Members in the DC Plan who become disabled are entitled only to their account balance. If a member of the DC Plan dies before retirement benefits begin, the member's designated beneficiary is entitled to receive the member's account balance.

Funding Policy - For the fiscal year ended June 30, 2011, plan members were required to contribute 10 percent of their annual covered salaries. The District was required to contribute 14 percent; 13 percent was the portion used to fund pension obligations. For fiscal year 2010, the portion used to fund pension obligations was also 13 percent. Contribution rates are established by the State Teachers Retirement Board, upon recommendations of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers. Chapter 3307 of the Ohio Revised Code provides statutory authority for member and employer contributions.

The District's required contributions for pension obligations to STRS Ohio for the fiscal years ended June 30, 2011, 2010, and 2009 were \$15,853,676, \$17,824,505, and \$17,543,409 respectively; 81.42% has been contributed for fiscal year 2011 and 100% for fiscal years 2010 and 2009.

***Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2011***

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**NOTE 13 - POSTEMPLOYMENT BENEFITS**

**A. School Employee Retirement System**

Plan Description – The District participates in two cost-sharing multiple employer defined benefit OPEB plans administered by the School Employees Retirement System (SERS) for non-certificated retirees and their beneficiaries, a Health Care Plan and a Medicare Part B Plan. The Health Care Plan includes hospitalization and physicians' fees through several types of plans including HMO's, PPO's and traditional indemnity plans as well as a prescription drug program. The Medicare Part B Plan reimburses Medicare Part B premiums paid by eligible retirees and beneficiaries up to a statutory limit. Benefit provisions and the obligations to contribute are established by the SERS based on authority granted by State statute. The financial reports of both Plans are included in the SERS Comprehensive Annual Financial Report which is available by contacting SERS at 300 East Broad St., Suite 100, Columbus, Ohio 43215-3746.

Funding Policy – State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required benefits, the Retirement Board allocates the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund. The Health Care Fund was established and is administered in accordance with Internal Revenue Code Section 105(e). For 2011, 1.43 percent of covered payroll was allocated to health care. In addition, employers pay a surcharge for employees earning less than an actuarially determined amount; for 2011, this amount was \$35,800.

Active employee members do not contribute to the Health Care Plan. Retirees and their beneficiaries are required to pay a health care premium that varies depending on the plan selected, the number of qualified years of service, Medicare eligibility and retirement status.

The District's contributions for health care for the fiscal years ended June 30, 2011, 2010, and 2009 were \$963,051, \$1,111,050, and \$2,614,902 respectively; 57.61% has been contributed for fiscal year 2011 and 100% for fiscal years 2010 and 2009.

The Retirement Board, acting with advice of the actuary, allocates a portion of the employer contribution to the Medicare B Fund. For 2011, this actuarially required allocation was 0.76 percent of covered payroll. The District's contributions for Medicare Part B for the fiscal years ended June 30, 2011, 2010, and 2009 were \$283,605, \$332,973, and \$347,085 respectively; which were equal to the required contributions for each year.

**B. State Teachers Retirement System**

Plan Description – The District contributes to the cost sharing multiple employer defined benefit Health Plan administered by the State Teachers Retirement System of Ohio (STRS Ohio) for eligible retirees who participated in the defined benefit or combined pension plans offered by STRS Ohio. Benefits include hospitalization, physicians' fees, prescription drugs and reimbursement of monthly Medicare Part B premiums. The Plan is included in the report of STRS Ohio which may be obtained by visiting [www.strsoh.org](http://www.strsoh.org) or by calling (888) 227-7877.

**TOLEDO CITY SCHOOL DISTRICT**

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**Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2011**

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**NOTE 13 - POSTEMPLOYMENT BENEFITS (Continued)**

**B. State Teachers Retirement System (Continued)**

Funding Policy – Ohio law authorizes STRS Ohio to offer the Plan and gives the Retirement Board authority over how much, if any, of the health care costs will be absorbed by STRS Ohio. Active employee members do not contribute to the Plan. All benefit recipients pay a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions. For 2011, STRS Ohio allocated employer contributions equal to 1 percent of covered payroll to the Health Care Stabilization Fund. The District’s contributions for health care for the fiscal years ended June 30, 2011, 2010, and 2009 were \$1,219,514, \$1,371,116 and \$1,349,493 respectively; 81.42% has been contributed for fiscal year 2011 and 100% for fiscal years 2010 and 2009.

**NOTE 14 - NOTES PAYABLE**

Note Payable activity of the District for the year ended June 30, 2011, was as follows:

	Issue Date	Balance July 1 2010	Issued (Retired)	Balance June 30 2011
Debt Service Fund Note Payable:				
1.14% Tax Anticipation	7/1/10	\$0	\$15,000,000	
			(15,000,000)	0
Total Notes Payable		\$0	\$0	\$0

The tax anticipation notes were issued to provide funding for expenditures during periods when expenditures exceed revenues and the District is waiting for those revenues due to be deposited.

**TOLEDO CITY SCHOOL DISTRICT**

**Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2011**

**NOTE 15 - LONG-TERM DEBT**

Long-term debt of the District at June 30, 2011 was as follows:

Description	Balance June 30, 2010	Issued	(Retired)	Balance June 30, 2011	Amount Due Within One Year
<b>Governmental Activities:</b>					
<u>General Obligation Bond:</u>					
School Facility Improvement					
G.O. Bond (2.00% - 5.00%)	\$49,400,000	\$0	(\$1,435,000)	\$47,965,000	\$1,490,000
Premium General Obligation Bond	1,162,698	0	(58,135)	1,104,563	58,135
School Facility Improvement					
G.O. Bond (2.00% - 5.00%)	93,485,000	0	(2,180,000)	91,305,000	2,245,000
Premium General Obligation Bond	1,878,270	0	(81,664)	1,796,606	81,664
School Facility Improvement					
G.O. Bond (2.00% - 5.375%)	27,669,995	0	(645,000)	27,024,995	660,000
Premium General Obligation Bond	354,709	0	(13,643)	341,066	13,643
Total General Obligation Bond	173,950,672	0	(4,413,442)	169,537,230	4,548,442
<u>Other Obligations:</u>					
Compensated Absences	41,872,981	7,820,107	(12,421,526)	37,271,562	9,346,373
Long-Term Debt and					
Other Long-Term Obligations	\$215,823,653	\$7,820,107	(\$16,834,968)	\$206,808,792	\$13,894,815

During fiscal years 2003, 2004 and 2009 the District issued General Obligation Bonds in the amounts of \$72,500,000, \$103,600,000 and \$31,999,995 respectively to finance School Facility Improvement building projects.



**TOLEDO CITY SCHOOL DISTRICT**

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**Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2011**

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**NOTE 15 - LONG-TERM DEBT (Continued)**

A summary of the District's future long-term debt funding requirements for the general obligation bonds payable, including principal and interest payments as of June 30, 2011, follows:

General Obligation Bonds Payable			
Years	Principal	Interest	Total
2012	\$4,395,000	\$7,904,125	\$12,299,125
2013	4,550,000	7,744,195	12,294,195
2014	4,730,000	7,564,572	12,294,572
2015	4,925,000	7,353,619	12,278,619
2016	5,180,000	7,105,750	12,285,750
2017-2021	28,804,995	32,499,495	61,304,490
2022-2026	37,945,000	29,087,981	67,032,981
2027-2031	48,625,000	12,813,029	61,438,029
2032-2036	27,140,000	2,122,034	29,262,034
Totals	<u>\$166,294,995</u>	<u>\$114,194,800</u>	<u>\$280,489,795</u>

**NOTE 16 - CONSTRUCTION COMMITMENTS**

The School District and the Ohio School Facilities Commission (OSFC) entered into a Master Facilities Plan that calls for (1) the construction of 39 new elementary schools, 12 new middle schools, 5 new high schools and 1 combined elementary/middle school and (2) the renovation of 3 elementary schools, a combined middle school/high school, 2 high schools and an aviation education center. Due to a decline in enrollment, the District and the OSFC currently estimate the total budget for the project at \$645,461,140, which has been downsized from the Original project budget of \$797,817,229. To date the District has expended approximately \$567,088,950 for construction commitments and related costs.

**NOTE 17 - ENDOWMENTS**

The Toledo City School District has various endowments/trusts whereby the original endowment/trust agreement restricts the principal for specified purposes. For the year ended June 30, 2011, the net appreciation on investments of donor-restricted endowments was (\$21,808). Under the terms of the endowment/trust, and consistent with State statutes, the District is authorized to spend the net appreciation from the trust for any disbursements that are consistent with the original trust agreement. At June 30, 2011, accumulated available net appreciation of \$307,373 is reported in restricted net assets.

**TOLEDO CITY SCHOOL DISTRICT**

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**Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2011**

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**NOTE 18 - RISK MANAGEMENT**

The District is exposed to financial loss resulting from District-caused damage to property or bodily injuries or illness of employees, unemployment compensation benefits to previous employees, and employee health care, prescription drug, dental and life insurance benefits. The Administrative Services - Employee Benefit Self-Insurance Fund, an internal service fund, is used to account for, and finance self-insurance activities. This fund includes prescription drug, dental and health insurance benefits. The District also maintains an Administrative Services - Workers Compensation Fund, which was established under the State of Ohio's retrospective rating plan provisions. These costs are also accounted for in an Internal Service fund.

In accordance with section C50.141 of the 2004 GASB Codification, estimated liabilities are accrued in all Self-Insurance funds for the value of current outstanding claims and claims incurred but not reported (IBNR). Annual actuarial studies are performed for the Employee Benefit Self Insurance and Workers Compensation Funds to determine the recommended funding levels for related risk areas. The claims liability of \$5,281,200 (Accrued Wages and Benefits) reported in the Employee Benefit Self - Insurance Fund and \$646,202 (Intergovernmental Payable) in the Workers Compensation Self-Insurance Fund is based on the requirements of Government Accounting Standards Board Statement 10 as amended by Government Accounting Standards Board Statement 30. This statement requires that a liability for claims be reported if information indicates, prior to the issuance of the financial statements, 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.

Changes in the fund's claims liability amount in 2010 and 2011 were:

<u>Fiscal Year</u>	<u>Unpaid Claims Beginning of Fiscal Year</u>	<u>Incurred Claims</u>	<u>Claim Payments</u>	<u>Unpaid Claims Ending of Fiscal Year</u>
2010	\$8,506,100	55,035,518	(55,812,218)	\$7,729,400
2011	7,729,400	54,531,804	(56,333,802)	5,927,402

District property, employee life, and all other insurance coverage's are provided by commercial insurance policies. Settled claims have not exceeded this commercial coverage in any of the past three years. There has been no significant reduction in insurance coverage from the prior year.

**TOLEDO CITY SCHOOL DISTRICT**

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**Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2011**

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**NOTE 19 – STATUTORY RESERVES**

The District is required by state law to set aside certain general fund revenue amounts, as defined, into various reserves. During the fiscal year ended June 30, 2011, the reserve activity (cash-basis) was as follows:

	Materials and Supplies	Capital Maintenance	Budget Stabilization	Total
Set-aside Balance as of June 30, 2010	(\$24,511,521)	\$0	\$3,700,671	(\$20,810,850)
Current Year Set-Aside Requirement	3,695,745	3,695,745	0	7,391,490
Current Year Offset Credits	0	(1,446,999)	0	(1,446,999)
Qualifying Disbursements	(9,465,179)	(11,706,804)	(3,700,671)	(24,872,654)
Total	(\$30,280,955)	(\$9,458,058)	\$0	(\$39,739,014)
Set-aside Balance Carried Forward to FY 2011	\$0	\$0	\$0	\$0

The District had additional offsets and qualifying disbursements during the year in the Materials and Supplies set-aside that may be used to reduce the set-aside requirements of future years. Although the District had offsets and qualifying disbursements during the year that reduced the Capital Maintenance set-aside amount below zero, the extra amount may not be used to reduce the Capital Maintenance set-aside requirements of future years. Negative amounts are therefore not presented as being carried forward to the next fiscal year for Capital Maintenance.

**NOTE 20 – SIGNIFICANT COMMITMENTS**

Significant encumbrances outstanding at year-end in the General Fund are \$2,812,308 and are reported as unassigned fund balance. Also, in the capital projects funds there are significant encumbrances outstanding in the amounts of \$2,642,789, \$15,049,732 and \$29,753,184 for the Permanent Improvement Fund, the Locally Funded Initiative Fund and the Classroom Facilities Fund, respectively. These amounts are reported as part of the restricted fund balance.

***Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2011***

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**NOTE 21 - CONTINGENCIES**

**A. Grants**

The District receives financial assistance from federal and state 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 adverse effect on the overall financial position of the District at June 30, 2011.

**B. Litigation**

The District is a party to several legal proceedings which seek damages or injunctive relief generally incidental to its operations and pending projects as of June 30, 2011. The District's management is of the opinion that ultimate disposition of these claims will not have a material effect on the financial condition of the District.

**NOTE 22 – SUBSEQUENT EVENT**

On November 22, 2011, the District passed resolutions for the purpose of refunding at a lower interest cost for the outstanding Classroom Facility Improvement Bonds and the School Site and Facilities Improvement Bonds.

*COMBINING AND INDIVIDUAL FUND  
STATEMENTS AND SCHEDULES*

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*THE FOLLOWING COMBINING STATEMENTS AND SCHEDULES INCLUDE  
THE MAJOR AND NONMAJOR GOVERNMENTAL FUNDS, INTERNAL  
SERVICE FUNDS AND FIDUCIARY FUNDS.*

***Nonmajor Governmental Funds***

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***Special Revenue Funds***

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Special Revenue funds are used to account for the proceeds of specific revenue sources (other than amounts relating to major capital projects) that are legally restricted to expenditures for specified purposes.

**Food Service Fund**

A fund used to record financial transactions related to food service operations.

**Uniform School Supplies Fund**

A rotary fund provided 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. Profit derived from such sales is to be used for school purposes or activities in connection with the school. (The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances are not presented because this fund is reported as part of the General Fund on a GAAP basis.)

**Vocational Rotary Fund**

A fund provided to account for revenue and expenses made in connection with goods and services provided by a school district. Activities using this fund tend to be curricular in nature. As an example, this fund would be used to account for receipts and purchases made in connection with the sale of consumer services provided by vocational education classes such as cosmetology or auto mechanics. This fund is also used to account for "Life Enrichment Programs" offered by a school district. (The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances are not presented because this fund is reported as part of the General Fund on a GAAP basis.)

**Adult Education Fund**

A fund provided to account for transactions made in connection with adult education classes.

**School Building Support Fund**

A fund provided to account for specific local revenue sources, other than taxes that are restricted to expenditures for specific purposes approved by board resolution. Such expenditures may include curricular and extracurricular related purchases. (The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances are not presented because this fund is reported as part of the General Fund on a GAAP basis.)

**Other Grants Fund**

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.

**School Facilities Maintenance Fund**

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

(Continued)

***Special Revenue Funds***

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**Administratively Managed Student Activity Fund**

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. This fund would usually include athletic programs but could also include the band, cheerleaders, flag corp., and other similar types of activities.

**Auxiliary Services Program Fund**

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

**Management Information System Fund**

A fund for hardware and software development, or other costs associated with the requirements of the management information system.

**Public School Preschool Fund**

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

**Data Communication Fund**

A fund used to account for monies received for the maintenance of the Ohio Educational Computer Network connections. (The Balance Sheet is not presented because there are no assets or liabilities at year end.)

**Vocational Education Enhancement Fund**

A fund used to account for Vocational Education Enhancement that: 1) expand number of students enrolled in tech prep programs, 2) enable students to develop career plans, 3) replace or update equipment essential for instruction of students in job skills.

**Alternative Schools Fund**

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 the 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 Fund**

A fund used to account for money received from the state government which is not classified elsewhere.

**Education Jobs Fund**

To account for federal monies to provide compensation and benefits to retain existing employees, to recall or rehire former employees and to hire new employees in order to provide early childhood, elementary or secondary educational and related services. (The Statement of Revenues, Expenditures and Changes in Fund Balances is not presented because there was no activity during the year. This fund only exists on a GAAP basis and is not part of the District's appropriated budget, therefore no budgetary schedule is presented)

(Continued)

***Special Revenue Funds***

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**Race to the Top Fund**

To account for monies received to provide either a new program or expansion of an existing program in specific educational areas.

**Special Education Handicapped Fund**

Provision of Grants to assist states in the identification of handicapped children, development of procedural safeguards, implementation of less restrictive alternative services patterns, and provision of full educational opportunities to handicapped children at the preschool, elementary, and secondary levels.

**Vocational Education Fund**

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, construction of area vocational schools, ancillary services, research, advisory committees, and work-study projects. Includes sex equity grants.

**Title VII Bilingual Education Program Fund**

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

**Title I Fund**

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

**Drug Free Schools Grant Fund**

To provide financial assistance for programs of drug abuse education and prevention.

**Preschool Grants for the Handicapped Fund**

To provide financial assistance to address the improvement and expansion of services for handicapped children ages three (3) through five (5) years.

**Improving Teacher Quality Fund**

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

(Continued)



***Special Revenue Funds***

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**Miscellaneous Federal Grants Fund**

A fund used to account for various monies received through state agencies from the federal government or directly from the federal government which is not classified elsewhere.

**ARRA Stimulus Fund**

To support and restore State funding for elementary, secondary, post-secondary education and as applicable early childhood programs.

**Educational Research and Development Fund**

To improve State academic achievement through technology in schools; to assist students in becoming technologically literate by the end of eighth grade, and; to encourage effective integration of technology with teacher training and curriculum development to establish successful research-based instructional methods.

**Title I School Improvement Fund**

To help schools improve the teaching and learning of children failing, or most at risk of failing to meet State academic achievement standards.

***Capital Projects Funds***

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The Capital Projects Funds are used to account for the financial resources to be used for the acquisition or construction of major capital facilities, other than those financed by proprietary or trust funds.

**Permanent Improvement Fund**

A fund used to account for financial resources to be used for the acquisition, construction, or improvement of capital facilities.

***Permanent Fund***

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The Permanent Fund is used to account for the financial resources that are legally restricted in that only the earnings, not the principal, may be used to support the District's programs.

**Endowments Fund**

A fund used to account for money, securities, or lands 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.

**TOLEDO CITY SCHOOL DISTRICT**

**Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2011**

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
<b>Assets:</b>				
Cash and Cash Equivalents	\$ 19,378,725	\$ 10,870,805	\$ 810,665	\$ 31,060,195
Cash with Fiscal Agent	0	2,232,940	0	2,232,940
Receivables:				
Taxes	1,292,053	0	0	1,292,053
Accounts	10,302	0	0	10,302
Intergovernmental	15,068,190	0	0	15,068,190
Interest	40,390	27,343	2,045	69,778
Inventory Held for Resale	380,476	0	0	380,476
<b>Total Assets</b>	<b>\$ 36,170,136</b>	<b>\$ 13,131,088</b>	<b>\$ 812,710</b>	<b>\$ 50,113,934</b>
<b>Liabilities:</b>				
Accounts Payable	\$ 997,041	\$ 171,095	\$ 0	\$ 1,168,136
Accrued Wages and Benefits	4,912,072	0	0	4,912,072
Intergovernmental Payable	1,051,297	0	300	1,051,597
Interfund Loans Payable	1,324,935	0	0	1,324,935
Deferred Revenue	15,070,787	2,232,940	0	17,303,727
<b>Total Liabilities</b>	<b>23,356,132</b>	<b>2,404,035</b>	<b>300</b>	<b>25,760,467</b>
<b>Fund Balances:</b>				
Nonspendable	0	0	503,291	503,291
Restricted	16,352,520	10,727,053	309,119	27,388,692
Unassigned	(3,538,516)	0	0	(3,538,516)
<b>Total Fund Balances</b>	<b>12,814,004</b>	<b>10,727,053</b>	<b>812,410</b>	<b>24,353,467</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 36,170,136</b>	<b>\$ 13,131,088</b>	<b>\$ 812,710</b>	<b>\$ 50,113,934</b>

**TOLEDO CITY SCHOOL DISTRICT**

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Governmental Funds  
For the Fiscal Year Ended June 30, 2011**

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
<b>Revenues:</b>				
Taxes	\$ 1,002,932	\$ 1,432,954	\$ 0	\$ 2,435,886
Tuition	123,911	0	0	123,911
Food Services	1,053,241	0	0	1,053,241
Investment Earnings	(73,157)	54,177	6,770	(12,210)
Extracurricular Activities	370,310	0	0	370,310
Class Materials and Fees	9,564	0	0	9,564
Intergovernmental - State	5,407,291	843,021	0	6,250,312
Intergovernmental - Federal	71,821,826	0	0	71,821,826
All Other Revenue	1,372,131	0	1,000	1,373,131
<b>Total Revenue</b>	<b>81,088,049</b>	<b>2,330,152</b>	<b>7,770</b>	<b>83,425,971</b>
<b>Expenditures:</b>				
Current:				
Instruction	40,330,434	1,810,730	0	42,141,164
Supporting Services	24,826,338	660,876	28,478	25,515,692
Operation of Non-Instructional Services	15,078,883	184,400	0	15,263,283
Extracurricular Activities	468,184	0	695	468,879
Capital Outlay	6,693	1,801,492	0	1,808,185
<b>Total Expenditures</b>	<b>80,710,532</b>	<b>4,457,498</b>	<b>29,173</b>	<b>85,197,203</b>
Excess (Deficiency) of Revenues Over Expenditures	377,517	(2,127,346)	(21,403)	(1,771,232)
<b>Other Financing Sources (Uses):</b>				
Sale of Capital Assets	0	663,208	0	663,208
Transfers In	2,099,850	0	0	2,099,850
Transfers Out	(103)	0	0	(103)
<b>Total Other Financing Sources (Uses)</b>	<b>2,099,747</b>	<b>663,208</b>	<b>0</b>	<b>2,762,955</b>
Net Change in Fund Balance	2,477,264	(1,464,138)	(21,403)	991,723
<b>Fund Balances at Beginning of Year</b>	<b>10,336,740</b>	<b>12,191,191</b>	<b>833,813</b>	<b>23,361,744</b>
<b>Fund Balances End of Year</b>	<b>\$ 12,814,004</b>	<b>\$ 10,727,053</b>	<b>\$ 812,410</b>	<b>\$ 24,353,467</b>

**TOLEDO CITY SCHOOL DISTRICT**

**Combining Balance Sheet  
Nonmajor Special Revenue Funds  
June 30, 2011**

	<u>Food Service</u>	<u>Adult Education</u>	<u>Other Grants</u>	<u>School Facilities Maintenance</u>
<b>Assets:</b>				
Cash and Cash Equivalents	\$ 202,816	\$ 35,350	\$ 156,306	\$ 14,708,722
Receivables:				
Taxes	0	0	0	1,292,053
Accounts	4,902	5,400	0	0
Intergovernmental	0	1,332	0	0
Interest	0	0	0	34,124
Inventory Held for Resale	380,476	0	0	0
<b>Total Assets</b>	<u>\$ 588,194</u>	<u>\$ 42,082</u>	<u>\$ 156,306</u>	<u>\$ 16,034,899</u>
<b>Liabilities:</b>				
Accounts Payable	\$ 18,717	\$ 15,305	\$ 139,425	\$ 117,818
Accrued Wages and Benefits	29,753	49,519	11,488	0
Intergovernmental Payable	191,674	15,080	20,869	1,679
Interfund Loans Payable	0	719,195	103,482	0
Deferred Revenue	0	0	0	1,222,879
<b>Total Liabilities</b>	<u>240,144</u>	<u>799,099</u>	<u>275,264</u>	<u>1,342,376</u>
<b>Fund Balances:</b>				
Restricted	348,050	0	0	14,692,523
Unassigned	0	(757,017)	(118,958)	0
<b>Total Fund Balances (Deficit)</b>	<u>348,050</u>	<u>(757,017)</u>	<u>(118,958)</u>	<u>14,692,523</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 588,194</u>	<u>\$ 42,082</u>	<u>\$ 156,306</u>	<u>\$ 16,034,899</u>

**TOLEDO CITY SCHOOL DISTRICT**

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<u>Administratively Managed Student Activity</u>	<u>Auxiliary Services Program</u>	<u>Management Information System</u>	<u>Public School Preschool</u>	<u>Data Communication</u>	<u>Vocational Education Enhancement</u>
\$ 385,731	\$ 1,262,982	\$ 31,760	\$ 4,474	\$ 101,459	\$ 26,900
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	20,727
1,047	5,219	0	0	0	0
0	0	0	0	0	0
<u>\$ 386,778</u>	<u>\$ 1,268,201</u>	<u>\$ 31,760</u>	<u>\$ 4,474</u>	<u>\$ 101,459</u>	<u>\$ 47,627</u>
\$ 30,076	\$ 508,389	\$ 0	\$ 4,216	\$ 0	\$ 3,545
0	160,138	0	64	0	5,940
0	52,801	0	1,453	0	2,430
0	0	0	2,346	0	0
0	0	0	0	0	20,727
<u>30,076</u>	<u>721,328</u>	<u>0</u>	<u>8,079</u>	<u>0</u>	<u>32,642</u>
356,702	546,873	31,760	0	101,459	14,985
0	0	0	(3,605)	0	0
<u>356,702</u>	<u>546,873</u>	<u>31,760</u>	<u>(3,605)</u>	<u>101,459</u>	<u>14,985</u>
<u>\$ 386,778</u>	<u>\$ 1,268,201</u>	<u>\$ 31,760</u>	<u>\$ 4,474</u>	<u>\$ 101,459</u>	<u>\$ 47,627</u>

(Continued)

**TOLEDO CITY SCHOOL DISTRICT**

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**Combining Balance Sheet  
Nonmajor Special Revenue Funds  
June 30, 2011**

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	<u>Alternative Schools</u>	<u>Miscellaneous State</u>	<u>Education Jobs</u>	<u>Race to the Top</u>
<b>Assets:</b>				
Cash and Cash Equivalents	\$ 11,589	\$ 15,051	\$ 0	\$ 70,470
Receivables:				
Taxes	0	0	0	0
Accounts	0	0	0	0
Intergovernmental	51,634	52,151	7,578,666	1,152,451
Interest	0	0	0	0
Inventory Held for Resale	0	0	0	0
<b>Total Assets</b>	<u>\$ 63,223</u>	<u>\$ 67,202</u>	<u>\$ 7,578,666</u>	<u>\$ 1,222,921</u>
<b>Liabilities:</b>				
Accounts Payable	\$ 982	\$ 2,873	\$ 0	\$ 766
Accrued Wages and Benefits	6,556	480	0	4,983
Intergovernmental Payable	4,653	260	0	1,783
Interfund Loans Payable	0	14,673	0	98,204
Deferred Revenue	51,634	51,307	7,578,666	1,152,451
<b>Total Liabilities</b>	<u>63,825</u>	<u>69,593</u>	<u>7,578,666</u>	<u>1,258,187</u>
<b>Fund Balances:</b>				
Restricted	0	0	0	0
Unassigned	(602)	(2,391)	0	(35,266)
<b>Total Fund Balances (Deficit)</b>	<u>(602)</u>	<u>(2,391)</u>	<u>0</u>	<u>(35,266)</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 63,223</u>	<u>\$ 67,202</u>	<u>\$ 7,578,666</u>	<u>\$ 1,222,921</u>

**TOLEDO CITY SCHOOL DISTRICT**

Special Education Handicapped	Vocational Education	Title VII Bilingual Education Program	Title I	Drug Free School Grants	Preschool Grants for the Handicapped
\$ 826,258	\$ 372,677	\$ 1,665	\$ 826,220	\$ 13,576	\$ 2,807
0	0	0	0	0	0
0	0	0	0	0	0
724,911	56,705	45,598	2,217,834	58,220	15,901
0	0	0	0	0	0
0	0	0	0	0	0
<u>\$ 1,551,169</u>	<u>\$ 429,382</u>	<u>\$ 47,263</u>	<u>\$ 3,044,054</u>	<u>\$ 71,796</u>	<u>\$ 18,708</u>
\$ 0	\$ 34,969	\$ 1,615	\$ 50,119	\$ 3,476	\$ 2,697
623,163	42,156	1,585	2,408,361	0	27,463
227,306	21,611	857	405,233	0	5,946
0	20,025	3,738	0	8,660	6,930
724,911	56,705	45,598	1,016,637	58,220	0
<u>1,575,380</u>	<u>175,466</u>	<u>53,393</u>	<u>3,880,350</u>	<u>70,356</u>	<u>43,036</u>
0	253,916	0	0	1,440	0
(24,211)	0	(6,130)	(836,296)	0	(24,328)
<u>(24,211)</u>	<u>253,916</u>	<u>(6,130)</u>	<u>(836,296)</u>	<u>1,440</u>	<u>(24,328)</u>
<u>\$ 1,551,169</u>	<u>\$ 429,382</u>	<u>\$ 47,263</u>	<u>\$ 3,044,054</u>	<u>\$ 71,796</u>	<u>\$ 18,708</u>

(Continued)

**TOLEDO CITY SCHOOL DISTRICT**

**Combining Balance Sheet  
Nonmajor Special Revenue Funds  
June 30, 2011**

	Improving Teacher Quality	Miscellaneous Federal Grants	ARRA Stimulus	Educational Research and Development
<b>Assets:</b>				
Cash and Cash Equivalents	\$ 220,298	\$ 0	\$ 0	\$ 8,315
Receivables:				
Taxes	0	0	0	0
Accounts	0	0	0	0
Intergovernmental	760,707	1,574,193	1,008	0
Interest	0	0	0	0
Inventory Held for Resale	0	0	0	0
<b>Total Assets</b>	<u>\$ 981,005</u>	<u>\$ 1,574,193</u>	<u>\$ 1,008</u>	<u>\$ 8,315</u>
<b>Liabilities:</b>				
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 2,445
Accrued Wages and Benefits	317,360	4,242	986,509	686
Intergovernmental Payable	48,819	976	11,240	372
Interfund Loans Payable	0	122,607	0	0
Deferred Revenue	760,707	1,574,193	0	0
<b>Total Liabilities</b>	<u>1,126,886</u>	<u>1,702,018</u>	<u>997,749</u>	<u>3,503</u>
<b>Fund Balances:</b>				
Restricted	0	0	0	4,812
Unassigned	(145,881)	(127,825)	(996,741)	0
<b>Total Fund Balances (Deficit)</b>	<u>(145,881)</u>	<u>(127,825)</u>	<u>(996,741)</u>	<u>4,812</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 981,005</u>	<u>\$ 1,574,193</u>	<u>\$ 1,008</u>	<u>\$ 8,315</u>



**TOLEDO CITY SCHOOL DISTRICT**

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<u>Title I School Improvement</u>	<u>Total Nonmajor Special Revenue Funds</u>
\$ 93,299	\$ 19,378,725
0	1,292,053
0	10,302
756,152	15,068,190
0	40,390
0	380,476
<u>\$ 849,451</u>	<u>\$ 36,170,136</u>

\$ 59,608	\$ 997,041
231,626	4,912,072
36,255	1,051,297
225,075	1,324,935
<u>756,152</u>	<u>15,070,787</u>
<u>1,308,716</u>	<u>23,356,132</u>

0	16,352,520
<u>(459,265)</u>	<u>(3,538,516)</u>
<u>(459,265)</u>	<u>12,814,004</u>
<u>\$ 849,451</u>	<u>\$ 36,170,136</u>

**TOLEDO CITY SCHOOL DISTRICT**

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2011**

	Food Service	Adult Education	Other Grants	School Facilities Maintenance
<b>Revenues:</b>				
Taxes	\$ 0	\$ 0	\$ 0	\$ 1,002,932
Tuition	0	107,186	0	0
Food Service	1,053,241	0	0	0
Investment Earnings	0	0	0	(99,320)
Extracurricular Activities	0	0	0	0
Classroom Materials and Fees	0	0	0	0
State Sources	240,806	221,347	0	1,348,330
Federal Sources	8,530,308	492,454	0	0
Miscellaneous Revenue	158,377	0	1,194,417	0
<b>Total Revenue</b>	<u>9,982,732</u>	<u>820,987</u>	<u>1,194,417</u>	<u>2,251,942</u>
<b>Expenditures:</b>				
Current:				
Instruction	0	1,245,978	71,217	0
Support Services	98,533	58,446	1,520,166	758,025
Non-Instructional Services	10,805,786	10,503	0	0
Extracurricular Activities	0	0	0	0
Capital Outlay	0	0	0	6,693
<b>Total Expenditures</b>	<u>10,904,319</u>	<u>1,314,927</u>	<u>1,591,383</u>	<u>764,718</u>
Excess (Deficiency) of Revenues Over Expenditures	(921,587)	(493,940)	(396,966)	1,487,224
<b>Other Financing Sources (Uses):</b>				
Transfers In	1,112,511	332,104	0	0
Transfers Out	0	0	0	0
<b>Total Other Financing Sources (Uses)</b>	<u>1,112,511</u>	<u>332,104</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	190,924	(161,836)	(396,966)	1,487,224
<b>Fund Balances (Deficit) at Beginning of Year</b>	<u>157,126</u>	<u>(595,181)</u>	<u>278,008</u>	<u>13,205,299</u>
<b>Fund Balances (Deficit) End of Year</b>	<u>\$ 348,050</u>	<u>\$ (757,017)</u>	<u>\$ (118,958)</u>	<u>\$ 14,692,523</u>

**TOLEDO CITY SCHOOL DISTRICT**

Administratively Managed Student Activity	Auxiliary Services Program	Management Information System	Public School Preschool	Data Communication	Vocational Education Enhancement	Alternative Schools
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	16,725	0	0	0
0	0	0	0	0	0	0
3,679	22,484	0	0	0	0	0
370,310	0	0	0	0	0	0
9,564	0	0	0	0	0	0
0	3,011,748	32,979	147,628	113,459	43,101	181,173
0	0	0	0	0	0	0
19,337	0	0	0	0	0	0
<u>402,890</u>	<u>3,034,232</u>	<u>32,979</u>	<u>164,353</u>	<u>113,459</u>	<u>43,101</u>	<u>181,173</u>
0	94,802	0	7,415	0	10,667	9,240
0	110,171	21,149	190,499	12,000	22,169	142,608
0	3,056,523	0	0	0	0	0
468,184	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>468,184</u>	<u>3,261,496</u>	<u>21,149</u>	<u>197,914</u>	<u>12,000</u>	<u>32,836</u>	<u>151,848</u>
(65,294)	(227,264)	11,830	(33,561)	101,459	10,265	29,325
95,349	0	0	0	0	0	0
(103)	0	0	0	0	0	0
<u>95,246</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
29,952	(227,264)	11,830	(33,561)	101,459	10,265	29,325
326,750	774,137	19,930	29,956	0	4,720	(29,927)
<u>\$ 356,702</u>	<u>\$ 546,873</u>	<u>\$ 31,760</u>	<u>\$ (3,605)</u>	<u>\$ 101,459</u>	<u>\$ 14,985</u>	<u>\$ (602)</u>

(Continued)

**TOLEDO CITY SCHOOL DISTRICT**

**Combining Statement of Revenues, Expenditures and Changes in Fund Balance  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2011**

	Miscellaneous State	Race to the Top	Special Education Handicapped	Vocational Education
<b>Revenues:</b>				
Taxes	\$ 0	\$ 0	\$ 0	\$ 0
Tuition	0	0	0	0
Food Service	0	0	0	0
Investment Earnings	0	0	0	0
Extracurricular Activities	0	0	0	0
Classroom Materials and Fees	0	0	0	0
State Sources	66,720	0	0	0
Federal Sources	0	54,506	11,122,812	1,428,093
Miscellaneous Revenue	0	0	0	0
<b>Total Revenue</b>	<u>66,720</u>	<u>54,506</u>	<u>11,122,812</u>	<u>1,428,093</u>
<b>Expenditures:</b>				
Current:				
Instruction	52,766	0	4,443,098	170,259
Support Services	74,130	89,772	6,674,810	627,668
Non-Instructional Services	0	0	381,759	0
Extracurricular Activities	0	0	0	0
Capital Outlay	0	0	0	0
<b>Total Expenditures</b>	<u>126,896</u>	<u>89,772</u>	<u>11,499,667</u>	<u>797,927</u>
Excess (Deficiency) of Revenues Over Expenditures	(60,176)	(35,266)	(376,855)	630,166
<b>Other Financing Sources (Uses):</b>				
Transfers In	258	0	0	0
Transfers Out	0	0	0	0
<b>Total Other Financing Sources (Uses)</b>	<u>258</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	(59,918)	(35,266)	(376,855)	630,166
<b>Fund Balances (Deficit) at Beginning of Year</b>	<u>57,527</u>	<u>0</u>	<u>352,644</u>	<u>(376,250)</u>
<b>Fund Balances (Deficit) End of Year</b>	<u>\$ (2,391)</u>	<u>\$ (35,266)</u>	<u>\$ (24,211)</u>	<u>\$ 253,916</u>

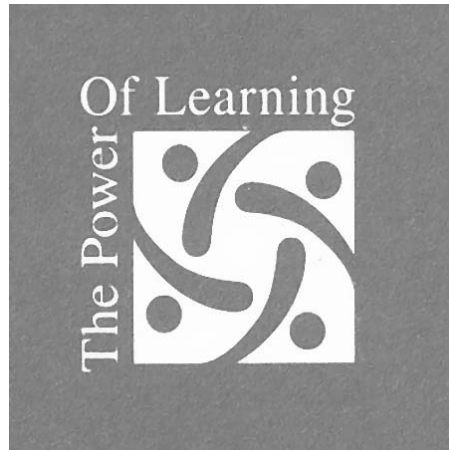
**TOLEDO CITY SCHOOL DISTRICT**

Title VII Bilingual Education Program	Title I	Drug Free School Grants	Preschool Grants for the Handicapped	Improving Teacher Quality	Miscellaneous Federal Grants	ARRA Stimulus
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
72,375	27,406,622	155,469	332,053	2,960,303	1,677,312	15,896,789
0	0	0	0	0	0	0
<u>72,375</u>	<u>27,406,622</u>	<u>155,469</u>	<u>332,053</u>	<u>2,960,303</u>	<u>1,677,312</u>	<u>15,896,789</u>
54,779	15,505,821	187,970	22,165	2,819,811	1,997,949	13,636,497
28,361	10,141,082	4,517	294,728	476,898	334,644	1,263,284
0	693,727	0	20	4,769	9,780	92,335
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>83,140</u>	<u>26,340,630</u>	<u>192,487</u>	<u>316,913</u>	<u>3,301,478</u>	<u>2,342,373</u>	<u>14,992,116</u>
(10,765)	1,065,992	(37,018)	15,140	(341,175)	(665,061)	904,673
0	0	0	0	0	559,628	0
0	0	0	0	0	0	0
0	0	0	0	0	559,628	0
(10,765)	1,065,992	(37,018)	15,140	(341,175)	(105,433)	904,673
4,635	(1,902,288)	38,458	(39,468)	195,294	(22,392)	(1,901,414)
<u>\$ (6,130)</u>	<u>\$ (836,296)</u>	<u>\$ 1,440</u>	<u>\$ (24,328)</u>	<u>\$ (145,881)</u>	<u>\$ (127,825)</u>	<u>\$ (996,741)</u>

(Continued)

**TOLEDO CITY SCHOOL DISTRICT****Combining Statement of Revenues, Expenditures and Changes in Fund Balance  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2011**

	Educational Research and Development	Title I School Improvement	Total Nonmajor Special Revenue Funds
<b>Revenues:</b>			
Taxes	\$ 0	\$ 0	\$ 1,002,932
Tuition	0	0	123,911
Food Service	0	0	1,053,241
Investment Earnings	0	0	(73,157)
Extracurricular Activities	0	0	370,310
Classroom Materials and Fees	0	0	9,564
State Sources	0	0	5,407,291
Federal Sources	63,882	1,628,848	71,821,826
Miscellaneous Revenue	0	0	1,372,131
<b>Total Revenue</b>	<b>63,882</b>	<b>1,628,848</b>	<b>81,088,049</b>
<b>Expenditures:</b>			
Current:			
Instruction	0	0	40,330,434
Support Services	59,554	1,823,124	24,826,338
Non-Instructional Services	23,681	0	15,078,883
Extracurricular Activities	0	0	468,184
Capital Outlay	0	0	6,693
<b>Total Expenditures</b>	<b>83,235</b>	<b>1,823,124</b>	<b>80,710,532</b>
Excess (Deficiency) of Revenues Over Expenditures	(19,353)	(194,276)	377,517
<b>Other Financing Sources (Uses):</b>			
Transfers In	0	0	2,099,850
Transfers Out	0	0	(103)
<b>Total Other Financing Sources (Uses)</b>	<b>0</b>	<b>0</b>	<b>2,099,747</b>
Net Change in Fund Balance	(19,353)	(194,276)	2,477,264
<b>Fund Balances (Deficit) at Beginning of Year</b>	<b>24,165</b>	<b>(264,989)</b>	<b>10,336,740</b>
<b>Fund Balances (Deficit) End of Year</b>	<b>\$ 4,812</b>	<b>\$ (459,265)</b>	<b>\$ 12,814,004</b>



**TOLEDO CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Major Funds – General Fund  
For the Fiscal Year Ended June 30, 2011***

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 308,034,666</u>	<u>\$ 331,848,000</u>	<u>\$ 328,937,404</u>	<u>\$ (2,910,596)</u>
Total Expenditures and Other Financing Uses	<u>329,576,983</u>	<u>337,939,923</u>	<u>337,939,923</u>	<u>0</u>
Net Change in Fund Balances	(21,542,317)	(6,091,923)	(9,002,519)	(2,910,596)
Fund Balance at Beginning of Year	4,534,664	4,534,664	4,534,664	0
Prior Year Encumbrances	<u>5,091,236</u>	<u>5,091,236</u>	<u>5,091,236</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ (11,916,417)</u>	<u>\$ 3,533,977</u>	<u>\$ 623,381</u>	<u>\$ (2,910,596)</u>



**TOLEDO CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Major Funds – Debt Service Fund  
For the Fiscal Year Ended June 30, 2011***

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 33,268,667</u>	<u>\$ 27,196,375</u>	<u>\$ 27,527,733</u>	<u>\$ 331,358</u>
Total Expenditures and Other Financing Uses	<u>27,954,529</u>	<u>27,686,001</u>	<u>27,686,001</u>	<u>0</u>
Net Change in Fund Balances	5,314,138	(489,626)	(158,268)	331,358
Fund Balance at Beginning of Year	<u>4,751,006</u>	<u>4,751,006</u>	<u>4,751,006</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 10,065,144</u>	<u>\$ 4,261,380</u>	<u>\$ 4,592,738</u>	<u>\$ 331,358</u>

**TOLEDO CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Major Funds – Capital Projects  
For the Fiscal Year Ended June 30, 2011***

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 9,181,385</u>	<u>\$ 9,103,784</u>	<u>\$ 1,837,752</u>	<u>\$ (7,266,032)</u>
Total Expenditures and Other Financing Uses	<u>53,517,276</u>	<u>31,107,100</u>	<u>31,107,100</u>	<u>0</u>
Net Change in Fund Balances	(44,335,891)	(22,003,316)	(29,269,348)	(7,266,032)
Fund Balance at Beginning of Year	44,335,890	44,335,890	44,335,890	0
Prior Year Encumbrances	<u>7,261,823</u>	<u>7,261,823</u>	<u>7,261,823</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 7,261,822</u>	<u>\$ 29,594,397</u>	<u>\$ 22,328,365</u>	<u>\$ (7,266,032)</u>

**TOLEDO CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Major Funds – Capital Projects  
For the Fiscal Year Ended June 30, 2011***

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 171,842,941</u>	<u>\$ 171,842,941</u>	<u>\$ 52,492,119</u>	<u>\$ (119,350,822)</u>
Total Expenditures and Other Financing Uses	<u>186,933,846</u>	<u>121,497,242</u>	<u>121,497,242</u>	<u>0</u>
Net Change in Fund Balances	(15,090,905)	50,345,699	(69,005,123)	(119,350,822)
Fund Balance at Beginning of Year	15,090,912	15,090,912	15,090,912	0
Prior Year Encumbrances	<u>75,652,932</u>	<u>75,652,932</u>	<u>75,652,932</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 75,652,939</u>	<u>\$ 141,089,543</u>	<u>\$ 21,738,721</u>	<u>\$ (119,350,822)</u>

**TOLEDO CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2011***

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 11,558,588</u>	<u>\$ 11,558,588</u>	<u>\$ 10,686,218</u>	<u>\$ (872,370)</u>
Total Expenditures and Other Financing Uses	<u>11,558,588</u>	<u>10,700,853</u>	<u>10,700,853</u>	<u>0</u>
Net Change in Fund Balances	0	857,735	(14,635)	(872,370)
Fund Balance at Beginning of Year	508	508	508	0
Prior Year Encumbrances	<u>14,127</u>	<u>14,127</u>	<u>14,127</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 14,635</u>	<u>\$ 872,370</u>	<u>\$ 0</u>	<u>\$ (872,370)</u>

**TOLEDO CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2011***

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 338,537</u>	<u>\$ 487,842</u>	<u>\$ 260,465</u>	<u>\$ (227,377)</u>
Total Expenditures and Other Financing Uses	<u>737,205</u>	<u>262,579</u>	<u>262,579</u>	<u>0</u>
Net Change in Fund Balances	(398,668)	225,263	(2,114)	(227,377)
Fund Balance at Beginning of Year	398,673	398,673	398,673	0
Prior Year Encumbrances	<u>23,211</u>	<u>23,211</u>	<u>23,211</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 23,216</u>	<u>\$ 647,147</u>	<u>\$ 419,770</u>	<u>\$ (227,377)</u>

**TOLEDO CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2011***

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 154,157</u>	<u>\$ 168,267</u>	<u>\$ 122,642</u>	<u>\$ (45,625)</u>
Total Expenditures and Other Financing Uses	<u>321,600</u>	<u>139,782</u>	<u>139,782</u>	<u>0</u>
Net Change in Fund Balances	(167,443)	28,485	(17,140)	(45,625)
Fund Balance at Beginning of Year	167,442	167,442	167,442	0
Prior Year Encumbrances	<u>3,410</u>	<u>3,410</u>	<u>3,410</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 3,409</u>	<u>\$ 199,337</u>	<u>\$ 153,712</u>	<u>\$ (45,625)</u>

**TOLEDO CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2011***

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 1,965,608</u>	<u>\$ 1,965,608</u>	<u>\$ 1,863,204</u>	<u>\$ (102,404)</u>
Total Expenditures and Other Financing Uses	<u>1,508,265</u>	<u>2,026,914</u>	<u>2,026,914</u>	<u>0</u>
Net Change in Fund Balances	457,343	(61,306)	(163,710)	(102,404)
Fund Balance at Beginning of Year	145,379	145,379	145,379	0
Prior Year Encumbrances	<u>18,332</u>	<u>18,332</u>	<u>18,332</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 621,054</u>	<u>\$ 102,405</u>	<u>\$ 1</u>	<u>\$ (102,404)</u>

**TOLEDO CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2011***

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 941,025</u>	<u>\$ 1,108,499</u>	<u>\$ 486,329</u>	<u>\$ (622,170)</u>
Total Expenditures and Other Financing Uses	<u>1,495,355</u>	<u>565,317</u>	<u>565,317</u>	<u>0</u>
Net Change in Fund Balances	(554,330)	543,182	(78,988)	(622,170)
Fund Balance at Beginning of Year	614,324	614,324	614,324	0
Prior Year Encumbrances	<u>31,560</u>	<u>31,560</u>	<u>31,560</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 91,554</u>	<u>\$ 1,189,066</u>	<u>\$ 566,896</u>	<u>\$ (622,170)</u>



**TOLEDO CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2011***

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	OTHER GRANTS FUND			Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
Total Revenues and Other Financing Sources	<u>\$ 1,743,594</u>	<u>\$ 1,845,249</u>	<u>\$ 1,305,033</u>	<u>\$ (540,216)</u>
Total Expenditures and Other Financing Uses	<u>2,036,855</u>	<u>1,760,288</u>	<u>1,760,288</u>	<u>0</u>
Net Change in Fund Balances	(293,261)	84,961	(455,255)	(540,216)
Fund Balance at Beginning of Year	420,565	420,565	420,565	0
Prior Year Encumbrances	<u>34,810</u>	<u>34,810</u>	<u>34,810</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 162,114</u>	<u>\$ 540,336</u>	<u>\$ 120</u>	<u>\$ (540,216)</u>

**TOLEDO CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2011***

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 2,690,800</u>	<u>\$ 2,690,800</u>	<u>\$ 2,455,634</u>	<u>\$ (235,166)</u>
Total Expenditures and Other Financing Uses	<u>1,500,000</u>	<u>1,221,282</u>	<u>1,221,282</u>	<u>0</u>
Net Change in Fund Balances	1,190,800	1,469,518	1,234,352	(235,166)
Fund Balance at Beginning of Year	12,734,832	12,734,832	12,734,832	0
Prior Year Encumbrances	<u>211,982</u>	<u>211,982</u>	<u>211,982</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 14,137,614</u>	<u>\$ 14,416,332</u>	<u>\$ 14,181,166</u>	<u>\$ (235,166)</u>

**TOLEDO CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2011***

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**ADMINISTRATIVELY MANAGED STUDENT ACTIVITY FUND**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 973,223</u>	<u>\$ 1,398,450</u>	<u>\$ 503,433</u>	<u>\$ (895,017)</u>
Total Expenditures and Other Financing Uses	<u>1,287,601</u>	<u>529,261</u>	<u>529,261</u>	<u>0</u>
Net Change in Fund Balances	(314,378)	869,189	(25,828)	(895,017)
Fund Balance at Beginning of Year	314,372	314,372	314,372	0
Prior Year Encumbrances	<u>24,600</u>	<u>24,600</u>	<u>24,600</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 24,594</u>	<u>\$ 1,208,161</u>	<u>\$ 313,144</u>	<u>\$ (895,017)</u>

**TOLEDO CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2011***

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 2,953,359</u>	<u>\$ 3,297,360</u>	<u>\$ 3,315,215</u>	<u>\$ 17,855</u>
Total Expenditures and Other Financing Uses	<u>3,406,230</u>	<u>4,128,497</u>	<u>4,128,497</u>	<u>0</u>
Net Change in Fund Balances	(452,871)	(831,137)	(813,282)	17,855
Fund Balance at Beginning of Year	454,517	454,517	454,517	0
Prior Year Encumbrances	<u>406,292</u>	<u>406,292</u>	<u>406,292</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 407,938</u>	<u>\$ 29,672</u>	<u>\$ 47,527</u>	<u>\$ 17,855</u>

**TOLEDO CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2011***

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**MANAGEMENT INFORMATION SYSTEM FUND**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 32,979</u>	<u>\$ 32,979</u>
Total Expenditures and Other Financing Uses	<u>24,457</u>	<u>25,671</u>	<u>25,671</u>	<u>0</u>
Net Change in Fund Balances	(24,457)	(25,671)	7,308	32,979
Fund Balance at Beginning of Year	<u>24,452</u>	<u>24,452</u>	<u>24,452</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ (5)</u>	<u>\$ (1,219)</u>	<u>\$ 31,760</u>	<u>\$ 32,979</u>

**TOLEDO CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2011***

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 123,424</u>	<u>\$ 123,424</u>	<u>\$ 166,699</u>	<u>\$ 43,275</u>
Total Expenditures and Other Financing Uses	<u>153,380</u>	<u>196,655</u>	<u>196,655</u>	<u>0</u>
Net Change in Fund Balances	(29,956)	(73,231)	(29,956)	43,275
Fund Balance at Beginning of Year	<u>29,956</u>	<u>29,956</u>	<u>29,956</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ (43,275)</u>	<u>\$ 0</u>	<u>\$ 43,275</u>

**TOLEDO CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2011***

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 0</u>	<u>\$ 106,000</u>	<u>\$ 113,459</u>	<u>\$ 7,459</u>
Total Expenditures and Other Financing Uses	<u>0</u>	<u>24,500</u>	<u>24,500</u>	<u>0</u>
Net Change in Fund Balances	<u>0</u>	<u>81,500</u>	<u>88,959</u>	<u>7,459</u>
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$ 0</u></u>	<u><u>\$ 81,500</u></u>	<u><u>\$ 88,959</u></u>	<u><u>\$ 7,459</u></u>

**TOLEDO CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2011***

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 40,453</u>	<u>\$ 64,453</u>	<u>\$ 43,101</u>	<u>\$ (21,352)</u>
Total Expenditures and Other Financing Uses	<u>44,481</u>	<u>44,514</u>	<u>44,514</u>	<u>0</u>
Net Change in Fund Balances	(4,028)	19,939	(1,413)	(21,352)
Fund Balance at Beginning of Year	7,061	7,061	7,061	0
Prior Year Encumbrances	<u>10,077</u>	<u>10,077</u>	<u>10,077</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 13,110</u>	<u>\$ 37,077</u>	<u>\$ 15,725</u>	<u>\$ (21,352)</u>



**TOLEDO CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2011***

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 228,626</u>	<u>\$ 228,626</u>	<u>\$ 181,173</u>	<u>\$ (47,453)</u>
Total Expenditures and Other Financing Uses	<u>240,052</u>	<u>182,828</u>	<u>182,828</u>	<u>0</u>
Net Change in Fund Balances	(11,426)	45,798	(1,655)	(47,453)
Fund Balance at Beginning of Year	11,425	11,425	11,425	0
Prior Year Encumbrances	<u>200</u>	<u>200</u>	<u>200</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 199</u>	<u>\$ 57,423</u>	<u>\$ 9,970</u>	<u>\$ (47,453)</u>

**TOLEDO CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2011***

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 35,932</u>	<u>\$ 77,732</u>	<u>\$ 80,947</u>	<u>\$ 3,215</u>
Total Expenditures and Other Financing Uses	<u>74,600</u>	<u>145,383</u>	<u>145,383</u>	<u>0</u>
Net Change in Fund Balances	(38,668)	(67,651)	(64,436)	3,215
Fund Balance at Beginning of Year	16,392	16,392	16,392	0
Prior Year Encumbrances	<u>48,044</u>	<u>48,044</u>	<u>48,044</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 25,768</u>	<u>\$ (3,215)</u>	<u>\$ 0</u>	<u>\$ 3,215</u>

**TOLEDO CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2011***

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	RACE TO THE TOP FUND			Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
Total Revenues and Other Financing Sources	<u>\$ 0</u>	<u>\$ 1,206,957</u>	<u>\$ 152,710</u>	<u>\$ (1,054,247)</u>
Total Expenditures and Other Financing Uses	<u>1,059,494</u>	<u>152,710</u>	<u>152,710</u>	<u>0</u>
Net Change in Fund Balances	(1,059,494)	1,054,247	0	(1,054,247)
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ (1,059,494)</u>	<u>\$ 1,054,247</u>	<u>\$ 0</u>	<u>\$ (1,054,247)</u>

**TOLEDO CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2011***

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 11,458,242</u>	<u>\$ 10,948,460</u>	<u>\$ 10,495,427</u>	<u>\$ (453,033)</u>
Total Expenditures and Other Financing Uses	<u>13,330,671</u>	<u>11,607,843</u>	<u>11,607,843</u>	<u>0</u>
Net Change in Fund Balances	(1,872,429)	(659,383)	(1,112,416)	(453,033)
Fund Balance at Beginning of Year	1,874,094	1,874,094	1,874,094	0
Prior Year Encumbrances	<u>22,618</u>	<u>22,618</u>	<u>22,618</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 24,283</u>	<u>\$ 1,237,329</u>	<u>\$ 784,296</u>	<u>\$ (453,033)</u>

**TOLEDO CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2011***

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 1,492,673</u>	<u>\$ 1,569,296</u>	<u>\$ 1,448,118</u>	<u>\$ (121,178)</u>
Total Expenditures and Other Financing Uses	<u>1,167,741</u>	<u>1,715,237</u>	<u>1,715,237</u>	<u>0</u>
Net Change in Fund Balances	324,932	(145,941)	(267,119)	(121,178)
Fund Balance at Beginning of Year	4	4	4	0
Prior Year Encumbrances	<u>267,115</u>	<u>267,115</u>	<u>267,115</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 592,051</u>	<u>\$ 121,178</u>	<u>\$ 0</u>	<u>\$ (121,178)</u>

**TOLEDO CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2011***

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**TITLE VII BILINGUAL EDUCATION PROGRAM FUND**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 115,114</u>	<u>\$ 145,124</u>	<u>\$ 76,113</u>	<u>\$ (69,011)</u>
Total Expenditures and Other Financing Uses	<u>122,034</u>	<u>83,678</u>	<u>83,678</u>	<u>0</u>
Net Change in Fund Balances	(6,920)	61,446	(7,565)	(69,011)
Fund Balance at Beginning of Year	6,924	6,924	6,924	0
Prior Year Encumbrances	<u>641</u>	<u>641</u>	<u>641</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 645</u>	<u>\$ 69,011</u>	<u>\$ 0</u>	<u>\$ (69,011)</u>

**TOLEDO CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2011***

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	TITLE I FUND			Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
Total Revenues and Other Financing Sources	<u>\$ 26,552,467</u>	<u>\$ 23,759,276</u>	<u>\$ 24,818,284</u>	<u>\$ 1,059,008</u>
Total Expenditures and Other Financing Uses	<u>28,975,322</u>	<u>29,014,940</u>	<u>29,014,940</u>	<u>0</u>
Net Change in Fund Balances	(2,422,855)	(5,255,664)	(4,196,656)	1,059,008
Fund Balance at Beginning of Year	2,452,266	2,452,266	2,452,266	0
Prior Year Encumbrances	<u>2,188,580</u>	<u>2,188,580</u>	<u>2,188,580</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 2,217,991</u>	<u>\$ (614,818)</u>	<u>\$ 444,190</u>	<u>\$ 1,059,008</u>

**TOLEDO CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2011***

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ (34,636)</u>	<u>\$ 179,053</u>	<u>\$ 164,129</u>	<u>\$ (14,924)</u>
Total Expenditures and Other Financing Uses	<u>304</u>	<u>205,479</u>	<u>205,479</u>	<u>0</u>
Net Change in Fund Balances	(34,940)	(26,426)	(41,350)	(14,924)
Fund Balance at Beginning of Year	37,835	37,835	37,835	0
Prior Year Encumbrances	<u>3,517</u>	<u>3,517</u>	<u>3,517</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 6,412</u>	<u>\$ 14,926</u>	<u>\$ 2</u>	<u>\$ (14,924)</u>



**TOLEDO CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2011***

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**PRESCHOOL GRANTS FOR THE HANDICAPPED FUND**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 307,083</u>	<u>\$ 292,987</u>	<u>\$ 282,916</u>	<u>\$ (10,071)</u>
Total Expenditures and Other Financing Uses	<u>332,401</u>	<u>323,432</u>	<u>323,432</u>	<u>0</u>
Net Change in Fund Balances	(25,318)	(30,445)	(40,516)	(10,071)
Fund Balance at Beginning of Year	<u>40,516</u>	<u>40,516</u>	<u>40,516</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 15,198</u>	<u>\$ 10,071</u>	<u>\$ 0</u>	<u>\$ (10,071)</u>

**TOLEDO CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2011***

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 3,669,210</u>	<u>\$ 3,970,613</u>	<u>\$ 2,960,303</u>	<u>\$ (1,010,310)</u>
Total Expenditures and Other Financing Uses	<u>4,274,478</u>	<u>3,407,455</u>	<u>3,407,455</u>	<u>0</u>
Net Change in Fund Balances	(605,268)	563,158	(447,152)	(1,010,310)
Fund Balance at Beginning of Year	605,424	605,424	605,424	0
Prior Year Encumbrances	<u>30,117</u>	<u>30,117</u>	<u>30,117</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 30,273</u>	<u>\$ 1,198,699</u>	<u>\$ 188,389</u>	<u>\$ (1,010,310)</u>

**TOLEDO CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2011***

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 3,283,512</u>	<u>\$ 3,433,512</u>	<u>\$ 2,359,547</u>	<u>\$ (1,073,965)</u>
Total Expenditures and Other Financing Uses	<u>3,098,988</u>	<u>2,560,924</u>	<u>2,560,924</u>	<u>0</u>
Net Change in Fund Balances	184,524	872,588	(201,377)	(1,073,965)
Fund Balance at Beginning of Year	6	6	6	0
Prior Year Encumbrances	<u>201,371</u>	<u>201,371</u>	<u>201,371</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 385,901</u>	<u>\$ 1,073,965</u>	<u>\$ 0</u>	<u>\$ (1,073,965)</u>

**TOLEDO CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2011***

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	ARRA STIMULUS FUND			Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
Total Revenues and Other Financing Sources	<u>\$ 14,127,198</u>	<u>\$ 15,896,789</u>	<u>\$ 15,896,789</u>	<u>\$ 0</u>
Total Expenditures and Other Financing Uses	<u>7,892,573</u>	<u>15,896,789</u>	<u>15,896,789</u>	<u>0</u>
Net Change in Fund Balances	6,234,625	0	0	0
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 6,234,625</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

**TOLEDO CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2011***

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 90,753</u>	<u>\$ 100,598</u>	<u>\$ 93,882</u>	<u>\$ (6,716)</u>
Total Expenditures and Other Financing Uses	<u>76,771</u>	<u>106,799</u>	<u>106,799</u>	<u>0</u>
Net Change in Fund Balances	13,982	(6,201)	(12,917)	(6,716)
Fund Balance at Beginning of Year	3	3	3	0
Prior Year Encumbrances	<u>17,790</u>	<u>17,790</u>	<u>17,790</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 31,775</u>	<u>\$ 11,592</u>	<u>\$ 4,876</u>	<u>\$ (6,716)</u>

**TOLEDO CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2011***

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 2,344,351</u>	<u>\$ 2,404,351</u>	<u>\$ 1,853,923</u>	<u>\$ (550,428)</u>
Total Expenditures and Other Financing Uses	<u>2,325,000</u>	<u>1,854,301</u>	<u>1,854,301</u>	<u>0</u>
Net Change in Fund Balances	19,351	550,050	(378)	(550,428)
Fund Balance at Beginning of Year	0	0	0	0
Prior Year Encumbrances	<u>378</u>	<u>378</u>	<u>378</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 19,729</u>	<u>\$ 550,428</u>	<u>\$ 0</u>	<u>\$ (550,428)</u>

**TOLEDO CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Capital Projects Funds  
For the Fiscal Year Ended June 30, 2010***

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	PERMANENT IMPROVEMENT FUND			Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
Total Revenues and Other Financing Sources	<u>\$ 2,359,759</u>	<u>\$ 2,359,759</u>	<u>\$ 1,446,999</u>	<u>\$ (912,760)</u>
Total Expenditures and Other Financing Uses	<u>5,250,000</u>	<u>6,144,305</u>	<u>6,144,305</u>	<u>0</u>
Net Change in Fund Balances	(2,890,241)	(3,784,546)	(4,697,306)	(912,760)
Fund Balance at Beginning of Year	9,844,236	9,844,236	9,844,236	0
Prior Year Encumbrances	<u>2,925,830</u>	<u>2,925,830</u>	<u>2,925,830</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 9,879,825</u>	<u>\$ 8,985,520</u>	<u>\$ 8,072,760</u>	<u>\$ (912,760)</u>

**TOLEDO CITY SCHOOL DISTRICT**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Permanent Fund  
For the Fiscal Year Ended June 30, 2010***

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	ENDOWMENTS FUND			Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
Total Revenues and Other Financing Sources	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 7,766</u>	<u>\$ 7,766</u>
Total Expenditures and Other Financing Uses	<u>75,000</u>	<u>30,473</u>	<u>30,473</u>	<u>0</u>
Net Change in Fund Balances	(75,000)	(30,473)	(22,707)	7,766
Fund Balance at Beginning of Year	827,772	827,772	827,772	0
Prior Year Encumbrances	<u>4,700</u>	<u>4,700</u>	<u>4,700</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 757,472</u>	<u>\$ 801,999</u>	<u>\$ 809,765</u>	<u>\$ 7,766</u>



***Internal Service Funds***

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Internal Service Funds are used to account for financing goods or services provided by one activity to other activities of the District on a cost-reimbursement basis.

**Rotary Fund**

To account for operations that provide goods and services provided by the District.

**Intra-District Services Fund**

To account for operations that provide goods and/or services to other areas within the District.

**Health Insurance Fund**

To account for monies received from other funds as payment for providing medical, hospitalization, life, dental, vision or any other similar employee benefit.

**Computer Network-Class A Fund**

To account for the operations of Class 'A' sites of the computer network of the Department of Education

**Workers' Compensation Fund**

To account for receipts and expenditures with regard to Workers' Compensation Self Insurance.

**TOLEDO CITY SCHOOL DISTRICT**

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***Combining Statement of Net Assets  
Internal Service Funds  
June 30, 2011***

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	Rotary	Intra-District Services	Health Insurance	Computer Network-Class A
<b>Assets:</b>				
Cash and Cash Equivalents	\$ 16,380	\$ 488,355	\$ 10,725,841	\$ 9,202
Receivables:				
Accounts	0	62,522	0	0
Intergovernmental	0	13,771	0	0
Interest	0	0	26,125	0
<b>Total Assets</b>	<u>16,380</u>	<u>564,648</u>	<u>10,751,966</u>	<u>9,202</u>
<b>Liabilities:</b>				
Accounts Payable	0	9,310	0	0
Accrued Wages and Benefits	0	0	5,281,200	0
Intergovernmental Payable	0	0	0	0
<b>Total Liabilities</b>	<u>0</u>	<u>9,310</u>	<u>5,281,200</u>	<u>0</u>
<b>Net Assets:</b>				
Unrestricted	16,380	555,338	5,470,766	9,202
<b>Total Net Assets</b>	<u>\$ 16,380</u>	<u>\$ 555,338</u>	<u>\$ 5,470,766</u>	<u>\$ 9,202</u>

**TOLEDO CITY SCHOOL DISTRICT**

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<u>Workers'</u> <u>Compensation</u>	<u>Total</u>
\$ 3,696,898	\$ 14,936,676
0	62,522
0	13,771
<u>11,127</u>	<u>37,252</u>
<u>3,708,025</u>	<u>15,050,221</u>
9,767	19,077
0	5,281,200
<u>646,202</u>	<u>646,202</u>
<u>655,969</u>	<u>5,946,479</u>
<u>3,052,056</u>	<u>9,103,742</u>
<u>\$ 3,052,056</u>	<u>\$ 9,103,742</u>

**TOLEDO CITY SCHOOL DISTRICT****Combining Statement of Revenues, Expenses and Changes in Fund Net Assets  
Internal Service Funds  
For the Fiscal Year Ended June 30, 2011**

	Rotary	Intra-District Services	Health Insurance	Computer Network-Class A
<b>Operating Revenues:</b>				
Interfund Charges	\$ 3,587	\$ 618,106	\$ 54,002,038	\$ 0
<b>Total Operating Revenues</b>	<u>3,587</u>	<u>618,106</u>	<u>54,002,038</u>	<u>0</u>
<b>Operating Expenses:</b>				
Personal Services	0	0	279,123	0
Purchased Services	0	95,132	51,569,838	0
Supplies and Materials	0	194,959	0	0
<b>Total Operating Expenses</b>	<u>0</u>	<u>290,091</u>	<u>51,848,961</u>	<u>0</u>
Operating Income	3,587	328,015	2,153,077	0
<b>Nonoperating Revenue (Expenses):</b>				
Investment Earnings	0	0	45,936	0
<b>Total Nonoperating Revenues (Expenses)</b>	<u>0</u>	<u>0</u>	<u>45,936</u>	<u>0</u>
Change in Net Assets	3,587	328,015	2,199,013	0
Net Assets Beginning of Year	12,793	227,323	3,271,753	9,202
Net Assets End of Year	<u>\$ 16,380</u>	<u>\$ 555,338</u>	<u>\$ 5,470,766</u>	<u>\$ 9,202</u>

**TOLEDO CITY SCHOOL DISTRICT**

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<u>Workers'</u> <u>Compensation</u>	<u>Total</u>
\$ 3,215,175	\$ 57,838,906
<u>3,215,175</u>	<u>57,838,906</u>
2,324,955	2,604,078
72,783	51,737,753
<u>0</u>	<u>194,959</u>
<u>2,397,738</u>	<u>54,536,790</u>
817,437	3,302,116
<u>38,013</u>	<u>83,949</u>
<u>38,013</u>	<u>83,949</u>
855,450	3,386,065
<u>2,196,606</u>	<u>5,717,677</u>
<u>\$ 3,052,056</u>	<u>\$ 9,103,742</u>

**TOLEDO CITY SCHOOL DISTRICT**

***Combining Statement of Cash Flows  
Internal Service Funds  
For the Fiscal Year Ended June 30, 2011***

	Rotary	Intra- District Services	Health Insurance	Computer Network- Class A
<u>Cash Flows from Operating Activities:</u>				
Cash Received from Interfund Charges	\$3,587	\$549,657	\$54,002,038	\$0
Cash Payments to Employees for Services and Benefits	0	(277,994)	(53,302,178)	0
Net Cash Provided by Operating Activities	<u>3,587</u>	<u>271,663</u>	<u>699,860</u>	<u>0</u>
<u>Cash Flows from Investing Activities:</u>				
Receipts of Interest	0	0	64,453	0
Net Cash Provided by Investing Activities	<u>0</u>	<u>0</u>	<u>64,453</u>	<u>0</u>
Net Increase in Cash and Cash Equivalents	3,587	271,663	764,313	0
Cash and Cash Equivalents at Beginning of Year	12,793	216,692	9,961,528	9,202
Cash and Cash Equivalents at End of Year	<u>\$16,380</u>	<u>\$488,355</u>	<u>\$10,725,841</u>	<u>\$9,202</u>
<u>Reconciliation of Operating Income to Net Cash</u>				
<u>Provided by Operating Activities:</u>				
Operating Income	\$3,587	\$328,015	\$2,153,077	\$0
Adjustments to Reconcile Operating Income to				
Net Cash Provided by Operating Activities:				
Changes in Assets and Liabilities:				
Decrease (Increase) in Accounts Receivable	0	(52,872)	140,983	0
Increase in Intergovernmental Receivables	0	(11,945)	0	0
Increase in Accounts Payable	0	8,465	0	0
Decrease in Accrued Wages and Benefits	0	0	(1,594,200)	0
Decrease in Intergovernmental Payables	0	0	0	0
Total Adjustments	<u>0</u>	<u>(56,352)</u>	<u>(1,453,217)</u>	<u>0</u>
Net Cash Provided by Operating Activities	<u>\$3,587</u>	<u>\$271,663</u>	<u>\$699,860</u>	<u>\$0</u>

During 2011 the fair value of investments decreased by \$15,132 and \$6,445 in the Health Insurance and Workers' Compensation Funds, respectively.

**TOLEDO CITY SCHOOL DISTRICT**

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<u>Workers'</u> <u>Compensation</u>	<u>Total</u>
\$3,215,175	\$57,770,457
(2,598,832)	(56,179,004)
<u>616,343</u>	<u>1,591,453</u>
30,202	94,655
<u>30,202</u>	<u>94,655</u>
646,545	1,686,108
<u>3,050,353</u>	<u>13,250,568</u>
<u>\$3,696,898</u>	<u>\$14,936,676</u>
\$817,437	\$3,302,116
0	88,111
0	(11,945)
6,704	15,169
0	(1,594,200)
<u>(207,798)</u>	<u>(207,798)</u>
<u>(201,094)</u>	<u>(1,710,663)</u>
<u>\$616,343</u>	<u>\$1,591,453</u>

***Fiduciary Fund***

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Fiduciary fund types are used to account for assets held by the School District in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds.

***Agency Fund***

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**Student Managed Activity Fund**

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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. The fund typically includes those student activities that consist of a student body, student president, student treasurer, and faculty advisor.



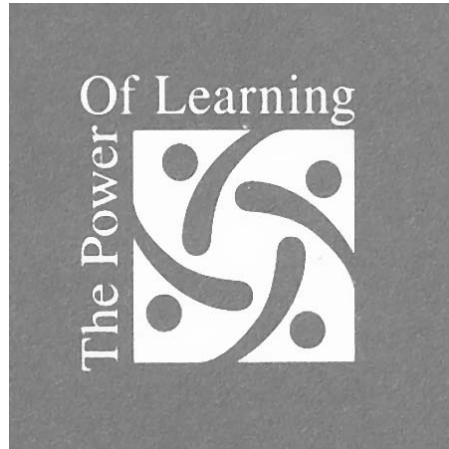
**TOLEDO CITY SCHOOL DISTRICT**

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***Combining Statement Of Changes In Assets And Liabilities  
Agency Fund  
For the Fiscal Year Ended June 30, 2011***

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	Balance June 30, 2010	Additions	Deductions	Balance June 30, 2011
<b><i>Student Managed Activity Fund</i></b>				
Assets:				
Cash and Cash Equivalents	\$438,377	\$458,764	(\$438,377)	\$458,764
Interest Receivable	1,017	1,259	(1,017)	1,259
Total Assets	<u>\$439,394</u>	<u>\$460,023</u>	<u>(\$439,394)</u>	<u>\$460,023</u>
Liabilities:				
Accounts Payable	\$1,008	\$46,601	(\$1,008)	\$46,601
Intergovernmental Payable	0	589	0	589
Due to Students	438,386	412,833	(438,386)	412,833
Total Liabilities	<u>\$439,394</u>	<u>\$460,023</u>	<u>(\$439,394)</u>	<u>\$460,023</u>



*STATISTICAL SECTION*

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# STATISTICAL TABLES

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This part of the Districts comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District's overall financial health.

## Contents

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<b>Financial Trends</b>	S 2 – S 11
These schedules contain trend information to help the reader understand how the District's financial position has changed over time.	
<b>Revenue Capacity</b>	S 12 – S 21
These schedules contain information to help the reader understand and assess the factors affecting the District's ability to generate its most significant local revenue source, the property tax.	
<b>Debt Capacity</b>	S 22 – S 29
These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	
<b>Economic and Demographic Information</b>	S 30 – S 33
These schedules offer economic and demographic indicators to help the reader understand the environment within which the District's financial activities take place and to provide information that facilitates comparisons of financial information over time and among governments.	
<b>Operating Information</b>	S 34 – S 47
These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	

### Sources Note:

Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

**Toledo Public School District**

*Net Assets by Component  
Last Ten Years  
(accrual basis of accounting)*

	2002	2003	2004	2005
<b>Governmental Activities</b>				
Invested in Capital Assets, Net of Related Debt	\$45,465,322	\$47,320,939	\$46,451,090	\$44,598,478
Restricted for:				
Capital Projects	4,952,379	8,027,026	602,514,840	583,303,915
Debt Service	95,283	6,902,023	7,914,287	5,845,920
Permanent Funds:				
Expendable	341,106	345,762	328,848	313,819
Nonexpendable	502,291	502,291	502,291	502,291
Other Purposes	10,919,141	0	12,150,959	10,644,859
Unrestricted (Deficit)	(29,442,269)	(39,092,774)	(37,951,094)	(35,477,065)
Total Governmental Activities Net Assets	<u>\$32,833,253</u>	<u>\$24,005,267</u>	<u>\$631,911,221</u>	<u>\$609,732,217</u>
<b>Primary Government</b>				
Invested in Capital Assets, Net of Related Debt	\$45,465,322	\$47,320,939	\$46,451,090	\$44,598,478
Restricted	16,810,200	15,777,102	623,411,225	600,610,804
Unrestricted (Deficit)	(29,442,269)	(39,092,774)	(37,951,094)	(35,477,065)
Total Primary Government Net Assets	<u>\$32,833,253</u>	<u>\$24,005,267</u>	<u>\$631,911,221</u>	<u>\$609,732,217</u>

Source: District Treasurer's Office

Note: District did not implement GASB 34 prior to 2002.

*Toledo Public School District*

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2006	2007	2008	2009	2010	2011
\$48,695,909	\$248,239,325	\$273,164,202	\$319,887,466	\$295,429,243	\$356,044,033
513,286,796	361,944,025	317,693,258	169,137,197	217,877,292	135,580,227
8,823,771	12,115,936	14,372,972	11,705,745	5,725,901	6,055,588
328,736	341,333	350,204	343,688	330,522	309,119
502,291	502,291	503,291	503,291	503,291	503,291
17,127,362	17,864,571	18,876,850	39,034,091	18,185,213	15,138,459
(27,004,696)	(15,174,793)	(19,858,790)	(56,323,121)	(39,755,783)	(4,891,597)
<u>\$561,760,169</u>	<u>\$625,832,688</u>	<u>\$605,101,987</u>	<u>\$484,288,357</u>	<u>\$498,295,679</u>	<u>\$508,739,120</u>
\$48,695,909	\$248,239,325	\$273,164,202	\$319,887,466	\$295,429,243	\$356,044,033
540,068,956	392,768,156	351,796,575	220,724,012	242,622,219	157,586,684
(27,004,696)	(15,174,793)	(19,858,790)	(56,323,121)	(39,755,783)	(4,891,597)
<u>\$561,760,169</u>	<u>\$625,832,688</u>	<u>\$605,101,987</u>	<u>\$484,288,357</u>	<u>\$498,295,679</u>	<u>\$508,739,120</u>

**Toledo Public School District**

*Changes in Net Assets  
Last Ten Years  
(accrual basis of accounting)*

	2002	2003	2004	2005
<b>Expenses</b>				
Governmental Activities				
Instruction	\$202,392,284	\$222,417,618	\$248,417,336	\$270,471,446
Support Services	135,952,928	141,129,502	134,366,560	135,099,356
Non-Instructional Services	38,211,128	25,122,326	25,815,679	27,827,829
Extracurricular Activities	5,164,782	5,360,012	5,362,388	5,262,095
Interest and Fiscal Charges	56,349	45,506	5,148,505	7,162,151
<i>Total Primary Government Expenses</i>	<u>\$381,777,471</u>	<u>\$394,074,964</u>	<u>\$419,110,468</u>	<u>\$445,822,877</u>
<b>Program Revenues</b>				
Charges for Services				
Instruction	\$1,582,267	\$2,694,477	\$5,213,123	\$6,691,740
Support Services	5,565,628	6,118,524	6,121,179	5,891,099
Extracurricular Activities	1,351,554	1,737,914	1,488,661	4,722,931
Operating Grants and Contributions	77,972,317	62,289,833	69,932,639	63,212,833
Capital Grants and Contributions	3,315,612	2,658,608	5,746,926	1,403,910
<i>Total Primary     Government Program Revenues</i>	<u>89,787,378</u>	<u>75,499,356</u>	<u>88,502,528</u>	<u>81,922,513</u>
<b>Net (Expense)/Revenue</b>				
Governmental Activities	<u>(291,990,093)</u>	<u>(318,575,608)</u>	<u>(330,607,940)</u>	<u>(363,900,364)</u>
<i>Total Primary     Government Net (Expense)/Revenue</i>	<u>(\$291,990,093)</u>	<u>(\$318,575,608)</u>	<u>(\$330,607,940)</u>	<u>(\$363,900,364)</u>



*Toledo Public School District*

2006	2007	2008	2009	2010	2011
\$292,680,197	\$189,552,656	\$263,193,272	\$261,800,004	\$247,655,446	\$260,842,406
138,761,857	133,079,110	133,764,377	135,291,670	132,178,983	121,820,020
19,816,003	27,648,071	25,644,073	26,726,017	23,329,071	25,822,082
6,333,665	4,242,542	5,107,505	5,471,234	5,397,381	3,563,783
7,229,719	6,991,726	6,919,481	6,958,983	8,249,037	6,327,517
<u>\$464,821,441</u>	<u>\$361,514,105</u>	<u>\$434,628,708</u>	<u>\$436,247,908</u>	<u>\$416,809,918</u>	<u>\$418,375,808</u>
\$3,461,903	\$6,053,787	\$5,290,951	\$4,023,645	\$2,818,840	\$2,738,592
9,122,667	13,630,186	13,775,626	16,187,742	11,539,081	10,155,473
3,515,022	3,042,679	2,777,125	2,731,369	2,467,675	1,973,018
72,027,628	89,840,113	95,387,363	102,234,262	71,728,806	74,429,919
577,516	241,467	0	0	0	0
<u>88,704,736</u>	<u>112,808,232</u>	<u>117,231,065</u>	<u>125,177,018</u>	<u>88,554,402</u>	<u>89,297,002</u>
<u>(376,116,705)</u>	<u>(248,705,873)</u>	<u>(317,397,643)</u>	<u>(311,070,890)</u>	<u>(328,255,516)</u>	<u>(329,078,806)</u>
<u>(\$376,116,705)</u>	<u>(\$248,705,873)</u>	<u>(\$317,397,643)</u>	<u>(\$311,070,890)</u>	<u>(\$328,255,516)</u>	<u>(\$329,078,806)</u>

(Continued)

**Toledo Public School District**

*Changes in Net Assets  
Last Ten Years  
(accrual basis of accounting)*

	2002	2003	2004	2005
<b>General Revenues and Other Changes in Net Assets</b>				
Governmental Activities				
Property Taxes Levied for				
General Purposes	\$103,470,010	\$103,915,412	\$107,245,398	\$106,736,207
Special Purposes	0	631,432	1,152,249	1,258,083
Debt Service	1,546,765	5,764,724	10,924,204	11,700,649
Capital Outlay	4,661,246	4,364,880	4,244,528	4,460,168
Grants and Entitlements not Restricted to Specific Programs	159,082,939	192,462,913	202,381,204	210,387,487
Investment Earnings	2,751,025	2,273,113	2,088,128	5,983,334
Miscellaneous	399,712	329,592	638,024	1,195,432
<i>Total Primary Government</i>	<u>\$271,911,697</u>	<u>\$309,742,066</u>	<u>\$328,673,735</u>	<u>\$341,721,360</u>
<b>Change in Net Assets</b>				
Governmental Activities	(\$20,078,396)	(\$8,833,542)	(\$1,934,205)	(\$22,179,004)
<i>Total Primary Government Change in Net Assets</i>	<u>(\$20,078,396)</u>	<u>(\$8,833,542)</u>	<u>(\$1,934,205)</u>	<u>(\$22,179,004)</u>

Source: District Treasurer's Office

*Toledo Public School District*

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2006	2007	2008	2009	2010	2011
\$104,775,512	\$99,468,836	\$89,303,614	\$93,183,415	\$91,408,483	\$95,606,344
1,196,205	1,196,598	1,099,423	1,151,977	1,062,637	1,002,932
11,621,405	12,429,284	11,056,591	11,305,429	8,089,438	9,129,011
4,380,783	4,410,854	3,984,819	4,034,149	5,586,245	1,432,954
197,630,604	183,776,457	181,133,225	193,207,018	233,261,864	232,087,828
8,437,563	11,334,119	9,683,086	4,587,198	2,590,626	(398,979)
102,585	162,244	406,184	102,225	263,545	662,157
<u>\$328,144,657</u>	<u>\$312,778,392</u>	<u>\$296,666,942</u>	<u>\$307,571,411</u>	<u>\$342,262,838</u>	<u>\$339,522,247</u>
<u>(\$47,972,048)</u>	<u>\$64,072,519</u>	<u>(\$20,730,701)</u>	<u>(\$3,499,479)</u>	<u>\$14,007,322</u>	<u>\$10,443,441</u>
<u>(\$47,972,048)</u>	<u>\$64,072,519</u>	<u>(\$20,730,701)</u>	<u>(\$3,499,479)</u>	<u>\$14,007,322</u>	<u>\$10,443,441</u>

***Toledo Public School District***

*Fund Balances, Governmental Funds  
Last Ten Years  
(modified accrual basis of accounting)*

	2002	2003	2004	2005
<b>General Fund</b>				
Nonspendable	\$0	\$0	\$0	\$0
Unassigned	0	0	0	0
Reserved	18,424,529	17,895,690	14,681,804	16,147,477
Unreserved	461,475	(20,506,000)	(24,015,732)	(28,005,685)
<b>Total General Fund</b>	<b>18,886,004</b>	<b>(2,610,310)</b>	<b>(9,333,928)</b>	<b>(11,858,208)</b>
<b>All Other Governmental Funds</b>				
Nonspendable	0	0	0	0
Restricted	0	0	0	0
Unassigned	0	0	0	0
Reserved	4,903,699	22,401,780	24,704,088	61,721,921
Unreserved, Undesignated in:				
Special Revenue Funds	4,872,343	(2,482,855)	(3,246,820)	(1,804,134)
Debt Service Fund	0	0	7,145,076	4,438,435
Capital Projects Funds	2,461,875	67,880,801	147,612,524	88,974,476
Permanent Fund	341,106	345,762	328,848	313,819
<b>Total All Other Governmental Funds</b>	<b>12,579,023</b>	<b>88,145,488</b>	<b>176,543,716</b>	<b>153,644,517</b>
<b>Total Governmental Funds</b>	<b>\$31,465,027</b>	<b>\$85,535,178</b>	<b>\$167,209,788</b>	<b>\$141,786,309</b>

Source: District Treasurer's Office

Note: The District implemented GASB 54 in 2011 which established new fund balance classifications for governmental funds.

***Toledo Public School District***

2006	2007	2008	2009	2010	2011
\$0	\$0	\$0	\$0	\$0	\$62,902
0	0	0	0	0	(10,868,218)
8,391,654	13,272,327	13,719,985	13,008,918	12,554,700	0
(20,963,268)	(7,561,390)	1,776	(17,195,736)	(25,259,943)	0
(12,571,614)	5,710,937	13,721,761	(4,186,818)	(12,705,243)	(10,805,316)
0	0	0	0	0	503,291
0	0	0	0	0	121,037,616
0	0	0	0	0	(3,538,516)
11,261,152	58,835,147	69,496,216	38,678,072	79,947,256	0
(1,438,040)	3,671,750	(1,834,973)	7,135,876	10,188,787	0
7,129,305	10,450,742	13,863,182	10,920,852	4,797,338	0
77,119,622	51,056,444	9,668,289	67,224,903	70,492,241	0
328,736	341,333	350,204	341,588	326,522	0
94,400,775	124,355,416	91,542,918	124,301,291	165,752,144	118,002,391
\$81,829,161	\$130,066,353	\$105,264,679	\$120,114,473	\$153,046,901	\$107,197,075

## Toledo Public School District

### Changes in Fund Balances, Governmental Funds Last Ten Years (modified accrual basis of accounting)

	2002	2003	2004	2005
<b>Revenues:</b>				
Taxes	\$112,167,580	\$111,319,491	\$116,690,772	\$119,358,742
Tuition	1,566,401	2,680,188	5,197,293	3,266,058
Transportation Fees	349,851	440,793	469,959	502,116
Food Services	2,335,035	2,438,348	2,355,774	2,061,867
Investment Earnings	2,334,619	2,049,381	2,078,065	5,955,187
Extracurricular Activities	1,600,512	1,577,542	1,546,319	1,592,106
Class Materials and Fees	461,879	454,013	400,782	412,727
Intermediate Sources	79,106	52,690	35,239	20,932
Intergovernmental - State	200,931,402	218,580,096	243,734,658	282,962,791
Intergovernmental - Federal	37,922,340	34,184,344	44,480,898	48,193,022
All Other Revenue	2,559,583	3,340,754	3,479,842	10,673,605
<b>Total Revenue</b>	362,308,308	377,117,640	420,469,601	474,999,153
<b>Expenditures:</b>				
Current:				
Instruction	193,056,559	218,665,625	224,080,604	229,062,862
Supporting Services	129,346,979	139,042,662	136,780,343	144,862,597
Non-Instructional Services	25,028,179	26,550,266	27,486,263	27,795,462
Extracurricular Activities	4,926,855	5,237,784	5,149,254	5,166,323
Capital Outlay	5,551,521	9,126,013	37,290,845	77,944,609
Debt Service:				
Principal Retirement	93,000	93,000	8,393,000	8,293,000
Interest and Fiscal Charges	55,765	419,324	5,769,497	7,297,779
<b>Total Expenditures</b>	358,058,858	399,134,674	444,949,806	500,422,632
Excess (Deficiency) of Revenues Over Expenditures	4,249,450	(22,017,034)	(24,480,205)	(25,423,479)
<b>Other Financing Sources (Uses):</b>				
Sale of Capital Assets	1,180	0	0	0
General Obligation Bonds Issued	0	72,500,000	103,600,000	0
Premium on Issuance of General Obligation Bonds	0	1,627,778	2,554,815	0
New Capital Leases	0	1,953,851	0	0
Transfers In	3,831,716	4,694,436	3,684,025	3,186,555
Transfers Out	(4,831,716)	(4,694,436)	(3,684,025)	(3,186,555)
<b>Total Other Financing Sources (Uses)</b>	(998,820)	76,081,629	106,154,815	0
<b>Net Change in Fund Balance</b>	\$3,250,630	\$54,064,595	\$81,674,610	(\$25,423,479)
<b>Debt Service as a Percentage of Noncapital Expenditures</b>	0.04%	0.13%	3.28%	3.38%

Source: District Treasurer's Office

***Toledo Public School District***

2006	2007	2008	2009	2010	2011
\$118,721,351	\$120,520,408	\$114,312,225	\$105,699,938	\$101,918,154	\$96,848,838
3,447,124	3,708,191	4,130,667	2,889,694	1,882,544	1,996,903
561,991	783,273	764,427	809,245	789,969	512,767
1,975,570	1,869,705	1,791,657	1,664,852	1,402,139	1,053,241
8,344,735	11,340,272	9,779,617	4,916,848	2,458,103	(359,695)
1,519,804	1,298,006	1,236,132	1,096,809	1,114,890	875,047
378,202	390,068	331,134	309,764	328,486	120,999
0	30,000	60,000	20,000	0	0
298,841,914	325,177,344	295,700,158	295,597,310	288,513,123	274,473,871
42,192,049	50,008,540	38,934,570	54,073,343	80,117,268	73,165,870
8,309,077	14,795,783	13,948,465	16,274,444	11,481,474	10,238,626
<u>484,291,817</u>	<u>529,921,590</u>	<u>480,989,052</u>	<u>483,352,247</u>	<u>490,006,150</u>	<u>458,926,467</u>
224,652,834	223,368,191	226,968,624	252,993,864	251,020,566	237,995,598
142,938,752	132,585,876	141,432,307	143,794,427	138,912,335	126,115,598
23,196,032	26,451,093	24,870,693	23,917,955	25,184,615	31,025,845
6,326,677	4,064,556	4,871,994	5,282,257	5,289,492	3,467,440
136,541,555	84,731,327	97,176,358	64,251,427	20,583,735	96,128,614
3,240,506	3,265,000	3,330,000	3,415,000	7,835,000	4,260,000
7,357,013	7,119,129	7,047,876	7,229,513	8,361,259	6,446,406
<u>544,253,369</u>	<u>481,585,172</u>	<u>505,697,852</u>	<u>500,884,443</u>	<u>457,187,002</u>	<u>505,439,501</u>
(59,961,552)	48,336,418	(24,708,800)	(17,532,196)	32,819,148	(46,513,034)
4,404	30,142	46,765	0	113,280	663,208
0	0	0	31,999,995	0	0
0	0	0	381,995	0	0
0	0	0	0	0	0
3,556,661	11,650,611	7,277,303	10,417,146	8,429,486	3,575,875
(3,556,661)	(11,779,979)	(7,416,942)	(10,417,146)	(8,429,486)	(3,575,875)
<u>4,404</u>	<u>(99,226)</u>	<u>(92,874)</u>	<u>32,381,990</u>	<u>113,280</u>	<u>663,208</u>
<u>(\$59,957,148)</u>	<u>\$48,237,192</u>	<u>(\$24,801,674)</u>	<u>\$14,849,794</u>	<u>\$32,932,428</u>	<u>(\$45,849,826)</u>
2.24%	2.94%	2.45%	2.51%	3.90%	2.56%

## *Toledo Public School District*

*Assessed Valuations and Estimated True Values of Taxable Property  
(amounts in thousands)  
Last Ten Calendar Years*

<b>Tax year</b>	2001	2002	2003	2004	2005
<b>Real Property</b>					
Assessed	2,320,805	2,305,922	2,314,937	2,658,992	2,693,299
Actual	6,630,871	6,588,349	6,614,106	7,597,120	7,695,140
<b>Public Utility</b>					
Assessed	225,416	166,114	177,375	152,422	144,678
Actual	225,416	166,114	177,375	152,422	144,678
<b>Tangible Personal Property</b>					
Assessed	366,623	373,954	345,046	322,160	295,642
Actual	1,466,492	1,495,816	1,380,184	1,288,640	1,182,568
<b>Total</b>					
Assessed	2,912,844	2,845,990	2,837,358	3,133,574	3,133,619
Actual	8,322,779	8,250,279	8,171,665	9,038,182	9,022,386
<b>Assessed Value as a Percentage of Actual Value</b>	35.00%	34.50%	34.72%	34.67%	34.73%
<b>Total Direct Tax Rate</b>	\$63.00	\$63.00	\$68.00	\$67.60	\$67.35

Source: Lucas County Auditor

Presented on a calendar year basis because that is the manner in which the information is maintained by the County.

Assessed value of Real Property is at 35%, Assessed value of Public Utility is at 100% and Assessed Value of Tangible Personal Property is at 25% through 2005, at 18.75% for 2006, 12.5% for 2007, and 6.25% for 2008 and 0% for 2009 and 2010. Additionally, telephone and telecommunications property was reclassified to general business personal property and assessed at 10% for 2009 and 2010.



*Toledo Public School District*

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2006	2007	2008	2009	2010
2,675,627	3,025,038	2,980,687	2,973,109	2,667,357
7,644,649	8,642,966	8,516,249	8,494,597	7,621,020
136,918	137,134	138,071	97,072	107,158
136,918	137,134	138,071	97,072	107,158
281,399	210,923	153,551	15,315	7,407
1,125,596	1,687,384	2,456,816	153,150	74,070
3,093,944	3,373,095	3,272,309	3,085,496	2,781,922
8,907,163	10,467,484	11,111,136	8,744,819	7,802,248
34.74%	32.22%	29.45%	35.28%	35.66%
\$67.35	\$67.10	\$66.90	\$67.70	\$65.70

***Toledo Public School District***

*Property Tax Rates of Direct and Overlapping Governments  
(per \$1,000 of assessed value)  
Last Ten Calendar Years*

	2001	2002	2003	2004	2005
<b>Direct District Rates</b>					
General Fund	60.50	60.50	60.50	60.30	60.05
Permanent Improvement Fund	2.50	2.50	3.00	3.00	3.00
Bond Retirement Fund	0.00	0.00	4.50	4.30	4.30
Total	<u>63.00</u>	<u>63.00</u>	<u>68.00</u>	<u>67.60</u>	<u>67.35</u>
<b>Overlapping Rates</b>					
Townships:					
Harding	3.30	4.30	3.60	3.30	3.00
Spencer	6.00	6.00	6.00	6.00	6.00
Municipalities:					
City of Toledo	4.40	4.40	4.40	4.40	4.40
Village of Ottawa Hills	4.10	4.10	4.10	4.10	4.10
Lucas County	17.80	17.45	17.45	18.30	18.00
Total	<u>98.60</u>	<u>99.25</u>	<u>103.55</u>	<u>103.70</u>	<u>102.85</u>

Ohio Revised Code Sections 5705.02 and 5705.07 require a vote of the people for any millage exceeding the "unvoted" or "inside" millage.

**Source:**

Lucas County Auditor's Office  
Lucas County Treasurer's Office

*Toledo Public School District*

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<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
60.05	59.80	59.80	60.60	61.20
3.00	3.00	3.00	3.00	0.50
<u>4.30</u>	<u>4.30</u>	<u>4.10</u>	<u>4.10</u>	<u>4.00</u>
67.35	67.10	66.90	67.70	65.70
3.00	3.00	4.80	4.80	4.80
6.00	6.00	8.00	8.00	8.00
4.40	4.40	4.40	4.40	4.40
4.10	4.10	4.10	4.10	4.10
<u>18.00</u>	<u>18.00</u>	<u>18.17</u>	<u>18.17</u>	<u>16.17</u>
<u>102.85</u>	<u>102.60</u>	<u>106.37</u>	<u>107.17</u>	<u>103.17</u>



## Toledo Public School District

*Principal Taxpayers  
Tangible Personal Property Tax  
(amounts in thousands)  
Current Year and Nine Years Ago*

Name of Taxpayer	Nature of Business	Calendar Year 2010		
		Assessed Value	Rank	Percent of Total Assessed Value
Ohio Bell Telephone Company	Telephone Transmission	\$2,985	1	40.30%
Buckeye Telesystem	Telephone Transmission	1,695	2	22.88%
MCI Metro Access Transmission	Telephone Transmission	1,146	3	15.47%
New Par	Realty	570	4	7.70%
Buckeye CableVision	Cable Transmission	297	5	4.01%
Ameritech Advanced Data	Telephone Transmission	210	6	2.84%
New Cingular Wireless PCS LLC	Telephone Transmission	162	7	2.19%
Sprint Spectrum L P	Telephone Transmission	105	8	1.42%
Ohio Telephone and Telegraph	Telephone Transmission	82	9	1.11%
T Mobile Central LLC	Telephone Transmission	77	10	1.04%
Subtotal		7,329		98.96%
All Others		78		1.04%
Total		<u>\$7,407</u>		<u>100.00%</u>

Name of Taxpayer	Nature of Business	Calendar Year 2001		
		Assessed Value	Rank	Percent of Total Assessed Value
Chrysler Corporation	Automotive Manufacturing	\$35,797	1	2.43%
General Mills	Food Processor	22,909	2	1.56%
Block Communications	Communications	11,563	3	0.79%
Seaway Foodtown, Inc.	Retail Grocery	9,638	4	0.66%
Libbey, Inc.	Glass Manufacturing	8,728	5	0.59%
Amerisource Corporation	Telephone Transmission	5,709	6	0.39%
Textile Leather Corporation	Vinyl Manufacturing	5,197	7	0.35%
Libbey Owens Ford	Glass Manufacturing	4,944	8	0.34%
Health Care and Retirement	Retirement Services	4,693	9	0.32%
Johnson Controls	Automotive Manufacturing	4,054	10	0.28%
Subtotal		113,232		7.71%
All Others		1,357,313		92.29%
Total		<u>\$1,470,545</u>		<u>100.00%</u>

Source: Lucas County Auditor - Land and Buildings  
Based on valuation of property in 2010 and 2001

Presented on a calendar year basis because that is the manner in which the information is maintained by the County.

## Toledo Public School District

*Principal Taxpayers  
Real Estate Tax  
(amounts in thousands)  
Current Year and Nine Years Ago*

Name of Taxpayer	Nature of Business	Calendar Year 2010		
		Assessed Value	Rank	Percent of Total Assessed Value
St. Vincent Medical Center	Hospital	\$13,077	1	0.49%
One Seagate LLC	Realty	12,950	2	0.49%
Empirian	Realty	7,772	3	0.29%
Toledo Hospital/Promedica	Hospital	7,736	4	0.29%
Centro NP Miracle Mile LLC	Realty	6,959	5	0.26%
ERT Southland LLC	Realty	5,791	6	0.22%
University Residences at Westwood	Realty	5,558	7	0.21%
Airport Square Investment	Realty	5,110	8	0.19%
Toledo Office Investment	Realty	3,850	9	0.14%
Toledo Edison	Electric Distribution	3,831	10	0.14%
Subtotal		72,634		2.72%
All Others		2,594,723		97.28%
Total		<u>\$2,667,357</u>		<u>100.00%</u>

Name of Taxpayer	Nature of Business	Calendar Year 2001		
		Assessed Value	Rank	Percent of Total Assessed Value
Toledo Edison	Electric Distribution	\$112,289	1	6.00%
Columbia Gas of Ohio	Natural Gas Distribution	51,391	2	2.74%
Ohio Bell Telephone	Telephone Transmission	43,023	3	2.30%
St. Vincent Medical Center	Hospital	24,232	4	1.29%
Owens-Illinois	Glass Manufacturing	19,335	5	1.03%
S-S-C Company	Business Services	7,985	6	0.43%
A.E.R.C.	Recycling	7,712	7	0.41%
Toledo Hospital	Hospital	6,736	8	0.36%
Medical College of Ohio	Hospital	6,396	9	0.34%
Developers Diversified Realty Corp.	Realty	5,482	10	0.29%
Subtotal		284,581		15.19%
All Others		1,587,662		84.81%
Total		<u>\$1,872,243</u>		<u>100.00%</u>

Source: Lucas County Auditor - Land and Buildings  
Based on valuation of property in 2010 and 2001

Presented on a calendar year basis because that is the manner in which the information is maintained by the County.

## *Toledo Public School District*

*Principal Taxpayers  
Public Utilities Tangible Personal Property Tax  
(amounts in thousands)  
Current Year and Ten Years Ago*

		Calendar Year 2010		
Name of Taxpayer	Nature of Business	Assessed Value	Rank	Percent of Total Assessed Value
Toledo Edison		\$75,938	1	70.87%
Columbia Gas		19,191	2	17.91%
American Transmission Systems		11,290	3	10.54%
	Subtotal	106,419		99.32%
	All Others	739		0.68%
	Total	<u>\$107,158</u>		<u>100.00%</u>
		Calendar Year 2000		
Name of Taxpayer	Nature of Business	Assessed Value	Rank	Percent of Total Assessed Value
Toledo Edison		\$112,281	1	50.15%
Ohio Bell		51,636	2	23.06%
Columbia Gas		50,910	3	22.74%
	Subtotal	214,827		95.95%
	All Others	9,064		4.05%
	Total	<u>\$223,891</u>		<u>100.00%</u>

Source: Lucas County Auditor - Land and Buildings  
Based on valuation of property in 2010 and 2000

Presented on a calendar year basis because that is the manner  
in which the information is maintained by the County.

***Toledo Public School District***

*Property Tax Levies and Collections  
(amounts in thousands)  
Last Ten Years*

<b>Collection Year</b>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
<b>Total Tax Levy</b> (1)	\$120,443	\$119,636	\$129,385	\$127,874
<b>Collections within the Fiscal Year of the Levy</b>				
Current Tax Collections (2)	116,838	115,839	122,349	125,522
Percent of Levy Collected	97.01%	96.83%	94.56%	98.16%
Delinquent Tax Collections (3)	<u>4,688</u>	<u>5,598</u>	<u>6,778</u>	<u>6,563</u>
Total Tax Collections	121,526	121,437	129,127	132,085
<b>Percent of Total Tax Collections To Tax Levy</b>	100.90%	101.51%	99.80%	103.29%
<b>Accumulated Outstanding Delinquent Taxes</b> (4)	14,173	15,570	16,946	19,187
<b>Percentage of Accumulated</b>				
<b>Delinquent Taxes to Total Tax Levy</b>	11.77%	13.01%	13.10%	15.00%

- (1) Taxes levied and collected are presented on a cash basis.
- (2) State reimbursements of rollback and homestead exemptions are included;
- (3) The County does not identify delinquent tax collections by tax year.
- (4) Penalties and interest are included, since by Ohio law they become part of the tax obligation as assessment occurs.

Source: Lucas County Auditor's Office  
Presented on a calendar year basis because that is the manner in which the information is maintained by the County.



*Toledo Public School District*

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<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
\$126,939	\$120,463	\$121,796	\$125,132	\$117,731	\$113,750
124,222	117,366	116,283	117,843	99,431	98,171
97.86%	97.43%	95.47%	94.17%	84.46%	86.30%
<u>6,183</u>	<u>7,589</u>	<u>11,023</u>	<u>8,449</u>	<u>8,215</u>	<u>9,032</u>
130,405	124,955	127,306	126,292	107,646	107,203
102.73%	103.73%	104.52%	100.93%	91.43%	94.24%
21,979	24,532	14,411	21,234	20,721	21,545
17.31%	20.36%	11.83%	16.97%	17.60%	18.94%

## *Toledo Public School District*

### *Ratio of Outstanding Debt By Type Last Ten Years*

	2002	2003	2004	2005
<b>Governmental Activities</b> <sup>(1)</sup>				
EPA Long-Term Note Payable	\$319,506	\$226,506	\$133,506	\$40,506
General Obligation Bonds Payable	0	74,127,778	171,679,762	163,339,963
Capital Leases	1,606,436	2,040,666	828,655	421,765
Total Primary Government	<u>\$1,925,942</u>	<u>\$76,394,950</u>	<u>\$172,641,923</u>	<u>\$163,802,234</u>
<b>Population</b> <sup>(2)</sup>				
City of Toledo	313,619	313,619	313,619	313,619
Outstanding Debt Per Capita	\$6	\$244	\$550	\$522
<b>Income</b>				
Personal (in thousands)	9,535,272	9,654,447	9,964,616	9,856,732
Percentage of Personal Income	0.02%	0.79%	1.73%	1.66%

**Sources:**

(1) District Treasurer's Office

(2) US Bureau of Census of Population

(a) Per Capita Income is only available by County, Total Personal Income is a calculation

N/A = Not available

*Toledo Public School District*

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2006	2007	2008	2009	2010	2011
\$0	\$0	\$0	\$0	\$0	\$0
160,000,164	156,595,365	153,125,566	181,939,114	173,950,672	169,537,230
221,896	0	0	0	0	0
<u>\$160,222,060</u>	<u>\$156,595,365</u>	<u>\$153,125,566</u>	<u>\$181,939,114</u>	<u>\$173,950,672</u>	<u>\$169,537,230</u>
313,619	313,619	313,619	313,619	287,208	232,776
\$511	\$499	\$488	\$580	\$606	\$728
9,917,574	10,135,852	10,298,307	10,095,709	6,887,535	N/A
1.62%	1.54%	1.49%	1.80%	2.53%	N/A

***Toledo Public School District***

*Ratios of General Bonded Debt Outstanding  
(amounts in thousands)  
Last Ten Years*

Year	2002	2003	2004	2005
<b>Population</b> (1)	313,619	313,619	313,619	313,619
<b>Assessed Value</b> (2)	\$2,845,990	\$2,837,358	\$3,133,574	\$3,133,619
<b>General Bonded Debt</b> (3)				
General Obligation Bonds	\$0	\$74,128	\$171,680	\$163,340
<b>Resources Available to Pay Principal</b> (4)	\$95	\$6,929	\$7,611	\$5,070
<b>Net General Bonded Debt</b>	(\$95)	\$67,199	\$164,069	\$158,270
<b>Ratio of Net Bonded Debt to Assessed Actual Value</b>	0.00%	2.37%	5.24%	5.05%
<b>Net Bonded Debt per Capita</b>	\$0	\$214	\$523	\$505

**Source:**

- (1) U.S. Bureau of Census of Population
- (2) Lucas County Auditor
- (3) Includes all general obligation bonded debt supported by property taxes
- (4) Includes only Debt Service funds available for general obligation bonded debt supported by property taxes.

*Toledo Public School District*

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2006	2007	2008	2009	2010	2011
313,619	313,619	313,619	313,619	287,208	232,776
\$3,093,946	\$3,373,095	\$3,272,309	\$3,085,497	\$2,776,709	\$2,735,813
\$160,000	\$156,595	\$153,126	\$181,939	\$173,951	\$169,537
\$7,669	\$11,268	\$13,863	\$11,526	\$5,293	\$5,193
\$152,331	\$145,327	\$139,263	\$170,413	\$168,658	\$164,344
4.92%	4.31%	4.26%	5.52%	6.07%	6.01%
\$486	\$463	\$444	\$543	\$587	\$706



***Toledo Public School District***

*Computation of Direct and Overlapping  
Debt Attributable to Governmental Activities  
(amounts in thousands)  
June 30, 2011*

Jurisdiction	Gross Debt Outstanding	Percentage Applicable to Toledo Public School District	Amount Applicable to Toledo Public School District
<b>Direct:</b>			
Toledo Public School District	\$169,537	100.00%	\$169,537
<b>Overlapping:</b>			
Lucas County	128,226	34.09%	43,712
City of Toledo	136,196	70.96%	96,645
		Subtotal	140,357
		Total	\$309,894

**Source:** Lucas County Auditor

Percentages determined by dividing each overlapping subdivisions' assessed valuation within the City by the subdivisions' total assessed valuation.

## *Toledo Public School District*

*Debt Limitations  
(amounts in thousands)  
Last Ten Years*

	2001	2002	2003	2004
<b>Net Assessed Valuation</b>	\$2,912,844	\$2,845,990	\$2,837,358	\$3,133,574
<b>Overall Direct Debt Limitation</b>				
Legal Debt Limitation (%) (1)	9.00%	9.00%	9.00%	9.00%
Legal Debt Limitation (\$) (1)	262,156	256,139	255,362	282,022
Applicable District Debt Outstanding	413	320	145,227	167,934
Less: Applicable Debt Service Fund Amounts (2)	(96)	(96)	(6,926)	(7,612)
Net Indebtedness Subject to Limitation	<u>317</u>	<u>224</u>	<u>138,301</u>	<u>160,322</u>
Overall Legal Debt Margin	<u>\$261,839</u>	<u>\$255,915</u>	<u>\$117,061</u>	<u>\$121,700</u>
<b>Unvoted Direct Debt Limitation</b>				
Legal Debt Limitation (%) (1)	0.10%	0.10%	0.10%	0.10%
Legal Debt Limitation (\$) (1)	2,913	2,846	2,837	3,134
Applicable District Debt Outstanding	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Unvoted Legal Debt Margin	<u>\$2,913</u>	<u>\$2,846</u>	<u>\$2,837</u>	<u>\$3,134</u>
<b>Energy Conservation Bond Limitation</b>				
Legal Debt Limitation (%) (1)	0.90%	0.90%	0.90%	0.90%
Legal Debt Limitation (\$) (1)	26,216	25,614	25,536	28,202
Authorized by the Board	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Unvoted Energy Conservation Bond Legal Debt Margin	<u>\$26,216</u>	<u>\$25,614</u>	<u>\$25,536</u>	<u>\$28,202</u>

(1) Ohio Bond Law sets a limit of 9% for overall debt, 1/10 of 1% for unvoted debt, and 9/10 of 1% for energy conservation debt.

(2) Includes only Debt Service funds available for general obligation bonded debt supported by property taxes.



***Toledo Public School District***

2005	2006	2007	2008	2009	2010
\$3,133,619	\$3,093,944	\$3,373,095	\$3,272,309	\$3,085,496	\$2,781,922
9.00%	9.00%	9.00%	9.00%	9.00%	9.00%
282,026	278,455	303,579	294,508	277,695	250,373
159,600	156,400	153,135	149,805	178,389	170,555
(5,070)	(7,669)	(11,268)	(13,863)	(11,526)	(5,293)
<u>154,530</u>	<u>148,731</u>	<u>141,867</u>	<u>135,942</u>	<u>166,863</u>	<u>165,262</u>
<u>\$127,496</u>	<u>\$129,724</u>	<u>\$161,712</u>	<u>\$158,566</u>	<u>\$110,832</u>	<u>\$85,111</u>
0.10%	0.10%	0.10%	0.10%	0.10%	0.10%
3,134	3,094	3,373	3,272	3,085	2,782
0	0	0	0	0	0
<u>\$3,134</u>	<u>\$3,094</u>	<u>\$3,373</u>	<u>\$3,272</u>	<u>\$3,085</u>	<u>\$2,782</u>
0.90%	0.90%	0.90%	0.90%	0.90%	0.90%
28,203	27,845	30,358	29,451	27,769	25,037
0	0	0	0	0	0
<u>\$28,203</u>	<u>\$27,845</u>	<u>\$30,358</u>	<u>\$29,451</u>	<u>\$27,769</u>	<u>\$25,037</u>

## *Toledo Public School District*

### *Demographic and Economic Statistics Last Ten Years*

Calendar Year	2001	2002	2003	2004
<b>Population</b> (1)				
City of Toledo	313,619	313,619	313,619	313,619
Lucas County	455,054	455,054	455,054	455,054
<b>Income</b> (2) (a)				
Total Personal (in thousands)	9,354,314	9,535,272	9,654,447	9,964,616
Per Capita	29,827	30,404	30,784	31,773
<b>Unemployment Rate</b> (3)				
Federal	4.8%	5.8%	6.0%	5.5%
State	4.3%	5.7%	6.1%	6.0%
Lucas County	5.0%	6.9%	7.8%	7.4%
Fiscal Year	2002	2003	2004	2005
<b>School Enrollment</b> (4)				
Elementary School (K-5 & K-6 configuration)	21,043	20,038	19,230	18,275
Middle School (6-8 & 7-8 configuration)	5,562	5,525	5,324	4,886
High School (9-12)	9,733	9,701	9,485	9,452
Special (5)	361	340	277	385
Total	<u>36,699</u>	<u>35,604</u>	<u>34,316</u>	<u>32,998</u>

**Sources:**

- (1) US Bureau of Census of Population
- (2) US Department of Commerce, Bureau of Economic Analysis
  - (a) Per Capita Income is only available by County,  
Total Personal Income is a calculation
- (3) State Department of Labor Statistics
- (4) District Treasurer's Office
- (5) For FY 2009 Special includes four Magnet Schools (2 K-8 & 2 K-9) and an Alternative Learning School

*Toledo Public School District*

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2005	2006	2007	2008	2009	2010
313,619	313,619	313,619	313,619	313,619	287,208
437,901	437,901	437,901	437,901	437,901	441,815
9,856,732	9,917,574	10,135,852	10,298,307	10,095,709	6,887,535
31,429	31,623	32,319	32,837	32,191	23,981
5.0%	4.6%	4.6%	5.8%	9.3%	9.6%
5.9%	5.5%	5.6%	6.6%	10.2%	10.1%
6.9%	6.3%	6.7%	8.3%	12.2%	11.3%
2006	2007	2008	2009	2010	2011
16,668	13,305	13,100	13,197	13,321	13,748
4,498	6,717	6,297	4,312	3,856	3,249
9,092	8,685	8,269	7,079	6,809	6,680
38	352	583	1,204	1,209	642
<u>30,296</u>	<u>29,059</u>	<u>28,249</u>	<u>25,792</u>	<u>25,195</u>	<u>24,319</u>



## *Toledo Public School District*

### *Principal Employers Current Year and Nine Years Ago*

		Fiscal Year 2011		
Employer	Nature of Business	Number of Employees	Rank	Percentage of Total Employment
Promedica Health System	Health Care	10,174	1	12.50%
Mercy Health Partners	Health Care	6,185	2	7.60%
University of Toledo	Education	4,691	3	5.76%
University of Toledo Health Sciences	Health Care	3,750	4	4.61%
Lucas County	Government	3,700	5	4.54%
Toledo Public Schools	Education	3,193	6	3.92%
City of Toledo	Government	2,700	7	3.32%
Kroger, Inc.	Retail Grocery	2,632	8	3.23%
The State of Ohio	Government	2,268	9	2.79%
Wal-Mart	Retail	2,215	10	2.72%
Total		41,508		50.99%
Total Employment within the District		39,904		49.01%
		<u>81,412</u>		<u>100.00%</u>
		2002		
Employer	Nature of Business	Number of Employees	Rank	Percentage of Total Employment
ProMedica Health Systems	Medial Facilities	10,000	1	11.40%
Mercy Health Partners	Hospital	8,854	2	10.09%
Toledo Public Schools	Education	5,658	3	6.45%
The University of Toledo	Education	5,000	4	5.70%
Lucas County	Government	4,510	5	5.14%
Food Town	Retail Grocery	4,300	6	4.90%
Daimler-Chrysler	Automotive/Manufacturing	4,100	7	4.67%
General Motors/Power Train	Automotive/Manufacturing	4,092	8	4.66%
Sauder Woodworking Co.	Furniture/Cabinets	3,600	9	4.10%
The Andersons	Grain/Retail	3,500	10	3.99%
Total		53,614		61.10%
Total Employment within the District		34,132		38.90%
		<u>87,746</u>		<u>100.00%</u>

**Sources:**

Source: Toledo Chamber of Commerce and Ohio Department of Job and Family Services

***Toledo Public School District***

*School District Employees by Type  
Last Ten Years*

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
<b>Supervisory</b>					
Instructional Administrators	50	51	49	44	40
Noninstructional Administrators	64	66	61	71	67
Principals	62	60	61	66	60
Assistant Principals	52	55	55	46	45
<b>Instruction</b>					
Classroom Teachers					
Elementary	1,594	1,569	1,456	1,405	1,253
Middle	379	395	354	365	340
High	623	674	618	659	638
Other	163	164	152	141	151
<b>Student Services</b>					
Guidance Counselors	70	72	71	71	68
Psychologists	25	25	24	26	25
Other Professionals (noninstructional)	31	36	35	36	36
<b>Support Services</b>					
Clerical/Secretaries	362	358	347	333	312
Tutors/Aides	427	434	414	370	373
Food Service	231	267	265	253	233
Maintenance/Grounds	384	367	349	354	333
Transportation	234	241	206	205	205
<i>Total Employees</i>	<u>4,751</u>	<u>4,834</u>	<u>4,517</u>	<u>4,445</u>	<u>4,179</u>

Source: District Treasurer's Office

*Toledo Public School District*

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<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
38	44	45	49	42
63	62	59	68	66
56	51	55	61	52
42	51	39	45	33
1,188	1,057	1,051	1,249	987
262	299	324	378	321
597	655	540	614	524
156	169	143	175	95
64	67	60	68	63
24	23	28	27	22
34	31	19	38	17
297	311	271	319	235
345	358	324	376	313
219	243	222	253	208
326	346	304	366	299
202	212	194	232	176
<u>3,913</u>	<u>3,979</u>	<u>3,678</u>	<u>4,318</u>	<u>3,453</u>

***Toledo Public School District***

*Operating Indicators - Cost per Pupil  
Last Ten Years*

Fiscal Year	2002	2003	2004	2005	2006
Enrollment	36,699	35,604	34,316	32,998	30,296
Modified Accrual Basis					
Operating Expenditures	358,058,858	399,134,674	444,949,806	500,422,632	544,253,369
Cost per Pupil	9,757	11,210	12,966	15,165	17,965
Percentage of Change	17.1%	14.9%	15.7%	17.0%	18.5%
Accrual Basis					
Expenses	\$381,777,471	394,074,964	419,110,468	445,822,877	464,821,441
Cost per Pupil	10,403	11,068	12,213	13,511	15,343
Percentage of Change	N/A	6.4%	10.3%	10.6%	13.6%
Teaching Staff	2,809	3,099	3,348	3,276	2,368
Pupil to Teacher Ratio					
Toledo	13.1	13.5	14.1	18.3	18.6
State Average	16.9	16.9	18.5	18.5	18.5

Source: District Treasurer's Office and Ohio Department of Education

N/A = Not available



*Toledo Public School District*

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2007	2008	2009	2010	2011
29,059	28,249	25,792	25,195	24,319
481,585,172	505,697,852	500,884,443	457,187,002	505,439,501
16,573	17,901	19,420	18,146	20,784
(7.75%)	8.02%	8.48%	(6.56%)	14.54%
361,514,105	434,628,708	436,247,908	416,809,918	418,375,808
12,441	15,386	16,914	16,543	17,204
(18.91%)	23.67%	9.93%	(2.19%)	3.99%
2,248	2,201	2,058	2,116	1,927
19.5	18.0	18.0	N/A	N/A
18.5	18.6	18.6	N/A	N/A

***Toledo Public School District***

*Operating Indicators by Function  
Last Ten Years*

	2002	2003	2004	2005
<b>Governmental Activities</b>				
Instruction				
Regular	31,809	29,757	28,540	27,529
Special	4,890	5,847	5,809	5,456
Support Services				
Pupils				
Enrollment	36,699	35,604	34,349	32,985
Graduates	942	1,079	1,041	1,171
Percent of Students with Disabilities	15.37%	15.90%	16.60%	17.40%
Percent of Students with English as Second Language	1.50%	0.60%	0.30%	0.50%
Administration				
School Attendance Rate	90.90%	93.30%	93.10%	93.20%
Fiscal Services				
Purchase Orders Processed	27,867	29,352	26,053	25,745
Checks Issued (non payroll)	29,195	30,585	29,349	26,321
Operation and Maintenance of Plant				
District Square Footage Maintained	6,318,863	6,318,863	6,318,863	6,634,127
District Square Acreage Maintained	145	145	145	152
Pupil Transportation				
Average Daily Students Transported	8,515	8,385	7,756	8,642
Average Daily Bus Fleet Miles	6,374	6,253	11,043	11,598
Number of Buses	170	174	178	167
Operation of Noninstructional Services				
Food Service				
Students Meals Served Daily	15,886	15,285	14,368	13,523
Free/Reduced Price Meals Daily	13,595	13,186	12,550	11,944
Extracurricular Activities				
High School Varsity Teams	110	110	114	115

Source: District Treasurer's Office

*Toledo Public School District*

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2006	2007	2008	2009	2010	2011
24,953	23,767	22,995	21,020	20,358	19,671
5,343	5,292	5,254	4,771	4,837	4,648
30,296	29,059	28,249	25,792	25,195	24,319
1,348	1,519	1,284	1,267	1,303	1,272
18.30%	17.90%	18.60%	18.50%	19.20%	19.10%
0.30%	0.50%	1.80%	1.40%	1.50%	2.26%
93.20%	92.30%	95.20%	94.90%	94.90%	94.70%
25,218	23,753	23,998	23,998	20,917	19,867
26,058	26,369	26,306	26,825	27,187	15,650
6,271,055	5,533,138	5,449,806	5,588,049	5,588,049	6,263,196
144	127	125	128	128	144
9,229	11,182	10,323	11,114	13,269	2,893
10,348	10,711	10,892	10,392	10,125	8,300
171	172	162	166	160	124
12,667	12,833	14,290	14,643	15,089	14,952
11,181	11,247	12,977	13,400	13,206	13,750
115	115	115	115	115	48

***Toledo Public School District***

*Operating Indicators - Teacher Base Salaries  
Last Ten Years*

Fiscal Year	2002	2003	2004	2005	2006
Minimum Salary	32,697	32,697	32,697	32,697	32,697
Maximum Salary	65,520	65,520	65,520	65,520	65,520
District Average Salary	43,374	45,544	45,949	48,274	49,862
County Average Salary	44,955	46,224	41,964	51,376	53,411
State Average Salary	44,266	45,515	47,495	49,436	50,771

Source: District Treasurer's Office and Ohio Department of Education

*Operating Indicators - Teacher by Education  
Last Ten Years*

Fiscal Year	2002	2003	2004	2005	2006
Bachelor's Degree	1,614	1,844	1,785	1,635	1,101
Master's Degree	1,181	1,240	1,550	1,624	1,254
Doctorate	14	15	13	17	13
Total	2,809	3,099	3,348	3,276	2,368

Source: District Treasurer's Office

N/A - not available

*Toledo Public School District*

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2007	2008	2009	2010	2011
32,697	32,697	34,351	35,313	34,960
65,520	65,520	68,836	70,763	72,867
50,294	50,083	52,735	54,568	56,585
54,696	56,228	59,210	61,490	NA
53,534	53,410	54,656	55,958	56,715

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2007	2008	2009	2010	2011
1,033	1,010	933	945	824
1,202	1,180	1,115	1,161	1,095
13	11	10	10	8
2,248	2,201	2,058	2,116	1,927

## *Toledo Public School District*

### *Capital Asset Statistics by Building Last Ten Years*

	2002	2003	2004	2005
<b>School Buildings</b>				
<b>High Schools</b>				
Number of Buildings	7	7	7	7
Square Footage	1,977,346	1,977,346	1,977,346	1,977,346
Enrollment	9,733	9,701	9,485	9,452
<b>Junior High Schools *</b>				
Number of Buildings	7	7	7	7
Square Footage	725,903	725,903	725,903	725,903
Enrollment	5,562	5,525	5,324	4,886
<b>Middle Schools *</b>				
Number of Buildings	0	0	0	0
Square Footage	0	0	0	0
Enrollment	0	0	0	0
<b>Elementary Schools</b>				
Number of Buildings	44	44	44	44
Square Footage	2,581,410	2,581,410	2,581,410	2,581,410
Enrollment	21,043	20,038	19,230	18,275
<b>Special Schools</b>				
Number of Buildings	14	14	14	14
Square Footage	823,914	823,914	823,914	823,914
Enrollment	361	340	277	385
<b>All Other</b>				
<b>Central Administration Building</b>				
Square Footage	79,354	79,354	79,354	79,354
<b>Transportation Building</b>				
Square Footage	10,950	10,950	10,950	10,950
<b>Maintenance Building</b>				
Square Footage	119,986	119,986	119,986	119,986

Source: District Treasurer's Office

\* Restructuring program began in 2006, completed in 2008.

*Toledo Public School District*

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2006	2007	2008	2009	2010	2011
7	7	7	7	7	7
1,977,346	1,793,255	1,943,186	1,947,738	1,947,738	1,947,738
9,092	8,685	8,272	7,079	6,809	6,680
7	6	0	0	0	0
725,903	634,563	0	0	0	0
4,498	5,353	0	0	0	0
1	2	7	7	7	7
83,299	179,743	652,097	622,321	622,321	622,321
521	1,206	4,346	4,312	3,856	3,249
44	37	37	37	37	37
2,376,163	2,327,553	2,290,095	2,453,562	2,453,562	2,453,562
16,668	15,468	12,860	13,196	13,321	13,748
11	8	8	8	8	8
582,790	372,463	358,143	358,143	358,143	358,143
313	359	2,770	1,204	1,209	642
79,354	79,354	79,354	79,354	79,354	79,354
10,950	10,950	10,950	10,950	10,950	10,950
119,986	115,981	115,981	115,981	115,981	115,981

**Toledo Public School District**

*Capital Asset Statistics by Function  
Last Ten Years*

	2002	2003	2004	2005
<b>Governmental Activities</b>				
Instruction				
Land and Improvements	\$17,186,218	\$17,186,218	\$17,930,709	\$21,401,277
Buildings and Improvements	97,370,855	97,370,855	98,807,735	98,448,522
Machinery and Equipment	622,000	767,167	820,189	1,080,631
Vehicles	71,449	265,561	265,561	372,411
Construction In Progress	0	2,848,748	12,191,262	45,957,833
Administration				
Land and Improvements	565,488	565,488	565,488	565,488
Buildings and Improvements	4,228,050	4,228,050	4,228,050	4,228,050
Machinery and Equipment	823,437	2,025,156	2,348,835	3,705,058
Vehicles	0	0	0	0
Operations and Maintenance of Plant				
Land and Improvements	411,952	411,952	411,953	411,953
Buildings and Improvements	1,502,625	1,502,625	1,502,625	1,502,625
Machinery and Equipment	300,599	467,244	1,398,411	1,731,391
Vehicles	1,335,755	1,512,200	1,530,343	1,530,343
Transportation Services				
Land and Improvements	584,422	584,422	584,422	584,422
Buildings and Improvements	207,077	207,077	207,077	207,077
Machinery and Equipment	42,700	42,700	42,700	42,700
Vehicles	6,107,356	7,456,491	7,552,128	7,552,128
Non-Instructional Activities				
Land and Improvements	127,175	127,175	127,175	127,175
Buildings and Improvements	4,046,820	4,046,820	4,046,820	4,046,820
Machinery and Equipment	1,170,600	1,267,426	1,316,505	1,316,505
Extracurricular Activities				
Land and Improvements	0	0	0	0
Buildings and Improvements	0	0	0	0
Machinery and Equipment	0	0	0	5,204

Source: District Treasurer's Office



***Toledo Public School District***

2006	2007	2008	2009	2010	2011
\$21,237,747	\$21,206,948	\$21,221,762	\$20,918,762	\$20,918,761	\$20,918,761
124,467,992	180,471,518	303,328,623	392,702,165	452,882,180	480,007,471
1,422,417	1,679,106	2,026,764	2,226,144	2,772,922	2,954,554
372,411	372,412	372,412	421,335	421,335	421,335
84,155,459	151,589,221	96,291,759	75,436,367	41,441,727	94,921,281
207,367	207,367	207,367	207,367	207,367	207,367
1,028,140	4,001,663	8,943,955	16,073,559	9,609,275	10,963,164
3,690,836	3,849,683	4,043,960	4,181,127	4,382,103	4,416,260
0	0	0	0	28,631	157,931
411,953	411,952	411,952	411,952	411,952	411,952
1,502,625	1,502,625	1,502,625	1,502,625	1,502,625	1,504,498
2,212,966	2,316,700	2,391,276	2,017,143	2,031,520	2,109,652
1,575,448	1,643,155	1,789,849	1,790,269	1,816,428	1,488,754
584,422	584,422	584,422	584,422	584,422	584,422
207,077	207,077	207,077	207,077	207,077	207,077
42,700	42,700	42,700	54,943	54,943	54,943
7,552,128	7,912,620	8,053,881	8,551,578	8,710,085	8,303,498
127,175	127,175	127,175	127,175	127,175	127,175
3,199,962	4,046,820	4,046,820	4,046,820	4,046,820	4,046,820
1,261,155	1,251,855	1,168,102	1,176,061	1,069,348	981,930
140,221	140,221	140,221	140,221	140,221	140,221
4,046,768	3,199,910	3,199,910	3,199,910	3,199,910	3,199,910
284,226	284,226	284,226	284,226	284,226	284,226

## *Toledo Public School District*

### *Educational and Operating Statistics Last Ten Years*

	2002	2003	2004	2005	2006
<b>ACT Scores (Average)</b>					
Toledo	19.3	19.2	18.8	18.7	18.7
Ohio	21.4	21.4	21.4	21.1	21.5
National	20.8	20.8	20.9	20.6	21.1
<b>SAT Scores (Average)</b>					
Toledo					
Verbal	521	528	519	526	519
Mathematical	505	517	529	515	519
Ohio					
Verbal	534	536	540	539	535
Mathematical	539	541	540	543	544
National					
Verbal	504	507	508	508	503
Mathematical	514	519	510	520	581
<b>Cost per Student (ODE)</b>					
Toledo	8,726	9,980	10,279	10,604	11,202
Ohio (Average)	8,073	8,441	8,768	9,048	9,356
<b>Attendance Rate</b>					
Toledo	90.90%	93.30%	93.10%	93.20%	93.20%
Ohio (Average)	95.00%	94.90%	95.30%	95.20%	94.10%
<b>Graduation Rate</b>					
Toledo	65.60%	70.40%	70.40%	80.20%	90.40%
Ohio (Average)	82.80%	83.90%	84.30%	85.90%	86.20%

**Source:**

District's Student Records and Ohio Department of Education

N/A = Not available

*Toledo Public School District*

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2007	2008	2009	2010	2011
18.5	N/A	N/A	N/A	N/A
21.6	21.6	21.7	21.4	21.8
21.2	21.2	21.3	20.9	21.1
N/A	N/A	522	N/A	N/A
N/A	N/A	529	N/A	N/A
536	534	537	538	539
542	544	546	548	545
502	502	501	501	N/A
515	515	515	516	N/A
11,209	10,770	12,008	13,544	13,859
9,586	9,939	10,184	10,512	10,571
92.30%	95.20%	94.90%	N/A	94.70%
94.10%	94.20%	94.30%	94.30%	94.50%
87.60%	N/A	N/A	N/A	80.50%
86.90%	N/A	84.60%	84.60%	84.30%





# Dave Yost • Auditor of State

TOLEDO CITY SCHOOL DISTRICT

LUCAS 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  
MARCH 29, 2012