

**COLUMBUS CITY SCHOOL DISTRICT  
FRANKLIN COUNTY**

**SINGLE AUDIT**

**FOR THE YEAR ENDED JUNE 30, 2005**



**Auditor of State  
Betty Montgomery**



**COLUMBUS CITY SCHOOL DISTRICT  
FRANKLIN COUNTY**

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**COLUMBUS CITY SCHOOL DISTRICT  
FRANKLIN COUNTY  
FEDERAL AWARDS RECEIPTS AND EXPENDITURES SCHEDULE  
FOR THE YEAR ENDED JUNE 30, 2005**

Federal Grantor/ Pass Through Grantor Program Title	Pass Through Entity Number	Federal CFDA Number	Receipts	Non-Cash Receipts	Disbursements	Non-Cash Disbursements
<b><u>U.S. DEPARTMENT OF AGRICULTURE</u></b>						
<i>Passed Through Ohio Department of Education:</i>						
Nutrition Cluster:						
Food Donation Program	043802	10.550	\$ -	\$ 1,458,095	\$ -	\$ 1,458,095
School Breakfast Program	043802 05PU-2004	10.553	902,788	-	902,788	-
	043802-05PU-2005	10.553	3,036,659	-	3,036,659	-
Total School Breakfast Program			3,939,447	-	3,939,447	-
National School Lunch Program	043802 LLP4-2004	10.555	2,970,342	-	2,970,342	-
	043802-LLP4-2005	10.555	8,877,287	-	8,876,135	-
Total National School Lunch Program			11,847,629	-	11,846,477	-
Total Nutrition Cluster:			15,787,076	1,458,095	15,785,924	1,458,095
Child and Adult Care Food Program	043802 CCCP-2004	10.558	158	-	158	-
	043802-CCMO-2004	10.558	9,451	-	9,451	-
	043802-CCMO-2005	10.558	17,764	-	17,764	-
	043802-LUCP-2005	10.558	397	-	397	-
Total Child and Adult Care Food Program			27,770	-	27,770	-
TOTAL U.S. DEPARTMENT OF AGRICULTURE:			15,814,846	1,458,095	15,813,694	1,458,095
<b><u>U.S. DEPARTMENT OF EDUCATION</u></b>						
Federal Pell Grant Program		84.063	350,926	-	350,926	-
Special Education - Grants for Infants and Families with Disabilities		84.181	195,498	-	206,371	-
Safe and Drug Free Schools and Communities: National Programs		84.184	305,000	-	269,940	-
Fund for the Improvement of Education		84.215	1,264,375	-	1,132,718	-
Twenty-First Century Community Learning Centers		84.287	83,130	-	86,672	-
Foreign Language Incentive Program		84.294	-	-	457	-
Teacher Quality Enhancement Grants		84.336	343,000	-	119,649	-
Community Technology Centers		84.341	198,000	-	174,306	-
Dropout Prevention Program		84.360	486,000	-	492,970	-
Total Direct Funding:			3,225,929	-	2,834,009	-
<i>Passed Through Ohio Department of Education:</i>						
Special Education Cluster:						
Special Education Grants to States	043802 6BSF-2001	84.027	-	-	210	-
	043802 6BSF-2004	84.027	-	-	28,068	-
	043802-6BSF-2005	84.027	12,228,195	-	12,997,915	-
Total Special Education Grants to States			12,228,195	-	13,026,193	-
Special Education - Preschool Grant	043802 PGS1-2004	84.173	-	-	2,234	-
	043802-PGS1-2005	84.173	260,059	-	268,953	-
Total Special Education- Preschool Grant			260,059	-	271,187	-
Total Special Education Cluster:			12,488,254	-	13,297,380	-
Adult Education: State Grant Program	043802 ABS1-2004	84.002	-	-	61,654	-
	043802-ABS1-2005	84.002	536,283	-	536,283	-
Total Adult Education: State Grant Program			536,283	-	597,937	-

**COLUMBUS CITY SCHOOL DISTRICT  
FRANKLIN COUNTY**

**FEDERAL AWARDS RECEIPTS AND EXPENDITURES SCHEDULE  
FOR THE YEAR ENDED JUNE 30, 2005  
(Continued)**

Federal Grantor/ Pass Through Grantor Program Title	Pass Through Entity Number	Federal CFDA Number	Receipts	Non-Cash Receipts	Disbursements	Non-Cash Disbursements
<b>U.S. DEPARTMENT OF EDUCATION (Continued)</b>						
<i>Passed Through Ohio Department of Education: (Continued)</i>						
Title I - Grants to Local Educational Agencies	043802-C1SD-2004	84.010	29,888	-	26,770	-
	043802-C1SD-2005	84.010	111,665	-	99,308	-
	043802-C1S1-2004	84.010	3,617,253	-	5,108,234	-
	043802 C1S1-2005	84.010	23,873,498	-	25,193,961	-
	043802-C1SN-2005	84.010	176,578	-	163,571	-
	043802 C1SK-2004	84.010	-	-	43,390	-
	043802-C1SK-2005	84.010	211,688	-	239,381	-
Total Title 1-Grants to Local Educational Agencies			28,020,570	-	30,874,615	-
Vocational Education: Basic Grants to States	043802-20A0-2005	84.048	4,000	-	5,466	-
	043802 20C1-2004	84.048	775,396	-	842,063	-
	043802 20C1-2005	84.048	1,549,550	-	1,504,783	-
	043802-20C2-2004	84.048	33,685	-	13,434	-
	043802 20C2-2005	84.048	172,427	-	175,452	-
Total Vocational Education: Basic Grants to States			2,535,058	-	2,541,198	-
Safe and Drug Free Schools and Communities State Grants	043802 DRS1-2004	84.186	440,954	-	102,177	-
	043802 DRS1-2005	84.186	607,605	-	535,626	-
Total Safe and Drug Free Schools and Communities State Grants			1,048,559	-	637,803	-
Education for Homeless Children and Youth	043802 HCS1-2004	84.196	19,868	-	34,002	-
	043802 HCS1-2005	84.196	267,340	-	286,292	-
	043802 HCSP-2004	84.196	31,500	-	45,000	-
Total Education for Homeless Children and Youth			318,708	-	365,294	-
Even Start: State Educational Agencies	043802 EVS1-2004	84.213	-	-	58,014	-
	043802 EVS1-2005	84.213	128,577	-	166,306	-
	043802 EVS2-2003	84.213	36,622	-	(79,659)	-
Total Even Start: State Educational Agencies			165,199	-	144,661	-
Twenty-First Century Community Learning Centers	043802 T1S1-2005	84.287	1,276,713	-	1,272,737	-
Title V -Innovative Education Program Strategies	043802 C2S1-2004	84.298	158,736	-	69,615	-
	043802 C2S1-2005	84.298	829,353	-	944,581	-
Total Title V Innovative Education Program Strategies			988,089	-	1,014,196	-
Technology Literacy Challenge Fund Grant	043802 TJS1-2004	84.318	105,120	-	124,551	-
	043802-TJS1-2005	84.318	687,149	-	577,076	-
	043802-TJSL-2004	84.318	(111,938)	-	764,026	-
	043802 TJSL-2005	84.318	2,539,260	-	2,287,803	-
Total Technology Literacy Challenge Fund Grant			3,219,591	-	3,753,456	-
Advance Placement Program	043802-AVS1-2002	84.330	17,316	-	-	-
Comprehensive School Reform Demonstration	043802 RFS1-2003	84.332	-	-	16,003	-
	043802 RFCC-2005	84.332	693,408	-	603,814	-
	043802 RFK1-2003	84.332	19,729	-	19,937	-
	043802 RFK2-2003	84.332	8,769	-	28,674	-
	043802 RFK2-2004	84.332	18,231	-	44,957	-
	043802 RFCC-2004	84.332	-	-	170,902	-
	043802 RFS3-2003	84.332	71,004	-	77,132	-
	043802 RFS3-2004	84.332	81,000	-	80,774	-
Total Comprehensive School Reform Demonstration			892,141	-	1,042,193	-
English Language Acquisition Grants	043802 T3S1-2004	84.365	127,402	-	122,302	-
	043802-T3S1-2005	84.365	642,475	-	727,755	-
	043802-T3S2-2004	84.365	112,221	-	-	-
	043802-T3S2-2005	84.365	141,364	-	105,492	-
Total English Language Acquisition Grants			1,023,462	-	955,549	-

**COLUMBUS CITY SCHOOL DISTRICT  
FRANKLIN COUNTY**

**FEDERAL AWARDS RECEIPTS AND EXPENDITURES SCHEDULE  
FOR THE YEAR ENDED JUNE 30, 2005  
(Continued)**

Federal Grantor/ Pass Through Grantor Program Title	Pass Through Entity Number	Federal CFDA Number	Receipts	Non-Cash Receipts	Disbursements	Non-Cash Disbursements
<b><u>U.S. DEPARTMENT OF EDUCATION (Continued)</u></b>						
<i>Passed Through Ohio Department of Education: (Continued)</i>						
Improving Teacher Quality State Grants	043802 TRS1-2004	84.367	1,046,324	-	1,215,922	-
	043802 TRS1-2005	84.367	6,051,837	-	6,007,240	-
	043802-TRSP-2004	84.367	191,500	-	226,040	-
Total Improving Teacher Quality State Grants			<u>7,289,661</u>	<u>-</u>	<u>7,449,202</u>	<u>-</u>
Total Passed Through Ohio Department of Education:			<u>59,819,604</u>	<u>-</u>	<u>63,946,221</u>	<u>-</u>
<i>Passed Through Columbus Urban League:</i>						
Parental Assistance Centers		84.310	-	-	66,033	-
<b>TOTAL U.S. DEPARTMENT OF EDUCATION:</b>			<b><u>63,045,533</u></b>	<b><u>-</u></b>	<b><u>66,846,263</u></b>	<b><u>-</u></b>
<b><u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u></b>						
Childcare and Development Block Grant		93.575	-	-	665	-
Head Start		93.600	80,496	-	58,621	-
Total Direct Funding:			<u>80,496</u>	<u>-</u>	<u>59,286</u>	<u>-</u>
<i>Passed Through Ohio Department of Education:</i>						
Refugee and Entrant Assistance: Discretionary Grants	043802-RIS1-2004	93.576	-	-	(4,735)	-
	043802 RIS1-2004	93.576	-	-	405	-
	043802-RIS1-2004	93.576	150,000	-	150,000	-
Total Refugee and Entrant Assistance: Discretionary Grants			<u>150,000</u>	<u>-</u>	<u>145,670</u>	<u>-</u>
<i>Passed Through Ohio Department of Job and Family Services:</i>						
<i>Passed Through Franklin County Department of Job and Family Services:</i>						
Temporary Assistance for Needy Families		93.558	258,820	-	247,620	-
<i>Passed Through State Department of Mental Retardation:</i>						
Medical Assistance Program (Medicaid Title XIX)	2500823	93.778	3,052,604	-	2,852,036	-
State Children's Insurance Program	2500823	93.767	315,528	-	315,528	-
Total Passed through State Department of Mental Retardation			<u>3,368,132</u>	<u>-</u>	<u>3,167,564</u>	<u>-</u>
<b>TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES:</b>			<b><u>3,857,448</u></b>	<b><u>-</u></b>	<b><u>3,620,140</u></b>	<b><u>-</u></b>
<b><u>U.S. DEPARTMENT OF HOMELAND SECURITY</u></b>						
Emergency Management and Performance Grants		97.042	8,636	-	-	-
<b><u>CORPORATION FOR NATIONAL AND COMMUNITY SERVICE</u></b>						
<i>Passed Through Ohio Department of Education:</i>						
Learn and Serve America School and Community Based	043802 SVS1-2004	94.004	(1,730)	-	2,997	-
	043802 SVS1-2005	94.004	27,095	-	22,144	-
	043802-SVHS-2005	94.004	19,761	-	21,861	-
Total Learn and Serve American School and Community Based			<u>45,126</u>	<u>-</u>	<u>47,002</u>	<u>-</u>
<b><u>NATIONAL SCIENCE FOUNDATION</u></b>						
Education and Human Resources		47.076	1,496,522	-	1,448,106	-
<b>Totals</b>			<b><u>\$ 84,268,111</u></b>	<b><u>\$ 1,458,095</u></b>	<b><u>\$ 87,775,205</u></b>	<b><u>\$ 1,458,095</u></b>

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

**COLUMBUS CITY SCHOOL DISTRICT  
FRANKLIN COUNTY**

**NOTES TO FEDERAL AWARDS RECEIPTS AND EXPENDITURES SCHEDULE  
FISCAL YEAR ENDED JUNE 30, 2005**

**NOTE A—SIGNIFICANT ACCOUNTING POLICIES**

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

**NOTE B— SUBRECIPIENTS**

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

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

**NOTE C—CHILD NUTRITION CLUSTER**

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

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

**NOTE D—MATCHING REQUIREMENTS**

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





## **Auditor of State Betty Montgomery**

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

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

To the Board of Education:

We have audited the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the Columbus City School District, Franklin County, Ohio, (the District), as of and for the year ended June 30, 2005, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 21, 2005. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in 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 to determine our auditing procedures in order to express our opinions on the financial statements and not to opine on the internal control over financial reporting. However, we noted a certain matter involving the internal control over financial reporting and its operation that we consider a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the District's ability to record, process, summarize, and report financial data consistent with management's assertions in the financial statements. A reportable condition is described in the accompanying schedule of findings and questioned costs as item 2005-005.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts material to the financial statements we audited may occur and not be timely detected by employees when performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered material weaknesses. However, we do not believe the reportable condition described above is a material weakness. In a separate letter to the District's management dated December 21, 2005, we reported other matters involving internal control over financial reporting which we did not deem reportable conditions.

### **Compliance and Other Matters**

As part of reasonably assuring whether the District's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts and grant agreements, non-compliance with which could directly and materially affect the determination of financial 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 that we must report under *Government Auditing Standards* which are described in the accompanying schedule of findings and questioned cost as items 2005-001 through 2005-004. In a separate letter to the District's management dated December 21, 2005, we reported other matters related to noncompliance we deemed immaterial.

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

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

**Betty Montgomery**  
Auditor of State

December 21, 2005



## Auditor of State Betty Montgomery

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

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

To the Board of Education:

#### Compliance

We have audited the compliance of the Columbus City School District, Franklin County, Ohio, (the District) with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133, Compliance Supplement* that apply to each of its major federal programs for the year ended June 30, 2005. The summary of auditor's results section of the accompanying schedule of findings and questioned costs identifies the District's major federal programs. The District's management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to each major federal program. Our responsibility is to express an opinion on the District's compliance based on our audit.

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

In our opinion, the District complied, in all material respects, with the requirements referred to above that apply to each of its major federal programs for the year ended June 30, 2005. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements that OMB Circular A-133 requires us to report, which are described in the accompanying schedule of findings and questioned cost as items 2005-006 through 2005-010. In a separate letter to the District's management dated December 21, 2005, we reported other matters related to federal noncompliance not requiring inclusion in this report.

### **Internal Control Over Compliance**

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

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants caused by error or fraud that would be material in relation to a major federal program being audited may occur and not be timely detected by employees when performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses. However, we noted matters involving the internal control over federal compliance not requiring inclusion in this report, that we reported to the District's management in a separate letter dated December 21, 2005.

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

We have audited the financial statements of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of the District as of and for the year ended June 30, 2005, and have issued our report thereon dated December 21, 2005. Our audit was performed to form opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying federal awards receipts and expenditures schedule provides additional information as required by OMB Circular A-133 and is not a required part of the basic financial statements. We subjected this information to the auditing procedures applied in the audit of the basic financial statements. In our opinion, this information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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



**Betty Montgomery**  
Auditor of State

February 7, 2006, except the Federal Awards Receipts and Expenditures Schedule dated December 21, 2005.

**COLUMBUS CITY SCHOOL DISTRICT  
FRANKLIN COUNTY**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
OMB CIRCULAR A -133 § .505  
JUNE 30, 2005**

<b>1. SUMMARY OF AUDITOR'S RESULTS</b>		
<b>(d)(1)(i)</b>	<b>Type of Financial Statement Opinion</b>	Unqualified
<b>(d)(1)(ii)</b>	<b>Were there any material control weakness conditions reported at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(ii)</b>	<b>Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?</b>	Yes
<b>(d)(1)(iii)</b>	<b>Was there any reported material non-compliance at the financial statement level (GAGAS)?</b>	Yes
<b>(d)(1)(iv)</b>	<b>Were there any material internal control weakness conditions reported for major federal programs?</b>	No
<b>(d)(1)(iv)</b>	<b>Were there any other reportable internal control weakness conditions reported for major federal programs?</b>	No
<b>(d)(1)(v)</b>	<b>Type of Major Programs' Compliance Opinion</b>	Unqualified
<b>(d)(1)(vi)</b>	<b>Are there any reportable findings under .510?</b>	Yes
<b>(d)(1)(vii)</b>	<b>Major Programs (list):</b>	<ul style="list-style-type: none"> <li>• <u>Nutrition Cluster:</u> Commodity Distribution, CFDA #10.550 School Breakfast Program, CFDA #10.553 National School Lunch Program, CFDA #10.555</li> <li>• Title 1, CFDA #84.010</li> <li>• Vocational Education, CFDA #84.048</li> <li>• Title V , CFDA # 84.298</li> <li>• Technology Literacy Challenge Fund Grant, CFDA #84.318</li> <li>• Title XIX Medicaid, CFDA #93.778</li> </ul>
<b>(d)(1)(viii)</b>	<b>Dollar Threshold: Type A\B Programs</b>	Type A: > \$2,676,480 Type B: all others
<b>(d)(1)(ix)</b>	<b>Low Risk Auditee?</b>	No

**COLUMBUS CITY SCHOOL DISTRICT  
FRANKLIN COUNTY**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
OMB CIRCULAR A -133 § .505  
JUNE 30, 2005**

<b>2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS</b>
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<b>Finding Number</b>	<b>2005-001</b>
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**District Owned Cell Phones**

The District's proper public purpose policy states that "District cellular telephones and pagers serve a public purpose only when they are distributed to those employees who must necessarily be available through such access and when such employees are specifically notified of the obligation to limit use of such equipment to District business."

The District has also created acceptable use guidelines for cellular phones. Rules for the usage for cellular phones include, in part:

- Cellular phones/radios will only be issued to employees who sign an Acceptable Use Policy.
- Cellular phones/radios are intended to be used for Columbus Public School business only.
- Cellular phones/radios are intended to be used only for legitimate business purposes that are related to an employee's job function and only when a hard-wired phone is not available for use.
- Personal use is prohibited on District cellular phones: charges will be monitored regularly. You are personally responsible for any non-business calls charged on your phone. Personal use of District cellular phones may result in disciplinary action.
- It is your responsibility to ensure no unauthorized use of your cellular phone/radio; proper use and securely storing a phone is required.
- Calls exceeding five minutes in length are subject to justification.
- Cellular phones should not be used to call directory assistance.
- It is your responsibility to monitor your phone usage to ensure that you do not exceed your allowable phone minutes. Repeated use of excess minutes may be cause for disciplinary action.

For cell phone bills tested:

- Five percent of employees had not signed the Acceptable Use Policy.
- Eighty-eight percent of billings tested included calls exceeding the five minute call justification with no justifications received or noted prior to payment. Additionally, calls were terminated and repeated by users keeping calls below the five minute limitation for justification.
- Eighty-five percent of billings tested included identifiable personal charges.

Within the cell phone billings tested, a total of \$384.08 in personal charges were incurred by the employees assigned to the phones. Repayment or withholding from the employees' paychecks were made for only one employee tested during the 2005 fiscal year from the individuals who incurred the charges.

In accordance with the forgoing facts, and pursuant to Ohio Rev. Code Section 117.28, a Finding for Recovery for public monies illegally expended would have been issued in favor of the Columbus City School District General Fund against the employees listed in the chart below, individually, for the corresponding dollar amounts with amounts repaid indicated, and against Treasurers Jeri Wires for \$25.55 and Jerry Buccilla for \$358.53 and their respective bonding companies Travelers Casualty and Surety Company of America and Cincinnati Insurance Company, jointly and severally, in their supervisory capacities for assuring that all such payments are in accordance with District policy.

**COLUMBUS CITY SCHOOL DISTRICT  
FRANKLIN COUNTY**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
OMB CIRCULAR A -133 § .505  
JUNE 30, 2005  
(Continued)**

<b>2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)</b>
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<b>Finding Number (Continued)</b>	<b>2005-001 (Continued)</b>
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**District Owned Cell Phones (Continued)**

Employee Name	Finding Amount	Finding Repaid Under Audit	Date Finding Repaid
Andrea Barrett	\$15.50	Yes	11/22/05
April Ross	1.61	Yes	2/15/06
Bill Swisher	0.25	Yes	2/15/06
Bob Johnson	8.87	Yes	2/15/06
Brian Henry	27.14	Yes	3/15/06
Bud Streets	2.59	Yes	2/7/06
Burt Feldman	4.50	Yes	3/7/06
Chad Disbennett	12.14	Yes	3/16/06
Chuck Hollar	1.88	Yes	11/23/05
Cliff Worthington	0.62	Yes	2/15/06
Dave Jones	13.72	Yes	3/16/06
Dave Spiller	6.00	Yes	2/21/06
Dean Greenwood	10.26	Yes	2/6/06
Dick McCoy	1.23	Yes	2/7/06
Dorsey Birdsall	3.31	Yes	2/7/06
Dwayne Stevens	12.56	Yes	9/1/04
Ernie Stone	3.50	Yes	3/16/06
Gayle Saunders	1.61	Yes	2/17/06
Karla Pinson	1.93	Yes	1/4/06
Larry Marshall	18.79	Yes	3/6/06
Loren Wheaton	16.66	Yes	2/15/06
Mike Hodgins	10.84	Yes	2/16/06
Mike Rotonda	47.17	Yes	2/8/06
Nick Brown	7.38	Yes	2/7/06
Ray Byers	3.20	Yes	3/15/06
Rick Jacks	38.67	Yes	2/6/06
Roland Spence	0.62	Yes	2/6/06
Ron Brooks	12.69	Yes	2/15/06
Scott Williams	5.69	Yes	3/16/06
Steve Herbert	16.06	Yes	12/16/05
Steve Sedlock	6.03	Yes	2/3/06
Steve Simmons	19.97	Yes	1/13/06
Susan Fossmeyer	0.40	Yes	11/22/05
Tammy Braskett	2.97	Yes	3/16/06
Todd Breneman	8.76	Yes	3/6/06
Tom Pennington	30.45	Yes	2/24/06
Tony Tucker	1.31	Yes	2/16/06
Vern Scriven	7.19	Yes	12/21/05
Total:	\$384.08		

COLUMBUS CITY SCHOOL DISTRICT  
FRANKLIN COUNTY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
OMB CIRCULAR A -133 § .505  
JUNE 30, 2005  
(Continued)

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

**Finding Number (Continued)**

**2005-001 (Continued)**

**District Owned Cell Phones (Continued)**

No formal monitoring function has been established to review cell phone usage and charges made by District employees and accordingly no individuals have been subject to repayment to the District for personal usage. Furthermore, individuals assigned to cell phones and the minutes of usage allotted to them under their cellular plans appears disproportionate to the duties of the employees, the use of the cellular phones for necessary school purposes, and their inaccessibility to a land line phone.

A projected amount of \$23,033 in personal cell phone charges was incurred by District employees based on the error rate for cell phone billings tested. We recommend the District take responsibility to audit the remainder of cell phone billings to determine the remaining charges for personal use incurred by employees and seek reimbursement for such charges.

We recommend the District implement formal monitoring procedures to enforce the District's policy and guidelines for cellular usage. Identified personal use should result in repayment to the District for costs incurred. We further recommend the District re-evaluate the individuals who have been assigned cellular phones to determine the necessity in relation to the employees' job duties and inaccessibility to a land line phone. Furthermore, the plan minutes for individuals who demonstrate a necessity for a cellular phone should be evaluated to determine that the minutes included in the plan are proportionate to the required need of the employees' job duties.

**Finding Number**

**2005-002**

**Negative Fund Balances**

Ohio Rev. Code Section 5705.10 states that money paid into any fund shall be used only for the purposes for which such fund was established. The existence of a deficit fund balance indicates money from another fund or funds was used to pay obligations of funds that carry the deficit fund balance.



**COLUMBUS CITY SCHOOL DISTRICT  
FRANKLIN COUNTY**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
OMB CIRCULAR A -133 § .505  
JUNE 30, 2005  
(Continued)**

<b>2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)</b>
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<b>Finding Number</b>	<b>2005-002 (Continued)</b>
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**Negative Fund Balances (Continued)**

According to the month end Financial Report by Fund, the District had negative fund balances throughout the year as follows.

FUND	MONTH END	FUND BALANCE
Food Service Fund (006)	November 2004	(\$3,098,920)
Adult Education Fund (012)	December 2004	(373,855)
Special Enterprise Fund (020)	March 2005	(387,660)
District Agency Fund (022)	November 2004	(14,908,307)
Post Secondary Voc Education Fund (413)	October 2004	(320.)
Teacher Development Fund (416)	October 2004	(478,418)
Public School Preschool Fund (439)	May 2005	(197,401)
Vocational Education Enhancements Fund (461)	February 2005	(8,516)
Alternative Schools Fund (463)	March 2005	(62,637)
Adult Basic Education Fund (501)	April 2005	(115,377)
Idea Part B Grants Fund (516)	September 2004	(1,942,004)
Voc Ed:Carl D Perkins Fund (524)	October 2004	(412,696)
Project Head Start Fund (525)	November 2004	(48,378)
Limited English Proficiency Fund (551)	September 2004	(292,724)
Title I Disadvantaged Children Fund (572)	September 2004	(5,441,601)
Title V Innovative Education Program Fund (573)	September 2004	(270,068)
Drug Free School Grant Fund (584)	August 2004	(424,992)
Idea Preschool-handicapped Fund (587)	October 2004	(38,923)
Improving Teacher Quality Fund (590)	September 2004	(1,668,231)

All District fund cash balances at June 30, 2005 were in a positive position.

The District should monitor fund balances to ensure that expenditures are made within appropriated levels of available funds and if negative fund balances are anticipated, the Board should make an approved transfer or advance of funds to cover the necessary expenditure.

<b>Finding Number</b>	<b>2005-003</b>
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**Appropriations Exceeding Estimated Resources**

Ohio Rev. Code Section 5705.39 states in part that total appropriations from each fund shall not exceed the total of the estimated revenue available for expenditure therefrom, as certified by the budget commission, or in the case of appeal, by the board of tax appeals.

**COLUMBUS CITY SCHOOL DISTRICT  
FRANKLIN COUNTY**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
OMB CIRCULAR A -133 § .505  
JUNE 30, 2005  
(Continued)**

<b>2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)</b>
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<b>Finding Number</b>	<b>2005-003 (Continued)</b>
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**Appropriations Exceeding Estimated Resources (Continued)**

The following funds had appropriations in excess of estimated resources at June 30, 2005:

<u>Fund #</u>	<u>Fund Name</u>	<u>Final Estimated Resources</u>	<u>Final FY 05 Appropriations</u>	<u>Variance</u>
010	Classroom Facilities	\$297,969,500	\$440,302,545	(\$142,333,045)
431	Gifted Education	336,371	368,952	(32,581)
460	Summer Intervention	2,360,085	2,649,948	(289,863)
551	Limited English Proficiency	1,808,592	1,814,826	(6,234)
572	Title I	53,355,128	53,903,931	(548,803)
584	Drug Free Schools	1,151,133	1,195,720	(44,586)
587	EHA Preschool/ HNDC	333,492	335,474	(1,982)
590	Reducing Class size	17,600,960	17,941,916	(340,956)

This could result in the District expending more money than it receives and could cause possible negative fund balances. A lack of funds may result in the District being unable to meet its current obligations.

We recommend the District ensure that estimated resources are sufficient to cover appropriations at the time of certification or amendment.

<b>Finding Number</b>	<b>2005-004</b>
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**412 Certification**

Ohio Rev. Code Section 5705.412(B) states no school district shall adopt any appropriation measure, make any qualifying contract, or increase during any school year any wage or salary schedule unless there is attached thereto a certificate, signed as required by this section, that the school district has in effect the authorization to levy taxes including the renewal or replacement of existing levies which, when combined with the estimated revenue from all other sources available to the district at the time of certification, are sufficient to provide the operating revenues necessary to enable the district to maintain all personnel and programs.

The District did not execute section 412 certifications for 46 percent (12 out of 26) of qualifying contracts and appropriation measures during the fiscal year. Failure to maintain the appropriate certification could result in funds being over spent or the inability to maintain personnel and programs for the fiscal year. In addition, any person who knowingly executes an obligation contrary to, expends or authorizes the expenditure of public funds contrary to, or authorizes or makes payment of public funds on a void obligation subject to Ohio Rev. Code Section 5705.412 is liable for the full amount paid on the obligation, up to \$10,000. During the audit, the District subsequently passed retroactive certificates to cover qualifying contracts and appropriation measures which had not previously been covered by a certificate.

COLUMBUS CITY SCHOOL DISTRICT  
FRANKLIN COUNTY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
OMB CIRCULAR A -133 § .505  
JUNE 30, 2005  
(Continued)

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

Finding Number

2005-004 (Continued)

412 Certification (Continued)

We recommend that District treasurer, superintendent, and president of the board of education execute, approve, and maintain section 412 certificates for all qualifying contracts and appropriation measures as a means to ensure the appropriate level of funding is available at the time of entering into these contracts or amendments.

Finding Number

2005-005

Student Activities

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

Board policies governing student activities are not being followed on a consistent basis. Purpose Statement and Budget forms outlining and approving fund-raising projects were not completed for 5 percent of fund-raisers tested. Additionally, for those fund raisers tested, 28 percent did not have completed Financial Report-Student Activities Fund-Raiser Project forms (which is to be used to reconcile the activity at completion). Of the Financial Report-Student Activities Fund-Raiser Project forms which were completed, 47 percent were not completed within the ten day period outlined by the student activity handbook. Furthermore, in 27 percent of the fund-raisers tested, no supporting documentation was maintained for receipts or disbursements recorded and presented in the District's financial records.

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

**COLUMBUS CITY SCHOOL DISTRICT  
FRANKLIN COUNTY**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
OMB CIRCULAR A -133 § .505  
JUNE 30, 2005  
(Continued)**

<b>3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS</b>
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<b>Finding Number</b>	<b>2005-006</b>
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<b>CFDA Title and Number</b>	<b>Title V , #84.298</b>
<b>Federal Award Number / Year</b>	<b>043802 C2S1-2004, 043802 C2S1-2005</b>
<b>Federal Agency</b>	<b>U.S. Department of Education</b>
<b>Pass-Through Agency</b>	<b>Ohio Department of Education</b>

**Allowable Cost/Cost Principles - Questioned Cost – Title V**

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

The District was unable to provide personnel activity reports/certification or any supporting time and effort documentation as required by OMB Circular A-87, Attachment B, paragraph 8.h3 for two employees with payroll expenditures totaling \$40,544 on the Title V program during 2005. Total questioned costs for expenditures that were not properly supported by a time and effort certification are forty thousand five hundred forty-four dollars (\$40,544) of the District's \$1,014,196 spent on the Title V program during 2005.

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

<b>Finding Number</b>	<b>2005-007</b>
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<b>CFDA Title and Number</b>	<b>Title I , #84.010</b>
<b>Federal Award Number / Year</b>	<b>043802 C1SD-2004, 043802 C1SD-2005, 043802 C1S1-2004, 043802 C1S1-2005, 043802 C1SN-2005, 043802 C1SK-2004, 043802 C1SK-2005</b>
<b>Federal Agency</b>	<b>U.S. Department of Education</b>
<b>Pass-Through Agency</b>	<b>Ohio Department of Education</b>

**COLUMBUS CITY SCHOOL DISTRICT  
FRANKLIN COUNTY**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
OMB CIRCULAR A -133 § .505  
JUNE 30, 2005  
(Continued)**

<b>3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS (Continued)</b>
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<b>Finding Number</b>	<b>2005-007 (Continued)</b>
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**Allowable Cost/Cost Principles - Questioned Cost – Title I**

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

The District was unable to provide personnel activity reports/certification or any supporting time and effort documentation as required by OMB Circular A-87, Attachment B, paragraph 8.h3 for 29 employees with payroll expenditures totaling \$248,245. In addition, the certifications for five employees had payroll expenditures charged to the Title I grant in excess of the percentage of time that was certified in the amount of \$70,323. Furthermore, payroll costs were adjusted to the Title I grant that were in excess of the amount of the payroll that had originally been charged to other funds by \$76,787. Total questioned costs for expenditures that were not properly supported by a time and effort certification and amounts charged to the grant in excess of the eligible amounts certified are three hundred ninety-five thousand three hundred fifty-five dollars (\$395,355) of the District's \$30,874,615 spent on the Title I program during 2005.

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

<b>Finding Number</b>	<b>2005-008</b>
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<b>CFDA Title and Number</b>	<b>Title I , #84.010</b>
<b>Federal Award Number / Year</b>	<b>043802 C1SD-2004, 043802 C1SD-2005, 043802 C1S1-2004, 043802 C1S1-2005, 043802 C1SN-2005, 043802 C1SK-2004, 043802 C1SK-2005</b>
<b>Federal Agency</b>	<b>U.S. Department of Education</b>
<b>Pass-Through Agency</b>	<b>Ohio Department of Education</b>

**COLUMBUS CITY SCHOOL DISTRICT  
FRANKLIN COUNTY**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
OMB CIRCULAR A -133 § .505  
JUNE 30, 2005  
(Continued)**

**3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS (Continued)**

**Finding Number**

**2005-008 (Continued)**

**Eligibility - Allocation of funds to schools - Questioned Cost – Title I**

34 CFR 200.78 (a)(1) requires that a Local Educational Authority (LEA) must allocate funds under Title I subpart A to school attendance areas and schools, identified as eligible and selected to participate under section 1113(a) or (b) of the Elementary and Secondary Education Act (ESEA), in rank order on the basis of the total number of children from low-income families in each area or school.

The District had schools that overspent their Title I budgets for the fiscal year 2004 and 2005 grants. For the fiscal year 2004 grant, overspending occurred at one school, Binns Elementary, for \$30,993 or 154% of the school allocation. For the 2005 grant year, the schools which had initially overspent their budget had their costs adjusted to the Title I operational unit number 000, which is a set aside for summer school and professional development activities for the Title I program. However, this adjustment was deemed unallowable since no documentation was maintained that the overspent costs of these schools were the result of summer school or professional development activities. As a result, the schools were deemed to have overspent their budgeted school allocation and were therefore deemed to have not served the schools in rank order based on their poverty levels.

For the fiscal year 2005 grant, overspending occurred at twelve schools, as follows:

<u>School</u>	<u>Total Expenditures</u>	<u>Budgeted School Allocation</u>	<u>Variance</u>	<u>% of Allocation Spent</u>
Olde Orchard Elementary	\$ 100,804	\$ 96,585	\$ (4,219)	104%
Lindbergh Elementary	125,128	119,888	(5,240)	104%
Duxberry Park Elementary	105,405	100,340	(5,065)	105%
East Linden Elementary	218,358	205,686	(12,672)	106%
Valley Forge Elementary	121,070	110,920	(10,150)	109%
Maize Rd Elementary	112,064	101,952	(10,112)	110%
Georgian Heights Elementary	77,982	69,870	(8,112)	112%
Avondale Elementary	323,216	280,401	(42,815)	115%
Winterset Elementary	59,146	44,690	(14,456)	132%
Colerain Elementary	43,146	32,058	(11,088)	135%
Clinton Elementary	71,558	51,786	(19,772)	138%
Binns Elementary	122,279	70,692	(51,587)	173%
Total	\$ 1,480,156	\$ 1,284,868	\$ (195,288)	

**COLUMBUS CITY SCHOOL DISTRICT  
FRANKLIN COUNTY**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
OMB CIRCULAR A -133 § .505  
JUNE 30, 2005  
(Continued)**

<b>3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS (Continued)</b>
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<b>Finding Number (Continued)</b>	<b>2005-008 (Continued)</b>
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<b>CFDA Title and Number</b>	<b>Title I , #84.010</b>
<b>Federal Award Number / Year</b>	<b>043802 C1SD-2004, 043802 C1SD-2005, 043802 C1S1-2004, 043802 C1S1-2005, 043802 C1SN-2005, 043802 C1SK-2004, 043802 C1SK-2005</b>
<b>Federal Agency</b>	<b>U.S. Department of Education</b>
<b>Pass-Through Agency</b>	<b>Ohio Department of Education</b>

**Eligibility - Allocation of funds to schools - Questioned Cost – Title I (Continued)**

Total questioned costs for individual school expenditures that were in excess of allocated budgets are two hundred twenty six thousand two hundred eighty one dollars (\$226,281) of the District's \$30,874,615 spent on the Title I program during 2005.

We recommend the District implement procedures such as more detailed budgets and planning of activities at the school level, in addition to further monitoring throughout the year by the grant personnel and assigned school budget administrators along with corrective action on a timely basis to prevent overspending at the school building level, in order to ensure that schools are served in rank order on the basis of poverty levels at each respective school.

<b>Finding Number</b>	<b>2005-009</b>
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<b>CFDA Title and Number</b>	<b>Title I , #84.010</b>
<b>Federal Award Number / Year</b>	<b>043802 C1SD-2004, 043802 C1SD-2005, 043802 C1S1-2004, 043802 C1S1-2005, 043802 C1SN-2005, 043802 C1SK-2004, 043802 C1SK-2005</b>
<b>Federal Agency</b>	<b>U.S. Department of Education</b>
<b>Pass-Through Agency</b>	<b>Ohio Department of Education</b>

**Activities Allowed/Unallowed – Questioned Cost – Title I**

34 CFR 299.2(b)(3) states that funds received under the ESEA are not to be used for general expenses required to carry out other responsibilities of State or local governments.

The District expended \$23,358 of Title I funds on portions of the salaries of three employees that performed non-Title I related services for District operations that should have been paid from other state or local funds. Total questioned costs for expenditures that were improperly charged to the Title I program are twenty three thousand three hundred fifty eight dollars (\$23,358) of the District's \$30,874,615 spent on the Title I program during 2005.

We recommend the District ensure the eligibility of Title I activities is communicated to all employees who will be charged to the Title I grant, that a determination of the actual activities of the employee is made, and that personnel activity reports reflect an after-the fact distribution of the actual eligible activities for each employee.

**COLUMBUS CITY SCHOOL DISTRICT  
FRANKLIN COUNTY**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
OMB CIRCULAR A -133 § .505  
JUNE 30, 2005  
(Continued)**

<b>3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS (Continued)</b>
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<b>Finding Number (Continued)</b>	<b>2005-010</b>
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<b>CFDA Title and Number</b>	<b>School Breakfast Program, #10.553</b>
<b>Federal Award Number / Year</b>	<b>043802 05PU-2004, 043802 05PU-2005</b>
<b>Federal Agency</b>	<b>U.S. Department of Agriculture</b>
<b>Pass-Through Agency</b>	<b>Ohio Department of Education</b>

**Food Service – Reporting Breakfasts Served**

The Ohio Alternative Methods of Serving School Breakfast Fact Sheet states in part that breakfast counts must be taken as the students are served a reimbursable breakfast. If students are not charged for a breakfast, then no money is collected, but breakfasts must still be counted by each student’s eligibility category (full price, free, reduced).

There were 45 elementary schools with free and reduced price student meal eligibility greater than 80 percent for fiscal year 2005. These schools were designated to be “non-pricing” schools, whereby no students were charged for breakfasts. Of the 45 “non-pricing” elementary schools, breakfasts were not counted by each student’s eligibility category as follows: three schools for four months, five schools for three months, thirteen schools for two months, and nine schools for one month. As a result, the schools reported virtually all breakfasts counted as being served to students in the free eligibility category. Revised claims were not submitted by the District to correct these instances of over reported free meals served.

Meals reported as being served in the free eligibility category generate a higher reimbursement amount than meals served in the reduced and full price eligibility categories, which resulted in the District receiving an inappropriate amount of reimbursement for the School Breakfast Program. Since the number of free, reduced, and full priced meals was not documented by the District, in addition to the Ohio Department of Education calculating the amounts of reimbursement made based on results reported, we were unable to determine of amount of reimbursement that the District improperly received.

We recommend the District implement procedures to ensure that meal counts are tracked and reported by the appropriate eligibility categories of free, reduced, or full price.



**COLUMBUS CITY SCHOOL DISTRICT  
FRANKLIN COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS  
OMB CIRCULAR A -133 § .315 (b)  
JUNE 30, 2005**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <b>Explain:</b>
2004-001	Finding for recovery repaid under audit for travel advances that were unsupported.	Yes	
2004-002	Policy on student activities adopted by the Board of Education is not being followed on a consistent basis.	No	Not Corrected – Reissued as 2005-005
2004-003	Weaknesses in the capital assets tracking system and procedures.	No	Partially Corrected – Reissued in Management Letter
2004-004	Weaknesses in the capital assets tracking system and procedures for federal awards.	No	Partially Corrected – Reissued in Management Letter
2004-005	Employee payroll certifications were not completed for Title I payroll expenditures in accordance with allowable costs/cost principles requirements resulting in a questioned cost.	No	Not Corrected – Reissued as 2005-007
2004-006	Vocational Education expenditures were made outside of the grant's period of availability resulting in a questioned cost.	Yes	
2004-007	Safe and Drug-Free Schools and Communities: National Programs expenditures were made outside of the grant's period of availability resulting in a questioned cost.	Yes	

COLUMBUS CITY SCHOOL DISTRICT  
FRANKLIN COUNTY

CORRECTIVE ACTION PLAN  
FOR THE YEAR ENDED JUNE 30, 2005  
SINGLE AUDIT FINDINGS

Status Report  
March 16, 2006

**With Office of Internal Audit Follow-Up Comment**

Finding	Responsible Contact Person(s)	Planned Corrective Action
<p><b><u>Finding Number 2005-001</u></b> District Owned Cell Phones- Implement formal monitor procedures to enforce District policy and guidelines.</p>	<p>Karin Riley</p>	<p>The District will implement internal control procedures to ensure cell phone use is limited to proper public purposes. Such procedures will ensure that management is reviewing cell phone and two way radio use on a consistent basis and auditing such use for compliance with District guidelines. The policy will include a defined minimal usage for call to family and the District consideration of proper public purpose.</p> <p><i>Implementation Date: Pending</i></p>
<p><b><u>Finding Number 2005-002</u></b> Negative Fund Balances- The District should monitor activities to avoid negative fund balances.</p>	<p>Michael Kinneer Hugh Garside</p>	<p>The Treasurer's Office will closely monitor fund balances and will request funds in a timely manner in order to avoid incurring negative fund balances.</p> <p>The Audit and Accountability Committee is monitoring monthly all negative fund balances and making inquiry with management to correct.</p> <p><i>Implementation date: In-place</i></p>
<p><b><u>Finding Number 2005-003</u></b> Appropriations Exceeding Estimated Resources</p>	<p>Michael Kinneer</p>	<p>This finding was the result of final appropriations not being approved by the Board of Education prior to June 30 of the Fiscal Year. The Treasurer will insure that final appropriations are done timely and that the appropriations not exceed the total of the estimated revenue available for expenditure, as certified by the budget commission.</p> <p><i>Implementation Date: In-place</i></p>

**COLUMBUS CITY SCHOOL DISTRICT  
FRANKLIN COUNTY**

**CORRECTIVE ACTION PLAN  
FOR THE YEAR ENDED JUNE 30, 2005  
SINGLE AUDIT FINDINGS**

**Status Report  
March 16, 2006**

**With Office of Internal Audit Follow-Up Comment**

<b>Finding</b>	<b>Responsible Contact Person(s)</b>	<b>Planned Corrective Action</b>
<p><b><u>Finding Number 2005-004</u></b> 412 Certificates- District should prepare and approve certificates as required.</p>	<p>Michael Kinneer</p>	<p>All contracts required to be approved by the Board of Education are reviewed by the Treasurer in order to ascertain whether a 5705.412 certificate is required. The Treasurer will monitor all such contracts and appropriation measures in order to ensure that required 5705.412 certificates are furnished as required by law.</p> <p><i>Implementation Date: In-place</i></p>
<p><b><u>Finding Number 2005-005</u></b> Student Activities-The District should assure adherence to board policy.</p>	<p>Deborah Littlefield</p>	<p>In fiscal 2005 we increased our monitoring of student activity processes. We also began reporting incidents of non-compliance to appropriate management on a quarterly basis. These changes have resulted in an increase in compliance as indicated by the audit results.</p> <p><i>Implementation Date: In-place</i></p>
<p><b><u>Finding Number 2005-006</u></b> Questioned Cost-Title V- The District was unable to provide proper supporting time and effort documentation for employees charged to Title V funds.</p>	<p>Marvenia Bosley Terry Addison Robert Stalder</p>	<p>In November, 2005 the District implemented enhanced policies and procedures to ensure payroll expenditures made from federal programs are supported by a time and effort certification.</p> <p><i>Implementation Date: In-place</i></p>
<p><b><u>Finding Number 2005-007</u></b> Questioned Cost- Title I-The District could not provide proper supporting time and effort documentation for employees charged to Title I funds.</p>	<p>Marvenia Bosley Terry Addison Robert Stalder</p>	<p>In November, 2005 the District implemented enhanced policies and procedures to ensure payroll expenditures made from federal programs are supported by a time and effort certification.</p> <p><i>Implementation Date: In-place</i></p>

COLUMBUS CITY SCHOOL DISTRICT  
FRANKLIN COUNTY

CORRECTIVE ACTION PLAN  
FOR THE YEAR ENDED JUNE 30, 2005  
SINGLE AUDIT FINDINGS

**Status Report  
March 16, 2006**

**With Office of Internal Audit Follow-Up Comment**

Finding	Responsible Contact Person(s)	Planned Corrective Action
<p><b><u>Finding Number 2005-008</u></b> Title I Questioned Cost- Schools Overspent their Title I Budgets.</p>	<p>Marvenia Bosley Hugh Garside</p>	<p>The Treasurer will work with the grant team to develop a process to monitor all grant budgets and will review what processes will best ensure that budget adjustments are performed within established limits and comply with approved grant budgets.</p> <p><i>Implementation Date: Pending</i></p>
<p><b><u>Finding Number 2005-009</u></b> Title I Questioned Cost- The District used Title I funds to pay for unallowed activities.</p>	<p>Marvenia Bosley</p>	<p>In order to avoid spending grant funds on ineligible activities, the grant oversight team will continue to educate grant administrators regarding issues of eligibility.</p> <p><i>Implementation Date: Pending</i></p>
<p><b><u>Finding Number 2005-010</u></b> Food Service Reporting Breakfast Served- The District should implement procedures to ensure that meal counts are properly tracked and recorded.</p>	<p>Karin Rilley Dudley Hawkey</p>	<p>The Food Service Department requires all breakfast counts to be completed by category. (This is evidenced by communications with Mr. Hawkey.)</p> <p><i>Implementation Date: In-place</i></p>

# COLUMBUS CITY SCHOOLS COMPREHENSIVE ANNUAL FINANCIAL REPORT

Fiscal Year Ending June 30, 2005

Issued by the Office of the Treasurer  
Michael Kinneer, Treasurer  
270 East State Street, Columbus, Ohio 43215  
614.365.6400  
[www.columbus.k12.oh.us](http://www.columbus.k12.oh.us)



Building a

Legacy

of

*Achievement*



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

**270 East State Street**

**Columbus, Ohio 43215**

**Fiscal Year Ended June 30, 2005**

**Prepared by  
Treasurer's Office  
Michael Kinneer  
Treasurer**

**COLUMBUS CITY SCHOOL DISTRICT**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2005**

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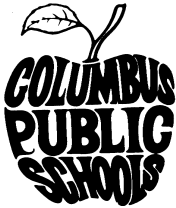
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# **INTRODUCTORY SECTION**





**Columbus Public Schools**

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

December 21, 2005

Board of Education Members and Citizens  
Columbus City School District

Dear Board Members and Citizens:

The Comprehensive Annual Financial Report (CAFR) of the Columbus City School District (District) for the fiscal year ended June 30, 2005 is hereby submitted. This report was prepared by the Treasurer's Office, and includes the Independent Accountants' Report from Betty Montgomery, Auditor of State. Responsibility for both the accuracy of the data presented and the completeness and fairness of this presentation, including financial statements, supporting schedules and statistical tables, lies with the management of the District, specifically the Treasurer's Office. The management of the District represents that the accounting system and the budgetary and internal accounting controls of the District provide reasonable assurance that the District's assets are safeguarded against material loss and that financial records are reliable for preparing financial statements and maintaining accountability for assets. All disclosures necessary to enable the reader to gain the maximum understanding of the District's financial affairs have been included.

The CAFR is presented in three sections:

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

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

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

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

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

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

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

## **Reporting Entity**

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

## **GENERAL INFORMATION CONCERNING THE BOARD AND THE SCHOOL DISTRICT ORGANIZATION**

### **The Board and Administration**

The Board of Education of the Columbus City School District (the Board) is a body both politic and corporate charged with the responsibility of managing and controlling affairs of the District and is, together with the District, governed by the general laws of the State (Ohio Revised Code). The Board is comprised of seven members who are elected for overlapping four-year terms. The Board members during the year ended June 30, 2005 were:

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

\* - Deceased July 2005. Robert Weiler was appointed to fill the unexpired term.

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

### **The District and Its Facilities**

This report of the District includes all funds, organizations, activities and functions of the District. The District presently does not have any component units for which the District is financially accountable or that are fiscally dependent on the District. The District covers approximately 120 square miles. According to information obtained from the Mid Ohio Regional Planning Commission, the City of Columbus population is estimated at 566,157 at December 31, 2004 (the latest available data).

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

### **The District and Its Facilities – Continued**

The District's students are enrolled in 87 regular elementary schools (28,706 students enrolled in grades kindergarten through 5 and 698 students enrolled in three K through 8 schools), 25 middle schools (14,529 students enrolled in grades 6 through 8), 18 comprehensive senior high schools and 4 career centers (16,177 students enrolled in grades 9 through 12), and 10 special schools and 3 programs (315 students enrolled) which provide special curricula, vocational education and skills programs, and programs for handicapped pupils, including physically handicapped and hearing impaired children.

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

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

### **Employee Relations**

The District currently has approximately 7,687 full-time equivalent employees. During fiscal 2005, the District paid (determined on a cash basis) from its General Fund approximately \$382,148,516 in salaries and wages and \$112,112,404 for fringe benefits and other labor-related costs such as employer retirement contributions, workers' compensation coverage, unemployment compensation, life insurance and medical and dental insurance premiums.

Of the current full-time-equivalent employees, 4,826 are professionals serving as teachers and administrators, all of whom have at least a bachelor's degree. The 2005-2006 starting salary for a teacher with a bachelor's degree is \$37,511; the maximum teacher salary (for a teacher with a Ph.D. degree and 30 years' experience) is \$81,554.

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

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

The District's teachers and educational specialists are represented for collective bargaining purposes by the Columbus Education Association (CEA). The District has a collective bargaining agreement with the CEA that will expire June 30, 2008.

The Columbus School Employees Association (CSEA), a division of the Ohio Association of Public School Employees (OAPSE), represents classified employees (secretarial-clerical, custodial, maintenance, transportation and food services staff) of the District for collective bargaining purposes. The current OAPSE contract expires February 29, 2008. In the judgment of the Board, labor relations with its employees are good.

### **Intergovernmental Relations**

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

# **ECONOMIC CONDITION AND OUTLOOK**

## **Local Economy**

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

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

Natural Resources, Mining and Construction	4.5%
Manufacturing	9.0%
Transportation, Warehousing and Utilities	4.2%
Wholesale and Retail Trade	16.0%
Information	2.2%
Financial Activities	8.2%
Professional and Business Services	14.5%
Educational and Health Services	11.0%
Leisure and Hospitality Services	9.5%
Other Services	4.2%
Government	16.7%

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

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

Columbus has grown to an area covering 224.2 square miles through an aggressive annexation policy. Columbus has continued to experience major residential and commercial developments in downtown and throughout the City. These developments provide indications of continued economic activity and a quality living experience. An abundance of accessible, serviced and reasonably priced land is available in all areas of Columbus and Central Ohio. Columbus area industrial parks are concentrated on controlled access roads that connect to the interstate highway system or its associated outer belt. Numerous industrial office and research parks have been established in proximity to the Columbus outer belt in recent years. Easy access to markets makes Columbus a good location for business.



## **ECONOMIC CONDITION AND OUTLOOK (Continued)**

### **Financial Outlook – District**

With the passage of a 6.95 mill levy in November of 2004, the District's financial outlook over the next three years reveals the fiscal year 2006 ending projected General Fund cash balance to be approximately \$11.6 million in unencumbered cash. The District's fiscal year 2007 ending General Fund cash balance is projected to be approximately \$15.2 million. A negative ending cash balance is projected to occur in fiscal year 2008. The declining projected ending General Fund cash balance is a reflection of the natural challenge of Ohio school district financing. This is due to "capped" revenue growth and natural inflationary growth on the expenditure costs. The District is currently determining the means to address the fiscal picture.

## **CURRENT INITIATIVES**

Under the strong leadership of its 19th Superintendent, Gene T. Harris, Ph.D., the Columbus City School District, popularly known as the Columbus Public Schools, is making measurable progress in increasing student academic achievement, the District's prime goal. The District Continuous Improvement Plan (DCIP) and the Superintendent's Work Plan have been integrated to guide the coordinated efforts of all staff.

The major work of the District is organized and implemented through a structure that is divided into six areas. These areas are the means by which all staff are working to increase academic achievement and to ensure that all Columbus students receive equitable access to a quality education. They are:

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

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

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

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

One of the state standards the District met for the first time in August 2003 was attendance. The District met the attendance standard again in 2004 and 2005. Other state standardized test results for the 2004-05 school year continue to provide solid evidence that District students are achieving at higher levels. Performance Index scores improve when a greater percentage of students score at the advanced, accelerated and proficient levels and a smaller percentage of students score at the basic, limited or below basic levels. The District's Performance Index score has also steadily increased from 67.5 in the 02-03 school year, to 71.4 in the 03-04 school year, to 73.7 in the 04-05 school year.

Two years ago was the first time our students took the Ohio Graduation Test, and 62 percent passed reading, while 43.2 percent passed math. Last year, after gaining a better understanding of the Ohio Graduation Test and what's expected, 87.4 percent of our students passed the reading section of the test and 67.5 percent passed the math section. Every year a new group of students takes a different version of these subject-area tests, so maintaining a gain is a significant achievement.

## **CURRENT INITIATIVES (Continued)**

The District was successful in 41 of 42 Adequate Yearly Progress rating areas required by the federal No Child Left Behind legislation.

Members of the District's senior class of 2005 earned yet another record with regard to scholarship offers, up from \$28.9 million to \$33.07 million. Students in 12 of our 18 high schools collectively earned more than a million dollars per school in scholarship offers. These Columbus high schools include Briggs, Brookhaven, Columbus Alternative or CAHS, Centennial, Eastmoor, Fort Hayes, Marion-Franklin, Mifflin, Northland, Walnut Ridge, West and Whetstone. Once again, more than half the graduates declared their intentions of continuing school in the fall or entering military service.

A few examples of the District's being on track with regard to preparing today's students for tomorrow's challenges include:

- One of only five students in Ohio to achieve a perfect score on the February 2005 ACT test attends a Columbus high school.
- A Walnut Ridge High School senior was chosen as one of 50 teens from around the country to be featured in *Ebony* magazine's 2005 salute to the nation's top black high school seniors.
- Two Columbus high schools were listed in *Newsweek* magazine's top 4 percent of the nation's high schools based on how the schools prepare students for higher education.
- Of the 18 teachers nationwide given the Siemens 2005 Awards for Excellence as Demonstrated in Advanced Placement classes, only three were from Ohio and these three are District calculus teachers.
- In two of the past three years, a Columbus Public Schools teacher has earned the Ohio Teacher of the Year Award.
- A Ridgeview Middle School student is the National Scholastic Chess Champion.

Stronger policies, procedures, and fiscal controls relating to accountability are supporting the steady gains in achievement. In 2002, Columbus citizens gave the District a vote of confidence when they approved a \$392 million bond issue which, with a state match of 30 percent, will fund the first two phases of the District's comprehensive Facilities Master Plan. Linden Elementary School was the first Columbus school to be funded through the levy and state matching funds; it went into full service with a community open house in August 2004. Design teams comprised of architects and designers, school and District staff, parents, students, and community members are busy finalizing plans related to rebuilding or renovating 17 other Phase I schools. Seven groundbreaking were held in the fall of 2005, and 20 Phase II schools will also be funded by the bond issue.

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

Complementing Dr. Harris's vision are changes that have been made in the Treasurer's Office. The most recent annual state audits noted no material operational weaknesses in [the District's] fiscal controls.

The favorable audit helped the District to achieve and maintain improved bond ratings by Standard & Poor's (AA-), Moody's (Aa3) and Fitch (AA) ratings services. The Columbus Public Schools is one of only 21 school districts in Ohio to have AA bond ratings. The higher bond ratings saved the District and the greater community a substantial amount of money when the construction bonds to build or totally renovate District schools were sold.

## **CURRENT INITIATIVES (Continued)**

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

Selected initiatives of the District under the leadership of Dr. Harris include:

- The International Baccalaureate diploma program at Columbus Alternative High School, preparing Columbus students for higher education opportunities worldwide;
- The after-school Credit Recovery Program, helping students earn credits they need to receive their high school diplomas. At the end of the 2003-04 school year, 340 students had participated in the program and 125 had completed enough credits to graduate in June. During the 2004-05 school year, 1,539 students earned 2,262 credits.
- The Virtual High School program, focusing on bringing back former District students lacking credits to graduate, reclaiming charter school students, attracting home-schooled students, and providing a different path for those seeking to earn additional credits while attending high school. As of December 2005, 539 students were enrolled, with 46 continuing work that was begun last school year. Two hundred sixty-seven of these students were seniors. Thirty-four students have used the program to complete course work and graduate from their respective District high schools.
- The Columbus Africentric Early College, beginning with a Summer Bridge Program for eighth graders and preparing them to earn college credits, up to an associate's degree at Columbus State Community College, while they are still in high school.

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

### **I. Quality Instruction**

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

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

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

### **II. Committed Leadership**

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

## **CURRENT INITIATIVES (Continued)**

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

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

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

### **III. Opportunity to Learn**

**All students will be given equitable opportunities for learning.**

Accomplishing this goal requires the identification of certain indicators which include, but are not limited to, the following: all students must have access to a curriculum that is aligned to District and state standards, and students must also have access to the most challenging coursework (advanced placement courses, advanced math and foreign languages) and be proportionately represented in these classes. Another indicator is the way students are identified and placed in programs. For example, all student groups should be proportionately referred to special education and have access to gifted and talented programs. Finally, suspensions or expulsions of students from a particular group should be no greater than their proportion of the total student population. The District will recruit all student groups to participate in its after-school and summer school programs and help alleviate any financial barriers that would prevent some students from participating.

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

### **IV. Student Motivation**

**All students will be motivated to give their best effort.**

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

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

### **V. Efficient, Equitable Operations**

**The District will operate more efficiently and equitably.**

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

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

## **CURRENT INITIATIVES (Continued)**

### **VI. Parent/Community Involvement**

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

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

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

## **FINANCIAL INFORMATION**

### **Fiscal Management**

The Interim Treasurer, Ms. Jeri Wires, was appointed by the Board in December of 2004 following the resignation of Jerry K. Buccilla. Ms. Wires previously served as the treasurer of Marion Schools. The treasurer oversees the District's budget of approximately \$1 billion, along with monitoring various funds and grants, cost analysis, payroll, general accounting, cash reconciliation and daily bank assessment. The treasurer is aided by two assistant treasurers and supervises 58 employees. Michael Kinneer was appointed treasurer on September 12, 2005 to replace Ms. Wires.

### **Financial Condition**

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

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

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

As part of this reporting model, management is responsible for preparing a Management Discussion and Analysis of the District. This discussion is presented in the financial section of this report and provides an assessment of the District's finances for 2005.

### **Budgeting, Tax Levy and Appropriations Procedures**

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

## **FINANCIAL INFORMATION (Continued)**

reflected in the tax bills sent to property owners during the collection year. Real property taxes are payable on a calendar-year basis, generally in two installments with the first due usually in January and the second due in June.

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

### **Financial Reports and Auditing**

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

### **Internal Control**

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

### **Pension Plans**

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

### **Cash Management**

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

## **FINANCIAL INFORMATION (Continued)**

### **Risk Management:**

#### **Employee Health Care Benefits**

The District is self-insured for the employee health care benefits for all of its employees. The District program is administered by United Health Care, which provides claims review and processing services. The health care self-insurance is accounted for in a separate fund for information tracking purposes, but is reported within the General Fund for financial accounting and reporting purposes. The District records a liability for incurred but unreported claims at year-end based upon an independent actuarial evaluation of claims payable. The District recorded claims payable of \$6,122,100 in the General Fund on the Balance Sheet for these obligations. The District carries stop-loss coverage for employee health care benefits.

**Workers Compensation Retrospective Rating Program** The District participates in the Ohio Bureau of Workers' Compensation (the Bureau) Retrospective Rating Plan. Under the retrospective rating plan, the District assumes a portion of the risk in return for a reduction in current premiums. Current limits for claims incurred in calendar year 2005 are \$300,000 per claim and 150% of the annual premium in the aggregate. The respective long-term liability for workers' compensation is recorded in the statement of net assets in the total amount of \$18,738,074 and the current portion of the workers' compensation liability is recorded as part of claims payable in the General Fund in the amount of \$3,367,155.

#### **Vehicle and General Liability**

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

The District has general liability with Genesis Insurance Company in the amount of \$3,000,000 per occurrence, and \$4,000,000 aggregate. The renewal date is August 2006.

#### **Property Damage**

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

The policy allows for losses in excess of \$250,000, but less than \$1 million is counted towards the deductible. The deductible, if needed, will be paid from the Replacement Fund (Capital Projects). The renewal date was August 2005.

The District also carries insurance on leased modular units with Travelers Indemnity Company of Illinois in an amount equal to the agreed upon value of the leased modular units with an expiration date of June 30, 2005. This policy was renewed on July 1, 2005.

#### **Builder's Risk Insurance**

The District carries builders risk insurance with RLI Insurance Company in the amount of \$2,000,000 per occurrence and \$4,000,000 aggregate coverage. This policy expires May 2006. Additionally, a separate builder's risk policy is in place to cover the Facilities Master Plan Projects.

#### **Boiler and Machinery Coverage**

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

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

## **LITIGATION**

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

## **INDEPENDENT AUDIT**

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

## **AWARDS**

### **GFOA - Certificate of Achievement for Excellence in Financial Reporting**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Columbus City School District for its Comprehensive Annual Financial Report (CAFR) for the Fiscal Year Ended June 30, 2004. This was the fifth consecutive year that the District has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized CAFR. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Award is valid for a period of one year only. We are submitting our current CAFR to GFOA to determine its eligibility for another certificate as we believe our current report conforms to the Certificate of Award Achievement Program's requirements.

### **ASBO - Certificate of Excellence**

The Columbus City School District received the Association of School Business Officials International (ASBO) Certificate of Excellence in Financial Reporting for its Comprehensive Annual Financial Report (CAFR) for the fiscal years ended June 30, 2004, 2003, 2002, 2001 and 2000. This award certifies that the report substantially conforms to the principles and standards of financial reporting as recommended and adopted by the Association of School Business Officials International. An expert ASBO Panel of Review consisting of certified public accountants and practicing school business officials grants the award only after an intensive review of financial reports. Receiving the award is recognition that a school system has met the highest standards of excellence in school financial reporting. A Certificate of Excellence is valid for a period of one year only. We are submitting our current CAFR to ASBO, as we believe that our current report conforms to the Certificate of Excellence Program requirements.

## **ACKNOWLEDGEMENTS**

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

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

*Gene T. Harris*

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Gene T. Harris, Ph.D.  
Superintendent

*Michael Kinneer*

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Michael Kinneer  
Treasurer



**COLUMBUS CITY SCHOOL DISTRICT  
APPOINTED OFFICIALS  
JUNE 30, 2005**

Gene Harris, Ph.D.

Superintendent of Schools

Jeri S. Wires

Interim Treasurer at June 30, 2005

Michael Kinneer

Treasurer\*

\*Appointed Treasurer effective date September 12, 2005

**Dr. Gene T. Harris**  
Superintendent

**Dr. Marvenia Bosley**  
Deputy Superintendent  
Academic Achievement

**Carole Olshavsky**  
Senior Executive  
Capital Improvement

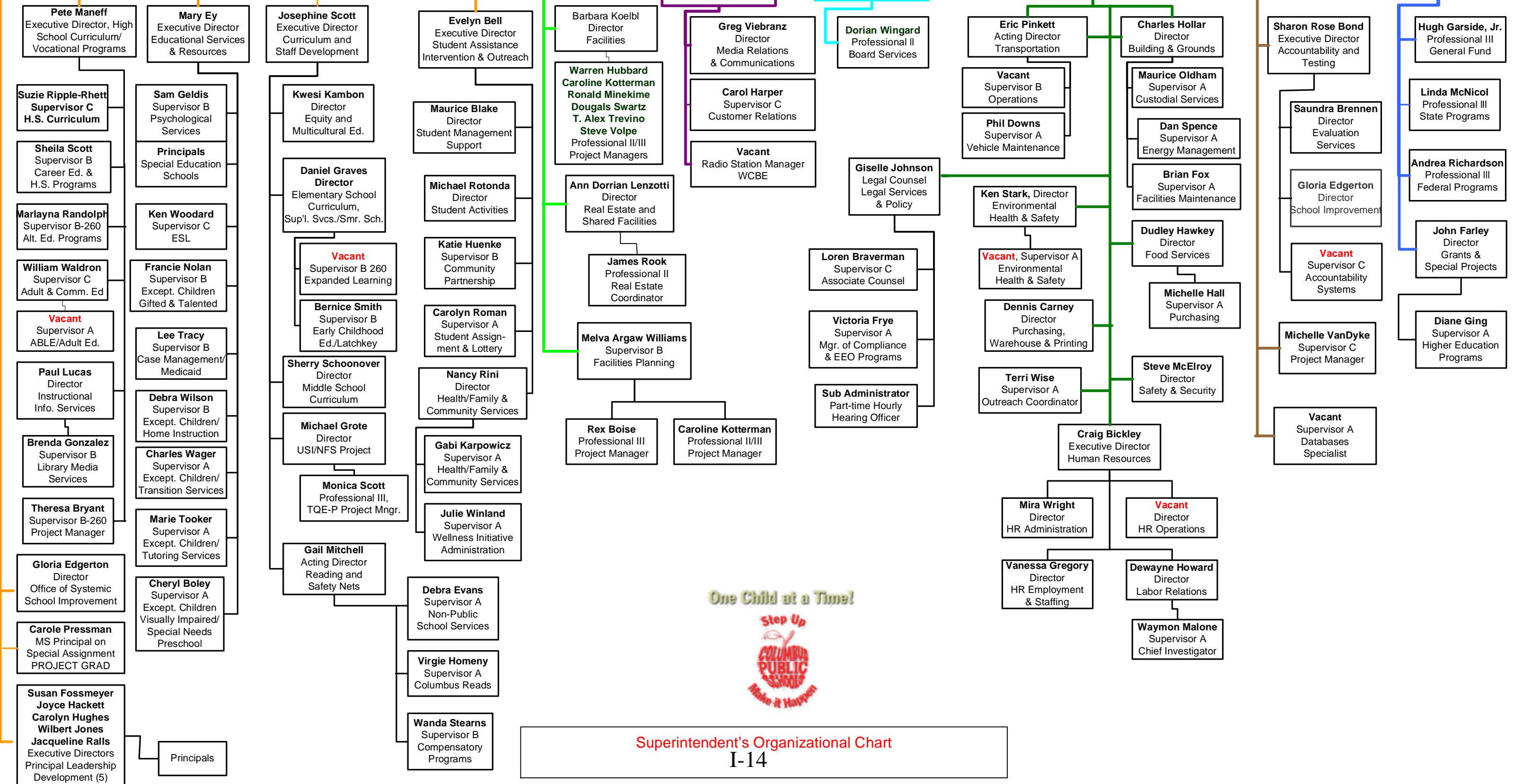
**Michael Fulwider**  
Special Assistant  
to the Superintendent  
Chief Communications  
Officer

**John Stanford**  
Special Assistant  
to the Superintendent  
Board Services and  
Governmental Affairs

**Karin Riley**  
Chief Operating Officer  
Executive Legal Counsel  
Business & Operations

**Steve Tankovich**  
Chief Information  
Officer

**Phoebe Wood**  
Executive Director  
Budget &  
Financial Mngt.



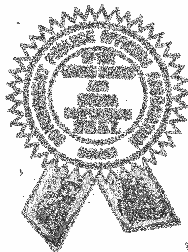
# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Columbus City School  
District, Ohio

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
June 30, 2004

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.



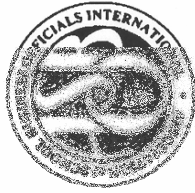
A handwritten signature in dark ink, appearing to read "Nancy J. ...".

President

A handwritten signature in dark ink, appearing to read "Jeffrey P. ...".

Executive Director

**ASSOCIATION OF SCHOOL BUSINESS OFFICIALS  
INTERNATIONAL**



This Certificate of Excellence in Financial Reporting is presented to

**Columbus City School District**

For its Comprehensive Annual Financial Report (CAFR)  
For the Fiscal Year Ended June 30, 2004

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

A handwritten signature in black ink, appearing to read "James J. Imboden".

President

A handwritten signature in black ink, appearing to read "Anne W. Miller".

Executive Director

# **FINANCIAL SECTION**





## Auditor of State Betty Montgomery

### INDEPENDENT ACCOUNTANTS' REPORT

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

To the Board of Education:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Columbus City School District, Franklin County, Ohio (the District), as of and for the year ended June 30, 2005, 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, the business-type activities, each major fund, and the aggregate remaining fund information of Columbus City School District, Franklin County, Ohio, as of June 30, 2005, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 21, 2005, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and 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.

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

Management's Discussion and Analysis and the budgetary comparison for the General Fund are not a required part of the basic financial statements but are supplementary information accounting principles generally accepted in the United States of America requires. We have applied certain limited procedures, consisting principally of inquiries of management regarding the methods of measuring and presenting the required supplementary information. However, we did not audit the information and express no opinion on it.

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

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

**Betty Montgomery**  
Auditor of State

December 21, 2005



**Columbus City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2005*  
*Unaudited*

The discussion and analysis of Columbus City School District's (the District) financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2005. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should also review the transmittal letter, notes to the basic financial statements and the basic financial statements to enhance their understanding of the District's financial performance.

**Financial Highlights**

Key financial highlights for 2005 are as follows:

*Overall:*

Total net assets increased \$73.5 million, primarily in Governmental Activities.

Total revenue was \$851.4 million in 2005.

Total program expenses were \$777.9 million in 2005.

Long term debt and other obligations increased to \$537.6 million in 2005 from \$376.4 million in 2004.

*Governmental Activities:*

Liabilities increased \$194.7 million from 2004, while total assets increased by \$270.4 million from 2004.

Total revenue was \$822.1 million in 2005, while program expenses were \$746.5 million.

Program expenses were primarily composed of Instruction with expenses of \$398.4 million in 2005 and Pupil and Instructional Staff Support Services with expenses of \$124.6 million in 2005.

*Business-Type Activities:*

Program revenues were \$29.3 million for Business-Type Activities, while corresponding expenses were \$31.4 million. This is the primary reason for the decrease in net assets in the Business-Type Activities.

**Using this Comprehensive Annual Financial Report (CAFR)**

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

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

**Columbus City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2005*  
*Unaudited*

***Reporting the District as a Whole***

*Statement of Net Assets and the Statement of Activities*

While this document contains the large number of funds used by the District to provide programs and activities, the view of the District as a whole looks at all financial transactions and asks the question, "How did we do financially during 2005?" The Statement of Net Assets and the Statement of Activities answer this question. These statements include *all assets* and *liabilities* using the *accrual basis of accounting* similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid. These two statements report the District's *net assets* and changes in those assets. This change in net assets is important because it tells the reader that, for the District as a whole, the *financial position* of the District has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors include the District's property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, required educational programs and other factors.

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

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

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

***Reporting the District's Most Significant Funds***

*Fund Financial Statements*

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

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

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

**Columbus City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2005*  
*Unaudited*

**The District as a Whole**

Recall that the Statement of Net Assets provides the perspective of the District as a whole. Table 1 provides a summary of the District's net assets for 2005 compared to the prior year:

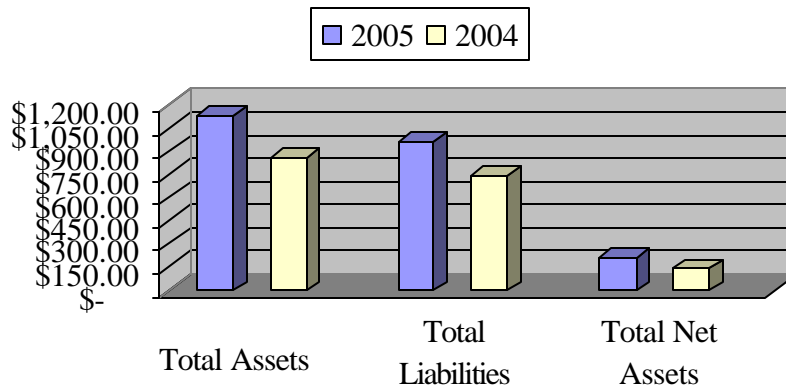
Table 1.  
 Net Assets  
 (In Millions)

<i>Assets</i>	<i>Governmental Activities</i>		<i>Business-Type Activities</i>		<i>Totals</i>	
	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>
Current and Other Assets	\$ 927.7	\$ 650.3	\$ 0.9	\$ 2.8	\$ 928.6	\$ 653.1
Capital Assets	<u>205.1</u>	<u>212.1</u>	<u>3.0</u>	<u>3.2</u>	<u>208.1</u>	<u>215.3</u>
<i>Total Assets</i>	<u>1,132.8</u>	<u>862.4</u>	<u>3.9</u>	<u>6.0</u>	<u>1,136.7</u>	<u>868.4</u>
<i>Liabilities</i>						
Long Term Liabilities	536.2	374.8	1.4	1.6	537.6	376.4
Other Liabilities	<u>381.6</u>	<u>348.3</u>	<u>0.8</u>	<u>0.7</u>	<u>382.4</u>	<u>349.0</u>
<i>Total Liabilities</i>	<u>917.8</u>	<u>723.1</u>	<u>2.2</u>	<u>2.3</u>	<u>920.0</u>	<u>725.4</u>
<i>Net Assets</i>						
Invested in Capital Assets						
Net of Debt	114.7	135.7	3.0	3.1	117.7	138.8
Restricted	171.5	311.0	-	-	171.5	311.0
Unrestricted (deficit)	<u>(71.2)</u>	<u>(307.3)</u>	<u>(1.3)</u>	<u>0.7</u>	<u>(72.5)</u>	<u>(306.6)</u>
<i>Total Net Assets</i>	<u>\$ 215.0</u>	<u>\$ 139.4</u>	<u>\$ 1.7</u>	<u>\$ 3.8</u>	<u>\$ 216.7</u>	<u>\$ 143.2</u>

Total assets increased by \$268.3 million. The primary reason for this increase is that Equity in Pooled Cash and Cash Equivalents increased from \$267.0 million in 2004 to \$460.0 million in 2005, primarily due to proceeds from the sale of debt during 2005. Taxes Receivable increased by \$22.1 million from 2004 to 2005 due to an increase in millage from 59.18 to 67.65. Finally, Intergovernmental Receivable increased \$55.2 million due to Ohio school Facilities Commission grants for the District's Facilities master plan. Liabilities increased by \$194.6 million. This increase for 2005 was primarily the result of the issuance of bonds of \$174.3 million and an increase in deferred revenue of \$22.6 million. The net impact was an increase in net assets of \$73.5 million.

Graph 1.  
 Net Assets Governmental Activities  
 (In Millions)

**Columbus City Schools**



**Columbus City School District**  
*Management's Discussion and Analysis*  
For the Fiscal Year Ended June 30, 2005  
Unaudited

**The District as a Whole – Continued**

Table 2 shows the comparative changes in net assets for fiscal years 2005 and 2004.

Table 2.  
Changes in Net Assets for Governmental Activities and Business-Type Activities  
(In Millions)

	Governmental Activities		Business- Type Activities		Totals	
	2005	2004	2005	2004	2005	2004
<b>Revenues</b>						
<i>Program Revenues:</i>						
Charges for Services and Sales	\$ 7.4	\$ 7.9	\$ 8.1	\$ 8.6	\$ 15.5	\$ 16.5
Operating Grants and Contributions	161.2	147.2	21.2	17.1	182.4	164.3
Capital Grants and Contributions	0.6	-	-	-	0.6	-
<b>Total Program Revenues</b>	<b>169.2</b>	<b>155.1</b>	<b>29.3</b>	<b>25.7</b>	<b>198.5</b>	<b>180.8</b>
<i>General Revenues and Transfers:</i>						
Property Taxes	387.7	309.6	-	-	387.7	309.6
Grants and Entitlements Not Restricted to Specific Programs	190.5	188.6	-	-	190.5	188.6
Grants and Entitlements Restricted for Capital Outlay	56.3	-	-	-	56.3	-
Other	18.4	6.9	-	0.4	18.4	7.3
<b>Total General Revenues and Transfers</b>	<b>652.9</b>	<b>505.1</b>	<b>-</b>	<b>0.4</b>	<b>652.9</b>	<b>505.5</b>
<b>Total Revenues</b>	<b>822.1</b>	<b>660.2</b>	<b>29.3</b>	<b>26.1</b>	<b>851.4</b>	<b>686.3</b>
<b>Program Expenses</b>						
Instruction	398.4	382.6	-	-	398.4	382.6
<i>Support Services:</i>						
Pupil and Instructional Staff	124.6	121.1	-	-	124.6	121.1
Board of Education, Administration Fiscal and Business	66.5	75.6	-	-	66.5	75.6
Operation and Maintenance of Plant	56.3	61.8	-	-	56.3	61.8
Pupil Transportation	32.7	29.6	-	-	32.7	29.6
Other Support Services	27.0	26.8	-	-	27.0	26.8
Enterprise Operations	0.2	0.2	-	-	0.2	0.2
Extracurricular Services	7.7	8.7	-	-	7.7	8.7
Community Services	7.3	5.7	-	-	7.3	5.7
Interest and Fiscal Changes	25.8	15.1	-	-	25.8	15.1
Food Service	-	-	25.6	23.7	25.6	23.7
Adult and Community Education	-	-	2.0	2.4	2.0	2.4
WCBE Radio	-	-	1.2	1.0	1.2	1.0
Latchkey and Uniform School Supplies	-	-	2.6	2.6	2.6	2.6
<b>Total Expenses</b>	<b>746.5</b>	<b>727.2</b>	<b>31.4</b>	<b>29.7</b>	<b>777.9</b>	<b>756.9</b>
<b>Increase (Decrease) In Net Assets</b>	<b>75.6</b>	<b>(67.0)</b>	<b>(2.1)</b>	<b>(3.6)</b>	<b>73.5</b>	<b>(70.6)</b>
<b>Net Assets - July 1</b>	<b>139.4</b>	<b>206.4</b>	<b>3.8</b>	<b>7.4</b>	<b>143.2</b>	<b>213.8</b>
<b>Net Assets - June 30</b>	<b>\$ 215.0</b>	<b>\$ 139.4</b>	<b>\$ 1.7</b>	<b>\$ 3.8</b>	<b>\$ 216.7</b>	<b>\$ 143.2</b>

**Columbus City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2005*  
*Unaudited*

***Governmental Activities***

The unique nature of property taxes in Ohio creates the need to routinely seek voter approval for operating funds. The overall revenue generated by a voted levy does not increase solely as a result of inflation. Thus school districts dependent upon property taxes are hampered by a lack of revenue growth and must regularly return to voters to maintain a constant level of service. Property taxes made up 47 percent of revenues for Governmental Activities for the District in fiscal year 2005. Grants and entitlements not restricted to specific programs made up 23% of revenues for Governmental Activities while operating grants and contributions made up 20% of revenues for Governmental Activities. Grants and entitlements restricted for capital outlay consisted of 7% of revenues from Governmental Activities.

The most significant increases in revenues from 2004 to 2005 were property taxes of \$78.1 million, grants and entitlements restricted for capital outlay of \$56.3 million, and operating grants and contributions of \$14.0 million. The increase in property taxes was primarily due to the increase in millage from 59.18 mills to 67.65 mills as well as a larger than normal advance of real estate taxes in June of 2005 in the amount of \$36.9 million. The increase in grants and entitlements restricted for capital outlay was due to Ohio School Facilities Commission grants for the District's facilities master plan. The increases in operating grants and contributions were due to additional funding for state and federal programs.

Instruction and interest and fiscal charges made up the majority of the increase in expenses from 2004 to 2005. Instruction increased by \$15.8 million primarily due to increases for tuition payments to other schools. Approximately \$12.0 million in salaries and benefits made up the remaining amount of the increase. Interest and fiscal charges increased by \$10.7 million due to new debt issuances.

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

The dependence upon tax revenues and intergovernmental foundation monies for governmental activities is apparent. Over 76 percent of instruction activities are supported through taxes, intergovernmental foundation monies and other general revenues; for all Governmental Activities, general revenue support is 77 percent as shown in Table 3. The community and the State of Ohio, as a whole, provide the vast majority of resources for Columbus City School District students.

**Columbus City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2005*  
*Unaudited*

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

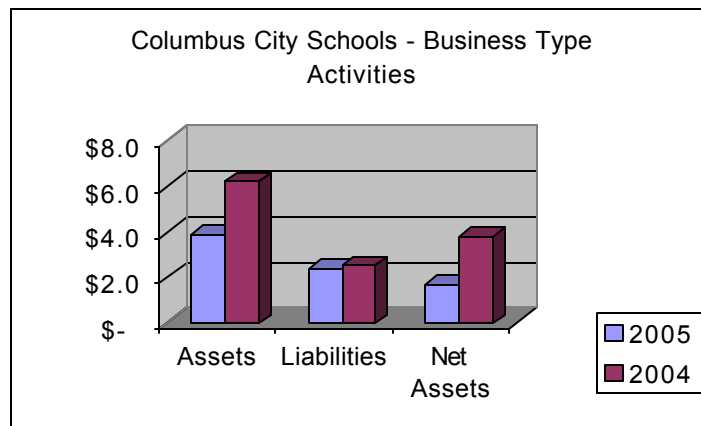
	2005		2004	
	Total Cost of Service	Net Cost of Service	Total Cost of Service	Net Cost of Service
Instruction	\$ 398,395	\$ 305,381	\$ 382,614	\$ 288,291
Support Services:				
Pupil and Instructional Staff	124,496	81,483	121,123	88,788
Board of Education, Administration Fiscal and Business	66,499	60,722	75,650	70,602
Operation and Maintenance of Plant	56,317	55,012	61,823	61,089
Pupil Transportation	32,674	17,765	29,611	17,763
Other	26,991	23,976	26,791	24,026
Enterprise Operations	174	79	206	127
Extracurricular Activities	7,730	5,807	8,650	6,730
Community Services	7,262	1,246	5,673	(425)
Interest and Fiscal Charges	<u>25,803</u>	<u>25,803</u>	<u>15,073</u>	<u>15,073</u>
Total Expenses	<u>\$ 746,341</u>	<u>\$ 577,274</u>	<u>\$ 727,214</u>	<u>\$ 572,064</u>

***Business-Type Activities***

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

Overall net assets declined \$2.1 million from 2004 to 2005. The primary reason for this decrease relates to the decline in current and other assets from \$2.8 million in 2004 to \$0.9 million in 2005. One reason for this decline is that the Food Service Fund received an advance of \$3.5 million and other funds had outstanding advances which are reported as a negative internal balance within current and other assets. The reason for the advances was that program expenses exceeded program revenues by \$2.1 million due to increases in food costs and expenses for the early retirement incentives. Intergovernmental receivables increased from \$.6 million in 2004 to \$2.9 million in 2005, due to timing of receipts affecting recognition of the receivable in 2004.

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



**Columbus City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2005*  
*Unaudited*

**The District's Funds**

Information about the District's major Governmental Funds starts on page F-16. The Governmental Funds are accounted for using the modified accrual basis of accounting. All Governmental Funds had total revenues of \$778.0 million and expenditures of \$813.0 million. The net change in fund balance for the year was most significant in the Classroom Facilities Fund, where the fund balance went from \$149.7 million in 2004 to \$295.6 million in 2005. The primary reason for this increase was due to proceeds from the issuance of bonds. The General Fund had total revenues of \$618.1 million and expenditures of \$667.5 million. However, the expenditures included a principal payment of \$60 million which was offset by proceeds from the sale of tax anticipation notes of \$60 million. The net change in fund balance in the General Fund was \$16.3 million, which was primarily due to increased tax revenues for fiscal year 2005. The Debt Service Fund had revenues of \$32.2 million and expenditures of \$31.7 million. The Debt Service Fund also received a premium from the issuance of bonds of \$4.7 million. These items resulted in an increase of fund balance of \$5.2 million. Information about the District's only major Proprietary Fund starts on page F-20. The Proprietary Funds are accounted for using the full accrual basis of accounting. Proprietary Funds had a net decrease in net assets of \$2.1 million with the Food Service Fund accounting for \$1.9 million of the change. Food service operating revenues declined by \$.2 million, operating expenses increased by \$1.9 million due to increases in food costs and expenses for the early retirement incentives, and intergovernmental revenues increased by \$3.2 million, due to the timing of receipts affecting recognition of the receivable in 2004.

**General Fund Budgeting Highlights**

The District's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted fund is the General Fund. During the course of fiscal year 2005 the District amended its General Fund budget numerous times, some of which were significant.

For the General Fund, budget basis revenue was \$695.4 million, above original budget estimates of \$534.3 million. Of this \$160.9 million difference, tax revenue was \$53.2 million above original estimates due to the collection of tax advances in a greater amount than in prior years of approximately \$36.9 million as well as the full effect of the tax levy increase being realized during 2005, and intergovernmental revenue was \$39.0 million above original estimates primarily due to additional foundation monies being received during 2005 above the original estimated amounts. In addition the District had not anticipated the issuance of \$60,000,000 in revenue anticipation notes and \$5,580,000 in manuscript bonds which resulted in an amendment to the budgeted revenues. Final budgeted revenue estimates were \$743.2 million, an increase of \$208.7 million from original budgeted revenue.

The District had a significant increase in their appropriations of \$72.3 million from original to final, primarily to allow the District to pay off the \$60,000,000 in revenue anticipation notes which were not included in the original budget.

Total actual expenditures on the budget basis (cash outlays plus encumbrances) were \$694.9 million, \$501,056 less than revenues.

**Columbus City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2005*  
*Unaudited*

**Capital Assets and Debt Administration**

*Capital Assets*

At the end of fiscal 2005 the District had \$208.11 million invested in land, land improvements, buildings and improvements, furniture and equipment, vehicles, library books and textbooks and construction in progress, \$205.07 million was in Governmental Activities. Tables 4.1 and 4.2 show fiscal year 2005 and 2004 balances by Governmental Activities and Business-Type Activities:

Table 4.1  
 Capital Assets At June 30  
 (Net of Depreciation-In Millions)  
 Governmental Activity

	<u>2005</u>	<u>2004</u>
Land	\$ 25.19	\$ 24.98
Land Improvements	6.88	7.52
Buildings & Improvements	124.63	133.74
Furniture & Equipment	12.15	15.08
Vehicles	8.48	8.04
Library Books & Textbooks	16.29	18.94
Construction in Progress	<u>11.45</u>	<u>3.81</u>
Total	<u>\$ 205.07</u>	<u>\$ 212.11</u>

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

	<u>2005</u>	<u>2004</u>
Land	\$ 0.15	\$ 0.15
Buildings & Improvements	0.47	0.54
Furniture & Equipment	1.98	2.07
Vehicles	<u>0.44</u>	<u>0.49</u>
Total	<u>\$ 3.04</u>	<u>\$ 3.25</u>

The decrease in Capital Assets for Governmental Activities is due to recognizing \$7.7 million in acquisitions offset by \$21.4 million in depreciation expense for 2005 and \$1.1 in disposals (net of accumulated depreciation). The acquisitions were distributed among land, building improvements, furniture and equipment, vehicles, textbooks and library books and construction in progress. The District continued its ongoing commitment to maintaining and improving its Capital Assets. Please see Note 7 of the Notes to the Basic Financial Statements for a more detailed analysis of Capital Assets.

For fiscal year 2000, a change in Ohio law required school districts to set aside two percent of certain revenues for capital improvements and an additional two percent for textbooks; this amount was increased to three percent beginning in fiscal 2001. For fiscal year 2005, this amounted to \$9.4 million for each set-aside. For fiscal year 2005 the District had qualifying disbursements or offsets exceeding these requirements for capital improvements and for textbooks and therefore no set-asides were required.



**Columbus City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2005*  
*Unaudited*

**Capital Assets and Debt Administration - Continued**

***Debt***

At June 30, 2005 the District had \$442.95 million in bonds, \$10.88 million due within one year.

Table 5 summarizes bonds outstanding for the past two years:

Table 5 Outstanding Debt At June 30 Governmental Activities (In Millions)		
	<u>2005</u>	<u>2004</u>
General Obligation Bonds	\$ 427.94	\$ 267.02
Energy Conservation Bonds	9.43	11.30
Manuscript Bonds	<u>5.58</u>	<u>-</u>
Total	<u>\$ 442.95</u>	<u>\$ 278.32</u>

All General Obligation Bonds and Energy Conservation Bonds outstanding are general obligations of the District for which the full faith and credit of the District is pledged for repayment. The source of repayment is derived from a current 10.85 mill bonded debt tax levy.

At June 30, 2005, the District's overall legal debt margin was \$453.6 million with an unvoted debt margin of \$9.07 million. The debt is well within permissible limits. The District maintains an Aa3 bond rating from Moody's Investors Service and an AA- bond rating from Standard & Poor's Rating Services. Please see Note 9 of the Notes to the Basic Financial Statements for a more detailed analysis of debt.

**Columbus City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2005*  
*Unaudited*

**Capital Assets and Debt Administration - Continued**

***Capital Lease Obligations***

The District had \$479,490 in new capital leases entered into during fiscal year 2005 which were for copiers and related equipment. The District had previous capital leases, which were being paid for out of both the General Fund (Governmental Activities) and the Food Service Fund (Business-Type Activities). The lease being paid out of the Food Service Fund was paid off during fiscal year 2005. The total capital lease obligations outstanding as of June 30, 2005 were \$692,444 in the General Fund (Governmental Activities). Of these balances \$85,025 in the Governmental Activities was due within one year.

**Current Financial Related Activities**

With the passage of a 6.95 mill levy in November of 2004, the District has generated additional property tax revenues. However with "capped" revenue growth and natural inflationary growth on the expenditure costs the District is currently determining the means to address the fiscal picture.

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

Columbus City School District has committed itself to financial excellence for many years. The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Award of Financial Reporting Achievement to the Columbus City School District for its Comprehensive Annual Financial Report for the Fiscal Years Ended June 30, 2004, 2003, 2002, 2001 and 2000. Columbus City School District received the Association of School Business Officials International (ASBO) Certificate of Excellence in Financial Reporting for its Comprehensive Annual Financial Report for the fiscal years ended June 30, 2004, 2003, 2002, 2001 and 2000.

**Contacting the District's Financial Management**

This financial report is designed to provide our citizen's, taxpayers, and investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional financial information contact Michael Kinneer, Treasurer at Columbus City School District, 270 East State Street, Columbus, Ohio 43215.

You can also e-mail Michael Kinneer at [mkinneer4537@columbus.k12.oh.us](mailto:mkinneer4537@columbus.k12.oh.us).

# **BASIC FINANCIAL STATEMENTS**



## Columbus City School District

### Statement of Net Assets

As of June 30, 2005

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Equity in Pooled Cash and Cash Equivalents	\$457,952,283	\$2,008,179	\$459,960,462
Investments	\$5,580,000	-	5,580,000
Receivables			
Taxes	315,963,532	-	315,963,532
Intergovernmental	139,244,737	2,892,924	142,137,661
Accounts	135,694	14,033	149,727
Interest	889,382	-	889,382
Internal Balances	4,368,947	(4,368,947)	-
Materials and Supplies Inventory	625,825	371,230	997,055
Unamortized Financing Costs	2,972,639	-	2,972,639
Nondepreciable Capital Assets	36,636,472	151,610	36,788,082
Depreciable Capital Assets, Net	168,435,721	2,892,859	171,328,580
<i>Total Assets</i>	1,132,805,232	3,961,888	1,136,767,120
<b>Liabilities</b>			
Accounts Payable	14,634,926	280,551	14,915,477
Accrued Wages and Benefits	51,738,145	529,765	52,267,910
Claims Payable	9,489,255	-	9,489,255
Accrued Interest Payable	6,137,141	-	6,137,141
Matured Compensated Absences Payable	869,278	-	869,278
Matured Early Retirement Incentive Payable	817,745	-	817,745
Deferred Revenue	280,547,957	-	280,547,957
Due to Other Governments	17,307,986	6,107	17,314,093
Long-Term Liabilities:			
Due Within One Year	22,740,283	28,772	22,769,055
Due In More Than One Year	513,482,743	1,419,017	514,901,760
<i>Total Liabilities</i>	917,765,459	2,264,212	920,029,671
<b>Net Assets</b>			
Invested in Capital Assets, Net of Related Debt	114,727,079	3,044,469	117,771,548
Restricted for:			
Debt Service	12,064,763	-	12,064,763
Capital Projects	125,487,284	-	125,487,284
Permanent Fund			
Expendable	696,429	-	696,429
Nonexpendable	140,787	-	140,787
Other Purposes	33,172,167	-	33,172,167
Unrestricted (Deficit)	(71,248,736)	(1,346,793)	(72,595,529)
<i>Total Net Assets</i>	\$215,039,773	\$1,697,676	\$216,737,449

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

**Columbus City School District**

**Statement of Activities**

For the Fiscal Year Ended June 30, 2005

	<b>Program Revenues</b>			
	<b>Expenses</b>	<b>Charges for Services and Sales</b>	<b>Operating Grants and Contributions</b>	<b>Capital Grants and Contributions</b>
<b>Governmental Activities</b>				
Instruction:				
Regular	\$297,804,126	\$2,046,144	\$6,926,613	\$351,509
Special	85,413,229	642,641	78,730,930	-
Vocational	14,040,774	98,950	3,491,791	-
Other	1,137,104	2,105	723,110	-
Support Services:				
Pupil	47,790,920	378,788	9,898,335	-
Instructional Staff	76,705,011	478,610	32,256,928	-
Administration	51,450,000	998,883	3,303,729	-
Business and Fiscal	15,048,909	105,022	1,369,189	-
Operation and Maintenance of Plant	56,317,813	399,122	907,083	-
Pupil Transportation	32,673,761	238,745	14,468,003	201,526
Other	26,991,245	172,636	2,842,508	-
Enterprise Operations	174,340	68,733	26,126	-
Extracurricular Activities	7,729,840	1,716,611	206,317	-
Community Services	7,262,356	10,699	6,005,679	-
Interest and Fiscal Charges	25,802,812	-	-	-
<i>Total Governmental Activities</i>	<u>746,342,240</u>	<u>7,357,689</u>	<u>161,156,341</u>	<u>553,035</u>
<b>Business-Type Activities</b>				
Food Service	25,616,720	4,691,007	18,951,886	-
Adult and Community Education	1,933,925	975,799	1,053,830	-
WCBE Radio	1,212,142	-	1,240,089	-
Latchkey	2,625,028	2,340,729	-	-
Rotary - Special Services	808	-	-	-
Uniform School Supplies	23,395	28,157	-	-
<i>Total Business-Type Activities</i>	<u>31,412,018</u>	<u>8,035,692</u>	<u>21,245,805</u>	<u>-</u>
<i>Totals</i>	<u>\$777,754,258</u>	<u>\$15,393,381</u>	<u>\$182,402,146</u>	<u>\$553,035</u>

**General Revenues and Transfers**

Property Taxes Levied for:

  General Purposes

  Debt Service

  Capital Outlay

Grants and Entitlements not Restricted to Specific Programs

Grants and Entitlements Restricted for Capital Outlay

Investment Earnings

Payments in Lieu of Taxes

Miscellaneous

Transfers

*Total General Revenues*

Change in Net Assets

*Net Assets Beginning of Year*

*Net Assets End of Year*

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

Net (Expense) Revenue  
and Changes in Net Assets

Governmental Activities	Business-Type Activities	Total
(\$288,479,860)	\$0	(\$288,479,860)
(6,039,658)	-	(6,039,658)
(10,450,033)	-	(10,450,033)
(411,889)	-	(411,889)
(37,513,797)	-	(37,513,797)
(43,969,473)	-	(43,969,473)
(47,147,388)	-	(47,147,388)
(13,574,698)	-	(13,574,698)
(55,011,608)	-	(55,011,608)
(17,765,487)	-	(17,765,487)
(23,976,101)	-	(23,976,101)
(79,481)	-	(79,481)
(5,806,912)	-	(5,806,912)
(1,245,978)	-	(1,245,978)
(25,802,812)	-	(25,802,812)
(577,275,175)	-	(577,275,175)
-	(1,973,827)	(1,973,827)
-	95,704	95,704
-	27,947	27,947
-	(284,299)	(284,299)
-	(808)	(808)
-	4,762	4,762
-	(2,130,521)	(2,130,521)
(577,275,175)	(2,130,521)	(579,405,696)
352,960,286	-	352,960,286
30,767,734	-	30,767,734
3,944,996	-	3,944,996
190,509,398	-	190,509,398
56,353,810	-	56,353,810
9,149,680	-	9,149,680
4,606,016	-	4,606,016
4,648,881	-	4,648,881
1,116	(1,116)	-
652,941,917	(1,116)	652,940,801
75,666,742	(2,131,637)	73,535,105
139,373,031	3,829,313	143,202,344
\$215,039,773	\$1,697,676	\$216,737,449

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

**Columbus City School District**

**Balance Sheet  
Governmental Funds**

As of June 30, 2005

	<u>General</u>	<u>Debt Service</u>	<u>Classroom Facilities</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>					
Equity in Pooled Cash and Cash Equivalents	\$ 41,850,481	\$ 12,465,708	\$ 296,384,108	\$ 107,251,986	\$ 457,952,283
Investments	-	5,580,000	-	-	5,580,000
Receivables					
Taxes	287,539,618	25,374,723	-	3,049,191	315,963,532
Accounts	-	-	-	135,694	135,694
Interest	71,971	-	817,411	-	889,382
Due from Other Governments	268,540	-	111,253,313	27,722,884	139,244,737
Interfund Loans Receivable	19,645,597	-	-	-	19,645,597
Materials and Supplies Inventory	625,825	-	-	-	625,825
<b>Total Assets and Other Debits</b>	<b>\$ 350,002,032</b>	<b>\$ 43,420,431</b>	<b>\$ 408,454,832</b>	<b>\$ 138,159,755</b>	<b>\$ 940,037,050</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities</b>					
Accounts Payable	\$ 4,143,747	\$ -	\$ 1,421,551	\$ 9,069,628	\$ 14,634,926
Accrued Wages and Benefits	47,017,517	-	-	4,720,628	51,738,145
Matured Compensated Absences	843,344	-	-	25,934	869,278
Claims Payable	9,489,255	-	-	-	9,489,255
Deferred Revenues	285,566,134	25,346,893	111,478,838	11,519,198	433,911,063
Interfund Loans Payable	-	-	-	15,276,650	15,276,650
Matured Early Retirement Incentive Payable	736,772	-	-	80,973	817,745
Due to Other Governments	17,252,497	-	-	55,489	17,307,986
<b>Total Liabilities</b>	<b>365,049,266</b>	<b>25,346,893</b>	<b>112,900,389</b>	<b>40,748,500</b>	<b>544,045,048</b>
<b>Fund Balances</b>					
Reserved for Encumbrances	9,293,635	297,761	15,180,087	9,377,391	34,148,874
Reserved for Property Taxes	312,657	27,830	-	3,092	343,579
Reserved for Inventory	625,825	-	-	-	625,825
Reserved for Endowment	-	-	-	673,401	673,401
Unreserved					
Undesignated - Reported In					
General Fund	(25,279,351)	-	-	-	(25,279,351)
Special Revenue Funds	-	-	-	23,130,096	23,130,096
Capital Projects Funds	-	-	280,374,356	64,063,460	344,437,816
Debt Service Fund	-	17,747,947	-	-	17,747,947
Permanent Fund	-	-	-	163,815	163,815
<b>Total Fund Balances</b>	<b>(15,047,234)</b>	<b>18,073,538</b>	<b>295,554,443</b>	<b>97,411,255</b>	<b>395,992,002</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 350,002,032</b>	<b>\$ 43,420,431</b>	<b>\$ 408,454,832</b>	<b>\$ 138,159,755</b>	<b>\$ 940,037,050</b>

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



**Columbus City School District**

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

As of June 30, 2005

<b>Total Governmental Fund Balances</b>		\$ 395,992,002
<p>Amounts reported for governmental activities in the statement of net assets are different because:</p>		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		205,072,193
Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds.		
Taxes	33,774,399	
Intergovernmental	118,822,585	
Interest	766,122	
Unamortized Financing Costs	2,972,639	
<b>Total</b>	<b>156,335,745</b>	156,335,745
<p>Long-Term Liabilities, including bonds, notes payable, capital lease obligations and long-term portion of compensated absences, are not due and payable in the current period and therefore are not reported in the funds.</p>		
Early Retirement Incentive Payable	(18,109,313)	
Interest Payable	(6,137,141)	
Compensated Absences	(55,735,503)	
Workers Compensation	(18,738,074)	
Capital Lease Obligations	(692,444)	
Manuscript Bonds	(5,580,000)	
General Obligation and Energy Conservation Bonds	(437,367,692)	
<b>Total</b>	<b>(542,360,167)</b>	(542,360,167)
<b>Net Assets of Governmental Activities</b>		<b>\$ 215,039,773</b>

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

**Columbus City School District**

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

For the Fiscal Year Ended June 30, 2005

	<u>General</u>	<u>Debt Service</u>	<u>Classroom Facilities</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Revenues</b>					
Taxes	\$ 343,500,052	\$ 29,407,511	\$ -	\$ 3,916,128	\$ 376,823,691
Tuition and Fees	4,210,629	-	-	1,262,700	5,473,329
Earnings on Investments	2,511,671	-	6,360,557	411,523	9,283,751
Intergovernmental	259,768,974	2,827,694	7,775,220	102,285,378	372,657,266
Extracurricular	-	-	-	1,884,360	1,884,360
Donations	51	-	-	2,600,414	2,600,465
Payments in Lieu of Taxes	4,606,016	-	-	-	4,606,016
Other	3,493,359	-	-	1,142,135	4,635,494
<b>Total Revenues</b>	<b>618,090,752</b>	<b>32,235,205</b>	<b>14,135,777</b>	<b>113,502,638</b>	<b>777,964,372</b>
<b>Expenditures</b>					
<b>Current Operating</b>					
<b>Instruction</b>					
Regular	274,818,531	-	-	7,650,758	282,469,289
Special	59,556,382	-	-	24,922,059	84,478,441
Vocational	12,849,670	-	-	770,365	13,620,035
Other	606,696	-	-	755,266	1,361,962
Pupil Support Services	37,029,648	-	-	9,675,917	46,705,565
Instructional Support Services	42,673,561	-	-	33,604,624	76,278,185
Administration	45,239,416	-	-	4,566,374	49,805,790
Business and Fiscal Services	16,451,464	295,111	-	1,049,886	17,796,461
<b>Operation and Maintenance of</b>					
Plant Services	54,585,434	-	-	876,046	55,461,480
Transportation Services-Pupils	32,973,310	-	-	391,338	33,364,648
Other Support Services	23,818,613	-	-	3,043,064	26,861,677
Enterprise Operations	-	-	-	115,903	115,903
Extracurricular Activities	5,370,535	-	-	2,400,648	7,771,183
Community Services	-	-	-	7,146,302	7,146,302
<b>Debt Service</b>					
Principal	60,651,927	12,305,000	-	-	72,956,927
Interest	352,870	17,725,110	-	-	18,077,980
Issuance Costs	-	1,423,174	-	-	1,423,174
Capital Outlay	486,912	-	13,689,466	3,140,822	17,317,200
<b>Total Expenditures</b>	<b>667,464,969</b>	<b>31,748,395</b>	<b>13,689,466</b>	<b>100,109,372</b>	<b>813,012,202</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(49,374,217)	486,810	446,311	13,393,266	(35,047,830)
<b>Other Financing Sources (Uses)</b>					
Transfers In	22,547	-	-	800,609	823,156
Transfers Out	(423,267)	-	-	(398,773)	(822,040)
General Obligation Bonds Issued	-	-	145,446,740	18,553,260	164,000,000
Premium on Debt Issuance	-	4,682,751	-	-	4,682,751
Inception of Capital Lease	479,490	-	-	-	479,490
Proceeds from Sale of Notes	65,580,000	-	-	-	65,580,000
Proceeds from the Sale of Assets	15,946	-	-	-	15,946
<b>Total Other Financing Sources (Uses)</b>	<b>65,674,716</b>	<b>4,682,751</b>	<b>145,446,740</b>	<b>18,955,096</b>	<b>234,759,303</b>
<b>Net Change in Fund Balances</b>	<b>16,300,499</b>	<b>5,169,561</b>	<b>145,893,051</b>	<b>32,348,362</b>	<b>199,711,473</b>
<b>Fund Balances at Beginning of Year</b>	<b>(31,347,733)</b>	<b>12,903,977</b>	<b>149,661,392</b>	<b>65,062,893</b>	<b>196,280,529</b>
<b>Fund Balances at End of Year</b>	<b>\$ (15,047,234)</b>	<b>\$ 18,073,538</b>	<b>\$ 295,554,443</b>	<b>\$ 97,411,255</b>	<b>\$ 395,992,002</b>

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

**Columbus City School District**

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

For the Fiscal Year Ended June 30, 2005

<b>Net Change in Fund Balances- Total Governmental Funds</b>		\$ 199,711,473
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period.		
Capital Asset Additions	15,541,858	
Current Year Depreciation	<u>(21,447,481)</u>	
Total		(5,905,623)
Governmental funds only report the disposal of assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal. This is the amount of the gains and losses on the disposal of capital assets.		
Proceeds from Sale of Capital Assets	(15,946)	
Loss on Disposal of Capital Assets	<u>(1,115,001)</u>	
Total		(1,130,947)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Taxes	10,849,325	
Intergovernmental	33,314,853	
Interest	<u>(134,071)</u>	
Total		44,030,107
Debt issuance costs reported in the statement of revenues, expenditures, and changes in fund balances that are reported as expenditures are not reported as expenses in the statement of activities.		
		1,423,174
Repayment of bond principal is recorded as expenditures in the governmental funds, but the repayment reduces liabilities in the statement of net assets and does not result in an expense in the statement of activities.		
		72,305,000
Repayments of capital lease obligations are expenditures in the governmental funds, but the repayment reduces liabilities in the statement of net assets and does not result in an expense in the statement of activities.		
		651,927
Proceeds from the sale of bonds and notes are recorded as other financing sources in the governmental funds, but the proceeds are recorded as a liability and therefore are not recorded in the statement of activities		
		(229,580,000)
Premium on issuance of bonds is recorded as other financing sources in the governmental funds, but the premium is recorded as part of the bond liability and therefore is not recorded in the statement of activities		
		(4,682,751)
In the statement of activities, interest is accrued on outstanding bonds and long-term notes payable, whereas in governmental funds, an interest expenditure is reported when due.		
		(4,641,481)
Inception of capital leases is recorded as other financing sources in the governmental funds, but is recorded as a capital lease obligation and therefore is not recorded in the statement of activities		
		(479,490)
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.		
Compensated Absences	(4,560,891)	
Early Retirement Incentive Payable	4,741,646	
Workers Compensation Claims Payable	196,446	
Capital Bond Accretion	(3,083,351)	
Intergovernmental Payable	<u>6,671,503</u>	
Total		3,965,353
<b>Net Change in Net Assets of Governmental Activities</b>		<u>\$ 75,666,742</u>

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

**Columbus City School District**

**Statement of Net Assets  
Proprietary Funds**

As of June 30, 2005

	Business - Type Activities - Enterprise Funds		
	Food Service	Other Enterprise Funds	Totals
<b>ASSETS</b>			
<i>Current Assets</i>			
Equity in Pooled Cash and Cash Equivalents	\$ 1,492,580	\$ 515,599	\$ 2,008,179
Accounts Receivable	-	14,033	14,033
Due from Other Governments	2,776,754	116,170	2,892,924
Materials and Supplies Inventory	371,230	-	371,230
<i>Total Current Assets</i>	4,640,564	645,802	5,286,366
<i>Non-Current Assets</i>			
Capital Assets, Net	3,044,469	-	3,044,469
<i>Total Non-Current Assets</i>	3,044,469	-	3,044,469
Total Assets	\$ 7,685,033	\$ 645,802	\$ 8,330,835
<b>LIABILITIES:</b>			
<i>Current Liabilities</i>			
Accounts Payable	\$ 253,706	\$ 26,845	\$ 280,551
Accrued Wages and Benefits	508,183	21,582	529,765
Intergovernmental Payable	5,794	313	6,107
Interfund Loans Payable	3,500,000	868,947	4,368,947
Compensated Absences	6,149	363	6,512
Early Retirement Incentive Payable	16,585	5,675	22,260
<i>Total Current Liabilities</i>	4,290,417	923,725	5,214,142
<i>Long-Term Liabilities (Net of Current Portion)</i>			
Compensated Absences	737,005	227,635	964,640
Early Retirement Incentive Payable	262,392	191,985	454,377
<i>Total Long-Term Liabilities</i>	999,397	419,620	1,419,017
Total Liabilities	\$ 5,289,814	\$ 1,343,345	\$ 6,633,159
<b>NET ASSETS:</b>			
Invested in Capital Assets, Net of Related Debt	3,044,469	-	3,044,469
Unrestricted	(649,250)	(697,543)	(1,346,793)
Total Net Assets	\$ 2,395,219	\$ (697,543)	\$ 1,697,676

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

## Columbus City School District

### Statement of Revenues, Expenses and Changes in Fund Net Assets Proprietary Funds

For the Fiscal Year Ended June 30, 2005

	Business - Type Activities - Enterprise Funds		
	Food Service	Other Enterprise Funds	Totals
Operating Revenues			
Tuition and Fees	\$ -	\$ 3,186,973	\$ 3,186,973
Sales	4,616,313	50,762	4,667,075
Gifts and Donations	-	-	-
Miscellaneous	<u>74,694</u>	<u>1,347,039</u>	<u>1,421,733</u>
Total Operating Revenues	<u>4,691,007</u>	<u>4,584,774</u>	<u>9,275,781</u>
Operating Expenses			
Salaries and Wages	9,716,431	3,847,037	13,563,468
Fringe Benefits	4,018,204	1,240,034	5,258,238
Purchased Services	689,152	454,700	1,143,852
Materials and Supplies	9,628,710	213,210	9,841,920
Depreciation	256,358	-	256,358
Miscellaneous	<u>1,271,337</u>	<u>40,317</u>	<u>1,311,654</u>
Total Operating Expenses	<u>25,580,192</u>	<u>5,795,298</u>	<u>31,375,490</u>
Operating Loss	(20,889,185)	(1,210,524)	(22,099,709)
Nonoperating Revenues (Expenses)			
Earnings on Investments	12,607	-	12,607
Intergovernmental Revenues	18,939,279	1,053,830	19,993,109
Interest Expense	(1,919)	-	(1,919)
Loss on the Disposal of Assets	<u>(34,609)</u>	<u>-</u>	<u>(34,609)</u>
Total Nonoperating Revenues (Expenses)	<u>18,915,358</u>	<u>1,053,830</u>	<u>19,969,188</u>
Income (Loss) Before Transfers	(1,973,827)	(156,694)	(2,130,521)
Transfers Out	-	(1,116)	(1,116)
Changes in Net Assets	(1,973,827)	(157,810)	(2,131,637)
Net Assets			
at Beginning of Year	<u>4,369,046</u>	<u>(539,733)</u>	<u>3,829,313</u>
Net Assets			
at End of Year	<u>\$ 2,395,219</u>	<u>\$ (697,543)</u>	<u>\$ 1,697,676</u>

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

**Columbus City School District**

**Statement of Cash Flows  
Proprietary Funds**

For the Fiscal Year Ended June 30, 2005

	Business - Type Activities - Enterprise Funds		
	Food Service	Other Enterprise Funds	Totals
Cash Flows from Operating Activities:			
Cash Received from Sales	\$ 4,616,313	\$ 28,157	\$ 4,644,470
Cash Received from Tuition and Fees	-	3,237,735	3,237,735
Cash Received from Contributions	-	1,226,056	1,226,056
Cash Paid to Suppliers	(9,916,706)	(710,783)	(10,627,489)
Cash Paid for Employee Salaries, Wages, and Fringe Benefits	(13,731,652)	(5,129,425)	(18,861,077)
Other Receipts	74,694	78,793	153,487
Other Expenses	(1,271,367)	-	(1,271,367)
Net Cash Provided (Used) by Operating Activities	<u>(20,228,718)</u>	<u>(1,269,467)</u>	<u>(21,498,185)</u>
Cash Flows from Capital Financing Activities:			
Principal Payment on Capital Lease	(78,825)	-	(78,825)
Interest Payment on Capital Lease	(1,919)	-	(1,919)
Proceeds from Sale of Capital Assets	965	-	965
Capital Outlay	(88,519)	-	(88,519)
Net Cash Provided (Used) by Capital Financing Activities	<u>(168,298)</u>	<u>-</u>	<u>(168,298)</u>
Cash Flows from Noncapital Financing Activities:			
Proceeds from Interfund Loans	3,500,000	868,947	4,368,947
Payment on Interfund Loans	-	(286,276)	(286,276)
Transfers Out	-	(1,116)	(1,116)
Cash Received from Other Governments	16,718,749	937,660	17,656,409
Net Cash Provided by Noncapital Financing Activities	<u>20,218,749</u>	<u>1,519,215</u>	<u>21,737,964</u>
Cash Flows from Investing Activities:			
Earnings on Investments	<u>12,607</u>	<u>-</u>	<u>12,607</u>
Net Cash Provided by Investing Activities	<u>12,607</u>	<u>-</u>	<u>12,607</u>
Increase (Decrease) in Cash and Cash Equivalents	(165,660)	249,748	84,088
Cash and Cash Equivalents at Beginning of Year	<u>1,658,240</u>	<u>265,851</u>	<u>1,924,091</u>
Cash and Cash Equivalents at End of Year	<u>\$ 1,492,580</u>	<u>\$ 515,599</u>	<u>\$ 2,008,179</u>

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

**Columbus City School District**

**Statement of Cash Flows (Continued)  
Proprietary Funds**

For the Fiscal Year Ended June 30, 2005

	Business - Type Activities - Enterprise Funds		
	Food Service	Other Enterprise Funds	Totals
Reconciliation of Operating Income (Loss) to Net Cash Provided By (Used for) Operating Activities			
Operating Loss	\$ (20,889,185)	\$ (1,210,524)	\$ (22,099,709)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities			
Depreciation	256,358	-	256,358
(Increase) in Accounts Receivable	-	(14,033)	(14,033)
Decrease in Materials and Supplies Inventory	266,309	-	266,309
Increase (Decrease) in Accounts Payable	134,817	(2,556)	132,261
Increase (Decrease) in Early Retirement Incentive Payable	(92,209)	(33,014)	(125,223)
Increase (Decrease) in Intergovernmental Payable	(4,726)	(51)	(4,777)
Increase in Compensated Absences	87,816	4,489	92,305
Increase in Accrued Wages and Benefits	12,102	(13,778)	(1,676)
Net Cash Provided by (Used for) Operating Activities	<u>\$ (20,228,718)</u>	<u>\$ (1,269,467)</u>	<u>\$ (21,498,185)</u>

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

**Columbus City School District**  
**Statement of Fiduciary Assets and Liabilities**

As of June 30, 2005

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	<u>Agency</u>
<b>ASSETS</b>	
Equity in Pooled Cash and Cash Equivalents	\$ 663,165
Total Assets	<u>\$ 663,165</u>
 <b>LIABILITIES</b>	
Accounts Payable	\$ 36,753
Due to Students	600,167
Due to Other Governments	<u>26,245</u>
Total Liabilities	<u>\$ 663,165</u>

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



# COLUMBUS CITY SCHOOL DISTRICT

## NOTES TO THE BASIC FINANCIAL STATEMENTS

For the Fiscal Year Ended June 30, 2005

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### 1. DESCRIPTION OF DISTRICT AND REPORTING ENTITY

#### The District

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

#### Reporting Entity

The reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements of the District are not misleading. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the District. For the District, this includes general operations, food services, student guidance, extracurricular activities, educational media, care and upkeep of grounds and buildings of the District, and other appropriate areas. Component units are legally separate organizations for which the District is financially accountable. The District is financially accountable for an organization if the District appoints a voting majority of the organization's governing board and (1) the District is able to significantly influence the programs or services performed or provided by the organization; or (2) the District is legally entitled to or can otherwise access the organization's resources; the District is legally obligated or has assumed responsibility to finance the deficits of, or provide financial support to, the organization; or the District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the District in that the District approves the budget, the levying of taxes or the issuance of debt. The District did not have any component units or other related organizations in fiscal year 2005.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

#### Fund Accounting

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

#### Governmental Funds

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

# COLUMBUS CITY SCHOOL DISTRICT

## NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

For the Fiscal Year Ended June 30, 2005

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### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

#### **Governmental Funds - Continued**

##### **General Fund**

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

##### **Debt Service Fund**

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

##### **Classroom Facilities Fund**

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

The other non-major governmental funds of the District account for grants and other resources whose use is restricted to a particular purpose. The District's Permanent nonmajor fund is a fund provided to account for donations/contributions where the principal balance is non-expendable and the interest can only be used for pupil support services.

##### **Proprietary Funds**

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

##### **Enterprise Funds**

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

##### **Food Service Fund**

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

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

##### **Fiduciary Funds**

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

# COLUMBUS CITY SCHOOL DISTRICT

## NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

For the Fiscal Year Ended June 30, 2005

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### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

#### **Basis of Presentation**

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

#### **Government-Wide Financial Statements**

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

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

#### **Fund Financial Statements**

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

#### **Measurement Focus**

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

# COLUMBUS CITY SCHOOL DISTRICT

## NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

For the Fiscal Year Ended June 30, 2005

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### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

#### Measurement Focus - Continued

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

#### Basis of Accounting

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

#### Revenues – Exchange and Non-exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. "Measurable" means the amount of the transaction can be determined, and available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, available means expected to be received within 90 days of year-end, except for property taxes for which the available period is 60 days.

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

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

# COLUMBUS CITY SCHOOL DISTRICT

## NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

For the Fiscal Year Ended June 30, 2005

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### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

#### **Basis of Accounting - Continued**

##### **Deferred Revenue**

The District reports deferred revenue on its Statement of Net Assets and Governmental Funds Balance Sheet. Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied. Property taxes for which there is an enforceable legal claim as of June 30, 2005, but which were levied to finance fiscal year 2006 operations, have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue. On Governmental Fund Financial Statements, receivables that will not be collected within the available period have also been reported as deferred revenue.

##### **Expenses/Expenditures**

On the accrual basis of accounting, expenses are recognized at the time they are incurred.

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

##### **Budgetary Process**

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

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

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

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

# COLUMBUS CITY SCHOOL DISTRICT

## NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

For the Fiscal Year Ended June 30, 2005

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### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

#### **Budgetary Process - Continued**

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

Formal budgetary integration is employed as a management control device during the year for fiscal year budgeted funds. Expenditures and year-end encumbrances may not exceed appropriations at the fund total level (legal level of control). Instances were noted in the General Fund of expenditures and year-end encumbrances exceeding their legally authorized appropriations which are reported in Note 3. The amounts reported as the original budgeted amounts reflect the first appropriation resolution for that fund that covered the entire year, including amounts automatically carried forward from prior years. The amounts reported as the revised budgeted amounts represent the final appropriation amounts passed by the Board of Education during the year. There were several revisions to appropriations for budgeted funds during the fiscal year ended June 30, 2005.

#### **Encumbrances**

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

#### **Cash and Investments**

Cash received by the District is deposited into one of several bank accounts with individual fund balance integrity maintained. Balances of all funds are maintained in these accounts or are temporarily used to purchase certificates of deposit or investments. All investment earnings accrue to the General Fund except those specifically related to the Classroom Facilities Fund, the Classroom Facilities Maintenance Fund, the Permanent Fund, and the Food Service Fund. The General Fund allocation to these funds is made based on the proportion of the fund balance to the pooled balance. The proportional interest earned is transferred from the General Fund to these funds at year-end. Interest earned amounted to \$2,511,671, \$6,360,557, \$172,621, \$215,874, \$23,028, and \$12,607 in the General Fund, Classroom Facilities fund (Major Capital Projects Fund), the Classroom Facilities Maintenance (Non-major Special Revenue Fund), the Building fund (Non-major Capital Projects Fund), the Permanent Fund (Non-major), and the Food Service (Major Enterprise Fund) respectively. The District also maintains one imprest account used solely for the payment of payroll checks.

# COLUMBUS CITY SCHOOL DISTRICT

## NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

For the Fiscal Year Ended June 30, 2005

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### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

#### Cash and Investments - Continued

The District records all its investments at cost and reports repurchase agreements at cost and all other investments at fair value. For purposes of the Statement of Cash Flows and for presentation on the Balance Sheet, investments of the cash management pool are considered to be cash equivalents. The District has invested in the State Treasury Asset Reserve of Ohio (STAR Ohio) during fiscal year 2005. STAR Ohio is an investment pool managed by the State Treasurer's Office, which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price, which is the price the investment could be sold for on June 30, 2005. The District has also invested in repurchase agreements, Federal Home Loan Mortgage Corporation Bonds and Discount Notes, Federal Home Loan Bank Bonds and Discount Notes, Federal National Mortgage Corporation Bonds and Discount Notes, Federal Farm Credit Notes, U.S. Treasuries, and Manuscript Bonds which are specific investments of the Debt Service Fund.

To improve cash management, cash received by the District is pooled. Monies for all funds, including proprietary funds, are maintained in this pool. Individual fund integrity is maintained through the District's records. Each fund's interest in the pool is presented as "Equity in Pooled Cash and Cash Equivalents" on the financial statements.

#### Inventory

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

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

#### Capital Assets and Depreciation

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the Governmental Activities column of the Government-Wide Statement of Net Assets but are not reported in the Fund Financial Statements. Capital assets utilized by the proprietary funds are reported both in the Business-Type Activities column of the Government-Wide Statement of Net Assets and in the respective funds.

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

All reported capital assets except land and construction in progress, are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

# COLUMBUS CITY SCHOOL DISTRICT

## NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

For the Fiscal Year Ended June 30, 2005

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### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

#### Capital Assets and Depreciation - Continued

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

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

#### Interfund Balances

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

#### Compensated Absences

Vacation and personal leave benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the District will compensate its employees for the benefits through paid time off or some other means. Sick leave benefits are accrued as a liability using the vesting method. The liability includes the employees who are currently eligible to receive severance benefits and those the District has identified as probable of receiving payment in the future. The District records an accrual for sick leave for all employees with ten or more years of service. The accrual amount is based upon accumulated sick leave and employees' wage rates at year-end, taking into consideration any limits specified in the District's severance policy. The entire compensated absence liability is reported in the Government-Wide Financial Statements. The amount of accumulated vacation and sick leave of employees paid from Governmental Funds has been recorded in the appropriate Governmental Fund as a current liability to the extent that the employees have applied for leave payment, but have not received payment as of June 30, 2005 and the amounts have matured. The noncurrent portion of this liability is not reported in the Fund Financial Statements. Vacation, personal, and sick leave for employees paid from Enterprise Funds is recorded as an expense and liability of the fund.



# COLUMBUS CITY SCHOOL DISTRICT

## NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

For the Fiscal Year Ended June 30, 2005

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### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

#### **Accrued Liabilities and Long-Term Obligations**

All payables, accrued liabilities and long-term obligations are reported in the Government-Wide financial Statements, and all payables, accrued liabilities and long-term obligations payable from Proprietary Funds are reported on the Proprietary Fund Financial Statements. In general, Governmental Fund payables and accrued liabilities are reported as obligations of the funds regardless of whether they will be liquidated with current resources. However, claims and judgments, compensated absences, and special termination benefits that will be paid from Governmental Funds are reported as a liability in the Fund Financial Statements only to the extent that they are normally due for the payment during the current fiscal year.

#### **Net Assets**

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

#### **Operating Revenues and Expenses**

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

#### **Fund Balance Reserves**

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

#### **Intergovernmental Revenues**

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

# COLUMBUS CITY SCHOOL DISTRICT

## NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

For the Fiscal Year Ended June 30, 2005

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### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

#### Intergovernmental Revenues - Continued

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

#### Entitlements

##### General Fund

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

##### Special Revenue Funds

- Pupil Competency
- Lottery Program
- Disadvantaged Pupil
- Impact Aid

#### Non-Reimbursable Grants

##### Special Revenue Funds

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

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

##### Capital Projects Funds

- School Net Equipment
- Telecommunity
- Classroom Facilities

- Power Up Technologies
- School Building Assistance Limited

#### Reimbursable Grants

##### General Fund

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

##### Special Revenue Funds

- Vocational Education Program
- Proprietary Funds
- National School Lunch Program
- Government Donated Commodities

Grants and entitlements for Governmental Funds amounted to approximately 48 percent of the District's operating revenue during the 2005 fiscal year.

# COLUMBUS CITY SCHOOL DISTRICT

## NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

For the Fiscal Year Ended June 30, 2005

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### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

#### **Interfund Transactions**

Transfers between Governmental and Business-Type Activities in the Government-Wide Financial Statements are reported as general revenues. All transfers between Governmental Activities have been eliminated in the Government-Wide Financial Statements.

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in Governmental Funds and after non-operating revenues/expenses in Proprietary Funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

#### **Estimates**

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

### 3. COMPLIANCE AND ACCOUNTABILITY

The General Fund had a deficit fund balance on a GAAP Basis of \$15,047,234 which was created by the application of generally accepted accounting principles.

The Power Up Technologies, School Building Assistance Limited, Parents as Teachers, Alternative Schools, EHA Title VI-B, and Vocational Education Non-Major Governmental Funds had the following deficits: \$721,000, \$1,001,665, \$5,650, \$27,154, \$256,007, and \$308,649, respectively. The Adult Education, WCBE, and Latchkey Non-Major Enterprise Funds had deficit net assets of \$372,177, \$162,791, and \$234,789, respectively. The General Fund provides transfers when cash is required, not when expenditures are incurred.

The General Fund had actual receipts deficient of estimated receipts by \$47,780,353. The General Fund additionally had expenditures in excess of appropriation by \$23,544,570.

The Gifted Education Fund, Summer Intervention Fund, Title III Fund, Title I Fund, Drug Free Schools Fund, EHA-Preschool/Handicapped Fund, Reducing Class Size Fund, Classroom Facilities Fund and WCBE Fund had appropriations in excess of estimated resources by the following amounts: \$32,581, \$289,862, \$6,235, \$548,803, \$44,586, \$1,982, \$340,955, \$142,333,047, and \$21,630.

The Other Grant Fund, School Improvement Models Fund, Entry Year Programs Fund, EHA Title IV-B Fund, and Food Service Fund had expenditures in excess of appropriations by the following amounts: \$637,105, \$4, \$122,100, \$34,166, and \$35,378.

The District plans to monitor budgets more closely to correct budgetary issues.

### 4. CHANGES IN ACCOUNTING PRINCIPLE

#### **Change in Accounting Principle:**

For fiscal year 2005, the District has implemented Governmental Accounting Standards Board (GASB) Statement No. 40, "Deposit and Investment Risk Disclosures". GASB 40 establishes and modifies disclosure requirements related to investment risks: credit risk (including custodial credit risk and concentrations of credit risk) and interest rate risk. This statement also establishes and modifies disclosure requirements for custodial credit risk on deposits. This statement applies to all state and local governments. The implementation of GASB Statement No. 40 had no effect on the District's financial statements.

# COLUMBUS CITY SCHOOL DISTRICT

## NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

For the Fiscal Year Ended June 30, 2005

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### 5. POOLED CASH AND CASH EQUIVALENTS

The District records all its investments at cost and reports repurchase agreements at cost and all other investments at fair value. At June 30, 2005 the District's cost for investments exceeded fair value by \$755,104.

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

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

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

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

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

1. United States treasury notes, bills, bonds, or other obligations of or security issued by the United States treasury or any other obligation guaranteed as to the payment of principal and interest by the United States;
2. Bonds, notes, debentures, or other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the federal national mortgage association, federal home loan bank, federal farm credit bank, federal home loan mortgage corporation, government national mortgage association, and student loan marketing association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above, provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bond and other obligations of the State of Ohio, its political subdivisions, or other units or agencies of this State or its political subdivisions;
5. Time certificates of deposit or savings or deposit accounts, including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions; and
7. The State Treasurer's investment pool (STAR Ohio); and
8. Commercial paper and bankers acceptances if training requirements have been met.

# COLUMBUS CITY SCHOOL DISTRICT

## NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

For the Fiscal Year Ended June 30, 2005

### 5. POOLED CASH AND CASH EQUIVALENTS - Continued

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. Investments may only be made through specified dealers and institutions.

#### Deposits

Custodial credit risk for deposits is the risk that in the event of bank failure, the District will not be able to recover deposits or collateral securities that are in the possession of an outside party. At fiscal year end, the carrying amount of the District's deposits was \$18,146,287 and the bank balance was \$21,912,463. \$330,310 of the bank balance was covered by federal depository insurance. At fiscal year end, \$16,649,753 in governmental money market funds and \$4,932,400 in bank deposits were exposed to custodial credit risk because they were uninsured and uncollateralized. Although all statutory requirements for the deposit of money had been followed, noncompliance with federal requirements would potentially subject the District to a successful claim by the FDIC.

The District has no deposit policy for custodial risk beyond the requirements of State statute. Ohio law requires that deposits be either insured or be protected by eligible securities pledged to and deposited either with the District or a qualified trustee by the financial institution as security for repayment, or by a collateral pool of eligible securities deposited with a qualified trustee and pledged to secure the repayment of all public monies deposited in the financial institution whose market value at all times shall be at least one hundred five percent of the deposits being secured.

#### Investments

As of June 30, 2005, the District had the following investments and maturities:

Description	Fair Value	Investment Maturities (in years)			Concentration of Credit Risk
		Less than 1	1-2	2-5	
<b>June 30, 2005:</b>					
Star Ohio	\$ 23,071,646	\$ 23,071,646	\$ -	\$ -	5%
Repurchase Agreements	88,724,183	88,724,183	-	-	20%
Columbus City School District					
Manuscript Bonds	5,580,000	465,000	5,115,000	-	1%
Federal Home Loan Mortgage Corporation Bonds	27,525,254	10,612,504	16,912,750	-	6%
Federal Home Loan Mortgage Corporation Discount Notes	51,950,729	51,950,729	-	-	12%
Federal Home Loan Bank Bonds	45,139,015	42,856,160	2,282,855	-	10%
Federal Home Loan Bank Discount Notes	4,877,442	4,877,442	-	-	1%
Federal National Mortgage Association Bonds	35,505,582	17,634,463	17,871,119	-	8%
Federal National Mortgage Association Discount Notes	103,637,433	103,637,433	-	-	23%
U.S. Treasuries	60,069,796	26,577,508	27,579,468	5,912,820	14%
Federal Farm Credit Notes	1,976,260	1,976,260	-	-	0%
Total Investments	<u>\$448,057,340</u>	<u>\$ 372,383,328</u>	<u>\$69,761,192</u>	<u>\$ 5,912,820</u>	

# COLUMBUS CITY SCHOOL DISTRICT

## NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

For the Fiscal Year Ended June 30, 2005

### 5. POOLED CASH AND CASH EQUIVALENTS - Continued

Interest rate risk – As a means of limiting its exposure to fair value losses caused by rising interest rates, the District attempts, to the extent possible, match investments with anticipated cash flow requirements. Unless matched to a specific obligation or debt of the District, the District will not directly invest in securities maturing more than five years from the date of investment.

Credit Risk – Investments in STAR Ohio were rated AAA by Standard & Poor’s. Ratings for the investments in the U.S. Treasuries are not required to be disclosed. The Federal Home Loan Mortgage Corporation Bond long term securities are rated AAA by Standard & Pooors and Aaa by Moody’s. The Federal Home Loan Mortgage Corporation Bond short term securities are rated A-1+ by Standard & Pooors and Prime-1 by Moody’s. The Federal Home Loan Mortgage Corporation Discount Notes are all short term securities rated A-1+ by Standard & Pooors and Prime-1 by Moody’s. The Federal Home Loan Bank Bond long term securities are rated AAA by Standard & Pooors and Aaa by Moody’s. The Federal Home Loan Bank Bond short term securities are rated A-1+ by Standard & Pooors and Prime-1 by Moody’s. The Federal Home Loan Bank Discount Notes are all short term securities rated A-1+ by Standard & Pooors and Prime-1 by Moody’s. The Federal National Mortgage Association Bond long term securities are rated AAA by Standard & Pooors and Aaa by Moody’s. The Federal National Mortgage Association Bond short term securities are rated A-1+ by Standard & Pooors and Prime-1 by Moody’s. The Federal National Mortgage Association Discount Notes are all short term securities rated A-1+ by Standard & Pooors and Prime-1 by Moody’s. The Federal Farm Credit Notes are all long term securities rated AAA by Standard & Pooors and Aaa by Moody’s. The District limits their investments to those authorized by state statute.

Custodial Credit Risk - Custodial credit risk is the risk that in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. All of the District’s securities are either insured and registered in the name of the District or at least registered in the name of the District, other than the District’s repurchase agreements which are exposed to custodial credit risk in that they are uninsured, unregistered, and held by the counterparty’s trust department or agent but not in the District’s name. The District has no investment policy dealing with investment custodial risk beyond the requirement in state statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the treasurer or qualified trustee.

Concentration of Credit Risk - The School District places no limit on the amount it may invest in any one issuer. See Page F-37 for the Concentration of Credit Risk for the District’s investments. The investments in Star Ohio and repurchase agreements have investment maturities of 0 days.

The classification of equity in pooled cash and cash equivalents and investments on the Basic Financial Statements is based on criteria set forth in GASB Statement No. 9. Cash and cash equivalents are defined to include investments included within the District’s cash management pool. Reconciliation between the classifications of cash and investments on the Basic Financial Statements and the classification per GASB Statement No. 3 is as follows:

	Cash and Cash Equivalents/Deposits	Investments
GASB Statement 9	\$ 460,623,627	\$ 5,580,000
Investments:		
Government Securities	(330,681,511)	330,681,511
Repurchase Agreements	(88,724,183)	88,724,183
Star Ohio	(23,071,646)	23,071,646
GASB Statement 3	\$ 18,146,287	\$ 448,057,340

# COLUMBUS CITY SCHOOL DISTRICT

## NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

For the Fiscal Year Ended June 30, 2005

### 6. PROPERTY TAXES

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

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

Tangible personal property taxes paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30, with the remainder payable by September 20. The District receives property taxes from Franklin County. The County Auditor periodically advances to the District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2005 are available to finance fiscal year 2005 operations. The amount available to be advanced can vary based on the date the tax bills are sent. Accrued property taxes receivable represents real property, tangible personal property, and public utility taxes, which became measurable as of June 30, 2005 and delinquent taxes outstanding. Although total property tax collections for the next fiscal year are measurable, only the amount available as an advance at June 30 is intended to finance current fiscal year operations. The receivable is therefore offset by a credit to deferred revenue for that portion not intended to finance current year operations. The amount available as an advance at June 30, 2005, was \$312,657 in the General Fund, \$27,830 in the Debt Service Fund, and \$3,092 in the Classroom Facilities Maintenance Fund. The assessed values upon which the fiscal year 2005 taxes were collected are as follows:

	2004 Second- Half Collections	2005 First- Half Collections
Real Property		
Residential/Agricultural	\$ 4,242,585,580	\$ 4,374,084,580
Commercial/Industrial	3,467,712,210	3,473,322,660
Public Utilities	5,912,780	5,896,380
Tangible Personal Property Taxes		
General	951,276,948	880,869,560
Public Utilities	314,165,560	334,181,070
	\$ 8,981,653,078	\$ 9,068,354,250
Tax rate per \$1,000 of assessed valuation	\$59.18	\$67.65

# COLUMBUS CITY SCHOOL DISTRICT

## NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

For the Fiscal Year Ended June 30, 2005

### 7. CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2005, is as follows:

	Balance 6/30/2004	Additions	Deductions	Balance 6/30/2005
<b>Governmental Activities:</b>				
Capital Assets, not being depreciated:				
Land	\$ 24,978,397	\$ 209,410	\$ -	\$ 25,187,807
Construction in Progress	3,811,603	9,296,094	(1,659,032)	11,448,665
Total Capital Assets, not being depreciated	28,790,000	9,505,504	(1,659,032)	36,636,472
Capital Assets, being depreciated:				
Land Improvements	21,271,599	-	-	21,271,599
Buildings and Improvements	364,805,496	1,659,032	(4,162,080)	362,302,448
Furniture and Equipment	81,294,121	972,305	(2,839,099)	79,427,327
Vehicles	25,443,296	1,522,700	(1,107,002)	25,858,994
Library Books and Textbooks	43,541,032	3,541,349	(2,005,642)	45,076,739
Total Capital Assets, being depreciated	536,355,544	7,695,386	(10,113,823)	533,937,107
Less Accumulated Depreciation:				
Land Improvements	13,754,325	630,979	-	14,385,304
Buildings and Improvements	231,069,839	9,893,325	(3,297,261)	237,665,903
Furniture and Equipment	66,217,414	3,689,015	(2,628,325)	67,278,104
Vehicles	17,398,113	1,036,634	(1,051,648)	17,383,099
Library Books and Textbooks	24,597,090	6,197,528	(2,005,642)	28,788,976
Total Accumulated Depreciation	353,036,781	21,447,481	(8,982,876)	365,501,386
Total Capital Assets, being depreciated, net	183,318,763	(13,752,095)	(1,130,947)	168,435,721
Governmental Activities Capital Assets Net	\$ 212,108,763	\$ (4,246,591)	\$ (2,789,979)	\$ 205,072,193
<b>Business Type Activities:</b>				
Capital Assets, not being depreciated:				
Land	151,610	-	-	151,610
Total Capital Assets, not being depreciated	151,610	-	-	151,610
Capital Assets, being depreciated:				
Building and Improvements	2,147,360	-	-	2,147,360
Vehicles	972,644	-	-	972,644
Furniture and Equipment	6,414,047	88,519	(113,229)	6,389,337
Total Capital Assets, being depreciated	9,534,051	88,519	(113,229)	9,509,341
Less Accumulated Depreciation:				
Building and Improvements	1,607,724	65,072	-	1,672,796
Vehicles	483,498	44,967	-	528,465
Furniture and Equipment	4,346,557	146,319	(77,655)	4,415,221
Total Accumulated Depreciation	6,437,779	256,358	(77,655)	6,616,482
Total Capital Assets, being depreciated, net	3,096,272	(167,839)	(35,574)	2,892,859
Business-Type Activities Capital Assets Net	\$ 3,247,882	\$ (167,839)	\$ (35,574)	\$ 3,044,469



# COLUMBUS CITY SCHOOL DISTRICT

## NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

For the Fiscal Year Ended June 30, 2005

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### 7. CAPITAL ASSETS - Continued

Depreciation expense was charged to governmental functions as follows:

Regular Instruction	\$	14,458,177
Special Instruction		469,582
Vocational Instruction		969,402
Adult/Continuing Instruction		-
Other Instruction		137,470
Pupil Support Services		1,097,453
Instructional Support Services		1,736,251
Administration		752,717
Operation & Maint. of Plant Serv.		722,563
Transportation Services - Pupils		911,992
Other Support Services		60,272
Enterprise Operations		58,437
Extracurricular		<u>73,165</u>
Total Depreciation Expense - 2005	\$	<u>21,447,481</u>

### 8. DEFEASED DEBT

On May 15, 1993, the District advance refunded three general obligation bonds with an aggregate outstanding balance of \$86,015,000. The refunded general obligation bonds are not reported in the accompanying financial statements. The remaining balance on the refunded general obligation bonds as of June 30, 2005 was \$39,845,000.

# COLUMBUS CITY SCHOOL DISTRICT

## NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

For the Fiscal Year Ended June 30, 2005

### 9. LONG-TERM DEBT AND OTHER OBLIGATIONS

Long-term debt and other obligations at June 30, 2005 and the related transactions for the year then ended are summarized below:

Issue Date	Interest Rate	Maturity Date Through	Balance July 1, 2004	Additions	Deductions	Balance June 30, 2005	Amounts Due Within One Year
<u>Governmental Activities:</u>							
General Obligation Bonds							
5/15/1993	3 1/2 - 8 1/4	12/01/11	\$ 52,748,863	3,083,351	\$ 8,030,000	\$ 47,802,214	\$ 2,486,496
Original Issue Amount			\$86,012,613				
11/21/2001	3 - 5 1/2	12/01/28	7,435,000	0	175,000	7,260,000	180,000
Original Issue Amount			\$7,760,000				
5/1/2003	2 - 5	12/01/31	206,840,682	0	2,480,714	204,359,968	2,400,714
Original Issue Amount			\$206,879,996				
7/7/2004	3 - 5	12/01/32	0	168,682,751	167,241	168,515,510	3,267,241
Original Issue Amount			\$168,682,750				
Energy Conservation Bonds							
01/01/1994	4 - 5 1/2	08/01/05	2,700,000	0	1,255,000	1,445,000	1,445,000
Original Issue Amount			\$8,500,000				
10/1/2000	5 1/4 - 6 3/4	06/01/15	8,595,000	0	610,000	7,985,000	640,000
Original Issue Amount			\$10,380,000				
Manuscript Bonds							
6/21/2005	3 3/20	11/01/11	-	5,580,000	-	5,580,000	465,000
Compensated Absences Payable			52,988,508	5,663,608	2,916,613	55,735,503	4,062,082
*Extended Severance Payout Program			23,668,704	-	5,559,391	18,109,313	4,088,725
Obligations Under Capital Leases			864,881	479,490	651,927	692,444	305,025
Bureau of Workers Compensation							
Retro-active Plan Claims - Payable			<u>18,934,520</u>	<u>3,170,709</u>	<u>3,367,155</u>	<u>18,738,074</u>	<u>3,400,000</u>
Total Governmental Activities			<u>\$ 374,776,158</u>	<u>\$ 186,659,909</u>	<u>\$ 25,213,041</u>	<u>\$ 536,223,026</u>	<u>\$ 22,740,283</u>
<u>Business-Type Activities:</u>							
Compensated Absences Payable			\$ 878,847	\$ 117,955	\$ 25,650	\$ 971,152	\$ 6,512
*Extended Severance Payout Program			601,860	-	125,223	476,637	22,260
Obligations Under Capital Leases			<u>78,825</u>	<u>-</u>	<u>78,825</u>	<u>-</u>	<u>-</u>
Total Business-Type Activities			<u>\$ 1,559,532</u>	<u>\$ 117,955</u>	<u>\$ 229,698</u>	<u>\$ 1,447,789</u>	<u>\$ 28,772</u>

\* In fiscal year 2004, the District offered an Extended Severance Payout Program incentive retirement program, which included salary, accrued sick leave, accrued vacation leave, and accrued personal leave components paid out over a time period from 24 to 96 months. The Extended Severance Payout Program liability above includes only the salary component, while the accrued sick, vacation and personal leave components are reported within the compensated absences liability.

# COLUMBUS CITY SCHOOL DISTRICT

## NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

For the Fiscal Year Ended June 30, 2005

### 9. LONG-TERM DEBT AND OTHER OBLIGATIONS - Continued

All General Obligation Bonds and Energy Conservation Bonds outstanding are general obligations of the District for which the full faith and credit of the District is pledged for repayment. The source of repayment is derived from a current 10.85 mill bonded debt tax levy. The Manuscript Bonds in the amount of \$5,580,000 were issued during fiscal year 2005 with the Debt Service Fund providing the resources and the General Fund (Self Insurance Fund reported as part of the General Fund) receiving the proceeds to assist in paying for self insurance costs. The source of repayment will be from the General Fund. Compensated absences payable will be paid from the funds from which the employees were paid. Claims payable will be paid from the General Fund. Obligations under capital leases will be paid from the General Fund and the Food Service Fund. Under Ohio Revised Code debt limitations, the District has the capacity to issue \$9.07 million in additional unvoted general obligation debt and \$453.59 million in overall additional debt.

#### Future Long-term Debt

A summary of the District's future long-term debt funding requirements as of June 30, 2005 follows:

Year of Funding	General Obligation Bonds		Energy Conservation Bonds		Manuscript Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
2006	7,921,497	23,676,784	2,085,000	432,666	465,000	146,475
2007	10,422,974	23,741,920	670,000	370,115	930,000	153,799
2008	10,694,292	23,731,202	700,000	337,955	930,000	124,504
2009	7,998,745	23,707,516	735,000	304,355	930,000	95,209
2010	7,379,183	20,617,709	770,000	268,708	930,000	65,914
2011-2015	44,545,922	86,410,215	4,470,000	722,082	1,395,000	43,942
2016-2020	59,915,000	66,808,635	-	-	-	-
2021-2025	76,910,000	49,378,791	-	-	-	-
2026-2030	98,085,000	27,153,308	-	-	-	-
2031-2033	56,765,000	3,696,525	-	-	-	-
Totals	<u>\$ 380,637,613</u>	<u>\$ 348,922,605</u>	<u>\$ 9,430,000</u>	<u>\$ 2,435,881</u>	<u>\$ 5,580,000</u>	<u>\$ 629,843</u>

The above amortization schedule (principal payments) does not agree to the bonds payable amount on page F-41 because it does not include the \$6,594,968 in unamortized premium on the 2003 bond issue and \$4,515,510 in unamortized premium on the 2005 bond issue. This amortization schedule also does not include Capital Appreciation Bonds that will be due December 1, 2011 in the amount of \$47,235,000. Capital Bonds were accreted in the amount of \$3,083,351 for fiscal year June 30, 2005.

#### Capital Lease Obligations

During fiscal year 2005 the District entered into a lease agreement to lease-purchase high technology copiers and printers with the General Fund providing the funding for the lease payments. The amount capitalized and recorded as a long term obligation in the district-wide financial statements was \$479,490. In the fund financial statements capital outlay was increased by \$479,490 with an offset to other financing sources called "Inception of Capital Leases". The District has entered into several lease agreements in past years to lease various types of equipment. The terms of the agreements provide options to purchase the equipment. The leases all met the criteria of a capital lease as defined by Statement of Financial Accounting Standards No. 13 "Accounting for Leases," which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee. The capital lease payments for all leases related to the General Fund have been classified as debt service in the General Fund in the fund financial statements. These expenditures are reflected as program/function expenditures on a budgetary basis. The capital leases related to the Food Service Fund were paid off during fiscal year 2005. The capital lease payments for leases related to the Food

# COLUMBUS CITY SCHOOL DISTRICT

## NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

For the Fiscal Year Ended June 30, 2005

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### 9. LONG-TERM DEBT AND OTHER OBLIGATIONS - Continued

#### Capital Lease Obligations – Continued

Service fund have been classified as reductions of lease obligations for the principal payment and as interest expense for the interest payment. These expenses are reflected as program expenses on a budgetary basis.

For the leased assets related to the Governmental Funds, capital assets acquired by lease have been capitalized in the Government-Wide Financial Statements in an amount equal to the present value of the future minimum lease payments at the time of acquisition. A corresponding liability was recorded in the Government-Wide Financial Statements. The District's future minimum lease payments under capital lease obligations for Governmental Activities as of June 30, 2005 are as follows:

<u>Fiscal Year</u>	<u>Governmental Activities Capital Leases</u>
2006	\$ 335,971
2007	111,239
2008	111,239
2009	111,238
2010	<u>101,969</u>
Total minimum lease payments	771,656
Less: amount representing interest	<u>79,212</u>
Present value of minimum lease payments	<u>\$692,444</u>

### 10. DEFINED BENEFIT PENSION PLANS

#### School Employees Retirement System

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

# COLUMBUS CITY SCHOOL DISTRICT

## NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

For the Fiscal Year Ended June 30, 2005

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### 10. DEFINED BENEFIT PENSION PLANS - Continued

#### School Employees Retirement System - Continued

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 rate is 14 percent of annual covered payroll. For fiscal year 2005, 10.57% was the portion allocated to fund pension obligations. The contribution requirements of plan members and employers are established and may be amended, up to statutory maximum amounts, by the SERS' Retirement Board. The District's required contributions for pension obligations to SERS for the years ended June 30, 2005, 2004, and 2003 were \$11.2 million, \$9.7 million, and \$8.3 million, respectively. 45.5% has been contributed for fiscal year 2005 and 100% for the fiscal years 2004 and 2003. \$6,076,442 represents the unpaid contribution for fiscal year 2005.

#### State Teachers Retirement System

The District contributed to the State Teachers Retirement System of Ohio (STRS Ohio), a cost-sharing multiple employer defined benefit pension plan. STRS Ohio is a statewide retirement plan for licensed teachers and other faculty members employed in the public schools of Ohio or any school, college, university, institution or other agency controlled, managed and supported in whole or in part, by the state or any political subdivision thereof. STRS Ohio provides retirement and disability benefits, annual cost-of-living adjustments, and death and survivor benefits to plan members and beneficiaries. Benefits are established by Chapter 3307 of the Ohio Revised Code. STRS Ohio issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the State Teachers Retirement System, 275 East Broad Street, Columbus, Ohio 43215-3371 or by calling (614) 227-4090.

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

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

# COLUMBUS CITY SCHOOL DISTRICT

## NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

For the Fiscal Year Ended June 30, 2005

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### 10. DEFINED BENEFIT PENSION PLANS - Continued

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

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

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

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

For fiscal year 2005 plan members were required to contribute 10% of their annual covered salaries. The District was required to contribute 14%, 13% of which was the portion used to fund pension obligations. Chapter 3307 of the Revised Code provides statutory authority for member and employer contributions. Contribution rates are established by STRS Ohio, upon recommendations of its consulting actuary, not to exceed statutory maximum rates of 10% for members and 14% for employers. The District's required contributions for pension obligations to STRS Ohio for the fiscal years ended June 30, 2005, 2004, and 2003 were \$43.4 million, \$42.9 million, and \$42.7 million, respectively; 84.9% has been contributed for fiscal year 2005 and 100% for fiscal years 2004 and 2003. \$6,551,256 represents the unpaid contribution for fiscal year 2005 and is recorded as a liability within the respective funds.

STRS Ohio issues a stand-alone financial report. Copies of STRS Ohio's 2005 *Comprehensive Annual Financial Report* will be available after January 1, 2006. Additional copies or copies of STRS Ohio's 2004 *Comprehensive Annual Financial Report* can be requested by writing to STRS Ohio, 275 E. Broad Street, Columbus, Ohio 43215-3371, by calling 614-227-4090, or by visiting the STRS Ohio Web site at [www.strsoh.org](http://www.strsoh.org).

# COLUMBUS CITY SCHOOL DISTRICT

## NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

For the Fiscal Year Ended June 30, 2005

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### 10. DEFINED BENEFIT PENSION PLANS - Continued

#### Social Security System

Effective July 1, 1991, all employees not otherwise covered by the School Employees Retirement System or the State Teachers Retirement System have an option to choose Social Security or the School Employees Retirement System/State Teachers Retirement System. As of June 30, 2005, two members of the Board of Education had elected Social Security. The Board's liability is 6.2 percent of wages paid.

### 11. POSTEMPLOYMENT BENEFITS

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

All STRS benefit recipients and sponsored dependents are eligible for health care coverage. The STRS Board has statutory authority over how much, if any, of the health care costs will be absorbed by STRS. Most benefit recipients pay a portion of the health care cost in the form of a monthly premium. By law, the cost of coverage paid from STRS funds is included in the employer contribution rate, currently 14% of covered payroll. For the fiscal year 2005, the STRS Board allocated employer contributions equal to 1% of covered payroll to the Health Care Reserve Fund. For the District, this amount equaled \$3,336,215 for fiscal year 2005.

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

The Ohio Revised Code gives SERS the discretionary authority to provide postretirement health care to retirees and their dependents. Coverage is made available to service retirees with ten or more fiscal years of qualifying service credit, disability and survivor benefit recipients. Members retiring on or after August 1, 1989, with less than twenty-five years of service credit must pay a portion of their premium for health care. Effective January 1, 2004, all retirees and beneficiaries are required to pay a portion of their health care premiums. The portion is based on years of service, Medicare eligibility and retirement status. A safety net is in place for retirees whose household income falls below federal poverty levels. Premiums are reduced by 50 percent for those who apply.

After the allocation for basic benefits, the remainder of the employer's 14% contribution is allocated to providing health care benefits. For the fiscal year ended June 30, 2005, employer contributions to fund health care benefits were 3.43 percent of covered payroll. In addition, SERS levies a surcharge to fund health care benefits equal to 14 percent of the difference between a minimum pay and the member's pay, pro-rated for partial service credit. For fiscal year 2005, the minimum pay was established at \$27,400.

The surcharge, added to the unallocated portion of the 14% employer contribution rate, provides for maintenance of the asset target level for the health care fund. For the District, the amount contributed to fund health care benefits, including the surcharge, during the 2005 fiscal year equaled \$5,737,079. The target level for the health care reserve is 150 percent of the annual health care expenses. Expenses for health care for the fiscal year ended June 30, 2004 (the latest information available), were \$223,443,805 and the target level was \$335.2 million. At June 30, 2004, SERS had net assets available for payment of health care benefits of \$300.8 million. SERS has approximately 62,000 participants currently receiving health care benefits.

# COLUMBUS CITY SCHOOL DISTRICT

## NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

For the Fiscal Year Ended June 30, 2005

### 12. INTERFUND TRANSACTIONS

Interfund balances at June 30, 2005, consist of the following individual fund receivables and payables, which are expected to be repaid during the 2006 fiscal year:

<u>Interfund Loans</u>	<u>Receivable</u>	<u>Payable</u>
General Fund	\$ 19,645,597	-
Non-Major Special Revenue Funds		
Teacher Development	-	100,000
Parents As Teachers	-	5,650
Summer Intervention	-	300,000
EHA Title VI-B	-	2,650,000
Vocational Education	-	750,000
Title III - Limited English Proficiency	-	200,000
ECIA Title I	-	8,500,000
ECIA Title VI	-	300,000
EHA Preschool Grants/Handicapped	-	50,000
Reducing Class Size	-	500,000
Total Non-Major Special Revenue Funds	-	13,355,650
Non-Major Capital Projects Funds		
Power-up Technologies	-	721,000
School Building Assistance Limited	-	1,200,000
Total Non-Major Capital Projects Funds	-	1,921,000
Total Governmental Funds	-	15,276,650
Food Service - Major Enterprise Fund	-	3,500,000
Non-Major Enterprise Funds		
WCBE Radio	-	68,947
Latchkey	-	450,000
Adult Education	-	350,000
Total Non-Major Enterprise Funds	-	868,947
Total Interfund Receivables/Payables	\$ 19,645,597	\$ 19,645,597

For all of the above interfund receivables except for WCBE Radio Station and Latchkey Non-Major Enterprise Funds, this balance relates to advances from the General Fund in anticipation of the receipt of grant monies. The WCBE Radio Station and Latchkey receivables are a result of deficit cash balances in those funds for which the General Fund provides the resources.

For purposes of reporting in the District-Wide Financial Statements all interfund receivables were eliminated with the exception of the interfund receivables in the amount of \$4,368,947 that were due from Business-Type Activities (Food Service Major Enterprise Fund and WCBE Radio Station, Latchkey and Adult Education/Career Centers Non-Major Enterprise Funds).



# COLUMBUS CITY SCHOOL DISTRICT

## NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

For the Fiscal Year Ended June 30, 2005

### 12. INTERFUND TRANSACTIONS (Continued)

<u>Interfund Transfers</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ 22,547	\$ 423,267
Non-Major Special Revenue Funds		
Public School Support	52,156	-
Other Grants	-	2,061
District Managed Activities	351,741	-
DPPF	-	6,568
Urban Pilot Projects	-	18,642
Community Education	-	119
Parents as Teachers	-	20,280
Career Enhancement	-	67,850
Special Instructional Material Subsidy	-	207,569
Miscellaneous State Grants	389,971	-
NDEA Title III	-	341
EC OPP Act Head Start	-	6,400
Miscellaneous Federal Grants	6,741	-
Total Non-Major Special Revenue Funds	800,609	329,830
Non-Major Capital Projects Funds		
Power-up Technologies	-	68,943
Total Non-Major Capital Projects Funds	-	68,943
Total Governmental Funds	823,156	822,040
Non-Major Enterprise Fund		
Uniform School Supplies	-	1,116
Total Non-Major Enterprise Funds	-	1,116
Total Transfers In/Out	\$ 823,156	\$ 823,156

General Fund (a major fund) transfers were made to the District Managed Activities Fund and the Pupil Support Fund (Non-Major Special Revenue Funds). These transfers are routine and were made to provide support for these operations. The remaining transfers were due to the close out of funds.

All interfund transfers with the exception of \$1,116 from the Uniform School Supplies Fund (a Non-Major Enterprise Fund) to the General Fund were eliminated for purposes of reporting in the District-Wide Financial Statements since the other transfers were between Government Activities.

# COLUMBUS CITY SCHOOL DISTRICT

## NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

For the Fiscal Year Ended June 30, 2005

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### 13. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. The District insures through commercial insurance companies for the following:

#### **Vehicle and General Liability**

The District is responsible for the first \$500,000 per claim, the next \$4,500,000 in claims is payable by The Insurance Company of the State of Pennsylvania and the remaining \$5,000,000 in claims payable is covered by Royal Insurance Company. The renewal date is June 30, 2006. A new policy was entered into on July 1, 2005.

The District has general liability insurance with Genesis Insurance Company in the amount of \$3,000,000 per occurrence, and \$4,000,000 aggregate. The renewal date is August 2006.

#### **Property Damage**

The District is insured for property damage by Allianz Insurance Company, with a per occurrence policy limit of \$100,000,000 and a deductible of \$1,000,000. The deductible, if needed, will be paid from the Replacement Fund (Capital Projects). The policy allows for losses in excess of \$250,000, but less than \$1,000,000 is to be counted towards the deductible. The renewal date is August 2005.

The District also carries insurance on leased modular units with Travelers Indemnity Company of Illinois in an amount equal to the agreed upon value of the leased modular units up to \$100,000 per unit with an expiration date of June 30, 2005. This policy was renewed on July 1, 2005.

#### **Builder's Risk Insurance**

The District carries builders risk insurance with RLI Insurance Company in the amount of \$2,000,000 per occurrence and \$4,000,000 aggregate coverage. This policy expires May 2006. Additionally, a separate builder's risk policy is in place to cover the Linden Elementary construction project.

#### **Boiler and Machinery Coverage**

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

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

#### **Employee Health Care Benefits**

The District is self-insured for employee health care benefits for all of its employees. The program is administered by United Health Care, which provides claims review and processing services. The District carries stop-loss coverage for employee health care benefits. The health care self-insurance is accounted for in the General Fund. The District records a liability for incurred but unreported claims at year-end based on actuarial estimates of liability. As of June 30, 2005 the estimate was \$6,122,100 and was recorded as a liability in the General Fund.

# COLUMBUS CITY SCHOOL DISTRICT

## NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

For the Fiscal Year Ended June 30, 2005

### 13. RISK MANAGEMENT - Continued

#### Workers' Compensation Retrospective Rating Program

The District participates in the Ohio Bureau of Workers' Compensation (the Bureau) Retrospective Rating Plan. Under the retrospective rating plan, the District assumes a portion of the risk in return for a reduction in current premiums. Current limits for claims incurred in calendar year 2005 are an unlimited amount per claim and 150% of the annual premium in the aggregate. Estimates of claims liabilities based on actuarial methods, for incurred claims as calculated by the Bureau for the cumulative retrospective rating period January 1, 1995, through June 30, 2005, total \$20,045,382 and are recorded in addition to an estimate for incurred but not reported (IBNR) claims totaling \$2,059,847, in the District-Wide Financial Statements. The General Fund pays the worker's compensation claims and then charges a percentage based upon historical information to each of the respective funds in the same year that the salaries are paid. This liability for the Workers' Compensation Retrospective Rating Program is recorded both within the fund financial statements in the General Fund in the amount of \$3,367,155 and within the long-term liabilities in the Statement of Net Assets for \$18,738,074.

The total claims liability of \$28,227,329 is reported as follows in the District-Wide Financial Statements: \$6,122,100 relates to the health care liability and is reported in the liability category claims payable; \$22,105,229 relates to the Workers' Compensation Retrospective Rating Program and \$3,367,155 is reported in the General Fund in the liability category claims liability, while \$18,738,074 is reported as part of the long-term liabilities. The amounts reported in the District-Wide Financial Statements at June 30, 2005, are based on the requirements of GASB No. 10 "Accounting and Financial Reporting for Risk Financing and Related Insurance Issues" as amended by GASB Statement No. 30 "Risk Management Omnibus," which requires that a liability for claims be reported if information prior to issuance of the finance statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Estimates were calculated by using actual claims reports for several months following the balance sheet date. This estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses. Changes in claims activity for self-insured health care benefits and for the workers' compensation retrospective rating program for the past three fiscal years are as follows:

	<b>FY 2002-2003</b>	<b>FY 2003-2004</b>	<b>FY 2004-2005</b>
Balance at beginning of year	\$ 20,994,717	\$ 25,511,643	\$ 26,712,584
Estimated current years claims	50,776,992	64,699,547	67,235,802
Paid claims - current and prior year	(46,260,066)	(63,498,606)	(65,721,057)
Balance at end of year	\$ 25,511,643	\$ 26,712,584	\$ 28,227,329

**COLUMBUS CITY SCHOOL DISTRICT**

**NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED**

For the Fiscal Year Ended June 30, 2005

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**14. SET-ASIDE CALCULATIONS AND FUND RESERVES**

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

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

	<u>Textbooks</u>	<u>Capital Acquisition</u>	<u>Totals</u>
Set-aside cash balance as of June 30, 2004	\$ -	\$ -	\$ -
Current year set-aside requirements	9,441,815	9,441,815	18,883,630
Qualifying disbursements	<u>(9,441,815)</u>	<u>(9,441,815)</u>	<u>(18,883,630)</u>
Set-aside balance at June 30, 2005	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

# COLUMBUS CITY SCHOOL DISTRICT

## NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

For the Fiscal Year Ended June 30, 2005

### 15. RECEIVABLES

Receivables at June 30, 2005 consisted of property taxes, accounts receivable, interest, and intergovernmental grants. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current fiscal year guarantee of Federal funds. A summary of the principal items of intergovernmental receivables follows:

	<u>Amount</u>
General Fund - Major Fund	\$ 268,540
Classroom Facilities - Major Capital Projects Fund	111,253,313
Food Service Major Enterprise Fund	2,776,754
Non-Major Special Revenue Funds:	
Public School Support	27,074
Other Grants	37,086
Teacher Development	248,378
Entry Year Programs	6,000
Ohio Reads	69,377
Summer Intervention	551,172
Vocational Educational Enhancements	82,605
EHA Title VI-B	2,388,016
Title III - Limited English Proficiency	591,310
Title I	16,755,938
Drug Free Programs	145,514
EHA Preschool Grants/Handicapped	75,400
Reducing Class Size	5,917,736
Miscellaneous Federal Grants	827,278
Total Non-Major Special Revenue Funds	<u>27,722,884</u>
Adult Education Non-Major Enterprise Fund	<u>116,170</u>
Total All Funds	<u>\$ 142,137,661</u>

### 16. CONTINGENT LIABILITIES

#### Grants

The District receives significant financial assistance from numerous Federal, State and local agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on any of the financial statements of the individual fund types included herein or on the overall financial position of the District at June 30, 2005.

#### Litigation

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

#### Contractual Commitments

The District is undertaking a number of new construction projects as parts of the Ohio's School Facilities Program. On the following page is a list of significant outstanding contractual commitments as of year end:

# COLUMBUS CITY SCHOOL DISTRICT

## NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

For the Fiscal Year Ended June 30, 2005

### 16. CONTINGENT LIABILITIES - Continued

#### Contractual Commitments

Vendor Name	Contract Amount	Amount Expended	Balance at 06/30/05
Acordia of Ohio LLC	\$ 744,700	\$ 171,870	\$ 572,830
Aggressive Mechanical	1,312,000	-	1,312,000
B&B Wrecking & Excavating Inc.	465,000	378,132	86,868
Bean & Myers Architects	527,096	52,772	474,324
BK Contracting LLC	112,698	112,403	295
Braun & Steidl Architects	623,673	-	623,673
Caloric Mechanical Inc.	187,166	180,914	6,252
Chryatech Inc.	191,753	45,925	145,828
Colvin Gravel Co., Inc.	153,000	-	153,000
Corna Kokosing Construction	4,650,000	-	4,650,000
D.E. Huddleston, Inc.	4,567,375	-	4,567,375
DesignGroup Inc.	2,609,481	518,064	2,091,417
Econo Inc.	123,000	99,382	23,618
Feinknopf Macioce Schappa	619,824	87,372	532,452
Field and Associates Inc.	1,172,762	1,023,221	149,541
Franklin Imaging	325,986	82,716	243,270
Gutknecht Construction Co., Inc.	4,373,400	-	4,373,400
Harris Design Services	495,197	-	495,197
HKI Associates, Inc.	764,399	-	764,399
Holdridge Mechanical	311,000	-	311,000
Howard's Sheet Metal, Inc.	1,495,000	-	1,495,000
Keen & Cross Environmental, Inc.	327,255	-	327,255
Knight Electric, Inc.	2,490,195	-	2,490,195
K & W Roofing Inc.	150,688	147,508	3,180
Lawhon & Associates Inc.	164,479	164,479	-
Limbach Company LLC	273,420	144,350	129,070
Machisa Design Services Inc	1,217,717	87,452	1,130,265
Machisa/Triad - A Joint Venture	475,739	-	475,739
Meacham & Apel Architects, Inc.	453,530	-	453,530
Moody/Nolan Inc.	1,622,622	384,620	1,238,002
Performance Site Management	571,810	508,756	63,054
Philip Markwood Architects, Inc.	453,107	-	453,107
Robert E Evans Architects Inc.	443,497	80,358	363,139
Royal Electric Construction Corp.	1,288,600	-	1,288,600
Schooley Caldwell Associates	830,221	250,995	579,226
Sem Machisa Design Associates	371,407	67,852	303,555
Sem/Hardlines Design Associates Joi	728,474	-	728,474
S.G. Loewendick & Son	359,000	324,498	34,502
Simplex Grinnell LP	235,457	-	235,457
Smith Roofing Ltd	1,162,052	423,784	738,268
Smoot Construction Co of Ohio	1,060,086	104,797	955,289
Speer Mechanical Services, Inc.	1,200,000	-	1,200,000
Stilson & Associates, Inc.	858,497	-	858,497
Treas City of Columbus-Traffic Engi	222,000	74,096	147,904
Treas City of Columbus-Water	1,207,827	346,863	860,964
URS Corporation	134,050	-	134,050
Wandell & Schnell Architects Inc	763,509	458,342	305,167
Winchester Mechanical Inc.	323,675	-	323,675
	<u>\$ 45,213,424</u>	<u>\$ 6,321,521</u>	<u>\$ 38,891,903</u>

# COLUMBUS CITY SCHOOL DISTRICT

## NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

For the Fiscal Year Ended June 30, 2005

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### 17. TAX ANTICIPATION NOTES PAYABLE

The District issued \$60,000,000 in Revenue Anticipation Notes dated December 14, 2004 at an interest rate of 2% and recorded such monies as proceeds from the sale of notes in the fund financial statements. These notes matured March 15, 2005 and the payment of principal and interest on such notes were recorded in the fund financial statements.

### 18. SUBSEQUENT EVENT

In December of 2005, the District sold the Northeast Career Center Building for approximately \$9.8 million.

In December of 2005, the Board passed a resolution to close 11 schools effective June 30, 2006. The schools are Beck Urban Academy, Brentnell Alternative Traditional, Gladstone Elementary School, Koebel Elementary School, Main Elementary School, McGuffey Elementary School, Reeb Elementary School, Scioto Trail Elementary School, Stockbridge Elementary School, Barrett Urban Academy, and Crestview Middle School.

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**REQUIRED  
SUPPLEMENTARY  
INFORMATION**

**Columbus City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund*  
*For the Fiscal Year Ended June 30, 2005*

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>REVENUES:</b>				
Property and Other Local Taxes	\$ 300,736,950	\$ 381,271,127	\$ 353,899,566	\$ (27,371,561)
Intergovernmental	220,518,408	279,570,908	259,500,434	(20,070,474)
Interest	1,427,405	1,809,650	1,679,734	(129,916)
Tuition and Fees	3,578,110	4,536,290	4,210,629	(325,661)
Gifts and Donations	43	54	51	(3)
Payments in Lieu of Taxes	5,146,655	6,524,874	6,056,452	(468,422)
Miscellaneous	2,913,212	3,693,340	3,428,194	(265,146)
<b>Total Revenues</b>	<u>534,320,783</u>	<u>677,406,243</u>	<u>628,775,060</u>	<u>(48,631,183)</u>
<b>EXPENDITURES:</b>				
<b>Current:</b>				
<b>Instruction:</b>				
Regular	269,374,847	274,914,898	277,565,563	(2,650,665)
Special	57,568,502	58,752,476	59,318,952	(566,476)
Vocational	13,630,763	13,911,098	14,045,225	(134,127)
Adult/Continuing	746,679	762,036	769,383	(7,347)
<b>Support Services:</b>				
Pupils	36,680,174	37,434,551	37,795,486	(360,935)
Instructional Staff	42,547,224	43,422,264	43,840,931	(418,667)
Board of Education	102,988	105,106	106,120	(1,014)
Administration	41,004,354	41,847,662	42,251,148	(403,486)
Fiscal	12,644,335	12,904,383	13,028,804	(124,421)
Business	3,259,518	3,326,554	3,358,628	(32,074)
Operation and Maintenance of Plant	55,115,519	56,249,042	56,791,383	(542,341)
Pupil Transportation	32,650,998	33,322,508	33,643,797	(321,289)
Central	27,657,318	28,226,127	28,498,277	(272,150)
<b>Operation of Non-Instructional Services:</b>				
Food Service Operations	868	885	894	(9)
Extracurricular Activities	5,293,231	5,402,093	5,454,179	(52,086)
Capital Outlay:	30,916	31,551	31,856	(305)
<b>Debt Service:</b>				
Principal	-	60,000,000	60,000,000	-
Interest	294,382	300,436	303,333	(2,897)
<b>Total Expenditures</b>	<u>598,602,616</u>	<u>670,913,670</u>	<u>676,803,959</u>	<u>(5,890,289)</u>
<b>Excess of Revenues Over (Under) Expenditures</b>	<u>(64,281,833)</u>	<u>6,492,573</u>	<u>(48,028,899)</u>	<u>(54,521,472)</u>
<b>OTHER FINANCING SOURCES AND USES:</b>				
Transfers In	72,915	92,441	85,805	(6,636)
Proceeds from Sale of Capital Assets	13,551	17,179	15,946	(1,233)
Proceeds from Sale of Notes	-	65,580,000	65,580,000	-
Refund of Prior Year Expenditures	37,691	47,784	44,354	(3,430)
Advances In	-	-	865,000	865,000
Transfers Out	(435,014)	(443,960)	(448,241)	(4,281)
Advances Out	-	-	(17,650,000)	(17,650,000)
Accrued Interest Received on Debt Issuance	31,519	39,959	37,091	(2,868)
<b>Total Other Financing Sources and Uses</b>	<u>(279,338)</u>	<u>65,333,403</u>	<u>48,529,955</u>	<u>(16,803,448)</u>
<b>Net Change in Fund Balances</b>	(64,561,171)	71,825,976	501,056	(71,324,920)
<b>Fund Balance (Deficit) at Beginning of Year</b>	11,002,342	11,002,342	11,002,342	-
<b>Prior Year Encumbrances Appropriated</b>	17,772,166	17,772,166	17,772,166	-
<b>Fund Balance (Deficit) at End of Year</b>	<u>\$ (35,786,663)</u>	<u>\$ 100,600,484</u>	<u>\$ 29,275,564</u>	<u>\$ (71,324,920)</u>

Columbus City School District

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

For the Fiscal Year Ended June 30, 2005

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

<b>Net Change in Fund Balance per the Budgetary Schedule</b>	\$ 501,056
Net revenue accruals	(10,349,518)
Net expenditures	(3,440,032)
Advances in	(865,000)
Advances out	17,650,000
Encumbrances	<u>12,803,993</u>
<b>Net Change in Fund Balance per the Statement of Revenues, Expenditures, and Changes in Fund Balances</b>	<u>\$ 16,300,499</u>

Compliance and Accountability

The General Fund had a deficit fund balance on a GAAP Basis of \$15,057,234 which was created by the application of generally accepted accounting principles. The General Fund also had actual receipts deficient of estimated receipts by \$47,780,353 and expenditures in excess of appropriations by \$23,544,570.

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**Combining and  
Individual Fund  
Financial Statements  
and Schedules**

## Columbus City School District

### Combining Statements and Individual Fund Schedules - Nonmajor Funds

#### Nonmajor Special Revenue Funds

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

##### Public School Support

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

##### Other Grants

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

##### Computer Network Class "A" Site

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

##### Venture Capital

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

##### Classroom Facilities Maintenance

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

##### District Managed Activities

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

##### Auxiliary Services (NPSS)

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

##### Disadvantaged Pupils Program (DPPF)

A fund used to account for monies which are provided for the improvement of the educational and cultural status of disadvantaged pupils. (No budgetary statement presented for this fund.)

##### Urban Pilot Projects

A fund used to provide rehabilitation, preventive, and developmental programs in a coordinated and systematic school and community effort to test the impact of a maximal educational program for disadvantaged students. (No budgetary statement presented for this fund.)

##### Community Education

A fund to provide for receipts and expenditures for developing, maximizing, coordinating, enhancing, strengthening, and further legitimizing the process of community interaction and communication with the school district. (No budgetary statement presented for this fund.)

##### Post Secondary Vocational Education

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

**Columbus City School District**

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

**Nonmajor Special Revenue Funds - Continued**

Teacher Development

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

Parents As Teachers

A fund used to provide information, training, and support to parents of preschool and Head Start children. (No budgetary statement presented for this fund.)

Career Enhancement

A fund provided to account for career enhancement opportunities for District teachers through professional advancement, growth and leadership. (No budgetary statement presented for this fund.)

Gifted Education

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

Management Information Systems

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

Public School Preschool

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

Entry Year Programs

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

Disadvantaged Pupils Impact Aid (DPIA)

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

Data Communication

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

Schoolnet Professional Development

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

Special Instructional Material Subsidy

A fund used to account for monies appropriated to purchase instructional materials for the classrooms. (No budgetary statement presented for this fund.)

Ohio Reads

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

## Columbus City School District

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

#### Nonmajor Special Revenue Funds - Continued

##### Summer Intervention

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

##### Vocational Educational Enhancements

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

##### Alternative Schools

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

##### Miscellaneous State Grants

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

##### Adult Basic Education

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

##### National Defense Education Act (NDEA), Title III

Provision of funds for strengthening instructions in science mathematics, modern foreign languages, English, arts and humanities, reading, history, geography, civics, economics, and industrial arts through acquisition of laboratory and other special equipment and materials and through minor remodeling. (No budgetary statement presented for this fund.)

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

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

##### Vocational Education

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



## Columbus City School District

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

#### Nonmajor Special Revenue Funds - Continued

##### EC OPP Act Head Start

Provision of funds in order to help urban and rural communities mobilize their resources in combating poverty. (No budgetary statement presented for this fund.)

##### Indian Education Grants

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

##### Title III – Limited English Proficiency

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

##### Transition PGM – Refugee Child

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

##### Education Career Incentive Act (ECIA) - Title I

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

##### Education Career Incentive Act (ECIA) - Title VI

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

##### Drug-Free Schools Grant

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

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

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

##### Reducing Class Size

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

##### Miscellaneous Federal Grants

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

## **Columbus City School District**

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

#### **Nonmajor Capital Projects Funds**

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

##### **Permanent Improvement Fund**

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

##### **Building Fund**

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

##### **Replacement Fund**

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

##### **Schoolnet Equipment Fund**

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

##### **Telecommunity**

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

##### **Power Up Technologies**

A fund used to account for advanced technology grants from the Ohio Department of Education. (No budgetary statement presented for this fund.)

##### **School Building Assistance Limited**

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

#### **Nonmajor Permanent Fund**

##### **Endowment**

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

## **Columbus City School District**

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

#### **Nonmajor Enterprise Funds**

Enterprise Funds are established to account for operations that are financed and operated in a manner similar to private business enterprises where the stated intent is that the costs (expenses, including depreciation and indirect costs) of providing goods and services to the students on a continuing basis are financed or recovered primarily through user charges. A description of the District's non-major Enterprise Funds follows:

##### Adult Education

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

##### WCBE

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

##### Latchkey

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

##### Uniform School Supplies

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

##### Rotary - Special Services

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

#### **Agency Funds**

##### Franklin County Educational Council

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

##### Student Managed Activities

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

**Columbus City School District**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds (By Fund Type)**

As of June 30, 2005

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
<b>ASSETS</b>				
Equity in Pooled Cash and Cash Equivalents	\$ 38,078,562	\$ 68,336,208	\$ 837,216	\$ 107,251,986
Receivables				
Taxes	3,049,191	-	-	3,049,191
Accounts	135,694			135,694
Due from Other Governments	27,722,884	-	-	27,722,884
Total Assets and Other Debits	<u>\$ 68,986,331</u>	<u>\$ 68,336,208</u>	<u>\$ 837,216</u>	<u>\$ 138,159,755</u>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities</b>				
Accounts Payable	\$ 8,933,354	\$ 136,274	\$ -	\$ 9,069,628
Accrued Wages and Benefits	4,677,040	43,588	-	4,720,628
Matured Compensated Absences	25,934	-	-	25,934
Deferred Revenues	11,519,198	-	-	11,519,198
Interfund Loans Payable	13,355,650	1,921,000	-	15,276,650
Due to Other Governments	55,094	395	-	55,489
Early Retirement Incentive Payable	80,973	-	-	80,973
Total Liabilities	38,647,243	2,101,257	-	40,748,500
<b>Fund Balances</b>				
Reserved for Encumbrances	7,205,900	2,171,491	-	9,377,391
Reserved for Property Taxes	3,092	-	-	3,092
Reserved for Endowment	-	-	673,401	673,401
Unreserved				
Undesignated - Reported In				
Special Revenue Funds	23,130,096	-	-	23,130,096
Capital Projects Funds	-	64,063,460	-	64,063,460
Permanent Fund	-	-	163,815	163,815
Total Fund Balances	<u>30,339,088</u>	<u>66,234,951</u>	<u>837,216</u>	<u>97,411,255</u>
Total Liabilities and Fund Balances	<u>\$ 68,986,331</u>	<u>\$ 68,336,208</u>	<u>\$ 837,216</u>	<u>\$ 138,159,755</u>

**Columbus City School District**

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

For the Fiscal Year Ended June 30, 2005

	<u>Nonmajor Special Revenue Funds</u>	<u>Nonmajor Capital Projects Funds</u>	<u>Nonmajor Permanent Fund</u>	<u>Total Nonmajor Governmental Funds</u>
Revenues				
Taxes	\$ 3,916,128	\$ -	\$ -	\$ 3,916,128
Tuition and Fees	1,262,700	-	-	1,262,700
Earnings on Investments	172,621	215,874	23,028	411,523
Intergovernmental	101,732,343	553,035	-	102,285,378
Extracurricular	1,884,360	-	-	1,884,360
Donations	2,600,414	-	-	2,600,414
Other	1,124,002	18,133	-	1,142,135
Total Revenues	112,692,568	787,042	23,028	113,502,638
Expenditures				
Current Operating				
Instruction				
Regular	7,624,591	26,167	-	7,650,758
Special	24,922,059	-	-	24,922,059
Vocational	770,365	-	-	770,365
Other Instruction	755,266	-	-	755,266
Pupil Support Services	9,675,917	-	-	9,675,917
Instructional Support Services	33,604,624	-	-	33,604,624
Administration	4,566,374	-	-	4,566,374
Business and Fiscal Services	1,049,886	-	-	1,049,886
Operation and Maintenance of				
Plant Services	867,300	8,746	-	876,046
Transportation Services-Pupils	391,338	-	-	391,338
Other Support Services	3,028,064	15,000	-	3,043,064
Enterprise Operations	115,903	-	-	115,903
Extracurricular Activities	2,400,648	-	-	2,400,648
Community Services	7,146,302	-	-	7,146,302
Capital Outlay	-	3,140,822	-	3,140,822
Total Expenditures	96,918,637	3,190,735	-	100,109,372
Excess (Deficiency) of Revenues Over (Under) Expenditures	15,773,931	(2,403,693)	23,028	13,393,266
Other Financing Sources				
Transfers In	800,609	-	-	800,609
General Obligation Bonds Issued	-	18,553,260	-	18,553,260
Transfers Out	(329,830)	(68,943)	-	(398,773)
Total Other Financing Sources	470,779	18,484,317	-	18,955,096
Net Change in Fund Balances	16,244,710	16,080,624	23,028	32,348,362
Fund Balances at Beginning of Year	14,094,378	50,154,327	814,188	65,062,893
Fund Balances at End of Year	\$ 30,339,088	\$ 66,234,951	\$ 837,216	\$ 97,411,255

**Columbus City School District**

**Combining Balance Sheet  
Nonmajor Special Revenue Funds**

As of June 30, 2005

	<b>Public School Support</b>	<b>Other Grants</b>	<b>Computer Network Class A Site</b>	<b>Venture Capital</b>	<b>Classroom Facilities Maintenance</b>	<b>District Managed Activities</b>
<b>ASSETS</b>						
Equity in Pooled Cash and Cash Equivalents	\$ 1,858,149	\$ 822,961	\$ 153,686	\$ -	\$ 10,745,352	\$ 1,486,981
Taxes Receivable	-	-	-	-	3,049,191	-
Accounts Receivable	-	106,084	-	-	-	29,610
Due from Other Governments	27,074	37,086	-	-	-	-
<b>Total Assets</b>	<b>\$ 1,885,223</b>	<b>\$ 966,131</b>	<b>\$ 153,686</b>	<b>\$ -</b>	<b>\$ 13,794,543</b>	<b>\$ 1,516,591</b>
<b>LIABILITIES AND FUND BALANCES</b>						
<b>Liabilities</b>						
Accounts Payable	\$ 140,406	\$ 36,169	\$ -	\$ -	\$ -	\$ 185,688
Accrued Wages and Benefits	-	88,105	-	-	-	-
Matured Compensated Absences	-	-	-	-	-	-
Deferred Revenues	-	-	-	-	3,046,099	-
Interfund Loans Payable	-	-	-	-	-	-
Due to Other Governments	-	1,067	-	-	-	-
Early Retirement Incentive Payable	-	-	-	-	-	-
<b>Total Liabilities</b>	<b>140,406</b>	<b>125,341</b>	<b>-</b>	<b>-</b>	<b>3,046,099</b>	<b>185,688</b>
<b>Fund Balances</b>						
Reserved for Encumbrances	224,420	81,090	3,380	-	-	297,586
Reserved for Property Taxes	-	-	-	-	3,092	-
Unreserved, undesignated	1,520,397	759,700	150,306	-	10,745,352	1,033,317
<b>Total Fund Balances</b>	<b>1,744,817</b>	<b>840,790</b>	<b>153,686</b>	<b>-</b>	<b>10,748,444</b>	<b>1,330,903</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 1,885,223</b>	<b>\$ 966,131</b>	<b>\$ 153,686</b>	<b>\$ -</b>	<b>\$ 13,794,543</b>	<b>\$ 1,516,591</b>

Auxiliary Services	DPPF	Urban Pilot Projects	Community Education	Post Secondary Vocational Education	Teacher Development	Parents as Teachers
\$ 2,441,767	\$ -	\$ -	\$ -	\$ 4,156	\$ 24,298	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	248,378	-
<u>\$ 2,441,767</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,156</u>	<u>\$ 272,676</u>	<u>\$ -</u>
\$ 1,089,040	\$ -	\$ -	\$ -	\$ -	\$ 170	\$ -
268,310	-	-	-	-	33,490	-
390	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	100,000	5,650
3,061	-	-	-	-	486	-
3,248	-	-	-	-	-	-
1,364,049	-	-	-	-	134,146	5,650
796,233	-	-	-	4,154	1,206	-
-	-	-	-	-	-	-
281,485	-	-	-	2	137,324	(5,650)
1,077,718	-	-	-	4,156	138,530	(5,650)
<u>\$ 2,441,767</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,156</u>	<u>\$ 272,676</u>	<u>\$ -</u>

continued.....

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

As of June 30, 2005

	<u>Career Enhancement</u>	<u>Gifted Education Fund</u>	<u>Management Information Systems</u>	<u>Public School Preschool</u>	<u>Entry Year Programs</u>
<b>ASSETS</b>					
Equity in Pooled Cash and Cash Equivalents	\$ -	\$ 99,967	\$ 15,116	\$ 203,363	\$ 6,882
Taxes Receivable	-	-	-	-	-
Accounts Receivable	-	-	-	-	-
Due from Other Governments	-	-	-	-	6,000
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,000</u>
Total Assets	<u>\$ -</u>	<u>\$ 99,967</u>	<u>\$ 15,116</u>	<u>\$ 203,363</u>	<u>\$ 12,882</u>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities</b>					
Accounts Payable	\$ -	\$ 92,010	\$ -	\$ 18,645	\$ -
Accrued Wages and Benefits	-	-	-	44,602	-
Matured Compensated Absences	-	1,169	-	1,136	-
Deferred Revenues	-	-	-	-	-
Interfund Loans Payable	-	-	-	-	-
Due to Other Governments	-	-	-	647	-
Early Retirement Incentive Payable	-	2,000	-	3,685	-
	<u>-</u>	<u>2,000</u>	<u>-</u>	<u>3,685</u>	<u>-</u>
Total Liabilities	-	95,179	-	68,715	-
<b>Fund Balances</b>					
Reserved for Encumbrances	-	-	-	18,652	-
Reserved for Property Taxes	-	-	-	-	-
Unreserved, undesignated	-	4,788	15,116	115,996	12,882
	<u>-</u>	<u>4,788</u>	<u>15,116</u>	<u>115,996</u>	<u>12,882</u>
Total Fund Balances	-	4,788	15,116	134,648	12,882
Total Liabilities and Fund Balances	<u>\$ -</u>	<u>\$ 99,967</u>	<u>\$ 15,116</u>	<u>\$ 203,363</u>	<u>\$ 12,882</u>



<b>DPIA</b>	<b>Data Communication</b>	<b>Schoolnet Professional Development</b>	<b>Special Instructional Material Subsidy</b>	<b>Ohio Reads</b>	<b>Summer Intervention</b>	<b>Vocational Educational Enhancements</b>
\$ 3,985	\$ 1,136,268	\$ 9,154	\$ -	\$ 235,639	167,665	\$ 17,298
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	69,377	551,172	82,605
<u>\$ 3,985</u>	<u>\$ 1,136,268</u>	<u>\$ 9,154</u>	<u>\$ -</u>	<u>\$ 305,016</u>	<u>\$ 718,837</u>	<u>\$ 99,903</u>
\$ -	\$ 44,714	\$ 4,590	\$ -	\$ 2,475	\$ 100,308	\$ 7,785
-	-	-	-	-	13,471	3,624
-	-	-	-	-	-	-
-	-	-	-	20,105	-	44,589
-	-	-	-	-	300,000	-
-	-	-	-	-	-	53
-	-	-	-	-	-	-
-	44,714	4,590	-	22,580	413,779	56,051
-	78,890	-	-	8,896	53,271	1,091
-	-	-	-	-	-	-
<u>3,985</u>	<u>1,012,664</u>	<u>4,564</u>	<u>-</u>	<u>273,540</u>	<u>251,787</u>	<u>42,761</u>
<u>3,985</u>	<u>1,091,554</u>	<u>4,564</u>	<u>-</u>	<u>282,436</u>	<u>305,058</u>	<u>43,852</u>
<u>\$ 3,985</u>	<u>\$ 1,136,268</u>	<u>\$ 9,154</u>	<u>\$ -</u>	<u>\$ 305,016</u>	<u>\$ 718,837</u>	<u>\$ 99,903</u>

continued.....

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

As of June 30, 2005

	Alternative Schools	Misc. State Grants	Adult Basic Education	NDEA Title III	EHA Title VI-B	Vocational Education
<b>ASSETS</b>						
Equity in Pooled Cash and Cash Equivalents	\$ 27,907	\$ 793,479	\$ 46,302	\$ -	1,816,451	\$ 837,431
Taxes Receivable	-	-	-	-	-	-
Accounts Receivable	-	-	-	-	-	-
Due from Other Governments	-	-	-	-	2,388,016	-
<b>Total Assets</b>	<b>\$ 27,907</b>	<b>\$ 793,479</b>	<b>\$ 46,302</b>	<b>\$ -</b>	<b>\$ 4,204,467</b>	<b>\$ 837,431</b>
<b>LIABILITIES AND FUND BALANCES</b>						
<b>Liabilities</b>						
Accounts Payable	\$ 19,094	\$ 154,285	\$ 22,770	\$ -	\$ 810,535	\$ 317,403
Accrued Wages and Benefits	32,814	3,652	3,185	-	978,570	72,649
Matured Compensated Absences	677	-	216	-	1,906	1,401
Deferred Revenues	-	-	-	-	-	-
Interfund Loans Payable	-	-	-	-	2,650,000	750,000
Due to Other Governments	476	53	46	-	11,601	642
Early Retirement Incentive Payable	2,000	-	2,015	-	7,862	3,985
<b>Total Liabilities</b>	<b>55,061</b>	<b>157,990</b>	<b>28,232</b>	<b>-</b>	<b>4,460,474</b>	<b>1,146,080</b>
<b>Fund Balances</b>						
Reserved for Encumbrances	1,342	127,068	6,311	-	842,592	390,548
Reserved for Property Taxes	-	-	-	-	-	-
Unreserved, undesignated	(28,496)	508,421	11,759	-	(1,098,599)	(699,197)
<b>Total Fund Balances</b>	<b>(27,154)</b>	<b>635,489</b>	<b>18,070</b>	<b>-</b>	<b>(256,007)</b>	<b>(308,649)</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 27,907</b>	<b>\$ 793,479</b>	<b>\$ 46,302</b>	<b>\$ -</b>	<b>\$ 4,204,467</b>	<b>\$ 837,431</b>

<b>EC OPP Act Head Start</b>	<b>Indian Education</b>	<b>Title III Limited English Proficiency</b>	<b>Transition PGM- Refugee Child</b>	<b>Title I</b>	<b>Title VI</b>	<b>Drug-Free Schools</b>
\$ -	\$ 3,634	\$ 150,591	\$ 19,551	\$ 6,881,666	\$ 347,938	\$ 71,987
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	591,310	-	16,755,938	-	145,514
<u>\$ -</u>	<u>\$ 3,634</u>	<u>\$ 741,901</u>	<u>\$ 19,551</u>	<u>\$ 23,637,604</u>	<u>\$ 347,938</u>	<u>\$ 217,501</u>
\$ -	\$ -	\$ 78,257	\$ -	\$ 4,733,841	\$ 14,346	\$ 28,392
-	-	13,954	9,569	2,160,442	10,726	25,424
-	-	-	-	13,292	-	545
-	3,634	191,609	-	4,125,475	-	-
-	-	200,000	-	8,500,000	300,000	-
-	-	202	139	24,385	156	369
-	-	-	-	40,696	-	2,250
-	3,634	484,022	9,708	19,598,131	325,228	56,980
-	-	43,194	-	2,768,208	241,507	-
-	-	-	-	-	-	-
-	-	214,685	9,843	1,271,265	(218,797)	160,521
-	-	257,879	9,843	4,039,473	22,710	160,521
<u>\$ -</u>	<u>\$ 3,634</u>	<u>\$ 741,901</u>	<u>\$ 19,551</u>	<u>\$ 23,637,604</u>	<u>\$ 347,938</u>	<u>\$ 217,501</u>

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

As of June 30, 2005

	<b>EHA Preschool Grants/ Handicapped</b>	<b>Reducing Class Size</b>	<b>Miscel- laneous Federal Grants</b>	<b>Totals</b>
<b>ASSETS</b>				
Equity in Pooled Cash and Cash Equivalents	\$ 49,085	\$ 886,520	\$ 6,713,333	\$ 38,078,562
Taxes Receivable	-	-	-	3,049,191
Accounts Receivable	-	-	-	135,694
Due from Other Governments	75,400	5,917,736	827,278	27,722,884
<b>Total Assets</b>	<b>\$ 124,485</b>	<b>\$ 6,804,256</b>	<b>\$ 7,540,611</b>	<b>\$ 68,986,331</b>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities</b>				
Accounts Payable	\$ 13,920	\$ 198,013	\$ 820,498	\$ 8,933,354
Accrued Wages and Benefits	34,127	623,578	256,748	4,677,040
Matured Compensated Absences	-	4,654	548	25,934
Deferred Revenues	-	3,747,504	340,183	11,519,198
Interfund Loans Payable	50,000	500,000	-	13,355,650
Due to Other Governments	495	8,202	3,014	55,094
Early Retirement Incentive Payable	-	10,000	3,232	80,973
<b>Total Liabilities</b>	<b>98,542</b>	<b>5,091,951</b>	<b>1,424,223</b>	<b>38,647,243</b>
<b>Fund Balances</b>				
Reserved for Encumbrances	1,959	509,170	705,132	7,205,900
Reserved for Property Taxes	-	-	-	3,092
Unreserved, undesignated	23,984	1,203,135	5,411,256	23,130,096
<b>Total Fund Balances</b>	<b>25,943</b>	<b>1,712,305</b>	<b>6,116,388</b>	<b>30,339,088</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 124,485</b>	<b>\$ 6,804,256</b>	<b>\$ 7,540,611</b>	<b>\$ 68,986,331</b>

**Columbus City School District**

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

For the Fiscal Year Ended June 30, 2005

	<b>Public School Support</b>	<b>Other Grants</b>	<b>Computer Network Class A Site</b>	<b>Venture Capital</b>	<b>Classroom Facilities Maintenance</b>	<b>District Managed Activities</b>
Revenues						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 3,916,128	\$ -
Tuition and Fees	338,172	-	-	-	-	362,211
Earnings on Investments	-	-	-	-	172,621	-
Intergovernmental	-	37,086	42,130	-	404,435	-
Extracurricular	582,230	-	-	-	-	1,302,130
Donations	197,645	2,206,763	-	-	-	196,006
Other	360,138	471,893	-	-	-	58,220
<b>Total Revenues</b>	<b>1,478,185</b>	<b>2,715,742</b>	<b>42,130</b>	<b>-</b>	<b>4,493,184</b>	<b>1,918,567</b>
Expenditures						
Current Operating						
Instruction						
Regular	213	192,797	-	59,056	-	-
Special	-	21,129	-	-	-	634
Vocational	-	1,822	-	-	-	-
Other	-	-	-	-	-	-
Pupil Support Services	-	406,074	-	-	-	126
Instructional Support Services	1,167	656,581	-	-	-	-
Administration	1,416,430	385,358	-	-	-	-
Business and Fiscal Services	-	16,614	-	-	38,398	-
Operation and Maintenance of						
Plant Services	2,561	602,866	-	-	-	177
Transportation Services-Pupils	-	3,550	-	-	-	-
Other Support Services	-	7,537	42,810	-	-	-
Enterprise Operations	1,415	18,600	-	-	-	95,888
Extracurricular Activities	152,033	-	-	-	-	2,248,615
Community Services	9,847	3,889	-	-	-	7,097
<b>Total Expenditures</b>	<b>1,583,666</b>	<b>2,316,817</b>	<b>42,810</b>	<b>59,056</b>	<b>38,398</b>	<b>2,352,537</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(105,481)	398,925	(680)	(59,056)	4,454,786	(433,970)
Other Financing Sources and Uses						
Transfers In	52,156	-	-	-	-	351,741
Transfers Out	-	(2,061)	-	-	-	-
<b>Total Other Financing Sources and Uses</b>	<b>52,156</b>	<b>(2,061)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>351,741</b>
<b>Net Changes in Fund Balances</b>	<b>(53,325)</b>	<b>396,864</b>	<b>(680)</b>	<b>(59,056)</b>	<b>4,454,786</b>	<b>(82,229)</b>
Fund Balances at Beginning of Year	1,798,142	443,926	154,366	59,056	6,293,658	1,413,132
<b>Fund Balances at End of Year</b>	<b>\$ 1,744,817</b>	<b>\$ 840,790</b>	<b>\$ 153,686</b>	<b>\$ -</b>	<b>\$ 10,748,444</b>	<b>\$ 1,330,903</b>

Auxiliary Services	DPPF	Urban Pilot Projects	Community Education	Post Secondary Vocational Education	Teacher Development	Parents as Teachers
-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
5,860,290	-	-	-	18,000	1,222,119	-
-	-	-	-	-	-	-
222,204	-	-	-	-	-	-
6,082,494	-	-	-	18,000	1,222,119	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
317,066	-	-	-	14,506	1,178,749	-
-	-	-	-	-	12,188	-
-	-	-	-	-	-	-
-	-	-	-	-	1,363	-
-	-	-	-	-	-	-
6,674,418	-	-	-	-	-	-
6,991,484	-	-	-	14,506	1,192,300	-
(908,990)	-	-	-	3,494	29,819	-
-	-	-	-	-	-	-
-	(6,568)	(18,642)	(119)	-	-	(20,280)
-	(6,568)	(18,642)	(119)	-	-	(20,280)
(908,990)	(6,568)	(18,642)	(119)	3,494	29,819	(20,280)
1,986,708	6,568	18,642	119	662	108,711	14,630
\$ 1,077,718	\$ -	\$ -	\$ -	\$ 4,156	\$ 138,530	\$ (5,650)

continued...

**Columbus City School District**

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

For the Fiscal Year Ended June 30, 2005

	<b>Career Enhancement</b>	<b>Gifted Education Fund</b>	<b>Management Information Systems</b>	<b>Public School Preschool</b>	<b>Entry Year Programs</b>
Revenues					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Tuition and Fees	-	-	-	562,317	-
Earnings on Investments	-	-	-	-	-
Intergovernmental	-	180,209	207,194	77,856	128,100
Extracurricular	-	-	-	-	-
Donations	-	-	-	-	-
Other	-	-	-	-	-
<b>Total Revenues</b>	<b>-</b>	<b>180,209</b>	<b>207,194</b>	<b>640,173</b>	<b>128,100</b>
Expenditures					
Current Operating					
Instruction					
Regular	-	-	-	23,215	-
Special	-	-	-	268,981	-
Vocational	-	-	-	-	-
Other	-	-	-	-	-
Pupil Support Services	-	271,176	-	127,092	-
Instructional Support Services	-	16,721	-	158,756	122,100
Administration	-	-	-	-	-
Business and Fiscal Services	-	-	-	7,312	-
Operation and Maintenance of Plant Services	-	-	-	-	-
Transportation Services-Pupils	-	-	-	2,000	-
Other Support Services	-	-	350,427	-	-
Enterprise Operations	-	-	-	-	-
Extracurricular Activities	-	-	-	-	-
Community Services	-	-	-	-	-
<b>Total Expenditures</b>	<b>-</b>	<b>287,897</b>	<b>350,427</b>	<b>587,356</b>	<b>122,100</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(107,688)	(143,233)	52,817	6,000
Other Financing Sources and Uses					
Transfers In	-	-	-	-	-
Transfers Out	(67,850)	-	-	-	-
<b>Total Other Financing Sources and Uses</b>	<b>(67,850)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>(67,850)</b>	<b>(107,688)</b>	<b>(143,233)</b>	<b>52,817</b>	<b>6,000</b>
Fund Balances at Beginning of Year	67,850	112,476	158,349	81,831	6,882
Fund Balances at End of Year	\$ -	\$ 4,788	\$ 15,116	\$ 134,648	\$ 12,882



DPIA	Data Communication	Schoolnet Professional Development	Special Instructional Material Subsidy	Ohio Reads	Summer Intervention	Vocational Educational Enhancements
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	491,520	13,500	-	553,000	2,504,502	100,019
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	491,520	13,500	-	553,000	2,504,502	100,019
-	-	-	-	196,656	2,065,617	18,913
-	-	-	-	-	20,769	-
-	-	-	-	-	-	8,639
-	-	-	-	-	-	-
-	44,714	-	-	343,737	161,398	3,008
-	-	41,815	-	20,450	64,571	47,832
-	-	-	-	-	64,096	-
-	-	-	-	-	33,598	-
-	-	-	-	-	32,518	-
-	-	-	-	10,500	86,285	-
-	987,751	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	1,032,465	41,815	-	571,343	2,528,852	78,392
-	(540,945)	(28,315)	-	(18,343)	(24,350)	21,627
-	-	-	-	-	-	-
-	-	-	(207,569)	-	-	-
-	-	-	(207,569)	-	-	-
-	(540,945)	(28,315)	(207,569)	(18,343)	(24,350)	21,627
3,985	1,632,499	32,879	207,569	300,779	329,408	22,225
\$ 3,985	\$ 1,091,554	\$ 4,564	\$ -	\$ 282,436	\$ 305,058	\$ 43,852

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**Columbus City School District**

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

For the Fiscal Year Ended June 30, 2005

	<b>Alternative Schools</b>	<b>Misc. State Grants</b>	<b>Adult Basic Education</b>	<b>NDEA Title III</b>	<b>EHA Title VI-B</b>	<b>Vocational Education</b>
<b>Revenues</b>						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tuition and Fees	-	-	-	-	-	-
Earnings on Investments	-	-	-	-	-	-
Intergovernmental	668,940	740,539	907,844	-	14,616,211	2,535,058
Extracurricular	-	-	-	-	-	-
Donations	-	-	-	-	-	-
Other	-	859	-	-	-	-
<b>Total Revenues</b>	<b>668,940</b>	<b>741,398</b>	<b>907,844</b>	<b>-</b>	<b>14,616,211</b>	<b>2,535,058</b>
<b>Expenditures</b>						
<b>Current Operating</b>						
<b>Instruction</b>						
Regular	-	206,632	-	-	-	393,547
Special	-	3,995	-	-	3,125,303	-
Vocational	-	-	-	-	-	759,904
Other	-	-	641,921	-	-	-
Pupil Support Services	651,415	208,119	84,975	-	646,664	722,386
Instructional Support Services	476	279,576	95,709	-	9,553,180	509,173
Administration	-	-	69,576	-	402,224	-
Business and Fiscal Services	9,766	3,822	12,701	-	213,396	584
<b>Operation and Maintenance of</b>						
Plant Services	-	-	-	-	-	-
Transportation Services-Pupils	-	20,986	-	-	-	228,387
Other Support Services	15,500	-	-	-	-	-
Enterprise Operations	-	-	-	-	-	-
Extracurricular Activities	-	-	-	-	-	-
Community Services	-	-	-	-	89,309	-
<b>Total Expenditures</b>	<b>677,157</b>	<b>723,130</b>	<b>904,882</b>	<b>-</b>	<b>14,030,076</b>	<b>2,613,981</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(8,217)</b>	<b>18,268</b>	<b>2,962</b>	<b>-</b>	<b>586,135</b>	<b>(78,923)</b>
<b>Other Financing Sources and Uses</b>						
Transfers In	-	389,971	-	-	-	-
Transfers Out	-	-	-	(341)	-	-
<b>Total Other Financing Sources and Uses</b>	<b>-</b>	<b>389,971</b>	<b>-</b>	<b>(341)</b>	<b>-</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>(8,217)</b>	<b>408,239</b>	<b>2,962</b>	<b>(341)</b>	<b>586,135</b>	<b>(78,923)</b>
<b>Fund Balances at Beginning of Year</b>	<b>(18,937)</b>	<b>227,250</b>	<b>15,108</b>	<b>341</b>	<b>(842,142)</b>	<b>(229,726)</b>
<b>Fund Balances at End of Year</b>	<b>\$ (27,154)</b>	<b>\$ 635,489</b>	<b>\$ 18,070</b>	<b>\$ -</b>	<b>\$ (256,007)</b>	<b>\$ (308,649)</b>

<b>EC OPP Act Head Start</b>	<b>Indian Education</b>	<b>Title III Limited English Proficiency</b>	<b>Transition PGM- Refugee Child</b>	<b>Title I</b>	<b>Title VI</b>	<b>Drug-Free Schools</b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	1,423,163	150,000	42,001,770	988,089	1,194,073
-	-	-	-	-	-	-
-	-	-	-	-	-	-
10,688	-	-	-	-	-	-
10,688	-	1,423,163	150,000	42,001,770	988,089	1,194,073
-	-	-	-	87,952	61,704	62,579
-	-	300,691	124,397	18,792,300	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	183,696	27,802	2,902,003	1,650	348,712
-	-	508,394	168	12,450,946	856,525	181,176
-	-	-	-	1,369,770	-	-
-	-	13,414	2,427	437,328	5,535	8,871
-	-	-	-	1,635	-	-
-	-	-	-	19,965	-	9,205
-	-	-	-	12,069	-	11,000
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	317,003	31,146	9,634
-	-	1,006,195	154,794	36,390,971	956,560	631,177
10,688	-	416,968	(4,794)	5,610,799	31,529	562,896
-	-	-	-	-	-	-
(6,400)	-	-	-	-	-	-
(6,400)	-	-	-	-	-	-
4,288	-	416,968	(4,794)	5,610,799	31,529	562,896
(4,288)	-	(159,089)	14,637	(1,571,326)	(8,819)	(402,375)
\$ -	\$ -	\$ 257,879	\$ 9,843	\$ 4,039,473	\$ 22,710	\$ 160,521

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**Columbus City School District**

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

For the Fiscal Year Ended June 30, 2005

	<b>EHA Preschool Grants/ Handicapped</b>	<b>Reducing Class Size</b>	<b>Miscel- laneous Federal Grants</b>	<b>Totals</b>
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ 3,916,128
Tuition and Fees	-	-	-	1,262,700
Earnings on Investments	-	-	-	172,621
Intergovernmental	335,459	9,268,393	15,062,844	101,732,343
Extracurricular	-	-	-	1,884,360
Donations	-	-	-	2,600,414
Other	-	-	-	1,124,002
<b>Total Revenues</b>	<b>335,459</b>	<b>9,268,393</b>	<b>15,062,844</b>	<b>112,692,568</b>
Expenditures				
Current Operating				
Instruction				
Regular	-	3,658,428	597,282	7,624,591
Special	280,333	-	1,983,527	24,922,059
Vocational	-	-	-	770,365
Other	-	-	113,345	755,266
Pupil Support Services	-	358,483	2,182,687	9,675,917
Instructional Support Services	-	2,934,265	3,911,788	33,604,624
Administration	-	78,122	463,732	4,566,374
Business and Fiscal Services	4,540	88,700	140,692	1,049,886
Operation and Maintenance of				
Plant Services	-	-	227,543	867,300
Transportation Services-Pupils	-	-	10,460	391,338
Other Support Services	-	-	1,599,607	3,028,064
Enterprise Operations	-	-	-	115,903
Extracurricular Activities	-	-	-	2,400,648
Community Services	-	-	3,959	7,146,302
<b>Total Expenditures</b>	<b>284,873</b>	<b>7,117,998</b>	<b>11,234,622</b>	<b>96,918,637</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	50,586	2,150,395	3,828,222	15,773,931
Other Financing Sources and Uses				
Transfers In	-	-	6,741	800,609
Transfers Out	-	-	-	(329,830)
<b>Total Other Financing Sources and Uses</b>	<b>-</b>	<b>-</b>	<b>6,741</b>	<b>470,779</b>
<b>Net Change in Fund Balances</b>	<b>50,586</b>	<b>2,150,395</b>	<b>3,834,963</b>	<b>16,244,710</b>
Fund Balances at Beginning of Year	(24,643)	(438,090)	2,281,425	14,094,378
<b>Fund Balances at End of Year</b>	<b>\$ 25,943</b>	<b>\$ 1,712,305</b>	<b>\$ 6,116,388</b>	<b>\$ 30,339,088</b>

**Columbus City School District**  
**Combining Balance Sheet**  
**Nonmajor Capital Projects Funds**

As of June 30, 2005

	<b>Permanent Improvement</b>	<b>Building</b>	<b>Replacement</b>
<b>ASSETS</b>			
Equity in Pooled Cash and Cash Equivalents	\$ 1,472,923	\$ 64,373,197	\$ 1,738,719
Total Assets	\$ 1,472,923	\$ 64,373,197	\$ 1,738,719
<b>LIABILITIES AND FUND BALANCES</b>			
Liabilities			
Accounts Payable	\$ -	\$ 110,107	\$ -
Accrued Wages	-	43,588	-
Due to Other Governments	-	395	-
Interfund Loans Payable	-	-	-
Total Liabilities	-	154,090	-
Fund Balances			
Reserved for Encumbrances	-	2,168,935	-
Unreserved - Undesignated	1,472,923	62,050,172	1,738,719
Total Fund Balances	1,472,923	64,219,107	1,738,719
Total Liabilities and Fund Balances	\$ 1,472,923	\$ 64,373,197	\$ 1,738,719

<u>Schoolnet Equipment</u>	<u>Telecommunity</u>	<u>Power Up Technologies</u>	<u>School Building Assistance Limited</u>	<u>Total</u>
\$ 553,034	\$ -	\$ -	\$ 198,335	\$ 68,336,208
<u>\$ 553,034</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 198,335</u>	<u>\$ 68,336,208</u>
\$ 26,167	\$ -	\$ -	\$ -	\$ 136,274
-	-	-	-	43,588
-	-	-	-	395
-	-	721,000	1,200,000	1,921,000
26,167	-	721,000	1,200,000	2,101,257
2,556	-	-	-	2,171,491
524,311	-	(721,000)	(1,001,665)	64,063,460
526,867	-	(721,000)	(1,001,665)	66,234,951
<u>\$ 553,034</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 198,335</u>	<u>\$ 68,336,208</u>

**Columbus City School District**

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

For the Fiscal Year Ended June 30, 2005

	<b>Permanent Improvement</b>	<b>Building</b>	<b>Replacement</b>
Revenues			
Intergovernmental	\$ -	\$ -	\$ -
Earnings on Investments	-	215,874	-
Other	18,133	-	-
	18,133	-	-
 Total Revenues	 18,133	 215,874	 -
Expenditures			
Instructional Support Services	-	-	-
Operation & Maintenance of Plant Services	-	-	8,746
Other	-	-	-
Capital Outlay	-	2,890,459	-
	-	2,890,459	8,746
 Total Expenditures	 -	 2,890,459	 8,746
 Excess of Revenues Over (Under) Expenditures	 18,133	 (2,674,585)	 (8,746)
Other Financing Sources			
General Obligation Bonds Issued	-	18,553,260	-
Transfers Out	-	-	-
	-	-	-
 Total Other Financing Sources	 -	 18,553,260	 -
 Excess of Revenues and Other Financing Sources Over (Under) Expenditures	 18,133	 15,878,675	 (8,746)
Fund Balances at Beginning of Year	1,454,790	48,340,432	1,747,465
Fund Balances at End of Year	\$ 1,472,923	\$ 64,219,107	\$ 1,738,719



<b>Schoolnet Equipment</b>	<b>Telecommunity</b>	<b>Power Up Technologies</b>	<b>School Building Assistance Limited</b>	<b>Total</b>
\$ 553,035	\$ -	\$ -	\$ -	\$ 553,035
-	-	-	-	215,874
-	-	-	-	18,133
553,035	-	-	-	787,042
26,167	-	-	-	26,167
-	-	-	-	8,746
15,000	-	-	-	15,000
-	1,472	-	248,891	3,140,822
41,167	1,472	-	248,891	3,190,735
511,868	(1,472)	-	(248,891)	(2,403,693)
-	-	-	-	18,553,260
-	-	(68,943)	-	(68,943)
-	-	(68,943)	-	18,484,317
511,868	(1,472)	(68,943)	(248,891)	16,080,624
14,999	1,472	(652,057)	(752,774)	50,154,327
<u>\$ 526,867</u>	<u>\$ -</u>	<u>\$ (721,000)</u>	<u>\$ (1,001,665)</u>	<u>\$ 66,234,951</u>

**Columbus City School District**

**Balance Sheet  
Nonmajor Permanent Fund**

As of June 30, 2005

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**ASSETS**

Equity in Pooled Cash and Cash Equivalents	\$ 837,216
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Total Assets	<u>\$ 837,216</u>
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**LIABILITIES AND FUND BALANCES**

Fund Balance	
Reserved for Endowment	673,401
Undesignated - Reported in Permanent Fund	<u>163,815</u>
Total Fund Balance	<u>837,216</u>

Total Liabilities and Fund Balance	<u>\$ 837,216</u>
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**Columbus City School District**

**Statement of Revenues, Expenditures and Changes in Fund Balance  
Nonmajor Permanent Fund**

For the Fiscal Year Ended June 30, 2005

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Revenues		
Interest	\$	23,028
		<hr/>
Total Revenues		23,028
Expenditures		
Pupil Support Services		-
		<hr/>
Excess of Revenues Over (Under) Expenditures		23,028
Fund Balance at Beginning of Year		814,188
		<hr/>
Fund Balance at End of Year	\$	837,216
		<hr/> <hr/>

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

As of June 30, 2005

	<u>Adult Education</u>	<u>WCBE</u>	<u>Latchkey</u>
<b>ASSETS</b>			
<u><i>Current Assets</i></u>			
Equity in Pooled Cash and Cash Equivalents	\$ 184,572	\$ -	\$ 258,515
Accounts Receivable	-	14,033	-
Due from Other Governments	<u>116,170</u>	<u>-</u>	<u>-</u>
Total Current Assets	<u>300,742</u>	<u>14,033</u>	<u>258,515</u>
Total Assets	<u><u>\$ 300,742</u></u>	<u><u>\$ 14,033</u></u>	<u><u>\$ 258,515</u></u>
 <b>LIABILITIES</b>			
<u><i>Current Liabilities</i></u>			
Accounts Payable	\$ 10,678	\$ 8,496	\$ 7,373
Accrued Wages and Benefits	-	21,582	-
Intergovernmental Payable	-	313	-
Interfund Loans Payable	350,000	68,947	450,000
Compensated Absences	363	-	-
Early Retirement Incentive Payable	<u>5,675</u>	<u>-</u>	<u>-</u>
<i>Total Current Liabilities</i>	<u>366,716</u>	<u>99,338</u>	<u>457,373</u>
<u><i>Long-Term Liabilities (Net of Current Portion)</i></u>			
Compensated Absences	114,218	77,486	35,931
Early Retirement Incentive Payable	<u>191,985</u>	<u>-</u>	<u>-</u>
<i>Total Long-Term Liabilities</i>	<u>306,203</u>	<u>77,486</u>	<u>35,931</u>
Total Liabilities	<u><u>\$ 672,919</u></u>	<u><u>\$ 176,824</u></u>	<u><u>\$ 493,304</u></u>
 <b>NET ASSETS:</b>			
Unrestricted	<u>(372,177)</u>	<u>(162,791)</u>	<u>(234,789)</u>
Total Net Assets	<u><u>\$ (372,177)</u></u>	<u><u>\$ (162,791)</u></u>	<u><u>\$ (234,789)</u></u>

<u>Uniform School Supplies</u>	<u>Rotary Special Services</u>	<u>Totals</u>
\$ 71,880	\$ 632	\$ 515,599
-	-	14,033
-	-	116,170
<u>71,880</u>	<u>632</u>	<u>645,802</u>
<u>\$ 71,880</u>	<u>\$ 632</u>	<u>\$ 645,802</u>
\$ 298	\$ -	\$ 26,845
-	-	21,582
-	-	313
-	-	868,947
-	-	363
-	-	5,675
<u>298</u>	<u>-</u>	<u>923,725</u>
-	-	227,635
-	-	191,985
-	-	419,620
<u>\$ 298</u>	<u>\$ -</u>	<u>\$ 1,343,345</u>
<u>71,582</u>	<u>632</u>	<u>(697,543)</u>
<u>\$ 71,582</u>	<u>\$ 632</u>	<u>\$ (697,543)</u>

**Columbus City School District**  
**Combining Statement of Revenues, Expenses and**  
**Changes in Net Assets**  
**Nonmajor Enterprise Funds**

For the Fiscal Year Ended June 30, 2005

	<u>Adult Education</u>	<u>WCBE</u>	<u>Latchkey</u>
Operating Revenues			
Tuition and Fees	\$ 846,244	\$ -	\$ 2,340,729
Sales	50,762	-	-
Miscellaneous	78,793	1,240,089	-
Total Operating Revenues	<u>975,799</u>	<u>1,240,089</u>	<u>2,340,729</u>
Operating Expenses			
Salaries and Wages	1,405,743	621,284	1,820,010
Fringe Benefits	374,389	177,342	688,303
Purchased Services	73,026	369,143	12,531
Materials and Supplies	77,748	9,288	104,184
Miscellaneous	3,019	35,085	-
Total Operating Expenses	<u>1,933,925</u>	<u>1,212,142</u>	<u>2,625,028</u>
Operating Income (Loss)	(958,126)	27,947	(284,299)
Nonoperating Revenues			
Intergovernmental Revenues	<u>1,053,830</u>	<u>-</u>	<u>-</u>
Total Nonoperating Revenues	<u>1,053,830</u>	<u>-</u>	<u>-</u>
Income (Loss) Before Transfers	95,704	27,947	(284,299)
Transfers Out	-	-	-
Changes in Net Assets	95,704	27,947	(284,299)
Net Assets at Beginning of Year	<u>(467,881)</u>	<u>(190,738)</u>	<u>49,510</u>
Net Assets at End of Year	<u>\$ (372,177)</u>	<u>\$ (162,791)</u>	<u>\$ (234,789)</u>

<b>Uniform School Supplies</b>	<b>Rotary Special Services</b>	<b>Totals</b>
\$ -	\$ -	\$ 3,186,973
-	-	50,762
28,157	-	1,347,039
<u>28,157</u>	<u>-</u>	<u>4,584,774</u>
-	-	3,847,037
-	-	1,240,034
-	-	454,700
21,990	-	213,210
1,405	808	40,317
<u>23,395</u>	<u>808</u>	<u>5,795,298</u>
4,762	(808)	(1,210,524)
<u>-</u>	<u>-</u>	<u>1,053,830</u>
<u>-</u>	<u>-</u>	<u>1,053,830</u>
4,762	(808)	(156,694)
(1,116)	-	(1,116)
3,646	(808)	(157,810)
<u>67,936</u>	<u>1,440</u>	<u>\$ (539,733)</u>
<u>\$ 71,582</u>	<u>\$ 632</u>	<u>\$ (697,543)</u>

**Columbus City School District**  
**Combining Statement of Cash Flows**  
**Nonmajor Enterprise Funds**

For the Fiscal Year Ended June 30, 2005

	<b>Adult Education</b>	<b>WCBE</b>	<b>Latchkey</b>
<b>Cash Flows from Operating Activities:</b>			
Cash Received from Sales	\$ -	\$ -	\$ -
Cash Received from Tuition and Fees	897,006	-	2,340,729
Cash Received from Contributions	-	1,226,056	-
Cash Paid to Suppliers	(154,290)	(421,771)	(110,349)
Cash Paid for Employee Salaries, Wages, and Fringe Benefits	(1,887,984)	(731,956)	(2,509,485)
Other Receipts	78,793	-	-
Net Cash Provided by (Used for) Operating Activities	<u>(1,066,475)</u>	<u>72,329</u>	<u>(279,105)</u>
<b>Cash Flows from Noncapital Financing Activities:</b>			
Proceeds from Interfund Loans	350,000	68,947	450,000
Payment on Interfund Loan	(145,000)	(141,276)	-
Transfers Out	-	-	-
Cash Received from Other Governments	937,660	-	-
Net Cash Provided by (used for) Noncapital Financing Activities	<u>1,142,660</u>	<u>(72,329)</u>	<u>450,000</u>
Increase (Decrease) in Cash and Cash Equivalents	76,185	-	170,895
Cash and Cash Equivalents at Beginning of Year	<u>108,387</u>	<u>-</u>	<u>87,620</u>
Cash and Cash Equivalents at End of Year	<u>\$ 184,572</u>	<u>\$ -</u>	<u>\$ 258,515</u>



<u>Uniform School Supplies</u>	<u>Rotary Special Services</u>	<u>Totals</u>
\$ 28,157	\$ -	\$ 28,157
-	-	3,237,735
-	-	1,226,056
(23,565)	(808)	(710,783)
-	-	(5,129,425)
-	-	78,793
<u>4,592</u>	<u>(808)</u>	<u>(1,269,467)</u>
-	-	868,947
-	-	(286,276)
(1,116)	-	(1,116)
-	-	937,660
<u>(1,116)</u>	<u>-</u>	<u>1,519,215</u>
3,476	(808)	249,748
<u>68,404</u>	<u>1,440</u>	<u>265,851</u>
<u>\$ 71,880</u>	<u>\$ 632</u>	<u>\$ 515,599</u>

**Columbus City School District**  
**Combining Statement of Cash Flows**  
**Nonmajor Enterprise Funds (Continued)**

For the Fiscal Year Ended June 30, 2005

	<b>Adult Education</b>	<b>WCBE</b>	<b>Latchkey</b>
Reconciliation of Operating Income (Loss) to Net Cash Provided By (Used for) Operating Activities			
Operating Income (Loss)	\$ (958,126)	\$ 27,947	\$ (284,299)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities			
(Increase) in Accounts Receivable	-	(14,033)	-
Increase (Decrease) in Accounts Payable	(497)	(8,255)	6,366
Increase (Decrease) in Early Retirement Incentive Payable	(33,014)	-	-
Increase (Decrease) in Intergovernmental Payable	(120)	313	(244)
Increase (Decrease) in Compensated Absences	(56,168)	44,775	15,882
Increase (Decrease) in Accrued Wages and Benefits	(18,550)	21,582	(16,810)
Net Cash Provided by (Used for) Operating Activities	\$ (1,066,475)	\$ 72,329	\$ (279,105)

<u>Uniform School Supplies</u>	<u>Rotary Special Services</u>	<u>Totals</u>
\$ 4,762	\$ (808)	\$ (1,210,524)
-	-	(14,033)
(170)	-	(2,556)
-	-	(33,014)
-	-	(51)
-	-	4,489
-	-	(13,778)
<u>\$ 4,592</u>	<u>\$ (808)</u>	<u>\$ (1,269,467)</u>

**Columbus City School District**

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

For the Fiscal Year Ended June 30, 2005

	<u>Balance 07/01/04</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance 06/30/05</u>
<b>FRANKLIN CO. EDUCATIONAL COUNCIL</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$ 26,245	\$ -	\$ -	\$ 26,245
Total Assets	<u>\$ 26,245</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 26,245</u>
<b>Liabilities</b>				
Due to Other Governments	\$ 26,245	\$ -	\$ -	\$ 26,245
Total Liabilities	<u>\$ 26,245</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 26,245</u>
<b>STUDENT MANAGED ACTIVITIES</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$ 676,517	\$ 647,182	\$ 686,779	\$ 636,920
Total Assets	<u>\$ 676,517</u>	<u>\$ 647,182</u>	<u>\$ 686,779</u>	<u>\$ 636,920</u>
<b>Liabilities</b>				
Accounts Payable	\$ 35,142	\$ 36,753	\$ 35,142	\$ 36,753
Due to Students	641,375	610,429	651,637	600,167
Total Liabilities	<u>\$ 676,517</u>	<u>\$ 647,182</u>	<u>\$ 686,779</u>	<u>\$ 636,920</u>
<b>TOTAL-ALL AGENCY FUNDS</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$ 702,762	\$ 647,182	\$ 686,779	\$ 663,165
Total Assets	<u>\$ 702,762</u>	<u>\$ 647,182</u>	<u>\$ 686,779</u>	<u>\$ 663,165</u>
<b>Liabilities</b>				
Accounts Payable	\$ 35,142	\$ 36,753	\$ 35,142	\$ 36,753
Due to Students	641,375	610,429	651,637	600,167
Due to Other Governments	26,245	-	-	26,245
Total Liabilities	<u>\$ 702,762</u>	<u>\$ 647,182</u>	<u>\$ 686,779</u>	<u>\$ 663,165</u>

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

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**Columbus City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund*  
*For the Fiscal Year Ended June 30, 2005*

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>REVENUES:</b>				
Property and Other Local Taxes	\$ 300,736,950	\$ 381,271,127	\$ 353,899,566	\$ (27,371,561)
Intergovernmental	220,518,408	279,570,908	259,500,434	(20,070,474)
Interest	1,427,405	1,809,650	1,679,734	(129,916)
Tuition and Fees	3,578,110	4,536,290	4,210,629	(325,661)
Gifts and Donations	43	54	51	(3)
Payments in Lieu of Taxes	5,146,655	6,524,874	6,056,452	(468,422)
Miscellaneous	<u>2,913,212</u>	<u>3,693,340</u>	<u>3,428,194</u>	<u>(265,146)</u>
<b>Total Revenues</b>	<u>534,320,783</u>	<u>677,406,243</u>	<u>628,775,060</u>	<u>(48,631,183)</u>
<b>EXPENDITURES:</b>				
<b>Current:</b>				
<b>Instruction:</b>				
Regular	269,374,847	274,914,898	277,565,563	(2,650,665)
Special	57,568,502	58,752,476	59,318,952	(566,476)
Vocational	13,630,763	13,911,098	14,045,225	(134,127)
Adult/Continuing	746,679	762,036	769,383	(7,347)
<b>Support Services:</b>				
Pupils	36,680,174	37,434,551	37,795,486	(360,935)
Instructional Staff	42,547,224	43,422,264	43,840,931	(418,667)
Board of Education	102,988	105,106	106,120	(1,014)
Administration	41,004,354	41,847,662	42,251,148	(403,486)
Fiscal	12,644,335	12,904,383	13,028,804	(124,421)
Business	3,259,518	3,326,554	3,358,628	(32,074)
Operation and Maintenance of Plant	55,115,519	56,249,042	56,791,383	(542,341)
Pupil Transportation	32,650,998	33,322,508	33,643,797	(321,289)
Central	27,657,318	28,226,127	28,498,277	(272,150)
<b>Operation of Non-Instructional Services:</b>				
Food Service Operations	868	885	894	(9)
Extracurricular Activities	5,293,231	5,402,093	5,454,179	(52,086)
Capital Outlay:	30,916	31,551	31,856	(305)
<b>Debt Service:</b>				
Principal	-	60,000,000	60,000,000	-
Interest	<u>294,382</u>	<u>300,436</u>	<u>303,333</u>	<u>(2,897)</u>
<b>Total Expenditures</b>	<u>598,602,616</u>	<u>670,913,670</u>	<u>676,803,959</u>	<u>(5,890,289)</u>
<b>Excess of Revenues Over (Under) Expenditures</b>	<u>(64,281,833)</u>	<u>6,492,573</u>	<u>(48,028,899)</u>	<u>(54,521,472)</u>
<b>OTHER FINANCING SOURCES AND USES:</b>				
Transfers In	72,915	92,441	85,805	(6,636)
Proceeds from Sale of Capital Assets	13,551	17,179	15,946	(1,233)
Proceeds from Sale of Notes	-	65,580,000	65,580,000	-
Refund of Prior Year Expenditures	37,691	47,784	44,354	(3,430)
Advances In	-	-	865,000	865,000
Transfers Out	(435,014)	(443,960)	(448,241)	(4,281)
Advances Out	-	-	(17,650,000)	(17,650,000)
Accrued Interest Received on Debt Issuance	<u>31,519</u>	<u>39,959</u>	<u>37,091</u>	<u>(2,868)</u>
<b>Total Other Financing Sources and Uses</b>	<u>(279,338)</u>	<u>65,333,403</u>	<u>48,529,955</u>	<u>(16,803,448)</u>
<b>Net Change in Fund Balances</b>	(64,561,171)	71,825,976	501,056	(71,324,920)
<b>Fund Balance (Deficit) at Beginning of Year</b>	11,002,342	11,002,342	11,002,342	-
<b>Prior Year Encumbrances Appropriated</b>	<u>17,772,166</u>	<u>17,772,166</u>	<u>17,772,166</u>	<u>-</u>
<b>Fund Balance (Deficit) at End of Year</b>	<u>\$ (35,786,663)</u>	<u>\$ 100,600,484</u>	<u>\$ 29,275,564</u>	<u>\$ (71,324,920)</u>

**Columbus City School District**

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

For the Fiscal Year Ended June 30, 2005

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget</b>
<b><u>Public School Support Fund</u></b>				
Total Revenues and Other Sources	\$ 1,907,568	\$ 1,907,568	\$ 1,556,003	\$ (351,565)
Total Expenditures and Other Uses	2,851,590	2,692,998	1,991,161	701,837
Net Change in Fund Balance	(944,022)	(785,430)	(435,158)	350,272
Fund Balance at Beginning of Year	1,578,813	1,578,813	1,578,813	-
Prior Year Encumbrances Appropriated	351,597	351,597	351,597	-
Fund Balance at End of Year	<u>\$ 986,388</u>	<u>\$ 1,144,980</u>	<u>\$ 1,495,252</u>	<u>\$ 350,272</u>
<b><u>Other Grant Funds</u></b>				
Total Revenues and Other Sources	\$ 840,602	\$ 1,940,602	\$ 2,650,638	\$ 710,036
Total Expenditures and Other Uses	1,729,371	1,797,371	2,434,476	(637,105)
Net Change in Fund Balance	(888,769)	143,231	216,162	72,931
Fund Balance at Beginning of Year	445,719	445,719	445,719	-
Prior Year Encumbrances Appropriated	54,371	54,371	54,371	-
Fund Balance at End of Year	<u>\$ (388,679)</u>	<u>\$ 643,321</u>	<u>\$ 716,252</u>	<u>\$ 72,931</u>
<b><u>Computer Network Class "A" Site Fund</u></b>				
Total Revenues and Other Sources	\$ -	\$ 45,700	\$ 42,130	\$ (3,570)
Total Expenditures and Other Uses	160,000	199,179	42,810	156,369
Net Change in Fund Balance	(160,000)	(153,479)	(680)	152,799
Fund Balance at Beginning of Year	154,367	154,367	154,367	-
Prior Year Encumbrances Appropriated	-	-	-	-
Fund Balance at End of Year	<u>\$ (5,633)</u>	<u>\$ 888</u>	<u>\$ 153,687</u>	<u>\$ 152,799</u>



**Columbus City School District**

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

For the Fiscal Year Ended June 30, 2005

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget</b>
<b><i>Venture Capital</i></b>				
Total Revenues and Other Sources	\$ 266,763	\$ 266,763	\$ -	\$ (266,763)
Total Expenditures and Other Uses	-	59,058	59,062	(4)
Net Change in Fund Balance	266,763	207,705	(59,062)	(266,767)
Fund Balance at Beginning of Year	59,062	59,062	59,062	-
Prior Year Encumbrances Appropriated	-	-	-	-
Fund Balance at End of Year	<u>\$ 325,825</u>	<u>\$ 266,767</u>	<u>\$ -</u>	<u>\$ (266,767)</u>
<b><i>Classroom Facilities Maintenance Fund</i></b>				
Total Revenues and Other Sources	\$ 4,300,000	\$ 4,300,000	\$ 4,630,559	\$ 330,559
Total Expenditures and Other Uses	40,000	38,398	38,398	-
Net Change in Fund Balance	4,260,000	4,261,602	4,592,161	330,559
Fund Balance at Beginning of Year	6,153,190	6,153,190	6,153,190	-
Prior Year Encumbrances Appropriated	-	-	-	-
Fund Balance at End of Year	<u>\$ 10,413,190</u>	<u>\$ 10,414,792</u>	<u>\$ 10,745,351</u>	<u>\$ 330,559</u>
<b><i>District Managed Activities Fund</i></b>				
Total Revenues and Other Sources	\$ 2,563,092	\$ 4,300,000	\$ 2,788,444	\$ (1,511,556)
Total Expenditures and Other Uses	4,620,217	4,991,038	3,315,523	1,675,515
Net Change in Fund Balance	(2,057,125)	(691,038)	(527,079)	163,959
Fund Balance at Beginning of Year	1,118,769	1,118,769	1,118,769	-
Prior Year Encumbrances Appropriated	415,226	415,226	415,226	-
Fund Balance at End of Year	<u>\$ (523,130)</u>	<u>\$ 842,957</u>	<u>\$ 1,006,916</u>	<u>\$ 163,959</u>

**Columbus City School District**

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

For the Fiscal Year Ended June 30, 2005

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget</b>
<b><i>Auxillary Services Fund</i></b>				
Total Revenues and Other Sources	\$ 4,500,000	\$ 6,075,000	\$ 6,082,494	\$ 7,494
Total Expenditures and Other Uses	6,643,264	8,740,491	8,196,177	544,314
Net Change in Fund Balance	(2,143,264)	(2,665,491)	(2,113,683)	551,808
Fund Balance at Beginning of Year	2,028,400	2,028,400	2,028,400	-
Prior Year Encumbrances Appropriated	643,264	643,264	643,264	-
Fund Balance at End of Year	<u>\$ 528,400</u>	<u>\$ 6,173</u>	<u>\$ 557,981</u>	<u>\$ 551,808</u>
<b><i>Post Secondary Vocational Education</i></b>				
Total Revenues and Other Sources	\$ -	\$ 18,000	\$ 18,000	\$ -
Total Expenditures and Other Uses	28,179	28,841	28,839	2
Net Change in Fund Balance	(28,179)	(10,841)	(10,839)	2
Fund Balance at Beginning of Year	662	662	662	-
Prior Year Encumbrances Appropriated	10,179	10,179	10,179	-
Fund Balance at End of Year	<u>\$ (17,338)</u>	<u>\$ -</u>	<u>\$ 2</u>	<u>\$ 2</u>
<b><i>Teacher Development Fund</i></b>				
Total Revenues and Other Sources	\$ 354,515	\$ 1,295,515	\$ 1,073,741	\$ (221,774)
Total Expenditures and Other Uses	816,981	1,426,171	1,190,011	236,160
Net Change in Fund Balance	(462,466)	(130,656)	(116,270)	14,386
Fund Balance at Beginning of Year	130,711	130,711	130,711	-
Prior Year Encumbrances Appropriated	8,481	8,481	8,481	-
Fund Balance at End of Year	<u>\$ (323,274)</u>	<u>\$ 8,536</u>	<u>\$ 22,922</u>	<u>\$ 14,386</u>

**Columbus City School District**

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

For the Fiscal Year Ended June 30, 2005

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget</b>
<b><i>Adult Vocational Education Fund</i></b>				
Total Revenues and Other Sources	\$ -	\$ 6,000	\$ -	\$ (6,000)
Total Expenditures and Other Uses	6,000	-	-	-
Net Change in Fund Balance	(6,000)	6,000	-	(6,000)
Fund Balance at Beginning of Year	-	-	-	-
Prior Year Encumbrances Appropriated	-	-	-	-
Fund Balance at End of Year	<u>\$ (6,000)</u>	<u>\$ 6,000</u>	<u>\$ -</u>	<u>\$ (6,000)</u>
<b><i>Gifted Education Fund</i></b>				
Total Revenues and Other Sources	\$ -	\$ 248,000	\$ 180,209	\$ (67,791)
Total Expenditures and Other Uses	235,564	404,516	291,814	112,702
Net Change in Fund Balance	(235,564)	(156,516)	(111,605)	44,911
Fund Balance at Beginning of Year	88,371	88,371	88,371	-
Prior Year Encumbrances Appropriated	35,564	35,564	35,564	-
Fund Balance at End of Year	<u>\$ (111,629)</u>	<u>\$ (32,581)</u>	<u>\$ 12,330</u>	<u>\$ 44,911</u>
<b><i>Management Information Systems Fund</i></b>				
Total Revenues and Other Sources	\$ 188,970	\$ 287,970	\$ 207,194	\$ (80,776)
Total Expenditures and Other Uses	445,550	397,922	350,877	47,045
Net Change in Fund Balance	(256,580)	(109,952)	(143,683)	(33,731)
Fund Balance at Beginning of Year	143,251	143,251	143,251	-
Prior Year Encumbrances Appropriated	15,550	15,550	15,550	-
Fund Balance at End of Year	<u>\$ (97,779)</u>	<u>\$ 48,849</u>	<u>\$ 15,118</u>	<u>\$ (33,731)</u>

**Columbus City School District**

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

For the Fiscal Year Ended June 30, 2005

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget</b>
<b><i>Public School Preschool Fund</i></b>				
Total Revenues and Other Sources	\$ 588,537	\$ 588,537	\$ 640,173	\$ 51,636
Total Expenditures and Other Uses	605,556	717,068	610,541	106,527
Net Change in Fund Balance	(17,019)	(128,531)	29,632	158,163
Fund Balance at Beginning of Year	130,968	130,968	130,968	-
Prior Year Encumbrances Appropriated	5,556	5,556	5,556	-
Fund Balance at End of Year	<u>\$ 119,505</u>	<u>\$ 7,993</u>	<u>\$ 166,156</u>	<u>\$ 158,163</u>
<b><i>Entry Year Programs Fund</i></b>				
Total Revenues and Other Sources	\$ -	\$ 115,000	\$ 122,100	\$ 7,100
Total Expenditures and Other Uses	80,300	-	122,100	(122,100)
Net Change in Fund Balance	(80,300)	115,000	-	(115,000)
Fund Balance at Beginning of Year	6,880	6,880	6,880	-
Prior Year Encumbrances Appropriated	-	-	-	-
Fund Balance at End of Year	<u>\$ (73,420)</u>	<u>\$ 121,880</u>	<u>\$ 6,880</u>	<u>\$ (115,000)</u>
<b><i>DPIA Fund</i></b>				
Total Revenues and Other Sources	\$ -	\$ -	\$ -	\$ -
Total Expenditures and Other Uses	-	-	-	-
Net Change in Fund Balance	-	-	-	-
Fund Balance at Beginning of Year	3,985	3,985	3,985	-
Prior Year Encumbrances Appropriated	-	-	-	-
Fund Balance at End of Year	<u>\$ 3,985</u>	<u>\$ 3,985</u>	<u>\$ 3,985</u>	<u>\$ -</u>

**Columbus City School District**

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

For the Fiscal Year Ended June 30, 2005

<i>Data Communication Fund</i>	Original Budget	Final Budget	Actual	Variance with Final Budget
Total Revenues and Other Sources	\$ 215,948	\$ 390,948	\$ 491,520	\$ 100,572
Total Expenditures and Other Uses	1,199,115	1,600,613	1,116,254	484,359
Net Change in Fund Balance	(983,167)	(1,209,665)	(624,734)	584,931
Fund Balance at Beginning of Year	1,538,283	1,538,283	1,538,283	-
Prior Year Encumbrances Appropriated	99,115	99,115	99,115	-
Fund Balance at End of Year	\$ 654,231	\$ 427,733	\$ 1,012,664	\$ 584,931
<i>Schoolnet Professional Development Fund</i>				
Total Revenues and Other Sources	\$ 230,000	\$ 30,225	\$ 13,500	\$ (16,725)
Total Expenditures and Other Uses	62,999	46,379	41,815	4,564
Net Change in Fund Balance	167,001	(16,154)	(28,315)	(12,161)
Fund Balance at Beginning of Year	19,879	19,879	19,879	-
Prior Year Encumbrances Appropriated	12,999	12,999	12,999	-
Fund Balance at End of Year	\$ 199,879	\$ 16,724	\$ 4,563	\$ (12,161)
<i>Ohio Reads Fund</i>				
Total Revenues and Other Sources	\$ 500,000	\$ 506,000	\$ 503,728	\$ (2,272)
Total Expenditures and Other Uses	865,849	742,275	665,133	77,142
Net Change in Fund Balance	(365,849)	(236,275)	(161,405)	74,870
Fund Balance at Beginning of Year	269,821	269,821	269,821	-
Prior Year Encumbrances Appropriated	115,849	115,849	115,849	-
Fund Balance at End of Year	\$ 19,821	\$ 149,395	\$ 224,265	\$ 74,870

**Columbus City School District**

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

For the Fiscal Year Ended June 30, 2005

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget</b>
<b><i>Summer Intervention Fund</i></b>				
Total Revenues and Other Sources	\$ -	\$ 2,225,000	\$ 2,253,330	\$ 28,330
Total Expenditures and Other Uses	2,044,721	2,944,669	2,634,203	310,466
Net Change in Fund Balance	(2,044,721)	(719,669)	(380,873)	338,796
Fund Balance at Beginning of Year	135,085	135,085	135,085	-
Prior Year Encumbrances Appropriated	294,722	294,722	294,722	-
Fund Balance at End of Year	<u>\$ (1,614,914)</u>	<u>\$ (289,862)</u>	<u>\$ 48,934</u>	<u>\$ 338,796</u>
<b><i>Vocational Educational Enhancements Fund</i></b>				
Total Revenues and Other Sources	\$ -	\$ 132,400	\$ 62,003	\$ (70,397)
Total Expenditures and Other Uses	216,876	198,954	138,118	60,836
Net Change in Fund Balance	(216,876)	(66,554)	(76,115)	(9,561)
Fund Balance at Beginning of Year	17,664	17,664	17,664	-
Prior Year Encumbrances Appropriated	66,876	66,876	66,876	-
Fund Balance at End of Year	<u>\$ (132,336)</u>	<u>\$ 17,986</u>	<u>\$ 8,425</u>	<u>\$ (9,561)</u>
<b><i>Alternative Schools Fund</i></b>				
Total Revenues and Other Sources	\$ -	\$ 675,000	\$ 668,940	\$ (6,060)
Total Expenditures and Other Uses	702,000	698,881	691,411	7,470
Net Change in Fund Balance	(702,000)	(23,881)	(22,471)	1,410
Fund Balance at Beginning of Year	29,941	29,941	29,941	-
Prior Year Encumbrances Appropriated	-	-	-	-
Fund Balance at End of Year	<u>\$ (672,059)</u>	<u>\$ 6,060</u>	<u>\$ 7,470</u>	<u>\$ 1,410</u>

**Columbus City School District**

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

For the Fiscal Year Ended June 30, 2005

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget</b>
<b><u>Miscellaneous State Grants Fund</u></b>				
Total Revenues and Other Sources	\$ 2,041,193	\$ 720,000	\$ 790,167	\$ 70,167
Total Expenditures and Other Uses	567,463	973,722	906,993	66,729
Net Change in Fund Balance	1,473,730	(253,722)	(116,826)	136,896
Fund Balance at Beginning of Year	611,461	611,461	611,461	-
Prior Year Encumbrances Appropriated	17,463	17,463	17,463	-
Fund Balance at End of Year	<u>\$ 2,102,654</u>	<u>\$ 375,202</u>	<u>\$ 512,098</u>	<u>\$ 136,896</u>
<b><u>Adult Basic Education Fund</u></b>				
Total Revenues and Other Sources	\$ 727,732	\$ 900,000	\$ 869,942	\$ (30,058)
Total Expenditures and Other Uses	874,487	931,597	914,373	17,224
Net Change in Fund Balance	(146,755)	(31,597)	(44,431)	(12,834)
Fund Balance at Beginning of Year	57,109	57,109	57,109	-
Prior Year Encumbrances Appropriated	4,545	4,545	4,545	-
Fund Balance at End of Year	<u>\$ (85,101)</u>	<u>\$ 30,057</u>	<u>\$ 17,223</u>	<u>\$ (12,834)</u>
<b><u>EHA Title IV-B Fund</u></b>				
Total Revenues and Other Sources	\$ 3,274,824	\$ 15,570,000	\$ 14,878,195	\$ (691,805)
Total Expenditures and Other Uses	9,527,674	14,644,279	14,678,445	(34,166)
Net Change in Fund Balance	(6,252,850)	925,721	199,750	(725,971)
Fund Balance at Beginning of Year	1,572	1,572	1,572	-
Prior Year Encumbrances Appropriated	27,674	27,674	27,674	-
Fund Balance at End of Year	<u>\$ (6,223,604)</u>	<u>\$ 954,967</u>	<u>\$ 228,996</u>	<u>\$ (725,971)</u>

**Columbus City School District**

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

For the Fiscal Year Ended June 30, 2005

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget</b>
<b><i>Vocational Education Fund</i></b>				
Total Revenues and Other Sources	\$ 2,867,490	\$ 3,500,000	\$ 3,285,058	\$ (214,942)
Total Expenditures and Other Uses	3,092,833	3,555,826	3,249,147	306,679
Net Change in Fund Balance	(225,343)	(55,826)	35,911	91,737
Fund Balance at Beginning of Year	738	738	738	-
Prior Year Encumbrances Appropriated	92,833	92,833	92,833	-
Fund Balance at End of Year	<u>\$ (131,772)</u>	<u>\$ 37,745</u>	<u>\$ 129,482</u>	<u>\$ 91,737</u>
<b><i>Indian Education Fund</i></b>				
Total Revenues and Other Sources	\$ 9,376	\$ -	\$ -	\$ -
Total Expenditures and Other Uses	-	-	-	-
Net Change in Fund Balance	9,376	-	-	-
Fund Balance at Beginning of Year	3,634	3,634	3,634	-
Prior Year Encumbrances Appropriated	-	-	-	-
Fund Balance at End of Year	<u>\$ 13,010</u>	<u>\$ 3,634</u>	<u>\$ 3,634</u>	<u>\$ -</u>
<b><i>Title III - Limited English Proficiency Fund</i></b>				
Total Revenues and Other Sources	\$ -	\$ 1,808,000	\$ 1,223,462	\$ (584,538)
Total Expenditures and Other Uses	757,088	1,821,914	1,202,003	619,911
Net Change in Fund Balance	(757,088)	(13,914)	21,459	35,373
Fund Balance at Beginning of Year	591	591	591	-
Prior Year Encumbrances Appropriated	7,088	7,088	7,088	-
Fund Balance at End of Year	<u>\$ (749,409)</u>	<u>\$ (6,235)</u>	<u>\$ 29,138</u>	<u>\$ 35,373</u>



**Columbus City School District**

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

For the Fiscal Year Ended June 30, 2005

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget</b>
<b><u>Transition Program for Refugee Children Fund</u></b>				
Total Revenues and Other Sources	\$ 25,000	\$ 150,000	\$ 150,000	\$ -
Total Expenditures and Other Uses	160,937	161,465	145,670	15,795
Net Change in Fund Balance	(135,937)	(11,465)	4,330	15,795
Fund Balance at Beginning of Year	14,288	14,288	14,288	-
Prior Year Encumbrances Appropriated	937	937	937	-
Fund Balance at End of Year	<u>\$ (120,712)</u>	<u>\$ 3,760</u>	<u>\$ 19,555</u>	<u>\$ 15,795</u>
<b><u>Title I Fund</u></b>				
Total Revenues and Other Sources	\$ 21,063,339	\$ 53,200,000	\$ 38,688,586	\$ (14,511,414)
Total Expenditures and Other Uses	29,256,691	55,160,622	38,335,291	16,825,331
Net Change in Fund Balance	(8,193,352)	(1,960,622)	353,295	2,313,917
Fund Balance at Beginning of Year	155,123	155,123	155,123	-
Prior Year Encumbrances Appropriated	1,256,696	1,256,696	1,256,696	-
Fund Balance at End of Year	<u>\$ (6,781,533)</u>	<u>\$ (548,803)</u>	<u>\$ 1,765,114</u>	<u>\$ 2,313,917</u>
<b><u>Title VI Fund</u></b>				
Total Revenues and Other Sources	\$ 3,879,435	\$ 2,025,000	\$ 1,288,089	\$ (736,911)
Total Expenditures and Other Uses	971,693	2,071,444	1,270,050	801,394
Net Change in Fund Balance	2,907,742	(46,444)	18,039	64,483
Fund Balance at Beginning of Year	2,713	2,713	2,713	-
Prior Year Encumbrances Appropriated	71,333	71,333	71,333	-
Fund Balance at End of Year	<u>\$ 2,981,788</u>	<u>\$ 27,602</u>	<u>\$ 92,085</u>	<u>\$ 64,483</u>

**Columbus City School District**

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

For the Fiscal Year Ended June 30, 2005

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget</b>
<b><u>Drug-Free Schools Fund</u></b>				
Total Revenues and Other Sources	\$ 945,677	\$ 1,150,000	\$ 1,048,559	\$ (101,441)
Total Expenditures and Other Uses	981,048	1,260,810	1,049,667	211,143
Net Change in Fund Balance	(35,371)	(110,810)	(1,108)	109,702
Fund Balance at Beginning of Year	1,134	1,134	1,134	-
Prior Year Encumbrances Appropriated	65,090	65,090	65,090	-
Fund Balance at End of Year	<u>\$ 30,853</u>	<u>\$ (44,586)</u>	<u>\$ 65,116</u>	<u>\$ 109,702</u>
<b><u>EHA Preschool Grants/Handicapped Fund</u></b>				
Total Revenues and Other Sources	\$ 198,449	\$ 325,500	\$ 310,059	\$ (15,441)
Total Expenditures and Other Uses	327,220	337,694	287,066	50,628
Net Change in Fund Balance	(128,771)	(12,194)	22,993	35,187
Fund Balance at Beginning of Year	7,992	7,992	7,992	-
Prior Year Encumbrances Appropriated	2,220	2,220	2,220	-
Fund Balance at End of Year	<u>\$ (118,559)</u>	<u>\$ (1,982)</u>	<u>\$ 33,205</u>	<u>\$ 35,187</u>
<b><u>Reducing Class Size Fund</u></b>				
Total Revenues and Other Sources	\$ -	\$ 17,600,000	\$ 7,736,483	\$ (9,863,517)
Total Expenditures and Other Uses	6,710,564	18,452,480	8,068,665	10,383,815
Net Change in Fund Balance	(6,710,564)	(852,480)	(332,182)	520,298
Fund Balance at Beginning of Year	961	961	961	-
Prior Year Encumbrances Appropriated	510,564	510,564	510,564	-
Fund Balance at End of Year	<u>\$ (6,199,039)</u>	<u>\$ (340,955)</u>	<u>\$ 179,343</u>	<u>\$ 520,298</u>

**Columbus City School District**

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

For the Fiscal Year Ended June 30, 2005

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b><i>Miscellaneous Federal Grants Fund</i></b>				
Total Revenues and Other Sources	\$ -	\$ 13,750,000	\$ 14,575,749	\$ 825,749
Total Expenditures and Other Uses	<u>16,634,332</u>	<u>14,345,853</u>	<u>12,618,406</u>	<u>1,727,447</u>
Net Change in Fund Balance	(16,634,332)	(595,853)	1,957,343	2,553,196
Fund Balance at Beginning of Year	2,301,084	2,301,084	2,301,084	-
Prior Year Encumbrances Appropriated	<u>934,332</u>	<u>934,332</u>	<u>934,332</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ (13,398,916)</u>	<u>\$ 2,639,563</u>	<u>\$ 5,192,759</u>	<u>\$ 2,553,196</u>

**Columbus City School District**

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

For the Fiscal Year Ended June 30, 2005

<u><i>Debt Service Fund</i></u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Total Revenues and Other Sources	23,893,396	34,205,333	36,243,681	2,038,348
Total Expenditures and Other Uses	<u>23,000,000</u>	<u>30,709,402</u>	<u>30,622,982</u>	<u>86,420</u>
Net Change in Fund Balance	893,396	3,495,931	5,620,699	2,124,768
Fund Balance at Beginning of Year	12,127,247	12,127,247	12,127,247	-
Prior Year Encumbrances Appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 13,020,643</u>	<u>\$ 15,623,178</u>	<u>\$ 17,747,946</u>	<u>\$ 2,124,768</u>

**Columbus City School District**

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

For the Fiscal Year Ended June 30, 2005

<i><b>Permanent Improvement Fund</b></i>	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget</b>
Total Revenues and Other Sources	\$ 4,149,533	\$ 4,370,880	\$ 18,133	\$ (4,352,747)
Total Expenditures and Other Uses	1,000,000	1,000,000	-	1,000,000
Net Change in Fund Balance	3,149,533	3,370,880	18,133	(3,352,747)
Fund Balance at Beginning of Year	1,454,788	1,454,788	1,454,788	-
Prior Year Encumbrances Appropriated	-	-	-	-
Fund Balance at End of Year	<u>\$ 4,604,321</u>	<u>\$ 4,825,668</u>	<u>\$ 1,472,921</u>	<u>\$ (3,352,747)</u>
<i><b>Building Fund</b></i>				
Total Revenues and Other Sources	\$ -	\$ 10,000,000	\$ 18,769,134	\$ 8,769,134
Total Expenditures and Other Uses	21,093,699	50,233,962	5,088,187	45,145,775
Net Change in Fund Balance	(21,093,699)	(40,233,962)	13,680,947	53,914,909
Fund Balance at Beginning of Year	47,715,051	47,715,051	47,715,051	-
Prior Year Encumbrances Appropriated	728,133	728,133	728,133	-
Fund Balance at End of Year	<u>\$ 27,349,485</u>	<u>\$ 8,209,222</u>	<u>\$ 62,124,131</u>	<u>\$ 53,914,909</u>
<i><b>Replacement Fund</b></i>				
Total Revenues and Other Sources	\$ -	\$ 10,000	\$ -	\$ (10,000)
Total Expenditures and Other Uses	2,449	8,746	8,746	-
Net Change in Fund Balance	(2,449)	1,254	(8,746)	(10,000)
Fund Balance at Beginning of Year	1,745,017	1,745,017	1,745,017	-
Prior Year Encumbrances Appropriated	2,449	2,449	2,449	-
Fund Balance at End of Year	<u>\$ 1,745,017</u>	<u>\$ 1,748,720</u>	<u>\$ 1,738,720</u>	<u>\$ (10,000)</u>

**Columbus City School District**

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

For the Fiscal Year Ended June 30, 2005

<i><b>Classroom Facilities Fund</b></i>	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget</b>
Total Revenues and Other Sources	\$ -	\$ 156,510,000	\$ 159,059,181	\$ 2,549,181
Total Expenditures and Other Uses	221,517,578	449,788,468	29,547,691	420,240,777
Excess of Revenues Over (Under) Expenditures	(221,517,578)	(293,278,468)	129,511,490	422,789,958
Net Change in Fund Balance	(221,517,578)	(293,278,468)	129,511,490	422,789,958
Fund Balance at Beginning of Year	141,459,498	141,459,498	141,459,498	-
Prior Year Encumbrances Appropriated	9,485,923	9,485,923	9,485,923	-
Fund Balance at End of Year	<u>\$ (70,572,157)</u>	<u>\$ (142,333,047)</u>	<u>\$ 280,456,911</u>	<u>\$ 422,789,958</u>
<i><b>Schoolnet Equipment Fund</b></i>				
Total Revenues and Other Sources	\$ -	\$ 553,035	\$ 553,035	\$ -
Total Expenditures and Other Uses	-	553,035	43,723	509,312
Net Change in Fund Balance	-	-	509,312	509,312
Fund Balance at Beginning of Year	15,000	15,000	15,000	-
Prior Year Encumbrances Appropriated	-	-	-	-
Fund Balance at End of Year	<u>\$ 15,000</u>	<u>\$ 15,000</u>	<u>\$ 524,312</u>	<u>\$ 509,312</u>
<i><b>Telecommunity Fund</b></i>				
Total Revenues and Other Sources	\$ -	\$ -	\$ -	\$ -
Total Expenditures and Other Uses	1,474	1,474	1,474	-
Net Change in Fund Balance	(1,474)	(1,474)	(1,474)	-
Fund Balance at Beginning of Year	-	-	-	-
Prior Year Encumbrances Appropriated	1,474	1,474	1,474	-
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Columbus City School District**

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

For the Fiscal Year Ended June 30, 2005

<u><i>School Building Assistance Limited Fund</i></u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Total Revenues and Other Sources	\$ -	\$ -	\$ -	\$ -
Total Expenditures and Other Uses	<u>103,749</u>	<u>445,038</u>	<u>248,891</u>	<u>196,147</u>
Net Change in Fund Balance	(103,749)	(445,038)	(248,891)	196,147
Fund Balance at Beginning of Year	443,477	443,477	443,477	-
Prior Year Encumbrances Appropriated	<u>3,749</u>	<u>3,749</u>	<u>3,749</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 343,477</u>	<u>\$ 2,188</u>	<u>\$ 198,335</u>	<u>\$ 196,147</u>

**Columbus City School District**

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

For the Fiscal Year Ended June 30, 2005

<i>Permanent Fund</i>	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget</b>
Total Revenues and Other Sources	\$ 50,000	\$ 50,000	\$ 23,028	\$ (26,972)
Total Expenditures and Other Uses	<u>1,150</u>	<u>550</u>	<u>-</u>	<u>550</u>
Net Change in Fund Balance	48,850	49,450	23,028	(26,422)
Fund Balances at Beginning of Year	<u>814,188</u>	<u>814,188</u>	<u>814,188</u>	<u>-</u>
Fund Balances at End of Year	<u>\$ 863,038</u>	<u>\$ 863,638</u>	<u>\$ 837,216</u>	<u>\$ (26,422)</u>



**Columbus City School District**

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

For the Fiscal Year Ended June 30, 2005

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget</b>
<b><i>Food Service Fund</i></b>				
Total Revenues and Other Sources	\$ 18,000,000	\$ 24,500,000	\$ 24,929,038	\$ 429,038
Total Expenses and Other Uses	24,625,747	25,630,647	25,666,025	(35,378)
Net Change in Fund Equity	(6,625,747)	(1,130,647)	(736,987)	393,660
Fund Equity at Beginning of Year	991,974	991,974	991,974	-
Prior Year Encumbrances Appropriated	666,269	666,269	666,269	-
Fund Equity at End of Year	<u>\$ (4,967,504)</u>	<u>\$ 527,596</u>	<u>\$ 921,256</u>	<u>\$ 393,660</u>
<b><i>Uniform School Supplies Fund</i></b>				
Total Revenues and Other Sources	\$ 2,000,000	\$ 50,000	\$ 29,992	\$ (20,008)
Total Expenses and Other Uses	105,557	97,371	35,476	61,895
Excess of Revenues Over (Under) Expenses	1,894,443	(47,371)	(5,484)	41,887
Fund Equity at Beginning of Year	62,844	62,844	62,844	-
Prior Year Encumbrances Appropriated	5,557	5,557	5,557	-
Fund Equity at End of Year	<u>\$ 1,962,844</u>	<u>\$ 21,030</u>	<u>\$ 62,917</u>	<u>\$ 41,887</u>
<b><i>Rotary-Special Services Fund</i></b>				
Total Revenues and Other Sources	\$ 2,500	\$ 2,500	\$ -	\$ (2,500)
Total Expenses and Other Uses	-	808	808	-
Net Change in Fund Equity	2,500	1,692	(808)	(2,500)
Fund Equity at Beginning of Year	1,438	1,438	1,438	-
Fund Equity at End of Year	<u>\$ 3,938</u>	<u>\$ 3,130</u>	<u>\$ 630</u>	<u>\$ (2,500)</u>

**Columbus City School District**

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

For the Fiscal Year Ended June 30, 2005

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget</b>
<b><i>Adult Education Fund</i></b>				
Total Revenues and Other Sources	\$ 3,200,000	\$ 3,700,000	\$ 2,263,459	\$ (1,436,541)
Total Expenses and Other Uses	3,683,824	3,697,423	2,244,099	1,453,324
Net Change in Fund Equity	(483,824)	2,577	19,360	16,783
Fund Equity at Beginning of Year	81,459	81,459	81,459	-
Prior Year Encumbrances Appropriated	26,924	26,924	26,924	-
Fund Equity at End of Year	<u>\$ (375,441)</u>	<u>\$ 110,960</u>	<u>\$ 127,743</u>	<u>\$ 16,783</u>
<b><i>WCBE Fund</i></b>				
Total Revenues and Other Sources	\$ 680,000	\$ 1,273,800	\$ 1,226,056	\$ 47,744
Total Expenses and Other Uses	1,264,366	1,279,156	1,294,776	(15,620)
Excess of Revenues Over (Under) Expenses	(584,366)	(5,356)	(68,720)	(63,364)
Fund Equity at Beginning of Year	(34,890)	(34,890)	(34,890)	-
Prior Year Encumbrances Appropriated	18,616	18,616	18,616	-
Fund Equity at End of Year	<u>\$ (600,640)</u>	<u>\$ (21,630)</u>	<u>\$ (84,994)</u>	<u>\$ (63,364)</u>
<b><i>Latchkey Fund</i></b>				
Total Revenues and Other Sources	\$ 1,320,000	\$ 2,586,200	\$ 2,790,729	\$ (204,529)
Total Expenses and Other Uses	2,539,864	2,569,892	2,646,740	(76,848)
Net Change in Fund Equity	(1,219,864)	16,308	143,989	127,681
Fund Equity at Beginning of Year	77,005	77,005	77,005	-
Prior Year Encumbrances Appropriated	10,614	10,614	10,614	-
Fund Equity at End of Year	<u>\$ (1,132,245)</u>	<u>\$ 103,927</u>	<u>\$ 231,608</u>	<u>\$ 127,681</u>

# **STATISTICAL SECTION**



# Columbus City School District

## Government-Wide Revenue by Source (1)

Last Four Fiscal Years

Fiscal Year (2)	2005	2004	2003	2002
<b>Program Revenues</b>				
Charges for Services and Sales	\$7,357,689	\$7,919,995	\$7,925,019	\$7,994,809
Operating Grants and Contributions	161,156,341	147,214,669	145,161,832	99,435,969
Capital Grants and Contributions	553,035	15,000	68,190,609	424,171
<b>General Revenues</b>				
Property Taxes	387,673,016	309,551,034	324,895,494	296,202,763
Grants and Entitlements Not Restricted to Specific Programs	190,509,398	188,643,400	186,288,707	203,015,816
Grants and Entitlements Restricted for Capital Outlay	56,353,810	0	0	0
Investment Earnings	9,149,680	1,489,025	4,070,833	6,629,998
Gain on Sale of Capital Assets	0	0	59,254	856,744
Payments in Lieu of Taxes	4,606,016	0	0	0
Miscellaneous	4,648,881	5,385,350	3,627,487	4,062,809
<b>Total Revenues</b>	<b>\$822,007,866</b>	<b>\$660,218,473</b>	<b>\$740,219,235</b>	<b>\$618,623,079</b>

Source: School District Financial Records

(1) Includes all governmental activities.

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

## Columbus City School District

### Government-Wide Expenses by Function (1)

Last Four Fiscal Years

<u>Fiscal Year (2)</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
Instruction				
Regular	\$ 297,804,126	\$ 278,118,279	\$ 281,964,404	\$ 256,444,114
Special	85,413,229	80,535,499	72,484,995	73,439,876
Vocational	14,040,774	21,114,819	21,987,545	25,256,824
Other	1,137,104	2,846,109	2,143,723	2,653,726
Total Instruction	<u>398,395,233</u>	<u>382,614,706</u>	<u>378,580,667</u>	<u>357,794,540</u>
Support Services				
Pupils	47,790,920	53,188,569	49,792,142	40,121,652
Instructional Staff	76,705,011	67,934,149	52,285,197	62,492,058
Administration	51,450,000	53,056,148	62,026,022	41,998,634
Business & Fiscal	15,048,909	22,593,436	9,528,287	25,320,785
Operation of Maintenance of Plant	56,317,813	61,823,222	65,304,673	60,639,039
Pupil Transportation	32,673,761	29,611,211	29,595,632	30,200,073
Other	26,991,245	26,790,621	25,740,780	27,404,953
Enterprise Operations	174,340	206,457	169,317	150,978
Extracurricular Activities	7,729,840	8,650,003	8,427,562	8,250,527
Community Services	7,262,356	5,672,603	6,211,707	6,696,640
Total Support Services	<u>322,144,195</u>	<u>329,526,419</u>	<u>309,081,319</u>	<u>303,275,339</u>
Interest and Fiscal Charges	<u>25,802,812</u>	<u>15,072,633</u>	<u>6,596,228</u>	<u>5,980,304</u>
Total Expenses	<u>\$ 746,342,240</u>	<u>\$ 727,213,758</u>	<u>\$ 694,258,214</u>	<u>\$ 667,050,183</u>

Source: School District Financial Records

(1) Includes all governmental activities.

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

# Columbus City School District

## General Governmental Revenues by Source (1)

### Last Ten Fiscal Years

Fiscal Year (2)	Taxes	Tuition and Fees	Earnings on Investments	Inter- Governmental	Other	Total Revenues
1996	199,749,951	4,646,529	3,596,458	132,615,007	1,015,650	341,623,595
1997	225,644,364	4,449,724	4,657,378	134,989,615	679,648	370,420,729
1998	246,610,385	3,842,943	6,560,682	164,222,058	3,910,730	425,146,798
1999	256,149,842	5,461,181	8,202,994	199,193,550	887,096	469,894,663
2000	257,409,441	4,741,051	11,572,552	201,555,919	1,539,731	476,818,694
2001	284,923,706	3,837,574	12,344,076	230,285,937	3,820,462	535,211,755
2002	286,372,154	4,245,888	5,881,707	245,204,790	3,832,175	545,536,714
2003	304,514,425	4,900,042	3,007,647	252,074,632	2,733,161	567,229,907
2004	303,976,229	5,006,330	892,313	252,052,758	4,354,664	566,282,294
2005	348,106,068	4,210,629	2,511,671	259,768,974	4,606,067	619,203,409

Source: Columbus City School District Records

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

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

# Columbus City School District

## General Governmental Expenditures by Function (1)

Last Ten Fiscal Years

Fiscal Year (2)	Instruction	Pupil Support Services	Instructional Support Services	Administration	Business and Fiscal Services	Operation and Maintenance of Plant Services
1996	200,705,385	21,520,792	18,681,889	31,674,109	1,859,766	39,376,889
1997	202,619,527	21,785,660	17,625,657	31,734,036	3,079,009	39,295,562
1998	222,874,516	26,479,643	22,992,084	32,475,418	13,201,857	40,390,445
1999	240,245,127	25,665,848	28,188,625	35,863,893	12,413,228	44,346,044
2000	259,663,007	31,632,220	41,069,837	36,705,010	12,765,362	47,763,031
2001	281,222,525	33,015,285	40,184,093	34,994,542	8,727,495	54,618,222
2002	307,391,502	34,441,029	47,408,085	39,097,084	20,728,656	55,159,927
2003	337,292,183	40,180,102	33,978,309	57,556,663	8,436,981	63,976,599
2004	336,572,483	42,176,899	41,303,955	45,396,373	20,417,118	61,292,436
2005	347,831,279	37,029,648	42,673,561	45,239,416	16,451,464	54,585,434

Source: Columbus City School District Records

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

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



Trans- portation Services- Pupils	Other Support Services	Extra- curricular Activities	Enterprise Operations & Community Services	Capital Outlay	Debt Service	Total Expenditures
20,808,544	6,617,313	3,534,301	-	-	1,276,664	346,055,652
20,010,282	7,255,605	3,276,555	-	-	863,177	347,545,070
23,725,129	8,999,137	3,660,435	-	51,306	-	394,849,970
22,293,266	14,460,502	3,890,727	-	132,539	-	427,499,799
26,465,141	12,785,479	4,805,737	-	40,081	-	473,694,905
28,667,130	15,147,522	5,288,824	-	272,566	4,326,732	506,464,936
29,092,277	24,992,001	5,396,225	-	3,024,639	9,961,621	576,693,046
29,429,428	24,669,000	5,749,471	9,312	473,401	8,877,651	610,629,100
28,605,977	19,777,873	5,953,034	-	155,769	1,034,271	602,686,188
32,973,310	23,818,613	5,370,535	-	486,912	61,004,797	667,464,469

# Columbus City School District

## Property Tax Levies and Collections

Last Ten Collection (Calendar) Years

<u>Collection Year</u>	<u>Tax Levied</u>	<u>Current Tax Collection</u>	<u>Percent of Levy Collected</u>	<u>Delinquent Collection</u>
1995	242,828,807	235,765,458	97.09%	10,299,641
1996	248,385,612	239,709,230	96.51%	9,580,848
1997	281,920,840	274,122,678	97.23%	9,729,094
1998	289,787,838	282,506,372	97.49%	11,584,455
1999	302,405,022	292,083,930	96.59%	11,508,152
2000	309,899,227	301,538,056	97.30%	8,888,182
2001	318,921,808	307,438,893	96.40%	12,909,204
2002	318,637,659	302,893,143	95.06%	14,622,228
2003	337,620,850	321,129,221	95.12%	16,086,346
2004	427,113,841	406,702,585	95.22%	17,054,463

Source: Franklin County Auditor

2005 Property tax levies and collections are not available.

<u>Total Tax Collections</u>	<u>Percent of Total Collections to Levy</u>	<u>Outstanding Delinquent Taxes</u>	<u>Percent of Outstanding Delinquent Taxes to Levy</u>
246,065,099	101.33%	22,811,601	9.39%
249,290,078	100.36%	24,806,259	9.99%
283,851,772	100.68%	21,556,576	7.65%
294,090,827	101.48%	23,689,638	8.17%
303,592,082	100.39%	27,309,998	9.03%
310,426,238	100.17%	30,561,002	9.86%
320,348,097	100.45%	33,432,049	10.48%
317,515,371	99.65%	37,364,783	11.73%
337,215,567	99.88%	40,153,091	11.89%
423,757,048	99.21%	40,096,449	9.39%

# Columbus City School District

## Assessed and Estimated Actual Value of Taxable Property

### Last Ten Collection (Calendar) Years (1)

Collection Year	Real Property		Personal Property	
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value
1996	5,037,645,370	14,393,272,486	840,711,855	3,362,847,420
1997	5,276,254,050	15,075,011,571	935,568,371	3,742,273,484
1998	5,403,886,770	15,439,676,486	944,203,285	3,776,813,140
1999	5,651,961,330	16,148,460,943	987,119,988	3,948,479,952
2000	6,434,224,710	18,383,499,171	1,029,084,082	4,116,336,328
2001	6,563,117,280	18,751,763,657	1,090,814,513	4,363,258,052
2002	6,730,267,310	19,229,335,171	1,087,959,261	4,351,837,044
2003	7,572,173,900	21,634,782,571	1,066,732,618	4,266,930,472
2004	7,716,210,570	22,046,315,914	951,276,948	4,092,508,470
2005	7,853,303,620	22,438,010,343	880,869,560	3,523,478,240

Source: Franklin County Auditor

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

Public Utility		Total	
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value
391,372,830	1,118,208,086	6,269,730,055	18,874,327,992
388,280,920	1,109,374,057	6,600,103,341	19,926,659,112
406,168,050	1,160,480,143	6,754,258,105	20,376,969,769
405,981,940	1,159,948,400	7,045,063,258	21,256,889,295
411,779,800	1,176,513,714	7,875,088,592	23,676,349,213
404,814,710	1,156,613,457	8,058,746,503	24,271,635,166
340,258,620	972,167,486	8,158,485,191	24,553,339,701
323,196,300	923,418,000	8,962,102,818	26,825,131,043
314,165,560	897,615,886	8,981,653,078	27,036,440,270
334,181,070	954,803,057	9,068,354,250	26,916,291,640

## Columbus City School District

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

Last Ten Collection (Calendar) Years (1)

Collection Year	Columbus City School District			Corporations			Townships			
	General Fund	Bond Fund	Permanent Improvement /Maintenance	Total	Columbus	Gahanna	Valleyview	Blendon	Clinton	Franklin
1996	50.80	2.18	0.00	52.98	3.14	2.40	24.53	19.00	25.64	13.05
1997	56.30	1.81	0.00	58.11	3.14	2.40	24.53	21.45	25.64	13.05
1998	56.30	1.74	0.00	58.04	3.14	2.40	24.53	22.60	25.64	13.05
1999	56.30	1.65	0.00	57.95	3.14	2.40	24.53	22.43	25.64	13.05
2000	56.30	1.27	0.00	57.57	3.14	2.40	24.53	22.41	25.64	13.05
2001	56.30	1.07	0.00	57.37	3.14	2.40	24.53	22.16	25.64	13.05
2002	56.30	1.07	0.00	57.37	3.14	2.40	24.53	22.00	25.64	13.05
2003	56.30	2.00	0.50	58.80	3.14	2.40	24.53	25.40	25.64	13.05
2004	56.30	2.38	0.50	59.18	3.14	2.40	24.53	25.07	25.64	13.05
2005	56.30	10.85	0.50	67.65	3.14	2.40	24.53	25.05	25.64	18.05

(1) Source: Franklin County Auditor

Townships							Other Units	
Mifflin-Gahanna	Mifflin	Perry	Sharon	Truro	Franklin-Valleyview	Franklin County	Columbus-Franklin County Library District	Metropolitan Park District
10.70	20.80	23.80	13.10	12.65	0.30	14.27	2.20	0.55
10.70	22.80	23.80	13.10	12.65	0.30	14.57	2.20	0.55
10.70	20.80	23.80	13.10	12.65	0.30	14.67	2.20	0.55
8.70	20.80	23.80	13.10	12.65	0.30	16.99	2.20	0.55
8.70	20.80	23.80	19.10	12.65	0.30	16.99	2.20	0.55
9.70	21.80	20.50	19.08	12.65	0.30	16.99	2.20	0.65
9.70	21.80	23.80	19.00	12.65	0.30	16.99	2.20	0.65
9.70	21.80	23.80	23.50	16.65	0.30	16.99	2.20	0.65
9.70	21.80	20.40	23.50	16.65	0.30	16.99	2.20	0.65
9.70	22.80	18.40	23.50	16.65	0.30	17.79	2.20	0.65

## Columbus City School District

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

Last Ten Collection (Calendar) Years (4)

Collection Year (4)	(1) Population	Assessed Value (2) (In thousands)	Gross Bonded Debt (3)	Less Debt Service Fund (3)
1996	499,301	6,269,730	113,257,613	11,992,055
1997	506,284	6,600,103	88,957,612	12,824,818
1998	513,696	6,754,258	79,072,612	10,697,836
1999	522,637	7,045,063	58,032,612	9,751,530
2000	523,871	7,875,089	58,242,612	7,684,268
2001	533,603	8,058,747	58,917,612	5,323,552
2002	540,173	8,158,485	57,057,612	3,427,618
2003	550,518	8,962,103	247,952,612	13,889,450
2004	557,507	8,981,653	238,372,613	12,903,977
2005	566,157	9,068,354	390,067,613	18,073,538

Sources: (1) Based on 75% of City of Columbus population as estimated by City of Columbus Department of Trade and Development for calendar year 1995, but reported for fiscal year 1996; the Mid-Ohio Regional Planning Commission for the calendar years 1996 through 1999, but reported for fiscal years 1997 through 2000, the U.S. Bureau of Census for calendar year 2000, but reported for fiscal year 2001, and the Mid-Ohio Regional Planning Commission for the calendar years 2001-2004 reported for fiscal years 2002-2005.

(2) Franklin County Auditor, calendar year.

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

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



<u>Net Bonded Debt</u>	<u>Ratio of Net Bonded Debt to Assessed Value (%)</u>	<u>Estimated Net Bonded Debt Per Capita</u>
101,265,558	1.62%	203
76,132,794	1.15%	150
68,374,776	1.01%	133
48,281,082	0.69%	92
50,558,344	0.64%	97
53,594,060	0.67%	100
53,629,994	0.66%	99
234,063,162	2.61%	425
225,468,636	2.51%	404
371,994,075	2.44%	657

# Columbus City School District

## Computation of Legal Debt Margin

As of June 30, 2005

### Overall Direct Debt Limitation

Direct debt limitation		
9% of assessed valuation	\$	816,151,883
Amount available in Debt Service Fund		18,073,538
Gross indebtedness	\$	390,067,613
Less: debt exempt from limitation		<u>(9,430,000)</u>
Debt subject to 9% limitation		<u>(380,637,613)</u>
Legal debt margin within 9% limitation	\$	<u><u>453,587,808</u></u>

### Unvoted Direct Debt Limitation

Unvoted debt limitation		
0.1% of assessed valuation	\$	9,068,354
Amount available in Debt Service Fund related to unvoted debt		-
Gross indebtedness authorized by the Board	\$	-
Less: debt exempt from limitation		<u>-</u>
Debt subject to 0.1% limitation		<u>-</u>
Legal debt margin within 0.1% limitation	\$	<u><u>9,068,354</u></u>

Ohio Revised Code Section 133.042

### Energy Conservation Note Limitation

Debt limitation		
0.9% of assessed valuation	\$	81,615,188
Energy Conservation Notes authorized by the Board		<u>(9,430,000)</u>
Legal debt margin within 0.9% limitation	\$	<u><u>72,185,188</u></u>

# Columbus City School District

## Computation of Direct and Overlapping Debt

As of June 30, 2005

<u>Governmental Unit</u>	<u>Gross General Obligation Debt</u>	<u>Percent Applicable to School District</u>	<u>Amount Applicable to School District</u>
Direct:			
Columbus City School District	\$ 390,067,613 (2)	100.00%	\$ 390,067,613
Overlapping:			
Franklin County	86,435,000 (1)	35.94%	31,063,811
City of Columbus	283,748,348 (1)	60.33%	171,185,378
City of Gahanna	2,635,000 (1)	0.69%	18,118
Village of New Albany	24,592,488 (1)	0.06%	14,666
Blendon Township	818,600 (1)	1.37%	11,182
Plain Township	2,779,998 (1)	0.17%	4,807
Mifflin Township	329,175 (1)	3.92%	12,908
Washington Township	<u>3,230,000 (1)</u>	0.02%	<u>758</u>
Total overlapping	<u>404,568,609 (1)</u>		<u>202,311,628</u>
	<u>\$ 794,636,222</u>		<u>\$ 592,379,241</u>

Source: Franklin County Auditor

(1) Determined as of December 31, 2004

(2) Determined as of June 30, 2005

# Columbus City School District

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

### Last Ten Fiscal Years

Fiscal Year	Principal	Interest	Total Debt Service (1)	Total General Expenditures (2)	Ratio of Debt Service to General Expenditures (%)
1996	10,318,891	4,299,065	14,617,956	346,055,652	4.22%
1997	10,700,000	4,089,995	14,789,995	347,545,070	4.26%
1998	10,050,000	3,797,880	13,847,880	394,849,970	3.51%
1999	10,425,000	3,109,076	13,534,076	427,499,799	3.17%
2000	10,525,000	2,612,035	13,137,035	473,694,905	2.77%
2001	9,705,000	2,521,730	12,226,730	506,464,936	2.41%
2002	9,620,000	2,315,384	11,935,384	576,693,046	2.07%
2003	9,105,000	5,996,840	15,101,840	610,629,100	2.47%
2004	9,580,000	11,683,475	21,263,475	602,686,188	3.53%
2005	12,305,000	17,725,110	30,030,110	667,464,469	4.50%

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

(2) Includes General Fund only.

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

# Columbus City School District

## Demographic Statistics

### Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Population (1)</u>	<u>Franklin County Per Capita Income (2)</u>	<u>School Enrollment (3)</u>	<u>Franklin County Unemployment Rate (4)</u>
1996	499,301	25,399	62,812	2.90%
1997	506,284	26,143	63,368	2.90%
1998	513,696	27,950	64,248	2.70%
1999	522,637	29,425	65,054	2.50%
2000	523,871	30,419	64,339	2.50%
2001	533,603	31,527	64,859	2.40%
2002	540,173	32,036	63,948	2.80%
2003	550,518	33,465	63,628	4.40%
2004	557,507	34,152	62,884	4.70%
2005	566,157	35,542	60,425	5.40%

- Sources:
- (1) Based on 75% of City of Columbus population as estimated by City of Columbus Department of Trade and Development for calendar year 1995, but reported for fiscal year 1996; the Mid-Ohio Regional Planning Commission for the calendar years 1996 through 1999, but reported for fiscal years 1997 through 2000, the U.S. Bureau of Census for calendar year 2000, but reported for fiscal year 2001, and the Mid-Ohio Regional Planning Commission for the calendar years 2001-2004 reported for fiscal years 2002-2005.
  - (2) Per capita income information is reported for calendar years 1995 through 2004 reported as fiscal years 1996 through 2005 using data provided in Franklin County's 2004 Comprehensive Annual Financial Report. Original source is Woods & Poole Economics, Inc.
  - (3) Columbus City School District records.
  - (4) Ohio Department of Jobs and Family Services, Bureau of Labor Market Information.

# Columbus City School District

## Construction, Bank Deposits and Property Values

Last Ten Tax Years

<u>Fiscal Year</u>	<u>Valuation of Building Permits Issued (1) (in thousands)</u>	<u>Bank Deposits (2) (in thousands)</u>	<u>Property Values (3) (in thousands)</u>
1996	749,610	21,808,752	6,269,730
1997	863,499	38,010,414	6,600,103
1998	1,423,717	39,608,322	6,754,258
1999	1,760,144	38,390,073	7,045,063
2000	1,559,322	41,165,622	7,875,089
2001	2,011,122	37,883,097	8,058,747
2002	1,783,275	35,261,010	8,158,485
2003	1,253,557	39,867,184	8,962,103
2004	970,972	39,220,448	8,981,653
2005	835,542	24,436,925	9,068,354

- Sources:
- (1) City of Columbus, Ohio, Department of Trade and Development. For the preceding calendar year.
  - (2) Total deposits of all banks headquartered in Franklin County (includes national and state chartered banks). State of Ohio, Department of Commerce, Banks Division.
  - (3) Franklin County Auditor

# Columbus City School District

## Principal Property Taxpayers

As of June 30, 2005

	Total Assessed Valuation	% of Total Assessed Valuation (1)
<u>Public Utilities</u>		
Columbus Southern Power Company	\$ 151,694,140	1.67%
Ohio Bell Telephone Co.	84,657,580	0.93%
New Par	37,014,460	0.41%
Columbia Gas of Ohio Inc.	30,007,480	0.33%
<u>Real Estate</u>		
Nationwide Mutual Insurance Co.	68,208,370	0.75%
Huntington Center	58,450,000	0.64%
Capitol South Community	30,988,690	0.34%
Equitable Life Assurance	24,814,930	0.27%
American Electric Power	23,625,000	0.26%
Duke Realty LP	19,407,190	0.21%
Olentangy Commons LP	18,267,210	0.20%
Battelle Memorial	18,094,410	0.20%
Continental Centre II LLC	14,000,010	0.15%
180 E. Broad Partners LLC	14,000,000	0.15%
<u>Tangible Personal Property</u>		
Abbott Laboratories	26,306,950	0.29%
Americourcebergen Drug Corp.	26,149,490	0.29%
Time Warner Entertainment Company LP	15,678,230	0.17%
Insight Communications of Central Ohio	13,693,300	0.15%
Sterling Commerce America Inc.	13,069,660	0.14%
J.C. Penney Company Inc.	11,899,190	0.13%
Battelle Memorial Institute	11,769,650	0.13%
Techneglas Inc.	11,347,790	0.13%
BLC Corporation	9,703,037	0.11%
Kroger Company	9,684,200	0.11%
 All Others	 <u>8,325,823,283</u>	 <u>91.84%</u>
 Total Assessed Valuation	 \$ <u><u>9,068,354,250</u></u>	 <u><u>100.00%</u></u>

Source: Franklin County Auditor.

(1) The assessed valuation for Columbus City School District totaled \$9,068,354,250 for collection (calendar) year 2004.

## Columbus City School District

### Columbus Metropolitan Area 50 Largest Employers

As of June 30, 2005

<u>Employer</u>	<u>Number of Employees</u>	<u>Employer</u>	<u>Number of Employees</u>
1. The State of Ohio	26,037	25a. Big Lots Inc.	2,100
2. The Ohio State University	17,361	25b. Discover Financial Services	2,100
3. Federal Government/United States Postal Service	13,300 (1)	27. Cardinal Health Inc.	2,000
* Defense Supply Center	2,284 (1)	28. Dispatch Printing Co.	1,900
* Defense Finance & Accounting Service Center	2,072 (1)	29. State Farm	1,795
4. J.P. Morgan Chase & Co.	12,130	30. National City Corp.	1,780
5. Nationwide	11,293	31. Alliance Data Systems	1,757
6. Ohio Health	8,398	32. Hilliard City Schools	1,688
7. Columbus Public Schools	8,024	33. NetJets Inc.	1,650
8. City of Columbus	7,919	34. Owens Corning	1,531
9. Limited Brands	7,200	35a. ARC Industries Inc.	1,500
10. Honda of America Mfg. Inc.	6,350	35b. CalTech Communications LLC	1,500
11. Franklin County	6,218	37. Dublin City Schools	1,482
12. Wal-Mart Stores Inc.	6,100	38. United Parcel Service	1,445
13. Mount Carmel Health	5,558	39. Westerville City Schools	1,441
14. Kroger Co.	4,502	40. Ashland Inc.	1,363
15. Wendy's International	4,500	41. TS Tech North America	1,303
16. American Electric Power Company, Inc.	3,900	42. Fairfield Medical Center	1,291
17. Huntington Bancshares Inc.	3,500	43. Worthington Schools	1,257
18. SBC Ohio	3,000	44. Chemical Abstracts Service	1,223
19. Ross Products, division Abbott Laboratories	2,800	45a. Lucent Technologies	1,200
20. Children's Hospital, Inc.	2,706	45b. Verizon Wireless	1,200
21. Medco Health Solutions, Inc.	2,528	47. McDonald's Corp.	1,199
22. South-Western City Schools	2,516	48. Anchor Hocking Glass Co.	1,185
23. Battelle	2,368	49. Liebert Corp.	1,169
24. Retail Ventures Inc.	2,170	50. Scott's Co.	1,137

(1) Greater Columbus, excluding Union County Federal government employment as of August, 2004, including those agencies shown above.

**Source: Reprinted with permission of Business First**

Business First of Columbus, Inc.  
December 24, 2004



# Columbus City School District

## Staff Level by Race and Sex in Full Time Equivalents

As of June 30, 2005

	Male		Female		Total	
	No.	%	No.	%	No.	%
Administration						
White	50.00	17.6	92.00	32.4	142.0	50.0
Black	48.00	17.0	91.00	32.2	139.0	49.2
Spanish	1.00	0.4	1.00	0.4	2.0	0.8
Asian	0.00	0.0	0.00	0.0	0.0	0.0
Indian	0.00	0.0	0.00	0.0	0.0	0.0
	<u>99.00</u>	<u>35.0</u>	<u>184.00</u>	<u>65.0</u>	<u>283.0</u>	<u>100.0</u>
Teachers						
White	797.85	17.5	2649.61	58.3	3,447.5	75.8
Black	237.99	5.2	785.00	17.3	1,023.0	22.5
Spanish	12.00	0.3	27.60	0.6	39.6	0.9
Asian	7.00	0.2	21.50	0.5	28.5	0.7
Indian	1.00	0.0	4.00	0.1	8.0	0.1
	<u>1055.84</u>	<u>23.2</u>	<u>3487.71</u>	<u>76.8</u>	<u>4,546.5</u>	<u>100.0</u>
Classified						
White	284.06	15.0	576.16	30.5	860.2	45.5
Black	447.35	23.5	568.38	30.0	1,015.7	53.5
Spanish	1.12	0.1	1.49	0.1	2.6	0.2
Asian	5.75	0.3	6.47	0.3	12.2	0.6
Indian	1.00	0.1	2.00	0.1	3.0	0.2
	<u>739.28</u>	<u>39.0</u>	<u>1154.50</u>	<u>61.0</u>	<u>1,893.8</u>	<u>100.0</u>
Educational Aides						
White	25.00	2.6	436.48	45.2	461.5	47.7
Black	101.57	10.5	363.28	37.6	464.9	48.1
Spanish	4.00	0.4	19.00	2.0	23.0	2.4
Asian	2.00	0.2	13.50	1.4	15.5	1.6
Indian	1.00	0.1	1.00	0.1	2.0	0.2
	<u>133.57</u>	<u>13.8</u>	<u>833.26</u>	<u>86.3</u>	<u>966.8</u>	<u>100.0</u>
Total						
White	1156.91	15.1	3754.25	48.9	4,911.2	64.0
Black	834.91	10.9	1807.66	23.5	2,642.6	34.4
Spanish	18.12	0.2	49.09	0.6	67.2	0.8
Asian	14.75	0.2	41.47	0.5	56.2	0.7
Indian	3.00	0.0	7.00	0.1	10.0	0.1
	<u><u>2027.69</u></u>	<u><u>26.4</u></u>	<u><u>5659.47</u></u>	<u><u>73.6</u></u>	<u><u>7,687.2</u></u>	<u><u>100.0</u></u>

# Columbus City School District

## Miscellaneous Statistical Data

As of June 30, 2005

Year of Incorporation:	1845
Form of Government:	School Board/President
Area of District:	120 square miles
Population:	566,157

<u>Number of Schools</u>		<u>Enrollment</u>	
Elementary	87	Elementary	28,706
K - 8	3	K - 8	698
Middle	25	Middle	14,529
High	18	High	16,177
Career Centers	4	Other	315
Special Schools	<u>10</u>		<u>60,425</u>
	<u>147</u>		

### Number of Teachers, Levels of Degree and Years of Experience

<u>Degree</u>	<u>Education</u>	
	<u>Number of Teachers</u>	<u>% of Total</u>
Bachelor's Equivalent	29	0.63%
Bachelor of Arts	818	17.83%
Bachelor's + 30	1,200	26.16%
Master's	1,983	43.21%
Master's + 30	509	11.10%
Doctorate	<u>49</u>	<u>1.07%</u>
TOTAL	<u>4,588</u> *	<u>100.00%</u>

<u>Years of Experience</u>	<u>Experience</u>	
	<u>Number of Teachers</u>	<u>% of Total</u>
0 - 5	1,886	41.10%
6 - 10	889	19.38%
11 - 15	632	13.78%
16 - 20	589	12.84%
21 - 25	240	5.23%
26 - over	<u>352</u>	<u>7.67%</u>
TOTAL	<u>4,588</u> *	<u>100.00%</u>

\* This schedule reflects the actual number of teachers, while the schedule on Page S-19 is based upon full time equivalents resulting in the difference in the number of teachers.







**Auditor of State  
Betty Montgomery**

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**COLUMBUS CITY SCHOOL DISTRICT**

**FRANKLIN COUNTY**

**CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
APRIL 4, 2006**