



**CLEVELAND MUNICIPAL SCHOOL DISTRICT
CUYAHOGA COUNTY**

SINGLE AUDIT

FOR THE YEAR ENDED JUNE 30, 2009



Mary Taylor, CPA
Auditor of State

**CLEVELAND MUNICIPAL SCHOOL DISTRICT
CUYAHOGA COUNTY**

TABLE OF CONTENTS

TITLE	PAGE
Federal Awards Receipts and Expenditures Schedule	1
Notes to the Federal Awards Receipts and Expenditures Schedule	3
Independent Accountants' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i>	5
Independent Accountants' Report on Compliance with Requirements Applicable to Each Major Federal Program and on Internal Control Over Compliance in Accordance with <i>OMB Circular A-133</i> and on the Schedule of Federal Awards Receipts and Expenditures	7
Schedule of Findings	9
Schedule of Prior Audit Findings	11
Independent Accountants' Report on Applying Agreed Upon Procedures	13

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**CLEVELAND MUNICIPAL SCHOOL DISTRICT
CUYAHOGA COUNTY**

**FEDERAL AWARDS RECEIPTS AND EXPENDITURES SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2009**

FEDERAL GRANTOR <i>Pass Through Grantor</i> Program Title	Federal CFDA Number	Receipts	Non-Cash Receipts	Disburse- ments	Non-Cash Disburse- ments
UNITED STATES DEPARTMENT OF AGRICULTURE					
<i>Passed Through Ohio Department of Education:</i>					
<i>Child Nutrition Cluster:</i>					
School Breakfast Program	10.553	\$5,518,464	\$0	\$5,518,464	\$0
National School Lunch Program	10.555	14,498,124	2,133,012	14,781,525	1,902,922
Total Department of Agriculture		<u>20,016,588</u>	<u>2,133,012</u>	<u>20,299,989</u>	<u>1,902,922</u>
U.S. DEPARTMENT OF DEFENSE					
<i>Direct Assistance:</i>					
Junior ROTC	12.000	6,871	0	8,724	0
Total U.S. Department of Defense		<u>6,871</u>	<u>0</u>	<u>8,724</u>	<u>0</u>
U.S. DEPARTMENT OF JUSTICE					
<i>Passed Through Ohio Office of Criminal Justice Services</i>					
Community Prosecution and Project Safe Neighborhoods	16.609	119,770	0	137,698	0
Total U.S. Department of Justice		<u>119,770</u>	<u>0</u>	<u>137,698</u>	<u>0</u>
U.S. DEPARTMENT OF LABOR					
<i>Passed Through Cuyahoga County:</i>					
WIA Youth Activities	17.259	530,859	0	493,328	0
Total U.S. Department of Labor		<u>530,859</u>	<u>0</u>	<u>493,328</u>	<u>0</u>
NATIONAL SCIENCE FOUNDATION					
<i>Direct Assistance</i>					
Education and Human Resources	47.076	1,292,265	0	1,165,365	0
Total National Science Foundation		<u>1,292,265</u>	<u>0</u>	<u>1,165,365</u>	<u>0</u>
U. S. DEPARTMENT OF EDUCATION					
<i>Direct Assistance:</i>					
Impact Aid	84.041	100,721	0	100,721	0
Federal Pell Grant Program	84.063	443,955	0	254,725	0
Fund for the Improvement of Teaching American History	84.215	699,076	0	696,851	0
Foreign Language Assistance Program	84.293	153,980	0	153,961	0
Total U. S. Department of Education Direct Assistance		<u>1,397,732</u>	<u>0</u>	<u>1,206,258</u>	<u>0</u>
<i>Passed Through Cuyahoga County Educational Service Center:</i>					
Special Education Grants to States	84.027	0	0	2,654	0
<i>Passed Through On Task, Inc.:</i>					
Education, Research, Development, and Dissemination	84.305	1,000	0	2,284	0
<i>Passed Through Putnam County:</i>					
Special Education Grants to States	84.027	0	0	17,588	0
<i>Passed Through Ohio Department of Education:</i>					
Adult Education - Basic Grants to States	84.002	2,100,326	0	2,318,196	0
Title I Grants to Local Education Agencies	84.010	61,849,755	0	62,480,562	0

**CLEVELAND MUNICIPAL SCHOOL DISTRICT
CUYAHOGA COUNTY**

**FEDERAL AWARDS RECEIPTS AND EXPENDITURES SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2009**

FEDERAL GRANTOR <i>Pass Through Grantor</i> Program Title	Federal CFDA Number	Receipts	Non-Cash Receipts	Disburse- ments	Non-Cash Disburse- ments
U. S. DEPARTMENT OF EDUCATION (Continued)					
<i>Passed Through Ohio Department of Education (Continued):</i>					
Special Education Cluster:					
Special Education Grants to States	84.027	19,278,659	0	21,380,905	0
Special Education Preschool Grants	84.173	420,248	0	398,273	0
Total Special Education Cluster		<u>19,698,907</u>	<u>0</u>	<u>21,779,178</u>	<u>0</u>
Career and Technical - Basic Grants to States	84.048	3,229,485	0	3,139,399	0
Safe and Drug Free Schools and Communities - State Grants	84.186	564,969	0	590,343	0
Education for Homeless Children and Youth	84.196	337,486	0	332,884	0
21st Century Community Learning Centers	84.287	18,552	0	22,473	0
State Grants for Innovative Programs	84.298	93,214	0	155,245	0
Education Technology State Grants	84.318	3,146,331	0	3,157,753	0
English Language Acquisition Grant	84.365	606,871	0	616,996	0
Improving Teacher Quality State Grants	84.367	7,743,420	0	8,075,428	0
Teacher Incentive Fund	84.374	665,195	0	1,228,298	0
Total Pass Through Ohio Department of Education		<u>100,054,511</u>	<u>0</u>	<u>103,896,755</u>	<u>0</u>
Total U.S. Department of Education		<u>101,453,243</u>	<u>0</u>	<u>105,125,539</u>	<u>0</u>
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES					
<i>Passed Through Ohio Department of Job and Family Services:</i>					
Refugee and Entrant Assistance State Administered Programs	93.566	16,686	0	6,872	0
TANF Closing the Achievement Gap	93.558	4,584,804	0	3,663,195	0
Total Passed Through Ohio Department of Job and Family Services		<u>4,601,490</u>	<u>0</u>	<u>3,670,067</u>	<u>0</u>
<i>Passed Through Ohio Department of MRDD:</i>					
Medicaid Assistance Program (CAFS)	93.778	1,582,469	0	0	0
<i>Passed Through Cuyahoga County:</i>					
TANF FAST Program	93.558	88,748	0	106,761	0
TANF After-school Learning		728,517	0	971,336	0
TANF Refugee Resettlement Services		124,065	0	11,460	0
TANF Teen Wellness Initiative		82,303	0	51,281	0
Subtotal CFDA 93.558		<u>1,023,633</u>	<u>0</u>	<u>1,140,838</u>	<u>0</u>
Total Passed Through Cuyahoga County		<u>1,023,633</u>	<u>0</u>	<u>1,140,838</u>	<u>0</u>
Total U.S. Department of Health and Human Services		<u>7,207,592</u>	<u>0</u>	<u>4,810,905</u>	<u>0</u>
Total Federal Assistance		<u>\$130,627,188</u>	<u>\$2,133,012</u>	<u>\$132,041,548</u>	<u>\$1,902,922</u>

**CLEVELAND MUNICIPAL SCHOOL DISTRICT
CUYAHOGA COUNTY
NOTES TO THE FEDERAL AWARDS RECEIPTS AND EXPENDITURES SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2009**

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

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

NOTE B – CHILD NUTRITION CLUSTER

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

NOTE C – FOOD DONATION PROGRAM

Program regulations do not require the District to maintain separate inventory records for purchased food versus food commodities it receives from the U.S. Department of Agriculture. The District reports commodities consumed on the Schedule at the fair value. The District allocated donated food commodities to the respective program that benefitted from the use of those donated food commodities.

CFDA – Catalog of Federal Domestic Assistance

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Mary Taylor, CPA

Auditor of State

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

Board of Education
Cleveland Municipal School District
Cuyahoga County
1380 East Sixth Street
Cleveland, Ohio 44114

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Cleveland Municipal School District, Cuyahoga County, Ohio, (the "District") as of and for the year ended June 30, 2009, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 30, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

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

A control deficiency exists when the design or operation of a control does not allow management or employees, in performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the District's ability to initiate, authorize, record, process, or report financial data reliably in accordance with its applicable accounting basis, such that there is more than a remote likelihood that the District's internal control will not prevent or detect a more-than-inconsequential financial statement misstatement.

A material weakness is a significant deficiency, or combination of significant deficiencies resulting in more than a remote likelihood that the District's internal control will not prevent or detect a material financial statement misstatement.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all internal control deficiencies that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider material weaknesses, as defined above. We noted certain matters that we reported to the District's management in a separate letter dated December 30, 2009.

Compliance and Other Matters

As part of reasonably assuring whether the District's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

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. We intend it for no one other than these specified parties.

A handwritten signature in cursive script that reads "Mary Taylor".

Mary Taylor, CPA
Auditor of State

December 30, 2009



Mary Taylor, CPA

Auditor of State

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

Board of Education
Cleveland Municipal School District
Cuyahoga County
1380 East Sixth Street
Cleveland, Ohio 44114

Compliance

We have audited the compliance of the Cleveland Municipal School District, Cuyahoga 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, 2009. The summary of auditor's results section of the accompanying schedule of findings 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 are applicable to each of its major federal programs for the year ended June 30, 2009.

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 in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

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www.auditor.state.oh.us

Internal Control Over Compliance (Continued)

A *control deficiency* in internal control over compliance exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent or detect noncompliance with a federal program compliance requirement on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the District's ability to administer a federal program such that there is more than a remote likelihood that the District's internal control will not prevent or detect more than inconsequential noncompliance with a federal program compliance requirement.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that the District's internal control will not prevent or detect material noncompliance with a federal program's compliance requirements.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

Federal Awards Receipts and Expenditures Schedule

We have also audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the District as of and for the year ended June 30, 2009, and have issued our report thereon dated December 30, 2009. 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.



Mary Taylor, CPA
Auditor of State

December 30, 2009

**CLEVELAND MUNICIPAL SCHOOL DISTRICT
CUYAHOGA COUNTY
SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 § .505
FOR THE YEAR ENDED JUNE 30, 2009**

1. SUMMARY OF AUDITOR'S RESULTS

<i>(d)(1)(i)</i>	Type of Financial Statement Opinion	Unqualified
<i>(d)(1)(ii)</i>	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(ii)</i>	Were there any other significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(iii)</i>	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
<i>(d)(1)(iv)</i>	Were there any material internal control weaknesses reported for major federal programs?	No
<i>(d)(1)(iv)</i>	Were there any other significant deficiencies in internal control reported for major federal programs?	No
<i>(d)(1)(v)</i>	Type of Major Programs' Compliance Opinion	Unqualified
<i>(d)(1)(vi)</i>	Are there any reportable findings under § .510?	No
<i>(d)(1)(vii)</i>	Major Programs (list):	CFDA# 84.010-Title I Grants to Local Education Agencies 84.367-Improving Teacher Quality State Grants 84.318-Education Technology State Grants Special Education Cluster: 84.027-Special Education Grants to States 84.173-Special Education Preschool Grants
<i>(d)(1)(viii)</i>	Dollar Threshold: Type A\B Programs	Type A: > \$ 3,000,000 Type B: all others
<i>(d)(1)(ix)</i>	Low Risk Auditee?	Yes

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

None.

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None.

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**CLEVELAND MUNICIPAL SCHOOL DISTRICT
 CUYAHOGA COUNTY
 SCHEDULE OF PRIOR AUDIT FINDINGS
 OMB CIRCULAR A -133 § .315 (b)
 FOR THE YEAR ENDED JUNE 30, 2009**

Finding Number	Finding Summary	Fully Corrected ?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain</i>
2008-001	<p>Weaknesses relating to (1) employees initiating the vendor purchase also acknowledged receipt of the goods/services and picked up the check for the vendor. This resulted in an inadequate segregation of duties and an employee may divert funds for personal use without being detected; (2) a review of expenditures disclosed instances in which the purchase orders prepared by District employees included language stating "do not mail"; (3) the District utilizes various expenditure reports to monitor compliance with their internal bidding/quote requirements. However, the reports analyzed do not cover an adequate time period in order for a proper assessment to be made. Instead of covering all vendor activity on a year to date basis they only cover the prior month. As a result, purchases that occurred out-side of the one month window are not factored in when determining whether there is bid splitting or other noncompliance issues; (4) the vendor request forms did not require the vendor's signature and approval by the Director of Purchasing in order to be processed. This may result in unauthorized changes to the vendor database without being detected; and (5) a review of the vendor data base files disclosed numerous vendors had business addresses which were different than the address where the checks were to be mailed. This weakness may result in checks being cashed by someone other than the intended vendor.</p>	Yes	

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Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Board of Education
Cleveland Municipal School District
Cuyahoga County
1380 East Sixth Street
Cleveland, Ohio 44114

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

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

1. We noted the Board adopted an anti-harassment policy at its meeting on December 11, 2007.
2. We read the policy, noting it included the following requirements from Ohio Rev. Code Section 3313.666(B):
 - (1) A statement prohibiting harassment, intimidation, or bullying of any student on school property or at school-sponsored events;
 - (2) A definition of harassment, intimidation, or bullying that includes the definition in division (A) of Ohio Rev. Code Section 3313.666;
 - (3) A procedure for reporting prohibited incidents;
 - (4) A requirement that school personnel report prohibited incidents of which they are aware to the school principal or other administrator designated by the principal;

- (5) A requirement that parents or guardians of any student involved in a prohibited incident be notified and, to the extent permitted by section 3319.321 of the Revised Code and the "Family Educational Rights and Privacy Act of 1974," 88 Stat. 571, 20 U.S.C. 1232q, as amended, have access to any written reports pertaining to the prohibited incident;
- (6) A procedure for documenting any prohibited incident that is reported;
- (7) A procedure for responding to and investigating any reported incident;
- (8) A strategy for protecting a victim from additional harassment, intimidation, or bullying, and from retaliation following a report;
- (9) A disciplinary procedure for any student guilty of harassment, intimidation, or bullying, which shall not infringe on any student's rights under the first amendment to the Constitution of the United States;
- (10) A requirement that the district administration semiannually provide the president of the district board a written summary of all reported incidents and post the summary on its web site, if the district has a web site, to the extent permitted by section 3319.321 of the Revised Code and the "Family Educational Rights and Privacy Act of 1974," 88 Stat. 571, 20 U.S.C. 1232q, as amended.

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

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



Mary Taylor, CPA
Auditor of State

December 30, 2009



CLEVELAND
MUNICIPAL
SCHOOL DISTRICT
Vision to Victory

Cleveland Municipal School District

COMPREHENSIVE ANNUAL FINANCIAL REPORT

Fiscal Year Ended June 30, 2009
Cleveland, Ohio

PATH TO PREMIER

The primary goal of the Cleveland Municipal School District is to become a premier school district in the United States of America.

Comprehensive Annual Financial Report

of the

Cleveland Municipal School District

For the

**FISCAL YEAR ENDED
JUNE 30, 2009**

Prepared by

Finance Department

James P. Fortlage
Chief Financial Officer

1380 East Sixth Street * Cleveland, Ohio 44114

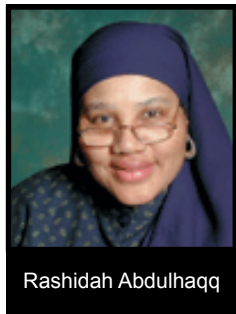
Cleveland Board of Education



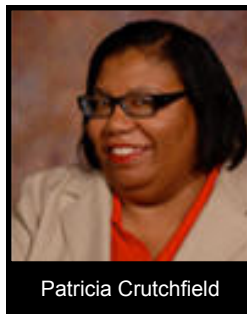
Denise W. Link
Chair



Louise P. Dempsey
Vice Chair



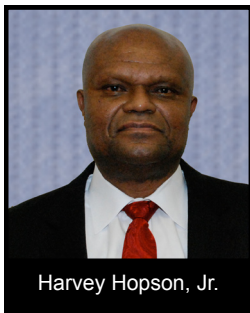
Rashidah Abdulhaqq



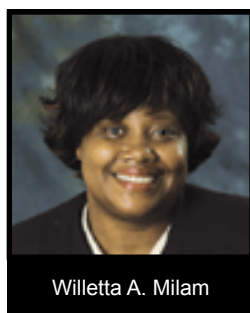
Patricia Crutchfield



Robert M. Heard, Sr.



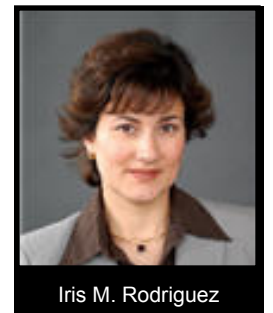
Harvey Hopson, Jr.



Willetta A. Milam



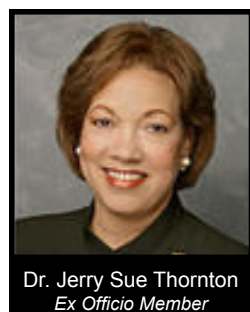
Natalie L. Peterson



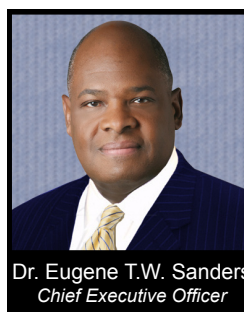
Iris M. Rodriguez



Dr. Ronald M. Berkman
Ex Officio Member



Dr. Jerry Sue Thornton
Ex Officio Member



Dr. Eugene T.W. Sanders
Chief Executive Officer



James Fortlage
Chief Financial Officer

Introductory Section

Cleveland Municipal School District
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2009
TABLE OF CONTENTS

I. INTRODUCTORY SECTION

Table of Contents	T1
Letter of Transmittal.....	T3
Board Members	T16
Senior Appointed Officials.....	T17
Organizational Chart	T18
GFOA Certificate of Achievement.....	T19
ASBO Certificate of Excellence.....	T20

II. FINANCIAL SECTION

Independent Accountants' Report	1
Management's Discussion and Analysis	3
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Assets.....	16
Statement of Activities	17
Fund Financial Statements:	
Balance Sheet – Governmental Funds.....	18
Reconciliation of Total Governmental Fund Balances to Net Assets of Governmental Activities.....	19
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds.....	20
Reconciliation of the Changes in Fund Balances of Governmental Funds to the Statement of Activities	21
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Basis) and Actual – General Fund	22
Statement of Fund Net Assets - Proprietary Fund.....	23
Statement of Revenues, Expenses and Changes in Fund Net Assets – Proprietary Fund	24
Statement of Cash Flows – Proprietary Fund.....	25
Statement of Fiduciary Assets and Liabilities – Agency Funds.....	26
Notes to the Basic Financial Statements	27
Combining Statements and Individual Fund Schedules:	
Combining Statements – Nonmajor Governmental Funds:	
Fund Descriptions.....	56
Combining Balance Sheet – Nonmajor Governmental Funds.....	58
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds.....	59
Combining Balance Sheet – Nonmajor Special Revenue Funds.....	60
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Special Revenue Funds.....	64
Combining Balance Sheet – Nonmajor Capital Projects Funds	68
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Capital Projects Funds	69
Combining Statements – Internal Service Funds:	
Fund Descriptions.....	70
Combining Statement of Fund Net Assets – Internal Service Funds	71
Combining Statement of Revenues, Expenses and Changes in Fund Assets – Internal Service Funds	72
Combining Statement of Cash Flows – Internal Service Funds.....	73

Combining Statements – Fiduciary Funds:	
Fund Descriptions.....	74
Combining Statement of Changes in Assets and Liabilities –	
All Agency Funds	75
Individual Fund Schedules of Revenues, Expenditures/Expenses and Changes in Fund	
Balance/Fund Equity - Budget (Non-GAAP Basis) and Actual:	
Debt Service Fund	77
Classroom Facilities Fund	78
Educational Special Trust Fund	79
Classroom Facilities Maintenance Fund	80
Other Local Funds	81
Auxiliary Services (NPSS) Fund.....	82
Poverty Aid Fund	83
Miscellaneous State Grants Fund	84
Other State Funds	85
Food Service Fund	86
Adult Basic Education Fund.....	87
Title VI-B Special Education Fund	88
Vocational Education Fund	89
Title I Fund.....	90
Improving Teacher Quality Title II-A Fund.....	91
Miscellaneous Federal Grants Fund	92
Other Federal Funds	93
Permanent Improvement Fund	94
Building Renovation Fund	95
Liability Self-Insurance Fund.....	96
Employee Benefits Self-Insurance Fund.....	97

III. STATISTICAL SECTION

Statistical Section	S1
Net Assets by Component – Last Seven Fiscal Years	S2
Changes in Net Assets of Governmental Activities – Last Seven Fiscal Years	S4
Fund Balances, Governmental Funds – Last Ten Fiscal Years	S8
Governmental Funds Revenues – Last Ten Fiscal Years	S10
Governmental Funds Expenditures and Debt Service Ratio – Last Ten Fiscal Years	S12
Other Financing Sources and Uses and Net Change in Fund Balances, Governmental Funds –	
Last Ten Fiscal Years.....	S14
Assessed and Estimated Actual Value of Taxable Property – Last Ten Collection Years.....	S16
Ad Valorem Property Tax Rates – All Direct and Overlapping Governments –	
Last Ten Collection Years	S18
Principal Property Tax Payers – 2007 and 1998	S20
Property Tax Levies and Collections – Ad Valorem Real and Tangible Personal Property Taxes –	
Last Ten Fiscal Years.....	S21
Ratio of Bonded Debt to Personal Income and Debt per Capita –	
Last Ten Fiscal Years.....	S22
Legal Debt Margin Information – Last Ten Fiscal Years.....	S24
Direct and Overlapping Debt Governmental Activities Debt	
As of June 30, 2008.....	S26
Demographic and Economic Statistics – Last Ten Fiscal Years	S27
Principal Employers – Current Year and Nine Years Ago.....	S28
Full-Time Equivalent District Employees by Type – Last Ten Fiscal Years.....	S29
Operating Statistics – Last Ten Fiscal Years.....	S30
Teacher Base Salaries – Last Ten Fiscal Years	S32
School Building Information - Last Ten Fiscal Years	S33

Eugene T.W. Sanders, Ph.D.
Chief Executive Officer

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December 30, 2009

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We are pleased to submit to you the Comprehensive Annual Financial Report (CAFR) of the Cleveland Municipal School District (the "School District") for the fiscal year ended June 30, 2009. This CAFR includes an opinion from the State Auditor and conforms to generally accepted accounting principals as applicable to governmental activities. Responsibility for the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, rests with the School District. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the School District. This report will provide the taxpayers of the School District with comprehensive financial data in a format which will enable them to gain an understanding of the School District's financial affairs. Copies will be made available to taxpayers, financial rating services and other interested parties.

Ex Officio Members
Dr. Ronald M. Berkman
Dr. Jerry Sue Thornton

Generally Accepted Accounting Principals (GAAP) requires that management provided a narrative introduction, overview and analysis is 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 School District's MD&A can be found immediately following the independent accountants' report.

The School District

The Board of Education and Administration

The Board of Education of the School District (the "Board") is a political and corporate body charged with the responsibility of managing and controlling the affairs of the School District, and is governed by the general laws of the State of Ohio (the "Ohio Revised Code"). The Board is comprised of nine members who are appointed by the Mayor of the City of Cleveland.

The Chief Executive Officer of the School District has the responsibility for directing and assigning teachers and other employees, assigning the pupils to the proper schools, grades and performing such other duties as determined by the appointed Board. On March 31, 2006, the Board with the concurrence of the Mayor appointed Dr. Eugene T. W. Sanders, Ph. D. as the School District's Chief Executive Officer with a four-year contract effective July 1, 2006 through June 30, 2010.

The Chief Financial Officer/Treasurer is the chief fiscal officer of the Board and the School District. Under the current administrative structure, the Chief Financial Officer/Treasurer reports to the Chief Executive Officer. In September 2006, the Chief Executive Officer appointed Mr. James P. Fortlage, Chief Financial Officer/Treasurer.

The School District and its Facilities

Of the School District's area of approximately 82 square miles, 81.44 square miles (or 99.32 percent) are in the City of Cleveland. The balance of the School District's area is located in and serves the entire area of the Villages of Newburgh Heights, Linndale and Bratenahl and a small portion of the City of Garfield Heights. The School District is located entirely within Cuyahoga County, and, with the exception of a portion of the City of Cleveland located in the Shaker Heights City School District, its boundaries are generally coterminous with the corporate boundaries of the City of Cleveland.

The purpose and responsibility of the School District is to provide an efficient educational system for the children enrolled in the public schools, whereby each child has access to programs and services that are appropriate to his or her needs. In addition to regular educational programs, the School District offers comprehensive programs in the areas of vocational education, special education and bilingual education. Through its specialty school programs, the School District offers advanced educational programs in such areas as fine arts, computer science, healthcare professions, law and municipal professions, business, and technical trades.

In fiscal year 2009, the School District enrolled 47,120 students (compared to 50,078 the previous year) in 85 K-8 schools, and 21 senior high schools. In addition classes were provided in four residential school programs. The School District also operated a variety of specialized educational facilities (consisting of gardens, athletic fields, a sheltered workshop and a greenhouse), eight administration facilities (including a central kitchen and two leased sites) and two transportation depots.

The School District has completed its seventh year of a massive school facility construction/renovation project, which is described in more detail in the ***Management's Discussion and Analysis*** section. The project commenced in 2001 to address the condition and age of the existing classroom facilities (which ranged from 25 to 111 years old).

Charter/Community Schools

Beginning in fiscal year 1999, State of Ohio legislation allowed for the creation of charter/community schools. By law the School District receives State Foundation Aid for students attending charter/community schools that are residents of the School District on a per pupil basis. That aid, which includes an imputed local match, is paid out to the charter/community schools for their operations on a one-for-one basis. The number of students attending charter/community schools has grown in the past ten years to 17,285 for fiscal 2009, resulting in the payment from the School District of state aid of \$96.0 million. School District management expects this trend to continue at an increasing rate for the foreseeable future.

Employee Relations

As of June 30, 2009 the School District had 8,775 full and part-time employees (compared to 8,567 the previous year). In the fiscal year ended June 30, 2009, the School District paid \$436.3 million in salaries and wages and \$152.3 million for fringe benefits such as employer retirement contributions, health care, life insurance, and certain other benefits.

The School District's certificated administrators and supervisors (such as principals, assistant principals and many central office staff) were previously represented by the Cleveland Council of Administrators and Supervisors ("CCAS"); however they are now employees on an at-will basis. Teachers and educational specialists, including aides, are represented by the Cleveland Teachers Union ("CTU").

Classified employees (secretarial-clerical, custodial, maintenance, transportation and cafeteria staff) of the School District are represented for collective bargaining purposes by a variety of unions: the International Brotherhood of Teamsters Local 407 (School bus drivers and attendants); the City, County, State Truck Drivers Union Local 244 (truck drivers); the International Brotherhood of Firemen and Oilers Locals 777 and 701 (custodians, assistant custodians, laborers, mechanics and security officers); the Service, Hospital, Nursing Home and Public Employees Union Local 1199 (clerical, food service and cleaning staff); and the Cleveland Building Trades Council (tradesmen).

The current contracts expired on June 30, 2009, for all matters except subcontracting and insurance benefits. In the opinion of the School District, labor relations with all of its employees are good.

The Reporting Entity

The School District has reviewed its reporting entity definition in order to insure conformance with the Governmental Accounting Standards Board Statement No. 14, "The Financial Reporting Entity", and Statement No. 39, "Determining Whether Certain Organizations are Component Units." The basic financial statements include all organizations, activities and functions for which the School District is financially accountable.

Excluded from the reporting entity because they are fiscally independent of the School District are the City of Cleveland and the Cleveland Public Library. The City of Cleveland and the Cleveland Public Library are related organizations whose relationships to the School District are described in Note 19 to the basic financial statements. The School District also participates in the Ohio Schools Council, which is a jointly governed organization. In 2001 the School District created the Bond Accountability Commission ("BAC"), which is also a jointly governed organization. These relationships are described in Note 20 to the basic financial statements.

The School District is an independent municipal school district and is not a component unit of another government. A complete discussion of the School District's reporting entity is provided in Note 1 to the basic financial statements.

Economic Condition and Outlook

The School District's primary sources of revenues are from the State of Ohio through the State Foundation program and through the levying of property taxes on real and personal property located within the School District. These two sources combined represent approximately 97.8 percent of the School District's fiscal year 2009 budget basis General Fund operating revenues. The following discussion provides additional information pertaining to these revenue sources.

Taxes

Property taxes are levied and assessed on a calendar year basis. Second half distributions generally 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 School 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 percent 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 varying percentages of true value and on real property at 35 percent 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 levied at varying percentages of true value.

A table showing the assessed valuation of property in the School District subject to ad valorem taxes by the Board for the most recent ten years is presented in the statistical section.

The assessed valuation of real property is fixed at 35 percent of true value and is determined pursuant to rules of the State Tax Commissioner, except that real property devoted exclusively to agricultural use is assessed at not more than 35 percent of its current agricultural use value

Fiscal year 2010 property taxes are currently estimated by the Cuyahoga County Auditor's Office based on a collection rate of 84.28%, down from 86.8%. The forecast through 2014 assumes a collection rate of 84.28%. The Ohio Revised Code and Ohio Administrative Code mandate Cuyahoga County to conduct a re-appraisal every six years, an update every three years and annual valuation of improvements based upon building permits received from each city annually. The next update will be in 2009, with the next re-appraisal scheduled for the year 2012. It is estimated by Cuyahoga County that residential valuations will decrease 11% from \$3.2 billion to \$2.8 billion while commercial valuations will remain the same. This change in valuations will affect the second half collections in fiscal year 2010 and beyond.

State law grants tax relief to property owners (property tax rollbacks) in the form of a 10% reduction in real property tax bills. In addition, a 2.5% rollback is granted for owner occupied homesteads (total of 12.5%). The State reimburses school district for the loss of real property taxes as a result of the rollback provision. HB 66 eliminated the 10% rollback on commercial property; hence the School District will no longer receive a State reimbursement for those dollars, as it will receive those payments directly from commercial property owners.

Public utilities include electric companies, gas companies, and local and long distance telecommunications companies. Historically, utility property taxes have been assessed at rates of 100% and 88% of true value, depending on the type of property. SB 3, the Electric Utility Deregulation bill, was passed in 1999. This act revised the tax assessment rates for most classes of public utility property. The tax assessment rate for all tangible personal property of an electric company, except transmission and distribution property, was reduced by 25%. By enacting a kilowatt-hour excise tax and requiring the funding of a replacement fund (to make up for losses in assessed value), the Legislature intends to hold school districts financially harmless due to electric deregulation. A similar hold harmless provision was built into SB 287, dealing with the re-evaluation of public utility property for natural gas utilities. HB 66, the 2006-2007 biennium budget bill enacted a number of changes to the public utility property tax. The assessment rate of all electric transmission and distribution of personal property was reduced from 88% to 85%. The assessment rate for all other electric personal property was reduced from 25% to 24%. A School Property Tax Replacement Fund was established to reimburse school districts for the loss in taxable value resulting from deregulation of the electric and gas utility industries.

House Bill 66 phases out the tax on the tangible personal property of general businesses, telephone and telecommunications, and railroads. The tax on general business and railroad property were eliminated in 2009, and the tax on telephone and telecommunications property will be eliminated by 2011. The tax is phased out by reducing the assessment rate on the property each year. HB 66 makes provision to replace revenue lost due to the phase out of the tangible personal property tax. Businesses are now subject to a commercial activity tax (CAT) that will provide replacement income to school districts for the lost tangible

property revenues. In the first five years of enactment (2006-2011), school districts are reimbursed for lost revenue based on 2004 valuations; in the following seven years, these reimbursements are slowly phased out.

Ohio law grants tax credits to offset increases in taxes resulting from increases in the true value of real property. Legislation implementing a 1980 constitutional amendment classifies real property between (1) residential and agricultural and (2) all other real property, and provides for tax reduction factors to be separately computed for and applied to each class. These credits apply to certain voted levies on real property, and do not apply to unvoted tax levies or voted tax levies to pay debt service on general obligation debt.

Additionally, in 1976 the General Assembly passed House Bill 920. This law provides that real property owners receive tax credits equal to any tax increase caused by an increase in value of all real property in taxing districts as a result of reappraisal, update or readjustment. This does not apply to inside non-voted millage, tangible property or new construction. In effect, H.B. 920 removes inflationary revenue growth from the applicable real property by requiring an adjustment to the voted millage rate, thereby resulting in a lower effective millage rate.

Property tax levies and collections for the last ten years are shown in comparative format in the statistical section.

School Foundation

The State's School Foundation Program is another major source of revenue for the School District's General Fund. The State assists public school districts under a statutory program, which includes direct payments to districts based upon a statutory formula. Such payments are made through the School Foundation Program established by the Ohio Revised Code. School Foundation Program funds distributed to a School District are required to be used for current operating expenses, unless specifically allocated by the State for some other purpose.

Basic eligibility for School Foundation Program payments is based on a School District's compliance with State-mandated minimum standards.

State foundation projections for fiscal year 2010 and 2011 are based on House Bill 1 "Evidence Based Funding Model." The new "evidence-based" funding model (HB 1) replaces the current school funding calculation (HB 119) with a new method that calculates an "adequacy" amount for each school district.

Adequacy of the New Evidence Based Funding Model is made up of components and factors. The adequacy amount calculated by the new formula includes the following components:

- Instructional Service Support – provides funding for core teachers, specialist teachers, special education teachers, lead teachers, special education teacher's aides and supplemental teachers.
- Administrative Services – provides funding for superintendents and treasurers, principals, secretaries, and building managers.
- Operations and Maintenance Services – provides funding for operations and maintenance.
- Gifted Education and Enrichment – provides enrichment support funding.
- Technology Resources – provides funding for media services and technical equipment.
- Professional Development – provides funding for professional development.
- Additional Services Support – provides funding for family and community liaisons, school nurse wellness coordinators and district health professionals.
- Instructional Materials Factor – provides funding for instructional materials.

The adequacy amount for each component is based on a number of factors:

- Statewide Average Teacher Salary – Several of the components in the new funding model are calculated based on the statewide average teacher salary. HB 1 sets the teacher salary amount at \$56,902 for 2010 and \$57,812 for fiscal year 2011.

- Educational Challenge Factor – is an index applied to the statewide teacher salary amount to adjust funding levels to account for the student and community socioeconomic factors. The educational challenge factor is based on the following characteristics:
 - College attainment rate of the district’s population.
 - District’s wealth per pupil.
 - District’s concentration of poverty.
- Organizational Units – is used to index a school district formula Average Daily Enrollment (ADM) at certain grade levels. This factor recognizes that students have different needs at each developmental level (grade level).
- Local Share of the Adequacy Amount – budget bill includes the local share of the adequacy calculation. The calculated local share (“charge-off”) is reduced from the adequacy amount calculation. The “charge-off” under the previous funding formula (HB 119) is based on 23 mills times the district’s total taxable valuation (fiscal year 2009 “charge-off”). Under HB 1, the “charge-off” is reduced to 22 mills times taxable valuation for fiscal year 2010 and 2011.

For fiscal year 2010, transitional aid (guarantee) limits the decrease in state aid to 1% and to 2% in fiscal year 2011. No district’s combined fiscal year 2010 adequacy amount will be more than .75% higher than fiscal year 2009 funding levels. No district’s combined fiscal year 2011 adequacy amount will be more than .75% higher than fiscal year 2010 funding levels. State funding allocations for fiscal years 2012 and beyond are projected to remain at fiscal year 2011 levels.

Local Economy

The City of Cleveland, located on the southern shores of Lake Erie, and is the county seat of Cuyahoga County. The City is included in the Cleveland-Elyria-Mentor, OH Metropolitan Statistical Area (MSA), comprised of Cuyahoga, Lake, Lorain, Geauga, and Medina counties. This MSA is the 26th largest of 567 Metropolitan Areas in the United States, and the largest Metropolitan Area in the State of Ohio. Founded in 1796, Cleveland quickly established economic strengths in heavy industry, including oil, iron and steel, and combined with its favorable location on major shipping channels soon emerged as the dominant manufacturing and business center of Northeast Ohio. While the City’s economy has shifted more toward health care and financial services, its manufacturing base has assumed a smaller, yet still vital role. Competitive pressures in manufacturing have limited job creation, but the competitive position of Cleveland-based industrial companies has improved.

Cleveland’s economic condition draws strength and stability from its evolving role as a focal point of a growing, changing and substantial regional economy. The City is located at the center of one of the nation’s heaviest population concentrations. The Cleveland metropolitan area is a significant local market, housing 2.1 million people. Cleveland also provides superior links to the global markets. The Cleveland-Cuyahoga Port Authority handles the largest amount of overseas cargo on Lake Erie and includes a Foreign Trade Zone. The City is also well-served with extensive highways, and the Cleveland Hopkins International Airport services as a Continental Airlines Hub and is serviced by all major airlines. The re-emergence of downtown Cleveland as a vibrant center for national and regional entertainment and major cultural activities signals a turning point in the City’s overall fortunes and is paving the way for further economic expansion that will be significantly more entrepreneurial in scope.

The following projects currently underway will provide the momentum necessary to continue rebuilding the City’s economic base:

- Euclid Corridor – More than \$3.3 billion worth of projects are in the works or were recently finished along five miles of Euclid Avenue. Major projects completed recently include: Cleveland Clinic Heart and Vascular Institute (\$506 million); Cleveland Clinic Urological and Kidney Institute (\$128 million); and Euclid Corridor (\$200 million).
- Medical Mart and Convention Center – An agreement was reached with Merchandise Mart Properties to construct and build a Medical Mart and Convention Center at the site of the current convention

center. Once completed, the \$425 million center is projected to generate as much as \$331 million per year of economic activity.

- Flats East Bank – Construction of the \$270 million first phase of the Flats East Bank project will begin in 2010. The first phase includes an office building to house accounting firm Ernst & Young and law firm Tucker Ellis & West. Plans also include a hotel, stores, restaurants, a health club and 14 acres of public parks and green space.

Major Initiatives

“The primary goal of the Cleveland Municipal School District is to become a premier school district in the United States of America.”

In order to become a premier school district, Dr. Sanders has addressed “The Path to Premier” reform strategy which is comprised of five critical areas that form the cornerstone of the plan for the next 12-24 months. They are:

1. TurnAround Schools
2. Curriculum Improvement
3. Safety and Security
4. Technology
5. Constituent Engagement

In addition, a five-year Strategic Plan (2007-2012) designed to chart the course for all levels of the School District’s academic and organizational effectiveness was initiated and completed. This plan was based on a conscious decision to involve all stakeholders in the development process. Thousands of students, parents, teachers, political figures, business representatives, community leaders and faith-based groups joined our steering committee and the administrative team in the planning process.

Moving forward in eliminating the achievement gap, the School District has set another high goal. The disparity between economically disadvantaged students, racial minorities, and ethnic minorities and students not belonging to those groups must be eliminated. Beginning with our early childhood students, the School District will provide a firm foundation for student success. The School District will assure class sizes are conducive to self expression and individualized learning. Finally, the School District will continue to identify academic disparity throughout the School District and will aggressively respond with the remedies that will close the gap.

TurnAround Schools

The TurnAround Schools initiative has been created to focus on ten of the School District’s lowest performing schools. These are Pre-K through 8 schools that have not made adequate yearly progress for five, six or seven years.

Major strategies in the TurnAround Schools initiative plan include:

1. Track the schools progress very closely. Monitor proficiency, attendance and school climate.
2. Allocating the necessary resources available to make improvement. For example, a curriculum specialist, assistant principals, academic coaches, and parent support groups are engaged with every school.
3. Social workers and counselors will be assigned to the most challenging schools. These buildings we’ll provide focused professional development for staff, enhanced communication with parents and increased extracurricular programming.

Innovation in Curriculum

The School District believes that the same old teaching methods and materials for the same old world simply does not cut it anymore. The Schools District continues to stretch the definition of what a public school education should include. For the last three years, the School District has plowed the ground and has sown the seeds of innovation and continuous improvement. Now the School District will water and nurture to harvest unblemished fruit for realignment, replications and expansion.

During the 2008-2009 school year, the School District opened the STEM schools – those schools specializing in science, technology, engineering and math that will equip students with the tools they need to succeed in the 21st century global economy. The School District is proud the STEM school at General Electric's Nela Park will be the first high school in the nation to be housed on the campus of a Fortune 500 company.

The School District believes by placing students within a corporate work setting is not only teaching the required curriculum to meet the standards of the OGT but modeling the type of professional behavior that will be expected of these students in the 21st century workforce. The administrators of the school are also collaborating with General Electric management to craft specific lesson plans that address real world issues, showing first hand how what students learn in the classroom is translated into a challenging rewarding career.

Other examples of innovation the School District has introduced include:

- Four single gender schools that opened in the fall of 2007 for students in Pre-K through 8.
- Ginn Academy.
- The Design Lab High School at Jane Adams, support by the Cuyahoga Community College.

In addition, the School District has obtained funding to explore the idea of a residency-based Honors Academy that will have the highest academic standards to prepare students for acceptance to the nation's more prestigious colleges and universities.

Safety and Security

The School District will continue to focus on improving student and staff safety in schools and to foster a more respectful atmosphere in schools more conducive to teaching and learning. A "zero tolerance" policy has been announced for any behavior in schools that can detract from the focus on academics.

Safety leadership teams were created and placed in schools to permit students to have valuable input in efforts to increase student safety, create a more respectful environment for teaching and learning in schools, and to provide a mechanism for responding to student concerns.

As part of the five-year Strategic Plan, the Safety & Security Plan provides a framework for addressing safety and violence in our schools and communities and involves a collaborative effort with the major safety forces within the City. The Safety & Security goal is to maintain a safe and secure school environment that supports the societal rules of a peaceful community.

The major strategies in an effort to reach this goal include:

1. Conduct additional metal detection security Sweeps annually, thereby providing proactive and preventative measures in support of becoming a premier school district.
2. Increase the number of security staff that will enhance the overall effectiveness of security operations.
3. Create a school Community Service Officers (CSO) job category to be assigned to the Elementary Schools to assure safe walking routes for the elementary students. As part of the department's

community policing strategy, this position will address concerns of parents of small children walking to and from school.

4. Increase the number of truancy sweeps.
5. Provide two types of searches (modified and full metal) for monitoring building security.
6. Investigate the implementation of bike patrols that will rotate patrol routes around all elementary schools, neighborhoods and the business community.
7. Utilize state-of-the-art technology to enhance safety and security efforts.

Technology

During 2008-2009, the School District was proud to launch the new website (www.cmsdnet.net). Communication to our many stakeholders is key to our success, so the School District put a great deal of time and effort into the new site. The redesign was driven by recommendations from a cross section of the community.

The highlights of the website include:

- More interactive, overall site navigation has been designed with the user in mind.
- Accessible in both english and Spanish.
- Compliance with Section 508 of the Federal Rehabilitation Act, which requires equal access to information for disabled Americans.
- A new section called Support CMSD allows the public to support the School District either by volunteering or giving monetarily.
- An Alumni section for those looking to reconnect with their alma mater.
- Future plans include giving parents access to their child's homework assignments and grades so that they will find it much easier to make learning a central activity in the home.

Video On Demand is now available in all school buildings. With the rate at which the moving image is supplanting the written word as a pedagogical tool, this is an essential development.

Constituent Engagement

The Student/Parents Organization which has more than 350 members received training to increase their effectiveness as advocates and ambassadors. The School District intends for this organization to quickly grow in size and influence our students.

The "Mission Possible" initiative was created to blend a historic collaboration between teachers and the School District to share best practices, facilitate mentoring, and will lead to much improved outcomes in the classrooms.

Significant Accomplishments

The School District has made great strides during the last year. Some of the key accomplishments include:

- Several strategies are underway regarding the School District's customer service initiative:
 - Established a multi-divisional customer service committee to review and oversee the implementation of a comprehensive customer service plan and customer service modules.
 - Prepared a video for viewing by current and new employees that clearly displays the expectations of premier customer service.

- Established a “Talk to the CEO” link on the School District’s web page. This method of direct communication to the CEO allows for on-going communication on any issue that interested individuals want to share.
- Community Engagement Initiatives:
 - Hats Off to Cleveland’s Kids Day.
 - OGT Door-To-Door Campaigns.
 - Quarterly Parent Round-Ups.
 - Army of Believers Luncheon.
- For the 2008-2009 school year, the School District began offering the following opportunities for students in our district and region:
 - MC2 STEM High School offers the regional need for advance high school education in science, technology, engineering and math. The MC2 STEM High School will be a unique opportunity school of choice that will accept 75 percent of its students from the School District and 25 percent from the region. This high school will be the first incubator STEM school in Cleveland housed on a STEM industry corporate campus. This innovative institution will provide students with a dynamic real-world learning environment with a foundation of rigorous STEM based academic principles. The MC2 STEM High School will be located at General Electric Nela Park.
 - Design Lab Early College High School will combine creative thinking, refined technical skills and artistic application of design. The students will participate in the full evolution of projects from conception and design to fabrication and presentation. The School District is partnering with Tri-C’s Metro Campus for this dynamic opportunity.

Both schools will offer a three-year high school experience. During their senior year, students will attend classes on a college campus. The School District believes these opportunities of schools of choice will not only be attractive to students and faculty but will position our students to compete on a global scale.

- In the fall of 2007 the School District opened four single gender schools for students in grades Pre-K through 8. According to a survey conducted by the Cleveland Foundation, parents of students at these single gender schools report a 94% satisfaction rate with the schools.
- This past year, all of the Ginn Academy’s ninth-graders were promoted to the 10th grade, and all but two of the 10th graders matriculated to the 11th grade. The Academy scored a rating of “Continuous Improvement” on its first Ohio Department of Education Local Report Card in its first year of operation.
- The School District continued to operate a in-district charter academy, the Promise Academy, which opened in the 2006-2007 school year. The Promise Academy provides students with an alternative method of earning credit towards graduation by offering courses on-line.
- The School District is facilitating teacher engagement by encouraging professional development for every teacher. More than 6,000 educators attended our first-ever professional development day at the I-X Center this past November.
- To enhance safety and security, independent audits are being conducted to assess the current level of support, services personnel and security equipment for the purpose of extracting strategic insights and making recommendations to improve School District safety and security. The School District has installed metal detectors and increased security guards to all buildings. Serious incidents were down 13% last school year with the implementation of these measures. This year to date the School District is showing a 23% decline in serious incidents.

- The School District continued the 3Rs (Rights, Responsibilities, Realities) collaboration with the Cleveland Bar Association in which more than 700 lawyers, judges and other volunteers of the legal community have gone into 10th-grade classrooms in our high schools. Their mission is to improve understanding of the law and the Constitution; improve passage of the Ohio Graduation Test; and to provide practical career counseling to focus students on their potential beyond high school.
- The School District has implemented the Governor's Initiative for Increasing Graduation Rates program. The program provides a firm foundation for ninth grade males targeting academic and extracurricular interventions necessary to increase the graduation rate of this population of students. The program sponsored an Inaugural Celebration at Cleveland State University's Wolstein Center on Tuesday, January 20, 2009. Parents and students from Cleveland and surrounding communities gathered to witness the inauguration of the 44th President of the United States of America, Barack H. Obama.
- Construction was completed at R.G. Jones and Artemus Ward schools. These two schools opened for the 2008-2009 school year. Construction began and continued on Garfield, Buhner, Patrick Henry, Wade Park, East Clark, Harvey Rice, Wilson, Robert Jamison, Adlai Stevenson, Anton Grdina, Thomas Jefferson, Euclid Park, Charles Dickens, G.W. Carver and Nathan Hale.
- A District-wide uniform policy was instituted for grades K-8. High school students are required to adhere to the School District dress code.

The listing above represents just a sample of what is being achieved. Things will continue to change for the better in the years to come.

Long-Term Financial Planning

The Board of Education has assigned responsibility for annual and long-term financial planning to the Chief Financial Officer/Treasurer. The policies require that the first objective of financial management planning is to provide for the education of the School District's children. We are expected to use the best available techniques for budget development and management, as well as to engage in strategic, long-term financial planning which attempts to forecast the need for future educational and capital expenditures.

The School District has implemented a 14-year ten segment Master Facility Plan that will require approximately \$1.3 billion to repair, renovate and rebuild its school facilities. The revised Master Facility Plan called for the construction/replacement of 50 schools, renovation of 15 existing facilities and maintain and repair 6 existing facilities as resources allow. Segment one of the construction projects began in 2002. Through June 30, 2009, the School District has constructed 11 new schools and renovated 7 existing facilities.

Relevant Financial Policies

At the beginning of each fiscal year, the School District adopts either a temporary or permanent appropriation measure for that fiscal year. If a temporary appropriation measure is first adopted, the permanent appropriation measure must be adopted upon receipt from the County Auditor of an amended certificate of estimated resources based on final assessed values and tax rates, which is usually within the first three months of the fiscal year.

Annual appropriations may not exceed the County Budget Commission's official estimate of resources. The County Auditor must certify that the School District's appropriation measures, including any supplements or amendments, do not exceed the amount set forth in the latest of those official estimates.

All disbursements and transfers of cash between funds require appropriation authority. Budgets are controlled at the fund level. All purchase order requests must be approved by the appropriate levels of authority and certified by the Chief Financial Officer/Treasurer; necessary funds are then encumbered and purchase orders are released to vendors.

The accounting system used by the School District provides interim financial reports which detail year-to-date expenditures and encumbrances versus the original appropriation plus any additional appropriations made to date.

Each administrator and school principal is furnished monthly reports showing the status of the budget accounts for which they are responsible. In addition, an on-line inquiry system is available for each cost center site.

The School District pursues an aggressive cash management program by expediting the receipt of revenues and prudently investing and depositing available cash in obligations collateralized by instruments issued by the United States Government, governmental agencies, corporations or the State of Ohio or insured by the Federal Deposit Insurance Corporation (FDIC) and/or the Securities Investor Protection Corporation (SIPC).

Protection of the School District's deposits is provided by the federal deposit insurance corporation and/or by qualified securities pledged by the institution holding the assets. By law, financial intuitions may establish a collateral pool to cover all public deposits. The market value of the pooled collateral must equal at least 105 percent of public funds deposited. Collateral is held by trustees including the Federal Reserve Bank and other designated third-party trustees of the financial institutions.

Awards

GFOA Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the School District for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2008. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Comprehensive Annual Financial Report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

ASBO International Certificate of Excellence

The School District received the Association of School Business Officials (ASBO) International Certificate of Excellence in Financial Reporting for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2008. This award certifies that the report substantially conforms to the principles and standards of financial reporting as recommended and adopted by ASBO. The award is granted only after an intensive review of financial reports by an expert ASBO panel of review consisting of certified public accountants and practicing School business officials. 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 believe our current report continues to conform to the Certificate of Excellence program requirements, and we are submitting it to ASBO.

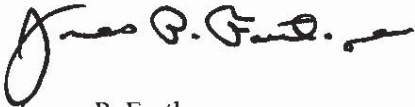
Acknowledgments

The publication of this report signifies a professionalizing of the School District's financial reporting. It enhances the School District's accountability to the residents of the School District.

The preparation of this report would not have been possible without the assistance and support of the staff of the Financial Reporting's Division of the Finance Department.

Finally, we would like to acknowledge members of the Board who have expressed their interest and support in planning and conducting the financial operations of the School District.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "James P. Fortlage". The signature is fluid and cursive, with a large initial "J" and a long horizontal stroke at the end.

James P. Fortlage
Chief Financial Officer

Cleveland Municipal School District

Board Members

Appointed by Mayor of City of Cleveland

Name	Began Service as a Board Member	Present Term Expires June 30
Denise W. Link, Chair	2007	2011
Louise P. Dempsey, Vice Chair	1998	2011
Rashidah Abdulhaqq	1998	2011
Grady P. Burrows (a)	2003	2009
Patricia Crutchfield (b)	2009	2013
Robert M. Heard, Sr.	2004	2013
Harvey Hopson, Jr	2009	2011
Willetta A. Milam	2003	2013
Natalie L. Peterson	2007	2013
Iris M. Rodriguez	2009	2011
Dr. Michael Schwartz, ex-officio (c)		
Dr. Ronald M. Berkman, ex-officio (d)		
Dr. Jerry Sue Thornton, ex-officio		

(a) Term Ended June 30, 2009

(b) Appointed September 29, 2009

(c) Retired June 30, 2009

(d) Appointed July 1, 2009

Cleveland Municipal School District

Senior Appointed Officials

Eugene T.W. Sanders, Ph.D.	Chief Executive Officer
Eric Gordon	Chief Academic Officer
John Hairston	Chief Communications Officer
James Fortlage	Chief Financial Officer
Stephen DeVita	Chief Legal Counsel
Lester Fultz Jr.	Chief Safety and Security
Pamela Smith	Chief of Staff
Leigh McGuigan (a)	Senior Executive New and Innovated Schools
Christine Fowler-Mack (b)	Interim Senior Executive New and Innovative Schools
Nicholas Jackson	Deputy Chief of Business Operations
Gary Sautter	Deputy Chief of Capital Programs
Karen Thompson	Deputy Chief of Curriculum and Instruction
Clinton Faulkner (c)	Deputy Chief of Human Resources
Donna Bowen (d)	Interim Deputy Chief of Human Resources
Renee Cavor	Deputy Chief of K-8 Education
Wayne Belock	Deputy Chief of Legal Council
Joseph Podach	Deputy Chief of Operations and Performance Improvement
Adrienne Noel, Ph.D. (e)	Deputy Chief of Research and EMIS
Charles Boddy	Deputy Chief Safety and Security
Lincoln Haughton	Deputy Chief of Secondary Education
Sharon McDonald	Deputy Chief of Special Programs
Cynthia Kline (f)	Deputy Chief of State, Federal, Foundation and Special Education Programming
Diana Ehlert (g)	Deputy Chief of State, Federal, Foundation and Special Education Programming
Russel Brown (h)	Senior Executive Research and Accountability
Blessing Nwaozuzu (i)	Senior Executive Information Management
Shirrell Greene	Deputy to the Chief Executive Officer
Omega Brown	Executive Director/Deputy to the Chief Executive Officer
Gwen Minter, Ph.D. (j)	Deputy to the Chief of Staff
Lisa Farmer (k)	Deputy to the Chief of Staff
Lisa Matthews	Executive Assistant to the Chief Executive Officer

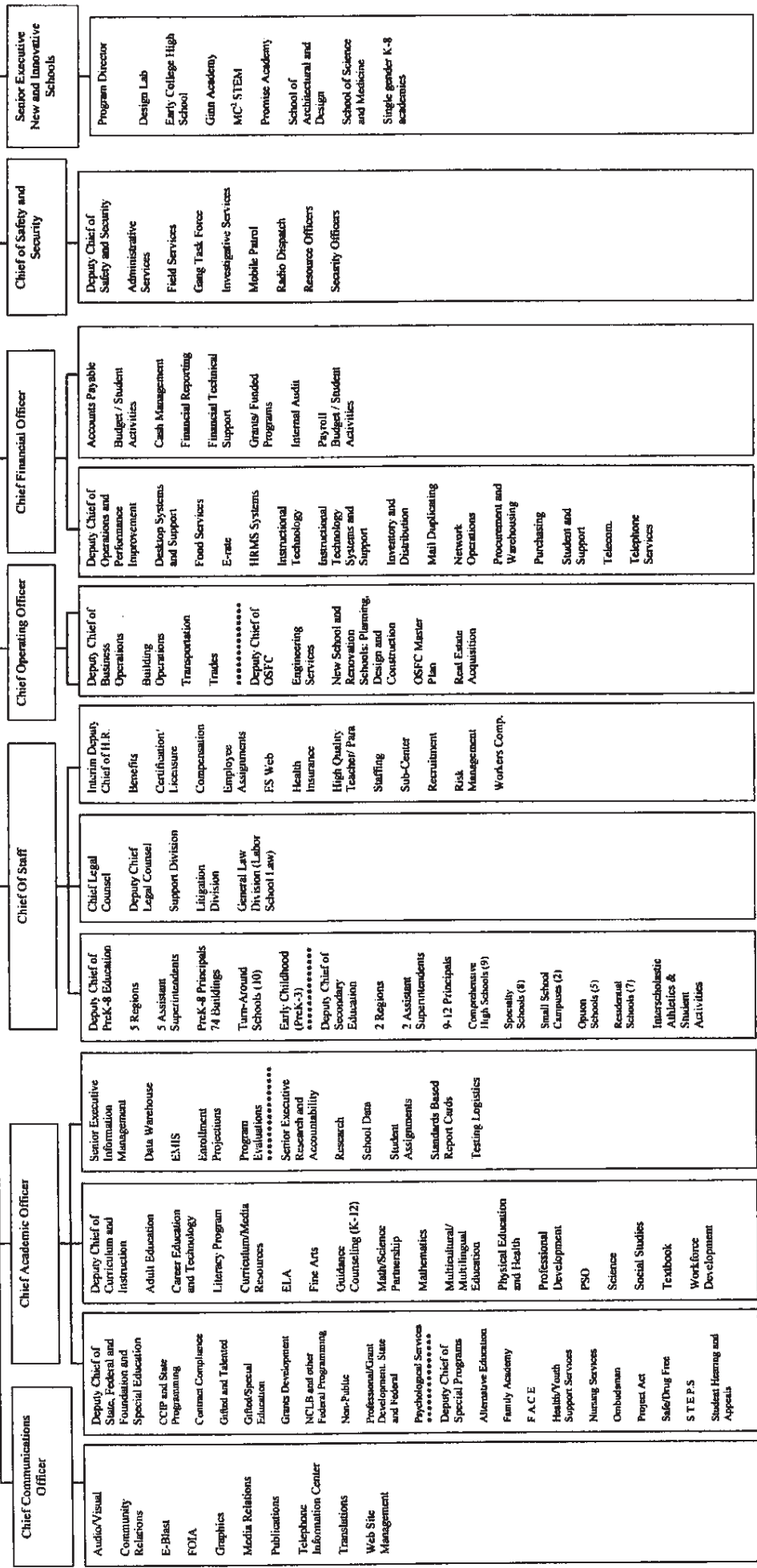
- (a) Resigned May 18, 2009
- (b) Appointed November 2, 2009
- (c) Retired November 1, 2009
- (d) Appointed March 2, 2009
- (e) Retired October 1, 2009
- (f) Resigned September 24, 2009
- (g) Appointed August 3, 2009
- (h) Appointed June 4, 2009
- (i) Appointed February 29, 2009
- (j) Retired January 1, 2009
- (k) Appointed January 5, 2009

Cleveland Municipal School District Organizational Chart

SCHOOL BOARD

CHIEF EXECUTIVE OFFICER

Executive Director/Deputy Chief to the CEO



Certificate of Achievement for Excellence in Financial Reporting

Presented to

Cleveland Municipal School
District, Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2008

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



President

Executive Director

**ASSOCIATION OF SCHOOL BUSINESS OFFICIALS
INTERNATIONAL**



This Certificate of Excellence in Financial Reporting is presented to

CLEVELAND MUNICIPAL SCHOOL DISTRICT

For its Comprehensive Annual Financial Report (CAFR)

For the Fiscal Year Ended June 30, 2008

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

Angela Piterman

President

John D. Mason

Executive Director

Financial Section



Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

Board of Education
Cleveland Municipal School District
Cuyahoga County
1380 East Sixth Street
Cleveland, Ohio 44114

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Cleveland Municipal School District, Cuyahoga County, Ohio, (the District) as of and for the year ended June 30, 2009, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Cleveland Municipal School District, Cuyahoga County, Ohio, as of June 30, 2009, and the respective changes in financial position and where applicable, cash flows, thereof and the budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 30, 2009, 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.

Management's Discussion and Analysis is not a required part of the basic financial statements but is 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 nonmajor 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 nonmajor 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 cursive script that reads "Mary Taylor".

Mary Taylor, CPA
Auditor of State

December 30, 2009

Cleveland Municipal School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2009
Unaudited

The discussion and analysis of the School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2009. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the transmittal letter, notes to the basic financial statements and financial statements to enhance their understanding of the School District's financial performance.

Financial Highlights

Key financial highlights for 2009 are as follows:

- ❑ Total current and other assets increased by \$27.4 million and capital assets increased by \$70.0 million, resulting in a net increase in total assets of \$97.4 million in Governmental Activities.
- ❑ Total short-term liabilities decreased \$15.7 million and total long-term liabilities decreased \$16.8 million, resulting in a net decrease in total liabilities of \$32.5 million in Governmental Activities.
- ❑ Total net assets increased \$129.9 million in Governmental Activities.
- ❑ General revenues accounted for \$628.0 million in revenue or 62.8% of all revenues for Governmental Activities. Program specific revenues in the form of charges for services, sales, grants or contributions accounted for \$372.8 million or 37.2% of total revenues of \$1,000.8 billion.
- ❑ Total program expenses were \$870.9 million in Governmental Activities.
- ❑ Among major funds, the General Fund had \$594.0 million in revenues and other financing sources and \$634.1 million in expenditures and other financing uses. The General Fund's fund balance decreased by \$40.1 million.

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 School District as an entire operating entity. The statements begin at a summary level and expand to detailed financial activities.

The *Statement of Net Assets* and *Statement of Activities* provide information about the activities of the entire School District, presenting both an aggregate view of the School District's current finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements present how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the School District's most significant funds with all other nonmajor funds presented in total in one column. The General Fund, the Debt Service Fund and the Classroom Facilities Fund are the most significant governmental funds.

Reporting the School District on a Government-Wide Basis

Statement of Net Assets and the Statement of Activities

While this document contains the large number of funds utilized by the School District to provide programs and activities, the view of the School District as an entity looks at all financial transactions and asks the

Cleveland Municipal School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2009
Unaudited

question, "How did we do financially during 2009?" 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 was received or paid.

These two statements report the School District's net assets and changes in those net assets. This change in net assets is important because it tells the reader whether the financial position of the School District, as a whole, 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 School District's property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, required educational programs, general inflation and other factors.

All of the School District's programs and services are reported as Governmental Activities in the Statement of Net Assets and the Statement of Activities. Governmental Activities consists of functions that are principally supported by taxes and intergovernmental revenues. Such activities include instruction, support services, operation and maintenance of plant, pupil transportation, operation of non-instructional services and extracurricular activities among others for the School District.

Currently, the School District has no Business-Type Activities, which include functions that are intended to recover all or a significant portion of their costs through user fees and charges.

Reporting the School District's Most Significant Funds

Fund Financial Statements

The analysis of the School District's major funds begins on page 18. Fund financial reports provide detailed information about the School District's major funds. The School District uses many funds to account for its financial transactions. However, these fund financial statements concentrate on the School District's most significant funds. The School District's major governmental funds are the General Fund, the Debt Service Fund and the Classroom Facilities Fund.

Governmental Funds - Most of the School 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 modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the School District's general government operations and the basic services it provides. Governmental fund information helps the reader determine the amount of 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 have historically operated as enterprise and internal service funds using the same basis of accounting as business-type activities. The School District has no enterprise funds. The internal service fund is used to account for and finance its uninsured risks of loss and associated expenses attributable to deductibles and self-insured retention limits for general liability and property damage claim settlements and judgments.

Cleveland Municipal School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2009
Unaudited

The School District on a Government-Wide Basis

The Statement of Net Assets provides the perspective of the School District as a whole.

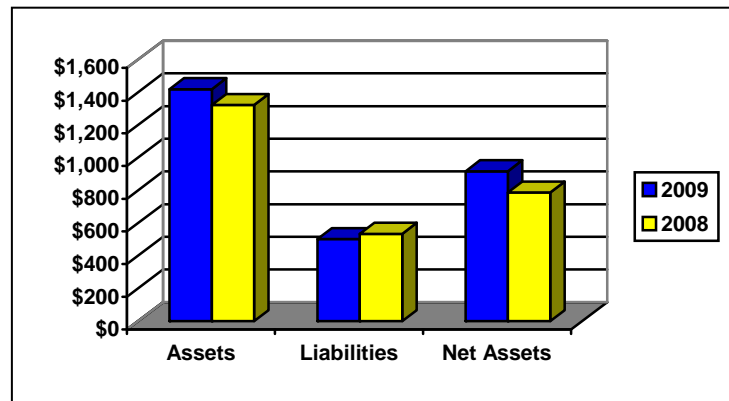
Table 1 provides a summary of the School District's net assets for 2009 compared to 2008:

Table 1
Net Assets
Governmental Activities
(\$ In Millions)

	Governmental Activities		Change
	2009	2008	
Assets			
Current and Other Assets	\$ 828.7	\$ 801.3	\$ 27.4
Capital Assets	592.0	522.0	70.0
Total Assets	1,420.7	1,323.3	97.4
Liabilities			
Current Liabilities	252.7	268.4	(15.7)
Long-Term Liabilities	249.8	266.6	(16.8)
Total Liabilities	502.5	535.0	(32.5)
Net Assets			
Invested in Capital			
Assets Net of Related Debt	410.8	332.1	78.7
Restricted for:			
Capital Projects	391.5	313.9	77.6
Debt Service	33.9	33.4	0.5
Other Purposes, All	40.2	34.5	5.7
Unrestricted	41.8	74.4	(32.6)
Total Net Assets	\$ 918.2	\$ 788.3	\$ 129.9

Cleveland Municipal School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2009
Unaudited

Graph 1
Net Assets
Governmental Activities
(\$ In Millions)



Current and other assets increased by \$27.4 million and capital assets increased by \$70.0 million, resulting in an overall increase in total assets of \$97.4 million. The increase in current and other assets is mostly attributable to a net increase in intergovernmental receivables of \$96.2 million. The increase in intergovernmental receivables is attributable to the balance due from the Ohio School Facilities Commission for Segment 5, which was signed during fiscal year 2009. The primary reason for the significant growth in capital assets is the continuation of a massive new facility construction/renovation program. This is described further in the *Capital Assets* section following.

Current liabilities decreased by \$15.7 million and long-term liabilities decreased by \$16.8 million, resulting in an overall decrease in total liabilities of \$32.5 million. The decrease in current liabilities is due primarily to a decrease of unearned revenue caused by a decrease of current taxes receivables. The decrease in long-term liabilities is due primarily to the debt payments of approximately \$10.1 million and is described further in the *Debt Administration* section following.

Total net assets increased by \$129.9 million, demonstrating an overall improvement in the School District's financial position. This is mainly the result of a \$70.0 million increase in the capitalization of new facility construction/renovation assets, which will be allocated to expense over the useful life of those assets and the increase of \$97.7 million receivable due from the Ohio School Facilities Commission, which represents the balance due to the School District for Segments 1-5. At the end of the current year, the School District is able to report positive balances in all three categories of net assets.

Cleveland Municipal School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2009
Unaudited

Table 2 shows the change in net assets for fiscal years 2009 and 2008.

Table 2
Changes in Net Assets
Governmental Activities
(\$ In Millions)

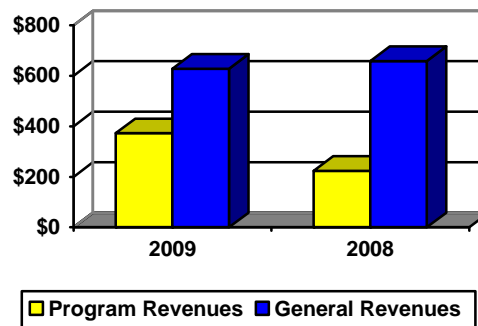
	Governmental Activities		Change
	2009	2008	
Revenues			
General Revenues:			
Property Taxes	\$ 188.3	\$ 221.6	\$ (33.3)
Grants and Entitlements	419.5	410.7	8.8
Investments Income	9.5	18.7	(9.2)
Miscellaneous	10.7	7.1	3.6
Program Revenues:			
Charges for Services	2.1	2.2	(0.1)
Operating Grants	219.8	219.8	0.0
Capital Grants	150.9	2.4	148.5
Total Revenues	1,000.8	882.5	118.3
Program Expenses			
Instruction	542.8	532.7	10.1
Support Services:			
Pupil and Instructional Staff	85.4	81.1	4.3
Board of Education, Administration, Fiscal and Business	59.7	59.7	0.0
Operation and Maintenance of Plant	74.5	109.2	(34.7)
Pupil Transportation	32.0	27.5	4.5
Central	19.3	15.0	4.3
Operation of Non-Instructional Services	42.2	42.6	(0.4)
Extracurricular Activities	6.9	6.8	0.1
Interest and Fiscal Charges	8.1	9.2	(1.1)
Total Expenses	870.9	883.8	(12.9)
Change in Net Assets	129.9	(1.3)	131.2
Net Assets Beginning of Year	788.3	789.6	(1.3)
Net Assets End of Year	\$ 918.2	\$ 788.3	\$ 129.9

Cleveland Municipal School District
 Management's Discussion and Analysis
 For the Fiscal Year Ended June 30, 2009
 Unaudited

Graph 2
 Revenue for Governmental Activities
 (\$ In Millions)

	2009	2008
General Revenues	\$ 628.0	\$ 658.1
Program Revenues	372.8	224.4
Total Revenues	\$ 1,000.8	\$ 882.5

Governmental Activities - Revenue



General Revenues

General revenues for the School District are comprised almost entirely of property tax collections and grants from various sources. Property taxes made up 30.0% and 33.7% and grants made up 66.8% and 62.4% of general revenues for governmental activities for the School District in fiscal years 2009 and 2008, respectively.

The unusual nature of property tax legislation in the State of Ohio creates the need to routinely seek voter approval for increases in operating funds to maintain a constant level of service. As a result of legislation enacted in 1976, the overall revenue generated by a voted millage does not increase as a result of inflation. As an example, a homeowner with a home valued at \$100,000 (assessed value of \$35,000) and taxed at 1.0 mill would pay \$35.00 annually in taxes. If three years later the home was reappraised and increased to \$200,000 (assessed value of \$70,000) the effective tax rate would become .5 mill and the owner would still pay \$35.00. Because of this taxation methodology, real property tax assessments due to the School District have held steady for the past several years. Collection rates have declined and there has been some increase in delinquencies in the past several years due to the slowing economy and slightly higher unemployment rates for the City of Cleveland. The personal property tax assessments and collections have declined significantly for similar reasons.

The voters of the City of Cleveland approved a new property tax levy in May 2001 (Issue 14), the first since 1996. This levy was approved to support the payment of the debt service for bonds issued for the school facility construction/renovation program and to support the ongoing maintenance of those facilities. Collections cannot be used to support the general operations of the School District. The collection on that levy began in January 2002.

Cleveland Municipal School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2009
Unaudited

The primary source of grant revenue is State general operating aid known as the "Foundation Program Aid". Established by Ohio law and funded by biennial appropriations, the Foundation Program is a statutory program through which the State currently makes direct payments to school districts based upon a statutory formula. Moneys distributed to a school district under the existing Foundation Program are required to be used for current operating expenses, unless specifically allocated by the State for some other purpose.

Program Revenues

Operating and capital grants comprise 99.4% of total program revenues of the School District. These grants, obtained mainly from the Federal Government, State of Ohio and the Ohio School Facilities Commission, support specific educational programs and objectives as defined by these agencies as well as the capital programs. The amount available to the School District may vary from year to year depending on amounts made available by these agencies and the needs of the School District.

Table 3
Total and Net Cost of Program Services
Governmental Activities
(\$ In Millions)

	Total Cost of Services 2009	Net Cost of Services 2009	Total Cost of Services 2008	Net Cost of Services 2008
Instruction	\$ 542.8	\$ (268.7)	\$ 532.7	\$ (402.9)
Support Services:				
Pupil and Instructional Staff	85.4	(43.9)	81.1	(41.5)
Board of Education, Administration, Fiscal and Business	59.7	(54.1)	59.7	(53.6)
Operation and Maintenance of Plant	74.5	(59.6)	109.2	(96.3)
Pupil Transportation	32.0	(30.8)	27.5	(25.9)
Central	19.3	(18.6)	15.0	(14.3)
Operation of Non-Instructional Services	42.2	(8.3)	42.6	(9.8)
Extracurricular Activities	6.9	(6.0)	6.8	(5.9)
Interest and Fiscal Charges	8.1	(8.1)	9.2	(9.2)
Total Expenses	\$ 870.9	\$ (498.1)	\$ 883.8	\$ (659.4)

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 above shows, for government activities, (services supported by tax revenue and unrestricted State entitlements), the total cost of services and the net cost of services.

The largest Governmental Activities program expense remains instruction, comprising 62.3% of the total cost of services. When combined with pupil and instructional support these categories make up 72.1% of the total cost of services. This make-up is consistent with the general educational objectives of the School District. The dependence upon general revenues for governmental activities is apparent. 49.5% of instruction activities are supported through taxes and other general revenues. Similarly, for all governmental activities general revenue support is 57.2%. The community, as a whole, is by far the primary support for the School District students.

Cleveland Municipal School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2009
Unaudited

The School District's Funds

Information about the School District's major funds starts on page 18. These funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues and other financing sources of \$918.4 million and expenditures and other financing uses of \$967.9 million, resulting in a net decrease in fund balances of \$49.6 million.

The General Fund is the chief operating fund of the School District. At the end of the current fiscal year, unreserved fund balance of the general fund was a deficit of \$6.5 million, while total fund balance decreased to \$16.8 million. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total expenditures. Unreserved fund balance represents less than 6 percent of the total general fund expenditures, while total fund balances represents less than 10 percent of that same amount.

The net changes in fund balances for the year were most significant in the General Fund, the Classroom Facilities Capital Projects Fund and Other Governmental Funds. The fund balance in the General Fund decreased \$40.1 million. The decrease in fund balance can be attributed to several items related to increasing expenditures and decreasing revenues. The decrease in tax revenue when compared to the prior year is mainly due to the phase-out of the tangible personal property tax on businesses under HB 66. Earnings on investments also decreased because of lower interest rates. Expenditures increased 5.5% over the prior fiscal year. This increase is due to the following: 3% wage increase as of July 1, 2008, an increase of \$3.0 million for Charter Schools and an increase of \$7.1 million for special educational services. The Classroom Facilities capital projects fund balance decreased \$21.1 million. The decrease was due to the ongoing spending for the facility construction/renovation program. Funding of this program is described in more detail in the *Capital Assets and Debt Administration* section. The School District continues to seek grant monies to provide services to our students as evidenced by the \$11,242,660 increase in fund balance in Other Governmental Funds.

General Fund Budgeting Highlights

The School District's budget is prepared according to Ohio law and is based on accounting for transactions on a cash basis for receipts, disbursements and encumbrances. The General Fund is the most significant fund to be budgeted and is the main operating fund of the School District.

For the General Fund total actual revenues and other financing sources were \$598.2 million, which was approximately the same as the final budget estimate.

The final expenditure and other financing uses budgets was \$651.9 million. Total actual expenditures and other financing uses was \$636.7 million, or \$15.3 million below the final budget estimates. This was mainly due to a continuing effort by the School District's management to reduce its expenditures to lower future operating deficits and postpone the need to appeal to the voters for an additional operating levy.

The General Fund's ending unencumbered cash balance totaled \$43.1 million which was \$25.0 million more than the final budgeted amount.

Cleveland Municipal School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2009
Unaudited

Capital Assets and Debt Administration

Capital Assets

At the end of fiscal 2009 the School District had \$592.0 million invested in land and improvements, buildings and improvements, vehicles and equipment, and construction in progress. Table 4 shows fiscal 2009 balances compared to 2008:

Table 4
Capital Assets at June 30
(Net of Depreciation)
(\$ In Millions)

	Governmental Activities		Change
	2009	2008	
Land	\$ 34.1	\$ 34.1	\$ 0.0
Land Improvements	0.5	0.5	0.0
Buildings and Improvements	309.7	295.9	13.8
Vehicles and Equipment	7.2	9.0	(1.8)
Construction in Progress	240.5	182.5	58.0
Totals	\$ 592.0	\$ 522.0	\$ 70.0

All capital assets, except for land and construction in progress, are reported net of depreciation.

In 2000, a Facilities Assessment Commission was established to review the condition of the School District's facilities. The Commission recommended that a complete renovation program of all School District facilities be undertaken and that a substantial contribution from the State of Ohio (through the Ohio School Facilities Commission) could be included in the proposed construction and renovation plan by participation in the Classroom Facilities Assistance Program (CFAP). Since then, the School District and the Ohio School Facilities Commission have created a Master Facilities Plan, which was revised in 2008, that addresses the needs of all buildings in the School District and the unique needs of the School District and its students. The Revised Master Facilities Plan has been approved by the School District's Board, the Ohio School Facilities Commission and the State Controlling Board. Its cost for the entire program is an estimated \$1.3 billion, of which the School District's cost share under the CFAP will be 32% or approximately \$425 million with the remaining portion (approximately \$902 million) to be paid by the State. As the program continues, factors such as enrollment projections, construction costs, locally funded non-matchable project components and inflation will affect the total scope of the program and the funds required to complete it.

Construction began in 2002 utilizing funding from several sources as described below under *Debt Administration*. Initial work focused mainly on making every facility warm, safe and dry. Concurrently, new facilities have been constructed and others significantly renovated and others inactivated for student use. The complete program is currently estimated to take about fourteen years. See Note 10 to the basic financial statements for additional information on capital assets.

Cleveland Municipal School District
 Management's Discussion and Analysis
 For the Fiscal Year Ended June 30, 2009
 Unaudited

Debt Administration

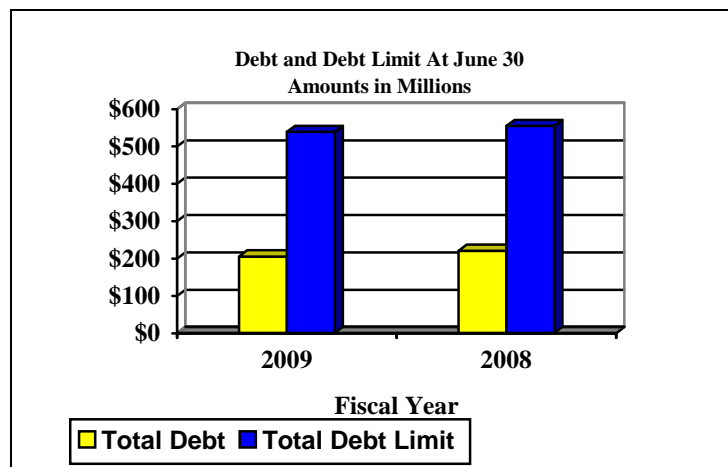
At June 30, 2009 the School District had \$205.8 million in bonds, other long-term obligations and notes outstanding, \$25.2 million due within one year. Table 5 summarizes bonds and notes outstanding.

Table 5
 Outstanding Debt, at Year End
 (\$ In Millions)

	Governmental Activities 2009	Governmental Activities 2008
General Obligation Bonds and Notes:		
EPA Asbestos Abatement Notes	\$ 0.1	\$ 0.1
2002 H.B. 264 Energy Conservation Notes	7.0	7.7
2002 Library Refunding Bonds	10.4	13.8
2002 School Facilities Improvement Bonds	55.4	57.2
2004 School Facilities Improvement Bonds	94.8	97.9
QZAB Bonds:		
2001 QZAB - Technology Academy	5.5	5.5
2001 QZAB - Arts Academy	5.8	5.8
2001 QZAB - Literacy Academy	10.0	10.0
Other Long-Term Obligations:		
Capital Lease Obligation	1.8	2.9
Note Payable:		
2007 School Facilities Improvement Notes	0.0	20.0
2008 School Facilities Improvement Notes	15.0	0.0
Total	<u>\$ 205.8</u>	<u>\$ 220.9</u>

Graph 3
 Debt and Debt Limit
 (\$ In Millions)

	2009	2008
Total Debt	\$ 205.8	\$ 220.9
Total Debt Limit	\$ 538.9	\$ 554.7



Cleveland Municipal School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2009
Unaudited

In order to undertake the initial stages of planning and to perform some required work on its facilities to make them “warm, safe and dry,” the School District utilized several borrowing/funding sources. One source totaling \$21.3 million, the Qualified Zone Academy Bonds (QZAB), was put in place just before the beginning of the 2002 fiscal year. These bonds are being used to support facility renovations at seven specific school sites. Another source, the \$11.5 million H.B. 264 Energy Conservation Notes was used to renovate the environmental controls at school facilities across the School District. In November 2001, the School District issued \$35 million School Facility Bond Anticipation Notes. These Notes represented the first installment of the \$335 million of facility construction/renovation borrowing approved by voters in May 2001.

In October 2002, the School District replaced the short-term School Facility Bond Anticipation Notes with long-term School Facility Bonds. An additional \$40 million of new proceeds were also borrowed at that time, representing the second installment of the \$335 million approved borrowing capacity. In July 2004, the School District issued \$125 million of School Improvement Bonds, the third installment. In December 2005, the School District issued \$30 million of School Facility Bond Anticipation Notes, representing the fourth installment of the \$335 million approved borrowing capacity. In March 2007, the School District issued \$30 million of School Facility Bond Anticipation Notes, representing the fifth installment of the \$335 million approved borrowing capacity. In December 2007, the School District issued an additional \$5 million of new proceeds representing the sixth installment of the \$335 million approved borrowing capacity. In December 2008, the School District issued \$15 million of School Improvement Bond Anticipation Notes representing the seventh installment of the \$335 million approved borrowing capacity.

At June 30, 2009, the School District's overall legal debt margin was \$411.0 million, with an unvoted debt margin of \$6.0 million. The School District's short-term bond rating is “MIG1” and its long-term bond rating is “Baa1”, as rated by Moody's. See Note 17 to the basic financial statements for additional information on all long-term obligations.

Current Issues

The School District is currently projecting a balanced budget through fiscal year 2010 while a deficit is forecasted for fiscal year 2011. The Board and management are currently working on a deficit reduction plan. In addition, there are other ongoing issues to be addressed over the next five years as described below.

State Fiscal Stabilization Fund – The State Fiscal Stabilization Fund (SFSF) program is a new one-time appropriation of \$53.6 billion under the American Recovery and Reinvestment Act (ARRA). Ohio has been allocated \$845 million from the ARRA for the SFSF program. Education SFSF for primary and secondary education will be distributed to the school districts as part of the foundation program. ARRA authorizes school districts to use SFSF for funds for any activity authorized under the following federal education acts: Elementary and Secondary Education Act, Individuals with Disabilities Act, Adult Education and Federal Literacy Act, and the Carl Perkins Career and Technical Education Act. ARRA gives school district's flexibility over the use of these funds. The State may not mandate how a school district will or will not use the funds. Federal SFSF is a one-time allocation that will expire during fiscal year 2011.

State Foundation Payments – HB 1 replaced the prior funding formula (HB 119) with the Ohio Evidence Based Funding Model. Under the final version of the HB 1, calculations include funding for both Cleveland Municipal School District and Charter School students. HB 1 mandates that all school districts pay tuition for all students who reside in the School District and attend a charter school. Foundation payments under the Ohio Revised Code (HB 1) are calculated by the Ohio Department of Education (ODE). For fiscal year 2010 transitional aid limits the decrease in state aid to 1%. For fiscal year 2011 the decrease is limited to 2%. No

Cleveland Municipal School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2009
Unaudited

district's combined fiscal year 2010 amounts will be more than .75% higher than fiscal year 2009 funding levels. No district's combined fiscal year 2011 amounts will be more than .75% higher than fiscal year 2010 funding levels. State funding allocations for fiscal year 2012 and beyond are projected to remain at fiscal year 2011 levels.

Commercial Activity Tax – HB 66 makes provisions to replace revenue lost due to the phase out of the Tangible Personal Property Tax. Businesses are now subject to a Commercial Activity Tax (CAT) that will provide replacement income to school districts for lost tangible property revenues. In the first five years of enactment (2006-2011), school districts are reimbursed for lost revenue based on tax year 2004 valuations; in the following seven years, these reimbursements are slowly phased out.

School Property Tax Replacement – The legislature established a School Property Tax Replacement Fund to reimburse school districts for the loss in taxable value resulting from deregulation of the electric and gas utility industries (SB 3 and 287).

Homestead Exemption – The recent budget bill (HB 119) included significant property tax reduction for senior citizens. The Homestead Exemption will allow senior citizen homeowners and permanently/totally disabled homeowners, regardless of income, to withhold \$25,000 of market value of their owner occupied home from property taxes.

Financial Forecast – The School District is required to adopt a five-year financial forecast of revenues and expenditures each year. A deficit is projected in fiscal years 2011 and beyond. The forecast includes several revenue and expense assumptions based upon recent legislation, historical trends, and future assumptions.

Although the most recent forecast anticipates continuing reductions in School District student enrollment and continued increasing enrollment to charter schools, it projects a positive cash balance until fiscal year 2011.

Employee Relations – As of June 30, 2009, all contracts have expired for all matters except subcontracting and insurance benefits.

Contacting the School 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 School District's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional financial information contact Mr. James P. Fortlage, Chief Financial Officer/Treasurer at Cleveland Municipal School District, 1380 East Sixth Street, Cleveland, Ohio 44114.

BASIC FINANCIAL STATEMENTS

Cleveland Municipal School District
Statement of Net Assets-Governmental Activities
June 30, 2009

	Total
Assets	
Equity in Pooled Cash and Cash Equivalents	\$ 225,143,539
Cash and Cash Equivalents with Fiscal Agents	3,553,639
Investments	69,450,058
Investments with Fiscal Agents	10,656,540
Receivables:	
Taxes	274,578,091
Accounts	830,894
Intergovernmental	240,523,001
Accrued Interest	2,555,876
Materials and Supplies Inventory	1,396,697
Nondepreciable Capital Assets	274,644,321
Depreciable Capital Assets, Net	317,349,050
Total Assets	1,420,681,706
Liabilities	
Accounts Payable	20,187,807
Accrued Wages and Benefits	43,473,674
Retainage Payable	3,553,639
Intergovernmental Payable	26,056,244
Unearned Revenue	141,411,970
Matured Compensated Absences Payable	4,138
Accrued Interest Payable	984,578
Notes Payable	15,000,000
Claims Payable	2,025,225
Long-Term Obligations:	
Due Within One Year	21,255,784
Due in More Than One Year	228,532,813
Total Liabilities	502,485,872
Net Assets	
Invested in Capital Assets, Net of Related Debt	410,820,839
Restricted for:	
Capital Projects	391,466,835
Debt Service	33,857,725
Educational Special Trust	15,544,904
Classroom Facilities Maintenance	20,049,705
Auxiliary Services	1,419,182
Miscellaneous State Grants	1,201,301
Other Purposes	2,000,006
Unrestricted	41,835,337
Total Net Assets	\$ 918,195,834

See accompanying notes to the basic financial statements

Cleveland Municipal School District
Statement of Activities-Governmental Activities
For the Fiscal Year Ended June 30, 2009

Functions/Programs	Expenses	Program Revenues			Total Net (Expense) Revenue and Changes in Net Assets
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions	
Instruction:					
Regular	\$ 328,162,328	\$ 616,265	\$ 37,192,665	\$ 150,881,349	\$ (139,472,049)
Special	180,413,911	229,296	62,689,317	0	(117,495,298)
Vocational	11,895,564	19,401	1,637,911	0	(10,238,252)
Adult/Continuing	2,856,799	707	2,462,002	0	(394,090)
Other	19,497,068	4,804	18,403,044	0	(1,089,220)
Support Services:					
Pupils	27,746,864	63,040	5,916,754	0	(21,767,070)
Instructional Staff	57,621,095	45,270	35,440,720	0	(22,135,105)
Board of Education	284,153	536	2,849	0	(280,768)
Administration	44,605,981	113,343	4,575,772	0	(39,916,866)
Fiscal	12,212,820	40,664	925,564	0	(11,246,592)
Business	2,645,732	5,007	18,548	0	(2,622,177)
Operation and Maintenance of Plant	74,505,273	96,210	14,781,452	0	(59,627,611)
Pupil Transportation	31,991,149	56,888	1,093,004	0	(30,841,257)
Central	19,272,538	34,908	641,824	0	(18,595,806)
Operation of Non-Instructional Services	42,225,005	5,512	33,961,591	0	(8,257,902)
Extracurricular Activities	6,910,474	800,606	61,459	0	(6,048,409)
Interest and Fiscal Charges	8,078,738	0	0	0	(8,078,738)
Totals	\$ 870,925,492	\$ 2,132,457	\$ 219,804,476	\$ 150,881,349	(498,107,210)
General Revenues					
Property Taxes Levied For:					
					155,294,660
					10,941,106
					22,122,341
					9,507,759
					10,669,482
					419,460,527
					<u>627,995,875</u>
					129,888,665
					<u>788,307,169</u>
					<u>\$ 918,195,834</u>

See accompanying notes to the basic financial statements

Cleveland Municipal School District

*Balance Sheet
Governmental Funds
June 30, 2009*

	General	Debt Service	Classroom Facilities	Other Governmental Funds	Total Governmental Funds
Assets					
Equity in Pooled Cash and Cash Equivalents	\$ 49,315,221	\$ 15,606,568	\$ 89,100,168	\$ 61,109,138	\$ 215,131,095
Cash and Cash Equivalents with Fiscal Agents	0	0	3,490,615	63,024	3,553,639
Investments	0	3,300,000	48,029,146	18,120,912	69,450,058
Investments with Fiscal Agents	0	0	0	10,656,540	10,656,540
Receivables:					
Taxes	227,396,638	44,091,507	0	3,089,946	274,578,091
Accounts	442,148	0	0	388,746	830,894
Intergovernmental	130,596	0	234,872,697	5,519,708	240,523,001
Accrued Interest	1,276,298	0	952,608	326,970	2,555,876
Interfund	3,411,969	0	0	0	3,411,969
Materials and Supplies Inventory	598,118	0	0	798,579	1,396,697
Total Assets	\$ 282,570,988	\$ 62,998,075	\$ 376,445,234	\$ 100,073,563	\$ 822,087,860
Liabilities					
Accounts Payable	\$ 6,067,168	\$ 0	\$ 10,092,720	\$ 4,027,919	\$ 20,187,807
Accrued Wages and Benefits	35,054,294	0	0	8,419,380	43,473,674
Retainage Payable	0	0	3,490,615	63,024	3,553,639
Interfund Payable	0	0	0	3,411,969	3,411,969
Intergovernmental Payable	21,142,255	0	0	4,913,989	26,056,244
Deferred Revenue	203,556,632	37,982,174	234,872,697	9,522,471	485,933,974
Notes Payable	0	0	15,000,000	0	15,000,000
Matured Compensated Absences Payable	4,138	0	0	0	4,138
Total Liabilities	265,824,487	37,982,174	263,456,032	30,358,752	597,621,445
Fund Balance:					
Reserved for Encumbrances	919,523	0	85,850,895	15,454,568	102,224,986
Reserved for Inventory	598,118	0	0	798,579	1,396,697
Reserved for Property Taxes	21,682,643	5,862,780	0	375,367	27,920,790
Unreserved, Undesignated (Deficit):					
General Fund	(6,453,783)	0	0	0	(6,453,783)
Special Revenue Funds	0	0	0	19,089,437	19,089,437
Debt Service Funds	0	19,153,121	0	0	19,153,121
Capital Projects Funds	0	0	27,138,307	33,996,860	61,135,167
Total Fund Balances	16,746,501	25,015,901	112,989,202	69,714,811	224,466,415
Total Liabilities and Fund Balances	\$ 282,570,988	\$ 62,998,075	\$ 376,445,234	\$ 100,073,563	\$ 822,087,860

See accompanying notes to the basic financial statements

Cleveland Municipal School District
*Reconciliation of Total Governmental Fund Balances to
 Net Assets of Governmental Activities
 June 30, 2009*

Total Governmental Funds Balances \$ 224,466,415

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

Capital assets used in governmental activities are not financial
 resources and therefore are not reported in the funds 591,993,371

Other long-term assets are not available to pay for current-
 period expenditures and therefore are deferred in the funds:

Property Taxes	102,821,206	
Grants	241,700,798	
Total	344,522,004	344,522,004

An internal service fund is used by management to charge
 the costs of insurance to individual funds. The assets and
 liabilities of the internal service fund are included in
 governmental activities in the statement of net assets. 7,987,219

In the statement of activities, interest is accrued on outstanding
 bonds, whereas in governmental funds, an interest expenditure
 is reported when due. (984,578)

Long-term liabilities are not due and payable in the current
 period and therefore are not reported in the funds:

General Obligation Bonds	(159,922,532)	
QZAB Bonds	(21,250,000)	
Capital Lease Obligations	(1,751,391)	
Compensated Absences	(51,728,362)	
Worker's Compensation Claims	(7,452,655)	
Unamortized Premium on Bond	(7,683,657)	
Total	(249,788,597)	(249,788,597)

Net Assets of Governmental Activities \$ 918,195,834

See accompanying notes to the basic financial statements

Cleveland Municipal School District

*Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2009*

	General	Debt Service	Classroom Facilities	Other Governmental Funds	Total Governmental Funds
Revenues:					
<i>Local Sources:</i>					
Taxes	\$ 164,933,612	\$ 11,522,151	\$ 9,618,127	\$ 12,563,343	\$ 198,637,233
Investment Income	4,179,105	0	3,371,573	1,957,081	9,507,759
Tuition and Fees	1,176,394	0	0	165,299	1,341,693
Extracurricular Activities	0	0	0	790,764	790,764
Contributions and Donations	6,745	0	0	7,977,396	7,984,141
Miscellaneous	7,232,703	31,950	27,200	3,377,629	10,669,482
<i>State Sources:</i>					
Unrestricted Grants-in-Aid	408,129,492	4,993,625	0	2,390,385	415,513,502
Restricted Grants-in-Aid	4,350,718	0	53,146,142	77,631,769	135,128,629
<i>Federal Sources:</i>					
Unrestricted Grants-in-Aid	3,947,025	0	0	0	3,947,025
Restricted Grants-in-Aid	0	0	0	131,068,187	131,068,187
Total Revenues	593,955,794	16,547,726	66,163,042	237,921,853	914,588,415
Expenditures:					
<i>Current:</i>					
<i>Instruction:</i>					
Regular	284,981,541	0	0	32,486,547	317,468,088
Special	117,157,115	0	0	63,163,455	180,320,570
Vocational	10,248,334	0	0	1,655,440	11,903,774
Adult/Continuing	373,443	0	0	2,483,356	2,856,799
Other	2,290,956	0	0	17,172,937	19,463,893
<i>Support Services:</i>					
Pupils	30,661,292	0	0	5,918,451	36,579,743
Instructional Staff	22,542,031	0	0	35,221,016	57,763,047
Board of Education	277,992	0	0	785	278,777
Administration	38,623,264	0	0	4,617,604	43,240,868
Fiscal	11,077,293	0	0	1,129,965	12,207,258
Business	2,657,905	0	0	0	2,657,905
Operation and Maintenance of Plant	49,941,047	0	0	14,474,338	64,415,385
Pupil Transportation	29,540,667	0	0	922,801	30,463,468
Central	18,441,467	0	0	511,027	18,952,494
Operation of Non-Instructional Services	2,912,283	0	0	39,083,515	41,995,798
Extracurricular Activities	6,084,380	0	0	817,968	6,902,348
Capital Outlay	17,014	0	87,212,705	10,790,382	98,020,101
<i>Debt Service:</i>					
Principal Retirement	1,870,919	7,975,000	0	0	9,845,919
Interest and Fiscal Charges	595,421	8,223,635	0	0	8,819,056
Total Expenditures	630,294,364	16,198,635	87,212,705	230,449,587	964,155,291
Excess (Deficiency) of Revenues Over (Under) Expenditures	(36,338,570)	349,091	(21,049,663)	7,472,266	(49,566,876)
Other Financing Sources (Uses):					
Transfers In	0	0	0	3,770,394	3,770,394
Transfers Out	(3,770,394)	0	0	0	(3,770,394)
Total Other Financing Sources (Uses)	(3,770,394)	0	0	3,770,394	0
Net Change in Fund Balances	(40,108,964)	349,091	(21,049,663)	11,242,660	(49,566,876)
Fund Balances Beginning of Year	56,855,465	24,666,810	134,038,865	58,472,151	274,033,291
Fund Balances at End of Year	\$ 16,746,501	\$ 25,015,901	\$ 112,989,202	\$ 69,714,811	\$ 224,466,415

See accompanying notes to the basic financial statements

Cleveland Municipal School District
*Reconciliation of the Changes in Fund Balances
of Governmental Funds to the Statement of Activities
For the Fiscal Year Ended June 30, 2009*

Net Change in Fund Balances - Total Governmental Funds \$ (49,566,876)

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

Governmental funds report capital outlays as expenditures.

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

Capital Assets Additions	87,869,540	
Current Year Depreciation	(17,882,928)	
Total	69,986,612	69,986,612

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. (25,665)

Revenues in the statement of activities that do not provide current financial resources are not reported in the funds. These revenues were attributed to property taxes and intergovernmental receivables

Property Taxes	(10,279,126)	
Ohio School Facilities Grant	97,735,207	
Other Grants	(1,230,339)	
Total	86,225,742	86,225,742

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. 9,845,919

In the statement of activities, interest is accrued on outstanding bonds and bond premiums are amortized over the terms of the bonds, whereas in the governmental funds the expenditure is reported when the bonds are issued:

Accrued Interest on Bonds	336,980	
Amortization of Bond Premiums	403,338	
Total	740,318	740,318

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds:

Compensated Absences	(2,395,458)	
Worker's Compensation Claims	8,983,100	
Total	6,587,642	6,587,642

The internal service funds used by management to charge the the costs of insurance to individual funds are not reported in the District-wide statement of activities. Governmental fund expenditures and the related internal service fund revenues are eliminated. The net revenue (expense) of the internal service fund is allocated among the governmental activities. 6,094,973

Change in Net Assets of Governmental Activities **\$ 129,888,665**

See accompanying notes to the basic financial statements

Cleveland Municipal School District
Statement of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Fiscal Year Ended June 30, 2009

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
<i>Local Sources:</i>				
Taxes	\$ 168,402,133	\$ 160,789,794	\$ 163,173,299	\$ 2,383,505
Investment Income	4,961,792	4,790,000	4,807,730	17,730
Tuition and Fees	1,264,881	1,050,000	1,225,607	175,607
Contributions and Donations	0	0	6,745	6,745
Miscellaneous	7,086,371	2,391,070	6,794,371	4,403,301
<i>State Sources:</i>				
Unrestricted Grants-in-Aid	421,455,669	408,951,983	408,369,600	(582,383)
Restricted Grants-in-Aid	8,618,314	291,292	4,350,718	4,059,426
<i>Federal Sources:</i>				
Unrestricted Grants-in-Aid	4,047,442	4,670,736	3,921,770	(748,966)
Total Revenues	615,836,602	582,934,875	592,649,840	9,714,965
Expenditures:				
<i>Current:</i>				
<i>Instruction:</i>				
Regular	301,208,011	301,208,011	285,925,690	15,282,321
Special	121,091,925	117,091,925	117,091,925	0
Vocational	10,330,070	10,330,070	10,330,070	0
Adult/Continuing	371,460	371,460	371,460	0
Other	1,122,862	1,122,862	1,122,862	0
<i>Support Services:</i>				
Pupils	30,013,236	30,013,236	30,013,236	0
Instructional Staff	22,538,928	22,538,928	22,538,928	0
Board of Education	266,325	266,325	266,325	0
Administration	39,567,814	39,567,814	39,567,814	0
Fiscal	10,722,524	10,722,524	10,722,524	0
Business	3,035,084	3,035,084	3,035,084	0
Operation and Maintenance of Plant	48,413,400	48,413,400	48,413,400	0
Pupil Transportatior	29,190,539	29,190,539	29,190,539	0
Central	19,366,240	19,366,240	19,366,240	0
Operation of Non-Instructional Service	3,242,804	3,242,804	3,242,804	0
Extracurricular Activities	6,706,945	6,706,945	6,706,945	0
Capital Outlay	17,014	17,014	17,014	0
<i>Debt Service:</i>				
Principal Retirement	1,870,919	1,870,919	1,870,919	0
Interest and Fiscal Charges	595,421	595,421	595,421	0
Total Expenditures	649,671,521	645,671,521	630,389,200	15,282,321
Deficiency of Revenues Under Expenditures	(33,834,919)	(62,736,646)	(37,739,360)	24,997,286
Other Financing Sources (Uses):				
Advances In	5,501,000	5,501,000	5,501,000	0
Advances Out	(2,500,000)	(2,500,000)	(2,500,000)	0
Transfers Out	(3,770,394)	(3,770,394)	(3,770,394)	0
Total Other Financing Sources (Uses)	(769,394)	(769,394)	(769,394)	0
Net Change in Fund Balances	(34,604,313)	(63,506,040)	(38,508,754)	24,997,286
Fund Balances Beginning of Year	71,246,568	71,246,568	71,246,568	0
<i>Prior Year Encumbrances Appropriated</i>	10,403,416	10,403,416	10,403,416	0
Fund Balances at End of Year	\$ 47,045,671	\$ 18,143,944	\$ 43,141,230	\$ 24,997,286

See accompanying notes to the basic financial statements

Cleveland Municipal School District

Statement of Fund Net Assets

Proprietary Fund

June 30, 2009

	Governmental Activities - Internal Service Fund
<i>Assets:</i>	
<i>Current Assets:</i>	
Equity in Pooled Cash and Cash Equivalents	\$ 10,012,444
<i>Liabilities:</i>	
<i>Current Liabilities:</i>	
Claims Payable	<u>2,025,225</u>
<i>Net Assets:</i>	
Unrestricted	<u><u>\$ 7,987,219</u></u>

See accompanying notes to the basic financial statements

Cleveland Municipal School District
*Statement of Revenues,
Expenses and Changes in Fund Net Assets
Proprietary Fund
For the Fiscal Year Ended June 30, 2009*

	Governmental Activities - Internal Service Fund
<i>Operating Revenues:</i>	
Charges for Services	\$ 48,219,603
<i>Operating Expenses:</i>	
Claims and Claim Adjustment Expenses	42,124,630
<i>Operating Income</i>	6,094,973
<i>Nonoperating Revenues (Expenses):</i>	0
<i>Change in Net Assets</i>	6,094,973
<i>Net Assets Beginning of Year</i>	1,892,246
<i>Net Assets End of Year</i>	\$ 7,987,219

See accompanying notes to the basic financial statements

Cleveland Municipal School District
Statement of Cash Flows
Proprietary Fund
For the Fiscal Year Ended June 30, 2009

	Governmental Activities - Internal Service Fund
<i>Increase In Cash and Cash Equivalents:</i>	
<i>Cash Flows from Operating Activities:</i>	
Cash Received from Interfund Services Provided	\$ 48,219,603
Cash Payments for Claims and Claim Adjustment Expenses	(40,972,227)
<i>Net Cash Provided by Operating Activities</i>	7,247,376
Cash and Cash Equivalents at Beginning of Year	2,765,068
<i>Cash and Cash Equivalents at End of Year</i>	\$ 10,012,444
 <i>Reconciliation of Income to Net Cash Provided by Operating Activities</i>	
<i>Operating Income</i>	\$ 6,094,973
<i>Adjustments to Reconcile Operating Income to Net</i>	
<i>Cash Provided by Operating Activities</i>	
Increase in Claims Payable	1,152,403
<i>Net Cash Provided by Operating Activities</i>	\$ 7,247,376
See accompanying notes to the basic financial statements	

Cleveland Municipal School District
Statement of Fiduciary Assets and Liabilities
Agency Funds
June 30, 2009

Assets

Equity in Pooled Cash and Cash Equivalents	<u>\$ 4,430,524</u>
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Liabilities

Due to Students	\$ 706,215
Payroll Withholdings	<u>3,724,309</u>

<i>Total Liabilities</i>	<u>\$ 4,430,524</u>
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See accompanying notes to the basic financial statements

Cleveland Municipal School District

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

Note 1 - Description of The School District and Reporting Entity

A. School District and Board of Education

The Board of Education of the School District (the “Board”) is a political and corporate body charged with the responsibility of managing and controlling the affairs of the School District, and is governed by the general laws of the State of Ohio (the “Ohio Revised Code”). The Board is comprised of nine members who were appointed by the Mayor of the City of Cleveland. On November 5, 2002, the voters of Cleveland elected to maintain the current government structure, which gives the Mayor the authority to continue appointing board members.

B. Financial Reporting Entity

A reporting entity is comprised of the primary government, component units and other organizations that are included to insure that the financial statements are not misleading. The primary government of the School District consists of all funds, departments, boards and agencies that are not legally separate from the School District. For the School District, this includes general operations, food service, capital projects and student related activities of the School District.

Within the School District boundaries, there are also various non-public schools. Current State legislation provides funding to these non-public schools. These monies are received and disbursed on behalf of the non-public school by the Chief Financial Officer of the School District, as directed by the non-public school. The activity of these State monies by the School District is reflected in a special revenue fund for financial reporting purposes.

Component units are legally separate organizations for which the School District is financially accountable. The School District is financially accountable for an organization if the School District appoints a voting majority of the organization's governing board and (1) the School District is able to significantly influence the programs or services performed or provided by the organization; or (2) the School District is legally entitled to or can otherwise access the organization's resources; the School District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the School District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the School District in that the School District approves the budget, the issuance of debt or the levying of taxes. The School District has no component units.

The Cleveland Public Library and the City of Cleveland have been defined as related organizations and the Ohio Schools Council and the Bond Accountability Commission as jointly governed organizations. These organizations are discussed further in Note 19 and Note 20 to the basic financial statements.

Note 2 - Summary of Significant Accounting Policies

The financial statements of the Cleveland Municipal School District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to local governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The School District also applies Financial Accounting Standards Board (FASB) Statements and Interpretations issued on or before November 30, 1989, to its governmental activities and to its internal service funds unless those

Cleveland Municipal School District

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

pronouncements conflict with or contradict GASB pronouncements. The most significant of the School District's accounting policies are described below.

A. Basis of Presentation

The School District's basic financial statements consist of government-wide statements, including a statement of net assets and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

Government-wide Financial Statements The statement of net assets and the statement of activities display information about the School District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The activity of the internal service fund is eliminated to avoid "doubling up" revenues and expenses.

The statement of net assets presents the financial condition of the governmental activities of the School District at fiscal year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the School District's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the School District, with limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental activity program is self-financing or draws from the general revenues of the School District.

Fund Financial Statements During the year, the School District segregates transactions related to certain School 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 School District at this more detailed level. The focus of governmental fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. The internal service funds are presented in a single column on the face of the proprietary fund statements. Fiduciary funds are reported by type.

B. Fund Accounting

The School District uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain School District functions or activities. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The various funds of the School District are grouped into the categories of governmental, proprietary, and fiduciary.

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 purposes 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 School District's major governmental funds:

Cleveland Municipal School District

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

General Fund The general fund 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 School District for any purpose to provide it is expended or transferred according to the general 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 used to account for monies received and expended in connection with contracts entered into by the School District for the construction or renovation to classroom facilities.

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

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

Internal Service Funds The internal service funds account for the financing of services provided by one department or agency to other departments or agencies of the School District on a cost-reimbursement basis. The internal service fund is used to account for and finance its uninsured risks of loss and associated expenses attributable to deductibles and self-insured retention limits for general liability and property damage claim settlements and judgments and self-insurance programs for employee medical benefits.

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 and agency funds. Trust funds are used to account for assets held by the School District under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the School District's own programs. The School District has no trust funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The School District has two agency funds, one which accounts for student activities and one which accounts for various payroll withholding items.

C. Measurement Focus

Government-wide Financial Statements The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the School District are included on the statement of net assets. The statement of activities presents increases (i.e. revenues) and decreases (i.e. expenses) in total net assets.

Fund Financial Statements 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.

Cleveland Municipal School District

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

Like the government-wide statements, the internal service funds are accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of this fund 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 total net assets. The statement of cash flows provides information about how the School District finances and meets the cash flow needs of its internal service fund activities.

D. 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. Governmental funds use the modified accrual basis of accounting. Proprietary and fiduciary funds also use the accrual basis of accounting. Differences in the accrual and the 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. 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 School District, available means expected to be received within sixty days of the fiscal year-end.

Nonexchange transactions, in which the School 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 7). 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 School District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis. On a modified accrual basis, revenue from nonexchange 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 fiscal year-end: advance on property taxes, investment income, the State's share of the classroom facility project, tuition, grants and student fees.

Deferred Revenue 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, 2009, but which were levied to finance fiscal year 2009 operations, have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue. The remaining state share of the classroom facility projects for segments 1-5 have also been 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.

Cleveland Municipal School District

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

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

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

E. Budgetary Data

All funds, other than agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the appropriation resolution and the certificate of estimated resources, which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amounts that the Board may appropriate. The appropriation resolution is the Board's authorization to spend resources and sets annual limits on expenditures plus encumbrances at a level of control selected by the Board. The legal level of control has been established by the Board at the fund level.

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the Chief Financial Officer/Treasurer. The amounts reported as the original budgeted amounts in the budgetary statements reflect the amounts in the certificate when the original appropriations were adopted. The amounts reported as the final budgeted amounts in the budgetary statements reflect the amounts in the final amended certificate that was in effect at the time the final appropriations were passed by the Board of Education.

The appropriation resolution is subject to amendment by the Board throughout the year with the restriction that appropriations may not exceed estimated revenues. The amounts reported as the original budgeted amounts reflect the first appropriation for that fund that covered the entire fiscal year, including amounts automatically carried over from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by the Board during the fiscal year.

F. Cash and Cash Equivalents

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

The School District utilizes a fiscal agent to hold monies set-aside for debt service payments. Monies are placed with a fiscal agent to ensure adequate payment of debt when it comes due. The balances in these accounts are presented on the financial statements as "Cash and Cash Equivalents with Fiscal Agents" and "Investments with Fiscal Agents".

During fiscal year 2009, investments were limited to STAR Ohio, repurchase agreements, certificates of deposit, treasury notes and bills, federal agency securities and commercial paper.

Cleveland Municipal School District

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

Except for nonparticipating investment contracts, investments are reported at fair value, which is based on quoted market prices. Nonparticipating investment contracts, such as repurchase agreements, are reported at cost.

The School District has invested funds in the State Treasury Asset Reserve of Ohio (STAR Ohio) during fiscal year 2009. 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, 2009.

Under existing Ohio statute, interest earnings are allocated to the general fund unless the Board of Education has, by resolution, specified funds to receive an allocation of interest earnings. Interest revenue credited to the general fund during fiscal year 2009 amounted to \$4,179,105 which includes \$2,682,215 assigned from other School District funds.

For presentation on the financial statements, investments of the cash management pool and investments with an original maturity of three months or less at the time they are purchased by the School District are considered to be cash equivalents. Investments with an initial maturity of more than three months are reported as investments.

G. Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2009 are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which services are consumed.

H. Inventory

Inventories are presented at cost on a first-in, first-out basis and are expended/expensed when used. Inventories consisted of donated and purchased food and materials and supplies held for consumption.

I. Capital Assets

General capital assets are those assets not specifically related to activities reported in proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the government-wide statement of net assets but are not reported on the fund financial statements.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and reductions during the year. Donated capital assets are recorded at their fair market values as of the date received. The School District maintains a capitalization threshold of twenty five thousand dollars. The School 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 capitalized. Interest incurred during the construction of capital assets is also not capitalized.

Cleveland Municipal School District

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

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:

Description	Governmental Activities Estimated Lives
Land Improvements	25 years
Buildings and Improvements	25 - 50 years
Vehicles and Equipment	7 - 15 years

Estimated lives for buildings and improvements of schools that will be demolished or inactivated for educational purposes under the current capital facility plan have been adjusted so they are fully depreciated by the anticipated year of demolition or inactivation.

J. 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 activities column of the statement of net assets.

K. Compensated Absences

Vacation 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 School District will compensate the employees for the benefits through paid time off or some other means. The School District records a liability for accumulated unused vacation time when earned for all employees with more than one year of service.

Sick leave benefits are accrued as a liability using the termination payment method. An accrual for earned sick leave is made to the extent it is probable that benefits will result in termination payments. The liability is an estimate based on actuarial calculations prepared by an outside actuarial firm.

The entire compensated absence liability is reported on the government-wide financial statements.

For governmental fund financial statements, compensated absences are recognized as a liability and expenditure to the extent payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account "accrued wages and benefits" in the fund from which the employees who have accumulated leave are paid.

L. Bond Premium

On the government-wide financial statements, bond premiums are deferred and amortized over the term of the bonds using the effective interest method. Bond premiums are presented as an increase of the face amount of the bonds payable. On governmental fund statements, bond premiums are reported as another financing source when received.

Cleveland Municipal School District

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

M. Accrued Liabilities and Long-term Obligations

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

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgments, compensated absences, contractually required pension contributions, capital lease obligations, and EPA asbestos abatement loans that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year. In general, liabilities that mature or come due for payment during the fiscal year are considered to have been made with current available financial resources. Bonds and other long-term obligations that will be paid from governmental funds are recognized as a liability in the fund financial statements when due.

N. Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors or laws, or regulations of other governments.

The government-wide statement of net assets reports \$465,539,658 of restricted net assets, none of which is restricted by enabling legislation.

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

O. Fund Balance Reserves and Designations

The School District reserves those portions of fund equity which are legally segregated for a specific future use or which do not represent available expendable resources and therefore are not available for appropriation or expenditure. Designations, if any, represent tentative plans for future use of financial resources. Unreserved fund balance indicates that portion of fund equity, which is available for appropriation in future periods. Fund balance reserves are established for encumbrances, inventories of supplies and materials, and property taxes, and in accordance with Ohio Revised Code requirements. The reserve for property taxes represents taxes recognized as revenue under generally accepted accounting principles but not available for appropriation under State statute.

P. Internal Activity

Internal allocations of overhead expenses from one function to another or within the same function are eliminated on the Statement of Activities.

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after nonoperating revenues/expenses in the 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.

Cleveland Municipal School District

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

Q. Operating Revenue and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the School District, these revenues are charges for services for self-insurance programs. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund. Any revenues and expenses not meeting the definitions of operating are reported as nonoperating.

R. Contribution of Capital

Contributions of capital in proprietary fund financial statements arise from outside contributions of capital assets, or from grants or outside contributions of resources restricted to capital acquisition and construction. The proprietary fund received no contributions of capital during the current fiscal year.

S. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the Board of Education and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during fiscal year 2009.

T. 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 in the financial statements and accompanying notes. Actual results may differ from those estimates.

Note 3 – Change in Accounting Principles

For 2009, the School District has implemented Governmental Accounting Standards Board (GASB) GASB Statement No. 49, “Accounting and Financial Reporting for Pollution Remediation Obligations”, and GASB Statement No. 53, “Accounting and Financial Reporting for Derivative Instruments”.

GASB Statement No. 49 accounting and financial reporting standards for pollution (including contamination) remediation obligations, which are obligations to address the current or potential detrimental effects of existing pollution by participating in pollution remediation activities such as site assessments and cleanups. The implementation of this statement did not result in any change to the financial statements.

GASB Statement No. 53 is intended to improve how state and local governments report information about derivative instruments. The implementation of this statement did not result in any change to the financial statements.

Cleveland Municipal School District

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

Note 4 – Fund Deficits

The following funds had deficit fund balances as of June 30, 2009:

Special Revenue Funds

Food Service	\$	659,727
Adult Basic Education		197,912
Title VI-B Special Education		1,489,765
Vocational Education		214,809
Title I		5,481,829
Improving Teacher Quality Title II-A		1,029,340
Miscellaneous Federal Grants		2,263,151
Other Federal		396,884

The deficits in the special revenue funds resulted from the recognition of accrued liabilities. The general fund is liable for any deficit in these funds and provides operating transfers when cash is required, rather than when accruals occur.

Note 5 - Budgetary Basis of Accounting

While the School District is reporting financial position, results of operations and changes in fund balance on the basis of generally accepted accounting principles (GAAP basis), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The Statement of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual presented for the general fund is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and GAAP basis are that:

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Encumbrances are treated as expenditures (budget basis) rather than as a reservation of fund balance (GAAP basis).
4. Investments are reported at cost (budget basis) rather than fair value (GAAP basis).

The following table summarizes the adjustments necessary to reconcile the GAAP basis statement to the budgetary basis statement on a fund type basis for the general fund.

Cleveland Municipal School District

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

Net Change in Fund Balance	
GAAP Basis	\$ (40,108,964)
Net Adjustment for Revenue Accruals	(1,171,197)
Advances In	5,501,000
Beginning Fair Value Adjustment for Investments	(245,617)
Ending Fair Value Adjustment for Investments	110,860
Net Adjustment for Expenditure Accruals	6,880,264
Advances Out	(2,500,000)
Adjustment for Encumbrances	(6,975,100)
Budget Basis	<u><u>\$ (38,508,754)</u></u>

Note 6 - Deposits and Investments

The School District has chosen to follow State statutes classify monies held by the School District into three categories.

Active deposits are public deposits necessary to meet current demands on the School District treasury. Active monies must be maintained either as cash in the School 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 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 moneys are those monies which 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 passbook accounts.

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

Under Ohio statutes and School District investment policy, interim monies may be deposited or invested in the following securities:

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and

Cleveland Municipal School District

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;

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

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the School District, and must be purchased with the expectation that it will be held to maturity.

Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the Chief Financial Officer/Treasurer or, if the securities are not represented by a certificate, upon receipt of confirmation or transfer from the custodian.

Deposits

Custodial Credit Risk Custodial credit risk for deposits is the risk that in the event of bank failure, the School District's deposits may not be returned to it. Protection of School District deposits is provided by the Federal Deposit Insurance Corporation (FDIC) as well as qualified securities pledged by the financial institution holding the assets. By Ohio law, financial institutions must collateralize public deposits. The face value of the pooled collateral must equal at least 105 percent of public funds deposited. Collateral is held by trustees including the Federal Reserve Bank and other designated third party trustees of the financial institutions.

At fiscal year end, the School District's bank balance was \$200,367,459. Of the bank balance, \$12,846,649 was covered by federal depository insurance and \$187,520,810 was uninsured but collateralized with securities held by a pledging financial institution or by its trust department or agent although not in the School District's name.

Cleveland Municipal School District

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

Investments

Investments are reported at fair value. As of June 30, 2009, the School District had the following investments:

	Maturity		Total
	Less Than One Year	More Than One Year But Less Than Five Years	
Commercial Paper	\$ 5,592,560	\$ 0	\$ 5,592,560
U.S. Agency Obligations	0	117,380,479	117,380,479
STAROhio	810	0	810
Total Portfolio	\$ 5,593,370	\$ 117,380,479	\$ 122,973,849

Interest Rate Risk Ohio Revised Code and School District investment policy limits security purchases to those that mature within five years of the settlement date. School District investment policy also limits commercial paper purchases to issues from companies incorporated in the United States which have assets in excess of \$500 million and whose issues are rated in the highest classification by at least two standard rating services. The commercial paper must mature within 180 days of settlement date and the total holding of commercial paper may not exceed 25 percent of the portfolio, under Ohio Revised Code and School District investment policy. Money market mutual funds must be rated in the highest classification by at least one standard rating service and invest exclusively in eligible securities listed above, under School District investment policy.

Custodial Credit Risk For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the School District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Federal Home Loan Bank Bonds, Federal National Mortgage Association Bonds, Federal Home Loan Mortgage Corporation Bonds, Federal Farm Credit Bank and Federal Home Loan Mortgage Corporation Discounted Notes 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 School District's name. The School District has no investment policy dealing with investment custodial credit 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.

Credit Risk The School District's investments at June 30, 2009 in FHLMC, FNMA, FFCB and FHLB agency securities were rated AAA. The investments in commercial paper were rated A-1+ by Standard & Poor's and P-1 by Moody's. The investments in STAR Ohio were rated AAAM by Standard & Poor's. The School District's has an investment policy to minimize credit risk by diversifying assets by issuer, ensuring that required minimum credit quality ratings exist and maintaining adequate collateralization of certificates of deposits.

Cleveland Municipal School District

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

Concentration of Credit Risk The School District places no limit on the amount it may invest in any one issuer. The following is the School District's allocation as of June 30, 2009:

Investment	Investments
FHLMC	33.90%
FNMA	33.45%
FFCB	7.07%
FHLB	21.03%
Commerical Paper	4.55%

Note 7 - Property Taxes

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

Property taxes include amounts levied against all real, public utility and tangible personal property (used in business) located in the School District. Real property tax revenue received in calendar 2009 represents collections of calendar year 2008 taxes. Real property taxes received in calendar year 2009 were levied after April 1, 2008, on the assessed value listed as of January 1, 2008, the lien date. Assessed values for real property taxes are established by State law at thirty-five percent of appraised market 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.

Public utility property tax revenue received in calendar 2009 represents collections of calendar year 2008 taxes. Public utility real and tangible personal property taxes received in calendar year 2009 became a lien December 31, 2007, were levied after April 1, 2008 and are collected in 2009 with real property taxes. Public utility real property is assessed at thirty-five percent of true value; public utility tangible personal property currently is assessed at varying percentages of true value.

Tangible personal property tax revenue received during calendar 2009 (other than public utility property tax) represents the collection of 2009 taxes. Tangible personal property taxes received in calendar year 2009 were levied after April 1, 2008, on the value listed as of December 31, 2008. In prior years, tangible personal property was assessed at twenty-five percent of true value for capital assets and twenty-three percent of true value for inventory. The tangible personal property tax is being phased out – the assessment percentage for all property including inventory for 2008 was 6.25 percent. This will be reduced to zero for 2009. Payments 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. Tangible personal property taxes paid by April 30 are usually received by the School District prior to June 30. This year, the June 2009 tangible personal property tax settlement was not received until July 2009.

Cleveland Municipal School District

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

The School District receives property taxes from Cuyahoga County. The County Auditor periodically advances to the School District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2009, are available to finance fiscal year 2009 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable includes real property, public utility property and tangible personal property taxes which are measurable as of June 30, 2009 and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the amount of real property taxes available as an advance at June 30 and the late June personal property tax settlement were levied to finance current fiscal year operations and are reported as revenue at fiscal year end. The portion of the receivable not levied to finance current fiscal year operations is offset by a credit to deferred revenue.

The amount available as an advance at June 30, 2009 was \$27,920,790, which is comprised of \$21,682,643 in the general fund, \$5,862,780 in the debt service fund and \$375,367 in the classroom facilities maintenance special revenue fund. The amount available as an advance at June 30, 2008, was \$25,197,811, which is comprised of \$19,559,632 in the general fund, \$5,299,714 in the debt service fund and \$338,465 in the classroom facilities maintenance special revenue fund.

The late tax settlement made by the County for fiscal year 2009 was \$2,157,363 in the general fund, \$246,553 in the debt service fund and \$20,209 in the classroom facilities maintenance special revenue fund.

On a full accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue, while on a modified accrual basis the revenue has been deferred.

The assessed values upon which the fiscal year 2009 taxes were collected are:

	2008 Second- Half Collections		2009 First- Half Collections	
	(in thousands of dollars)		(in thousands of dollars)	
	Amount	Percent	Amount	Percent
Agricultural/Residential and Other Real Estate	\$ 5,526,506	89.66%	\$ 5,544,198	92.60%
Public Utility Property	212,297	3.44	222,204	3.71
Tangible Personal Property	424,871	6.90	221,153	3.69
Total	\$ 6,163,674	100.00%	\$ 5,987,555	100.00%
Full voted tax rate per \$1,000 of assessed valuation		\$64.80		\$64.80

Cleveland Municipal School District

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

Note 8 - Receivables

Receivables at June 30, 2009, consisted of taxes, accounts (rent and student fees) 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. All receivables are expected to be collected within one year except delinquent property taxes and Ohio Schools Facilities Grant.

A summary of the principal items of intergovernmental receivables follows:

Governmental Activities	Amount
Ohio School Facilities Grant	\$ 234,872,697
Miscellaneous Federal Grants and Subsidies	2,644,958
Title VI-B Special Education Grant and Subsidies	772,681
Food Service	653,841
Title I Grant and Subsidies	605,449
Miscellaneous State Grants and Subsidies	370,346
Other Federal Grants and Subsidies	360,106
City of Cleveland	92,410
Other State Grants and Subsidies	57,320
Vocational Education State Grant and Subsidies	47,117
Federal: Unrestricted Grants-In-Aid	29,567
Miscellaneous	16,509
Total Intergovernmental Receivables	<u>\$ 240,523,001</u>

Note 9 – Contingencies

A. Grants

The School District received financial assistance from federal and state agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and condition specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the School District at June 30, 2009.

B. Litigation

The School District is party to various legal proceedings. The School District is of the opinion that ultimate disposition of all such claims will not have a material effect, if any, on the financial condition of the School District.

Cleveland Municipal School District

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

Note 10 - Capital Assets

Capital asset activity for the fiscal year ended June 30, 2009, was as follows:

	Balance 6/30/08	Additions	Deletions	Balance 6/30/09
Governmental Activities				
<i>Capital Assets, not being depreciated:</i>				
Land	\$ 34,103,239	\$ 82,000	\$ 0	\$ 34,185,239
Construction in Progress	182,491,216	86,250,057	(28,282,191)	240,459,082
<i>Total Capital Assets, not being Depreciated</i>	<u>216,594,455</u>	<u>86,332,057</u>	<u>(28,282,191)</u>	<u>274,644,321</u>
<i>Capital Assets, being Depreciated</i>				
Land Improvements	1,767,777	0	0	1,767,777
Buildings and Improvemets	540,440,663	29,710,144	(2,813,085)	567,337,722
Vehicles and Equipment	26,142,679	109,530	(1,996,730)	24,255,479
<i>Total Capital Assets, being Depreciated</i>	<u>568,351,119</u>	<u>29,819,674</u>	<u>(4,809,815)</u>	<u>593,360,978</u>
Less: Accumulated Depreciation:				
Land Improvements	(1,253,143)	(63,364)	0	(1,316,507)
Buildings and Improvements	(244,481,936)	(15,926,318)	2,813,085	(257,595,169)
Vehicles and Equipment	(17,178,071)	(1,893,246)	1,971,065	(17,100,252)
<i>Total Accumulated Depreciation</i>	<u>(262,913,150)</u>	<u>(17,882,928) *</u>	<u>4,784,150</u>	<u>(276,011,928)</u>
<i>Total Capital Assets, being Depreciated, Net</i>	<u>305,437,969</u>	<u>11,936,746</u>	<u>(25,665)</u>	<u>317,349,050</u>
<i>Governmental Activities Capital Assets, Net</i>	<u>\$ 522,032,424</u>	<u>\$ 98,268,803</u>	<u>\$ (28,307,856)</u>	<u>\$ 591,993,371</u>

* Depreciation expense was charged to governmental functions as follows:

Instruction:	
Regular	\$ 15,153,337
Special	69,678
Support Services:	
Administration	1,530,740
Pupil Transportation	1,054,452
Operation of Non-Instructional Services	74,721
Total Depreciation Expense	<u>\$ 17,882,928</u>

Construction in progress is composed of the following at June 30, 2009:

	Project Authorization	Expended to June 30, 2009	Committed
Regular Instruction	\$ 509,248,907	\$ 240,044,874	\$ 269,204,033
Support Services - Administration	414,208	414,208	0
Total	<u>\$ 509,663,115</u>	<u>\$ 240,459,082</u>	<u>\$ 269,204,033</u>

Cleveland Municipal School District

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

Note 11 - Risk Management

A. Property and Liability

The School District is exposed to various loss potentials including but not limited to: torts, damage to, and destruction of assets, errors and omissions, injuries to employees, and natural disasters. The School District insures through commercial insurance companies for the following:

Coverage During Fiscal Year	Liability Limits	Deductible
Property (Physical Damage) Insurance	\$ 200,000,000	\$ 250,000
Boiler and Machinery	50,000,000	250,000
Commerical Crime Insurance	1,000,000	100,000
Inland Marine	3,000,000	5,000
Public Officials Bond (Treasurer Bond)	1,000,000	N/A
Employment Practices Liability	1,000,000	250,000
Builders's Risk	Varies by project	25,000
Student Athletic	25,000	N/A

Coverage During Fiscal Year	Liability Limits	Self- Insured Retention
General Liability	\$ 1,000,000	\$ 250,000
Automobile Liability	1,000,000	250,000
School Leaders Errors and Omissions	1,000,000	250,000
Employment Practices Liability	1,000,000	250,000
Sexual Harrassment	1,000,000	250,000
Sexual Misconduct/Abuse	1,000,000	250,000
Law Enforcement Liability	1,000,000	250,000
Employee Benefits Liability	1,000,000	250,000
Nurses' Professional Liability	1,000,000	25,000
Lawyers' Professional Liability	1,000,000	250,000
Ohio Stop Gap Liability	1,000,000	250,000
Excess General Liability and Automobile Liability (Combined)	5,000,000	250,000

Settled claims have not exceeded this commercial coverage in any of the past three years, and there has been no significant reduction in insurance coverage from last year.

Because of the prohibitive cost of commercial insurance, the School District in 1987, established a self-insurance fund (an internal service fund) to account for and finance its uninsured risks of loss (insurance deductibles and/or self-insured retentions) and associated expenses attributing to liability and property damage claim settlements and judgments. Estimates of claims liabilities, based on historical cost information, for incurred claims (including incurred but not reported claims) as calculated by the School

Cleveland Municipal School District

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

District's Risk Management Division for all outstanding unsettled claims total \$1,058,909 as of June 30, 2009, and are recorded in the Liability Self-Insurance internal service fund.

B. Employee Health Benefits

Effective July 1, 2008, the School District has elected to provide medical and prescription drug benefits through a self insured program utilizing providers Medical Mutual of Ohio and Aetna Insurance companies. The maintenance of these benefits is accounted for in the Employee Benefits Self-Insurance internal service fund. Specific stop loss threshold covered per person is \$350,000 a claim and a \$2,500,000 annual maximum. The liability for claims reported in the internal service fund for medical and prescription drug benefits at June 30, 2009 is \$966,316 and is based on the July 2009 actual billing.

C. Workers' Compensation

The School District participates in the Ohio Bureau of Workers' Compensation (BWC) Retrospective Rating Plan. Under the retrospective rating plan, the School District assumes a portion of the risk in return for a reduction in current premiums. Estimates of claims liabilities based on actuarial methods, for incurred claims as calculated by the BWC for the cumulative retrospective rating period January 1, 2000, through June 30, 2009, including the estimate for incurred but not reported (IBNR) claims totals \$7,452,655.

The self insurance fund is funded from the General Fund, while the workers' compensation claims are charged to the same fund as the respective employee's salaries are charged, utilizing a historical percentage allocation method.

The claims liability reported at June 30, 2009 for liability and property damage claim settlements and judgments, medical and prescription drug benefits and workers' compensation is based on the requirements of Governmental Accounting Standards Board Statement No. 30 which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported. The 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 fiscal years 2008 and 2009 are as follows:

	<u>Balance at</u> <u>Beginning of Year</u>	<u>Current Year</u> <u>Claims</u>	<u>Claim</u> <u>Payments</u>	<u>Balance at</u> <u>End of Year</u>
2008	\$ 20,230,192	1,706,922	4,628,537	\$ 17,308,577
2009	17,308,577	43,001,727	50,832,424	9,477,880

Note 12 – Defined Benefit Pension Plans

A. School Employees Retirement System

Plan Description - The School District contributes to the School Employees Retirement System of Ohio (SERS), a cost-sharing multiple-employer defined benefit pension plan. SERS provides retirement, disability and survivor 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 contacting

Cleveland Municipal School District

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

the School Employees Retirement System of Ohio, 300 East Broad Street, Suite 100, Columbus, Ohio 43215-3746 or by calling toll free (800) 878-5853. It is also posted on SERS' website at www.ohsers.org under **Employers/Audit Resources**.

Funding Policy - Plan members are required to contribute 10 percent of their annual covered salary and the School District is required to contribute at an actuarially determined rate. The current School District rate is 14 percent of annual covered payroll. A portion of the School District's contribution is used to fund pension obligations with the remainder being used to fund health care benefits; for fiscal year 2009, 9.09 percent of annual covered salary was the portion used to fund pension obligations. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to a statutory maximum amount of 10 percent for plan members and 14 percent for employers. Chapter 3309 of the Ohio Revised Code provides statutory authority for member and employer contributions. The School District's required contributions for pension obligations to SERS for the fiscal years ended June 30, 2009, 2008 and 2007 were \$9,318,314, \$8,899,797, and \$8,960,351, respectively; 43.80 percent has been contributed for fiscal year 2009 and 100 percent for fiscal years 2008 and 2007.

B. State Teachers Retirement System

Plan Description - The School District participates in the State Teachers Retirement System of Ohio (STRS Ohio), a cost-sharing, multiple employer public employee retirement system. STRS Ohio provides retirement and disability benefits to members and death and survivor benefits to beneficiaries. STRS Ohio issues a stand-alone financial report that may be obtained by writing to STRS Ohio, 275 East Broad Street, Columbus, Ohio 43215-3371 or by calling (888) 227-7877, or by visiting the STRS Ohio website at www.strsoh.org.

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

A DB or Combined Plan member with five or more years credited service who becomes disabled may qualify for a disability benefit. Eligible spouses and dependents of these active members who die before retirement may qualify for survivor benefits. Members in the DC Plan who become disabled are entitled only to their account balance. If a member dies before retirement benefits begin, the member's designated beneficiary is entitled to receive the member's account balance.

Funding Policy - For the fiscal year ended June 30, 2009, plan members were required to contribute 10 percent of their annual covered salaries. The School District was required to contribute 14 percent; 13

Cleveland Municipal School District

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

percent was the portion used to fund pension obligations. For fiscal year 2008, the portion used to fund pension obligations was also 13 percent. Contribution rates are established by the State Teachers Retirement Board, upon recommendations of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers. Chapter 3307 of the Ohio Revised Code provides statutory authority for member and employer contributions.

The School District's required contributions for pension obligations to the STRS Ohio for the fiscal years ended June 30, 2009, 2008, and 2007 were \$43,387,816, \$42,851,450, and \$41,330,536, respectively; 84.19 percent has been contributed for fiscal year 2009 and 100 percent for fiscal years 2008 and 2007. Contributions to the DC and Combined Plans for fiscal year 2009 were \$525,879 made by the School District and \$1,047,748 made by the plan members.

C. Social Security System

Effective July 1, 1991, all employees not otherwise covered by the School Employees Retirement System or the Teachers Retirement System of Ohio have an option to choose Social Security or the School Retirement System. As June 30, 2009, no members of the Board of Education have elected Social Security.

Note 13 - Postemployment Benefits

A. School Employees Retirement System

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

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required benefits, the Retirement Board allocates the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund. The Health Care Fund was established and is administered in accordance with Internal Revenue Code Section 401h. For 2009, 4.16 percent of covered payroll was allocated to health care. In addition, employers pay a surcharge for employees earning less than an actuarially determined amount; for 2009 this amount was \$2,010,899.

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

Cleveland Municipal School District

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

The School District's contributions for health care for the fiscal years ended June 30, 2009, 2008, and 2007 were \$4,264,487, \$4,061,261 and \$4,456,084 respectively; 43.80 percent has been contributed for fiscal year 2009 and 100 percent for fiscal years 2008 and 2007.

The Retirement Board, acting with advice of the actuary, allocates a portion of the employer contribution to the Medicare B Fund. For 2009, this actuarially required allocation was 0.75 percent of covered payroll. The School District's contributions for Medicare Part B for the fiscal years ended June 30, 2009, 2008 and 2007 were \$768,838, \$641,252, and \$609,304 respectively; 43.80 percent has been contributed for fiscal year 2009 and 100 percent for fiscal years 2008 and 2007.

B. School Teachers Retirement System

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

Funding Policy - Ohio law authorizes STRS Ohio to offer the Plan and gives the Retirement Board authority over how much, if any, of the health care costs will be absorbed by STRS Ohio. Active employee members do not contribute to the Plan. All benefit recipients pay a monthly premium. Under Ohio Law, funding for post-employment health care may be deducted from employer contributions. For 2009, STRS Ohio allocated employer contributions equal to one percent of covered payroll to the Health Care Stabilization Fund. The School District's contributions for health care for the fiscal years ended June 30, 2009, 2008, and 2007 were \$3,337,524, \$3,296,265 and \$3,179,272 respectively; 84.19 percent has been contributed for fiscal year 2009 and 100 percent for fiscal years 2008 and 2007.

Note 14 - Other Employee Benefits

A. Compensated Absences

The criteria for determining vacation and sick leave benefits are derived from negotiated agreements and State laws. Classified employees earn five to thirty days of vacation per year, depending upon length of service and hours worked. Accumulated unused vacation time is paid to classified employees upon termination of employment. Teachers do not earn vacation time. School District employees earn sick leave, which, if not taken, accumulates until retirement. Employees may receive payment for up to 30 percent (varying by bargaining group) of accumulated sick leave of varying maximums up to \$30,000.

B. Insurance

The School District provides life insurance to most employees through Consumer Life Insurance in the amount of \$10,000 for each employee (\$50,000 for certain classes of employees). The School District also provides medical and prescription drug benefits through Medical Mutual of Ohio, Aetna and Kaiser Permanente, dental benefits through MetLife and vision through Spectera and Union Eye Care to all eligible employees.

Cleveland Municipal School District

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

Note 15 - Set-Asides

The School District is required by State statute to annually set aside, in the general fund, an amount based upon statutory formula for the purchase of textbooks and other instructional materials and an equal amount for the acquisition and construction of capital improvements. Amounts not spent by fiscal 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 purposes in future years. The School District may still establish a budget reserve, if it so chooses; however, the requirement is no longer mandatory. The School District is also required to set aside money for any unspent portions of a bus purchase subsidy received annually from the State.

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

	<u>Textbooks</u>	<u>Capital Improvements</u>
Set-Aside Reserve Balance as of June 30, 2008	\$ (3,343,631)	\$ (21,720,472)
Current Year Set-Aside Requirement	8,508,607	8,508,607
Current Year Offsets:		
Tax Levy for Classroom Facilities and Maintenance	0	(2,128,665)
Proceeds of Notes for Capital Improvement	0	(15,000,000)
Qualifying Disbursements	<u>(13,462,005)</u>	<u>0</u>
Totals	<u>\$ (8,297,029)</u>	<u>\$ (30,340,530)</u>
Set-Aside Balances Carried Forward to Future Fiscal Years	<u>\$ (8,297,029)</u>	<u>\$ (30,340,530)</u>
Set-Aside Reserve Balance as of June 30, 2009	<u>\$ 0</u>	<u>\$ 0</u>

Although the School District had qualifying disbursements during the year that reduced the set-aside amounts to below zero for the textbooks, the extra amount for textbooks may be used to reduce future set-aside requirements. Capital expenditures from bond or note proceeds may be carried forward to offset future years' capital improvements and maintenance reserve set-aside requirements.

Note 16 – Notes Payable

The School District's note activity, including amounts outstanding, interest rates and the purpose for which the note was issued is as follows:

	<u>Balance 06/30/08</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 06/30/09</u>
2007 4.00%				
School Improvement Notes	\$ 20,000,000	\$ 0	\$ 20,000,000	\$ 0
2008 2.50%				
School Improvement Notes	0	15,000,000	0	15,000,000
Total	<u>\$ 20,000,000</u>	<u>\$ 15,000,000</u>	<u>\$ 20,000,000</u>	<u>\$ 15,000,000</u>

Cleveland Municipal School District

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

On December 30, 2008, the School District issued \$15,000,000 of School Improvement Bond Anticipation Notes bearing interest at the rate of 2.50% per annum. The School District retired the \$15,000,000 School Improvement Bond Anticipation Note on September 30, 2009.

On December 6, 2007, the School District issued \$20,000,000 of School Improvement Bond Anticipation Notes bearing interest at the rate of 4.00% per annum. The School District retired the \$20,000,000 School Improvement Bond Anticipation Note on July 31, 2008.

The revenue anticipation note series are collateralized by anticipated general fund taxes and state foundation revenues, which have been appropriated by the School District for the payment of such notes.

Note 17 – Long-Term Obligations

Changes in long-term obligations of the School District during fiscal year 2009, were as follows:

	Balance Outstanding 06/30/08	Additions	Deletions	Balance Outstanding 06/30/09	Amounts Due in One Year
Governmental Activities:					
<i>General Obligation Bonds and Notes:</i>					
EPA Asbestos Abatement Notes	\$ 21,514	\$ 0	\$ 14,356	\$ 7,158	\$ 7,158
2001 H.B. 264 Energy Conservation Notes	7,746,266	0	745,892	7,000,374	785,183
2002 Library Refunding Bonds	13,820,000	0	3,465,000	10,355,000	3,640,000
2002 School Facilities Improvement Bonds	51,810,000	0	1,535,000	50,275,000	1,515,000
Unamortized Premium	5,450,066	0	280,690	5,169,376	0
2004 School Facilities Improvement Bonds	95,260,000	0	2,975,000	92,285,000	3,090,000
Unamortized Premium	2,636,929	0	122,648	2,514,281	0
Total General Obligation Bonds and Notes	176,744,775	0	9,138,586	167,606,189	9,037,341
<i>QZAB Bonds:</i>					
2001 QZAB - Technology Academy	5,500,000	0	0	5,500,000	0
2001 QZAB - Arts Academy	5,750,000	0	0	5,750,000	0
2001 QZAB - Literacy Academy	10,000,000	0	0	10,000,000	0
Total QZAB Bonds	21,250,000	0	0	21,250,000	0
<i>Other Long-Term Obligations:</i>					
Compensated Absences	49,332,904	8,856,775	6,461,317	51,728,362	7,713,744
Workers' Compensation Claims	16,435,755	877,097	9,860,197	7,452,655	3,348,795
Capital Lease Obligation	2,862,062	0	1,110,671	1,751,391	1,155,904
Total Other Long-Term Obligations	68,630,721	9,733,872	17,432,185	60,932,408	12,218,443
Total Governmental Activities	\$ 266,625,496	\$ 9,733,872	\$ 26,570,771	\$ 249,788,597	\$ 21,255,784

Cleveland Municipal School District

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

On July 8, 2004, the School District issued \$125,000,000 of School Facility Improvement Bonds, bearing interest at the rate of 2.00% - 5.25% per annum. The premium received on this bond issue of \$2,163,792 was transferred to the Debt Service Fund. The series 2004 bond issue is the second long-term financing drawdown of the \$335 million approved by voters on May 8, 2001 (Issue 14) related to the School District's 12-year, \$1.5 billion capital plan. This debt will be retired from the Debt Service Fund.

On October 1, 2002, the School District issued \$124,920,000 of Various Purpose Improvement and Refunding Bonds, bearing interest at the rate of 1.45% - 5.00% per annum. \$57,515,000 of the proceeds together with other available money was used to refund all of the District's outstanding General Obligation Unlimited Tax Library Improvement Bonds, Series 1992A. \$27,405,000 of the proceeds together with other available money was used to refund the District's outstanding \$35,000,000 School Facility Bond Anticipation Notes, Series 2001. \$40,000,000 of the new proceeds along with the \$35,000,000 that was refunded are being used to pay costs of renovating, rehabilitating, constructing, furnishing, equipping and otherwise improving school facilities and acquiring and improving their sites. This represented the first long-term drawdown of the \$335 million approved by voters on May 8, 2001 (Issue 14). This debt will be retired from the Debt Service Fund. As a result of the refunding, the District reduced its total debt service requirements by \$14.3 million, which resulted in an economic gain (difference between the present value of the debt service payments on the old and the new debt) of \$9.3 million.

On October 1, 2002, the School District cash defeased all of the General Obligation Unlimited Tax School Improvement Bonds, Series 1992B by utilizing available resources in the Debt Service Fund. The defeasance was undertaken to remove restrictive bond covenants associated with the bonds. As of June 30, 2009, the School Improvement Bonds is considered defeased.

On July 12, 2001, the School District entered into a 15-year installment payment agreement with Citicorp North America, Incorporated for \$11,500,000, bearing interest at the rate of 5.20% per annum. The proceeds will be used for the purpose of renovating and otherwise improving environmental controls at school facilities. This agreement was made in accordance with Ohio H.B. 264 and is therefore exempt from the debt limit set by Ohio bond statute. This debt will be retired from the General Fund.

Qualified Zone Academy Bonds-Literacy Academy - On June 18, 2001, the School District issued \$10,000,000 of non-interest-bearing obligations in order to remodel Central Middle School, Franklin D. Roosevelt Middle School, Harry E. Davis Middle School, and Martin Luther King, Jr. Middle School. The obligations were issued for a fourteen-year period with final maturity at June 17, 2015. These obligations are not general obligation bonds and will be retired from the Educational Special Trust Fund.

Qualified Zone Academy Bonds-Arts Academy - On April 3, 2001, the School District issued \$5,750,000 of obligations yielding 0.87 percent in order to remodel the Cleveland School of the Arts and Newton D. Baker Elementary School. The obligations were issued for a fourteen-year period with final maturity at April 2, 2015. These obligations are not general obligation bonds and will be retired from the Educational Special Trust Fund.

Qualified Zone Academy Bonds-Technology Academy - On April 3, 2001, the School District issued \$5,500,000 of obligations yielding 0.87 percent in order to remodel the Collinwood School. The obligations were issued for a fourteen-year period with final maturity at April 2, 2015. These obligations are not general obligation bonds and will be retired from the Educational Special Trust Fund.

Cleveland Municipal School District

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

The School District is placing money from the General Fund for these Qualified Zone Academy Bonds into a separate escrow account held by a trustee, Huntington National Bank, in order to repay the obligation at maturity and the activity of this separate escrow account is reflected in the Educational Special Trust Fund.

EPA Asbestos Abatement Notes - The School District has received various non-interest-bearing loans from the Environmental Protection Agency (EPA) for use in asbestos removal projects throughout the School District, under the authority of Ohio Revised Code section 3317.22. The loans were issued for twenty-year periods, with final maturity during fiscal year 2010. The loans will be retired from the General Fund.

Compensated absences and workers' compensation costs will be paid from the fund from which the employee is paid which, for the School District, is primarily the general fund.

The School District's overall legal debt margin was \$410,980,848 with an unvoted debt margin of \$5,987,555 at June 30, 2009.

The School District is subject to federal arbitrage regulations. As of June 30, 2009 the District has not accrued any liability.

Principal and interest requirements to retire general obligation debt, QZAB bonds, EPA notes and H.B. 264 Energy Conservation Notes, outstanding at June 30, 2009, are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2010	\$ 9,037,341	\$ 7,781,775	\$ 16,819,116
2011	9,596,543	7,342,527	16,939,070
2012	8,940,082	6,922,745	15,862,827
2013	6,305,914	6,573,130	12,879,044
2014	6,619,161	6,248,759	12,867,920
2015-2019	56,733,491	25,488,804	82,222,295
2020-2024	42,085,000	15,711,691	57,796,691
2025-2028	41,855,000	4,202,972	46,057,972
	<u>\$ 181,172,532</u>	<u>\$ 80,272,403</u>	<u>\$ 261,444,935</u>

In fiscal year 2002, the School District entered into an agreement to lease 102 buses. The cost was \$5,062,000 while the carrying value (cost less depreciation) is \$3,120,315. This agreement is, in substance, a lease purchase (capital lease) and is classified as a long-term lease obligation in the financial statements.

In fiscal year 2001, the School District entered into an agreement to lease 100 buses. The cost was \$5,369,629 while the carrying value (cost less depreciation) is \$2,893,633. This agreement is, in substance, a lease purchase (capital lease) and is classified as a long-term lease obligation in the financial statements.

In fiscal year 2003, the School District refinanced and consolidated the above two lease agreements to obtain more favorable financing terms. These leases will be repaid from the General Fund.

Cleveland Municipal School District

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

The following is a schedule of future lease payments and the present value of net minimum lease payments at June 30, 2009:

	<u>Amount</u>
2010	\$ 1,214,983
2011	<u>607,492</u>
Total minimum lease payments	1,822,475
Less:	
Amount representing interest	<u>71,084</u>
Present value of net minimum lease payments	<u><u>\$ 1,751,391</u></u>

Note 18– Interfund Transfers and Balances

A. Transfers

Transfers made during the year ended June 30, 2009 were as follows:

	<u>Transfers Out</u>
<u>Transfers To</u>	<u>General</u>
Non-Major Governmental Funds:	
Food Service	\$ 2,826,000
Educational Special Trust	<u>944,394</u>
Totals	<u><u>\$ 3,770,394</u></u>

The purpose of the transfer from the general fund to the food service special revenue fund was to subsidize a portion of the expenditures for the food service programs.

The purpose of the transfer from the general fund to the educational special trust special revenue fund was to fund the future debt payment of the Qualified Zone Academy Bonds, which are due in 2015.

B. Interfund Balances

Interfund balances at June 30, 2009, consist of the following individual fund receivables and payables:

	<u>Interfund Receivable</u>
<u>Interfund Payable</u>	<u>General</u>
Non-Major Governmental Funds:	
Other Local	\$ 310,000
Adult Basic Education	201,855
Title VI-B, Special Education	710,114
Miscellaneous Federal Grants	<u>2,190,000</u>
Totals	<u><u>\$ 3,411,969</u></u>

Cleveland Municipal School District

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

The interfund receivable and payable are due to the timing of the receipt of grant monies by the nonmajor funds. The School District expects to receive the grant monies and repay the advance within the next fiscal year.

Note 19 - Related Organizations

A. Cleveland Public Library

The Cleveland Public Library (Library) is a distinct political subdivision of the State of Ohio created under Chapter 3375 of the Ohio Revised Code. A Board of Trustees appointed by the Cleveland Municipal School District Board of Education governs the Library.

The Board of Trustees possesses its own contracting and budgeting authority, hires and fires personnel and does not depend on the School District for operational subsidies. Although the School District does serve as the taxing authority and issues all tax related debt on behalf of the Library, its role is limited to a ministerial function. The determination to request approval of a tax, the rate and the purpose are discretionary decisions made solely by the Board of Trustees. Financial information can be obtained from the Business Director of the Cleveland Public Library at 325 Superior Avenue, NE, Cleveland, Ohio 44114.

B. City of Cleveland

In November 1998, the Mayor of the City of Cleveland was given appointment authority for the School District. As approved by the State legislature, the Ohio Revised Code provided for the Mayor to appoint a Chief Executive Officer who was to be approved by the Board. The Board is comprised of nine members who were appointed by the Mayor from a pool of candidates presented to the Mayor by an independent nominating panel. The City of Cleveland's accountability for the School District does not extend beyond appointment authority and therefore the School District is considered to be a related organization rather than a component unit of the City of Cleveland. A copy of the City of Cleveland's comprehensive annual financial report can be obtained from the Finance Director of the City of Cleveland at 601 Lakeside Avenue, Cleveland, Ohio 44114.

Note 20 - Jointly Governed Organizations

A. Ohio Schools' Council Association

The Ohio Schools Council (Council) is a jointly governed organization among various school districts in northern Ohio. The jointly governed organization was formed to purchase quality products and services at the lowest possible cost to the member districts. Each district supports the Council by paying an annual participation fee. The Council's Board consists of seven superintendents of the participating districts whose term rotates every year.

The degree of control exercised by any school district is limited to its representation on the Board. Financial information can be obtained by contacting David Contrell, the Executive Secretary of the Ohio Schools Council at 6133 Rockside Road, Suite #10, Independence, Ohio 44131.

Cleveland Municipal School District

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

B. Bond Accountability Commission

The Bond Accountability Commission (BAC) is an independent nonprofit agency that monitors the Cleveland Municipal School District's construction and renovation program and the spending of Issue 14 tax money approved by voters in May 2001.

As a commission created by the Board, the BAC is a "public body" subject to the Ohio Sunshine Law as set forth in Section 121.22 of the Ohio Revised Code, and shall conduct its business in accordance with the provisions of the Sunshine Law, including, but not limited to, establishing a reasonable method of notifying the public of the time, place and purpose of its meetings, and preparing, filing and maintaining minutes of its meetings. Other than the Board directing the Chief Executive Officer to secure initial external funding in the amount of \$200,000, the Board does not assume any ongoing financial interest or responsibility for the BAC and, as a result, is considered a jointly governed organization. Annual reports can be obtained by contacting James G. Darr, Administrator Bond Accountability Commission c/o Cuyahoga Community College, 2900 Community College Avenue MBA, Room 221, Cleveland, Ohio 44115.

Note 21 – Construction and Other Significant Commitments

<u>Projects</u>	<u>Committed Amount</u>	<u>Amount Paid</u>	<u>Remaining on Commitment</u>
Segment 1	\$ 248,367,052	\$ 218,241,452	\$ 30,125,600
Segment 2	103,660,034	99,444,344	4,215,690
Segment 3	148,278,663	110,815,366	37,463,297
Segment 4	132,332,963	24,782,177	107,550,786
Segment 5	230,608,029	627,274	229,980,755
Local Funding Initiatives	67,387,279	43,110,882	24,276,397
Total	<u>\$ 930,634,020</u>	<u>\$ 497,021,495</u>	<u>\$ 433,612,525</u>

Segment 1 consisted of the warm, safe, dry and security updates to all buildings in addition to the construction of five buildings and renovation of three buildings. Segment 2, 3, 4 and 5 consisted of the construction of thirty-two buildings and renovation of five buildings. Local Funding Initiatives consisted of various projects throughout the School District.

Note 22 – Subsequent Event

On December 17, 2008, the Auditor of State initiated a special audit of certain School District expenditures. The special audit has been released on December 15, 2009, and the results of the special audit are immaterial to the financial statements.

Combining Statements and Individual Fund Schedules Fund Descriptions – Nonmajor Governmental Funds

Nonmajor Special Revenue Funds

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

Local Funds:

Educational Special Trust Fund – This fund accounts for monies received from private individuals, companies and foundations for specified activities for purposes. This fund also accounts for monies being placed from the general fund for the Qualified Zone Academy Bonds into a escrow account held by a trustee in order to repay the obligation at maturity.

Classroom Facilities Maintenance Fund – This fund accounts for the proceeds of a levy for the maintenance of facilities.

Other Local Funds – This fund accounts for all activity in other local funds including Public School Support, Other Grants, and District Managed Activity.

State Funds:

Auxiliary Services (NPSS) Fund – This fund accounts for State funds which provide services and materials to pupils attending non-public schools within the School District.

Poverty Aid Fund – This fund accounts for monies appropriated for poverty based assistance as part of the state foundation system. Programs included are academic intervention, all-day kindergarten, class-size reduction, Limited English Proficient students, professional development, dropout prevention and community outreach.

Miscellaneous State Grants Fund – This fund is used to account for various monies received from State agencies which are not classified elsewhere including all money for students who resides in the district but are enrolled in a community school.

Other State Funds – This fund accounts for all activity in other State funds including Post-Secondary Vocational Education, Teacher Development, Management Information Systems, Public School Preschool, Data Communications for School Buildings, School Net Professional Development, Interactive Video Distance Learning, Ohio Reads, Vocational Education Enhancement and Alternative Schools.

Federal Funds:

Food Service Fund – This fund is used to record financial transactions related to food service operations.

Adult Basic Education Fund – This fund accounts for State and Federal monies used to provide financial support to programs in reading, writing and math competency for adults that do not have a high school diploma.

(continued)

Fund Descriptions – Nonmajor Governmental Funds (continued)

Nonmajor Special Revenue Funds (continued)

Title VI-B, Special Education Fund - This fund accounts for Federal monies used to assist schools in the identification of handicapped children, development of procedural safeguards, implementation of least restrictive alternative service patterns, and provision of full educational opportunities to handicapped children at the preschool, elementary, and secondary levels.

Vocational Education Fund – This fund accounts for revenues used in the development of vocational education programs in the following categories: secondary, post-secondary, adult, disadvantaged and handicapped persons, exemplary programs, cooperative education, construction of educational schools, ancillary services, research, advisory committees and work-study projects, including sex equity grants.

Title I Fund – This fund accounts for Federal monies used to assist the School District in meeting the special needs of economically and educationally deprived children.

Improving Teacher Quality Title II-A Fund – Funding for professional development and other programs to ensure teachers meet high quality standards. This fund also accounts for monies used to hire additional classroom teachers in elementary grades, so that the number of students per teacher will be reduced.

Miscellaneous Federal Grants Fund – This fund accounts for various monies received through State agencies from the Federal Government or directly from the Federal Government which are not required to be in a separate fund.

Other Federal Funds – This fund accounts for all activity in other Federal funds including Job Training Partnership Act (JTPA), Bilingual Education Program, Scientific Personnel Improvement, Transition for Refugee Children, Title V, Drug Free School Grant and IDEA Preschool Grant for the Handicapped.

Nonmajor Capital Projects Funds

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

Permanent Improvement Fund – This fund accounts for local funding initiatives associated with the School Districts facility project.

Building Renovation Fund – This fund accounts for the receipts and expenditures related to the Qualified Zone Academy Bonds.

Cleveland Municipal School District
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2009

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets			
Equity in Pooled Cash and Cash Equivalents	\$ 34,456,616	\$ 26,652,522	\$ 61,109,138
Cash and Cash Equivalents With Fiscal Agents	0	63,024	63,024
Investments	0	18,120,912	18,120,912
Investments with Fiscal Agents	10,656,540	0	10,656,540
Receivables:			
Taxes	3,089,946	0	3,089,946
Accounts	388,746	0	388,746
Intergovernmental	5,519,708	0	5,519,708
Accrued Interest	0	326,970	326,970
Materials and Supplies Inventory	798,579	0	798,579
Total Assets	\$ 54,910,135	\$ 45,163,428	\$ 100,073,563
Liabilities			
Accounts Payable	\$ 2,602,997	\$ 1,424,922	\$ 4,027,919
Accrued Wages and Benefits	8,391,397	27,983	8,419,380
Retainage Payable	0	63,024	63,024
Interfund Payable	3,411,969	0	3,411,969
Intergovernmental Payable	4,897,657	16,332	4,913,989
Deferred Revenue	9,522,471	0	9,522,471
Total Liabilities	28,826,491	1,532,261	30,358,752
Fund Balance:			
Reserved for Encumbrances	5,820,261	9,634,307	15,454,568
Reserved for Inventory	798,579	0	798,579
Reserved for Property Taxes	375,367	0	375,367
Unreserved, (Deficit), Reported in:			
Special Revenue Funds	19,089,437	0	19,089,437
Capital Projects Funds	0	33,996,860	33,996,860
Total Fund Balances	26,083,644	43,631,167	69,714,811
Total Liabilities and Fund Balances	\$ 54,910,135	\$ 45,163,428	\$ 100,073,563

Cleveland Municipal School District

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Governmental Funds

For the Fiscal Year Ended June 30, 2009

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:			
<i>Local Sources:</i>			
Taxes	\$ 2,181,470	\$ 10,381,873	\$ 12,563,343
Investment Income	709,374	1,247,707	1,957,081
Tuition and Fees	165,299	0	165,299
Extracurricular Activities	790,764	0	790,764
Contributions and Donations	7,977,396	0	7,977,396
Miscellaneous	3,377,629	0	3,377,629
<i>State Sources:</i>			
Unrestricted Grants-in-Aid	2,390,385	0	2,390,385
Restricted Grants-in-Aid	77,631,769	0	77,631,769
<i>Federal Sources:</i>			
Restricted Grants-in-Aid	131,068,187	0	131,068,187
Total Revenues	226,292,273	11,629,580	237,921,853
Expenditures:			
<i>Current:</i>			
<i>Instruction:</i>			
Regular	32,486,547	0	32,486,547
Special	63,163,455	0	63,163,455
Vocational	1,655,440	0	1,655,440
Adult/Continuing	2,483,356	0	2,483,356
Other	17,172,937	0	17,172,937
<i>Support Services:</i>			
Pupils	5,918,451	0	5,918,451
Instructional Staff	35,221,016	0	35,221,016
Board of Education	785	0	785
Administration	4,617,604	0	4,617,604
Fiscal	1,129,965	0	1,129,965
Operation and Maintenance of Plant	14,083,653	390,685	14,474,338
Pupil Transportation	922,801	0	922,801
Central	511,027	0	511,027
Operation of Non-Instructional Services	39,083,515	0	39,083,515
Extracurricular Activities	817,968	0	817,968
Capital Outlay	436,162	10,354,220	10,790,382
Total Expenditures	219,704,682	10,744,905	230,449,587
Deficiency of Revenues Under Expenditures	6,587,591	884,675	7,472,266
Other Financing Sources:			
Transfers In	3,770,394	0	3,770,394
Net Change in Fund Balances	10,357,985	884,675	11,242,660
Fund Balances Beginning of Year	15,725,659	42,746,492	58,472,151
Fund Balances at End of Year	\$ 26,083,644	\$ 43,631,167	\$ 69,714,811

Cleveland Municipal School District
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2009

	Educational Special Trust	Classroom Facilities Maintenance	Other Local
Assets			
Equity in Pooled Cash and Cash Equivalents	\$ 5,259,858	\$ 18,512,405	\$ 523,920
Investments with Fiscal Agents	10,656,540	0	0
Receivables:			
Taxes	0	3,089,946	0
Accounts	224,831	0	160,482
Intergovernmental	7,890	0	0
Materials and Supplies Inventory	0	0	0
Total Assets	\$ 16,149,119	\$ 21,602,351	\$ 684,402
Liabilities			
Accounts Payable	\$ 141,861	\$ 39,929	\$ 1,700
Accrued Wages and Benefits	240,205	0	111,825
Interfund Payable	0	0	310,000
Intergovernmental Payable	140,196	0	65,267
Deferred Revenue	0	2,694,370	0
Total Liabilities	522,262	2,734,299	488,792
Fund Balance:			
Reserved for Encumbrances	529,414	810,571	75,049
Reserved for Inventory	0	0	0
Reserved for Property Taxes	0	375,367	0
Unreserved, Undesignated (Deficit) Special Revenue Funds	15,097,443	17,682,114	120,561
Total Fund Balances (Deficit)	15,626,857	18,868,052	195,610
Total Liabilities and Fund Balances	\$ 16,149,119	\$ 21,602,351	\$ 684,402

Auxiliary Services (NPSS)	Poverty Aid	Miscellaneous State Grants	Other State	Food Service	Adult Basic Education
\$ 2,361,121	\$ 308,844	\$ 840,370	\$ 975,161	\$ 200,535	\$ 0
0	0	0	0	0	0
0	0	0	0	0	0
3,433	0	0	0	0	0
0	0	370,346	57,320	653,841	123,586
0	0	0	0	798,579	0
<u>\$ 2,364,554</u>	<u>\$ 308,844</u>	<u>\$ 1,210,716</u>	<u>\$ 1,032,481</u>	<u>\$ 1,652,955</u>	<u>\$ 123,586</u>
\$ 569,007	\$ 0	\$ 0	\$ 625	\$ 1,186,929	\$ 0
211,489	0	5,945	74,604	710,859	55,373
0	0	0	0	0	201,855
123,436	0	3,470	43,542	414,894	32,319
0	0	609,399	148,536	0	31,951
<u>903,932</u>	<u>0</u>	<u>618,814</u>	<u>267,307</u>	<u>2,312,682</u>	<u>321,498</u>
1,701,304	0	447,953	87,330	0	8,548
0	0	0	0	798,579	0
0	0	0	0	0	0
<u>(240,682)</u>	<u>308,844</u>	<u>143,949</u>	<u>677,844</u>	<u>(1,458,306)</u>	<u>(206,460)</u>
<u>1,460,622</u>	<u>308,844</u>	<u>591,902</u>	<u>765,174</u>	<u>(659,727)</u>	<u>(197,912)</u>
<u>\$ 2,364,554</u>	<u>\$ 308,844</u>	<u>\$ 1,210,716</u>	<u>\$ 1,032,481</u>	<u>\$ 1,652,955</u>	<u>\$ 123,586</u>

(continued)

Cleveland Municipal School District
Combining Balance Sheet
Nonmajor Special Revenue Funds (continued)
June 30, 2009

	Title VI-B Special Education	Vocational Education	Title I
Assets			
Equity in Pooled Cash and Cash Equivalents	\$ 0	\$ 85,958	\$ 4,566,253
Investments with Fiscal Agents	0	0	0
Receivables:			
Taxes	0	0	0
Accounts	0	0	0
Intergovernmental	772,681	47,117	605,449
Materials and Supplies Inventory	0	0	0
Total Assets	\$ 772,681	\$ 133,075	\$ 5,171,702
Liabilities			
Accounts Payable	\$ 14,082	\$ 55,415	\$ 315,278
Accrued Wages and Benefits	971,207	156,358	4,673,886
Interfund Payable	710,114	0	0
Intergovernmental Payable	566,846	91,258	2,727,927
Deferred Revenue	197	44,853	2,936,440
Total Liabilities	2,262,446	347,884	10,653,531
Fund Balance:			
Reserved for Encumbrances	81,871	329,142	1,556,099
Reserved for Inventory	0	0	0
Reserved for Property Taxes	0	0	0
Unreserved, Undesignated (Deficit) Special Revenue Funds	(1,571,636)	(543,951)	(7,037,928)
Total Fund Balances (Deficit)	(1,489,765)	(214,809)	(5,481,829)
Total Liabilities and Fund Balances	\$ 772,681	\$ 133,075	\$ 5,171,702

Improving Teacher Quality Title II-A	Miscellaneous Federal Grants	Other Federal	Total Nonmajor Special Revenue Funds
\$ 239,408	\$ 355,318	\$ 227,465	\$ 34,456,616
0	0	0	10,656,540
0	0	0	3,089,946
0	0	0	388,746
0	2,644,958	236,520	5,519,708
0	0	0	798,579
<u>\$ 239,408</u>	<u>\$ 3,000,276</u>	<u>\$ 463,985</u>	<u>\$ 54,910,135</u>
\$ 0	\$ 278,171	\$ 0	\$ 2,602,997
649,979	241,474	288,193	8,391,397
0	2,190,000	0	3,411,969
379,361	140,937	168,204	4,897,657
239,408	2,412,845	404,472	9,522,471
<u>1,268,748</u>	<u>5,263,427</u>	<u>860,869</u>	<u>28,826,491</u>
88	190,449	2,443	5,820,261
0	0	0	798,579
0	0	0	375,367
<u>(1,029,428)</u>	<u>(2,453,600)</u>	<u>(399,327)</u>	<u>19,089,437</u>
<u>(1,029,340)</u>	<u>(2,263,151)</u>	<u>(396,884)</u>	<u>26,083,644</u>
<u>\$ 239,408</u>	<u>\$ 3,000,276</u>	<u>\$ 463,985</u>	<u>\$ 54,910,135</u>

Cleveland Municipal School District

*Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2009*

	Educational Special Trust	Classroom Facilities Maintenance	Other Local
Revenues:			
<i>Local Sources:</i>			
Taxes	\$ 0	\$ 2,181,470	\$ 0
Investment Income	466,919	202,498	0
Tuition and Fees	0	0	160,482
Extracurricular Activities	0	0	790,764
Contributions and Donations	7,977,396	0	0
Miscellaneous	0	0	2,009,219
<i>State Sources:</i>			
Unrestricted Grants-in-Aid	0	2,390,385	0
Restricted Grants-in-Aid	0	0	0
<i>Federal Sources:</i>			
Restricted Grants-in-Aid	0	0	0
Total Revenues	8,444,315	4,774,353	2,960,465
Expenditures:			
<i>Current:</i>			
<i>Instruction:</i>			
Regular	114,003	0	615,971
Special	769	0	65,713
Vocational	64,271	0	0
Adult/Continuing	9,597	0	0
Other	0	0	0
<i>Support Services:</i>			
Pupils	380,499	0	191,254
Instructional Staff	5,884,526	0	0
Board of Education	785	0	0
Administration	623,162	0	355,904
Fiscal	0	0	170,432
Operation and Maintenance of Plant	50,385	713,213	42,810
Pupil Transportation	65,861	0	0
Central	2,481	0	0
Operation of Non-Instructional Services	18,024	0	0
Extracurricular Activities	17,081	0	800,887
Capital Outlay	0	436,162	0
Total Expenditures	7,231,444	1,149,375	2,242,971
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,212,871	3,624,978	717,494
Other Financing Sources:			
Transfers In	944,394	0	0
Net Change in Fund Balances	2,157,265	3,624,978	717,494
Fund Balances (Deficit) Beginning of Year	13,469,592	15,243,074	(521,884)
Fund Balances (Deficit) at End of Year	\$ 15,626,857	\$ 18,868,052	\$ 195,610

Auxiliary Services (NPSS)	Poverty Aid	Miscellaneous State Grants	Other State	Food Service	Adult Basic Education
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
37,111	0	0	0	2,846	0
0	0	0	4,817	0	0
0	0	0	0	0	0
0	0	0	0	0	0
296,450	0	0	0	1,071,960	0
0	0	0	0	0	0
7,288,277	66,084,587	2,001,893	1,606,386	650,626	0
0	0	0	0	20,998,210	2,410,348
<u>7,621,838</u>	<u>66,084,587</u>	<u>2,001,893</u>	<u>1,611,203</u>	<u>22,723,642</u>	<u>2,410,348</u>
0	28,713,109	42,168	82,838	0	0
0	2,886,884	0	0	0	0
0	0	0	16,916	0	0
0	0	1,876	206,176	0	1,884,715
0	13,699,497	0	0	0	0
0	1,215,022	44,674	373,300	0	427
286,009	699,736	931,117	362,717	0	552,010
0	0	0	0	0	0
0	0	0	91,287	0	0
0	0	0	0	0	19,888
11,779	12,891,544	0	0	0	0
0	0	8,954	3,901	0	1,099
0	0	0	504,013	0	0
7,963,360	0	3,619	0	25,705,800	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>8,261,148</u>	<u>60,105,792</u>	<u>1,032,408</u>	<u>1,641,148</u>	<u>25,705,800</u>	<u>2,458,139</u>
(639,310)	5,978,795	969,485	(29,945)	(2,982,158)	(47,791)
0	0	0	0	2,826,000	0
(639,310)	5,978,795	969,485	(29,945)	(156,158)	(47,791)
2,099,932	(5,669,951)	(377,583)	795,119	(503,569)	(150,121)
<u>\$ 1,460,622</u>	<u>\$ 308,844</u>	<u>\$ 591,902</u>	<u>\$ 765,174</u>	<u>\$ (659,727)</u>	<u>\$ (197,912)</u>

(continued)

Cleveland Municipal School District

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Special Revenue Funds (continued)

For the Fiscal Year Ended June 30, 2009

	Title VI-B Special Education	Vocational Education	Title I
Revenues:			
<i>Local Sources:</i>			
Taxes	\$ 0	\$ 0	\$ 0
Investment Income	0	0	0
Tuition and Fees	0	0	0
Extracurricular Activities	0	0	0
Contributions and Donations	0	0	0
Miscellaneous	0	0	0
<i>State Sources:</i>			
Unrestricted Grants-in-Aid	0	0	0
Restricted Grants-in-Aid	0	0	0
<i>Federal Sources:</i>			
Restricted Grants-in-Aid	21,381,753	3,139,399	60,911,116
Total Revenues	21,381,753	3,139,399	60,911,116
Expenditures:			
<i>Current:</i>			
<i>Instruction:</i>			
Regular	0	0	1,425,204
Special	9,847,391	0	42,258,249
Vocational	0	1,574,253	0
Adult/Continuing	0	108,306	0
Other	0	0	0
<i>Support Services:</i>			
Pupils	2,968,523	10,440	77,351
Instructional Staff	6,041,304	1,494,426	12,797,576
Board of Education	0	0	0
Administration	1,160,198	85,248	1,175,519
Fiscal	188,916	0	539,132
Operation and Maintenance of Plant	0	0	276,081
Pupil Transportation	407,500	2,834	319,311
Central	0	0	0
Operation of Non-Instructional Services	777,789	56,737	4,477,360
Extracurricular Activities	0	0	0
Capital Outlay	0	0	0
Total Expenditures	21,391,621	3,332,244	63,345,783
Excess (Deficiency) of Revenues Over (Under) Expenditures	(9,868)	(192,845)	(2,434,667)
Other Financing Sources:			
Transfers In	0	0	0
Net Change in Fund Balances	(9,868)	(192,845)	(2,434,667)
Fund Balances (Deficit) Beginning of Year	(1,479,897)	(21,964)	(3,047,162)
Fund Balances (Deficit) at End of Year	\$ (1,489,765)	\$ (214,809)	\$ (5,481,829)

Improving Teacher Quality Title II-A	Miscellaneous Federal Grants	Other Federal	Total Nonmajor Special Revenue Funds
\$ 0	\$ 0	\$ 0	\$ 2,181,470
0	0	0	709,374
0	0	0	165,299
0	0	0	790,764
0	0	0	7,977,396
0	0	0	3,377,629
0	0	0	2,390,385
0	0	0	77,631,769
8,070,896	11,236,152	2,920,313	131,068,187
<u>8,070,896</u>	<u>11,236,152</u>	<u>2,920,313</u>	<u>226,292,273</u>
0	1,489,107	4,147	32,486,547
7,544,967	0	559,482	63,163,455
0	0	0	1,655,440
0	262,170	10,516	2,483,356
0	3,473,440	0	17,172,937
0	285,203	371,758	5,918,451
0	4,659,247	1,512,348	35,221,016
0	0	0	785
57,041	640,812	428,433	4,617,604
88,506	102,206	20,885	1,129,965
0	97,841	0	14,083,653
0	113,311	30	922,801
0	4,533	0	511,027
2,373	47,496	30,957	39,083,515
0	0	0	817,968
0	0	0	436,162
<u>7,692,887</u>	<u>11,175,366</u>	<u>2,938,556</u>	<u>219,704,682</u>
378,009	60,786	(18,243)	6,587,591
<u>0</u>	<u>0</u>	<u>0</u>	<u>3,770,394</u>
378,009	60,786	(18,243)	10,357,985
<u>(1,407,349)</u>	<u>(2,323,937)</u>	<u>(378,641)</u>	<u>15,725,659</u>
<u>\$ (1,029,340)</u>	<u>\$ (2,263,151)</u>	<u>\$ (396,884)</u>	<u>\$ 26,083,644</u>

Cleveland Municipal School District

Combining Balance Sheet

Nonmajor Capital Projects Funds

June 30, 2009

	Permanent Improvement	Building Renovation	Total Nonmajor Capital Projects Funds
Assets			
Equity in Pooled Cash and Cash Equivalents	\$ 19,510,592	\$ 7,141,930	\$ 26,652,522
Cash and Cash Equivalents With Fiscal Agents	63,024	0	63,024
Investments	18,120,912	0	18,120,912
Receivables:			
Accrued Interest	326,970	0	326,970
Total Assets	\$ 38,021,498	\$ 7,141,930	\$ 45,163,428
Liabilities			
Accounts Payable	\$ 1,424,922	\$ 0	\$ 1,424,922
Accrued Wages and Benefits	27,983	0	27,983
Retainage Payable	63,024	0	63,024
Intergovernmental Payable	16,332	0	16,332
Total Liabilities	1,532,261	0	1,532,261
Fund Balance:			
Reserved for Encumbrances	9,634,307	0	9,634,307
Unreserved, Undesignated Capital Projects Funds	26,854,930	7,141,930	33,996,860
Total Fund Balances	36,489,237	7,141,930	43,631,167
Total Liabilities and Fund Balances	\$ 38,021,498	\$ 7,141,930	\$ 45,163,428

Cleveland Municipal School District
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Fiscal Year Ended June 30, 2009

	Permanent Improvement	Building Renovation	Total Nonmajor Capital Projects Funds
Revenues:			
<i>Local Sources:</i>			
Taxes	\$ 10,381,873	\$ 0	\$ 10,381,873
Investment Income	1,247,707	0	1,247,707
Total Revenues	11,629,580	0	11,629,580
Expenditures:			
<i>Current:</i>			
<i>Support Services:</i>			
Operation and Maintenance of Plant	390,685	0	390,685
Capital Outlay	10,354,220	0	10,354,220
Total Expenditures	10,744,905	0	10,744,905
Net Change in Fund Balances	884,675	0	884,675
Fund Balances Beginning of Year	35,604,562	7,141,930	42,746,492
Fund Balances at End of Year	\$ 36,489,237	\$ 7,141,930	\$ 43,631,167

Fund Descriptions – Internal Service Funds

Internal Service Funds are established to account for the providing of goods or services by one department to other departments of the School District on a cost reimbursement basis. The following is the School District's internal service fund types:

Internal Service Funds

Liability Self-Insurance Fund – This fund accounts for the self-insurance of uninsured risks of loss and associated expenses attributable to deductibles and self-insured retention limits for general liability and property damage claim settlements and judgments.

Employee Benefits Self-Insurance Fund – This fund accounts for the medical benefits self-insurance program for employees of the School District. Monthly fees are paid and any balance on hand is held until used.

Cleveland Municipal School District

Combining Statement of Fund Net Assets

Internal Service Funds

June 30, 2009

	<u>Liability Self-Insurance</u>	<u>Employee Benefits Self-Insurance</u>	<u>Totals</u>
<i>Assets</i>			
<i>Current Assets:</i>			
Equity in Pooled Cash and Cash Equivalents	\$ 2,465,271	\$ 7,547,173	\$ 10,012,444
<i>Liabilities</i>			
<i>Current Liabilities:</i>			
Claims Payable	<u>1,058,909</u>	<u>966,316</u>	<u>2,025,225</u>
<i>Net Assets</i>			
Unrestricted	<u>\$ 1,406,362</u>	<u>\$ 6,580,857</u>	<u>\$ 7,987,219</u>

Cleveland Municipal School District
Combining Statement of Revenues, Expenses and Changes in Fund Net Assets
Internal Service Funds
For the Fiscal Year Ended June 30, 2009

	Liability Self-Insurance	Employee Benefits Self-Insurance	Totals
<i>Operating Revenues:</i>			
Charges for Services	\$ 0	\$ 48,219,603	\$ 48,219,603
<i>Operating Expenses:</i>			
Claims and Claim Adjustment Expenses	485,884	41,638,746	42,124,630
<i>Operating Income (Loss)</i>	(485,884)	6,580,857	6,094,973
<i>Nonoperating Revenues (Expenses):</i>	0	0	0
Change in Net Assets	(485,884)	6,580,857	6,094,973
Net Assets Beginning of Year	1,892,246	0	1,892,246
<i>Net Assets End of Year</i>	<u>\$ 1,406,362</u>	<u>\$ 6,580,857</u>	<u>\$ 7,987,219</u>

Cleveland Municipal School District

Combining Statement of Cash Flows

Internal Service Funds

For the Fiscal Year Ended June 30, 2009

	Liability Self-Insurance	Employee Benefits Self-Insurance	Totals
<i>Increase (Decrease) In Cash and Cash Equivalents:</i>			
<i>Cash Flows from Operating Activities:</i>			
Cash Received from Interfund Services Provided	\$ 0	\$ 48,219,603	\$ 48,219,603
Cash Payments for Claims and Claim Adjustment Expenses	(299,797)	(40,672,430)	(40,972,227)
<i>Net Cash Provided (Used) by Operating Activities</i>	(299,797)	7,547,173	7,247,376
Cash and Cash Equivalents at Beginning of Year	2,765,068	0	2,765,068
<i>Cash and Cash Equivalents at End of Year</i>	<u>\$ 2,465,271</u>	<u>\$ 7,547,173</u>	<u>\$ 10,012,444</u>
 <i>Reconciliation of Income to Net Cash Provided (Used) by Operating Activities</i>			
<i>Operating Income (Loss)</i>	\$ (485,884)	\$ 6,580,857	\$ 6,094,973
<i>Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities</i>			
Increase in Claims Payable	186,087	966,316	1,152,403
<i>Net Cash Provided by Operating Activities</i>	<u>\$ (299,797)</u>	<u>\$ 7,547,173</u>	<u>\$ 7,247,376</u>

Fund Descriptions – Fiduciary Funds

Fiduciary funds are used to account for assets held by the School District in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds. The following is the School District's fiduciary fund type:

Agency Funds

District Agency Fund – This fund reflects resources which accounts for various payroll withholding items.

Student Managed Activity – This fund reflects resources that belong to the student bodies of the various schools.

Cleveland Municipal School District
Combining Statement of Changes in Assets and Liabilities
All Agency Funds
For the Fiscal Year Ended June 30, 2009

	Beginning Balance July 1, 2008	Additions	Deductions	Ending Balance June 30, 2009
District Agency Fund				
<i>Assets:</i>				
Equity in Pooled Cash and Cash Equivalents	\$ 3,699,503	\$ 24,806	\$ 0	\$ 3,724,309
<i>Liabilities:</i>				
Payroll Withholdings	\$ 3,699,503	\$ 24,806	\$ 0	\$ 3,724,309
Student Managed Activity				
<i>Assets:</i>				
Equity in Pooled Cash and Cash Equivalents	\$ 741,564	\$ 1,041,280	\$ 1,076,629	\$ 706,215
<i>Liabilities:</i>				
Due to Students	\$ 741,564	\$ 1,041,280	\$ 1,076,629	\$ 706,215
All Agency Funds				
<i>Assets:</i>				
Equity in Pooled Cash and Cash Equivalents	\$ 4,441,067	\$ 1,066,086	\$ 1,076,629	\$ 4,430,524
<i>Liabilities:</i>				
Due To Students	\$ 741,564	\$ 1,041,280	\$ 1,076,629	\$ 706,215
Payroll Withholdings	3,699,503	24,806	0	3,724,309
Total Liabilities	\$ 4,441,067	\$ 1,066,086	\$ 1,076,629	\$ 4,430,524

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

Cleveland Municipal School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Debt Service Fund
For the Fiscal Year Ended June 30, 2009

	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues:			
<i>Local Sources:</i>			
Taxes	\$ 8,799,651	\$ 10,765,061	\$ 1,965,410
Miscellaneous	0	31,950	31,950
<i>State Sources:</i>			
Unrestricted Grants-in-Aid	8,839,031	4,993,625	(3,845,406)
Total Revenues	<u>17,638,682</u>	<u>15,790,636</u>	<u>(1,848,046)</u>
Expenditures:			
<i>Debt Service:</i>			
Principal Retirement	7,975,000	7,975,000	0
Interest and Fiscal Charges	28,578,345	8,223,635	20,354,710
Total Expenditures	<u>36,553,345</u>	<u>16,198,635</u>	<u>20,354,710</u>
Net Change in Fund Balances	(18,914,663)	(407,999)	18,506,664
Fund Balances Beginning of Year	<u>19,314,567</u>	<u>19,314,567</u>	<u>0</u>
Fund Balances at End of Year	<u>\$ 399,904</u>	<u>\$ 18,906,568</u>	<u>\$ 18,506,664</u>

Cleveland Municipal School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Classroom Facilities Fund
For the Fiscal Year Ended June 30, 2009

	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues:			
<i>Local Sources:</i>			
Taxes	\$ 9,618,127	\$ 9,618,127	\$ 0
Investment Income	4,540,000	3,870,159	(669,841)
Miscellaneous	27,200	27,200	0
<i>State Sources:</i>			
Restricted Grants-in-Aid	325,432,800	53,146,142	(272,286,658)
Total Revenues	<u>339,618,127</u>	<u>66,661,628</u>	<u>(272,956,499)</u>
Expenditures:			
Capital Outlay	497,982,118	180,725,434	317,256,684
<i>Debt Service:</i>			
Principal Retirement	9,618,127	9,618,127	0
Total Expenditures	<u>507,600,245</u>	<u>190,343,561</u>	<u>317,256,684</u>
Deficiency of Revenues Under Expenditures	(167,982,118)	(123,681,933)	44,300,185
Other Financing Sources:			
Issuance from Sale of Notes	15,000,000	15,000,000	0
Net Change in Fund Balances	(152,982,118)	(108,681,933)	44,300,185
Fund Balances Beginning of Year	71,181,973	71,181,973	0
<i>Prior Year Encumbrances Appropriated</i>	81,982,118	81,982,118	0
Fund Balances at End of Year	<u>\$ 181,973</u>	<u>\$ 44,482,158</u>	<u>\$ 44,300,185</u>

Cleveland Municipal School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Educational Special Trust Fund
For the Fiscal Year Ended June 30, 2009

	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues:			
<i>Local Sources:</i>			
Investment Income	\$ 425,000	\$ 489,721	\$ 64,721
Contributions and Donations	7,130,606	8,350,737	1,220,131
Total Revenues	7,555,606	8,840,458	1,284,852
Expenditures:			
<i>Current:</i>			
<i>Instruction:</i>			
Regular	198,170	126,198	71,972
Special	1,251	769	482
Vocational	121,020	92,448	28,572
Adult/Continuing	15,615	9,597	6,018
<i>Support Services:</i>			
Pupils	607,591	390,010	217,581
Instructional Staff	9,248,439	6,159,081	3,089,358
Board of Education	1,277	785	492
Administration	1,000,467	712,499	287,968
Operation and Maintenance of Plant	79,200	48,676	30,524
Pupil Transportation	100,519	67,404	33,115
Central	9,037	7,732	1,305
Operation of Non-Instructional Services	29,327	18,214	11,113
Extracurricular Activities	27,792	26,019	1,773
Total Expenditures	11,439,705	7,659,432	3,780,273
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,884,099)	1,181,026	5,065,125
Other Financing Sources:			
Operating Transfers In	944,394	944,394	0
Net Change in Fund Balances	(2,939,705)	2,125,420	5,065,125
Fund Balances Beginning of Year	12,398,703	12,398,703	0
<i>Prior Year Encumbrances Appropriated</i>	639,706	639,706	0
Fund Balances at End of Year	\$ 10,098,704	\$ 15,163,829	\$ 5,065,125

Cleveland Municipal School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Classroom Facilities Maintenance Fund
For the Fiscal Year Ended June 30, 2009

	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues:			
<i>Local Sources:</i>			
Taxes	\$ 1,997,833	\$ 2,128,665	\$ 130,832
Investment Income	0	202,498	202,498
<i>State Sources:</i>			
Unrestricted Grants-in-Aid	314,199	2,390,385	2,076,186
Total Revenues	<u>2,312,032</u>	<u>4,721,548</u>	<u>2,409,516</u>
Expenditures:			
<i>Support Services:</i>			
Operation and Maintenance of Plant	9,686,013	1,347,135	8,338,878
Capital Outlay	6,674,302	643,094	6,031,208
Total Expenditures	<u>16,360,315</u>	<u>1,990,229</u>	<u>14,370,086</u>
Net Change in Fund Balances	(14,048,283)	2,731,319	16,779,602
Fund Balances Beginning of Year	14,126,523	14,126,523	0
<i>Prior Year Encumbrances Appropriated</i>	<u>804,315</u>	<u>804,315</u>	<u>0</u>
Fund Balances at End of Year	<u>\$ 882,555</u>	<u>\$ 17,662,157</u>	<u>\$ 16,779,602</u>

Cleveland Municipal School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Other Local Funds
For the Fiscal Year Ended June 30, 2009

	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues:			
<i>Local Sources:</i>			
Extracurricular Activities	\$ 1,150,000	\$ 790,764	\$ (359,236)
Miscellaneous	2,140,000	2,009,219	(130,781)
Total Revenues	<u>3,290,000</u>	<u>2,799,983</u>	<u>(490,017)</u>
Expenditures:			
<i>Current:</i>			
<i>Instruction:</i>			
Regular	636,116	592,341	43,775
Special	70,359	65,507	4,852
<i>Support Services:</i>			
Pupils	194,221	180,827	13,394
Administration	368,767	343,335	25,432
Fiscal	161,767	150,611	11,156
Operation and Maintenance of Plant	56,523	52,625	3,898
Extracurricular Activities	1,522,852	877,541	645,311
Total Expenditures	<u>3,010,605</u>	<u>2,262,787</u>	<u>747,818</u>
Excess of Revenues Over Expenditures	<u>279,395</u>	<u>537,196</u>	<u>257,801</u>
Other Financing Sources (Uses):			
Advances In	310,000	310,000	0
Advances Out	(934,000)	(934,000)	0
Total Other Financing Sources (Uses)	<u>(624,000)</u>	<u>(624,000)</u>	<u>0</u>
Net Change in Fund Balances	(344,605)	(86,804)	257,801
Fund Balances Beginning of Year	466,030	466,030	0
<i>Prior Year Encumbrances Appropriated</i>	<u>67,946</u>	<u>67,946</u>	<u>0</u>
Fund Balances at End of Year	<u>\$ 189,371</u>	<u>\$ 447,172</u>	<u>\$ 257,801</u>

Cleveland Municipal School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Auxiliary Services (NPSS) Fund
For the Fiscal Year Ended June 30, 2009

	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues:			
<i>Local Sources:</i>			
Investment Income	\$ 41,982	\$ 37,111	\$ (4,871)
Miscellaneous	0	293,017	293,017
<i>State Sources:</i>			
Restricted Grants-in-Aid	8,458,018	7,288,277	(1,169,741)
Total Revenues	8,500,000	7,618,405	(881,595)
Expenditures:			
<i>Current:</i>			
<i>Support Services:</i>			
Instructional Staff	394,569	280,469	114,100
Operation and Maintenance of Plant	16,779	16,779	0
Operation of Non-Instructional Services	10,622,469	9,767,671	854,798
Total Expenditures	11,033,817	10,064,919	968,898
Net Change in Fund Balances	(2,533,817)	(2,446,514)	87,303
Fund Balances Beginning of Year	959,507	959,507	0
<i>Prior Year Encumbrances Appropriated</i>	1,577,817	1,577,817	0
Fund Balances at End of Year	\$ 3,507	\$ 90,810	\$ 87,303

Cleveland Municipal School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Poverty Aid Fund
For the Fiscal Year Ended June 30, 2009

	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues:			
<i>State Sources:</i>			
Restricted Grants-in-Aid	\$ 70,000,000	\$ 66,084,587	\$ (3,915,413)
Expenditures:			
<i>Current:</i>			
<i>Instruction:</i>			
Regular	31,444,221	30,895,699	548,522
Special	3,944,114	3,944,114	0
Other	14,786,928	14,786,928	0
<i>Support Services:</i>			
Pupils	1,667,517	1,667,517	0
Instructional Staff	768,195	768,195	0
Operation and Maintenance of Plant	14,022,134	14,022,134	0
Total Expenditures	66,633,109	66,084,587	548,522
Net Change in Fund Balances	3,366,891	0	(3,366,891)
Fund Balances Beginning of Year	29,806	29,806	0
<i>Prior Year Encumbrances Appropriated</i>	<u>279,038</u>	<u>279,038</u>	<u>0</u>
Fund Balances at End of Year	<u>\$ 3,675,735</u>	<u>\$ 308,844</u>	<u>\$ (3,366,891)</u>

Cleveland Municipal School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Miscellaneous State Grants Fund
For the Fiscal Year Ended June 30, 2009

	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues:			
<i>State Sources:</i>			
Restricted Grants-in-Aid	\$ 4,415,000	\$ 1,579,323	\$ (2,835,677)
Expenditures:			
<i>Current:</i>			
<i>Instruction:</i>			
Regular	172,508	97,270	75,238
Adult/Continuing	10,532	10,532	0
<i>Support Services:</i>			
Pupils	207,793	50,000	157,793
Instructional Staff	4,165,027	1,252,207	2,912,820
Operation and Maintenance of Plant	20,000	20,000	0
Pupil Transportation	157,212	156,836	376
Operation of Non-Instructional Services	15,040	3,619	11,421
Total Expenditures	4,748,112	1,590,464	3,157,648
Net Change in Fund Balances	(333,112)	(11,141)	321,971
Fund Balances Beginning of Year	155,446	155,446	0
<i>Prior Year Encumbrances Appropriated</i>	248,112	248,112	0
Fund Balances at End of Year	\$ 70,446	\$ 392,417	\$ 321,971

Cleveland Municipal School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Other State Funds
For the Fiscal Year Ended June 30, 2009

	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues:			
<i>Local Sources:</i>			
Tuition and Fees	\$ 67,000	\$ 4,817	\$ (62,183)
<i>State Sources:</i>			
Restricted Grants-in-Aid	3,540,000	1,738,938	(1,801,062)
Total Revenues	<u>3,607,000</u>	<u>1,743,755</u>	<u>(1,863,245)</u>
Expenditures:			
<i>Current:</i>			
<i>Instruction:</i>			
Regular	146,728	85,678	61,050
Vocational	47,327	12,930	34,397
Adult/Continuing	253,045	204,912	48,133
<i>Support Services:</i>			
Pupils	530,259	374,086	156,173
Instructional Staff	2,003,276	418,543	1,584,733
Administration	133,571	91,299	42,272
Pupil Transportation	4,817	3,901	916
Central	1,072,760	570,721	502,039
Total Expenditures	<u>4,191,783</u>	<u>1,762,070</u>	<u>2,429,713</u>
Deficiency of Revenues Under Expenditures	(584,783)	(18,315)	566,468
Other Financing Uses:			
Advances Out	(210,000)	(210,000)	0
Net Change in Fund Balances	(794,783)	(228,315)	566,468
Fund Balances Beginning of Year	1,014,939	1,014,939	0
<i>Prior Year Encumbrances Appropriated</i>	<u>100,582</u>	<u>100,582</u>	<u>0</u>
Fund Balances at End of Year	<u>\$ 320,738</u>	<u>\$ 887,206</u>	<u>\$ 566,468</u>

Cleveland Municipal School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Food Service Fund
For the Fiscal Year Ended June 30, 2009

	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues:			
<i>Local Sources:</i>			
Investment Income	\$ 3,700	\$ 2,846	\$ (854)
Miscellaneous	1,112,000	1,076,112	(35,888)
<i>State Sources:</i>			
Restricted Grants-in-Aid	871,000	650,626	(220,374)
<i>Federal Sources:</i>			
Restricted Grants-in-Aid	21,387,300	20,016,589	(1,370,711)
Total Revenues	<u>23,374,000</u>	<u>21,746,173</u>	<u>(1,627,827)</u>
Expenditures:			
<i>Current:</i>			
Operation of Non-Instructional Services	26,453,784	24,825,677	1,628,107
Deficiency of Revenues Under Expenditures	(3,079,784)	(3,079,504)	280
Other Financing Sources:			
Operating Transfers In	2,826,000	2,826,000	0
Net Change in Fund Balances	(253,784)	(253,504)	280
Fund Balance Beginning of Year	62	62	0
<i>Prior Year Encumbrances Appropriated</i>	253,784	253,784	0
Fund Balances at End of Year	<u>\$ 62</u>	<u>\$ 342</u>	<u>\$ 280</u>

Cleveland Municipal School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Adult Basic Education Fund
For the Fiscal Year Ended June 30, 2009

	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues:			
<i>Federal Sources:</i>			
Restricted Grants-in-Aid	\$ 4,050,000	\$ 2,286,762	\$ (1,763,238)
Expenditures:			
<i>Current:</i>			
<i>Instruction:</i>			
Adult/Continuing	3,102,103	1,946,759	1,155,344
<i>Support Services:</i>			
Pupils	2,305	1,440	865
Instructional Staff	865,844	540,984	324,860
Fiscal	31,831	19,888	11,943
Pupil Transportation	1,757	1,099	658
Total Expenditures	4,003,840	2,510,170	1,493,670
Net Change in Fund Balances	46,160	(223,408)	(269,568)
Fund Balances Beginning of Year	9,165	9,165	0
<i>Prior Year Encumbrances Appropriated</i>	3,840	3,840	0
Fund Balances (Deficit) at End of Year	\$ 59,165	\$ (210,403)	\$ (269,568)

Cleveland Municipal School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Title VI-B Special Education Fund
For the Fiscal Year Ended June 30, 2009

	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues:			
<i>Federal Sources:</i>			
Restricted Grants-in-Aid	\$ 25,600,000	\$ 19,278,659	\$ (6,321,341)
Expenditures:			
Current:			
<i>Instruction:</i>			
Special	11,657,595	9,826,343	1,831,252
<i>Support Services:</i>			
Pupils	3,942,242	3,000,037	942,205
Instructional Staff	7,896,854	6,103,789	1,793,065
Administration	1,519,166	1,155,870	363,296
Fiscal	248,293	188,916	59,377
Pupil Transportation	535,579	407,500	128,079
Operation of Non-Instructional Services	1,070,694	814,646	256,048
Total Expenditures	26,870,423	21,497,101	5,373,322
Net Change in Fund Balances	(1,270,423)	(2,218,442)	(948,019)
Fund Balances Beginning of Year	1,376,951	1,376,951	0
<i>Prior Year Encumbrances Appropriated</i>	35,423	35,423	0
Fund Balances (Deficit) at End of Year	\$ 141,951	\$ (806,068)	\$ (948,019)

Cleveland Municipal School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Vocational Education Fund
For the Fiscal Year Ended June 30, 2009

	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues:			
<i>Federal Sources:</i>			
Restricted Grants-in-Aid	\$ 7,250,000	\$ 3,229,485	\$ (4,020,515)
Expenditures:			
Current:			
<i>Instruction:</i>			
Vocational	3,588,646	1,741,788	1,846,858
Adult/Continuing	266,846	118,209	148,637
<i>Support Services:</i>			
Pupils	38,823	17,198	21,625
Instructional Staff	2,849,782	1,461,547	1,388,235
Administration	208,334	92,514	115,820
Pupil Transportation	6,398	2,834	3,564
Operation of Non-Instructional Services	128,079	89,866	38,213
Total Expenditures	7,086,908	3,523,956	3,562,952
Excess (Deficiency) of Revenues Over (Under) Expenditures	163,092	(294,471)	(457,563)
Other Financing Uses:			
Advances Out	(850,000)	(850,000)	0
Net Change in Fund Balances	(686,908)	(1,144,471)	(457,563)
Fund Balances Beginning of Year	964	964	0
<i>Prior Year Encumbrances Appropriated</i>	844,908	844,908	0
Fund Balances (Deficit) at End of Year	\$ 158,964	\$ (298,599)	\$ (457,563)

Cleveland Municipal School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Title I Fund
For the Fiscal Year Ended June 30, 2009

	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues:			
<i>Federal Sources:</i>			
Restricted Grants-in-Aid	\$ 83,400,000	\$ 62,187,241	\$ (21,212,759)
Expenditures:			
Current:			
<i>Instruction:</i>			
Regular	2,170,006	1,553,017	616,989
Special	59,166,242	42,988,958	16,177,284
<i>Support Services:</i>			
Pupils	192,786	136,782	56,004
Instructional Staff	17,242,609	12,688,727	4,553,882
Administration	1,542,600	1,236,175	306,425
Fiscal	759,875	539,132	220,743
Operation and Maintenance of Plant	272,521	193,822	78,699
Pupil Transportation	556,097	469,791	86,306
Operation of Non-Instructional Services	6,629,146	4,878,418	1,750,728
Total Expenditures	88,531,882	64,684,822	23,847,060
Net Change in Fund Balances	(5,131,882)	(2,497,581)	2,634,301
Fund Balances Beginning of Year	660,576	660,576	0
<i>Prior Year Encumbrances Appropriated</i>	4,531,882	4,531,882	0
Fund Balances at End of Year	\$ 60,576	\$ 2,694,877	\$ 2,634,301

Cleveland Municipal School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Improving Teacher Quality Title II-A Fund
For the Fiscal Year Ended June 30, 2009

	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues:			
<i>Federal Sources:</i>			
Restricted Grants-in-Aid	\$ 11,450,000	\$ 7,743,420	\$ (3,706,580)
Expenditures:			
Current:			
<i>Instruction:</i>			
Special	11,785,216	7,923,006	3,862,210
<i>Support Services:</i>			
Administration	84,802	57,011	27,791
Fiscal	131,650	88,506	43,144
Operation of Non-Instructional Services	3,530	2,461	1,069
Total Expenditures	12,005,198	8,070,984	3,934,214
Net Change in Fund Balances	(555,198)	(327,564)	227,634
Fund Balances Beginning of Year	561,686	561,686	0
<i>Prior Year Encumbrances Appropriated</i>	5,198	5,198	0
Fund Balances at End of Year	\$ 11,686	\$ 239,320	\$ 227,634

Cleveland Municipal School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Miscellaneous Federal Grants Fund
For the Fiscal Year Ended June 30, 2009

	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues:			
<i>Federal Sources:</i>			
Restricted Grants-in-Aid	\$ 20,610,000	\$ 11,006,193	\$ (9,603,807)
Expenditures:			
Current:			
<i>Instruction:</i>			
Regular	2,810,568	1,489,233	1,321,335
Adult/Continuing	480,731	254,989	225,742
Other	5,907,709	3,568,891	2,338,818
<i>Support Services:</i>			
Pupils	649,909	344,367	305,542
Instructional Staff	8,805,600	4,692,691	4,112,909
Administration	1,173,074	621,720	551,354
Fiscal	192,889	102,206	90,683
Operation and Maintenance of Plant	184,650	97,841	86,809
Pupil Transportation	213,848	116,066	97,782
Central	8,554	4,533	4,021
Operation of Non-Instructional Services	89,638	47,497	42,141
Total Expenditures	20,517,170	11,340,034	9,177,136
<i>Excess (Deficiency) of Revenues</i>			
Over (Under) Expenditures	92,830	(333,841)	(426,671)
Other Financing Sources (Uses):			
Advances In	2,190,000	2,190,000	0
Advances Out	(2,238,000)	(2,238,000)	0
Total Other Financing Sources (Uses)	(48,000)	(48,000)	0
Net Change in Fund Balances	44,830	(381,841)	(426,671)
Fund Balances Beginning of Year	371	371	0
<i>Prior Year Encumbrances Appropriated</i>	268,168	268,168	0
Fund Balances (Deficit) at End of Year	\$ 313,369	\$ (113,302)	\$ (426,671)

Cleveland Municipal School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Other Federal Funds
For the Fiscal Year Ended June 30, 2009

	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues:			
<i>Federal Sources:</i>			
Restricted Grants-in-Aid	\$ 7,229,500	\$ 3,206,889	\$ (4,022,611)
Expenditures:			
Current:			
<i>Instruction:</i>			
Regular	22,341	9,435	12,906
Special	1,721,756	418,449	1,303,307
Adult/Continuing	27,136	11,460	15,676
<i>Support Services:</i>			
Pupils	699,409	371,407	328,002
Instructional Staff	3,010,730	1,487,052	1,523,678
Administration	1,068,941	428,433	640,508
Fiscal	38,655	20,884	17,771
Pupil Transportation	42	30	12
Operation of Non-Instructional Services	62,215	31,419	30,796
Total Expenditures	6,651,225	2,778,569	3,872,656
Excess of Revenues Over Expenditures	578,275	428,320	(149,955)
Other Financing Uses:			
Advances Out	(1,269,000)	(1,269,000)	0
Net Change in Fund Balances	(690,725)	(840,680)	(149,955)
Fund Balances Beginning of Year	264,477	264,477	0
<i>Prior Year Encumbrances Appropriated</i>	801,225	801,225	0
Fund Balances at End of Year	\$ 374,977	\$ 225,022	\$ (149,955)

Cleveland Municipal School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Permanent Improvement Fund
For the Fiscal Year Ended June 30, 2009

	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues:			
<i>Local Sources:</i>			
Taxes	\$ 10,381,873	\$ 10,381,873	\$ 0
Investment Income	1,450,000	1,426,374	(23,626)
Total Revenues	<u>11,831,873</u>	<u>11,808,247</u>	<u>(23,626)</u>
Expenditures:			
<i>Current:</i>			
<i>Support Services:</i>			
Operation and Maintenance of Plant	1,476,659	436,620	1,040,039
Capital Outlay	33,471,901	20,803,482	12,668,419
<i>Debt Service:</i>			
Principal Retirement	10,381,873	10,381,873	0
Total Expenditures	<u>45,330,433</u>	<u>31,621,975</u>	<u>13,708,458</u>
Deficiency of Revenues Under Expenditures	<u>(33,498,560)</u>	<u>(19,813,728)</u>	<u>13,684,832</u>
Net Change in Fund Balances	(33,498,560)	(19,813,728)	13,684,832
Fund Balances Beginning of Year	40,314,929	40,314,929	0
<i>Prior Year Encumbrances Appropriated</i>	<u>6,048,560</u>	<u>6,048,560</u>	<u>0</u>
Fund Balances at End of Year	<u>\$ 12,864,929</u>	<u>\$ 26,549,761</u>	<u>\$ 13,684,832</u>

Cleveland Municipal School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Building Renovation Fund
For the Fiscal Year Ended June 30, 2009

	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues:			
<i>State Sources:</i>			
Restricted Grants-in-Aid	\$ 200,000	\$ 0	\$ (200,000)
Expenditures:			
<i>Current:</i>			
Operation and Maintenance of Plant	6,778,909	0	6,778,909
Capital Outlay	521,886	0	521,886
Total Expenditures	7,300,795	0	7,300,795
Net Change in Fund Balances	(7,100,795)	0	7,100,795
Fund Balances Beginning of Year	7,074,135	7,074,135	0
<i>Prior Year Encumbrances Appropriated</i>	<u>67,795</u>	<u>67,795</u>	<u>0</u>
Fund Balances at End of Year	<u>\$ 41,135</u>	<u>\$ 7,141,930</u>	<u>\$ 7,100,795</u>

Cleveland Municipal School District
Schedule of Revenues, Expenses and Changes
In Fund Equity - Budget (Non-GAAP Basis) and Actual
Liability Self-Insurance Fund
For the Fiscal Year Ended June 30, 2009

	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues:	\$ 0	\$ 0	\$ 0
Expenses:			
Claims	737,000	689,294	47,706
Net Change in Fund Equity	(737,000)	(689,294)	47,706
Fund Equity Beginning of Year	2,765,068	2,765,068	0
Fund Equity at End of Year	\$ 2,028,068	\$ 2,075,774	\$ 47,706

Cleveland Municipal School District
Schedule of Revenues, Expenses and Changes
In Fund Equity - Budget (Non-GAAP Basis) and Actual
Employee Benefits Self-Insurance Fund
For the Fiscal Year Ended June 30, 2009

	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues:			
Charges for Services	\$ 49,900,000	\$ 48,219,603	\$ (1,680,397)
Expenses:			
Claims	49,900,000	40,672,430	9,227,570
Net Change in Fund Equity	0	7,547,173	7,547,173
Fund Equity Beginning of Year	0	0	0
Fund Equity at End of Year	\$ 0	\$ 7,547,173	\$ 7,547,173

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Statistical Section

STATISTICAL SECTION

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

<u>Contents</u>	<u>Page</u>
Financial Trends	S2
These schedules contain trend information to help the reader understand how the School District’s financial performance and well-being have changed over time.	
Revenue Capacity	S15
These schedules contain information to help the reader assess the affordability of the School District’s most significant local revenue source of Property Tax and Foundation payments.	
Debt Capacity	S22
These schedules present information to help the reader assess the affordability of the School District’s current levels of outstanding debt, and the ability to issue additional debt in the future.	
Demographic and Economic Information	S27
These schedules offer demographic and economic indicators to help the reader understand the environment within which the School District’s financial activities take place.	
Operating Information	S29
These schedules contain service data to help the reader understand how the information in the School District’s financial report relates to the services the School District provides and the activities it performs.	

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The School District implemented GASB Statement 34 for the year ended June 30, 2002; schedules presenting government-wide information include information beginning in that year.

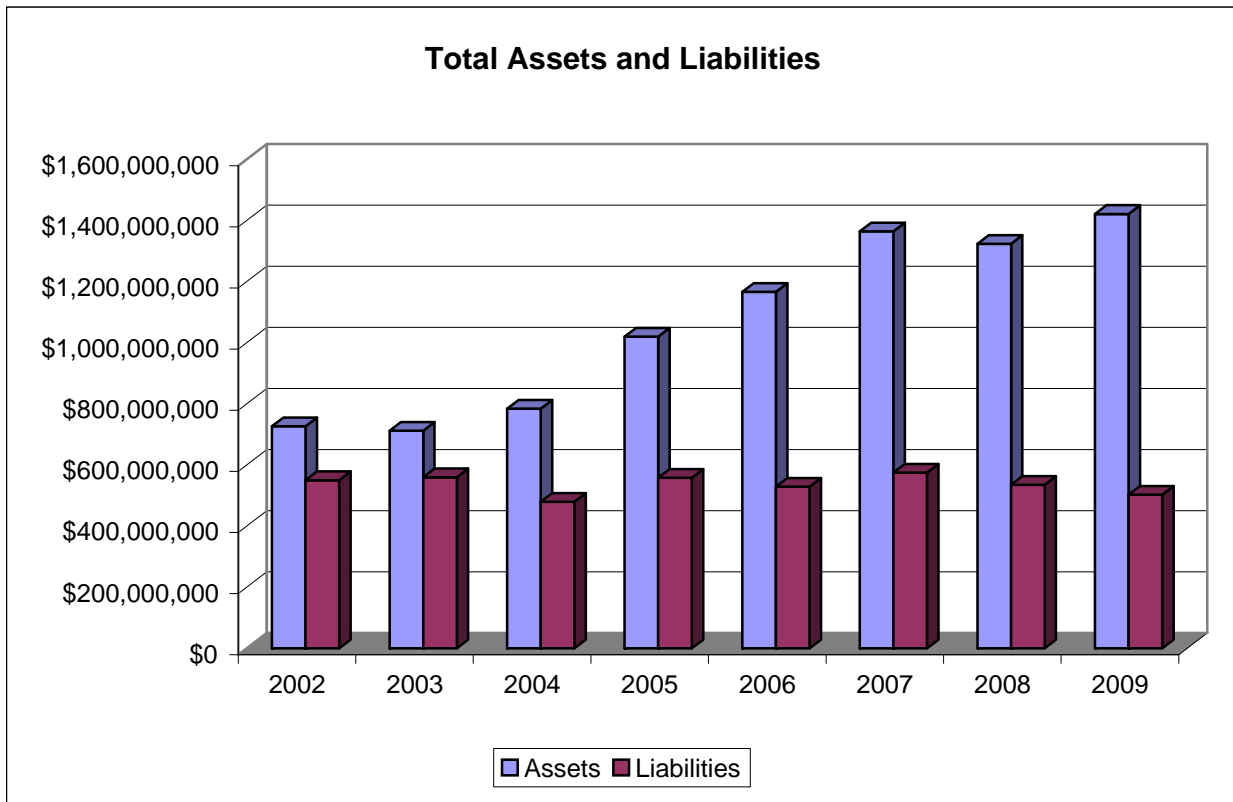
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Cleveland Municipal School District

Net Assets by Component
Last Eight Fiscal Years
(accrual basis of accounting)

	2002	2003	2004
Governmental Activities			
Invested in Capital Assets, Net of Related Debt	\$ 71,206,837	\$ 90,048,016	\$ 153,091,046
Restricted for:			
Capital Projects	61,551,582	115,256,182	175,330,213
Debt Service	45,035,163	38,444,373	51,754,628
Set Asides	7,878,225	332,803	0
Other Purposes, All	15,920,704	14,054,335	18,214,387
Unrestricted	(25,236,561)	(105,593,518)	(93,677,258)
Total Net Assets	<u>\$ 176,355,950</u>	<u>\$ 152,542,191</u>	<u>\$ 304,713,016</u>

2005	2006	2007	2008	2009
\$ 117,395,590	\$ 208,222,499	\$ 261,363,643	\$ 332,124,644	\$ 410,820,839
326,783,809	362,464,498	423,973,593	313,896,979	391,466,835
53,685,274	49,134,737	36,237,294	33,349,361	33,857,725
0	0	0	0	0
11,361,537	16,028,862	18,590,876	34,529,429	40,215,098
(47,337,174)	2,036,421	49,393,549	74,406,756	41,835,337
<u>\$ 461,889,036</u>	<u>\$ 637,887,017</u>	<u>\$ 789,558,955</u>	<u>\$ 788,307,169</u>	<u>\$ 918,195,834</u>



Cleveland Municipal School District

Changes in Net Assets of Governmental Activities

Last Eight Fiscal Years

(accrual basis of accounting)

	2002	2003	2004
Expenses			
Governmental Activities:			
Instruction:			
Regular	\$ 285,812,361	\$ 292,996,927	\$ 290,987,320
Special	134,372,522	133,693,977	143,004,004
Vocational	17,515,053	17,726,322	15,994,184
Adult/Continuing	5,687,512	5,836,915	5,094,891
Other	3,015,312	649,876	198,400
<i>Support Services:</i>			
Pupils	45,797,274	43,833,809	45,012,097
Instructional Staff	64,764,521	63,960,109	56,236,589
Board of Education	288,859	304,039	259,950
Administration	52,787,800	55,540,796	45,084,175
Fiscal	1,606,735	12,688,426	10,893,531
Business	1,146,699	1,275,129	1,091,725
Operation and Maintenance of Plant	61,649,791	67,222,113	62,223,013
Pupil Transportation	40,111,930	39,750,255	38,379,675
Central	18,755,847	20,175,678	16,698,556
Operation of Non-Instructional Services	43,155,357	43,804,093	43,837,168
Extracurricular Activities	7,955,139	7,611,100	7,051,078
Interest and Fiscal Charges	12,759,118	16,890,272	9,830,504
Total Primary Government Expenses	797,181,830	823,959,836	791,876,860

Program Revenues

Governmental Activities:

Charges for Services and Sales

Instruction:

Regular	0	0	0
Special	373,020	125,619	0
Vocational	0	0	0
Adult/Continuing	431,355	403,424	994,043
Other	0	0	0

Support Services:

Pupils	0	0	0
Instructional Staff	0	0	0
Board of Education	0	0	0
Administration	0	0	0
Fiscal	0	0	0
Business	0	0	0
Operation and Maintenance of Plant	0	0	0
Pupil Transportation	0	0	0
Central	0	0	0
Operation of Non-Instruction Services	0	0	0
Extracurricular Activities	0	0	0

	2005	2006	2007	2008	2009
\$	249,352,851	\$ 316,945,841	\$ 306,641,274	\$ 327,247,872	\$ 328,162,328
	152,153,082	143,913,038	160,305,162	168,823,350	180,413,911
	12,683,615	11,907,870	12,723,093	13,985,560	11,895,564
	3,490,435	2,300,131	2,967,373	2,833,813	2,856,799
	150	12,759,762	12,263,429	19,765,060	19,497,068
	33,877,518	35,380,163	37,100,301	32,218,673	27,746,864
	54,824,175	51,072,946	48,124,670	48,850,968	57,621,095
	223,199	267,321	248,637	258,840	284,153
	43,927,480	41,342,791	43,218,261	46,168,403	44,605,981
	12,234,280	9,946,686	9,617,654	11,408,394	12,212,820
	1,284,442	942,371	1,065,128	1,873,943	2,645,732
	56,317,807	58,569,487	64,844,985	109,195,119	74,505,273
	28,867,256	28,965,329	27,944,135	27,527,934	31,991,149
	14,936,994	15,969,839	15,923,177	15,035,691	19,272,538
	44,009,082	42,532,273	38,956,223	42,585,167	42,225,005
	5,968,627	5,814,665	6,466,969	6,783,614	6,910,474
	13,588,410	11,647,137	10,180,816	9,219,611	8,078,738
	<u>727,739,403</u>	<u>790,277,650</u>	<u>798,591,287</u>	<u>883,782,012</u>	<u>870,925,492</u>

	0	0	196,057	660,425	616,265
	192,893	148,405	717,094	238,482	229,296
	0	0	0	27,430	19,401
	83,071	38,252	59,177	890	707
	0	0	0	168	4,804
	0	0	0	53,857	63,040
	0	0	0	50,724	45,270
	0	0	0	579	536
	0	0	0	95,123	113,343
	0	0	0	23,294	40,664
	0	0	0	4,354	5,007
	0	0	0	104,131	96,210
	0	0	0	58,433	56,888
	0	0	0	34,018	34,908
	0	0	0	7,798	5,512
	0	0	0	821,166	800,606

(continued)

Cleveland Municipal School District
Changes in Net Assets of Governmental Activities (continued)
Last Eight Fiscal Years
(accrual basis of accounting)

	2002	2003	2004
Operating Grants, Contributions and Interest			
Instruction:			
Regular	\$ 68,668,108	\$ 74,627,861	\$ 67,676,019
Special	38,557,973	47,152,401	47,957,446
Vocational	1,349,010	1,450,034	1,227,846
Adult/Continuing	2,705,669	2,168,935	1,544,153
Other	0	0	0
Support Services:			
Pupils	3,512,611	5,820,419	6,427,226
Instructional Staff	32,620,693	28,182,013	30,020,207
Board of Education	0	0	8,822
Administration	5,175,114	4,624,996	5,091,991
Fiscal	1,061,140	1,941,436	1,415,851
Business	1,001	0	0
Operation and Maintenance of Plant	1,967,922	937,093	619,443
Pupil Transportation	153,300	258,201	822,477
Central	2,824,409	1,121,823	1,292,861
Operation of Non-Instruction Services	38,025,456	40,202,642	41,527,739
Extracurricular Activities	591,345	426,863	1,048,436
Capital Grants and Contributions			
Instruction:			
Regular	1,451,091	0	119,629,061
Support Services:			
Instructional Staff	1,164,709	65,000	1,604,924
Operation and Maintenance of Plant	817,250	5,044,270	0
Central	0	0	0
<i>Total Program Revenues</i>	<u>201,451,176</u>	<u>214,553,030</u>	<u>328,908,545</u>
Net Expense	<u>\$ (595,730,654)</u>	<u>\$ (609,406,806)</u>	<u>\$ (462,968,315)</u>
General Revenues and Other			
Changes in Net Assets			
Governmental Activities:			
Property Taxes Levied For:			
General Purposes	\$ 236,216,278	\$ 186,612,352	\$ 219,596,436
Debt Service	33,619,705	27,133,112	40,006,114
Capital Outlay	2,561,580	2,125,297	2,980,196
Investment Income	7,844,704	4,688,605	2,945,010
Miscellaneous	2,443,123	4,324,953	2,840,826
Grants and Entitlements not Restricted to			
Specific Programs	325,704,649	360,708,728	346,770,558
Total Primary Government	<u>608,390,039</u>	<u>585,593,047</u>	<u>615,139,140</u>
Change in Net Assets			
Total Primary Government	<u>\$ 12,659,385</u>	<u>\$ (23,813,759)</u>	<u>\$ 152,170,825</u>

	2005	2006	2007	2008	2009
\$	71,510,982	\$ 33,931,074	\$ 34,039,005	\$ 35,546,322	\$ 37,192,665
	49,947,447	63,057,863	62,362,875	66,638,056	62,689,317
	968,521	741,042	1,694,687	2,533,848	1,637,911
	2,215,834	2,451,716	2,444,889	2,617,719	2,462,002
	0	11,151,414	11,461,176	19,133,256	18,403,044
	5,702,967	7,803,544	10,539,199	9,175,181	5,916,754
	32,431,931	40,672,337	27,327,018	30,313,516	35,440,720
	11,126	7,701	12,989	14,767	2,849
	5,347,769	4,916,688	7,231,878	4,546,107	4,575,772
	1,402,369	1,068,558	1,314,680	1,348,188	925,564
	0	0	0	17,476	18,548
	672,986	2,547,221	7,251,442	12,818,564	14,781,452
	635,920	1,294,475	1,190,477	1,601,296	1,093,004
	1,220,287	895,218	578,561	683,303	641,824
	37,057,500	39,136,205	34,663,348	32,764,919	33,961,591
	849,552	895,653	878,738	70,647	61,459
	109,387,736	119,828,477	89,064,023	2,395,614	150,881,349
	14,867	0	0	0	0
	38,370	682,985	0	0	0
	133	0	0	0	0
	<u>319,692,261</u>	<u>331,268,828</u>	<u>293,027,313</u>	<u>224,399,651</u>	<u>372,818,282</u>
\$	<u>(408,047,142)</u>	<u>(459,008,822)</u>	<u>(505,563,974)</u>	<u>(659,382,361)</u>	<u>(498,107,210)</u>
\$	193,293,701	\$ 197,583,328	\$ 198,996,360	\$ 185,684,541	\$ 155,294,660
	29,573,166	31,620,440	35,760,058	33,647,336	10,941,106
	2,309,596	2,459,275	2,477,222	2,347,262	22,122,341
	7,362,433	16,205,770	18,843,152	18,682,784	9,507,759
	2,410,759	9,715,420	1,665,345	7,100,867	10,669,482
	330,273,507	384,582,569	399,493,775	410,667,785	419,460,527
	<u>565,223,162</u>	<u>642,166,802</u>	<u>657,235,912</u>	<u>658,130,575</u>	<u>627,995,875</u>
\$	<u>157,176,020</u>	<u>183,157,980</u>	<u>151,671,938</u>	<u>(1,251,786)</u>	<u>129,888,665</u>

Cleveland Municipal School District

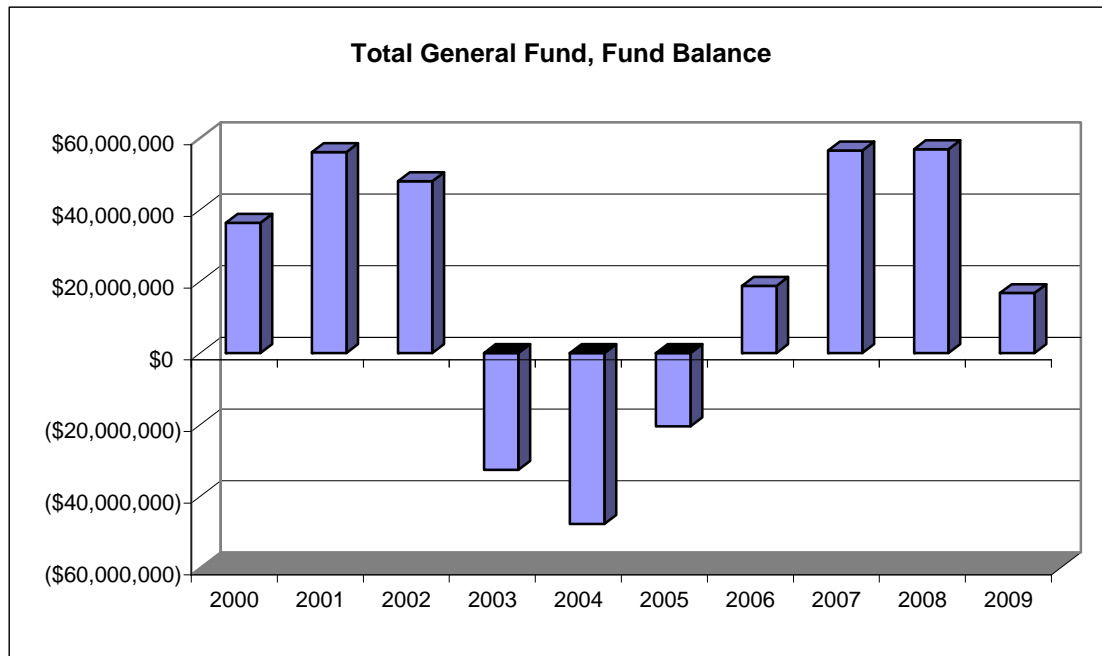
Fund Balances, Governmental Funds

Last Ten Fiscal Years

(modified accrual basis of accounting)

	2000	2001	2002	2003
General Fund				
Reserved for Encumbrances	\$ 29,036,379	\$ 23,601,772	\$ 14,062,107	\$ 8,948,676
Reserved for Inventory	925,735	937,406	809,323	772,127
Reserved for Prepays	0	0	5,169,109	5,565,546
Reserved for Property Taxes	11,450,195	11,274,909	30,216,480	14,349,055
Reserved for Budget Stabilization	7,400,000	6,602,317	6,602,317	0
Reserved for Bus Purchases	1,672,481	1,803,398	1,275,908	332,803
Unreserved, (Deficit)	(14,132,009)	11,857,547	(10,161,984)	(62,545,712)
Total General Fund	<u>36,352,781</u>	<u>56,077,349</u>	<u>47,973,260</u>	<u>(32,577,505)</u>
All Other Government Funds				
Reserved for Encumbrances	13,171,860	20,909,562	20,769,604	55,576,782
Reserved for Inventory	0	0	0	0
Reserved for Property Taxes	933,917	974,751	7,184,931	3,411,875
Unreserved, (Deficit), Reported in:				
Special Revenue Funds	(4,581,161)	(5,079,882)	3,772,329	4,786,279
Debt Service Funds	19,847,214	20,473,102	29,208,398	26,363,902
Capital Projects Funds	8,508,293	21,237,158	47,235,968	66,318,202
Total all Other Governmental Funds	<u>37,880,123</u>	<u>58,514,691</u>	<u>108,171,230</u>	<u>156,457,040</u>
Total Governmental Funds	<u>\$ 74,232,904</u>	<u>\$ 114,592,040</u>	<u>\$ 156,144,490</u>	<u>\$ 123,879,535</u>

2004	2005	2006	2007	2008	2009
\$ 5,403,473	\$ 4,805,598	\$ 6,467,758	\$ 7,217,484	\$ 3,158,174	\$ 919,523
809,133	702,401	656,976	683,737	1,126,828	598,118
7,071,886	0	0	0	0	0
26,749,122	22,404,297	16,183,447	17,083,523	19,559,632	21,682,643
0	0	17,000,000	0	0	0
0	0	0	0	0	0
(87,728,621)	(48,377,637)	(21,522,382)	31,501,426	33,010,831	(6,453,783)
<u>(47,695,007)</u>	<u>(20,465,341)</u>	<u>18,785,799</u>	<u>56,486,170</u>	<u>56,855,465</u>	<u>16,746,501</u>
78,467,894	65,909,495	77,386,743	64,881,973	88,523,867	101,305,463
489,953	277,925	291,769	410,176	517,125	798,579
6,995,197	5,851,848	4,227,004	4,924,426	5,638,179	6,238,147
4,260,932	(2,198,856)	6,951,949	7,631,660	5,703,271	19,089,437
31,003,694	34,578,380	30,376,315	14,238,392	19,367,096	19,153,121
15,718,944	131,254,059	87,359,128	125,530,579	97,428,288	61,135,167
<u>136,936,614</u>	<u>235,672,851</u>	<u>206,592,908</u>	<u>217,617,206</u>	<u>217,177,826</u>	<u>207,719,914</u>
<u>\$ 89,241,607</u>	<u>\$ 215,207,510</u>	<u>\$ 225,378,707</u>	<u>\$ 274,103,376</u>	<u>\$ 274,033,291</u>	<u>\$ 224,466,415</u>



Cleveland Municipal School District

Governmental Funds Revenues
Last Ten Fiscal Years
(modified accrual basis of accounting)

	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>
General Revenues				
Local Sources:				
Taxes	\$ 217,137,676	\$ 224,284,910	\$ 259,607,843	\$ 213,602,787
Investment Income	16,861,000	18,285,338	7,844,704	4,688,605
Tuition and Fees	1,023,218	1,532,003	928,493	654,602
Extracurricular Activities	857,343	705,765	474,299	570,391
Rentals	100,771	16,115	0	0
Contributions and Donations (1)	0	0	0	0
Miscellaneous	1,826,986	7,125,706	13,059,119	13,255,835
Total Local Sources	<u>237,806,994</u>	<u>251,949,837</u>	<u>281,914,458</u>	<u>232,772,220</u>
State Sources:				
Unrestricted Grants-in-Aid	316,361,566	310,739,648	320,497,947	302,965,559
Restricted Grants-in-Aid	50,261,774	75,892,321	88,546,257	129,821,083
Total State Sources	<u>366,623,340</u>	<u>386,631,969</u>	<u>409,044,204</u>	<u>432,786,642</u>
Federal Sources:				
Unrestricted Grants-in-Aid	4,109,302	5,303,880	5,206,702	19,787,241
Restricted Grants-in-Aid	52,036,799	65,045,715	95,141,262	114,895,243
Total Federal Sources	<u>56,146,101</u>	<u>70,349,595</u>	<u>100,347,964</u>	<u>134,682,484</u>
Total Revenues	<u>\$ 660,576,435</u>	<u>\$ 708,931,401</u>	<u>\$ 791,306,626</u>	<u>\$ 800,241,346</u>

Notes:

(1) 2008 was the first year the School District reported contributions and donations. Previously reported under miscellaneous revenues.

2004	2005	2006	2007	2008	2009
\$ 246,794,199	\$ 224,900,023	\$ 225,725,605	\$ 229,456,774	\$ 216,291,084	\$ 198,637,233
2,945,010	7,362,433	16,205,770	18,843,152	18,682,784	9,507,759
1,079,586	346,739	195,468	983,938	1,373,458	1,341,693
1,044,014	823,214	888,418	862,421	807,414	790,764
0	0	0	0	0	0
0	0	0	0	9,533,478	7,984,141
9,521,102	10,368,681	18,124,497	7,042,147	7,100,867	10,669,482
<u>261,383,911</u>	<u>243,801,090</u>	<u>261,139,758</u>	<u>257,188,432</u>	<u>253,789,085</u>	<u>228,931,072</u>
335,747,598	322,634,276	384,220,944	399,263,033	406,097,141	415,513,502
109,333,452	143,316,706	130,630,795	118,053,159	135,715,773	135,128,629
<u>445,081,050</u>	<u>465,950,982</u>	<u>514,851,739</u>	<u>517,316,192</u>	<u>541,812,914</u>	<u>550,642,131</u>
11,022,960	7,639,231	361,625	230,742	4,570,644	3,947,025
118,784,282	118,920,360	125,743,351	130,689,825	127,244,206	131,068,187
<u>129,807,242</u>	<u>126,559,591</u>	<u>126,104,976</u>	<u>130,920,567</u>	<u>131,814,850</u>	<u>135,015,212</u>
<u>\$ 836,272,203</u>	<u>\$ 836,311,663</u>	<u>\$ 902,096,473</u>	<u>\$ 905,425,191</u>	<u>\$ 927,416,849</u>	<u>\$ 914,588,415</u>

Cleveland Municipal School District
 Governmental Funds Expenditures and Debt Service Ratio
 Last Ten Fiscal Years
 (modified accrual basis of accounting)

	2000	2001	2002	2003
Expenditures				
Current:				
Instruction:				
Regular	\$ 253,119,426	\$ 239,454,508	\$ 267,806,654	\$ 279,487,310
Special	89,282,118	114,694,607	134,340,753	133,544,331
Vocational	18,193,372	17,407,927	17,511,631	17,687,269
Adult/Continuing	4,848,478	4,971,848	5,674,172	5,829,809
Other	1,334,029	1,745,463	3,015,312	649,876
Support Services:				
Pupils	25,420,577	27,256,542	32,530,531	42,077,898
Instructional Staff	34,331,720	46,378,563	64,694,935	64,123,973
Board of Education	187,039	211,884	277,862	289,091
Administration	44,562,207	41,378,477	49,145,584	53,270,115
Fiscal	3,609,819	10,208,253	9,476,226	12,700,693
Business	467,520	1,480,088	1,141,199	1,243,797
Operations and Maintenance of Plant	59,434,441	64,007,087	84,859,246	76,805,490
Pupil Transportation	32,668,584	38,190,326	43,060,114	38,221,943
Central	24,238,631	23,102,425	18,403,231	20,047,777
Operation of Non-Instructional Services	14,415,830	12,740,364	43,042,767	42,915,460
Extracurricular Activities	7,617,561	8,047,977	7,892,613	7,593,763
Capital Outlay	10,831,630	22,020,994	4,031,805	21,213,426
Debt Service				
Principal Retirement	9,543,215	10,033,214	11,611,671	3,399,908
Interest and Fiscal Charges	11,962,186	11,029,820	10,556,296	18,159,177
Total Expenditures	\$ 646,068,383	\$ 694,360,367	\$ 809,072,602	\$ 839,261,106
 Debt Service as a Percentage of Noncapital Expenditures	 3.4%	 3.1%	 2.8%	 2.6%

2004	2005	2006	2007	2008	2009
\$ 282,588,920	\$ 247,538,531	\$ 311,511,315	\$ 301,277,356	\$ 318,032,298	\$ 317,468,088
142,508,629	152,415,325	143,898,323	160,202,855	170,005,047	180,320,570
15,999,270	12,841,844	11,934,317	12,718,124	14,091,870	11,903,774
5,102,664	3,519,447	2,321,948	2,968,255	2,851,351	2,856,799
198,400	150	12,496,611	12,218,420	19,859,383	19,463,893
41,479,432	36,034,088	35,284,327	35,214,671	34,551,766	36,579,743
56,192,266	54,943,213	51,117,118	48,104,139	49,169,705	57,763,047
252,707	209,576	280,079	248,240	256,012	278,777
44,542,970	39,700,442	39,129,081	39,609,348	46,455,469	43,240,868
10,896,259	12,265,464	9,925,994	9,616,962	11,404,888	12,207,258
1,082,675	1,289,034	983,446	1,051,879	1,877,131	2,657,905
70,515,379	60,192,807	56,628,484	59,316,050	60,307,795	64,415,385
37,217,500	28,199,461	27,392,258	26,776,217	26,423,864	30,463,468
16,639,171	15,118,320	15,972,950	16,172,708	15,138,926	18,952,494
44,336,368	44,051,523	40,693,064	39,601,592	42,631,226	41,995,798
7,034,194	6,061,353	5,823,466	6,442,131	6,798,182	6,902,348
54,594,406	81,404,824	92,090,262	80,193,958	73,333,174	98,020,101
29,429,962	28,978,523	22,755,277	9,100,896	24,665,132	9,845,919
10,298,959	13,648,029	11,686,956	10,866,721	9,633,715	8,819,056
<u>\$ 870,910,131</u>	<u>\$ 838,411,954</u>	<u>\$ 891,925,276</u>	<u>\$ 871,700,522</u>	<u>\$ 927,486,934</u>	<u>\$ 964,155,291</u>

4.9%	5.6%	4.3%	2.5%	4.0%	2.2%
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Cleveland Municipal School District
Other Financing Sources and Uses and Net Change in Fund Balances,
Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ 23,794,594	\$ 15,000,523	\$ (17,765,976)	\$ (39,019,760)
Other Financing Sources (Uses)				
Issuance from the Sale of Bonds	0	0	46,785,495	40,000,000
Proceeds from the Sale of Notes	0	0	0	0
Premium from Sale of Bonds	0	0	0	0
Other Financing Sources-Capital Leases	0	5,369,629	5,062,000	0
Capital Lease Refinancing	0	0	0	8,404,000
Refunding Bonds Issued	0	0	0	91,937,253
Sale of Fixed Assets	0	24,400	0	0
Payment of Capital Lease Refinancing	0	0	0	(8,404,000)
Payment of Refunded Bond Escrow Agent	0	0	0	(125,182,448)
Transfers In	6,550,360	6,342,529	4,767,831	4,094,394
Transfers Out	(11,448,125)	(6,385,116)	(4,767,831)	(4,094,394)
Total Other Financing Sources (Uses)	<u>(4,897,765)</u>	<u>5,351,442</u>	<u>51,847,495</u>	<u>6,754,805</u>
Net Change in Fund Balances	<u>\$ 18,896,829</u>	<u>\$ 20,351,965</u>	<u>\$ 34,081,519</u>	<u>\$ (32,264,955)</u>

<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
\$ (34,637,928)	\$ (2,100,291)	\$ 10,171,197	\$ 33,724,669	\$ (70,085)	\$ (49,566,876)
0	125,000,000	0	0	0	0
0	0	0	15,000,000	0	0
0	3,066,194	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
966,211	3,108,186	6,944,394	39,180,591	29,532,247	3,770,394
(966,211)	(3,108,186)	(6,944,394)	(39,180,591)	(29,532,247)	(3,770,394)
<u>0</u>	<u>128,066,194</u>	<u>0</u>	<u>15,000,000</u>	<u>0</u>	<u>0</u>
<u>\$ (34,637,928)</u>	<u>\$ 125,965,903</u>	<u>\$ 10,171,197</u>	<u>\$ 48,724,669</u>	<u>\$ (70,085)</u>	<u>\$ (49,566,876)</u>

Cleveland Municipal School District
 Assessed and Estimated Actual Value of Taxable Property
 Last Ten Collection Years
 (in thousands of dollars)

Fiscal Year	Real Property		Public Utility	
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value
2000	\$ 4,139,968	\$ 11,828,480	\$ 444,748	\$ 505,395
2001	4,656,974	13,305,640	453,054	514,834
2002	4,689,984	13,399,954	370,677	421,224
2003	4,609,619	13,170,340	357,125	405,824
2004	4,903,040	14,008,686	357,470	406,216
2005	5,007,377	14,306,791	352,432	400,491
2006	4,970,503	14,201,437	316,245	359,369
2007	5,629,680	16,084,800	318,454	361,879
2008	5,526,506	15,790,017	212,297	241,246
2009	5,544,198	15,840,565	222,204	252,505

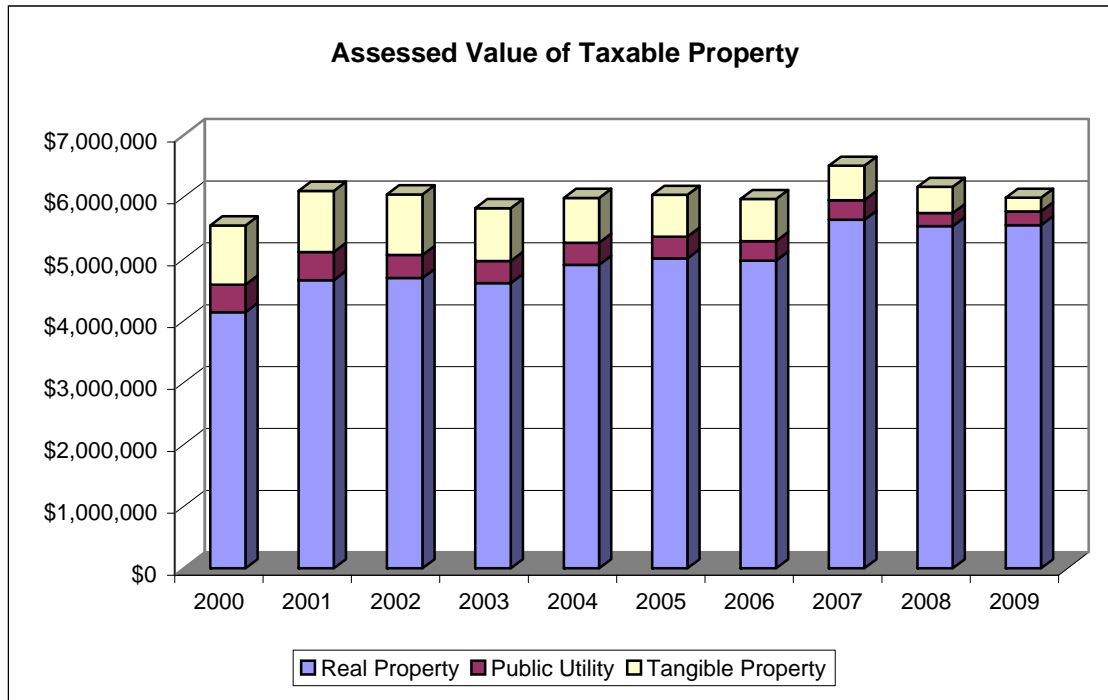
Source: Office of the County Auditor, Cuyahoga County, Ohio

Real property is reappraised every six years with a State mandated update of the current market value in the third year following each reappraisal.

The assessed value of real property (including public utility real property) is 35 percent of estimated true value. Personal property tax is assessed on all tangible personal property used in business in Ohio. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property. General business tangible personal property was assessed in previous years at 25 percent for machinery and equipment and 23 percent for inventories. General business tangible personal property tax is being phased out beginning in 2006. The listing percentage is 18.75 percent for 25 percent for 2006, 12.5 percent for 2007, 6.25 percent for 2008 and zero for 2009.

The tangible personal property values associated with each year are the values that, when multiplied by the applicable rates, generated the property tax revenue billed in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rebates would be reduced by the 10%, 2 1/2% and homestead exemptions before being billed. Beginning in 2006 collection year, the 10% rollback for commercial/industrial property has been eliminated.

Tangible Property		Total		Ratio	Total Direct Rate (4)
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value		
\$ 955,316	\$ 3,821,264	\$ 5,540,032	\$ 16,155,140	34%	60.80
989,442	3,957,768	6,099,470	17,778,242	34	60.60
980,692	3,922,768	6,041,353	17,743,946	34	64.80
852,234	3,705,365	5,818,978	17,281,529	34	64.80
723,018	3,143,557	5,983,528	17,558,458	34	64.80
674,031	2,930,570	6,033,840	17,637,853	34	64.80
679,540	3,624,213	5,966,288	18,185,019	33	64.80
556,633	4,453,064	6,504,767	20,899,743	31	64.80
424,871	3,398,968	6,163,674	19,430,231	32	64.80
221,153	3,538,448	5,987,555	19,631,518	30	64.80



Cleveland Municipal School District

Ad Valorem Property Tax Rates - All Direct and Overlapping Governments
Last Ten Collection Years
(Rate Per \$1,000 of Assessed Valuation)

Collection Year	City of Cleveland	Cuyahoga County	Cleveland Public Library	Cleveland Municipal School District		
				General Fund	Building Maintenance	Bond Retirement
2000	12.70	15.30	4.00	58.20	0.00	2.60
2001	12.70	16.20	4.00	58.20	0.00	2.40
2002	12.70	16.20	4.00	58.20	0.50	6.10
2003	12.70	16.20	4.00	58.20	0.50	6.10
2004	12.70	18.00	6.80	58.20	0.50	6.10
2005	12.70	18.30	6.80	58.20	0.50	6.10
2006	12.70	18.30	6.80	58.20	0.50	6.10
2007	12.70	18.20	6.80	58.20	0.50	6.10
2008	12.70	18.20	6.80	58.20	0.50	6.10
2009	12.70	18.10	6.80	58.20	0.50	6.10

Source: Cuyahoga County Auditor

Notes:

- (1) Amount represents the total for a City of Cleveland resident.
- (2) Certain points of the Villages of Bratenahl, Newburgh Heights and Linndale and the City of Garfield Heights are within the School District and are subject to the School District's tax.

Total (1)	Village of Bratenahl (2)	Village of Newburgh Heights (2)	Village of Linndale (2)	City of Garfield Heights (2)
92.80	25.10	12.80	2.80	19.00
93.50	24.70	12.80	2.80	19.60
97.70	20.30	12.80	2.80	19.60
97.70	20.50	12.80	2.80	20.10
102.30	14.00	12.80	2.80	20.10
102.60	14.00	18.50	2.80	21.10
102.60	14.10	18.50	2.80	21.90
102.50	14.00	19.50	2.80	21.90
102.50	14.00	19.50	2.80	21.90
102.40	15.50	19.50	2.80	23.30

Cleveland Municipal School District

Principal Property Tax Payers

2008 and 1999 (1)

Taxpayer	2008			1999		
	Approximate Assessed Valuation	Rank	Percent of Total District Assessed Valuation	Approximate Assessed Valuation	Rank	Percent of Total District Assessed Valuation
Cleveland Electric Illuminating Co.	\$ 140,684,540	1	2.35%			
City of Cleveland, Ohio	137,750,750	2	2.30%			
Cleveland Clinic Foundation	101,495,590	3	1.70%			
Case Western Reserve	59,652,010	4	1.00%			
Cleveland Financial Associates	49,232,020	5	0.82%			
East Ohio Gas	34,800,200	6	0.58%			
National City Center LLC	27,949,990	7	0.47%			
ISG Cleveland Incorporated	26,790,930	8	0.45%			
TIC OCC Ainley, LCC	22,177,160	9	0.37%			
Behringer Harvard 600	21,000,000	10	0.35%			
City of Cleveland, Ohio				\$ 80,962,360	1	1.47%
ZML-Cleve Public Sq LLC				56,306,250	2	1.02%
Lakeside Associates				35,350,000	3	0.64%
LTV Steel Company, Incorporated				32,400,450	4	0.59%
BRE, City Center LLC				31,819,000	5	0.58%
600 Superior Place Partnership				24,850,000	6	0.45%
Federal Reserve Bank of Cleveland				23,721,670	7	0.43%
Erievue Joint Venture				22,925,000	8	0.42%
PHS Mt. Sinai, Incorporated				21,294,000	9	0.39%
Tower City				17,406,860	10	0.32%
Total Ten Largest	<u>621,533,190</u>		<u>10.36%</u>	<u>347,035,590</u>		<u>6.29%</u>
Total District Assessed Valuation	<u>\$ 5,987,554,968</u>			<u>\$ 5,511,157,171</u>		

Source: City of Cleveland CAFR - 2007/1998 Tax Collection Year.

(1) 2009 Tax Collection Year Information Not Available.

Cleveland Municipal School District
Property Tax Levies and Collections
Ad Valorem Real and Tangible Personal Property Taxes
Last Ten Fiscal Years
(in thousands of dollars)

Collection Year (2)	Current Tax Levy Billed (1)	Current Collected	Percent Collected (1)	Collected Delinquencies	Total Collected	Total Collected As Percent Of Current Tax Levy
1999	\$ 254,305	\$ 233,041	91.6%	\$ 14,443	\$ 247,484	97.3%
2000	254,810	228,787	89.8	14,286	243,073	95.4
2001	253,539	221,059	87.2	14,721	235,780	93.0
2002	270,791	233,553	86.2	20,463	254,016	93.8
2003	263,003	232,417	88.4	17,296	249,713	94.9
2004	259,350	231,188	89.1	23,533	254,721	98.2
2005	261,734	230,272	88.0	17,260	247,532	94.6
2006	251,189	221,282	88.1	18,022	239,304	95.3
2007	245,044	212,722	86.8	16,160	228,882	93.4
2008	228,622	192,688	84.3	18,439	211,127	92.3

Source: Office of the Auditor, Cuyahoga County, Ohio - Data is presented on a calendar year basis because this is the manner in which the information is maintained by the County Auditor.

Notes:

- (1) Includes Homestead/Rollback taxes assessed locally, but distributed through the State and reported as Intergovernmental Revenue.
- (2) Represents collection year. 2009 information cannot be presented because all collections have not been made by June 30.

Cleveland Municipal School District

Ratio of Bonded Debt to Personal Income and Debt per Capita

Last Ten Fiscal Years

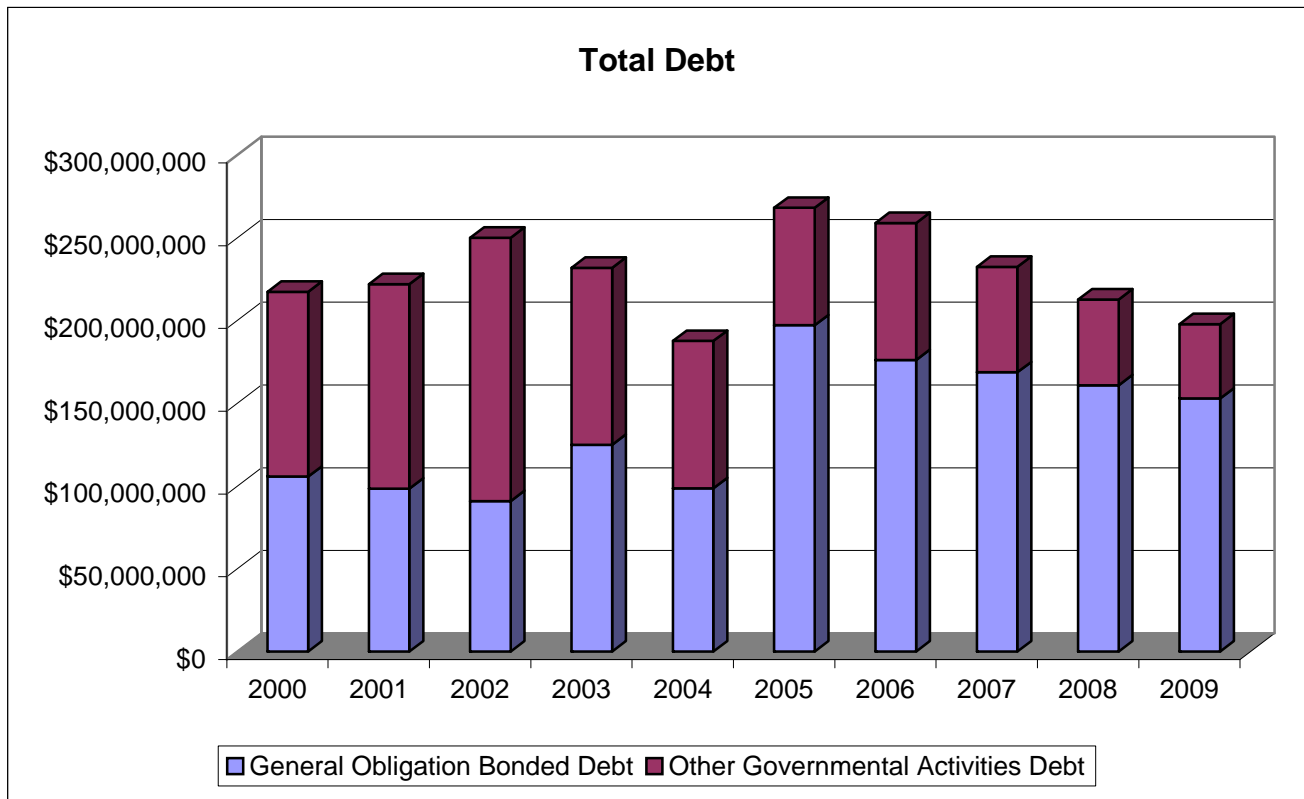
Fiscal Year	Estimated Population (1)	Estimated Actual Values	General Obligation Bonded Debt		
			General Obligation Bonded Debt	Ratio of General Obligation Bonded Debt to Estimated Actual Value	General Obligation Bonded Debt per Capita
2000	478,403	\$ 16,155,139,000	\$ 105,734,539	0.65%	\$ 221
2001	478,403	17,778,242,000	98,505,723	0.55	206
2002	478,403	17,743,946,000	90,908,480	0.51	190
2003	478,403	17,281,529,000	124,915,000	0.72	261
2004	478,403	17,558,459,000	98,695,000	0.56	206
2005	478,403	17,637,852,000	197,200,000	1.12	412
2006	444,313	18,185,019,000	176,130,000	0.97	396
2007	444,313	20,899,743,000	168,765,000	0.81	380
2008	438,042	19,430,231,000	160,890,000	0.83	367
2009	433,748	19,631,518,000	152,915,000	0.78	353

Sources:

- (1) U.S. Bureau of the Census
- (2) The personal income can be found on S27

Other Governmental Activities Debt

Qualified Zone Academy Bonds	Notes	Energy Conservation Improvement Bonds	Capital Lease Obligation	Total Debt	Percentage of Personal Income (2)	Per Capita
\$ 0	\$ 104,805,927	\$ 6,880,000	\$ 0	\$ 217,420,466	3.18%	\$ 454
21,250,000	91,997,713	5,520,000	4,819,078	222,092,514	3.25	464
21,250,000	125,049,498	4,065,000	8,847,622	250,120,600	3.66	523
21,250,000	75,383,124	2,520,000	7,796,508	231,864,632	3.39	485
21,250,000	60,012,875	865,000	6,886,795	187,709,670	2.75	392
21,250,000	43,736,113	0	5,940,034	268,126,147	3.92	560
21,250,000	56,571,154	0	4,954,716	258,905,870	4.08	583
21,250,000	38,490,704	0	3,929,270	232,434,974	3.66	523
21,250,000	27,767,780	0	2,862,062	212,769,842	3.40	486
21,250,000	22,007,532	0	1,751,391	197,923,923	3.19	456



Cleveland Municipal School District

Legal Debt Margin Information

Last Ten Fiscal Years

Legal Debt Margin Calculation for Fiscal Year 2009

Assessed Value	\$5,987,554,968
Debt Limit (9% of assessed value)	538,879,947
Debt Applicable to Limit	127,899,099
Legal Debt Margin	\$ 410,980,848

	2000	2001	2002	2003
Debt Limit	\$ 498,602,918	\$ 548,952,300	\$ 543,721,770	\$ 523,708,020
Total Net Debt Applicable to Limit	91,833,408	82,577,870	94,124,366	97,918,533
Legal Debt Margin	\$ 406,769,510	\$ 466,374,430	\$ 449,597,404	\$ 425,789,487
 Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	 18.42%	 15.04%	 17.31%	 18.70%

Source: Office of the County Auditor, Cuyahoga County, Ohio

Note: Ohio Bond Law sets a limit of 9% for voted debt and 1/10 of 1% for unvoted debt.
Voted debt margins are determined without reference to applicable monies in the
School District's Debt Service Fund

<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
\$ 538,517,520	\$ 543,045,600	\$ 536,965,920	\$ 585,429,030	\$ 554,730,660	\$ 538,879,947
<u>62,033,529</u>	<u>157,165,358</u>	<u>141,812,427</u>	<u>149,897,800</u>	<u>135,715,009</u>	<u>127,899,099</u>
<u>\$ 476,483,991</u>	<u>\$ 385,880,242</u>	<u>\$ 395,153,493</u>	<u>\$ 435,531,230</u>	<u>\$ 419,015,651</u>	<u>\$ 410,980,848</u>
11.52%	28.94%	26.41%	25.60%	24.47%	23.73%

Cleveland Municipal School District
Direct and Overlapping Debt Governmental Activities Debt
As of June 30, 2009

Name of Governmental Unit	Gross Debt Outstanding	Debt Service Fund (Cash Balance)	Net Outstanding Debt	Percentage Applicable to Cleveland Municipal School District (1)	Amount Applicable to Cleveland Municipal School District
Direct Debt:					
Cleveland Municipal School District (2)	\$ 167,915,000	\$ 18,906,568	\$ 149,008,432	100.00%	\$ 149,008,432
Overlapping Debt:					
City of Cleveland (3)	313,630,000	7,273,000	306,357,000	96.32	295,083,062
Cuyahoga County (3)	248,899,326	13,769,509	235,129,817	18.78	44,157,380
Village of Bratenahl (3)	1,465,000	116,543	1,348,457	100.00	1,348,457
City of Garfield Heights (3)	33,360,000	28,520	33,331,480	6.11	2,036,553
Greater Cleveland Regional Transit Authority (3)	172,765,000	1,542,613	171,222,387	18.78	32,155,564
Total Overlapping Debt	<u>770,119,326</u>	<u>22,730,185</u>	<u>747,389,141</u>		<u>374,781,017</u>
Total	<u>\$ 938,034,326</u>	<u>\$ 41,636,753</u>	<u>\$ 896,397,573</u>		<u>\$ 523,789,449</u>

Source: Office of the County Auditor, Cuyahoga County, Ohio

Notes:

- (1) Percentages were determined by dividing the assessed valuation of the political subdivision located within the boundaries of the School District by the total assessed valuation of the subdivision.
- (2) The gross debt outstanding does not include EPA loans of \$7,158, capital lease obligations of \$1,751,391, H.B. 264 Energy Conservation Note of \$7,000,374 and QZAB debt of \$21,250,000.
- (3) City of Cleveland, Cuyahoga County, Village of Bratenahl, City of Garfield Heights and the Greater Cleveland Regional Transit Authority operate on a calendar year.

Cleveland Municipal School District

Demographic and Economic Statistics

Last Ten Fiscal Years

Year	City Population	Personal Income (thousands of dollars)	Per Capita Personal Income	State Unemployment Rate
2000	478,403	\$ 6,836,857,273	\$ 14,291	4.1%
2001	478,403	6,836,857,273	14,291	4.3
2002	478,403	6,836,857,273	14,291	5.7
2003	478,403	6,836,857,273	14,291	6.3
2004	478,403	6,836,857,273	14,291	5.8
2005	478,403	6,836,857,273	14,291	6.2
2006	444,313	6,349,677,083	14,291	5.1
2007	444,313	6,349,677,083	14,291	6.1
2008	438,042	6,260,058,222	14,291	6.4
2009	433,748	6,198,692,668	14,291	11.1

Source: U.S. Bureau of the Census, Bureau of Economic Analysis and U.S. Department of Labor Statistics.

Cleveland Municipal School District

Principal Employers
Current Year and Nine Years Ago

Employer	2009*			2000		
	Number of Employees	Rank	Percentage of Total Employment	Number of Employees	Rank	Percentage of Total Employment
Cleveland Clinic Health System	32,415	1	3.21%			
U.S. Office of Personnel Management	13,101	2	1.30			
University Hospitals	10,904	3	1.08			
Cuyahoga County	9,566	4	0.95			
Progressive Corporation	9,057	5	0.90			
Giant Eagle Inc.	8,800	6	0.87			
United States Postal Services	8,032	7	0.80			
City of Cleveland	7,950	8	0.79			
Cleveland Municipal School District	6,643	9	0.66			
National City Bank	6,467	10	0.64			
Key Corp	6,326	11	0.63			
Cleveland Clinic Health System				19,625	1	1.73%
University Hospitals				12,944	2	1.14
U.S. Office of Personnel Management				10,983	3	0.97
Cuyahoga County				9,713	4	0.86
Cleveland Municipal School District				8,905	5	0.78
City of Cleveland				8,660	6	0.76
Key Corp				7,475	7	0.66
Ford Motor Co.				6,600	8	0.58
United States Postal Services				6,562	9	0.58
Progressive Corporation				5,416	10	0.48
LTV Corp				5,185	11	0.46
	<u>119,261</u>		<u>11.82%</u>	<u>102,068</u>		<u>8.98%</u>
Total Nonfarm Employment			1,010,230			1,136,000

Source: Crain's Cleveland Business, 2009 Top Business Lists and 2000 Top Business Lists
"Largest Northeast Ohio Employers" "Largest Cuyahoga County Employers".
U.S. Department of Labor

Note:

Total Employment includes Cleveland, Elyria and Mentor

* 2009 Employment figures include all of Northeast Ohio, including the following counties: Cuyahoga, Geauga, Lake, Lorain
Mahoning, Medina, Portage, Stark, and Summit.

Cleveland Municipal School District
Full-Time Equivalent District Employees by Type
Last Ten Fiscal Years

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Percentage Change 2000-2009
Educational Staff											
Regular Education	3,294	3,119	3,205	3,326	3,181	2,548	2,058	1,943	2,020	1,956	-40.62%
Special Education	652	700	839	894	956	903	1,335	1,383	1,250	1,244	90.80
Vocational Education	185	166	163	139	133	106	87	83	86	80	-56.76
Educational Services	391	436	480	486	472	382	386	371	389	378	-3.32
Full Time (permanent) Substitute	0	0	4	207	115	92	30	3	2	2	0.00
Other Professional - Educational	174	221	188	162	127	91	74	19	14	13	-92.53
Total Educational	4,696	4,642	4,879	5,214	4,984	4,122	3,970	3,802	3,761	3,673	-21.78
Student Services											
Curriculum Specialist	18	17	13	9	4	1	1	8	28	27	50.00
Counseling	93	98	96	104	100	71	67	73	71	72	-22.58
Librarian/Media	96	95	95	112	106	89	84	91	95	96	0.00
Remedial Specialist	212	491	576	341	371	187	139	46	44	33	-84.43
Psychologist	57	63	74	78	76	70	70	62	61	61	7.02
Registered Nurse	61	60	61	58	54	54	55	57	66	65	6.56
Social Work	29	35	31	30	26	11	1	0	12	13	-55.17
Physical Therapist	8	8	10	10	9	9	9	10	9	9	12.50
Speech/Language Therapist	73	75	80	84	78	77	76	73	72	75	2.74
Occupational Therapist	13	16	20	22	23	27	22	26	24	25	92.31
Other Professional Services	55	59	61	64	62	52	67	58	70	71	29.09
Total Student Services	715	1,017	1,117	912	909	648	591	504	552	547	-23.50
Support Staff											
Bookkeeping	22	14	14	14	14	12	8	5	4	4	-81.82
Clerical Assignment	362	382	383	385	358	281	257	260	259	259	-28.45
Teaching Aide	798	822	824	825	736	633	624	633	717	734	-8.02
Other Office/Clerical	82	72	81	79	71	49	30	37	25	44	-46.34
Attendance Officer	22	22	22	22	22	21	22	21	19	19	-13.64
Maintenance	113	105	107	110	96	71	66	92	69	33	-70.80
Custodial	406	434	429	436	415	373	332	333	327	329	-18.97
Food Service Attendant	0	1	0	5	4	4	4	5	5	5	0.00
Guard/Watchman	186	257	232	225	220	164	196	203	213	324	74.19
Mechanic	37	39	39	38	38	27	26	26	26	59	59.46
Vehicle Operating/Dispatch	41	44	53	51	50	50	49	49	47	45	9.76
Computer Operating/Programmir	37	34	33	32	31	21	13	10	7	7	-81.08
Total Support	2,106	2,226	2,217	2,222	2,055	1,706	1,627	1,674	1,718	1,862	-11.59
Administrative Staff											
Administrative Assistant	16	27	24	26	16	7	9	11	10	11	-31.25
Deputy/Associate Superintendent	14	17	16	19	22	18	19	32	38	35	150.00
Principal	119	125	124	120	122	135	129	135	130	129	8.40
Assistant Principal	119	153	137	140	91	56	60	66	70	79	-33.61
Supervisor/Manager	124	140	147	159	167	151	133	118	124	132	6.45
Coordinator	15	18	22	25	24	27	23	22	23	29	93.33
Education Adminstrative Speciali	0	0	0	0	0	0	0	0	0	10	0.00
Other Official/Administrator	104	148	162	192	178	156	155	142	139	136	30.77
Total administrative	511	628	632	681	620	550	528	526	534	561	9.78
Total	8,028	8,513	8,845	9,029	8,568	7,026	6,716	6,506	6,565	6,643	-17.25%

Source: District records

Cleveland Municipal School District

Operating Statistics
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Enrollment</u>	<u>Operating Expenditures (1)</u>	<u>Cost Per Pupil</u>	<u>Percentage Change</u>	<u>Expenses (2)</u>
2000	78,190	\$ 617,260,650	\$ 7,894	(1.95%)	N/A
2001	72,277	657,920,399	9,103	15.31	N/A
2002	71,672	782,872,830	10,923	20.00	\$ 784,422,712
2003	69,534	796,488,595	11,455	4.87	807,069,564
2004	67,015	776,586,804	11,588	1.17	782,046,356
2005	62,542	714,380,578	11,422	(1.43)	714,150,993
2006	57,698	765,392,781	13,265	16.14	778,630,513
2007	52,769	771,538,947	14,621	10.22	786,833,933
2008	50,078	819,854,913	16,372	11.97	874,562,401
2009	47,120	847,470,215	17,985	9.86	862,846,754

Source: Ohio Department of Education

Notes:

- (1) Operating expenditures are total expenditures less debt service and capital outlays.
- (2) N/A = Not Available
- (3) Meal percentage includes lunch only.

<u>Cost Per Pupil (2)</u>	<u>Percentage Change (2)</u>	<u>Teaching Staff (2)</u>	<u>Pupil- Teacher Ratio (2)</u>	<u>Percentage of Students Receiving Free and Reduced - Paid Meals (3)</u>
N/A	N/A	N/A	N/A	87.21%
N/A	N/A	4,868	14.8	85.95
\$ 10,945	N/A	6,478	11.1	85.70
11,607	6.05%	6,551	10.6	85.73
11,670	0.54	4,978	13.5	85.75
11,419	(2.15)	3,557	17.6	85.43
13,495	18.18	3,436	16.8	84.83
14,911	10.49	3,502	15.1	84.83
17,464	17.12	3,515	14.2	70.34
18,312	4.85	3,583	13.2	77.85

Cleveland Municipal School District

Teacher Base Salaries
Last Ten Fiscal Years

Fiscal Year	Minimum Salary	Maximum Salary	Statewide Average Salary
2000	\$ 28,666	\$ 60,803	\$ 41,713
2001	30,117	63,879*	42,995
2002	31,640	67,110*	43,755
2003	32,684	69,325	45,645
2004	33,240	70,504	47,659
2005	35,264	74,798	49,438
2006	34,237	72,619	50,772
2007	35,264	74,798	53,536
2008	36,322	77,042	53,410
2009	37,412	79,353	54,656

Source: CTU 2007-2010 Agreement
Ohio Department of Education
American Federation of Teachers, AFL-CIO

* Note: Includes additional increase mid-year.

Cleveland Municipal School District

School Building Information

Last Ten Fiscal Years

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
K-8 Schools:										
A.B. Hart (1932)										
Square feet	115,452	115,452	115,452	115,452	115,452	115,452	115,452	115,452	115,452	115,452
Capacity	975	975	975	975	975	975	975	975	975	975
Enrollment	1,042	1,068	749	821	801	867	524	433	338	399
Adlai Stevenson (1967)										
Square feet	41,000	41,000	41,000	41,000	41,000	41,000	41,000	41,000	41,000	41,000
Capacity	525	525	525	525	525	525	525	525	525	525
Enrollment	431	352	321	285	279	238	319	326	290	368
Alexander G. Bell (1971)										
Square feet	70,829	70,829	70,829	70,829	70,829	70,829	70,829	70,829	70,829	70,829
Capacity	825	825	825	825	825	825	825	825	825	825
Enrollment	484	529	481	447	417	387	452	397	384	382
Alexander Hamilton (1) (1928)										
Square feet	89,195	89,195	89,195	89,195	89,195	89,195	89,195	89,195	89,195	89,195
Capacity	575	575	575	575	575	575	575	575	575	575
Enrollment	656	663	860	745	706	648	0	0	0	0
Alfred A. Benesch-George Washing Carver Swing Space (1) (1977)										
Square feet	42,133	42,133	42,133	42,133	42,133	42,133	42,133	42,133	42,133	42,133
Capacity	575	575	575	575	575	575	575	575	575	575
Enrollment	506	474	501	479	449	368	0	0	0	400
Almira (1916)										
Square feet	68,933	68,933	68,933	68,933	68,933	68,933	68,933	68,933	68,933	68,933
Capacity	650	650	650	650	650	650	650	650	650	650
Enrollment	656	685	687	650	634	625	553	521	466	474
Andrew J. Rickoff (2) (1920)										
Square feet	56,348	56,348	56,348	56,348	56,348	56,348	N/A	N/A	N/A	N/A
Capacity	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	560	477	445	426	360	252	N/A	N/A	N/A	N/A
Andrew J. Rickoff (2005)										
Square feet	N/A	N/A	N/A	N/A	N/A	N/A	91,785	91,785	91,785	91,785
Capacity	N/A	N/A	N/A	N/A	N/A	N/A	725	725	725	725
Enrollment	N/A	N/A	N/A	N/A	N/A	N/A	509	570	570	544
Anton Grdina (1959)										
Square feet	75,600	75,600	75,600	75,600	75,600	75,600	75,600	75,600	75,600	75,600
Capacity	700	700	700	700	700	700	700	700	700	700
Enrollment	692	544	544	513	498	589	624	576	522	475
Artemus Ward (1949)										
Square feet	35,826	35,826	35,826	35,826	35,826	35,826	N/A	N/A	N/A	N/A
Capacity	450	450	450	450	450	450	N/A	N/A	N/A	N/A
Enrollment	436	421	403	379	362	373	N/A	N/A	N/A	N/A

Cleveland Municipal School District

School Building Information

Last Ten Fiscal Years

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
K-8 Schools (Continued):										
Artemus Ward (2009)										
Square feet	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	64,298
Capacity	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	450
Enrollment	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	420
Audubon (1922)										
Square feet	146,209	146,209	146,209	146,209	146,209	146,209	146,209	146,209	146,209	146,209
Capacity	1,350	1,350	1,350	1,350	1,350	1,350	1,350	1,350	1,350	1,350
Enrollment	758	725	686	586	480	428	686	571	491	435
Benjamin Franklin (1923)										
Square feet	83,260	83,260	83,260	83,260	83,260	83,260	83,260	83,260	83,260	83,260
Capacity	800	800	800	800	800	800	800	800	800	800
Enrollment	660	759	716	699	615	686	784	738	669	656
Bolton (1971)										
Square feet	53,700	53,700	53,700	53,700	53,700	53,700	53,700	53,700	53,700	53,700
Capacity	650	650	650	650	650	650	650	650	650	650
Enrollment	444	382	405	410	424	415	385	293	343	289
Brooklawn (1957)										
Square feet	28,545	28,545	28,545	28,545	28,545	28,545	28,545	28,545	28,545	28,545
Capacity	425	425	425	425	425	425	425	425	425	425
Enrollment	405	377	362	337	325	328	319	312	304	270
Buckeye-Woodland (1975)										
Square feet	44,800	44,800	44,800	44,800	44,800	44,800	44,800	44,800	44,800	44,800
Capacity	625	625	625	625	625	625	625	625	625	625
Enrollment	463	459	436	401	411	429	360	304	260	262
Buhrer (1969)										
Square feet	42,086	42,086	42,086	42,086	42,086	42,086	42,086	42,086	42,086	42,086
Capacity	600	600	600	600	600	600	600	600	600	600
Enrollment	579	516	507	537	501	475	446	0	0	0
Captain Arthur Roth (1965)										
Square feet	70,016	70,016	70,016	70,016	70,016	70,016	70,016	70,016	70,016	70,016
Capacity	975	975	975	975	975	975	975	975	975	975
Enrollment	768	714	639	531	419	345	412	370	315	280
Carl F. Shuler (1958)										
Square feet	100,500	100,500	100,500	100,500	100,500	100,500	100,500	100,500	100,500	100,500
Capacity	875	875	875	875	875	875	875	875	875	875
Enrollment	774	712	693	718	733	671	450	387	351	363
Case (1975)										
Square feet	69,559	69,559	69,559	69,559	69,559	69,559	69,559	69,559	69,559	69,559
Capacity	800	800	800	800	800	800	800	800	800	800
Enrollment	647	594	542	524	500	404	579	553	481	413

Cleveland Municipal School District

School Building Information

Last Ten Fiscal Years

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
K-8 Schools (Continued):										
Central-Carl and Louis Stokes (1940)										
Square feet	137,200	137,200	137,200	137,200	137,200	137,200	137,200	137,200	137,200	137,200
Capacity	1,325	1,325	1,325	1,325	1,325	1,325	1,325	1,325	1,325	1,325
Enrollment	791	809	778	813	667	718	536	510	507	496
Charles A. Mooney (1964)										
Square feet	196,989	196,989	196,989	196,989	196,989	196,989	196,989	196,989	196,989	196,989
Capacity	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600
Enrollment	1,159	775	645	930	924	839	683	573	604	586
Charles Dickens (1927)										
Square feet	48,034	48,034	48,034	48,034	48,034	48,034	48,034	48,034	48,034	48,034
Capacity	600	600	600	600	600	600	600	600	600	600
Enrollment	540	499	528	492	446	383	487	423	364	319
Charles H. Lake (1961)										
Square feet	55,823	55,823	55,823	55,823	55,823	55,823	55,823	55,823	N/A	N/A
Capacity	675	675	675	675	675	675	675	675	N/A	N/A
Enrollment	387	403	457	399	377	315	324	289	N/A	N/A
Charles Orr (1955)										
Square feet	33,000	33,000	33,000	33,000	33,000	33,000	33,000	33,000	33,000	33,000
Capacity	425	425	425	425	425	425	425	425	425	425
Enrollment	243	172	103	146	0	0	0	0	146	99
Charles W. Elliot (1954)										
Square feet	104,360	104,360	104,360	104,360	104,360	104,360	104,360	104,360	104,360	104,360
Capacity	1,050	1,050	1,050	1,050	1,050	1,050	1,050	1,050	1,050	1,050
Enrollment	833	805	850	827	767	648	417	342	299	316
Clara Westropp Fundamental Education Center (1967)										
Square feet	116,246	116,246	116,246	116,246	116,246	116,246	116,246	116,246	116,246	116,246
Capacity	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100
Enrollment	609	623	765	717	728	671	712	627	640	580
Clark (1973)										
Square feet	59,064	59,064	59,064	59,064	59,064	59,064	59,064	59,064	59,064	59,064
Capacity	525	525	525	525	525	525	525	525	525	525
Enrollment	640	637	610	599	635	655	605	577	579	557
Corlett (1) (1915)										
Square feet	61,800	61,800	61,800	61,800	61,800	61,800	61,800	61,800	61,800	61,800
Capacity	575	575	575	575	575	575	575	575	575	575
Enrollment	592	594	510	435	362	387	0	0	0	0
Cranwood (1) (1957)										
Square feet	50,249	50,249	50,249	50,249	50,249	50,249	50,249	50,249	50,249	50,249
Capacity	675	675	675	675	675	675	675	675	675	675
Enrollment	573	496	463	387	294	290	0	0	0	0

Cleveland Municipal School District

School Building Information

Last Ten Fiscal Years

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
K-8 Schools (Continued):										
Daniel E. Morgan (1959)										
Square feet	51,272	51,272	51,272	51,272	51,272	51,272	51,272	N/A	N/A	N/A
Capacity	825	825	825	825	825	825	825	N/A	N/A	N/A
Enrollment	517	489	524	497	455	438	423	N/A	N/A	N/A
Daniel E. Morgan (2007)										
Square feet	N/A	N/A	N/A	N/A	N/A	N/A	N/A	66,409	66,409	66,409
Capacity	N/A	N/A	N/A	N/A	N/A	N/A	N/A	480	480	480
Enrollment	N/A	N/A	N/A	N/A	N/A	N/A	N/A	430	448	406
Denison (1972)										
Square feet	42,714	42,714	42,714	42,714	42,714	42,714	42,714	42,714	42,714	42,714
Capacity	825	825	825	825	825	825	825	825	825	825
Enrollment	760	732	688	692	736	726	706	698	713	709
Dike Montessori (1971)										
Square feet	53,300	53,300	53,300	53,300	53,300	53,300	53,300	53,300	53,300	53,300
Capacity	700	700	700	700	700	700	700	700	700	700
Enrollment	319	313	322	317	313	298	392	390	362	371
Douglas MacArthur (1) (1967)										
Square feet	31,000	31,000	31,000	31,000	31,000	31,000	31,000	31,000	31,000	31,000
Capacity	400	400	400	400	400	400	400	400	400	400
Enrollment	0	0	0	0	0	0	0	0	76	136
East Clark (2) (1894)										
Square feet	56,755	56,755	56,755	56,755	56,755	56,755	56,755	56,755	N/A	N/A
Capacity	575	575	575	575	575	575	575	575	N/A	N/A
Enrollment	477	473	535	510	480	419	463	387	N/A	N/A
Emile B. deSauze (1966)										
Square feet	51,457	51,457	51,457	51,457	51,457	51,457	51,457	51,457	51,457	51,457
Capacity	575	575	575	575	575	575	575	575	575	575
Enrollment	446	419	449	416	395	339	407	360	344	304
Empire Computech (1915)										
Square feet	75,003	75,003	75,003	75,003	75,003	75,003	75,003	75,003	75,003	75,003
Capacity	900	900	900	900	900	900	900	900	900	900
Enrollment	651	547	529	588	592	567	423	361	330	279
Euclid Park (1922)										
Square feet	43,182	43,182	43,182	43,182	43,182	43,182	43,182	43,182	N/A	N/A
Capacity	500	500	500	500	500	500	500	500	N/A	N/A
Enrollment	538	543	546	438	415	289	358	291	N/A	N/A
F. D. Roosevelt (1976)										
Square feet	155,000	155,000	155,000	155,000	155,000	155,000	155,000	155,000	155,000	155,000
Capacity	1,275	1,275	1,275	1,275	1,275	1,275	1,275	1,275	1,275	1,275
Enrollment	700	611	569	631	781	656	0	0	297	520

Cleveland Municipal School District

School Building Information

Last Ten Fiscal Years

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
K-8 Schools (Continued):										
Forest Hill Parkway (1967)										
Square feet	51,278	51,278	51,278	51,278	51,278	51,278	51,278	51,278	51,278	51,278
Capacity	450	450	450	450	450	450	450	450	450	450
Enrollment	486	408	376	374	388	389	407	380	390	365
Fullerton (1974)										
Square feet	36,468	36,468	36,468	36,468	36,468	36,468	36,468	36,468	36,468	36,468
Capacity	500	500	500	500	500	500	500	500	500	500
Enrollment	449	440	483	483	459	352	458	401	395	379
Garfield (2) (1922)										
Square feet	31,763	31,763	31,763	31,763	31,763	31,763	31,763	31,763	31,763	31,763
Capacity	425	425	425	425	425	425	425	425	425	425
Enrollment	296	271	237	229	238	189	0	0	0	0
Garrett Morgan Cleveland School of Science (1940)										
Square feet	101,900	101,900	101,900	101,900	101,900	101,900	101,900	101,900	101,900	101,900
Capacity	675	675	675	675	675	675	675	675	675	675
Enrollment	501	415	458	422	437	388	333	264	227	208
George Washington Carver (1954)										
Square feet	53,800	53,800	53,800	53,800	53,800	53,800	53,800	53,800	53,800	N/A
Capacity	475	475	475	475	475	475	475	475	475	N/A
Enrollment	487	322	326	373	407	429	516	463	404	N/A
Giddings (1970)										
Square feet	53,533	53,533	53,533	53,533	53,533	53,533	53,533	53,533	53,533	53,533
Capacity	550	550	550	550	550	550	550	550	550	550
Enrollment	556	490	425	357	347	360	436	389	302	288
Gracemount (1947)										
Square feet	49,922	49,922	49,922	49,922	49,922	49,922	49,922	49,922	49,922	49,922
Capacity	475	475	475	475	475	475	475	475	475	475
Enrollment	620	654	668	558	579	564	629	561	487	432
Hannah Gibbons (1960)										
Square feet	21,831	21,831	21,831	21,831	21,831	21,831	21,831	N/A	N/A	N/A
Capacity	225	225	225	225	225	225	225	N/A	N/A	N/A
Enrollment	165	177	180	187	193	173	223	N/A	N/A	N/A
Hannah Gibbons (2006)										
Square feet	N/A	N/A	N/A	N/A	N/A	N/A	N/A	52,953	52,953	52,953
Capacity	N/A	N/A	N/A	N/A	N/A	N/A	N/A	351	351	351
Enrollment	N/A	N/A	N/A	N/A	N/A	N/A	N/A	267	246	237
Harvey Rice (2) (1903)										
Square feet	82,414	82,414	82,414	82,414	82,414	82,414	82,414	82,414	82,414	82,414
Capacity	975	975	975	975	975	975	975	975	975	975
Enrollment	777	738	646	543	511	402	352	317	267	233

Cleveland Municipal School District

School Building Information

Last Ten Fiscal Years

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
K-8 Schools (Continued):										
H. Barbara Booker (1972)										
Square feet	53,296	53,296	53,296	53,296	53,296	53,296	53,296	53,296	53,296	53,296
Capacity	875	875	875	875	875	875	875	875	875	875
Enrollment	397	370	374	346	323	261	564	497	508	403
Harry E. Davis (1962)										
Square feet	115,064	115,064	115,064	115,064	115,064	115,064	115,064	115,064	115,064	115,064
Capacity	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250
Enrollment	719	704	584	562	465	320	0	0	0	0
Henry W. Longfellow (1924)										
Square feet	50,616	50,616	50,616	50,616	50,616	50,616	50,616	50,616	50,616	50,616
Capacity	337	337	337	337	337	337	337	337	337	337
Enrollment	504	439	444	414	353	289	362	302	321	238
Iowa Maple (1951)										
Square feet	57,842	57,842	57,842	57,842	57,842	57,842	57,842	57,842	57,842	57,842
Capacity	650	650	650	650	650	650	650	650	650	650
Enrollment	702	577	576	489	423	360	555	427	368	306
John D. Rockefeller (1961)										
Square feet	54,400	54,400	54,400	54,400	54,400	54,400	54,400	54,400	54,400	54,400
Capacity	700	700	700	700	700	700	700	700	700	700
Enrollment	494	506	521	481	502	570	434	321	242	236
John W. Raper (1962)										
Square feet	64,556	64,556	64,556	64,556	64,556	64,556	64,556	64,556	64,556	64,556
Capacity	800	800	800	800	800	800	800	800	800	800
Enrollment	633	565	465	425	374	361	433	431	444	383
Joseph F. Landis (1963)										
Square feet	49,170	49,170	49,170	49,170	49,170	49,170	49,170	49,170	49,170	49,170
Capacity	725	725	725	725	725	725	725	725	725	725
Enrollment	543	548	527	463	441	368	431	379	399	341
Joseph M. Gallagher (1976)										
Square feet	126,816	126,816	126,816	126,816	126,816	126,816	126,816	126,816	126,816	126,816
Capacity	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Enrollment	1,054	875	861	838	787	889	865	762	791	771
Kenneth W. Clement (1) (1976)										
Square feet	31,400	31,400	31,400	31,400	31,400	31,400	31,400	31,400	31,400	31,400
Capacity	550	550	550	550	550	550	550	550	550	550
Enrollment	297	273	297	335	279	207	0	0	100	129
Kentucky-Buhrer Swing Space (1940)										
Square feet	42,870	42,870	42,870	42,870	42,870	42,870	42,870	42,870	42,870	42,870
Capacity	575	575	575	575	575	575	575	575	575	575
Enrollment	383	373	397	376	338	370	106	422	438	437

Cleveland Municipal School District

School Building Information

Last Ten Fiscal Years

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
K-8 Schools (Continued):										
Louis Agassiz (1929)										
Square feet	43,074	43,074	43,074	43,074	43,074	43,074	43,074	43,074	43,074	43,074
Capacity	525	525	525	525	525	525	525	525	525	525
Enrollment	427	375	382	355	301	371	375	313	322	338
Louis Pasteur (1959)										
Square feet	57,835	57,835	57,835	57,835	57,835	57,835	57,835	57,835	57,835	57,835
Capacity	700	700	700	700	700	700	700	700	700	700
Enrollment	463	421	402	366	337	308	478	375	245	0
Louisa May Alcott (1926)										
Square feet	31,240	31,240	31,240	31,240	31,240	31,240	31,240	31,240	31,240	31,240
Capacity	300	300	300	300	300	300	300	300	300	300
Enrollment	247	246	246	203	200	214	208	230	212	235
Luiz Munoz Marin (1976)										
Square feet	157,009	157,009	157,009	157,009	157,009	157,009	157,009	157,009	157,009	157,009
Capacity	1,075	1,075	1,075	1,075	1,075	1,075	1,075	1,075	1,075	1,075
Enrollment	927	821	810	839	808	730	727	822	872	774
Margaret Spellacy (1969)										
Square feet	116,246	116,246	116,246	116,246	116,246	116,246	116,246	116,246	116,246	116,246
Capacity	900	900	900	900	900	900	900	900	900	900
Enrollment	761	723	827	700	278	294	0	0	541	477
Marion C. Seltzer (1972)										
Square feet	46,835	46,835	46,835	46,835	46,835	46,835	46,835	46,835	46,835	46,835
Capacity	675	675	675	675	675	675	675	675	675	675
Enrollment	702	716	507	700	630	651	659	609	614	574
Marion Sterling (1973)										
Square feet	51,896	51,896	51,896	51,896	51,896	51,896	51,896	51,896	51,896	51,896
Capacity	700	700	700	700	700	700	700	700	700	700
Enrollment	648	587	728	511	513	450	507	471	498	483
Mary B. Martin (2) (1963)										
Square feet	57,737	57,737	57,737	57,737	57,737	57,737	57,737	N/A	N/A	N/A
Capacity	825	825	825	825	825	825	825	N/A	N/A	N/A
Enrollment	414	453	352	325	347	297	0	N/A	N/A	N/A
Mary B. Martin (2006)										
Square feet	N/A	N/A	N/A	N/A	N/A	N/A	N/A	70,048	70,048	70,048
Capacity	N/A	N/A	N/A	N/A	N/A	N/A	N/A	490	490	490
Enrollment	N/A	N/A	N/A	N/A	N/A	N/A	N/A	390	340	398
Mary M. Bethune (2) (1964)										
Square feet	48,613	48,613	48,613	48,613	48,613	48,613	48,613	N/A	N/A	N/A
Capacity	450	450	450	450	450	450	450	N/A	N/A	N/A
Enrollment	485	455	395	316	303	328	480	N/A	N/A	N/A

Cleveland Municipal School District

School Building Information

Last Ten Fiscal Years

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
K-8 Schools (Continued):										
Mary M. Bethune (2006)										
Square feet	N/A	N/A	N/A	N/A	N/A	N/A	N/A	68,498	68,498	68,498
Capacity	N/A	N/A	N/A	N/A	N/A	N/A	N/A	500	500	500
Enrollment	N/A	N/A	N/A	N/A	N/A	N/A	N/A	417	352	344
McKinley (1922)										
Square feet	46,724	46,724	46,724	46,724	46,724	46,724	46,724	46,724	46,724	46,724
Capacity	375	375	375	375	375	375	375	375	375	375
Enrollment	509	495	495	499	466	440	404	375	343	308
Memorial (2005)										
Square feet	N/A	N/A	N/A	N/A	N/A	N/A	83,584	83,584	83,584	83,584
Capacity	N/A	N/A	N/A	N/A	N/A	N/A	625	625	625	625
Enrollment	N/A	N/A	N/A	N/A	N/A	N/A	501	522	454	475
Michael R. White (1921)										
Square feet	64,598	64,598	64,598	64,598	64,598	64,598	64,598	64,598	64,598	64,598
Capacity	825	825	825	825	825	825	825	825	825	825
Enrollment	436	452	447	396	359	300	432	368	378	341
Miles (1912)										
Square feet	88,876	88,876	88,876	88,876	88,876	88,876	88,876	88,876	88,876	88,876
Capacity	950	950	950	950	950	950	950	950	950	950
Enrollment	676	616	534	456	393	483	556	426	394	314
Miles Park (2) (1971)										
Square feet	43,027	43,027	43,027	43,027	43,027	43,027	43,027	N/A	N/A	N/A
Capacity	500	500	500	500	500	500	500	N/A	N/A	N/A
Enrollment	594	560	514	490	492	421	513	N/A	N/A	N/A
Miles Park (2007)										
Square feet	N/A	N/A	N/A	N/A	N/A	N/A	N/A	92,027	92,027	92,027
Capacity	N/A	N/A	N/A	N/A	N/A	N/A	N/A	650	650	650
Enrollment	N/A	N/A	N/A	N/A	N/A	N/A	N/A	461	538	430
Moses Cleaveland (1925)										
Square feet	79,671	79,671	79,671	79,671	79,671	79,671	79,671	79,671	79,671	79,671
Capacity	925	925	925	925	925	925	925	925	925	925
Enrollment	556	447	357	313	305	244	0	0	0	0
Mound (1904)										
Square feet	38,355	38,355	38,355	38,355	38,355	38,355	38,355	38,355	38,355	38,355
Capacity	500	500	500	500	500	500	500	500	500	500
Enrollment	449	439	417	415	400	369	416	348	287	241
Mount Auburn (1) (1922)										
Square feet	44,320	44,320	44,320	44,320	44,320	44,320	44,320	44,320	44,320	44,320
Capacity	575	575	575	575	575	575	575	575	575	575
Enrollment	470	446	410	288	266	264	0	0	0	0

Cleveland Municipal School District

School Building Information

Last Ten Fiscal Years

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
K-8 Schools (Continued):										
Nathan Hale (1929)										
Square feet	106,855	106,855	106,855	106,855	106,855	106,855	106,855	106,855	106,855	106,855
Capacity	725	725	725	725	725	725	725	725	725	725
Enrollment	771	774	924	818	762	651	522	442	349	311
Nathaniel Hawthorne (1917)										
Square feet	48,375	48,375	48,375	48,375	48,375	48,375	48,375	48,375	48,375	48,375
Capacity	650	650	650	650	650	650	650	650	650	650
Enrollment	0	0	0	0	0	0	0	0	345	0
Newton D. Baker (1954)										
Square feet	91,706	91,706	91,706	91,706	91,706	91,706	91,706	91,706	91,706	91,706
Capacity	550	550	550	550	550	550	550	550	550	550
Enrollment	596	611	531	517	541	498	505	662	671	567
Oliver Hazard Perry (1927)										
Square feet	55,570	55,570	55,570	55,570	55,570	55,570	55,570	55,570	55,570	55,570
Capacity	575	575	575	575	575	575	575	575	575	575
Enrollment	660	680	650	632	647	644	564	444	385	409
Orchard (1901)										
Square feet	66,678	66,678	66,678	66,678	66,678	66,678	66,678	66,678	66,678	66,678
Capacity	800	800	800	800	800	800	800	800	800	800
Enrollment	538	572	470	483	490	460	378	534	576	0
Patrick Henry (1922)										
Square feet	130,443	130,443	130,443	130,443	130,443	130,443	130,443	130,443	130,443	130,443
Capacity	975	975	975	975	975	975	975	975	975	975
Enrollment	827	894	827	819	787	738	739	491	410	305
Paul Lawrence Dunbar (1965)										
Square feet	48,372	48,372	48,372	48,372	48,372	48,372	48,372	48,372	48,372	48,372
Capacity	475	475	475	475	475	475	475	475	475	475
Enrollment	336	403	361	357	309	301	255	330	360	228
Paul Revere (1925)										
Square feet	82,840	82,840	82,840	82,840	82,840	82,840	82,840	82,840	82,840	82,840
Capacity	1,125	1,125	1,125	1,125	1,125	1,125	1,125	1,125	1,125	1,125
Enrollment	558	598	682	733	713	668	502	584	483	370
Riverside (1935)										
Square feet	38,836	38,836	38,836	38,836	38,836	38,836	38,836	N/A	N/A	N/A
Capacity	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	394	412	372	382	392	424	447	N/A	N/A	N/A
Riverside (2005)										
Square feet	N/A	N/A	N/A	N/A	N/A	N/A	N/A	61,820	61,820	61,820
Capacity	N/A	N/A	N/A	N/A	N/A	N/A	N/A	450	450	450
Enrollment	N/A	N/A	N/A	N/A	N/A	N/A	N/A	477	516	545

Cleveland Municipal School District

School Building Information

Last Ten Fiscal Years

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
K-8 Schools (Continued):										
Robert Fulton (1929)										
Square feet	74,121	74,121	74,121	74,121	74,121	74,121	74,121	74,121	74,121	74,121
Capacity	675	675	675	675	675	675	675	675	675	675
Enrollment	500	572	513	587	485	500	429	498	386	282
Robert H. Jamison (1966)										
Square feet	140,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000
Capacity	1,125	1,125	1,125	1,125	1,125	1,125	1,125	1,125	1,125	1,125
Enrollment	743	704	657	710	766	635	698	604	563	503
Robinson G. Jones (2) (1951)										
Square feet	38,311	38,311	38,311	38,311	38,311	38,311	38,311	N/A	N/A	N/A
Capacity	550	550	550	550	550	550	550	N/A	N/A	N/A
Enrollment	337	349	374	416	429	438	352	N/A	N/A	N/A
Robinson G. Jones (2009)										
Square feet	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	64,281
Capacity	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	450
Enrollment	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	361
Scranton (1973)										
Square feet	52,575	52,575	52,575	52,575	52,575	52,575	52,575	52,575	52,575	52,575
Capacity	625	625	625	625	625	625	625	625	625	625
Enrollment	631	564	551	517	516	386	610	538	452	430
Stephen E. Howe (1) (1964)										
Square feet	48,613	48,613	48,613	48,613	48,613	48,613	48,613	48,613	48,613	48,613
Capacity	625	625	625	625	625	625	625	625	625	625
Enrollment	619	585	571	474	443	358	0	0	351	0
Sunbeam (1923)										
Square feet	78,518	78,518	78,518	78,518	78,518	78,518	78,518	78,518	78,518	78,518
Capacity	425	425	425	425	425	425	425	425	425	425
Enrollment	233	220	221	231	216	224	272	214	224	170
Thomas Jefferson (1925)										
Square feet	133,609	133,609	133,609	133,609	133,609	133,609	133,609	133,609	133,609	133,609
Capacity	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300
Enrollment	1,083	938	913	792	880	845	692	0	0	0
Tremont (1917)										
Square feet	119,508	119,508	119,508	119,508	119,508	119,508	119,508	119,508	119,508	119,508
Capacity	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100
Enrollment	876	765	694	652	638	465	472	427	402	377
Union (1969)										
Square feet	49,426	49,426	49,426	49,426	49,426	49,426	49,426	49,426	49,426	49,426
Capacity	550	550	550	550	550	550	550	550	550	550
Enrollment	384	425	467	391	384	349	373	327	248	251

Cleveland Municipal School District

School Building Information

Last Ten Fiscal Years

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
K-8 Schools (Continued):										
Valley View (1) (1951)										
Square feet	25,882	25,882	25,882	25,882	25,882	25,882	25,882	25,882	25,882	25,882
Capacity	350	350	350	350	350	350	350	350	350	350
Enrollment	223	208	193	166	133	128	0	0	74	106
Wade Park (1975)										
Square feet	68,600	68,600	68,600	68,600	68,600	68,600	68,600	68,600	68,600	68,600
Capacity	725	725	725	725	725	725	725	725	725	725
Enrollment	637	611	571	538	480	365	540	307	222	177
Walton (1971)										
Square feet	52,786	52,786	52,786	52,786	52,786	52,786	52,786	52,786	52,786	52,786
Capacity	700	700	700	700	700	700	700	700	700	700
Enrollment	724	720	673	686	611	721	686	697	583	553
Warner (2007)										
Square feet	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	75,799	75,799
Capacity	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	570	570
Enrollment	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	110	163
Watterson-Lake (1906)										
Square feet	65,241	65,241	65,241	65,241	65,241	65,241	65,241	65,241	65,241	65,241
Capacity	600	600	600	600	600	600	600	600	600	600
Enrollment	680	652	602	595	577	524	471	494	524	533
Waverly (1976)										
Square feet	72,603	72,603	72,603	72,603	72,603	72,603	72,603	72,603	72,603	72,603
Capacity	575	575	575	575	575	575	575	575	575	575
Enrollment	670	640	628	585	513	419	360	450	458	460
William Cullen Bryant (1930)										
Square feet	42,187	42,187	42,187	42,187	42,187	42,187	42,187	42,187	42,187	42,187
Capacity	550	550	550	550	550	550	550	550	550	550
Enrollment	442	413	424	395	387	358	470	473	495	427
William R. Harper (1927)										
Square feet	50,989	50,989	50,989	50,989	50,989	50,989	50,989	50,989	50,989	50,989
Capacity	575	575	575	575	575	575	575	575	575	575
Enrollment	547	508	535	403	396	295	0	0	0	0
Willow (1964)										
Square feet	53,914	53,914	53,914	53,914	53,914	53,914	53,914	53,914	53,914	53,914
Capacity	425	425	425	425	425	425	425	425	425	425
Enrollment	303	311	272	255	268	274	293	273	240	218
Woodland Hills (1971)										
Square feet	49,443	49,443	49,443	49,443	49,443	49,443	49,443	49,443	49,443	49,443
Capacity	600	600	600	600	600	600	600	600	600	600
Enrollment	616	571	514	450	411	410	510	393	376	353

Cleveland Municipal School District

School Building Information

Last Ten Fiscal Years

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
K-8 Schools (Continued):										
Whitney Young (1950)										
Square feet	121,609	121,609	121,609	121,609	121,609	121,609	121,609	121,609	121,609	121,609
Capacity	725	725	725	725	725	725	725	725	725	725
Enrollment	521	480	441	341	319	395	375	434	415	380
Wilbur Wright (1929)										
Square feet	105,192	105,192	105,192	105,192	105,192	105,192	105,192	105,192	105,192	105,192
Capacity	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100
Enrollment	1,160	1,088	1,092	1,099	1,073	831	624	558	588	572
Willson (1) (1903)										
Square feet	91,290	91,290	91,290	91,290	91,290	91,290	91,290	91,290	91,290	91,290
Capacity	700	700	700	700	700	700	700	700	700	700
Enrollment	487	449	537	568	601	463	N/A	N/A	N/A	N/A
Senior High Schools										
Cleveland Learning Center - Halle (1) (1904)										
Square feet	41,085	41,085	41,085	41,085	41,085	41,085	41,085	41,085	41,085	41,085
Capacity	500	500	500	500	500	500	500	500	500	500
Enrollment	60	45	45	48	172	135	420	359	404	464
Cleveland Learning Center - Jessie Owens (1914)										
Square feet	39,000	39,000	39,000	39,000	39,000	39,000	39,000	39,000	39,000	39,000
Capacity	525	525	525	525	525	525	525	525	525	525
Enrollment	0	113	125	117	116	108	0	0	0	0
Cleveland School of the Arts (1910)										
Square feet	90,400	90,400	90,400	90,400	90,400	90,400	90,400	90,400	90,400	90,400
Capacity	850	850	850	850	850	850	850	850	850	850
Enrollment	660	629	622	655	655	602	601	602	558	558
Collinwood CompuTech (1924)										
Square feet	345,203	345,203	345,203	345,203	345,203	345,203	345,203	345,203	345,203	345,203
Capacity	2,700	2,700	2,700	2,700	2,700	2,700	2,700	2,700	2,700	2,700
Enrollment	1,325	1,227	1,221	1,350	1,812	1,488	1,121	968	962	898
East High (1975)										
Square feet	165,711	165,711	165,711	165,711	165,711	165,711	165,711	165,711	165,711	165,711
Capacity	1,875	1,875	1,875	1,875	1,875	1,875	1,875	1,875	1,875	1,875
Enrollment	947	802	781	1,114	1,113	1,091	1,008	860	715	701
East Technical (1972)										
Square feet	318,600	318,600	318,600	318,600	318,600	318,600	318,600	318,600	318,600	318,600
Capacity	1,775	1,775	1,775	1,775	1,775	1,775	1,775	1,775	1,775	1,775
Enrollment	1,161	943	883	1,080	1,191	1,101	1,020	907	783	785
Glenville (1966)										
Square feet	248,000	248,000	248,000	248,000	248,000	248,000	248,000	248,000	248,000	248,000
Capacity	2,350	2,350	2,350	2,350	2,350	2,350	2,350	2,350	2,350	2,350
Enrollment	1,389	1,257	1,345	1,474	1,595	1,698	1,604	1,538	1,340	1,167

Cleveland Municipal School District

School Building Information

Last Ten Fiscal Years

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Senior High Schools (Continued):										
Health Careers Center-Ginn Academy (1980)										
Square feet	86,950	86,950	86,950	86,950	86,950	86,950	86,950	86,950	86,950	86,950
Capacity	425	425	425	425	425	425	425	425	425	425
Enrollment	374	357	380	369	401	368	365	0	143	196
James F. Rhodes (1932)										
Square feet	164,931	164,931	164,931	164,931	164,931	164,931	164,931	164,931	164,931	164,931
Capacity	1,225	1,225	1,225	1,225	1,225	1,225	1,225	1,225	1,225	1,225
Enrollment	1,335	1,145	1,284	1,483	1,637	1,683	1,553	1,575	1,409	1,360
Jane Addams Business Careers (1968)										
Square feet	214,752	214,752	214,752	214,752	214,752	214,752	214,752	214,752	214,752	214,752
Capacity	975	975	975	975	975	975	975	975	975	975
Enrollment	655	617	574	578	595	589	557	472	479	474
John Adams High (2007)										
Square feet	N/A	N/A	N/A	N/A	N/A	N/A	N/A	224,000	224,000	224,000
Capacity	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1,335	1,335	1,335
Enrollment	0	0	0	0	0	0	0	1,067	1,169	1,140
John F. Kennedy (1965)										
Square feet	264,661	264,661	264,661	264,661	264,661	264,661	264,661	264,661	264,661	264,661
Capacity	2,075	2,075	2,075	2,075	2,075	2,075	2,075	2,075	2,075	2,075
Enrollment	1,716	1,769	1,875	1,999	1,875	1,823	1,758	1,077	940	978
John Hay (1929)										
Square feet	186,352	186,352	186,352	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Capacity	1,625	1,625	1,625	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	1,381	1,213	1,259	N/A	N/A	N/A	N/A	N/A	N/A	N/A
John Hay (2006)										
Square feet	N/A	N/A	N/A	N/A	N/A	N/A	N/A	210,353	210,353	210,353
Capacity	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1,232	1,232	1,232
Enrollment	N/A	N/A	N/A	N/A	N/A	N/A	N/A	476	576	673
John Marshall (1932)										
Square feet	256,924	256,924	256,924	256,924	256,924	256,924	256,924	256,924	256,924	256,924
Capacity	2,250	2,250	2,250	2,250	2,250	2,250	2,250	2,250	2,250	2,250
Enrollment	2,114	1,983	1,892	1,943	1,969	1,905	1,788	1,715	1,643	1,668
Lincoln-West (1970)										
Square feet	304,645	304,645	304,645	304,645	304,645	304,645	304,645	304,645	304,645	304,645
Capacity	1,875	1,875	1,875	1,875	1,875	1,875	1,875	1,875	1,875	1,875
Enrollment	1,390	1,334	1,409	1,424	1,485	1,552	1,490	1,496	1,369	1,386
Margaret A. Ireland Complex (1962)										
Square feet	58,000	58,000	58,000	58,000	58,000	58,000	58,000	58,000	58,000	58,000
Capacity	525	525	525	525	525	525	525	525	525	525
Enrollment	510	502	504	503	0	0	0	0	172	156

Cleveland Municipal School District

School Building Information

Last Ten Fiscal Years

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Senior High Schools (Continued):										
Martin L. King Jr. (1972)										
Square feet	173,359	173,359	173,359	173,359	173,359	173,359	173,359	173,359	173,359	173,359
Capacity	1,175	1,175	1,175	1,175	1,175	1,175	1,175	1,175	1,175	1,175
Enrollment	262	272	259	324	894	795	765	677	550	502
Max S. Hayes Vocational (1957)										
Square feet	246,282	246,282	246,282	246,282	246,282	246,282	246,282	246,282	246,282	246,282
Capacity	2,150	2,150	2,150	2,150	2,150	2,150	2,150	2,150	2,150	2,150
Enrollment	640	584	539	599	562	558	509	416	468	498
MC2 Stem Academy @ Nela Park										
Square feet	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	20,000
Capacity	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	150
Enrollment	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	67
South (includes Washington Park) (1968)										
Square feet	292,518	292,518	292,518	292,518	292,518	292,518	292,518	292,518	292,518	292,518
Capacity	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600
Enrollment	1,495	1,215	1,336	1,475	1,572	1,429	1,258	1,043	941	880
SuccessTech Academy										
Square feet	N/A	N/A	N/A	136,817	136,817	136,817	136,817	136,817	136,817	136,817
Capacity	N/A	N/A	N/A	400	400	400	400	400	400	400
Enrollment	0	0	0	77	165	198	253	243	238	243
Administrative										
Buildings	5	5	5	5	8	8	8	8	8	8
Square Feet	536,726	536,726	536,726	536,726	556,286	556,286	556,286	556,286	556,286	556,286
Transportation										
Garages (3)	3	3	3	3	3	3	3	3	3	3
Buses	N/A	613	624	605	436	341	327	311	311	305
Athletics										
Football Fields	4	4	4	4	4	4	4	4	4	4
Soccer Fields	3	3	3	3	3	3	3	3	3	4
Running Tracks	4	4	4	4	4	4	4	4	4	2
Swimming Pools	7	7	7	7	6	6	7	7	7	5
Playgrounds	50	50	50	50	50	50	50	50	50	50

Source: District Records
Ohio Department of Education

Notes:

- (1) Building was permanently inactivated for instructional activity starting in the 2005-2006 school year based on Board of Education resolution in June, 2005.
- (2) Building was temporarily inactivated for instructional activity starting in the 2005-2006 school year based on Board of Education resolution in June, 2005.
- (3) Ridge Road Bus Depot was inoperable for the 2005-2006 school year.



CLEVELAND
MUNICIPAL
SCHOOL DISTRICT
Vision to Victory

Dr. Eugene T.W. Sanders, Ph.D.
Chief Executive Officer

Board of Education

Denise W. Link

Chair

Louise P. Dempsey

Vice Chair

Rashidah Abdulhaqq

Patricia Crutchfield

Robert M. Heard, Sr.

Harvey A. Hopson, Jr.

Willetta A. Milam

Natalie L. Peterson

Iris M. Rodriguez

Dr. Ronald M. Berkman

Ex Officio Member

Dr. Jerry Sue Thornton

Ex Officio Member

1380 East Sixth Street ■ Cleveland, Ohio 44114

216.574.8000 ■ www.cmsdnet.net



Mary Taylor, CPA
Auditor of State

CLEVELAND MUNICIPAL SCHOOL DISTRICT

CUYAHOGA 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 1, 2010**