

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2011

LEA Subfund Code	Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass Through Grantor's Number	Federal Expenditures
US DEPARTMENT OF AGRICULTURE				
Pass-through State Department of Education:				
6000	National School Breakfast Program	10.553	N/A	\$ 3,942,820
6000	National School Lunch Program - Non-Cash Assistance	10.555	N/A	1,829,125
6000	National School Lunch Program - Cash Assistance	10.555	N/A	13,900,312
		Total 10.555		<u>15,729,437</u>
6000	Fresh Fruit and Veg Grant	10.582	N/A	111,442
TOTAL US DEPARTMENT OF AGRICULTURE				<u>19,783,699</u>
US DEPARTMENT OF EDUCATION				
Direct Programs:				
2080	Advance Placement Program	84.330C	S330C909137	569,372
8050.01	Teen LEAD	84.216	11-FL-040-01	2,593
8050.02	Teen LEAD Control Site	84.215	11-FL-040-02	6,897
2970	Impact Aid	84.401B	N/A	526
Total Direct Programs				<u>579,388</u>
Passed Through SC State Department of Education:				
<u>Title I:</u>				
2010	Title I - Low Income	84.010	10-BA-040	95,805
2020	Title I - Low Income	84.010A	11-BA-040	15,342,853
2370	Title I - School Improvement	84.010A	09-BJ-040	20,182
2370.02	Title I - School Improvement	84.010A	10-BJ-040	465,209
		Total 84.010 and 84.010A		<u>15,924,049</u>
2210	Title I - N&D	84.013	11-ND-040	298,256
2210.02	Title I - N&D Carryover	84.013	10-ND-040	26,290
		Total 84.013		<u>324,546</u>
2220	ARRA - Title I - Stimulus	84.389A	09-SA-040	7,126,764
2290	ARRA - Title I - N&D Stimulus	84.389	09-SN-040	74,493
2230	ARRA - Title I - School Improvement	84.389A	10-SJ-040	307,977
		Total 84.389 and 84.389A		<u>7,509,234</u>
2260	School Improvement	84.388	11-SH-040	709,845
Total Title I				<u>24,467,674</u>
<u>IDEA:</u>				
2030	Public Law 101-476 - The Individuals with Disabilities Act	84.027	11-CA040-01	11,869,321
2130	OEC Competitive Grant	84.027A	10-CO-040-01	89,772
		Total 84.027 and 84.027A		<u>11,959,093</u>
2150	ARRA - IDEA ARRA 611	84.391A	11-SC-040-01	2,254,652
Total IDEA				<u>\$ 14,213,745</u>

(Continued)

THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2011

LEA Subfund Code	Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass Through Grantor's Number	Federal Expenditures
US DEPARTMENT OF EDUCATION (CONTINUED)				
<u>Preschool Handicapped:</u>				
2050/51	Handicapped Preschool Grant	84.173	11CA040-02	\$ 321,967
2160	ARRA - IDEA ARRA 619	84.392A	11SG040-01	535,432
	Total Preshcool Handicapped			<u>857,399</u>
<u>Title II:</u>				
2670.01/02	Title II - Improving Teacher Quality, Reduce Class Size	84.367A	11-TQ-040-01	2,277,071
<u>Drug Free:</u>				
2090	Drug and Violence Prevention Program	84.186A	10-FQ-040	100,807
<u>Adult Education:</u>				
2430.01	Adult Regular	84.002	11-EA-040	374,531
2430.02	English Literacy	84.002	11-ED-040-01	15,000
		Total 84.002		<u>389,531</u>
<u>Occupational Education:</u>				
2070.02	WBL Activities	84.048	11-VA-040	165,145
2070.03	Technology Training	84.048	11-VA-040	14,500
2070.16	Automobile Technology	84.048	11-VA-040	3,498
2070.15	Local Administration	84.048	11-VA-040	47,748
2070.08	Special Populations	84.048	11-VA-040	22,161
2070.09	Career Guidance	84.048	11-VA-040	214,273
2070.10	Student Organizations	84.048	11-VA-040	77,603
2070.11	Equipment	84.048	11-VA-040	448,026
2070.06	Initiate and Improve Program	84.048	11-VA-040	114,466
2070.04	Professional Development	84.048	11-VA-040	13,923
2070.25	CTE Reserve - Biomedical Science	84.048A	11-VA-040-23	472
		Total 84.048 and 84.048A		<u>1,121,815</u>
<u>Other Special Programs:</u>				
8070	McKinney-Vento Homeless Grant	84.196A	11FH040	29,056
2990	Federal Miscellaneous (Substitute Reimbursements)	84.027	N/A	275
2990	Federal Miscellaneous (Substitute Reimbursements)	84.378A	N/A	1,000
2990	Federal Miscellaneous (Substitute Reimbursements)	93.938	N/A	325
2270	ARRA - McKinney - Vento Homeless Grant - Stimulus	84.387	10-SM-040	32,111
2910	The Children's Trust of SC - SC Parent Information	84.310A	N/A	69,977
2530	Ed Tech Formula Grant	84.318X	10-ET-040	112,507
2500	ARRA - State Fiscal Stabilization Fund	84.394	11SF040-01	15,823,057
2640.01	Title III - English Language Acquisition	84.365A	10-BP040-01	789,140
	Total Passed Through SC State Department of Education			<u>60,285,490</u>
TOTAL US DEPARTMENT OF EDUCATION				\$ <u>60,864,878</u>

(Continued)

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2011

LEA Subfund Code	Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass Through Grantor's Number	Federal Expenditures
US DEPARTMENT OF LABOR				
Passed Through SC State Department of Commerce or other agency:				
2920.01	Woodmont High School Jobs for SC Graduates	17.259	10JAG114	\$ 52,865
2920.02	Woodmont High School Jobs for SC Graduates	23.002	10JAG121	54,371
TOTAL US DEPARTMENT OF LABOR				107,236
US DEPARTMENT OF DEFENSE				
Direct Programs:				
2900.03	Army ROTC	12.000	N/A	100,138
2900.01	Navy ROTC	12.000	N/A	134,500
2900.02	Air Force ROTC	12.000	N/A	340,930
TOTAL US DEPARTMENT OF DEFENSE				575,568
US DEPARTMENT OF ENERGY				
Passed through the SC Energy Office:				
5000	ARRA - SCEO Energy Stimulus	81.041	S09-0009	1,165,387
TOTAL US DEPARTMENT OF ENERGY				1,165,387
TOTAL FEDERAL ASSISTANCE EXPENDED				\$ 82,496,768

See accompanying notes to the schedule of expenditures of federal awards.

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2011

A – General

The accompanying Schedule of Expenditures of Federal Awards (the “Schedule”) presents the activity of all federal award programs of the School District of Greenville County, South Carolina (the “School District”) for the year ended June 30, 2011. All federal awards received directly from the federal agencies, as well as those passed through other government agencies, are included on the Schedule.

B – Basis of Accounting

The accompanying Schedule is presented using the modified accrual basis of accounting.

C – Relationship to Financial Statements

Federal award expenditures are reported in the School District’s financial statements as expenditures in the Special Revenue Fund and operating expenses in the Enterprise Fund.

D – Relationship to Federal Financial Reports

Amounts reported in the accompanying Schedule agree with the amounts reported in the related federal financial reports except for timing differences relating to expenditures made subsequent to the filing of the federal financial reports.

E – Sub-recipients

Of the federal expenditures presented in the accompanying schedule, the School District provided federal awards of \$167,785 to the School District’s charter schools (sub-recipients) from the Title I cluster, \$231,083 from the IDEA cluster, \$485,194 from the ARRA State Fiscal Stabilization Fund, \$70,286 from the Title II program, and \$72,825 for the Occupational Education program.

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF BASIC FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

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

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of The School District of Greenville County, South Carolina (the "School District"), as of and for the year ended June 30, 2011, which collectively comprise the School District's basic financial statements and have issued our report thereon dated November 1, 2011. Our report includes a reference to other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Other auditors audited the financial statements of the discretely presented component units, as described in our report on the School District's basic financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors. The financial statements of Langston Charter Middle School, Inc. and Meyer Center for Special Children, which were audited by other auditors, were not audited in accordance with *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the School District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the basic financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the School District's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School District's basic financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of basic 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 such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we have reported to management of the School District in a separate letter dated November 1, 2011.

This report is intended solely for the information and use of management, the Board of Trustees, others within the School District, the South Carolina Department of Education, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Greene, Finney & Horton LLP

Greene, Finney & Horton, LLP
Mauldin, South Carolina
November 1, 2011

**REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD
HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON
INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

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

Compliance

We have audited The School District of Greenville County, South Carolina's (the "School District") compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the School District's major federal programs for the year ended June 30, 2011. The School District's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the School District's management. Our responsibility is to express an opinion on the School 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 obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the School District's compliance with those requirements.

In our opinion, the School District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2011.

Internal Control Over Compliance

Management of the School District is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the School District's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the School District's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be deficiencies, 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.

This report is intended solely for the information and use of management, the Board of Trustees, others within the School District, the South Carolina Department of Education, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Greene, Finney & Horton LLP

Greene, Finney & Horton, LLP
Mauldin, South Carolina
November 1, 2011

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

YEAR ENDED JUNE 30, 2011

Major Program

Federal Agency: US Department of Agriculture

South Carolina Department of Education: Pass-Through Agency

National School Breakfast and Lunch cluster: CFDA # 10.553 and 10.555

Pass-Through Grantor's Award Number and Year: Not Applicable

2010-1: SPECIAL TESTS AND PROVISIONS

Condition: The School District is to select a sample of students receiving breakfast or lunch financial assistance using the South Carolina Department of Education's ("SDE") sampling requirements and verify their status, updating their records based on the results of the verifications. The School District verified a total of 504 applications in complying with the SDE's requirements. However, the status for 34 students had not been appropriately updated in the School District's system as a result of the verification testing when we came for the audit.

Status: The District has taken steps to ensure compliance in the future.

Major Program

Federal Agency: US Department of Education

South Carolina Department of Education: Pass-Through Agency

ARRA – State Fiscal Stabilization Fund: CFDA # 84.394

Pass-Through Grantor's Award Number and Year: 10-SF-040

2010-2: SUBRECIPIENT MONITORING

Condition: In its correspondence with the charter schools, who are second tier subrecipients of this program, the School District informed them about their Stimulus allocation, the ARRA Section 1512 quarterly reporting and other program requirements. However, the School District did not include the CFDA number for this program in their correspondence with the charter schools.

Status: The District has taken steps to ensure compliance in the future.

Major Program

Federal Agency: US Department of Education

South Carolina Department of Education: Pass-Through Agency

IDEA Cluster: CFDA # 84.027, IDEA; CFDA # 84.027A, OEC Competitive Grant; CFDA # 84.173,

Handicapped Preschool Grant; CFDA # 84.391A, ARRA-IDEA; and CFDA # 84.392A, ARRA-Preschool

Pass-Through Grantor's Award Number and Year: 10-CA-040, 10-CO-040.01, 10-SC-040.01, 10-CG-040.01, 10-SG-040.01

2010-3: SUBRECIPIENT MONITORING

Condition: In its correspondence with the charter schools, who are second tier subrecipients of this program, the School District informed them about their Stimulus allocation, the ARRA Section 1512 quarterly reporting and other program requirements. However, the School District did not include the CFDA number for this program in their correspondence with the charter schools.

Status: The District has taken steps to ensure compliance in the future.

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

YEAR ENDED JUNE 30, 2011

Major Program

Federal Agency: US Department of Education

South Carolina Department of Education: Pass-Through Agency

IDEA Cluster: CFDA # 84.027, IDEA; CFDA # 84.027A, OEC Competitive Grant; CFDA # 84.173,

Handicapped Preschool Grant; CFDA # 84.391A, ARRA-IDEA; and CFDA # 84.392A, ARRA-Preschool

**Pass-Through Grantor's Award Number and Year: 10-CA-040, 10-CO-040.01, 10-SC-040.01, 10-CG-040.01,
10-SG-040.01**

2010-4: ALLOWABLE COSTS – TIME AND REPORTING REQUIREMENTS

Condition: The District was not fully complying with the South Carolina State Department of Education's ("SDE") requirements for support for federal salaries and wages for the ARRA-IDEA program. Where employees are expected to work solely on a single federal award or cost objective, charges for their salaries and wages will be supported by periodic certifications. These certifications are to be prepared at least semi-annually and will be signed by the employee or the supervisory official having first-hand knowledge of the work performed by the employee. Where employees work on multiple activities or cost objectives, a distribution of their salaries or wages will be supported by personnel activity reports. When we arrived for the audit, the School District had not prepared the semi-annual certifications for 162 teachers and aides that were charged to the ARRA-IDEA program, as required by the SDE.

Status: The District has taken steps to ensure compliance in the future.

Major Program

Federal Agency: US Department of Education

South Carolina Department of Education: Pass-Through Agency

Title I Cluster: CFDA # 84.010, Title 1; CFDA # 84.013, Title 1 – N & D; CFDA # 84.389, ARRA-Title 1

Stimulus and N&D

**Pass-Through Grantor's Award Number and Year: 09-BA-040, 10-BA-040, 09-BJ-040, 10-BJ-040, 09-ND-040,
10-ND-040, 09-SA-040, 09-SN-040**

2010-5: ALLOWABLE COSTS – TIME AND REPORTING REQUIREMENTS

Condition: The District was not fully complying with the SDE's requirements for support for federal salaries and wages for this program. Where employees are expected to work solely on a single federal award or cost objective, charges for their salaries and wages will be supported by periodic certifications. These certifications are to be prepared at least semi-annually and will be signed by the employee or the supervisory official having first-hand knowledge of the work performed by the employee. Where employees work on multiple activities or cost objectives, a distribution of their salaries or wages will be supported by personnel activity reports. The School District was complying with the semi-annual certifications for this program; however, it was not preparing the monthly personnel activity reports for four employees who worked on multiple activities or cost objectives.

Status: The District has taken steps to ensure compliance in the future.

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2011

Section I - Summary of Auditors' Results

Financial Statements

Type of auditors' report issued: Unqualified

Internal control over financial reporting:

Material weakness(es) identified?	_____ Yes	_____ <u>X</u> No
Significant deficiencies identified that are not considered to be material weaknesses?	_____ Yes	_____ <u>X</u> None Reported
Noncompliance material to financial statements noted?	_____ Yes	_____ <u>X</u> No

Federal Awards

Internal control over major programs:

Material weakness(es) identified?	_____ Yes	_____ <u>X</u> No
Significant deficiencies identified that are not considered to be material weaknesses?	_____ Yes	_____ <u>X</u> None Reported

Type of auditors' report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133?	_____ Yes	_____ <u>X</u> No
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Identification of major programs:

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
10.553; 10.555	National School Breakfast and Lunch cluster
84.010; 84.010A; 84.013; 84.388; 84.389; 84.389A	Title I cluster, including Neglected and Delinquent and ARRA programs
84.027; 84.027A; 84.173; 84.391A; 84.392A	IDEA Cluster, including Handicapped Preschool and ARRA programs
84.394	ARRA - State Fiscal Stabilization Fund

Dollar threshold used to distinguish between type A and type B programs: \$ 2,474,903

Auditee qualified as low-risk auditee?	_____ <u>X</u> Yes	_____ No
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Section II - Findings - Financial Statement Findings

None

Section III - Federal Awards Findings and Questioned Costs

None

**THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA**



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