

THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2006

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	Food Distribution	10.550	N/A	\$ 1,254,326
6000	National School Breakfast Program	10.553	N/A	2,512,021
6000	National School Lunch Program	10.555	N/A	9,388,308
TOTAL US DEPARTMENT OF AGRICULTURE				13,154,655
US DEPARTMENT OF EDUCATION				
Direct Programs:				
2723	Presidential Award for Excellence	N/A	ESI-9811808	138
2879	The Tanglewood Project	84.351B	S351B020102	62,525
2881	Professional Development for Arts Educators	84.351C	U351C03002	74,686
2882	Grove/Tanglewood Arts	84.351D	U351D030026	355,568
2885	Smaller Learning Communities	84.215L	V215L04099	499,977
2889	Winter Storm	97.049	045-UD694-00	17,648
8006	Challenge America	N/A	01-7816-1307	3,279
Total Direct Programs				<u>1,013,821</u>
Passed Through SC State Department of Education:				
<u>Title I:</u>				
2010	Title I - Low Income	84.010	06-BA040	12,568,011
2020	Title I - Low Income	84.010	05-BA040	2,363,262
2652-2654	Title I - School Improvement	84.010	04-BJ040	142,114
2655	Title I - School Improvement	84.010	06-BJ040	485,074
Total 84.010				<u>15,558,461</u>
2414	<u>Title VI:</u>	84.298A	06-BB040	<u>211,639</u>
2630	Comprehensive School Reform	84.332A	06-BF040	75,418
2631	Comprehensive School Reform	84.332A	06-BQ040	96,828
2639	Comprehensive School Reform	84.332A	05-BQ040	54,564
2639	Comprehensive School Reform	84.332A	05-BF040	28,510
Total 84.332A				<u>255,320</u>
<u>IDEA:</u>				
2030-34-35	Public Law 101-476 - The Individuals with Disabilities Act	84.027	06-CA040	12,790,120
2031-2032	Personnel Development	84.027A	06-CO-040	99,457
Total 84.027				<u>12,889,577</u>
<u>Preschool Handicapped:</u>				
2050	Handicapped Preschool Grant	84.173	06-CG040	<u>428,112</u>
<u>Title II:</u>				
2670	Title II - Improving Teacher Quality	84.367A	05-TQ-040	1,187,551
2675	Title II- Reduce Class Size	84.367A	05-TQ-040	1,278,703
Total 84.367A				<u>\$ 2,466,254</u>

(Continued)

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YEAR ENDED JUNE 30, 2006

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>Occupational Education:</u>				
2070	Local Administration	84.048	06-VA-040	\$ 43,517
2070	Special Populations	84.048	06-VA-040	15,466
2070	S-T-W Activities	84.048	06-VA-040	106,981
2070	Career Guidance	84.048	06-VA-040	197,402
2070	Student Organizations	84.048	06-VA-040	51,351
2070	Equipment	84.048	06-VA-040	517,643
2070	Initiate and Improve Program	84.048	06-VA-040	4,354
2070	State Leadership - Special	84.048	06-VA-040	36,398
2070	Professional Development	84.048	06-VA-040	48,843
2070	CTE Reserve	84.048	06-VA-040	18,596
2071	Other	84.048	06-VA-040	266
		Total 84.048		1,040,817
2582	Curriculum Instruction II	84.243	06-VA-040	30,169
2582	Administration II	84.243	06-VA-040	2,304
2582	Technical Assistant	84.243	06-VA-040	22,770
2582	Accountability II	84.243	06-VA-040	12,793
2582	Staff Development	84.243	06-VA-040	41,480
2582	Preparatory Services II	84.243	06-VA-040	3,755
		Total 84.243		113,271
<u>Drug Free:</u>				
2090	Drug and Violence Prevention Program	84.186	06-FQ040	403,371
<u>Adult Education:</u>				
2430	Adult Regular	84.002	06-EA-040	469,571
243A	Adult Education - Voc Rehab	84.002	05-EA-040-03	10,000
2448	SC Correctional Education	84.002A	06-EA-040-05	20,500
8075	Career Readiness Initiative	84.002	06-ER-040-01	5,731
		Total 84.002		505,802
<u>Other Special Programs:</u>				
2003	State Improvement Grant	84.323A	06-CT040-01	9,895
2005	McKinney - Vento Homeless Grant	84.196A	06-FH040	39,000
2425-2426	Even Start - Family Literacy	84.213C	04-EK040	150,000
2420-2421	Even Start - Family Literacy	84.213	04-EK040	6,272
2449	Hurricane Relief Funds	84.938C	N/A	214,898
2915	Goals 2000 Parental Assistance	84.310	N/A	122,010
2532	Ed Tech Formula Grant	84.318	04ET040	323,518
2640	Title III - English Language Acquisition	84.365A	06-BP-040	290,784
2202	Extended Daycare	N/A	N/A	3,031
2507	NCLB Community Service	84.184C	06-CS040	4,949
Total Passed Through SC State Department of Education				35,036,981
TOTAL US DEPARTMENT OF EDUCATION				\$ 36,050,802

THE SCHOOL DISTRICT OF GREENVILLE COUNTY
GREENVILLE, SOUTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2006

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:				
2925	Woodmont High School Jobs for SC Graduates	17.259	4JAG013	\$ 46,548
2737-2738	JTPA Summer Pre-vocation	17.246	N/A	19,930
TOTAL US DEPARTMENT OF LABOR				66,478
US DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Passed Through State Health & Human Services Finance Commission:				
2715	Child Development (Overbrook CDC)	13.667	N/A	200,609
TOTAL US DEPARTMENT OF HEALTH AND HUMAN SERVICES				200,609
US DEPARTMENT OF DEFENSE				
Direct Programs:				
2904	Army JROTC	12.000	N/A	50,383
2900	Navy JROTC	12.000	N/A	235,418
2902	Air Force JROTC	12.000	N/A	80,048
TOTAL US DEPARTMENT OF DEFENSE				365,849
COMPONENT UNITS/CHARTER SCHOOLS				
Passed Through SC State Department of Education:				
Meyer Center for Special Children:				
2050	Preschool Grant	84.173	05-CG040	14,843
Total Passed Through SC State Department of Education				14,843
TOTAL COMPONENT UNITS/CHARTER SCHOOLS				14,843
TOTAL FEDERAL ASSISTANCE EXPENDED				\$ 49,853,236

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, 2006

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, 2006. 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 General Fund and 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.

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

The Board of Trustees
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, 2006, which collectively comprise the School District's basic financial statements and have issued our report thereon dated October 10, 2006. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the School District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the basic financial statements and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the basic financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we considered to be material weaknesses.

Compliance

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 grants, 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 object of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Governmental Auditing Standards*.

We noted certain matters that we have reported to the management of the School District in a separate letter dated October 10, 2006.

This report is intended solely for the information and use of management, 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
October 10, 2006

**REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL
OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

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

Compliance

We have audited the compliance of the School District of Greenville County, South Carolina (the "School District") with the types of compliance requirements described in the *US Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2006. 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 on the School District's compliance with those requirements.


In our opinion, the School 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, 2006.

Internal Control Over Compliance

The management of the School District 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 School District's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants caused by error or fraud that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of management, 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
October 10, 2006

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

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

YEAR ENDED JUNE 30, 2006

Section III - Findings and Questioned Costs - Major Federal Awards Programs Audit

Questioned Costs

2005-1: NONCOMPLIANCE WITH SUBRECIPIENT MONITORING REQUIREMENTS

Federal Agency: US Department of Education

Pass-through Agency: South Carolina Department of Education

CFDA # 84.027, Individuals with Disabilities Act (“IDEA”)

Pass Through Grantor’s Number: 05-CA040; Award Year: July 1, 2004 through June 30, 2005

Condition: The School District receives funds from the South Carolina Department of Education (“SDE”) for the IDEA program for the charter schools for which it is responsible. Except for the eligibility requirements, the School District does not have a process in place to monitor subrecipient activity for this program. The School District received from the SDE and paid to the charter schools a total of \$69,977 during the year ended June 30, 2005.

\$ 69,977

Criteria: The School District is to comply with the subrecipient monitoring regulations as required by the Office of Management and Budgets (“OMB”).

Status: The School District has taken appropriate corrective actions on the above condition.

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

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2006

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
Reportable condition(s) 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
Reportable condition(s) 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>FDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
0.550 - 10.555	USDA - Breakfast, Lunch and Commodities Cluster
84.027	IDEA
84.367A	Title II

Dollar threshold used to distinguish between type A and type B programs:	_____ <u>\$ 1,495,597</u>
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Auditee qualified as low-risk auditee?	_____ <u>X</u> Yes	_____ No
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Section II - Findings - Financial Statements Audit

No matters were reported.

Section III--Federal Awards Findings and Questioned Costs

No matters were reported.



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