

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

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2007

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	\$ 1,032,075
6000	National School Breakfast Program	10.553	N/A	2,766,207
6000	National School Lunch Program	10.555	N/A	10,113,954
TOTAL US DEPARTMENT OF AGRICULTURE				13,912,236
US DEPARTMENT OF EDUCATION				
Direct Programs:				
2881	Professional Development for Arts Educators	84.351C	U351C03002	110,729
2882	Grove/Tanglewood Arts	84.351D	U351D030026	84,025
2885	Smaller Learning Communities	84.215L	V215L04099	967,454
2889	Winter Storm	97.049	045-UD694-00	154,932
8055	Teen LEAD	84.215	07-FL-040-01	34,713
8056	Teen LEAD Control Site	84.215	07-FL-040-02	7,713
Total Direct Programs				1,359,566
Passed Through SC State Department of Education:				
<u>Title I:</u>				
2010	Title I - Low Income	84.010	06-BA040	1,012,174
2020	Title I - Low Income	84.010	07-BA040	13,405,811
2654	Title I - School Improvement	84.010	07-BJ040	192,200
2655	Title I - School Improvement	84.010	06-BJ040	198,518
Total 84.010				14,808,703
2414	<u>Title VI:</u>	84.298A	07-BB040	120,258
2411	Title VI	84.298A	06-BB040	19,296
2630	Comprehensive School Reform	84.332A	06-BF040	24,312
2631	Comprehensive School Reform	84.332A	06-BQ040	23,172
Total 84.332A				47,484
<u>IDEA:</u>				
2031/34/35/146	Public Law 101-476 - The Individuals with Disabilities Act	84.027	07-CA040	15,642,014
2032	Personnel Development	84.027A	07-CO040	101,234
2132	Personnel Development	84.027A	07-CO040	1,000
Total 84.027				15,744,248
<u>Preschool Handicapped:</u>				
2051	Handicapped Preschool Grant	84.173	07-CG040	464,966
<u>Title II:</u>				
2670/2675	Title II - Improving Teacher Quality, Reduce Class Size	84.367A	07-TQ-040	\$ 2,685,119

(Continued)

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<u>US DEPARTMENT OF EDUCATION (CONTINUED)</u>				
<u>Occupational Education:</u>				
2070	Local Administration	84.048	07-VA-040	\$ 34,765
2070	Special Populations	84.048	07-VA-040	16,868
2070	S-T-W Activities	84.048	07-VA-040	80,297
2070	Career Guidance	84.048	07-VA-040	208,837
2070	Student Organizations	84.048	07-VA-040	54,830
2070	Equipment	84.048	07-VA-040	424,201
2070	Initiate and Improve Program	84.048	07-VA-040	135,116
2070	Professional Development	84.048	07-VA-040	65,662
2071	Other	84.048	07-VA-040	67
2073	Prior Year Perkins - Oracle Training	84.048	06-VA-040	500
		Total 84.048		<u>1,021,143</u>
2582	Curriculum Instruction II	84.243	07-VA-040	27,888
2582	Administration II	84.243	07-VA-040	4,639
2582	Technical Assistant	84.243	07-VA-040	15,977
2582	Accountability II	84.243	07-VA-040	9,348
2582	Staff Development II	84.243	07-VA-040	36,218
2582	Guidance II	84.243	07-VA-040	10,438
2582	Preparatory Services II	84.243	07-VA-040	1,746
		Total 84.243		<u>106,254</u>
<u>Drug Free:</u>				
2090	Drug and Violence Prevention Program	84.186	07-FQ040	<u>296,754</u>
<u>Adult Education:</u>				
2430	Adult Regular	84.002	07-EA-040	419,335
243B	Skills Lab	84.002	07-EA-040-13	11,250
2434	English Literacy	84.002A	07-EA-040-01	10,000
2448	SC Correctional Education	84.002A	07-EA-040-05	22,607
8075	Career Readiness Initiative	84.002	07-ER-040	11,111
		Total 84.002		<u>474,303</u>
<u>Other Special Programs:</u>				
8053	State Improvement Grant	84.323A	07-CT040-01	8,581
2005	McKinney - Vento Homeless Grant	84.196A	07-FH040	47,000
2426	Even Start - Family Literacy	84.213C	07-EK040	90,000
2449	Hurricane Relief Funds	84.938C	N/A	79,477
2915	Goals 2000 Parental Assistance	84.310	N/A	48,002
2532	Ed Tech Formula Grant	84.318	07-ET040	182,657
2640	Title III - English Language Acquisition	84.365A	07-BP040	320,156
Total Passed Through SC State Department of Education				<u>36,564,401</u>
TOTAL US DEPARTMENT OF EDUCATION				<u>\$ 37,923,967</u>

(Continued)

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

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2007

LEA Subfund Code	Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass Through Grantor's Number	Federal Expenditures
<u>US DEPARTMENT OF LABOR</u>				
2925	Passed Through SC State Department of Commerce or other agency: Woodmont High School Jobs for SC Graduates	17.259	6JAG0114	\$ 56,719
TOTAL US DEPARTMENT OF LABOR				<u>56,719</u>
<u>US DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>				
2715	Passed Through State Health & Human Services Finance Commission: Child Development (Overbrook CDC)	13.667	N/A	203,514
Total Passed Through State Health & Human Services Finance Commission				<u>203,514</u>
TOTAL US DEPARTMENT OF HEALTH AND HUMAN SERVICES				<u>203,514</u>
<u>US DEPARTMENT OF DEFENSE</u>				
Direct Programs:				
2904	Army JROTC	12.000	N/A	76,140
2900	Navy JROTC	12.000	N/A	53,026
2902	Air Force JROTC	12.000	N/A	290,262
TOTAL US DEPARTMENT OF DEFENSE				<u>419,428</u>
<u>COMPONENT UNITS/CHARTER SCHOOLS</u>				
Passed Through SC State Department of Education:				
2050	Meyer Center for Special Children: Preschool Grant	84.173	07-CG040	20,710
Total Passed Through SC State Department of Education				<u>20,710</u>
TOTAL COMPONENT UNITS/CHARTER SCHOOLS				<u>20,710</u>
TOTAL FEDERAL ASSISTANCE EXPENDED				<u>\$ 52,536,574</u>

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, 2007

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, 2007. 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 AND OTHER MATTERS 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, 2007, which collectively comprise the School District's basic financial statements and have issued our report thereon dated October 22, 2007. Our report was modified to include 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 basic 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 certain discretely presented component units 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 control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's basic financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the basic financial statements will not be prevented or detected by the entity's internal control.

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 deficiencies in internal control that might be 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 October 22, 2007.

This report is intended solely for the information and use of management, the Board of Trustees, 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
October 22, 2007

**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, 2007. 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, 2007.

Internal Control Over Compliance

The 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 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 School District’s internal control over compliance.

A *control deficiency* in an entity’s internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity’s ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity’s internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity’s internal control.

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.

This report is intended solely for the information and use of management, the Board of Trustees, 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

October 22, 2007

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

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

YEAR ENDED JUNE 30, 2007

There were no audit findings in the prior year.

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

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2007

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>FDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
10.550 - 10.555	USDA - Breakfast, Lunch and Commodities Cluster

Dollar threshold used to distinguish between type A and type B programs: \$ 1,576,097

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.