

Comprehensive  
**Annual Financial Report**

for the year ended August 31, 2010



**San Antonio Independent School District**

141 Lavaca Street, San Antonio, Bexar County, TX 78210 • [www.saisd.net](http://www.saisd.net)

# **COMPREHENSIVE ANNUAL FINANCIAL REPORT**

## **SAN ANTONIO INDEPENDENT SCHOOL DISTRICT**

San Antonio, Texas

For The Year Ended August 31, 2010

Prepared by the

Financial Services Division

**Steven Bassett, CPA, RTSBA**

Associate Superintendent of Financial Services, Business Operations and Food Services

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# **INTRODUCTORY SECTION**

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SAN ANTONIO INDEPENDENT SCHOOL DISTRICT  
San Antonio, Texas

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED AUGUST 31, 2010

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San Antonio, Texas

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# San Antonio Independent School District

141 Lavaca Street, San Antonio, Texas 78210-1095

Telephone (210) 554-8590 - Fax (210) 299-5572

## *Financial Services and Business Operations*

January 18, 2011

Mr. James Howard, President,  
Board of Trustees Members, and  
Patrons of the San Antonio Independent School District  
San Antonio, Texas 78210-1095

Dear Mr. Howard, Board Members and Patrons:

State law requires that all public school districts publish within one-hundred fifty days of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of the San Antonio Independent School District (District) for the fiscal year ended August 31, 2010.

This report consists of management's representations concerning the finances of the District. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the District has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the District's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the District's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The District's financial statements have been audited by Garza/Gonzalez and Associates, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the District for the fiscal year ended August 31, 2010, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the District's financial statements for the fiscal year ended August 31, 2010, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

### BOARD OF EDUCATION

**JAMES HOWARD**  
President  
**CARLOS VILLARREAL**  
Vice President  
**THOMAS C. LOPEZ**  
Secretary  
**OLGA M. HERNANDEZ**  
Asst. Secretary  
**RUBÉN D. CUERO**  
Member  
**ADELA R. SEGOVIA**  
Member  
**ED GARZA**  
Member

**DR. ROBERT J. DURÓN**  
Superintendent

The independent audit of the financial statements of the District was part of a broader, federally mandated “Single Audit” designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government’s internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. Information related to this Single Audit, including a schedule of expenditures of federal awards, the independent auditors’ reports on the internal controls and compliance with applicable laws and regulations, and a schedule of findings and questioned costs are included in the Federal Awards Section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management’s Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The District’s MD&A can be found in the financial section of this report, immediately following the report of the independent auditors.

This comprehensive annual financial report consists of four major sections: (1) the Introductory Section which describes our District and the contents of the report; (2) the Financial Section which contains the basic financial statements and notes, combining schedules and required TEA schedules; (3) the Statistical Section which shows prior years information for comparison purposes and other general information; and (4) the Federal Awards Section, as required.

### **Profile of the Government**

The District is a political subdivision of the State of Texas and is governed and operated as an independent school district under the laws thereof. The District, originally chartered by the State in 1903, encompasses 79 square miles in central Bexar County, Texas. It is an urban school district; the third largest district in San Antonio and one of the 15 largest districts in the State of Texas.

The District is governed by a seven-member Board of Trustees (Board) comprised of District residents, with each trustee representing one of the seven single-member districts and elected by voters of that district. The Board is responsible for managing and governing the schools of the District, including adopting goals and objectives for the District, reviewing and acting on policies, adopting an annual budget, levying and collecting District taxes, hiring school personnel as recommended by the superintendent, setting salary schedules, adopting District policies and setting directions for curriculum, and reporting to the public on the District’s progress. The District’s Superintendent of Schools and staff assist the Board with financial and administrative matters and oversee the day-to-day operations of the District.

For more than a century, the San Antonio Independent School District has set high standards for all and has been educating some of San Antonio’s most notable citizens including a Nobel Laureate, an astronaut, the Mayor of the city of San Antonio, the President of the University of Texas at San Antonio, public servants, acclaimed athletes and entertainers. Today the commitment of the Board of Trustees to our students, parents and patrons is reflected through its mission statement, vision, core values and core beliefs as follows:

### **Mission Statement**

To graduate all of our students and prepare them for success in higher education.

## **Vision**

Our primary purpose of improving lives through a quality education is driven by an unrelenting determination to graduate all of our students and prepare them for success in higher education. Our ideology is reflected in our fundamental beliefs, commitments and core values that guide us in our daily practices.

## **Core Values**

- Student Centered
- High Expectation
- Commitment
- Passion
- Integrity
- Respect
- Teamwork

## **Core Beliefs**

- Every student can learn and achieve at high levels.
- We are responsible for the education and safety of every student.
- We are responsible for the efficient and effective operation of the school system.
- Everyone should be treated with respect.
- People support what they help create.

The District provides a comprehensive instructional program and related services from pre-kindergarten through the twelfth grade for our 55,086 students. This includes a special education program for students with disabilities, occupational education, bilingual instruction for those with limited English proficiency, specialized instruction for disadvantaged students, and a Head Start Program for three (3) and four (4) year olds. These basic programs are supplemented by college preparatory curriculum, Magnet programs, and career and technology education. Specialized schools are also an option for middle and high school students, as are a variety of extracurricular opportunities. The District also provides for community and adult education by offering a wide variety of academic and occupational courses.

**District Accomplishments** – The District’s accomplishments continue to be recognized by local, state and national publications. Most recently, the District was recognized for the following achievements:

- The Texas Education Agency rated more than half of the District’s schools exemplary or recognized for 2010 with 12 campuses receiving exemplary and 34 campuses receiving recognized level.
- Student performance on 2010 state accountability tests is now at the exemplary level in social studies, and at the recognized level in reading and writing.
- Four (4) SAISD schools made the 2010 top 10 lists of best schools in Bexar County and surrounding counties, compiled by the Houston-based advocacy group Children at Risk: Arnold Elementary and Briscoe Academy for the elementary level, and Austin and Hawthorne Academies for the middle-school level.
- For the fifth consecutive year, Burbank made the 2010 “America’s Top Public High Schools” a list compiled by Newsweek magazine.

- More than \$36 million in scholarships was awarded to the graduating class of 2010.
- The District entered into a partnership with the nationally acclaimed Teach for America, which will result in nearly 300 of America’s top college graduates coming into our classrooms over the next three years. Through the generous support of the San Antonio community, nearly \$8 million was raised to recruit, select, train and support 100 incoming corps members annually beginning in the 2010 school year.
- On-time 4-year graduate rate and completion rate have both increased by 2 percentage points compared to the previous year.
- A significant decrease in the percentage of students dropping out of school, specifically a five percentage point decrease over the past three years.

**Budgetary Controls** - The annual budget serves as the foundation for the District’s financial planning and control. The District’s fiscal year begins September 1st and ends August 31st. The budget is initially prepared under the direction of the Superintendent of Schools. The Board reviews the budget during workshops conducted from May through August. The final budget is required by State law to be adopted by August 31<sup>st</sup>. The District maintains budgetary controls to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Board.

Activities of the General Fund, the Debt Service Fund, and the Child Nutrition Program Fund (which is reported in the Special Revenue Fund group) are included in the annual appropriated budget. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established by major functional category.

Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the General Fund, this comparison is presented in Exhibit G-1, as required supplementary information. For the Child Nutrition Program and Debt Service Fund, these comparisons are presented in Exhibits J-4 and J-5, respectively, as required TEA schedules.

**Factors Affecting Financial Condition**

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the District operates.

**Population** – San Antonio is now the 7<sup>th</sup> largest city in the United States and the third largest city in the state of Texas. It has a population of over 1.2 million residents and during a one year period has had the highest numeric population increase of any Texas city, growing by more than 24,000 people according to the US Census Bureau. The District’s projected student enrollment has remained above 54,000 for several years.

The breakdown of our student membership is as follows:

• Pre-K	5,094
• K-5	26,228
• 6-8	10,462
• 9-12	<u>13,302</u>
TOTAL	55,086

**Local Economy** - The economy in San Antonio along with the rest of the country has suffered through the worst recession in 50 years. The District, which includes the inner city and downtown areas, has experienced a slowdown in new residential development and commercial growth due to a lack of available financing. Job losses have been experienced throughout San Antonio in several industries, but investments locally in military medicine have lessened the impact on the economy as a whole. San Antonio possesses a diverse workforce and stable economy due to strengths in local small businesses and regional consumer spending. Therefore, the effects of the recession are expected to give way to a gradual recovery through the end of 2011.

**State Economic Outlook** – The State of Texas is projecting a budget short fall of up to \$25 billion as lawmakers head into the 2011 legislative session. A couple of key factors are contributing to this budget gap. First, the recession has caused both sales tax collections and property values to decline across Texas, putting budget pressures on the state. Second, federal stimulus funds were used last legislative session to pay for a mandated salary increase and to balance the state’s own operating budget – and that money was one-time federal funding that will not be seen again.

**American Recovery and Reinvestment Act** – The American Recovery and Reinvestment Act (ARRA) was signed into law in February 2009 in an attempt to stabilize and restore public confidence as a result of the nationwide economic crisis. The ARRA has three immediate goals: create new jobs as well as save existing ones, spur economic activity and investment in long-term economic growth, and foster unprecedented levels of accountability and transparency in government spending. The ARRA intends to achieve the goals by providing billions in tax cuts and benefits for millions of working families and businesses, making billions available for federal contracts, grants and loans, and increasing federal funds for health care and education.

The District applied for funding that became available through the ARRA, and as a result, recognized \$1.1 million of these funds in the fiscal year 2008-2009. The funds were used for food service and special education operations.

The District did receive additional ARRA funding in the 2009-2010 school year. More specifically, approximately \$22.5 million was received from the American Recovery Reinvestment Act Title XIV State Fiscal Stabilization Funds. These funds were moved from the General Fund into Special Revenue Funds for the purchase of technology, general education instructors and special education instructors. An additional \$20.8 million in stimulus monies was received for use in special education, preschool, and homeless activities.

**Campus Closures** – The District continues to evaluate the possible closure of schools and a reduction of staff to control costs and eliminate under-utilized campuses. The District had previously begun the evaluation process for school closure and cost containment. This did result with the closure of six (6) campuses in June 2008. The closure of the campuses allowed the District to realize staff savings of approximately \$5.5 million and utilities savings of \$0.5 million. Cost savings from these school closures continue to be realized.

**Financial Policies** – As one of the 15 largest school districts in the State of Texas, the District is diligently planning for the future. Student enrollment drives the District’s planning process along with management’s commitment to providing the best education available to our students. The District’s strategic planning is an ongoing process. The Superintendent working closely with the Associate Superintendent of Financial Services, Business Operations and Food Services through the Superintendent’s Executive Team constantly reviews the fiscal operations of the District. The Superintendent’s Executive Team continually studies different areas of cost containment as they

strategically view the demographics of the District and ongoing economic climate. These reviews have included the feasibility of achieving cost savings through efficiencies gained in implementing an ERP system, Time and Attendance system, Electronic Workflow system, Warehousing consolidation, and implementation of a leave buy back incentive to employees who resign within defined program policies and consolidation of central office operations at a centralized site.

**Child Nutrition Program** – The Child Nutrition Program continues to enhance its operations. As a result of management’s continued effort to streamline operations, increase meal participation, cut costs and increase revenue, the program experienced a profitable year and was able to create a positive fund balance.

**Long-term Financial Planning** – The District has maintained a positive fund balance to ensure that needed resources are available when required to meet unexpected revenue shortfalls and one-time expenditures that may exceed the annual operating budget. The District, because of its continued cost containment efforts and financial planning, has been successful in adding to the General Operating Fund Balance while establishing and funding Internal Service Funds. The District continues to expect a positive gain in student membership with a projected membership of 56,111 for school year 2010-11. The growth is expected due to a projected student population increase in Kindergarten that will be returning from the successful establishment of the Head Start program.

The District’s Maintenance and Operations tax rate for tax year 2010 continues at \$1.04 per \$100 valuation. State funding for the General Fund is about 63% of the total General Fund revenue, and is estimated to increase over the next year. Federal funding is expected to decrease slightly due to decreased availability of federal program funding.

Grant funding plays an important role as a resource to supplement regular funding and to expand programs needed for greater academic achievement.

**Interest Rates** – The steady decline in interest rates continues to adversely affect the interest earnings of the District. To illustrate the decline in rates, the overnight Federal Funds Rate at August 2008 was at 2.00%. After a steady series of rate cuts, on December 16, 2008, this rate was set at 0.25% and continues to be artificially maintained at this rate to stimulate the economy. The effect to the District has been a noted decrease in investment earnings.

**Cash Management Policies and Practices** - The District is required to execute a depository agreement with a banking institution for a period of two years. Competitive bidding is mandated and state law sets general terms. The District’s investment policy is to minimize credit and market risks while maintaining a competitive yield on its portfolio. All deposits were secured by Federal Deposit Insurance Corporation (FDIC) coverage and pledged securities. The District has an active cash management program in prudently investing available cash. Cash temporarily idle during the year was invested in local government investment pools, no load money market mutual funds, federal agency coupon securities and municipal obligations.

**Risk Management** – The District is self-funded with regard to the majority of dental and worker compensation benefits provided to employees and their dependents. Both self-funded programs are administered by third party administrators whose primary function is to settle claims. The District’s Risk Management Office monitors activities performed by these external administrators. The District in co-operation with the workers compensation plan administrator initiated an Accident Prevention Program. The program implements various risk control techniques to minimize accident-related losses. The District, in its continuing effort to control costs and minimize accident-related losses, received



approval through Board action to establish a District-wide safety program for employees. Additional action has been taken to establish funding for staffing for this department, to set up an internal service fund and to implement, upon the hiring of staff, the development of appropriate procedures and guidelines.

**Pension Plan** - The District contributes to the Teacher Retirement System of Texas (TRS), a public employee, and cost-sharing multiple employer defined benefit pension plan. Under this plan, all risks and costs are not shared by the District but are a liability of the State of Texas. Additional information on the District's pension arrangements can be found in Note F of Section IV in the notes to the financial statements.

**Awards** – The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its comprehensive annual financial report for the fiscal year ended August 31, 2009. This marks twenty consecutive years that the District has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a governmental entity must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both GAAP 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 GFOA to determine its eligibility for another certificate.

The Association of School Business Officials (ASBO) awarded its Certificate of Excellence in Financial Reporting to the District for the 2008-2009 fiscal year. This award certifies that the comprehensive annual financial report for the fiscal year ended August 31, 2009, substantially conforms to the principles and standards of financial reporting as recommended and adopted by ASBO. The District believes that the 2010 annual report, which will be submitted to ASBO for review, also conforms to these principles and standards.

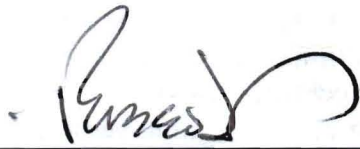
The District has also received the GFOA Budget Presentation Award for a fifth consecutive year and the Meritorious Budget Award from ASBO for four consecutive years. Special recognition was also provided to the District by ASBO at their Annual Conference for the 2009 Budget submission.

**Acknowledgements** – The preparation of the comprehensive annual financial report on a timely basis was made possible by the dedicated service of the entire staff of the Financial Services Division. Each member of the department has our sincere appreciation for the contributions made in the preparation of this report. We would also like to acknowledge our independent auditors, Garza/Gonzalez and Associates, for their role in providing professional guidance and assistance in the preparation of this report.

Finally, without the interest, leadership and support of the Board of Trustees, preparation of this report would not have been possible.

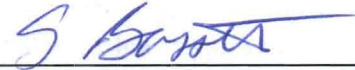
Finally, without the interest, leadership and support of the Board of Trustees, preparation of this report would not have been possible.

Respectively Submitted,



---

Dr. Robert J. Durón  
Superintendent



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Steven Bassett, CPA, RTSBA  
Associate Superintendent of Financial  
Services, Business Operations and  
Food Services

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

San Antonio  
Independent School District  
Texas

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
August 31, 2009

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

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**ASSOCIATION OF SCHOOL BUSINESS OFFICIALS  
INTERNATIONAL**



This Certificate of Excellence in Financial Reporting is presented to

**SAN ANTONIO INDEPENDENT SCHOOL DISTRICT**

**For its Comprehensive Annual Financial Report (CAFR)**

For the Fiscal Year Ended August 31, 2009

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

*Erin Green*

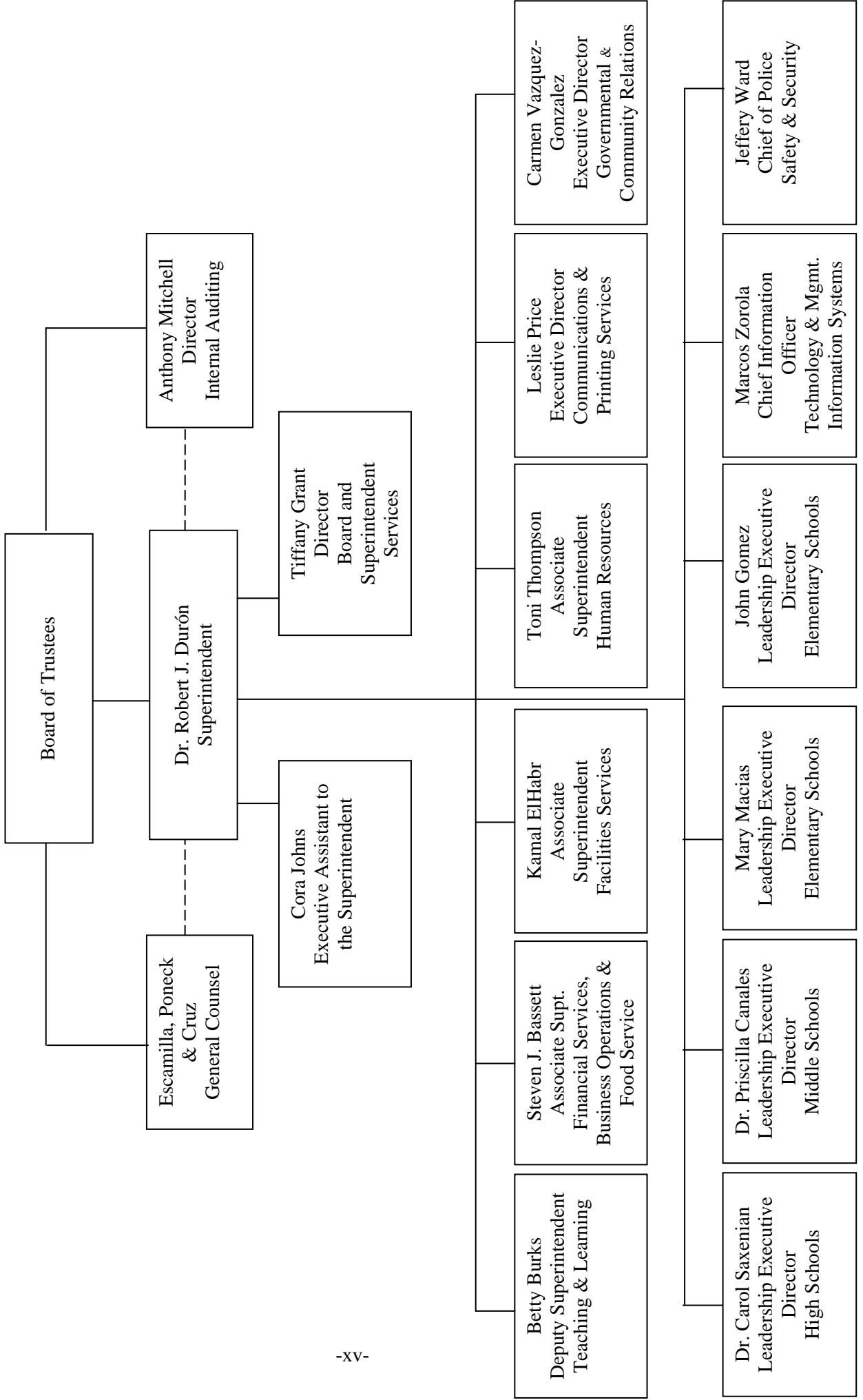
President

*John D. Messer*

Executive Director

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# San Antonio Independent School District Organizational Chart





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San Antonio Independent School District  
San Antonio, Texas

LIST OF PRINCIPAL OFFICIALS

For the Fiscal Year Ended August 31, 2010

**Board of Trustees**

**James Howard**

*President*

**Carlos Villarreal**

*Vice-President*

**Thomas C. Lopez**

*Secretary*

**Olga M. Hernandez**

*Assistant Secretary*

**Rubén D. Cuero**

*Trustee*

**Ed Garza**

*Trustee*

**Adela R. Segovia**

*Trustee*

**Superintendent and Cabinet**

**Dr. Robert J. Durón**

*Superintendent of Schools*

**Betty E. Burks**

*Deputy Superintendent  
Teaching and Learning*

**Steven J. Bassett, CPA,  
RTSBA**

*Associate Superintendent  
Financial Services, Business  
Operations and Food  
Services*

**Toni Thompson**

*Associate Superintendent  
Human Resources*

**Kamal El Habr**

*Associate Superintendent  
Facilities Services*

**Marcos Zorola**

*Chief Information Officer  
Technology & Management  
Information Systems*

**Carmen Vasquez-Gonzalez**

*Executive Director  
Governmental & Community  
Relations*

**Leslie Price**

*Executive Director  
Communications & Printing  
Services*

**Cora Johns**

*Executive Assistant  
Superintendent and Special  
Projects*

**Tiffany Grant**

*Director  
Board and Superintendent  
Services*

**Jose H. Moreno**

*Senior Executive Director  
Curriculum & Instruction*

**Dr. Carol Saxenian**

*Leadership Executive  
Director  
High School*

**Dr. Priscilla Canales**

*Leadership Executive Director  
Middle School*

**John Gomez**

*Leadership Executive  
Director  
Elementary School Team I*

**Mary Macias**

*Leadership Executive Director  
Elementary School Team II*

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SAN ANTONIO INDEPENDENT SCHOOL DISTRICT

BEXAR

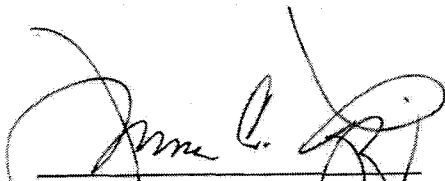
015-907

Name of School District

County

Co. Dist. Number

We, the undersigned, do hereby certify that the attached annual financial reports of the above named school district were reviewed and  approved  disapproved for the year ended August 31, 2010 at a meeting of the Board of Trustees of such school district on the 18<sup>th</sup> day of January, 2011.

  
\_\_\_\_\_  
Signature of Board Secretary

  
\_\_\_\_\_  
Signature of Board President

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## **FINANCIAL SECTION**

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# Garza/Gonzalez & Associates

CERTIFIED PUBLIC ACCOUNTANTS

## INDEPENDENT AUDITOR'S REPORT

Board of School Trustees  
San Antonio Independent School District  
San Antonio, Texas

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the San Antonio Independent School District (the District), as of and for the year ended August 31, 2010, 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 *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

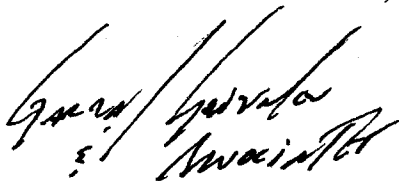
In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the District, as of August 31, 2010, and the respective changes in financial position, and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

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In accordance with *Government Auditing Standards*, we have also issued our report dated January 3, 2011 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis and the budgetary comparison information for the general fund, as listed in the table of contents, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory section, other supplementary information, required Texas Education Agency (TEA) schedules, and the statistical section, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements of the District. The other supplementary information, required TEA schedules, and the schedule of expenditures of federal awards have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

A handwritten signature in black ink, appearing to read "Gerald Hernandez". The signature is written in a cursive style and is positioned above the date.

January 3, 2011

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# **SAN ANTONIO INDEPENDENT SCHOOL DISTRICT**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

As management of the San Antonio Independent School District (the "District") we are providing readers of the District's financial statements this narrative overview and analysis of the District's financial activities for the fiscal year ended August 31, 2010. Please read it in conjunction with the transmittal letter which can be found at the front of this report and the District's financial statements, which follow this section.

### **FINANCIAL HIGHLIGHTS**

- The District's total combined net assets as reflected in the government-wide Statement of Net Assets were \$407,396,643 at August 31, 2010. Of this amount, \$43,912,966 (unrestricted net assets) may be used to meet the District's ongoing obligations.
- The District's Statement of Activities reflects an increase in net assets for Governmental Activities in the amount of \$12,858,675. This is a result of expenses being less than the \$576,260,532 generated in taxes, state aid, federal aid, and other revenues such as charges for services and federal grants.
- The General Fund reported a fund balance in the governmental fund financial statements this year of \$63,108,491. Approximately 60% of this total amount, \$38,125,756, is available for spending at the District's discretion (unreserved, undesignated fund balance).
- Property tax revenues increased by 1% from the prior year with a stable tax rate of \$1.2497 per \$100 assessed valuation. The increase is attributed to a growth in the District's property tax base, which increased the tax levy by 2%.

### **OVERVIEW OF THE FINANCIAL STATEMENTS**

This annual report consists of a series of financial statements. The government-wide financial statements include the Statement of Net Assets and the Statement of Activities. These provide information about the activities of the District as a whole and present a long-term view of the District's property and obligations and other financial matters. They reflect the flow of total economic resources in a manner similar to the financial reports of a business enterprise.

Fund financial statements report the District's operations in more detail than the government-wide statements by providing information about the District's most significant funds. The governmental funds statements show how general government services were financed in the short term as well as what resources remain for future spending. They reflect the flow of current financial resources, and supply the basis for tax levies and the appropriations budget. The proprietary funds statements reflect the activity related to services provided to parties within the District, for the District's workers compensation and dental insurance programs. The remaining statements, fiduciary statements, provide financial information about activities for which the District acts solely as a trustee or agent for the benefit of those outside of the government. The notes to the financial statements provide narrative explanations or additional data needed for full disclosure in the government-wide statements or the fund financial statements.

# SAN ANTONIO INDEPENDENT SCHOOL DISTRICT

## MANAGEMENT'S DISCUSSION AND ANALYSIS

The combining statements for non-major governmental funds and the combining statements for internal service funds contain even more information about the District's individual Special Revenue Funds and Internal Service Funds, respectively. Also included is the Statement of Changes in Assets and Liabilities for the agency fund. These are not required by Texas Education Agency (TEA). The sections labeled Required TEA Schedules and Federal Awards Section contain data used by monitoring or regulatory agencies for assurance that the District is using funds supplied in compliance with the terms of grants.

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

#### *The Statement of Net Assets and the Statement of Activities*

The analysis of the District's overall financial condition and operations begins on page 6. Its primary objective is to show whether the District is better or worse off as a result of the year's activities. The Statement of Net Assets includes all of the District's assets and liabilities while the Statement of Activities includes all the revenues and expenses generated by the District's operations during the year. These apply the same basis of accounting used by most private sector companies, that of full accrual.

All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid. The District's revenues are divided into those provided by outside parties who share the costs of some programs, such as tuition received from students from outside the District and grants provided by the U.S. Department of Education to assist children with disabilities or from disadvantaged backgrounds (program revenues), and general revenues provided by the taxpayers or by TEA in equalization funding processes (general revenues). All assets of the District are reported whether they serve the current year or future years. Liabilities are considered regardless of whether they must be paid in the current or future years.

These two statements report the District's net assets and changes in them. The District's net assets (the difference between assets and liabilities) provide one measure of the District's financial health, or financial position. Over time, increases or decreases in the District's net assets are one indicator of whether its financial health is improving or deteriorating. To fully assess the overall health of the District, however, you should consider nonfinancial factors as well; such as, changes in the District's average daily attendance, its property tax base, and the condition of the District's facilities.

The District's financial condition has improved as evidenced by the increase in government-wide net assets; however, the weighted average daily attendance (WADA) continues to decline. The decline in attendance has necessitated the need to assess the District's facilities and staff allocations to ensure that the student's needs are best served.

While the District's property tax base has enjoyed growth, the state funding methodology, which is driven by the weighted average daily attendance, minimizes the benefit of additional increases in taxable property because it imposes a cap in state funding. Under the current funding system, the District can earn "revenue per WADA at compressed rate" of \$5,077 in local M&O tax revenue and state entitlements.

# SAN ANTONIO INDEPENDENT SCHOOL DISTRICT

## MANAGEMENT'S DISCUSSION AND ANALYSIS

For the 2009-2010 fiscal year, the M&O tax rate remained stable at \$1.04 per \$100 assessed valuation. Any changes in the M&O tax revenue will be offset by changes in funding from state entitlements; therefore, any revenue above the target revenue will have to come from increases in grants, investment revenues, or fees for programs and services.

The District's governmental activities are presented in the Statement of Net Assets and the Statement of Activities. All of the District's basic services are reported as governmental activities; including, instruction, counseling, co-curricular activities, food services, transportation, maintenance, community services, and general administration. Property taxes, tuition, fees, and state and federal grants finance these activities.

### **Reporting the District's Funds**

#### ***Fund Financial Statements***

The fund financial statements begin at page 15, and provide detailed information about the District's funds - not the District as a whole. Laws and contracts require the District to establish funds to account for grants received; such as, those received under the No Child Left Behind Act from the U.S. Department of Education. The District's administration establishes many other funds to help it control and manage money for particular purposes (like campus activities).

- *Governmental Funds* – The District reports most of its basic services in governmental funds. These use modified accrual accounting (a method that measures the receipt and disbursement of cash and all other financial assets that can be readily converted to cash) and they report balances that are available for future spending. The governmental fund statements provide a detailed short-term view of the District's general operations and the basic services it provides. We describe the differences between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds in reconciliation schedules following each of the governmental fund financial statements. All of the District's activities for its governmental funds are reported in Exhibits C-1 and C-3.
- *Proprietary Funds* – These funds report activities where the District charges users for services. There are two types of proprietary funds, enterprise and internal service funds. The District does not have any enterprise funds but has two internal service funds to account for its workers compensation and dental insurance programs. All of the District's activities for its internal service funds are reported in Exhibits D-1, D-2, and D-3.

# SAN ANTONIO INDEPENDENT SCHOOL DISTRICT

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### The District as Trustee

#### *Reporting the District's Fiduciary Responsibilities*

The District is the trustee, or fiduciary, for money raised by student activities. Money raised by student activities is recorded within the District's Agency Funds. All of the District's fiduciary activities are reported in Exhibit E - 1 with the Statement of Fiduciary Assets and Liabilities. We exclude these resources from the District's other financial statements because the District cannot use them to support its operations. The District is only responsible for ensuring that the assets reported in these funds are used for their intended purposes.

### GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the District, assets exceeded liabilities by \$407,396,643 for the year ended August 31, 2010. Unrestricted net assets--the part of net assets that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements represents \$43,912,966 or about 11% of net assets as of August 31, 2010.

At approximately 73% of total net assets, the largest portion of the District's net assets is reflected in its investment in capital assets (e.g., land, buildings, furniture, equipment and vehicles), net of accumulated depreciation and less any related debt, that is still outstanding, used to acquire those assets. The District uses these capital assets to provide services to its student population and its employees; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. The following analysis focuses on the net assets (Table 1) and change in net assets (Table 2) of the District's governmental activities.

Net assets of the District's governmental activities increased to \$407,396,643 from \$394,537,968. This \$12,858,675 increase in governmental net assets as shown on the District's Statement of Activities (Table 2) is primarily due to the net result of the following factors. First, the fund financial statements reflect a \$7,596,927 decrease in total fund balance. This decrease can be attributed to the \$7,098,843 decrease in the Capital Projects Fund's fund balance, which results from on-going capital construction projects that are nearing completion and have no additional funding sources. Secondly, the acquisition of capital assets also had an impact to the increase in net assets. The capital asset acquisitions, coupled with the principal payments on bonds payable and maintenance tax notes, accretion on capital appreciation bonds, and changes in other long-term liabilities all net to a \$33,413,070 increase in net assets. Third, the District recorded depreciation in the amount of \$17,391,617, which is a decrease in net assets. Lastly, the District reclassified



# SAN ANTONIO INDEPENDENT SCHOOL DISTRICT

## MANAGEMENT'S DISCUSSION AND ANALYSIS

taxes and other liabilities resulting in a \$1,014,106 increase in net assets; and, it established internal service funds to account for revenue and expenses related to its workers compensation and dental insurance programs, which resulted in an increase in net assets by \$3,420,043. All these factors were necessary to convert from a modified accrual to accrual basis of accounting, resulting in the \$12,858,675 increase in net assets.

**Table 1**  
**San Antonio Independent School District**  
**Net Assets**

	Governmental Activities 2010	Governmental Activities 2009
Current and other assets	\$ 175,111,060	\$ 190,127,238
Capital assets	733,198,855	724,105,960
Total assets	\$ 908,309,915	\$ 914,233,198
Long-term liabilities	\$ 471,449,178	\$ 488,915,424
Other liabilities	29,464,094	30,779,806
Total liabilities	500,913,272	519,695,230
Net assets:		
Invested in capital assets, net of related debt	302,531,438	219,332,248
Restricted	60,952,239	65,118,955
Unrestricted	43,912,966	110,086,765
Total net assets	\$ 407,396,643	\$ 394,537,968

(Continued)

# SAN ANTONIO INDEPENDENT SCHOOL DISTRICT

## MANAGEMENT'S DISCUSSION AND ANALYSIS

**Table 2**  
**San Antonio Independent School District**  
**Change in Net Assets**

	Governmental Activities 2010	Governmental Activities 2009
Revenues:		
Program revenues:		
Charges for services	\$ 6,707,738	\$ 7,800,823
Operating grants and contributions	194,918,033	157,573,376
General revenues:		
Maintenance and operations taxes	124,185,378	123,386,852
Debt service taxes	25,037,142	24,878,358
Grants and contributions not restricted	222,129,005	231,153,491
Investment Earnings	615,873	2,796,023
Other	2,667,363	2,844,746
Total revenues	576,260,532	550,433,669
Expenses:		
Instruction and media services	310,189,177	294,139,571
Curriculum and instructional staff development	21,986,186	19,651,645
Instructional and school leadership	40,153,733	38,709,178
Student support services	41,420,035	38,127,525
Food services	31,581,913	30,900,485
Extracurricular activities	10,237,969	9,191,406
General administration	13,299,575	13,945,038
Facilities maintenance, security, and data processing services	64,312,035	58,357,298
Community services	6,218,703	6,035,175
Debt services	22,864,393	23,559,716
JJAEP and other intergovernmental charges	1,138,138	943,936
Total expenses	563,401,857	533,560,973
Increase in Net Assets	12,858,675	16,872,696
Beginning Net Assets	394,537,968	377,665,272
Ending Net Assets	\$ 407,396,643	\$ 394,537,968

Changes in Governmental Activities Net Assets are presented in Table 2. The District's total Governmental Activities revenues are \$576,260,532, an increase of \$25,826,863 from the previous year. This net change is primarily attributed to an increase in operating grants and contributions of \$37,344,657 offset by a decrease of \$9,024,486 in unrestricted grants and contributions, which is attributable to the decrease in state funding; and, a decrease in investment earnings of \$2,180,150, which is attributable to lower interest rates.

## **SAN ANTONIO INDEPENDENT SCHOOL DISTRICT**

### **MANAGEMENT'S DISCUSSION AND ANALYSIS**

The increase in operating grants and contributions is directly related to the increase in the American Recovery and Reinvestment Act (ARRA) federal funding received in the current year. The District received \$43,290,049 in such funding in the current year, which is an increase of \$42,167,310 from what was received in the prior year.

Although the District did not increase the tax rate, local property tax revenue increased from the prior year because of the rise in the District's property tax base.

The expenses for governmental activities totaled \$563,401,857. Instruction expenses, at \$310,189,177 represent the largest portion of the expense increase. The higher instruction costs are attributable to the pay increase for employees and an increase of \$10,257,461 for the operations of a full year of the Head Start Program. Facilities maintenance, security, and data processing services contributed the next largest increase of \$5,954,737. Additionally, there were increases in staff development, instructional leadership, student support services and extracurricular activities.

The higher data processing service costs are mainly due to an increase for the high school e-rate cabling program and the increase in employees in the Technology and Management Information Systems' organization. The net affect of the increase in these functions and the increase in instruction results in a net increase in total expenses of \$29,840,884 as compared to the previous year.

### **THE DISTRICT'S FUNDS**

As the District completed the year, its governmental funds (as presented in the balance sheet on pages 15-16) reported a combined fund balance of \$139,605,336. Included in this year's total change in fund balance is a decrease of \$11,721,423 in the District's Debt Service and Capital Projects Funds offset by an increase of \$3,776,571 in the Other Funds, as reflected on page 19.

Total revenues in the General Fund decreased \$5,368,528 from the prior year which is primarily due to less state program revenues received due to lower average daily attendance (ADA). Local revenue declined when the investment income decreased by \$895,765 from the prior year. However these decreases are partially offset by the \$3,941,653 increase in federal revenues from the School Health and Related Services (SHARS) program.

Total expenditures in the General Fund decreased \$1,843,692 as compared to the previous year. Instruction expenditures exhibited the largest decrease, with a change from the prior year of \$15,806,696. The net decrease is due to the salaries of some teachers being funded by American Recovery and Reinvestment Act (ARRA) Title XIV State Fiscal Stabilization Funds, which are recorded in Other Funds, and increases in instruction expenditures for pay raises in the current year. There were increases in expenditures for facilities maintenance, security, and data processing services of \$5,659,776. Facilities maintenance expenditures increased due to the salary increase and a reclassification entry made in the prior year for a warehouse

## **SAN ANTONIO INDEPENDENT SCHOOL DISTRICT**

### **MANAGEMENT'S DISCUSSION AND ANALYSIS**

issuance, which decreased expenditures in the prior year. Security expenditures increased due to the increase in equipment, supplies, and payroll costs. The increase in expenditures for data processing services is primarily due to the high school cabling costs, which are funded by E-Rate. Additionally, curriculum and instructional staff development increased \$1,711,902 due to the High School Allotment Fund in the current year being identified with program intent code 31 in the General Fund versus being recorded in Other Funds in the prior year. Instructional leadership increased by \$1,203,458, due primarily to payroll costs for the High School Allotment, Pre-K Expansion, and IDEA-Part B, Formula grants being moved from Special Revenue Funds to the General Fund. Facilities acquisition and construction increased from prior year by \$2,952,876, which primarily was for a land purchase made in June 2010.

The District's Debt Service fund balance decreased \$4,622,580 from \$43,055,983 to \$38,433,403. The Interest and Sinking tax rate remained stable at \$0.2097 per \$100 valuation for fiscal year 2009-2010; however, the early call of the Series 1996 Lease Revenue Bonds in the current year increased expenditures of the Debt Service fund.

The Capital Projects Fund balance experienced a net decrease of \$7,098,843, and results from spending prior year bond proceeds. Although capital expenditures reduce available fund balances, they create new assets for the District as reported in the Statement of Net Assets and as discussed in the notes to the financial statements.

#### **GENERAL FUND BUDGETARY HIGHLIGHTS**

Over the course of the year, the Board of Trustees amended the District's budget several times. These budget amendments are categorized into three classifications: (1) increase to the fund balance; (2) decrease to the fund balance; and (3) no change to the fund balance.

The revenue in the final amended budget in the General Fund was decreased by \$18,212,481. The decrease was due mainly to the original budget containing the revenues for American Recovery and Reinvestment Act (ARRA) Title XIV State Fiscal Stabilization Funds of \$23,224,096. The ARRA Funds are not included in the final amended budget for the General Fund. The federal program revenues in the final amended budget offset some of this decrease with the increase in SHARS revenue. Additionally, the expenditures in the final amended budget in the General Fund are lower due to not including the ARRA Funds of \$23,224,096. There were increases in expenditures from the original budget in both instructional and school leadership. The facilities acquisition and construction increased also with the purchase of the land.

Final budget to actual comparisons in the General Fund reflects a \$9,911,490 positive variance between the expected net change to the fund balance of (\$9,563,565) and the actual change in the fund balance of \$347,925. The positive variance is due mainly to favorable revenue and expenditure positions. Total revenues were \$914,772 more than expected primarily because more state and federal program revenues were received. Total expenditures were \$8,508,470 less than anticipated and attributed mainly to lower fewer contracted services and supplies.

# SAN ANTONIO INDEPENDENT SCHOOL DISTRICT

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### CAPITAL ASSET AND DEBT ADMINISTRATION

#### Capital Assets

The District's investment in capital assets for its governmental activities as of August 31, 2010, amounts to \$720,676,723 (net of accumulated depreciation). The District invests in a broad range of capital assets, including instructional facilities and equipment, transportation facilities and equipment, athletic facilities, and administrative and maintenance building and equipment.

This year's total capital outlay was \$13,981,223 and of this amount, \$7,859,101 or 56% was incurred in the capital projects fund for the on-going construction, improvement and expansion of school buildings. The District's fiscal year 2011 capital budget calls for the continuation of projects. The District has no plans to issue additional debt to finance these on-going construction projects.

In April 2010, the Board of Trustees approved the formation of a community-based committee, representing all areas of the District, to work towards a November 2010 bond election. Trustees also approved initial recommendations for the first phase of implementation of the restructuring plan, which if a bond was passed, would eventually involve the consolidation of six of the District's 91 schools; extensive renovation of the main receiving schools, where some buildings are more than 100 years old, and almost half are more than 50 years old; program enhancements for high schools and middle schools; and, additional campus upgrades. In August 2010, the District's Board of Trustees voted to call for a \$515 million bond election. Refer to Note E in section III of the notes to the financial statements for more detailed information on capital assets.

**Table 3**  
**San Antonio Independent School District**  
**Capital Assets**  
**(net of depreciation)**

	Governmental Activities 2010	Governmental Activities 2009
Land	\$ 42,533,917	\$ 38,831,151
Buildings and Improvements	660,015,190	662,351,484
Furniture, Equipment, & Vehicles	16,165,261	15,740,659
Construction in Progress	1,962,355	7,182,666
Total	<u>\$ 720,676,723</u>	<u>\$ 724,105,960</u>

#### Debt

At year-end, the District had \$448,985,179 in bonds outstanding and \$4,675,000 in maintenance tax notes outstanding. The District's general obligation bond rating continues to carry the high ratings that have been assigned by national rating agencies to the District's debt.

Other long-term obligations include workers' compensation. More detailed information about the District's long-term liabilities is presented in Notes H and I of section III in the notes to the financial statements.

# SAN ANTONIO INDEPENDENT SCHOOL DISTRICT

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The District's assessed property tax value for the 2010-2011 fiscal year is \$11,743,746,896 compared to the assessed value in 2009-2010 of \$12,882,846,677, which translates to a property value decline of 9%. Taxes to fund programs and services for the fiscal year for the average homeowner will increase slightly due to the tax rate increase to \$1.2797 from \$1.2497 per \$100 assessed valuation.

The 2010-2011 fiscal year budget for state revenues is based on a projected ADA of 49,261 students, which is comparable to the prior year.

Programs and services included in the General Fund budget are primarily supported by local and state sources of revenue. The General Fund revenue sources are presented below:

Revenue Sources	Proposed Budget 2010-2011
Local Sources	\$ 125,301,277
State Sources	265,545,543
Federal Sources	<u>10,365,317</u>
Total Operating Fund Revenues	<u>\$ 401,212,137</u>

The District through its review process has continued to assess all areas of the District's operations. The District organized a Long-Range Facilities Planning Committee and approved a plan to close 13 schools over the next ten years. The Long-Range Facilities Planning Committee will review the programs offered at each campus, assess the District's facilities, including possible additions and renovations, analyze transportation costs, and develop a timeline for the school closures. The Committee's initial recommendations for phase I implementation that was approved by the Board of Trustees in the spring of 2010 include extensive renovations and improvements to 10 schools that would be receiving students from the consolidation of six schools.

At the same time, the District is enjoying significant improvement in academic results. The Texas Education Agency rated approximately 60 percent of the District's schools as exemplary or recognized for 2010. Additionally, student performance on 2010 state accountability tests is at the exemplary level in social studies, and achieved the recognized level in reading and writing. Furthermore, more than \$36 million in scholarships was awarded to the class of 2010. This improvement in academic achievement is expected to continue.

### CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or require additional financial information, contact the District's Financial Services Department, at 141 Lavaca Street, San Antonio, Texas 78210-1095 or by calling (210) 554-8593.

## **Basic Financial Statements**

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***Government-Wide Financial Statements***

SAN ANTONIO INDEPENDENT SCHOOL DISTRICT  
STATEMENT OF NET ASSETS  
AUGUST 31, 2010

Data Control Codes	Primary Government
	Governmental Activities
<b>ASSETS</b>	
1110 Cash and Cash Equivalents	\$ 113,211,136
1120 Current Investments	1,486,281
1220 Property Taxes Receivable (Delinquent)	14,699,924
1230 Allowance for Uncollectible Taxes	(734,996)
1240 Due from Other Governments	37,019,814
1250 Accrued Interest	38,713
1290 Other Receivables, net	401,997
1300 Inventories	3,411,274
1410 Deferred Expenses	4,019,523
1420 Capitalized Bond and Other Debt Issuance Costs	894,133
1493 Deposit	663,261
Capital Assets:	
1510 Land	42,533,917
1520 Buildings, Net	660,015,190
1530 Furniture and Equipment, Net	16,165,261
1580 Construction in Progress	1,962,355
1990 Long Term Investments	12,522,132
1000 Total Assets	908,309,915
<b>LIABILITIES</b>	
2110 Accounts Payable	9,797,782
2123 Claims Payable	1,304,342
2124 Compensated Absences	44,800
2140 Interest Payable	984,591
2150 Payroll Deductions & Withholdings	9,440,517
2160 Accrued Wages Payable	5,987,259
2180 Due to Other Governments	304,052
2300 Unearned Revenues	1,600,751
Noncurrent Liabilities	
2501 Due Within One Year	9,946,734
2502 Due in More Than One Year	461,502,444
2000 Total Liabilities	500,913,272
<b>NET ASSETS</b>	
3200 Invested in Capital Assets, Net of Related Debt	297,770,820
3820 Restricted for Federal and State Programs	6,502,113
3850 Restricted for Debt Service	28,001,967
3860 Restricted for Capital Projects	30,713,699
3870 Restricted for Campus Activities	495,078
3900 Unrestricted Net Assets	43,912,966
3000 Total Net Assets	\$ 407,396,643

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

SAN ANTONIO INDEPENDENT SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED AUGUST 31, 2010

EXHIBIT B-1

Data Control Codes	1	Program Revenues		6
Codes	Expenses	Charges for Services	Operating Grants and Contributions	Net (Expense) Revenue and Changes in Net Assets  Primary Gov. Governmental Activities
<b>Primary Government:</b>				
<b>GOVERNMENTAL ACTIVITIES:</b>				
11 Instruction	\$ 301,913,336	\$ 2,158,707	\$ 92,530,491	\$ (207,224,138)
12 Instructional Resources and Media Services	8,275,841	-	3,147,486	(5,128,355)
13 Curriculum and Staff Development	21,986,186	168,484	17,154,625	(4,663,077)
21 Instructional Leadership	11,087,427	-	4,784,204	(6,303,223)
23 School Leadership	29,066,306	-	6,779,845	(22,286,461)
31 Guidance, Counseling and Evaluation Services	19,334,049	-	3,212,075	(16,121,974)
32 Social Work Services	2,798,724	-	996,896	(1,801,828)
33 Health Services	7,716,173	-	11,341,489	3,625,316
34 Student (Pupil) Transportation	11,571,089	139,435	803,182	(10,628,472)
35 Food Services	31,581,913	2,540,495	31,930,262	2,888,844
36 Extracurricular Activities	10,237,969	658,213	473,104	(9,106,652)
41 General Administration	13,299,575	-	2,246,625	(11,052,950)
51 Plant Maintenance and Operations	49,908,328	643,858	3,561,957	(45,702,513)
52 Security and Monitoring Services	6,030,358	-	352,260	(5,678,098)
53 Data Processing Services	8,373,349	5,810	868,525	(7,499,014)
61 Community Services	6,218,703	392,736	4,605,066	(1,220,901)
72 Debt Service - Interest on Long Term Debt	22,864,393	-	9,971,331	(12,893,062)
93 Shared Services Arrangements	158,610	-	158,610	-
95 Juvenile Justice Alternative Ed. Prg.	68,333	-	-	(68,333)
99 Property Tax Appraisal Services	911,195	-	-	(911,195)
<b>[TP] TOTAL PRIMARY GOVERNMENT:</b>	<b>\$ 563,401,857</b>	<b>\$ 6,707,738</b>	<b>\$ 194,918,033</b>	<b>(361,776,086)</b>

Data Control Codes	General Revenues:	
	Taxes:	
MT	Property Taxes, Levied for General Purposes	124,185,378
DT	Property Taxes, Levied for Debt Service	25,037,142
GC	Grants and Contributions not Restricted	222,129,005
IE	Investment Earnings	615,873
MI	Miscellaneous Local and Intermediate Revenue	2,667,363
TR	<b>Total General Revenues</b>	<b>374,634,761</b>
CN	Change in Net Assets	12,858,675
NB	Net Assets--Beginning	394,537,968
NE	Net Assets--Ending	<b>\$ 407,396,643</b>

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

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***Governmental Funds Financial Statements***

SAN ANTONIO INDEPENDENT SCHOOL DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
AUGUST 31, 2010

Data Control Codes	Major Fund General Fund	Major Fund Debt Service Fund	Major Fund Capital Projects
<b>ASSETS</b>			
1110 Cash and Cash Equivalents	\$ 42,633,218	\$ 25,392,888	\$ 31,664,649
1120 Investments - Current	1,486,281	-	-
1220 Property Taxes - Delinquent	12,467,282	2,232,642	-
1230 Allowance for Uncollectible Taxes (Credit)	(626,662)	(108,334)	-
1240 Receivables from Other Governments	15,171,285	388,852	-
1250 Accrued Interest	13,230	25,483	-
1260 Due from Other Funds	16,941,110	69,345	-
1290 Other Receivables	55,811	-	-
1300 Inventories	1,532,814	-	-
1410 Deferred Expenditures	3,360,704	-	-
1900 Long Term Investments	-	12,522,132	-
1000 Total Assets	<u>\$ 93,035,073</u>	<u>\$ 40,523,008</u>	<u>\$ 31,664,649</u>
<b>LIABILITIES AND FUND BALANCES</b>			
Liabilities:			
2110 Accounts Payable	\$ 4,818,130	\$ -	\$ 580,866
2150 Payroll Deductions and Withholdings Payable	9,440,517	-	-
2160 Accrued Wages Payable	4,112,697	-	17,532
2170 Due to Other Funds	69,345	127,140	-
2180 Due to Other Governments	304,052	-	-
2300 Deferred Revenues	11,181,841	1,962,465	-
2000 Total Liabilities	<u>29,926,582</u>	<u>2,089,605</u>	<u>598,398</u>
Fund Balances:			
Reserved For:			
3410 Investments in Inventory	1,532,814	-	-
3440 Outstanding Encumbrances	1,658,510	-	352,552
3470 Capital Acquisition	-	-	30,713,699
3480 Retirement of Long-Term Debt	-	38,433,403	-
Unreserved Designated For:			
3590 Other Purposes	21,791,411	-	-
Unreserved and Undesignated:			
3600 Reported in the General Fund	38,125,756	-	-
3610 Reported in Special Revenue Funds	-	-	-
3000 Total Fund Balances	<u>63,108,491</u>	<u>38,433,403</u>	<u>31,066,251</u>
4000 Total Liabilities and Fund Balances	<u>\$ 93,035,073</u>	<u>\$ 40,523,008</u>	<u>\$ 31,664,649</u>

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

Other Funds	Total Governmental Funds
\$ 7,209,281	\$ 106,900,036
-	1,486,281
-	14,699,924
-	(734,996)
21,459,677	37,019,814
-	38,713
-	17,010,455
346,186	401,997
1,878,460	3,411,274
658,819	4,019,523
-	12,522,132
<u>\$ 31,552,423</u>	<u>\$ 196,775,153</u>

\$ 4,398,786	\$ 9,797,782
-	9,440,517
1,857,030	5,987,259
16,813,970	17,010,455
-	304,052
1,485,446	14,629,752
<u>24,555,232</u>	<u>57,169,817</u>

652,060	2,184,874
109,872	2,120,934
-	30,713,699
-	38,433,403
-	21,791,411
-	38,125,756
6,235,259	6,235,259
<u>6,997,191</u>	<u>139,605,336</u>
<u>\$ 31,552,423</u>	<u>\$ 196,775,153</u>

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SAN ANTONIO INDEPENDENT SCHOOL DISTRICT  
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE  
STATEMENT OF NET ASSETS  
AUGUST 31, 2010

<b>Total Fund Balances - Governmental Funds</b>	\$	139,605,336
<p>The District established internal service funds to account for the revenues and expenses related to the workers compensation and dental insurance funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets. The net effect of this consolidation is to (decrease) net assets.</p>		
		(2,257,695)
<p>Capital assets used in governmental activities are not financial resources and; therefore, are not reported in governmental funds. At the beginning of the year, the cost of these assets was \$981,715,187 and the accumulated depreciation was (\$257,609,227). In addition, bonds payable and other long-term liabilities are not due and payable in the current period and; therefore, are not reported as liabilities in the funds. At the beginning of the year, bonds payable and other long-term liabilities was (\$481,567,452) and interest payable was (\$1,000,583). There are bond issuance costs, premiums, discounts, and losses on these issuances. At the beginning of the year, the balance was (\$293,573). In addition, compensated absences are classified as a short-term liability and at the beginning of the year the balance was (\$245,804). The net effect of including the beginning balances for capital assets (net of depreciation), bonds payable and other long-term liabilities, interest payable, bond issuance costs, premiums, discounts, losses, and compensated absences in the governmental activities is to increase net assets.</p>		
		240,998,548
<p>Transactions related to current year capital outlays, long-term debt, and compensated absences are necessary to convert from the modified accrual basis of accounting to the accrual basis of accounting, as follow:</p>		
		33,413,070
<ul style="list-style-type: none"> <li>● Acquisition of capital assets was \$13,981,223</li> <li>● Disposition of capital assets was (\$2,251,506) and the related accumulated depreciation was \$2,232,663</li> <li>● Principal payments on bonds and maintenance tax note payable were \$13,989,382, and \$690,000, respectively</li> <li>● Payment of accretion on capital appreciation bonds was \$4,760,618</li> <li>● Accretion on capital appreciation bonds was (\$979,572)</li> <li>● Change in interest payable was \$15,992 and in compensated absences was \$201,004</li> <li>● Amortization of bond issuance cost was (\$46,297); premiums were \$1,744,907; discounts were (\$69,381); and loss on refunding bonds was (\$855,963)</li> </ul> <p>The net effect is to increase net assets.</p>		
<p>Depreciation is not recognized as an expense in governmental funds since it does not require the use of current financial resources. The net effect of the current year's depreciation is to (decrease) net assets.</p>		
		(17,391,617)
<p>Recognize deferred revenue from the current year tax levy in the amount of \$4,312,547 and from the prior year tax levies in the amount of \$8,716,454 to convert from the modified accrual basis of accounting to accrual basis of accounting. The net effect is to increase net assets.</p>		
		13,029,001
<b>Net Assets of Governmental Activities</b>	<b>\$</b>	<b>407,396,643</b>

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

SAN ANTONIO INDEPENDENT SCHOOL DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED AUGUST 31, 2010

Data Control Codes	Major Fund General Fund	Major Fund Debt Service Fund	Major Fund Capital Projects
<b>REVENUES:</b>			
5700 Total Local and Intermediate Sources	\$ 129,410,456	\$ 25,417,474	\$ 760,258
5800 State Program Revenues	239,652,267	9,971,331	-
5900 Federal Program Revenues	12,625,212	-	-
5020 Total Revenues	<u>381,687,935</u>	<u>35,388,805</u>	<u>760,258</u>
<b>EXPENDITURES:</b>			
<b>Current:</b>			
0011 Instruction	212,365,752	-	-
0012 Instructional Resources and Media Services	5,140,857	-	-
0013 Curriculum and Instructional Staff Development	4,772,158	-	-
0021 Instructional Leadership	6,209,125	-	-
0023 School Leadership	22,245,301	-	-
0031 Guidance, Counseling and Evaluation Services	16,057,391	-	-
0032 Social Work Services	1,790,440	-	-
0033 Health Services	6,457,148	-	-
0034 Student (Pupil) Transportation	9,895,262	-	-
0035 Food Services	116,251	-	-
0036 Extracurricular Activities	9,658,040	-	-
0041 General Administration	12,684,089	-	-
0051 Facilities Maintenance and Operations	46,774,795	-	-
0052 Security and Monitoring Services	5,811,769	-	-
0053 Data Processing Services	7,492,678	-	-
0061 Community Services	1,579,829	-	-
<b>Debt Service:</b>			
0071 Debt Service - Principal on Long Term Debt	-	14,679,382	-
0072 Debt Service - Interest on Long Term Debt	-	27,398,868	-
0073 Debt Service - Bond Issuance Cost and Fees	-	35,829	-
<b>Capital Outlay:</b>			
0081 Facilities Acquisition and Construction	3,113,446	-	7,859,101
<b>Intergovernmental:</b>			
0093 Payments to Fiscal Agent/Member Districts of SSA	-	-	-
0095 Payments to Juvenile Justice Alternative Ed. Prg.	68,333	-	-
0099 Other Intergovernmental Charges	911,195	-	-
6030 Total Expenditures	<u>373,143,859</u>	<u>42,114,079</u>	<u>7,859,101</u>
1100 Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>8,544,076</u>	<u>(6,725,274)</u>	<u>(7,098,843)</u>
<b>OTHER FINANCING SOURCES (USES):</b>			
7912 Sale of Real and Personal Property	89,549	-	-
7915 Transfers In	-	2,102,694	-
8911 Transfers Out (Use)	(8,285,700)	-	-
7080 Total Other Financing Sources (Uses)	<u>(8,196,151)</u>	<u>2,102,694</u>	<u>-</u>
1200 Net Change in Fund Balances	347,925	(4,622,580)	(7,098,843)
0100 Fund Balance - September 1 (Beginning)	<u>62,760,566</u>	<u>43,055,983</u>	<u>38,165,094</u>
3000 Fund Balance - August 31 (Ending)	<u>\$ 63,108,491</u>	<u>\$ 38,433,403</u>	<u>\$ 31,066,251</u>

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

Other Funds	Total Governmental Funds
\$ 4,549,811	\$ 160,137,999
10,898,465	260,522,063
141,890,446	154,515,658
<u>157,338,722</u>	<u>575,175,720</u>
80,214,139	292,579,891
2,899,187	8,040,044
16,936,213	21,708,371
4,571,640	10,780,765
5,831,612	28,076,913
2,566,618	18,624,009
926,449	2,716,889
972,982	7,430,130
294,283	10,189,545
31,603,673	31,719,924
173,712	9,831,752
4,784	12,688,873
1,731,448	48,506,243
38,047	5,849,816
714,698	8,207,376
4,550,681	6,130,510
-	14,679,382
-	27,398,868
-	35,829
246,381	11,218,928
158,610	158,610
-	68,333
-	911,195
<u>154,435,157</u>	<u>577,552,196</u>
<u>2,903,565</u>	<u>(2,376,476)</u>
-	89,549
873,006	2,975,700
-	(8,285,700)
<u>873,006</u>	<u>(5,220,451)</u>
3,776,571	(7,596,927)
<u>3,220,620</u>	<u>147,202,263</u>
<u>\$ 6,997,191</u>	<u>\$ 139,605,336</u>

SAN ANTONIO INDEPENDENT SCHOOL DISTRICT  
 RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES  
 FOR THE YEAR ENDED AUGUST 31, 2010

<b>Total Net Change in Fund Balances - Governmental Funds</b>	\$	(7,596,927)
The District established internal service funds to account for the revenues and expenses related to the workers compensation and dental insurance funds. The net income of internal service funds are reported with governmental activities. The net effect of this consolidation is to increase net assets.		3,420,043
Transactions related to current year capital outlays, long-term debt, and compensated absences are necessary to convert from the modified accrual basis of accounting to the accrual basis of accounting, as follow:		33,413,070
<ul style="list-style-type: none"> <li>● Acquisition of capital assets was \$13,981,223</li> <li>● Disposition of capital assets was (\$2,251,506) and the related accumulated depreciation was \$2,232,663</li> <li>● Principal payments on bonds and maintenance tax note payable were \$13,989,382 and \$690,000, respectively</li> <li>● Payment of accretion on capital appreciation bonds was \$4,760,618</li> <li>● Accretion on capital appreciation bonds was (\$979,572)</li> <li>● Change in interest payable was \$15,992 and in compensated absences was \$201,004</li> <li>● Amortization of bond issuance cost was (\$46,297); premiums were \$1,744,907; discounts were (\$69,381); and loss on refunding bonds was (\$855,963)</li> </ul>		
The net effect is to increase net assets.		
Depreciation is not recognized as an expense in governmental funds since it does not require the use of current financial resources. The net effect of the current year's depreciation is to (decrease) net assets.		(17,391,617)
Various other reclassifications and eliminations are necessary to convert from the modified accrual basis of accounting to accrual basis of accounting, as follow:		1,014,106
<ul style="list-style-type: none"> <li>● Remove tax collections from prior year levies in the amount of (\$2,206,171)</li> <li>● Recognize deferred revenue as revenue from current year levy in the amount of \$4,312,547</li> <li>● Recognize less tax revenue in the amount of (\$1,092,270) for the difference between what was estimated in the prior year and collected in the current year.</li> </ul>		
The net effect is to increase net assets.		
<b>Change in Net Assets of Governmental Activities</b>	<b>\$</b>	<b>12,858,675</b>

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

SAN ANTONIO INDEPENDENT SCHOOL DISTRICT  
STATEMENT OF FUND NET ASSETS  
PROPRIETARY FUNDS  
AUGUST 31, 2010

EXHIBIT D-1

	Governmental Activities -
	Total Internal Service Funds
<hr/>	
ASSETS	
Current Assets:	
Cash and Cash Equivalents	\$ 6,311,100
Other Current Assets - Deposit	<u>663,261</u>
Total Assets	<u>6,974,361</u>
LIABILITIES	
Current Liabilities:	
Claims Payable	<u>1,304,342</u>
Total Current Liabilities	<u>1,304,342</u>
Noncurrent Liabilities:	
Claims Payable - Due in More than One Year	<u>7,927,714</u>
Total Noncurrent Liabilities	<u>7,927,714</u>
Total Liabilities	<u>9,232,056</u>
NET ASSETS	
Unrestricted Net Assets	<u>(2,257,695)</u>
Total Net Assets	<u><u>\$ (2,257,695)</u></u>

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

SAN ANTONIO INDEPENDENT SCHOOL DISTRICT  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED AUGUST 31, 2010

	Governmental Activities -
	Total Internal Service Funds
<hr/>	
OPERATING REVENUES:	
Local and Intermediate Sources	\$ 65,075
Total Operating Revenues	<u>65,075</u>
OPERATING EXPENSES:	
Professional and Contracted Services	<u>1,955,032</u>
Total Operating Expenses	<u>1,955,032</u>
Income Before Transfers	(1,889,957)
Transfer In	<u>5,310,000</u>
Change in Net Assets	3,420,043
Total Net Assets - September 1 (Beginning)	<u>(5,677,738)</u>
Total Net Assets - August 31 (Ending)	<u><u>\$ (2,257,695)</u></u>

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

SAN ANTONIO INDEPENDENT SCHOOL DISTRICT  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED AUGUST 31, 2010

	Governmental Activities -
	Total Internal Service Funds
<hr/>	
<u>Cash Flows from Operating Activities:</u>	
Cash Received from General Fund	\$ 65,075
Cash Received from Assessments - Other Funds	2,586,125
Cash Payments for Insurance Claims	(1,650,100)
Net Cash Provided by Operating Activities	<u>1,001,100</u>
<u>Cash Flows from Non-Capital Financing Activities:</u>	
Transfers In from General Fund	<u>5,310,000</u>
Net Increase in Cash and Cash Equivalents	6,311,100
Cash and Cash Equivalents at Beginning of the Year:	<u>-</u>
Cash and Cash Equivalents at the End of the Year:	<u><u>\$ 6,311,100</u></u>
<u>Reconciliation of Operating Income (Loss) to Net Cash     Provided by Operating Activities:</u>	
Operating Income (Loss):	\$ (1,889,957)
Effect of Increases and Decreases in Current Assets and Liabilities:	
(Increase) in Deposits	(663,261)
Increase in Claims Payable	<u>3,554,318</u>
Net Cash Provided by Operating Activities	<u><u>\$ 1,001,100</u></u>

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

SAN ANTONIO INDEPENDENT SCHOOL DISTRICT  
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES  
FIDUCIARY FUNDS  
AUGUST 31, 2010

	Agency Fund
<b>ASSETS</b>	
Cash and Cash Equivalents	\$ 1,989,620
Total Assets	<u>\$ 1,989,620</u>
<b>LIABILITIES</b>	
Accounts Payable	\$ 93,365
Due to Student Groups	<u>1,896,255</u>
Total Liabilities	<u>\$ 1,989,620</u>

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



SAN ANTONIO INDEPENDENT SCHOOL DISTRICT  
San Antonio, Texas

NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended August 31, 2010

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The San Antonio Independent School District (the “District”) is a public educational agency operating under the applicable laws and regulations of the State of Texas. It is governed by a seven member Board of Trustees (the “Board”) elected by registered voters of the District. The District prepares its basic financial statements in conformity with generally accepted accounting principles promulgated by the Governmental Accounting Standards Board (GASB) and other authoritative sources; and, it complies with the requirements of the appropriate version of Texas Education Agency’s *Financial Accountability System Resource Guide* (the “Resource Guide”), and the requirements of contracts and grants of agencies from which it receives funds.

**A. REPORTING ENTITY**

The Board of Trustees (the “Board”) is elected by the public and it has the authority to make decisions, approve/disapprove the appointment of administrators and managers, and significantly influence operations. It also has the primary accountability for fiscal matters. Therefore, the District is a financial reporting entity as defined by the GASB in its Statement No. 14, “The Financial Reporting Entity”, and it is not included in any other governmental reporting entity.

**Blended Component Unit.** During fiscal year 1996, the District approved the formation of the San Antonio Independent School District Public Facilities Corporation (the Corporation). The Corporation is organized exclusively for the purposes of benefiting and accomplishing public purposes of, and to act on behalf of, the District. The Corporation is organized to assist in the financing, accounting, refinancing, or providing “public facilities”, to purchase obligations of the District, and to incur obligations issued or incurred in accordance with existing law. At August 31, 2010, the District has reflected this Corporation as a blended component unit, with a cash reserve reflected in the Debt Service Fund. The Corporation is included in the Debt Service Fund total and therefore does not issue separate financial statements.

**B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

The Statement of Net Assets and the Statement of Activities are government-wide financial statements. These statements report information on all of the District’s nonfiduciary activities with the interfund activities removed. Government activities include programs supported primarily by property taxes, state foundation funds, grants and other intergovernmental revenues.

SAN ANTONIO INDEPENDENT SCHOOL DISTRICT  
San Antonio, Texas

NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended August 31, 2010

The net assets of the District are segregated into three different categories; to include, invested in capital assets net of related debt, restricted net assets, and unrestricted net assets.

The Statement of Activities demonstrates how other people or entities that participate in programs the District operates have shared in the payment of the direct costs. The “charges for services” column includes payments made by parties that purchase, use, or directly benefit from goods or services provided by a given function of the District. Examples include tuition paid for various activities, school lunch charges, etc. The “operating grants and contributions” column includes amounts paid by organizations outside the District to help meet the operational requirements of a given function. Examples include grants under the Elementary and Secondary Education Act. If a revenue is not a program revenue, it is a general revenue used to support all of the District’s functions. Taxes are always general revenues.

Interfund activities between governmental funds and proprietary funds appear as due to/from other funds on the Governmental Funds Balance Sheet and as other financing sources and uses on the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances and on the Proprietary Fund Statement of Revenues, Expenses, and Changes in Fund Net Assets. All interfund transactions between governmental funds and between governmental funds and internal services funds are eliminated in the government-wide statements. Any interfund activities between governmental funds and fiduciary funds remain as due to/from in the government-wide statements.

The fund financial statements report on the financial condition and results of operations for three fund categories – governmental, proprietary, and fiduciary. Since the resources in the fiduciary funds cannot be used for District operations, they are not included in the government-wide financial statements. The District considers some governmental funds major and reports their financial condition and results of operations in a separate column in the governmental funds financial statements.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses result from providing services in connection with a proprietary fund’s principal ongoing operations. All other revenues and expenses are non-operating.

SAN ANTONIO INDEPENDENT SCHOOL DISTRICT  
San Antonio, Texas

NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended August 31, 2010

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

The government-wide financial statements use the economic resources measurement focus and the accrual basis of accounting, as does the proprietary fund financial statements; the Agency fund utilizes the accrual basis of accounting but does not have a measurement focus, as they only report assets and liabilities. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements use the current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets, current liabilities and fund balances are included on the balance sheet. Operating statements of these funds present net increases and decreases in current assets (i.e., revenues and other financing sources and expenditures and other financing uses).

The modified accrual basis of accounting recognizes revenues as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under the accrual basis of accounting. However, debt service expenditures, as well as expenditures related to claims and judgments are recorded only when payment is due. The District accrues accumulated unpaid vacation leave when earned by the employee. A liability for this amount is reported in the government-wide financial statements.

Revenues from local sources consist primarily of property taxes. Property tax revenues and revenues received from the state are recognized under the susceptible-to-accrual concept. Miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned, since they are both measurable and available.

Grant funds are considered to be earned to the extent of expenditures made under the provisions of the grant. Accordingly, when such funds are received, they are recorded as deferred revenues until related and authorized expenditures have been made. If balances have not been expended by the end of the project period, grantors require the District to refund all or part of the unused amount.

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The proprietary funds are accounted for on a flow of economic resources measurement focus and utilize the accrual basis of accounting. The basis of accounting recognizes revenue in the accounting period in which they are earned and become measurable and expense in the period in which they are incurred and become measurable. The District applies all GASB pronouncements as well as the Financial Accounting Standards Board (FASB) pronouncements issued on or before November 30, 1989, unless these pronouncements conflict with, or contradict GASB pronouncements. With this measurement focus, all assets and liabilities associated with the operations of these funds are included in the Statement of Net Assets. The total net assets are segregated into invested in capital assets, net of related debt, restricted net assets, and unrestricted net assets.

The District reports the following major governmental funds:

**General Fund** – The General Fund is the District’s primary operating fund. It accounts for all financial resources except those required to be accounted for in another fund. It is a budgeted fund, and any fund balances are considered resources available for current operations. General Fund primary revenue sources include property taxes and state funding.

**Debt Service Fund** – The District accounts for resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds in a Debt Service Fund. The Debt Service Fund is a budgeted fund whose primary revenue source is local property taxes levied specifically for debt service. The fund balance of this fund represents amounts that will be used for retirement of bonds and payment of interest in the future.

**Capital Projects Fund** – This fund accounts for proceeds from sales of bonds and other revenues to be used for authorized construction projects. This fund is generally budgeted on a project basis.

Additionally, the District reports the following fund types:

Governmental Funds:

**Special Revenue Funds** – The District accounts for resources restricted to, or designated for, specific purposes by the District or a grantor in a Special Revenue Fund. Most Federal, including the Child Nutrition Program and some State financial assistance is accounted for in a Special Revenue Fund. Sometimes, however, unused balances must be returned to the grantor at the close of specified project periods.

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Proprietary Funds:

**Internal Service Fund** – The District accounts for revenues and expenses related to the workers compensation and dental insurance programs.

Fiduciary Funds:

**Agency Funds** – The District accounts for resources held for others in a custodial capacity in Agency Funds. The District accounts for the Student Activity Fund as an Agency Fund.

D. OTHER ACCOUNTING POLICIES

1. Cash and Cash Equivalents

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from date of acquisition. Investments for the District are reported at fair value.

The funds of the District must be deposited and invested under the terms of a depository contract, contents of which are set out in the Depository Contract Law. The depository bank may either place approved pledged securities for safekeeping or trust with the District funds on a day-to-day basis during the period of the contract. The pledge of approved securities is waived only to the extent of the depository bank's dollar amount of FDIC insurance.

For the purposes of the Statement of Cash Flows, for the Internal Service Fund, cash and cash equivalents are considered to be demand deposits.

2. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to "due to/from other funds".

Property taxes are levied by October 1 on the assessed value listed as of the prior January 1 for all real and business personal property located in the District in conformity with Subtitle E, Texas Property Code. Taxes are due upon receipt of the tax bill and are delinquent if not paid before February 1 of the year following the year in which imposed. On January 31 of each year, a tax lien attaches to property to secure payment of all taxes, penalties, and interest ultimately imposed.

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The appraisal and recording of all property within the District is the responsibility of the Bexar Appraisal District (BAD), an independent governmental unit with a board of directors appointed by the taxing jurisdictions within the county and funded from assessments against those taxing jurisdictions. BAD is required by law to assess property at 100% of its appraised value. Real property must be reappraised at least every two years. Under certain circumstances taxpayers and taxing units, including the District, may challenge orders of the BAD Review Board through various appeals and, if necessary, legal action.

Tax collections are prorated between the general fund and debt service fund based on the tax rate approved by the Board. For the period ended August 31, 2010, the general and debt service fund rates were \$1.04 and \$.2097, respectively, per \$100 of assessed value.

Delinquent taxes are prorated between maintenance and debt service based on rates adopted for the year of the levy. Allowances for uncollectible tax receivables within the general and debt service funds are based on historical experience in collecting property taxes. Uncollectible personal property taxes are periodically reviewed and written off, but the District is prohibited from writing off real property taxes without specific statutory authority from the Texas Legislature. The property tax receivable allowance is equal to 5 percent of outstanding property taxes at August 31, 2010.

3. Inventories

The District reports inventories of supplies on the balance sheet at weighted average cost and they include consumable, custodial, maintenance, transportation, instructional and office supplies, and athletic items. Inventories of governmental funds are recorded as expenditures when they are consumed rather than when purchased. Inventories of food commodities are recorded at market values supplied by the Texas Department of Human Services and recorded as inventory and deferred revenue when received in the governmental funds. When requisitioned, inventory and deferred revenue are relieved, expenditures are charged, and revenue is recognized for an equal amount.

4. Deferred Expenditures

Certain payments to vendors/employees reflect costs applicable to future accounting periods and are recorded as prepaid items within the deferred expenditures (expenses) line item in both government-wide and fund financial statements.

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5. Capital Assets

Capital assets, which include land, buildings and improvements, furniture, equipment, vehicles, and construction in progress are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year for depreciation purposes. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

When assets are retired or otherwise disposed of, the related costs or other recorded amounts are removed.

Buildings, furniture, equipment and vehicles of the District are depreciated using the straight line method over the following estimated useful lives:

Asset Class	Estimated Useful Life
Buildings and Improvements	40
Portable Buildings	20
Furniture and Equipment	10
All Vehicles	10
Audio Visual Equipment	10
Printing, Duplicating & Copying Equipment	5
Data Processing Equipment	3

5. Compensated Absences

**Vacation Leave** – Full -time employees of the District accumulate vacation leave benefits in varying amounts. Employees who accumulate vacation leave benefits are required to take their vacation benefits by the following October 2nd. The balance as of August 31, 2010 is \$44,800 and is reflected as a current liability in the Statement of Net Assets since employees must use the accumulated leave during the following fiscal year. All governmental funds, with the exception of the debt service fund, generally liquidate the liability when it matures.

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**Sick Leave** – The State of Texas has created a minimum sick leave program consisting of five days per year sick leave with no limit on accumulation and transferability among districts for every regular employee in Texas public schools. Each district’s local Board of Education is required to establish a sick leave plan. School districts may provide additional local sick leave beyond the state minimum. The District’s policy provides additional sick leave days, which do not vest. Therefore, no liability exists at August 31, 2010.

6. Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net assets. It is the District’s policy to record bond premiums and discounts as deferred costs and amortize them over the life of the bonds using the effective interest method if material or straight line when not material. Bond issuance costs are reported as deferred charges and amortized over the term of the related bond using the straight line method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses, if any. Issuance costs, whether or not withheld from the actual proceeds received, are reported as debt service expenditures.

7. Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties to be used for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

8. Data Control Codes

The data control codes refer to the account code structure prescribed by TEA in the Resource Guide. School districts are required to display these codes in the financial statements filed with TEA in order to ensure accuracy in building a statewide data base for policy development and funding plans.



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9. Restricted/Unrestricted Resources

Under the terms of grant agreements, the District funds certain programs by a combination of specific cost-reimbursement grants and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted resources available to finance the program. It is the District's policy to first apply cost-reimbursement grant (restricted) resources to such programs and then general revenues.

10. Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain report amounts and disclosures. Accordingly, actual results could differ from those estimates.

11. Indirect Expenses

School districts are required to report all expenses by function. All general administration and other intergovernmental expenses reported in functions 41 and 99, respectively; and, some data processing service expenses reported in function 53, represent indirect expenses of other functions.

12. Investments

At August 31, 2010, the District's current investments were comprised of local government investment pools, which are reflected as cash and cash equivalents; and, the long term investments were comprised of municipal and agency bonds.

Texas Local Government Investment Pool ("TexPool"): TexPool operates in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. TexPool uses amortized cost rather than market value to report net assets to compute share prices. Accordingly, the fair value of the position in the pool is the same as the value of the shares in each pool. Financial information for TexPool can be accessed on the internet (<http://www.texpool.com>).

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TexPool is organized in conformity with the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, and the Public Funds Investment Act, Chapter 2256 of the Texas Government Code. The Texas Comptroller of Public Accounts is the sole officer, director and shareholder of the Texas Treasury Safekeeping Trust company, which is authorized to operate TexPool. Administrative and investment services are provided by Federated Investors, Inc., acting on behalf of the Texas Treasury Safekeeping Trust Company. In addition, the TexPool Advisory Board advises on TexPool's Investment Policy. This Advisory Board is composed equally of participants in TexPool and other persons who do not have a business relationship with TexPool who are qualified to advise TexPool.

Texas Short Term Asset Reserve Fund (TexSTAR): TexSTAR operates in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. TexSTAR uses amortized cost rather than market value to report net assets to compute share prices. Accordingly, the fair value of the position in the pool is the same as the value of the shares in each pool. Financial information for TexSTAR can be accessed on the internet (<http://www.texstar.org>).

TexSTAR is organized under the authority of the Interlocal Cooperation Act, Chapter 791, Texas Government Code, and the Public Funds Investment Act, Chapter 2256, Texas Government Code. TexStar is governed by a board of directors; JP Morgan Investment Management, Inc. act as the investment manager; and, First Southwest Asset Management, Inc. provides participant and marketing services.

Lone Star Investment Pool (the Pool): The Pool's Government Overnight Fund operates in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. The Pool uses amortized cost rather than market value to report net assets to compute share prices. Accordingly, the fair value of the District's position in the Pool is the same as the value of the Pool's shares and does not include any unrealized gains and losses. The Pool is governed by an eleven member Board of Trustees (Board) made up of active participants in the Pool. The Board has the responsibility of adopting and monitoring compliance with the investment policy, appointing investment officers, overseeing the selection of an investment advisor, custodian, investment consultant, administrator, and other service providers. The Board is also responsible for monitoring performance of the Pool. Financial information for the pool can be obtained by writing to First Public at 12007 Research Blvd., Austin, Texas 78759 or by calling 1-800-558-8875.

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The District is invested in the Prime Cash Obligations Fund (PCOXX), Tax-Free Obligations Fund (TBIXX), and the Municipals Obligations Fund (MOFXX) managed by Federated Investors (the "Funds"). The Funds are money market mutual funds, regulated primarily under SEC's Rule 2a7 of the Investment Company Act of 1940 (the "ACT"). The Funds attempt to stabilize the net asset value ("NAV") of their shares at \$1.00 by valuing the portfolio securities using the amortized cost method; however, there is no guarantee that the NAV will remain at \$1.00 a share. The Funds are assigned a cusip number and a NASDAQ symbol and can be purchased and redeemed on the New York Stock Exchange. The funds do not charge a front-end sales charge.

## **II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

### **A. BUDGETARY INFORMATION**

The Board adopts an "appropriated budget" on a basis consistent with generally accepted accounting principles for the General Fund, Debt Service Fund and Child Nutrition Program Fund (which is included in the Special Revenue Fund). The District is required to present the original and the final amended budgets for revenues and expenditures compared to actual revenues and expenditures for these three funds. The General Fund Budget report is presented in Exhibit G-1 and the Child Nutrition Program and Debt Service Fund Budget reports are presented in Exhibits J-4 and J-5, respectively.

The following procedures are followed in establishing the budgetary data reflected in the fund financial statements:

- \* Prior to August 20<sup>th</sup> the District prepares a budget based on the budgeting concepts for the next succeeding fiscal year. The operating budget includes proposed expenditures and the means of financing them.
- \* After several budget workshops with the Board, a meeting is called for the purpose of adopting the proposed budget. At least ten days but not more than 30 days public notice of the meeting is required.
- \* A summary of the proposed budget is posted on the District's Internet website. The budget summary includes a comparison to the previous year's actual spending and information relating to per-student and aggregate spending on instruction, instructional support, central administration, district operations, debt service, and any other category designated by the commissioner.

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- \* No later than August 31<sup>st</sup> the Board must adopt the budget for the General Fund, Debt Service Fund and Child Nutrition Program Fund.
- \* After the budget for the above listed funds is approved, any amendment that causes an increase or decrease in a fund or functional spending category or total revenue or other resources object category requires Board approval prior to the fact. These amendments are presented to the Board at its regular monthly meeting and are reflected in the official minutes. Because the District has a policy of careful budgetary control, several budgetary amendments were necessary throughout the year.
- \* Expenditure budgets are controlled at the expenditure functional and object level by the appropriate budget manager (principals, department director or area administrator). Budget managers may authorize transfers within functional and organizational categories that do not affect the total functional and organizational appropriations.

Encumbrance accounting, under which purchase orders, contracts and other commitments are recorded in order to reserve that portion of the applicable appropriation, is used in all governmental funds. Encumbrances outstanding at year-end are commitments that do not constitute expenditures or liabilities, but are reported as reservations of fund balances. Since appropriations lapse at the end of each year, outstanding encumbrances are appropriately provided for in the subsequent fiscal year's budget to provide for the liquidation of the prior commitments. Outstanding encumbrances at August 31, 2010 that were provided for in the 2009-2010 budget are \$1,658,510 recorded in the General Fund. Outstanding encumbrances of \$352,552 for the Capital Projects Fund represent the unexpended portion of construction contracts. Outstanding encumbrances that were provided for in the 2009-2010 budget are \$109,872 recorded in the Food Service Fund. A reservation of fund balance equal to the outstanding encumbrances at year end is provided for at August 31, 2010.

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**III. DETAILED NOTES ON ALL FUNDS**

**A. DEPOSITS AND INVESTMENTS**

Deposits and investments are comprised of the following:

	Governmental Funds				Total	Proprietary Funds	Grand Total
	General Fund	Debt Service	Capital Projects	Other Funds			
Cash and Cash Equivalents:							
Demand Accounts	\$ (3,097,755)	\$ 2,380	\$ (616,110)	\$ 7,202,431	\$ 3,490,946	\$ 6,311,100	\$ 9,802,046
Cash on Hand	12,500	-	-	6,850	19,350	-	19,350
Investment Pools	899,700	7,276,057	11,542,240	-	19,717,997	-	19,717,997
Money Market Accounts	44,818,773	18,114,451	20,738,519	-	83,671,743	-	83,671,743
Total	\$ 42,633,218	\$25,392,888	\$ 31,664,649	\$ 7,209,281	\$ 106,900,036	\$ 6,311,100	\$ 113,211,136
Investments – Current:							
Municipal Bonds	\$ 1,486,281	\$ -	\$ -	\$ -	\$ 1,486,281	\$ -	\$ 1,486,281
Total	\$ 1,486,281	\$ -	\$ -	\$ -	\$ 1,486,281	\$ -	\$ 1,486,281
Investments – Long Term:							
Municipal Bonds	\$ -	\$ 2,522,132	\$ -	\$ -	\$ 2,522,132	\$ -	\$ 2,522,132
Agency Bonds	-	10,000,000	-	-	10,000,000	-	10,000,000
Total	\$ -	\$ 12,522,132	\$ -	\$ -	\$ 12,522,132	\$ -	\$ 12,522,132

At August 31, 2010, the carrying amount of the District’s deposits (cash and interest-bearing savings accounts) was \$9,802,046 and the bank balance was \$10,779,066. The District’s cash deposits at August 31, 2010, and during the year ended August 31, 2010 were entirely covered by FDIC insurance or by pledged collateral held by the District’s agent bank in the District’s name.

In addition, the following is disclosed regarding coverage of combined balances on the date of the highest deposit:

1. Name of Bank: Bank of America
2. As of the date of the highest combined balance, the market value of security pledged was \$1,517,981.
3. The highest combined balances of cash and interest-bearing savings accounts amounted to \$27,628,591 and occurred during the month of October 2009.
4. Total amount of FDIC coverage at the time of the highest combined balance was \$27,628,591.

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**The Public Funds Investment Act** – Government Code Chapter 2256 contains specific provisions in the areas of investment practices, management reports and establishment of appropriate policies. Among other things, it requires the District to adopt, implement, and publicize an investment policy. That policy must address the following areas: (1) safety of principal and liquidity, (2) portfolio diversification, (3) allowable investments, (4) acceptable risk levels, (5) expected rates of return, (6) maximum allowable stated maturity of portfolio investments, (7) maximum average dollar-weighted maturity allowed based on the stated maturity date for the portfolio, (8) investment staff quality and capabilities, (9) and bid solicitation preferences for certificates of deposit. Statutes authorize the District to invest in (1) obligations of the U.S. Treasury, certain U.S. agencies, and the State of Texas; (2) certificates of deposit, (3) certain municipal securities, (4) money market savings accounts, (5) repurchase agreements, (6) bankers acceptances, (7) Mutual Funds, (8) Investment pools, (9) guaranteed investment contracts, (10) and common trust funds. The Act also requires the District to have independent auditors perform test procedures related to investment practices as provided by the Act. The District believes it is in substantial compliance with the requirements of the Act and with local policies.

As of August 31, 2010, the District had the following investments:

Investment	Fair Value	Weighted Average Maturity (Days)	Standard & Poors Rating
Lone Star Investment Pool	\$ 7,777,594	52	AAAm
TexPool	11,875,087	28	AAAm
TexStar	65,316	49	AAAm
Money Market Mutual Funds			
Municipals Obligations Fund	44,286,180	35	A*
Prime Cash Obligations Fund	39,385,563	42	AAAm
Municipal Bonds	4,008,413	351	AA
Agency Bonds	10,000,000	283	AAA
Total	\$ 117,398,153		

\*Fitch Rating

**Interest Rate Risk** – As a means of limiting its exposure to fair value losses arising from rising interest rates, the District’s investment policy limits maturities of investments to two years from the date of purchase.

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**Credit Risk** – In accordance with the District’s investment policy, investments in investment pools must be rated at least AAA to AAA-m or equivalent, and investments in obligations of the U.S. government or its agencies must be rated at least A or equivalent.

**B. RECEIVABLES**

Receivables as of August 31, 2010, for the District’s individual major funds and other funds, including the applicable allowances for uncollectible accounts, are as follows:

	Major Funds			Total
	General Fund	Debt Service Fund	Other Governmental Funds	
Property Taxes – Delinquent	\$ 12,467,282	\$ 2,232,642	\$ -	\$ 14,699,924
Receivables from Other Governments	15,171,285	388,852	21,459,677	37,019,814
Other Receivables	55,811	-	346,186	401,997
Gross Receivables	27,694,378	2,621,494	21,805,863	52,121,735
Less : Allowance for Uncollectible Taxes	(626,662)	(108,334)	-	(734,996)
Total Receivables (Net)	\$ 27,067,716	\$ 2,513,160	\$ 21,805,863	\$ 51,386,739

These amounts are expected to be collected within one year. Delinquent property taxes may be collected over several years.

The amounts reflected as receivables from other governments above is comprised of the following:

	Major Funds			Total
	General Fund	Debt Service Fund	Other Governmental Funds	
Due from State Agencies	\$ 8,081,867	\$ 388,852	\$ 16,937,578	\$25,408,297
Due from Federal Agencies	7,089,418	-	680,207	7,769,625
Due from Other Government Agencies	-	-	3,841,892	3,841,892
Total Due from Other Governments	\$ 15,171,285	\$ 388,852	\$ 21,459,677	\$37,019,814

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The amount reflected as other receivables above is comprised of the following:

	<u>Major Fund</u>		Other Governmental Funds	Total
	General Fund			
National School Breakfast and Lunch Program	\$ -		\$ 18,161	\$ 18,161
After School Challenge Program	-		314,492	314,492
Miscellaneous	55,811		13,533	42,278
Total Other Receivables	<u>\$ 55,811</u>		<u>\$ 346,186</u>	<u>\$ 401,997</u>

C. DEFERRED REVENUE

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities in the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned.

At the end of the current fiscal year, the various components of deferred revenue and unearned revenue reported in the governmental funds were as follows:

	<u>Major Funds</u>			Total
	General Fund	Debt Service Fund	Other Governmental Funds	
Net Tax Revenue	\$ 11,066,535	\$ 1,962,465	\$ -	\$ 13,029,000
Federal Food Commodities	-	-	1,226,400	1,226,400
Advance Funding	115,306	-	259,046	374,352
Total	<u>\$ 11,181,841</u>	<u>\$ 1,962,465</u>	<u>\$ 1,485,446</u>	<u>\$ 14,629,752</u>



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D. DUE FROM / TO OTHER FUNDS AND TRANSFERS IN / OUT

The composition of amounts due from/to other funds as of August 31, 2010 is as follows:

	<u>Receivable</u>	<u>Payable</u>
General Fund:		
Other Funds	\$ 16,813,970	\$ -
Debt Service Fund	127,140	69,345
Debt Service Fund:		
General Fund	69,345	127,140
Other Funds:		
General Fund	-	16,813,970
Total Interfund Receivables and Payables	<u>\$ 17,010,455</u>	<u>\$ 17,010,455</u>

Receivables in the general fund represent amounts transferred to special revenue funds pending reimbursement from grantors and amounts due from the debt service fund is for property tax collections allocated to the debt service fund. Payables in the general fund represent property taxes collected and the allocation due to the debt service fund. These interfund balances are expected to be repaid within one year from the date of the financial statements.

Transfers during the year ended August 31, 2010 were as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>
Governmental Funds:		
General Fund:		
Debt Service Fund	\$ -	\$ 2,102,694
Other Governmental Funds	-	873,006
Internal Service Fund	-	5,310,000
Debt Service Fund:		
General Fund	2,102,694	-
Other Governmental Funds:		
General Fund	873,006	-
Total Transfers – Governmental Funds	<u>\$ 2,975,700</u>	<u>\$ 8,285,700</u>
Proprietary Funds:		
Internal Service Fund:		
General Fund	\$ 5,310,000	\$ -
Total Transfers – Proprietary Funds	<u>\$ 5,310,000</u>	<u>\$ -</u>
Grand Total	<u>\$ 8,285,700</u>	<u>\$ 8,285,700</u>

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The transfer from the General Fund to the Debt Service Fund was for the payment of principal and interest on lease revenue bonds. The transfer from the General Fund to the Internal Service fund was to establish the internal service fund. The transfer from the General Fund to Other Governmental Funds was to subsidize the Child Nutrition Program for meals served to students that meet the “reduced” payment status.

E. CAPITAL ASSETS

Capital asset activity for the governmental activities for the year ending August 31, 2010 was as follows:

	Balance September 1, 2009	Increases	Decreases	Transfers	Balance August 31, 2010
Capital Assets, Not Being Depreciated:					
Land	\$ 38,831,151	\$ 3,710,163	\$ (7,397)	\$ -	\$ 42,533,917
Construction in progress	7,182,666	7,381,313	-	(12,601,624)	1,962,355
Total Capital Assets, Not Being Depreciated	46,013,817	11,091,476	(7,397)	(12,601,624)	44,496,272
Capital Assets, Being Depreciated:					
Buildings & Improvements	900,146,059	-	(613,255)	12,601,624	912,134,428
Furniture, Equipment, & Vehicles	35,555,311	2,889,747	(1,630,854)	-	36,814,204
Total Capital Assets, Being Depreciated	935,701,370	2,889,747	(2,244,109)	12,601,624	948,948,632
Less Accumulated Depreciation for:					
Buildings & Improvements	(237,794,575)	(14,927,966)	603,303	-	(252,119,238)
Furniture, Equipment, & Vehicles	(19,814,652)	(2,463,651)	1,629,360	-	(20,648,943)
Total Accumulated Depreciation	(257,609,227)	(17,391,617)	2,232,663	-	(272,768,181)
Total Capital Assets, Being Depreciated, Net	678,092,143	(14,501,870)	(11,446)	12,601,624	676,180,451
Governmental Activities Capital Assets, Net	\$ 724,105,960	\$ (3,410,394)	\$ (18,843)	\$ -	\$ 720,676,723

SAN ANTONIO INDEPENDENT SCHOOL DISTRICT  
San Antonio, Texas

NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended August 31, 2010

Depreciation expense of the governmental activities was charged to functions/programs as follows:

Instruction	\$ 9,127,017
Instructional Resources and Media Services	206,739
Curriculum and Instructional Staff Development	199,356
Instructional Leadership	267,698
School Leadership	887,917
Guidance, Counseling, and Evaluation Services	642,729
Social Work Services	72,016
Health Services	259,189
Student (Pupil) Transportation	1,484,717
Food Services	114,530
Extracurricular Activities	408,573
General Administration	587,555
Facilities Maintenance and Operations	2,190,611
Security and Monitoring Services	320,339
Data Processing Services	556,596
Community Services	66,035
Total Governmental Activities	\$ 17,391,617

**Construction Commitments**

The majority of construction in progress as of August 31, 2010 relates to the following bond-funded projects:

	Project Authorization	Completed To Date	Construction in Progress	Unexpended Amount	Further Financing Required
Bond Construction, Series 1997	\$ 352,039,068	\$ 314,975,500	\$ 510,960	\$ 9,552,608	No
Bond Construction, Series 1999	245,325,500	237,201,268	1,075,197	7,049,035	No
Bond Construction, Series 2000	21,927,000	17,631,584	42,591	4,252,825	No
Bond Construction, Series 2001	137,754,500	128,063,685	270,700	9,420,115	No
Totals	\$ 730,046,068	\$ 697,872,037	\$ 1,899,448	\$ 30,274,583	

SAN ANTONIO INDEPENDENT SCHOOL DISTRICT  
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NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended August 31, 2010

F. DUE TO OTHER GOVERNMENTS

The amount reflected as due to other governments in the general fund is comprised of the following:

	<u>Amount</u>
Due to:	
Texas Workforce Commission	\$ 221,057
Texas Education Agency	33,155
San Antonio Ed. Foundation	22,478
Texas State Comptroller	<u>27,362</u>
Total	<u>\$ 304,052</u>

G. COMPENSATED ABSENCES

**Vacation Payable** – The balance for the accumulate vacation leave at the end of the year is reflected in the government-wide Statement of Net Assets as a current liability since it is required to be used within the next year or the employee forgoes the days earned and accumulated. Following is the change in compensated absences:

Balance - September 1, 2009	\$ 245,804
Plus: Additions	605,692
Less: Payments	<u>(806,696)</u>
Balance - August 31, 2010	<u>\$ 44,800</u>

H. LONG-TERM DEBT

**General Obligation Bonds** – The District issued general obligation bonds for the governmental activities to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the District. Current principal and interest requirements are payable solely from future revenues of the Debt Service Fund which consists principally of property taxes collected by the District, interest earnings, and State funds. Certain outstanding bonds may be redeemed at their par value prior to their normal maturity dates in accordance with the terms of the related bond indentures.

SAN ANTONIO INDEPENDENT SCHOOL DISTRICT  
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NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended August 31, 2010

**Lease Revenue Bonds** – The Corporation issued lease revenue bonds for the purpose of financing construction of certain public school facilities. The bonds are payable from the lease payments made by the District, payable from annually appropriated funds, to the Corporation.

**Refunding Bonds** – In previous years, the District issued refunding bonds to defease certain general obligations bonds. The net proceeds were placed in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and liability for the defeased bonds are not included in the District’s financial statements. At August 31, 2010, \$146,795,000 of bonds outstanding are considered defeased.

The following is a summary of changes in bonds payable for the year ended August 31, 2010:

Description	Interest Rate Payable	Range of Maturity	Amounts Original Issue	Amounts Outstanding August 31, 2009	Issued/ Refunding	Retired	Amounts Outstanding August 31, 2010	Due Within One Year
Lease Revenue Bonds, Series 1996	5.0-5.85%	2010	\$ 12,915,000	\$ 2,370,000	\$ -	\$ 2,370,000	\$ -	\$ -
Unlimited Tax Sch. Bldg Bonds, Series 2000	4.7-6.2%	2010	18,100,000	830,000	-	830,000	-	-
Unlimited Tax Sch. Bldg Bonds, Series 2001A	4.0-5.0%	2011-2031	126,500,000	5,645,000	-	2,765,000	2,880,000	2,880,000
Unlimited Tax Refunding Bonds, Series 2001B	4.0-5.375%	2012-2029	109,135,000	100,935,000	-	-	100,935,000	-
Current Interest Bonds								
Premium Capital								
Appreciation Bonds		2011	7,294,573	7,294,573	-	2,954,382	4,340,191	4,340,191
Unlimited Tax Refunding Bonds, Series 2005	3.0 – 5.25%	2011-2027	306,880,000	298,745,000	-	4,920,000	293,825,000	995,000
Unlimited Tax Refunding Bonds, Series 2005								
Current Interest Bonds	4.0-4.5%	2011-2031	47,290,000	46,835,000	-	150,000	46,685,000	155,000
Premium Capital								
Appreciation Bonds		2025	319,988	319,988	-	-	319,988	-
Totals			\$628,434,561	\$ 462,974,561	\$ -	\$ 13,989,382	\$ 448,985,179	\$ 8,370,191
				Balance August 31, 2009	Addition	Retired	Balance August 31, 2010	Due Within One Year
Accretion on Capital Appreciation Bonds*			N/A	\$ 13,227,891	\$ 979,572	\$ 4,760,618	\$ 9,446,845	\$ -

\* This amount represents accretion of interest on a cumulative basis.

SAN ANTONIO INDEPENDENT SCHOOL DISTRICT  
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NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended August 31, 2010

The District has never defaulted on any principal or interest payments. There are a number of limitations and restrictions contained in the general obligation bond indentures. Management has indicated that the District is in compliance with all significant limitations and restrictions at August 31, 2010.

As of August 31, 2010, the annual debt service requirements to maturity for general obligation and lease revenue bonds are as follows:

Year Ending August 31	Principal	Interest	Total Requirements
2011	\$ 8,370,191	\$ 30,290,812	\$ 38,661,003
2012	16,770,000	21,857,553	38,627,553
2013	17,570,000	21,073,040	38,643,040
2014	18,475,000	20,176,290	68,651,290
2015	19,445,000	19,222,571	38,667,571
2016-2020	113,655,000	80,273,499	193,928,499
2021-2025	134,439,988	53,218,581	187,658,569
2026-2030	112,520,000	15,316,450	127,836,450
2031	7,740,000	348,300	8,088,300
Total	\$ 448,985,179	\$ 261,777,096	\$ 710,762,274

**Notes Payable**

**Maintenance Tax Note** – The Maintenance Tax Note was issued to purchase school buses. The note bears an interest rate of 3.595% and matures in August, 2016.

A summary of changes in notes payable for the year ended August 31, 2010 is as follows:

Description	Interest Rate Payable	Final Maturity	Amounts Original Issue	Amounts Outstanding August 31, 2009	Issued	Retired	Amounts Outstanding August 31, 2010	Due Within One Year
Maintenance Tax Notes, Series 2007	.3595%	2016	\$ 6,747,000	\$ 5,365,000	\$ -	\$ 690,000	\$ 4,675,000	\$ 715,000
Totals			\$ 6,747,000	\$ 5,365,000	-	\$ 690,000	\$ 4,675,000	\$ 715,000

SAN ANTONIO INDEPENDENT SCHOOL DISTRICT  
San Antonio, Texas

NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended August 31, 2010

As of August 31, 2010, the annual debt service requirements to maturity for maintenance tax notes are as follows:

Year Ending August 31	Principal	Interest	Total Requirements
2011	\$ 715,000	\$ 168,066	\$ 883,066
2012	740,000	142,362	882,362
2013	765,000	115,759	880,759
2014	790,000	88,257	878,257
2015	820,000	59,857	879,857
2016-2019	845,000	30,378	875,378
Total	<u>\$ 4,675,000</u>	<u>\$ 604,679</u>	<u>\$ 5,279,679</u>

I. OTHER LONG-TERM DEBT

(1) Workers' Compensation

Under this program, the District provides coverage up to a maximum of \$350,000 per claim and purchases commercial insurance for claims in excess of this coverage. There were no settlements exceeding insurance coverage for each of the past three fiscal years. The total claims liability of \$8,808,572 is based on the requirements of Governmental Accounting Standards Board (GASB) Statement No. 10 as amended by GASB Statement No. 30, which requires that a liability for claims be reported if information is available prior to the issuance of the financial statements and the amount of the loss can be reasonably estimated. The District records the liability for claims incurred but not reported which is estimated using historical data.

The current portion of the claims liability in the amount of \$880,857 is reflected as part of current liabilities and the remaining portion of \$7,927,714 is reported as part of non-current liabilities. Both are reported in the Proprietary Funds Statement of Net Assets

The District is required to maintain a deposit sufficient to cover three months of claims with the current administrator of the program, which amounted to \$570,000 at August 31, 2010 and \$53,261 with a prior administrator of the program. The deposit is included as part of the other current assets balance in the Proprietary Funds Statement of Net Assets.

SAN ANTONIO INDEPENDENT SCHOOL DISTRICT  
San Antonio, Texas

NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended August 31, 2010

Changes in the claims liability amount for fiscal years 2009 and 2010 were as follows:

Year Ended August 31,	Beginning of Fiscal Year Liability	Current Year Claims and changes in Estimates	Claim Payments	Balance at Fiscal Year End
2009	\$ 8,341,773	\$ 763,078	\$ (2,990,882)	\$ 6,113,969
2010	6,113,969	6,022,860	(3,328,258)	8,808,571

(2) Arbitrage Payable

The Federal Tax Reform Act of 1986 requires issuers of tax-exempt debt to make payments to the United States Treasury for investment income received at yields that exceed the issuer's tax exempt borrowing rates. The Treasury requires payment for each issue every five years. The liability is not recorded until payment is actually made or the liability has become due and payable. The District does not have an arbitrage liability as of August 31, 2010.

J. CHANGES IN LONG-TERM LIABILITIES

Changes in long term liabilities for the governmental activities for the year ended August 31, 2010 were as follows:

	Amount Outstanding September 1, 2009	Additions	Deletions	Amount Outstanding August 31, 2010	Due Within One Year
Bonds Payable	\$ 462,974,561	\$ -	\$ (13,989,382)	\$ 448,985,179	\$ 8,370,191
Accretion on Capital Appreciation Bonds	13,227,891	979,572	(4,760,618)	9,446,845	-
Unamortized Loss on Refunded Bonds	(16,149,670)	-	855,963	(15,293,707)	(855,963)
Unamortized Premium	18,667,234	-	(1,744,906)	16,922,328	1,786,888
Unamortized Discount	(1,283,561)	-	69,382	(1,214,179)	(69,382)
Maintenance Tax Notes	5,365,000	-	(690,000)	4,675,000	715,000
Workers' Compensation *	6,113,969	6,022,860	(3,328,258)	8,808,571	880,857
<b>Total</b>	<b>\$ 488,915,424</b>	<b>\$ 7,002,432</b>	<b>\$ (23,587,819)</b>	<b>\$ 472,330,037</b>	<b>\$ 10,827,591</b>

\* The \$880,857; which, is the current portion of the claims liability, is reflected in the claims payable current liability account in the Statement of the Net Assets and not as part of the amount due within one year for the noncurrent liabilities.



SAN ANTONIO INDEPENDENT SCHOOL DISTRICT  
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NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended August 31, 2010

**IV. OTHER INFORMATION**

**A. FUND EQUITY**

Designated fund balance represents management’s tentative plans for future use of financial resources. The allocation of general fund equity designations is as follows:

	<u>Amount</u>
HVAC Equipment, Bldg Repairs & Facilities	\$ 5,000,000
Establish Health Ins. Internal Service Fund	10,000,000
Increase Funding for Internal Service Funds	3,750,000
Financial Obligations Carried Over from Prior Year	828,411
E-Rate Program	<u>2,213,000</u>
Total	<u>\$ 21,791,411</u>

**B. HEALTH AND DENTAL INSURANCE**

**HEALTH** – During the year ended August 31, 2010, employees of the District were covered by one of four health insurance plans at their option. The District contributed between \$345.50 and \$403.10 per month, per employee, for medical coverage. Employees, at their option, authorized payroll withholdings to pay premiums for dependents.

**DENTAL** – During the year ended August 31, 2010, the District contributed \$17.43 per month, per employee, for dental coverage. All benefits were paid by a third party administrator acting on behalf of the District. The Plan was authorized by Section 21.922, Texas Education Code and Article 3.51-2, Texas Insurance Code, and was documented by contractual agreement.

The “Plan Supervisor Agreement” between the District and the third party administrator is automatically renewed for a one-year period, unless terminated as provided in the Standard Terms and Conditions of the Agreement.

The provision for unpaid self funded dental losses at August 31, 2010, in the amount of \$423,485 is reported in current liabilities as part of claims payable in the Proprietary Funds Statements of Net Assets, as it is based upon actual prior claims cost experience and average time lags (historically, less than 60 days) in settling such claims and actual claims paid after year end. All costs incurred are accounted for as expenditures in the operating funds affected.

The District is required to maintain a deposit of \$40,000 with the third party administrator. The deposit is included as part of the other current assets balance in the Proprietary Funds Statement of Net Assets.

SAN ANTONIO INDEPENDENT SCHOOL DISTRICT  
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NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended August 31, 2010

RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and, natural disasters. The District participates in the Texas Political Subdivisions Joint Self-Insurance Funds (SIF), a public entity risk pool currently operating as a common risk management and insurance program for public entities. The District is insured with the SIF for auto liability and physical damage coverage. The SIF is provided so that members will have no joint or several liabilities other than their required contribution. The District operates a limited management program for workers compensation. Premiums are paid by all other funds and are available to pay claims, claim reserve, and administrative costs of the program. There were no significant reductions in coverage in the past fiscal year, and settlements did not exceed insurance coverage for each of the past three fiscal years.

C. REVENUES FROM LOCAL AND INTERMEDIATE SOURCES

	Major Funds				Total
	General Fund	Debt Service Fund	Capital Projects Fund	Other Governmental Funds	
Property Taxes	\$ 123,737,537	\$ 24,906,274	\$ -	\$ -	\$ 148,643,811
Investment Income	338,281	161,192	116,400	-	615,873
Insurance Recovery	70,126	-	-	-	70,126
Penalties, Interest and Other Tax Related Income	1,811,254	350,008	-	-	2,161,262
Food Service Activity	-	-	-	2,475,443	2,475,443
Tuition	127,639	-	-	-	127,639
Rent	392,736	-	-	-	392,736
Coca-Cola Settlement	775,000	-	-	-	775,000
Donated Capital Assets	377,484	-	-	-	377,484
San Antonio Education Foundation	166,720	-	-	-	166,720
Athletic Activity	381,716	-	-	-	381,716
Campus Activity	-	-	-	685,028	685,028
Co-curricular Student	247,448	-	-	-	247,448
After School Challenge Program	-	-	-	1,183,291	1,183,291
Other	984,515	-	643,858	206,049	1,834,422
<b>Total</b>	<b>\$ 129,410,456</b>	<b>\$ 25,417,474</b>	<b>\$ 760,258</b>	<b>\$ 4,549,811</b>	<b>\$ 160,137,999</b>

Local and intermediate sources revenues reported in the proprietary funds include stop loss recoveries received during the year totaling \$65,075.

SAN ANTONIO INDEPENDENT SCHOOL DISTRICT  
San Antonio, Texas

NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended August 31, 2010

D. GENERAL FUND FEDERAL SOURCE REVENUES

Included in the General Fund revenues are the following funded by the federal government:

Program or Source	CFDA Number	Amount
Impact Aid	84.041	\$ 39,879
Star Base Kelly	N/A	62,583
Army ROTC	N/A	628,712
School Health and Related Services (SHARS)	N/A	9,988,687
IDEA B - Discretionary	84.027	8,711
Public Health Emergency Preparedness	93.069	66,975
Indirect Costs		
Adult Education and Family Literacy	84.002	878
ESEA Title I, Part A	84.010	589,393
ESEA Title I, Part D	84.010	3,470
Title I, School Improvement Program	84.010	16,705
ESEA Title I, Part C Migrant	84.011	6,393
IDEA-B Formula	84.027	218,465
Carl D. Perkins, Title I, Part C	84.048	16,540
IDEA-B Preschool	84.173	4,874
Title IV Safe and Drug Free Schools	84.186	4,253
McKinney Homeless Children Grant	84.196	2,586
Teaching American History Yr 1 of 3	84.215	7,141
Smaller Learning Communities	84.215	20,427
Fund for Improvement of ED (ESCD)	84.215	5,117
Public Charter School Start Up Grant	84.282	17,555
Title II, Part D-Technology	84.318	6,421
Gear Project	84.334	65,627
Reading First Grant	84.357	2,254
Title III, Part A – LEP	84.365	17,744
Title II, Part A TPTR	84.367	117,359
Title I, School Improvement	84.377	1,123
Homeless Ed. Disaster Assistance Program	84.383	819
ARRA - McKinney-Vento Homeless Education	84.387	2,177
ARRA - Title I, Part A	84.389	300,512
ARRA - Title I, Part D	84.389	72
ARRA - Title I – SIP	84.389	6,880
ARRA - IDEA-B Formula	84.391	61,583
ARRA - IDEA-B Preschool	84.392	1,521
ARRA - Title XIV State Fiscal Stabilization Fund	84.394	328,265
Temporary Assistance for Needy Families	93.558	3,511
		<u>\$ 12,625,212</u>

SAN ANTONIO INDEPENDENT SCHOOL DISTRICT  
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NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended August 31, 2010

Indirect cost revenues were determined by applying approved indirect cost rates to actual expenditures of federally funded grant programs.

E. RETIREMENT PLAN

**Plan Description**

The District contributes to the Teacher Retirement System of Texas (TRS), a cost-sharing multiple employer defined benefit pension plan, with one exception: all risks and costs are not shared by the employer. TRS administers retirement and disability annuities, and death and survivor benefits to employees and beneficiaries of employees of the public school systems of Texas. It operates primarily under the provisions of the Texas Constitution, Article XVI, Sec. 67, and Texas Government Code, Title 8, Subtitle C. TRS also administers proportional retirement benefits and service credit transfer under Texas Government Code, Title 8, Chapters 803 and 805, respectively. TRS issues a publicly available financial report that includes financial statements and required supplementary information for the defined benefit pension plan. That report may be obtained by writing to the TRS Communications Department, 1000 Red River Street, Austin, Texas 78701, by calling the TRS Communications Department at 1-800-223-8778, or by downloading the report from the TRS Internet website, [www.trs.state.tx.us](http://www.trs.state.tx.us), under the TRS Publications heading.

**Funding Policy**

State law provides for a member contribution rate of 6.4% for fiscal year 2010, 2009, and 2008, and a state contribution rate of 6.644% for fiscal year 2010 and 6.58% for fiscal years 2009 and 2008. In certain instances the District is required to make all or a portion of the state's contribution, which was 6.4% for the period from September through December 2009 and 6.644% for the period from January through August 2010. Contribution requirements are not actuarially determined but are legally established and amended by the Texas state legislature. The state funding policy is as follows: (1) The state constitution requires the legislature to establish a member contribution rate of not less than 6.0% of the member's annual compensation and a state contribution rate of not less than 6.0% and not more than 10% of the aggregate annual compensation of all members of the system; (2) A state statute prohibits benefit improvements or contribution reductions if, as a result of the particular action, the time required to amortize TRS' unfunded actuarial liabilities would be increased to a period that exceeds 31 years, or, if the amortization period already exceeds 31 years, the period would be increased by such action.

SAN ANTONIO INDEPENDENT SCHOOL DISTRICT  
San Antonio, Texas

NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended August 31, 2010

Contributions made by the State on behalf of the District are recorded in the financial statements as both revenues and expenditures. State, District, and employee contribution information for the last three (3) years are as follows:

Fiscal Year	On-Behalf State Contribution	District Annual Required Contributions (ARC)	Percentage of ARC Contributed	Employee Contributions
2008	\$ 14,086,362	\$ 6,355,305	100%	\$ 19,922,533
2009	13,450,098	6,370,756	100%	19,362,481
2010	14,173,032	7,043,909	100%	20,719,250

The District has no other liability under the plan as of August 31, 2010.

**F. RETIREE HEALTH PLAN**

**Plan Description**

The District contributes to the Texas Public School Retired Employees Group Insurance Program (TRS-Care), a cost-sharing multiple-employer defined benefit postemployment health care plan administered by the Teacher Retirement System of Texas. TRS-Care Retired Plan provides health care coverage for certain persons (and their dependents) who retired under the Teacher Retirement System of Texas. The statutory authority for the program is Texas Insurance Code, Chapter 1575. Section 1575.052 grants the TRS Board of Trustees the authority to establish and amend basic and optional group insurance coverage for participants. The TRS issues a publicly available financial report that includes financial statements and required supplementary information for TRS-Care. That report may be obtained by visiting the TRS Web site at [www.trs.state.tx.us](http://www.trs.state.tx.us), by writing to the Communications Department of the Teacher Retirement System of Texas at 1000 Red River Street, Austin, Texas 78701, or by calling 1-800-223-8778.

**Funding Policy**

Contribution requirements are not actuarially determined but are legally established each biennium by the Texas Legislature. Texas Insurance Code, Sections 1575.202, 203, and 204 establish state, active employee, and public school contributions, respectively. The State of Texas and active public school employee contribution rates were 1.0% and 0.65% of public school payroll, respectively, with school districts contributing a percentage of payroll set at 0.55% for fiscal years 2010, 2009 and 2008. Per Texas Insurance Code, Chapter 1575, the public school contribution may not be less than 0.25% or greater than 0.75% of the salary of each active employee of the public school.

SAN ANTONIO INDEPENDENT SCHOOL DISTRICT  
San Antonio, Texas

NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended August 31, 2010

Contributions made by the State on behalf of the District are recorded in the financial statements as both revenues and expenditures. Contributions to TRS-Care made by the State, District, and active employees for the last three (3) years follow:

Fiscal Year	On-Behalf State Contribution	District Annual Required Contribution (ARC)	Percentage of ARC Contributed	Active Member's Contribution
2008	\$ 3,113,023	\$ 1,712,136	100%	\$ 2,023,382
2009	3,025,497	1,663,989	100%	1,966,539
2010	2,715,081	2,302,863	100%	2,104,293

G. MEDICARE PART D

The Medicare Prescription Drug, Improvement, and Modernization Act of 2003, which was effective January 1, 2006, established prescription drug coverage for Medicare beneficiaries known as Medicare Part D. One of the provisions of Medicare Part D allows for the Texas Public Retired Employee Group Insurance Program (TRS-Care) to receive retiree drug subsidiary payments from the federal government to offset certain prescription drug expenditures for eligible TRS-Care participants. Contributions made by the federal government on behalf of the District are recorded in the financial statements as both revenues and expenditures. These payments totaled \$804,019; \$760,781; and \$847,510 for fiscal years 2008, 2009, and 2010 respectively.

H. COMMITMENTS AND CONTINGENCIES

**Grants** – The District participates in numerous state and Federal grant programs that are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the District has not complied with the rules and regulations governing the grants, if any, refunds of any money received may be required and the collectibility of any related receivable at August 31, 2010 may be impaired. In the opinion of the District, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying financial statements for such contingencies.

**Contingencies** – The District is a party to various legal actions, none of which is believed by management to have a material effect on the financial condition of the District. Accordingly, no provision for losses has been recorded in the accompanying financial statements for such contingencies.

SAN ANTONIO INDEPENDENT SCHOOL DISTRICT  
San Antonio, Texas

NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended August 31, 2010

Obligations under the current construction contracts will be liquidated in subsequent reporting periods.

I. E-PAYABLES

The District has an automated card payment process (E-Payables) agreement with Bank of America (Bank), which allows the District to electronically pay vendors through a secure card number instead of a check. Vendors are assigned and required to use an individualized card number to electronically draw down their payment. Payments are processed similar to payments made by check; however, instead of receiving a check, the vendor's individualized card is funded by the Bank upon receipt of the e-check listing from the District. The Bank notifies the vendor by e-mail when funds are available so that they may draw down their payment through a credit card network. Once the funds are drawn down, the Bank bills the District.

The Bank bills the District on a monthly basis and allows a 25 day grace period or line of credit up to \$6 million. As of August 31, 2010, the District had drawn \$369,118 on their line of credit, which is reported as part of accounts payable in the general fund.

As an incentive to participate in the program, the District receives rebate checks in amounts that are calculated based on the annual dollar volume of card payments. During the year, the District received rebates in the amount of \$24,051.

J. SUBSEQUENT EVENTS

On November 2, 2010, voters approved the District to issue \$515 million in bonds to pay for much needed upgrades and renovations to schools across the District, as well as to Alamo Stadium and the Convocation Center.

On December 14, 2010, the District sold \$151.4 million in bonds. This sale is the first set of bonds issued through taxable Build America Bonds at a subsidized interest rate of 3.89 percent. This rate is less than traditional tax exempt bonds. By utilizing the Build America Bonds, the District will save \$29.4 million over the life of the bonds. These bonds will mature between 2014 and 2040. Proceeds from the sale of the bonds will be used for the purchase of computers and playground equipment, followed by safety and security upgrades, including security cameras, key-card access control and fencing. Major renovation work will follow in phases.

A portion of the bonds were purchased by North East ISD and CPS Energy in an effort to encourage Bexar county municipalities to invest locally.

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## **Required Supplementary Information**

SAN ANTONIO INDEPENDENT SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL - GENERAL FUND  
FOR THE YEAR ENDED AUGUST 31, 2010

Data Control Codes	Budgeted Amounts		Actual Amounts (GAAP BASIS)	Variance With Final Budget Positive or (Negative)
	Original	Final		
<b>REVENUES:</b>				
5700 Total Local and Intermediate Sources	\$ 130,486,853	\$ 130,833,116	\$ 129,410,456	\$ (1,422,660)
5800 State Program Revenues	264,830,656	238,439,505	239,652,267	1,212,762
5900 Federal Program Revenues	3,668,135	11,500,542	12,625,212	1,124,670
5020 Total Revenues	398,985,644	380,773,163	381,687,935	914,772
<b>EXPENDITURES:</b>				
Current:				
0011 Instruction	230,805,531	212,611,114	212,365,752	245,362
0012 Instructional Resources and Media Services	5,426,348	5,454,071	5,140,857	313,214
0013 Curriculum and Instructional Staff Development	5,881,013	5,311,462	4,772,158	539,304
0021 Instructional Leadership	5,309,558	6,295,317	6,209,125	86,192
0023 School Leadership	20,918,716	23,044,557	22,245,301	799,256
0031 Guidance, Counseling and Evaluation Services	14,798,893	16,367,621	16,057,391	310,230
0032 Social Work Services	1,751,299	1,909,070	1,790,440	118,630
0033 Health Services	6,382,761	6,537,642	6,457,148	80,494
0034 Student (Pupil) Transportation	10,601,419	11,701,073	9,895,262	1,805,811
0035 Food Services	343,887	409,458	116,251	293,207
0036 Extracurricular Activities	8,706,397	9,928,021	9,658,040	269,981
0041 General Administration	12,776,257	14,139,187	12,684,089	1,455,098
0051 Facilities Maintenance and Operations	50,773,436	47,078,430	46,774,795	303,635
0052 Security and Monitoring Services	5,756,532	5,973,576	5,811,769	161,807
0053 Data Processing Services	11,371,024	8,433,194	7,492,678	940,516
0061 Community Services	1,448,431	1,650,487	1,579,829	70,658
Debt Service:				
0073 Debt Service - Bond Issuance Cost and Fees	-	20,000	-	20,000
Capital Outlay:				
0081 Facilities Acquisition and Construction	39,711	3,495,849	3,113,446	382,403
Intergovernmental:				
0095 Payments to Juvenile Justice Alternative Ed. Prg.	140,000	100,000	68,333	31,667
0099 Other Intergovernmental Charges	1,192,200	1,192,200	911,195	281,005
6030 Total Expenditures	394,423,413	381,652,329	373,143,859	8,508,470
1100 Excess (Deficiency) of Revenues Over (Under) Expenditures	4,562,231	(879,166)	8,544,076	9,423,242
<b>OTHER FINANCING SOURCES (USES):</b>				
7912 Sale of Real and Personal Property	-	89,549	89,549	-
8911 Transfers Out (Use)	(3,097,877)	(8,773,948)	(8,285,700)	488,248
7080 Total Other Financing Sources (Uses)	(3,097,877)	(8,684,399)	(8,196,151)	488,248
1200 Net Change in Fund Balances	1,464,354	(9,563,565)	347,925	9,911,490
0100 Fund Balance - September 1 (Beginning)	62,760,566	62,760,566	62,760,566	-
3000 Fund Balance - August 31 (Ending)	\$ 64,224,920	\$ 53,197,001	\$ 63,108,491	\$ 9,911,490

## **Other Supplementary Information**

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***Nonmajor Governmental Funds (Special Revenue Funds)***

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## **SPECIAL REVENUE FUNDS**

The Special Revenue Funds generally account for state and federally financed programs where unused balances are returned to the grantors at the close of specified project periods. Project accounting is employed to maintain integrity for the various sources of funds. Funds included in the Special Revenue funds category are described in the following pages.

### **HEAD START PROGRAM (205)**

To account for funds granted to operate preschool programs to provide scientific, research-based, pre-reading instruction for three and four year old children.

### **ESEA, TITLE II SUBTITLE B-EDUCATION FOR THE HOMELESS CHILDREN (206)**

To account for funds granted for a variety of staff development and supplemental services, including inservice training, counseling, psychological services and tutoring.

### **ESEA, TITLE I PART A-IMPROVING BASIC PROGRAMS (211)**

To account for funds allocated to local educational agencies to enable schools to provide opportunities for children served to acquire the knowledge and skills contained in the challenging State content standards and to meet the challenging State performance standards developed for all children.

### **ESEA, TITLE I PART C-EDUCATION OF MIGRATORY CHILDREN (212)**

To account for funds granted to operate programs benefiting children of migrant agriculture-related workers and children of migrant fishermen.

### **ESEA, TITLE I PART D SUBPART 2-PREVENTION AND INTERVENTION PROGRAMS FOR CHILDREN AND YOUTH WHO ARE NEGLECTED, DELINQUENT OR AT RISK OF DROPPING OUT (215)**

To account for funds granted to serve neglected or delinquent children receiving services from institutions for the neglected or delinquent.

### **ADULT BASIC EDUCATION-FEDERAL (220)**

To account for funds granted to provide or support programs for educational services to adults who are beyond compulsory school attendance age, are not enrolled in school and function at less than a secondary completion level.

### **TEMPORARY ASSISTANCE FOR NEEDY FAMILIES (TANF) (223)**

To account for funds granted to provide education services to undereducated adult recipients of cash assistance under TANF.

### **IDEA-PART B, FORMULA (224)**

Funds to operate educational programs for children with disabilities.

### **IDEA-PART B, PRESCHOOL (225)**

Funds used for preschool children with disabilities.

### **TITLE I - SCHOOL IMPROVEMENT (229, 231-233)**

Supplemental funds to help school improvement by corrective action or restructuring to provide a high quality education which will enable all students to meet the state student performance standards.

## **SPECIAL REVENUE FUNDS**

### **NATIONAL SCHOOL BREAKFAST AND LUNCH PROGRAM (240)**

To account for all food service activities of the District with major revenue sources that include the National School Lunch and Breakfast program and U.S.D.A donated commodities. Also accounts for funds associated with offering students a variety of nutritious fruits and vegetables under the Fresh Fruit and Vegetable Program and funds used to offer Head Start students afternoon snacks under the Child and Adult Care Food Program.

### **TITLE I, PART C, CARL D. PERKINS (244)**

Funds used to strengthen the academic skills of students participating in career and technology and to provide all students with strong experience in and understanding of all aspects of an industry. Also to develop, improve or expand the use of technology in career and technical education and provide professional development programs to teachers, career guidance and academic counselors.

### **ESEA TITLE II, PART A, TEACHER AND PRINCIPAL TRAINING AND RECRUITING (255)**

Funds to improve student achievement by improving teacher and principal quality and increasing the number of highly qualified teachers in classrooms and highly qualified principals in schools.

### **PUBLIC CHARTER SCHOOL START UP (PCS) - YOUNG WOMENS ACADEMY (258)**

Funds to public charter schools for planning, program design, implementation, assisting other schools and/or to disseminate information about the charter school.

### **TEXAS READING FIRST (261)**

To account for funds granted to establish reading programs for students in kindergarten through grade 3 that are based on scientific reading research and to ensure that every student can read at their grade level or above by the end of grade 3.

### **TITLE III, ENGLISH LANGUAGE ACQUISITION AND LANGUAGE ENHANCEMENT/ IMMIGRANT (263)**

Funds to improve the education of limited English proficient children by assisting students to learn English and meet challenging State academic content and student academic achievement standards.

### **TITLE XIV, ARRA STATE FISCAL STABILIZATION FUND (SFSF) (266)**

ARRA (American Recovery and Reinvestment Act of 2009) funds are to target one or more of the following critical reform areas: increase efforts to institute rigorous post-secondary standards and high quality (valid, reliable) assessments, enhance pre-kindergarten to post-secondary data systems that track progress and foster continuous improvement, continue to improve teacher effectiveness and support the equitable distribution of qualified teachers; and, expand the state's support and effective interventions for the lowest performing schools.

### **MEDICAL ASSISTANCE PROGRAM (272)**

To account for funds allocated for reimbursement of eligible administrative costs for activities attributed to the implementation of the Medicaid state plan.

### **SAISD GEAR UP PROJECT (274)**

To account for funds granted to promote student achievement and college readiness for the class of 2012 through the 2010-2011 school year.



## **SPECIAL REVENUE FUNDS**

### **TITLE II, PART D - (ARRA) – TECHNOLOGY (279)**

The primary goal of the Ed Tech program is to improve student academic achievement through the use of technology in schools. It is also designed to ensure that every student is technologically literate by the end of eighth grade and to encourage the effective integration of technology with teacher training and curriculum development to establish successful research-based instructional methods.

### **TEACHING AMERICAN HISTORY (281)**

To supplement existing funding to create Vertical Teams in U.S. History to increase academic achievement, historical literacy, and college readiness.

### **IDEA-B FORMULA (ARRA) (283)**

To account for stimulus funds awarded through the American Recovery and Reinvestment Act of 2009 (ARRA) relating to the Individuals with Disabilities Education Act (IDEA B & C). Funds are to be spent for activities and strategies that are scientifically based on research and meet needs identified in the Campus Improvement Plan.

### **TITLE I, PART A (ARRA) (285)**

Funds to help students acquire the knowledge and skills in the state content standards and to meet the state student performance standards.

### **TITLE I - SCHOOL IMPROVEMENT (ARRA) (288)**

The purpose of Title I School Improvement ARRA funds is to provide supplemental funds to assist Title I, Part A, schools identified in need of improvement to provide a high-quality education which will enable all children to meet the state student performance standards.

### **OTHER FEDERAL SPECIAL REVENUE FUNDS (289) INCLUDE:**

ESEA, Title IV-Safe and Drug-Free Schools and Communities Act (204)

Adult Education English Literacy and Civics (221)

Title I School Improvement (230, 234, 235, 237-239, 241-243, 276)

Title II, Part D, Enhancing Education Through Technology (262)

100% Campaign – CHIPRA (277)

McKinney – Vento Homeless Education (ARRA) (280)

Homeless Education Disaster Assistance Program (282)

IDEA -B - PRESCHOOL (ARRA) (284)

Title I, Part D – (ARRA) (286)

Title I School Improvement ARRA (287, 289-298, 299)

Public School Charter (299, 303)

Healthy Steps San Antonio Grant (425)

Reading Intervention and Language Acquisition Pilot (440)

### **PCS PUBLIC CHARTER SCHOOL START UP (300-302, 304-305)**

Funds to public charter schools for planning, program design, implementation, assisting other schools and/or to disseminate information about the charter school.

### **ADULT BASIC EDUCATION-STATE (381)**

To account for funds granted to provide adult education, literacy services, and instruction below the college level for undereducated adults who are beyond the age of compulsory attendance.

## **SPECIAL REVENUE FUNDS**

### **LIFE SKILLS FOR STUDENT PARENTS (394)**

To account for funds granted to provide pregnant and parenting students the services needed to keep them in school until completion.

### **OPTIONAL EXTENDED YEAR PROGRAM (401)**

To account for extended year programs not to exceed thirty instructional days for students from kindergarten to eighth grade who are identified as likely not to be promoted to the next grade level in the succeeding school year.

### **STUDENT SUCCESS INITIATIVE (402)**

These funds provide transitional financial assistance during the one post-ARI/AMI school year. For the 2009-2010 school year, funding is provided for interventions for struggling students in grades K-12.

### **TECHNOLOGY FUND (411)**

To account for funds awarded to school districts to purchase technological software or equipment that contributes to student learning or to pay for training for educational personnel involved in the use of these materials.

### **DISTRICT AWARDS FOR TEACHER EXCELLENCE (427)**

Funds to provide a teacher incentive awards program that supports the establishment of district-wide goals and the implementation of a financial awards system for teachers who improve student achievement.

### **OTHER STATE SPECIAL REVENUE FUNDS (429) INCLUDE:**

Visually Impaired (385)

AP International/ Baccalaureate (AP/IB) (397)

Investment Capital Fund (399)

Algebra Readiness (404-407)

Texas HS Initiative -Dropout Recovery Pilot Program (408)

Intensive Technology-Based Academic Intervention Pilot Program (409)

Dropout Recovery Performance Pay (410)

Intensive Summer Programs (412)

Mathematics Instructional Coaches Program (420)

Beginning Teacher Induction and Mentoring (425)

High School Allotment (428 & 199)

Texas High School Initiative - Early College High School (429)

Texas Fitness Now Grant (442)

Grants for Student Clubs (446)

Collaborative Dropout Reduction Pilot Program (480)

LEOSE – Law Enforcement Officers Standards & Ed (485)

### **TEXAS EDUCATION EXCELLENCE AWARD GRANT (433-437)**

To account for financial incentives to award educators who demonstrate the ability to achieve higher levels of student academic performance. The grants are awarded based on the percentage of educationally disadvantaged students and high levels of achievement growth in student achievement.

## **SPECIAL REVENUE FUNDS**

### **CAMPUS ACIVITY FUNDS (461)**

To account for transactions related to a principal's activity fund if the monies generated are not subject to recall by the school district's board of trustees into the General Fund

### **TEXAS SCHOOL READY! (472)**

These grant funds are for an early childhood mentor program. The program includes mentor training through the Children's Learning Institute, mentoring and instructional support to teachers to ensure three hours of daily cognitive instruction, teacher's use of technology for professional development and other early childhood initiatives.

### **SLC ENHANCED READING OPPORTUNITY ERO (477)**

This Smaller Learning Communities (SLC) grant creates and expands SLC projects and also implements promising supplemental reading programs within freshman academy SLCs. Additionally, this grant provides for participation in a national evaluation of supplemental reading programs.

### **AFTER SCHOOL CHALLENGE PROGRAM (478)**

These funds are through an interlocal agreement with the City of San Antonio. These funds provide for recreational and educational opportunities for children in the community after school hours.

### **ELEMENTARY AND SECONDARY SCHOOL COUNSELING (498)**

This three year federal grant provides 50% funding for nine counselor positions at the elementary level. This provides a smaller student to counselor ratio which helps develop safe schools, student achievement and creating a college-bound culture.

### **OTHER LOCAL SPECIAL REVENUE FUNDS (499) INCLUDE:**

Foundation for Education of Young Women (438)

Washington Mutual Grant (465, 466)

National Action Council for Minorities in Engineering, Inc. (NACME) / AT&T (481)

First Robotics Grant (482)

Texas A&M / FFA / Toyota (483)

CitiCorp Grant (490)

Communities Foundation of Texas (499)

SAN ANTONIO INDEPENDENT SCHOOL DISTRICT  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 AUGUST 31, 2010

Data Control Codes	205 Head Start Program	206 ESEA Title II Part B - Homeless	211 ESEA Title I Part A, Imprv Basic Program	212 ESEA Title I Part C Migrant
<b>ASSETS</b>				
1110	\$ -	\$ -	\$ -	\$ -
1240	3,656,812	129,600	4,103,428	74,608
1290	-	-	-	-
1300	-	-	-	-
1410	114,534	1,021	54,409	-
1000	<u>\$ 3,771,346</u>	<u>\$ 130,621</u>	<u>\$ 4,157,837</u>	<u>\$ 74,608</u>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
2110	\$ -	\$ -	\$ 1,831,203	\$ 1,073
2160	202,774	4,325	483,222	557
2170	3,568,572	126,296	1,843,412	72,978
2300	-	-	-	-
2000	<u>3,771,346</u>	<u>130,621</u>	<u>4,157,837</u>	<u>74,608</u>
Fund Balances:				
Reserved For:				
3410	-	-	-	-
3440	-	-	-	-
Unreserved and Undesignated:				
3610	-	-	-	-
3000	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
4000	<u>\$ 3,771,346</u>	<u>\$ 130,621</u>	<u>\$ 4,157,837</u>	<u>\$ 74,608</u>

215 ESEA Title I Part D - Subpart 2	220 Adult Basic Education Federal	223 TANF Family Assistance	224 IDEA - Part B Formula	225 IDEA - Part B Preschool	229 Title I SIP - Wheatley MS	231 Title I SIP - Fox Tech HS	232 Title I SIP - Houston HS
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
72,286	180,278	49,730	489,707	36,386	81,710	182,032	77,525
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	12,908	-	-	-	2,191
<u>\$ 72,286</u>	<u>\$ 180,278</u>	<u>\$ 49,730</u>	<u>\$ 502,615</u>	<u>\$ 36,386</u>	<u>\$ 81,710</u>	<u>\$ 182,032</u>	<u>\$ 79,716</u>
\$ 21,664	\$ 1,875	\$ -	\$ 27,299	\$ 102	\$ -	\$ -	\$ -
1,950	29,018	15,961	174,485	9,525	-	-	8,211
48,672	149,385	33,769	300,831	26,759	81,710	182,032	71,505
-	-	-	-	-	-	-	-
<u>72,286</u>	<u>180,278</u>	<u>49,730</u>	<u>502,615</u>	<u>36,386</u>	<u>81,710</u>	<u>182,032</u>	<u>79,716</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 72,286</u>	<u>\$ 180,278</u>	<u>\$ 49,730</u>	<u>\$ 502,615</u>	<u>\$ 36,386</u>	<u>\$ 81,710</u>	<u>\$ 182,032</u>	<u>\$ 79,716</u>

SAN ANTONIO INDEPENDENT SCHOOL DISTRICT  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 AUGUST 31, 2010

Data Control Codes	233 Title I SIP - Navarro Acad	240 National Breakfast and Lunch Program	244 Title I Part C Carl Perkins	255 ESEA II,A Training and Recruiting	
<b>ASSETS</b>					
1110	Cash and Cash Equivalents	\$ -	\$ 6,037,527	\$ -	\$ -
1240	Receivables from Other Governments	46,391	1,131,375	97,985	537,511
1290	Other Receivables	-	18,161	-	-
1300	Inventories	-	1,878,460	-	-
1410	Deferred Expenditures	-	545	-	246
1000	Total Assets	<u>\$ 46,391</u>	<u>\$ 9,066,068</u>	<u>\$ 97,985</u>	<u>\$ 537,757</u>
<b>LIABILITIES AND FUND BALANCES</b>					
Liabilities:					
2110	Accounts Payable	\$ 67	\$ 1,064,714	\$ 19,327	\$ 136,344
2160	Accrued Wages Payable	-	272,841	-	115,638
2170	Due to Other Funds	46,324	-	78,658	285,775
2300	Deferred Revenues	-	1,226,400	-	-
2000	Total Liabilities	<u>46,391</u>	<u>2,563,955</u>	<u>97,985</u>	<u>537,757</u>
Fund Balances:					
Reserved For:					
3410	Investments in Inventory	-	652,060	-	-
3440	Outstanding Encumbrances	-	109,872	-	-
Unreserved and Undesignated:					
3610	Reported in Special Revenue Funds	-	5,740,181	-	-
3000	Total Fund Balances	<u>-</u>	<u>6,502,113</u>	<u>-</u>	<u>-</u>
4000	Total Liabilities and Fund Balances	<u>\$ 46,391</u>	<u>\$ 9,066,068</u>	<u>\$ 97,985</u>	<u>\$ 537,757</u>

258 PCS - Young Womens Academy	261 Texas Reading First	263 Title III, A English Lang. Acquisition	266 Title XIV ARRA State Stabilization	272 Medical Assistance Program	274 Gear Up Project	279 Title II, D ARRA - Ed. Technology	281 Teaching American History
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
7,504	-	209,034	4,037,202	-	338,768	148,975	1,529
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	369,926	-	-	-	-
<u>\$ 7,504</u>	<u>\$ -</u>	<u>\$ 209,034</u>	<u>\$ 4,407,128</u>	<u>\$ -</u>	<u>\$ 338,768</u>	<u>\$ 148,975</u>	<u>\$ 1,529</u>
\$ 6,294	\$ -	\$ -	\$ 208,337	\$ -	\$ 229,875	\$ 146,250	\$ -
-	-	9,863	526	-	23,588	-	713
1,210	-	199,171	4,198,265	-	85,305	2,725	816
-	-	-	-	-	-	-	-
<u>7,504</u>	<u>-</u>	<u>209,034</u>	<u>4,407,128</u>	<u>-</u>	<u>338,768</u>	<u>148,975</u>	<u>1,529</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 7,504</u>	<u>\$ -</u>	<u>\$ 209,034</u>	<u>\$ 4,407,128</u>	<u>\$ -</u>	<u>\$ 338,768</u>	<u>\$ 148,975</u>	<u>\$ 1,529</u>

SAN ANTONIO INDEPENDENT SCHOOL DISTRICT  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 AUGUST 31, 2010

Data Control Codes	283 IDEA, Pt. B ARRA Formula	285 Title I, Pt A ARRA / Stimulus	288 ARRA, Title I SIP Fox Tech HS	289 Other Federal Special Revenue Funds	
<b>ASSETS</b>					
1110	Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ 998
1240	Receivables from Other Governments	1,391,990	2,474,340	135,700	599,420
1290	Other Receivables	-	10,863	-	-
1300	Inventories	-	-	-	-
1410	Deferred Expenditures	12,569	86,545	-	1,029
1000	Total Assets	<u>\$ 1,404,559</u>	<u>\$ 2,571,748</u>	<u>\$ 135,700</u>	<u>\$ 601,447</u>
<b>LIABILITIES AND FUND BALANCES</b>					
Liabilities:					
2110	Accounts Payable	\$ 53,157	\$ 35,901	\$ -	\$ 85,499
2160	Accrued Wages Payable	147,886	228,649	-	45,272
2170	Due to Other Funds	1,203,516	2,307,198	135,700	470,676
2300	Deferred Revenues	-	-	-	-
2000	Total Liabilities	<u>1,404,559</u>	<u>2,571,748</u>	<u>135,700</u>	<u>601,447</u>
Fund Balances:					
Reserved For:					
3410	Investments in Inventory	-	-	-	-
3440	Outstanding Encumbrances	-	-	-	-
Unreserved and Undesignated:					
3610	Reported in Special Revenue Funds	-	-	-	-
3000	Total Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
4000	Total Liabilities and Fund Balances	<u>\$ 1,404,559</u>	<u>\$ 2,571,748</u>	<u>\$ 135,700</u>	<u>\$ 601,447</u>



300	301	302	304	305	381	394	401
PCS Bonham Acad.	PSC Harris Acad.	PCS Irving Acad.	PCS Storm Acad.	PCS Whittier Acad	Adult Basic Education State	Life Skills for Student Parents	Optional Extended Year Program
\$ 54	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,804	\$ -
-	-	-	-	-	154,952	45,813	221,102
2,631	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 2,685</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 154,952</u>	<u>\$ 48,617</u>	<u>\$ 221,102</u>
\$ 2,685	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,899	\$ -
-	-	-	-	-	13,703	1,568	5,221
-	-	-	-	-	141,249	42,150	215,881
-	-	-	-	-	-	-	-
<u>2,685</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>154,952</u>	<u>48,617</u>	<u>221,102</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 2,685</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 154,952</u>	<u>\$ 48,617</u>	<u>\$ 221,102</u>

SAN ANTONIO INDEPENDENT SCHOOL DISTRICT  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 AUGUST 31, 2010

Data Control Codes	402 Student Success Initiative	411 Technology Fund	427 District Awrds for Tchr Excell	429 Other State Special Revenue Funds
<b>ASSETS</b>				
1110 Cash and Cash Equivalents	\$ -	\$ 425,891	\$ -	\$ 93,924
1240 Receivables from Other Governments	65,315	-	13,178	252,443
1290 Other Receivables	-	-	-	-
1300 Inventories	-	-	-	-
1410 Deferred Expenditures	-	-	-	-
1000 Total Assets	<u>\$ 65,315</u>	<u>\$ 425,891</u>	<u>\$ 13,178</u>	<u>\$ 346,367</u>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
2110 Accounts Payable	\$ -	\$ 347,074	\$ 574	\$ 66,259
2160 Accrued Wages Payable	22,270	3,174	223	16,553
2170 Due to Other Funds	43,045	-	12,381	206,284
2300 Deferred Revenues	-	75,643	-	57,271
2000 Total Liabilities	<u>65,315</u>	<u>425,891</u>	<u>13,178</u>	<u>346,367</u>
Fund Balances:				
Reserved For:				
3410 Investments in Inventory	-	-	-	-
3440 Outstanding Encumbrances	-	-	-	-
Unreserved and Undesignated:				
3610 Reported in Special Revenue Funds	-	-	-	-
3000 Total Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
4000 Total Liabilities and Fund Balances	<u>\$ 65,315</u>	<u>\$ 425,891</u>	<u>\$ 13,178</u>	<u>\$ 346,367</u>

433 Tx Ed Excellence Grant	434 Tx Ed Excellence Grant	435 Tx Ed Excellence Grant	436 Tx Ed Excellence Grant	437 Tx Ed Excellence Grant	461 Campus Activity Funds	472 Texas School Ready! Project	477 SLC Enhanced Rdg Opp
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 521,891	\$ -	\$ -
-	-	-	-	-	-	87,689	311,547
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 521,891</u>	<u>\$ 87,689</u>	<u>\$ 311,547</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 21,174	\$ -	\$ 65,272
-	-	-	-	-	5,639	11,675	-
-	-	-	-	-	-	76,014	246,275
-	-	-	-	-	-	-	-
-	-	-	-	-	26,813	87,689	311,547
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	495,078	-	-
-	-	-	-	-	495,078	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 521,891</u>	<u>\$ 87,689</u>	<u>\$ 311,547</u>

SAN ANTONIO INDEPENDENT SCHOOL DISTRICT  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 AUGUST 31, 2010

Data Control Codes	478 After School Challenge Program	498 Elementary & Secondary Sch Counseling	499 Other Local Special Revenue Funds	Total Nonmajor Governmental Funds	
<b>ASSETS</b>					
1110	Cash and Cash Equivalents	\$ -	\$ -	\$ 126,192	\$ 7,209,281
1240	Receivables from Other Governments	-	15,812	-	21,459,677
1290	Other Receivables	314,531	-	-	346,186
1300	Inventories	-	-	-	1,878,460
1410	Deferred Expenditures	-	2,896	-	658,819
1000	Total Assets	<u>\$ 314,531</u>	<u>\$ 18,708</u>	<u>\$ 126,192</u>	<u>\$ 31,552,423</u>
<b>LIABILITIES AND FUND BALANCES</b>					
Liabilities:					
2110	Accounts Payable	\$ 21,768	\$ -	\$ 100	\$ 4,398,786
2160	Accrued Wages Payable	596	1,404	-	1,857,030
2170	Due to Other Funds	292,127	17,304	-	16,813,970
2300	Deferred Revenues	40	-	126,092	1,485,446
2000	Total Liabilities	<u>314,531</u>	<u>18,708</u>	<u>126,192</u>	<u>24,555,232</u>
Fund Balances:					
Reserved For:					
3410	Investments in Inventory	-	-	-	652,060
3440	Outstanding Encumbrances	-	-	-	109,872
Unreserved and Undesignated:					
3610	Reported in Special Revenue Funds	-	-	-	6,235,259
3000	Total Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,997,191</u>
4000	Total Liabilities and Fund Balances	<u>\$ 314,531</u>	<u>\$ 18,708</u>	<u>\$ 126,192</u>	<u>\$ 31,552,423</u>

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SAN ANTONIO INDEPENDENT SCHOOL DISTRICT  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS  
 FOR THE YEAR ENDED AUGUST 31, 2010

Data Control Codes	205 Head Start Program	206 ESEA Title II Part B - Homeless	211 ESEA Title I Part A, Imprv Basic Program	212 ESEA Title I Part C Migrant
REVENUES:				
5700 Total Local and Intermediate Sources	\$ -	\$ -	\$ -	\$ -
5800 State Program Revenues	-	-	-	-
5900 Federal Program Revenues	11,632,907	127,014	26,361,961	310,558
5020 Total Revenues	<u>11,632,907</u>	<u>127,014</u>	<u>26,361,961</u>	<u>310,558</u>
EXPENDITURES:				
Current:				
0011 Instruction	9,679,793	1,986	11,696,763	69,955
0012 Instructional Resources and Media Services	-	-	2,634,912	-
0013 Curriculum and Instructional Staff Development	3,844	-	3,359,653	-
0021 Instructional Leadership	534,803	-	1,100,361	233,148
0023 School Leadership	430,991	-	4,878,792	-
0031 Guidance, Counseling and Evaluation Services	-	-	181,400	-
0032 Social Work Services	-	69,588	269,880	-
0033 Health Services	243,623	-	276,122	-
0034 Student (Pupil) Transportation	282,080	-	-	-
0035 Food Services	215,001	-	-	-
0036 Extracurricular Activities	-	-	8,742	-
0041 General Administration	-	-	-	-
0051 Facilities Maintenance and Operations	-	-	153,341	-
0052 Security and Monitoring Services	-	-	5,114	-
0053 Data Processing Services	-	-	121,545	1,448
0061 Community Services	17,170	55,440	1,516,726	6,007
Capital Outlay:				
0081 Facilities Acquisition and Construction	225,602	-	-	-
Intergovernmental:				
0093 Payments to Fiscal Agent/Member Districts of	-	-	158,610	-
6030 Total Expenditures	<u>11,632,907</u>	<u>127,014</u>	<u>26,361,961</u>	<u>310,558</u>
1100 Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
OTHER FINANCING SOURCES (USES):				
7915 Transfers In	-	-	-	-
7080 Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
1200 Net Change in Fund Balance	-	-	-	-
0100 Fund Balance - September 1 (Beginning)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
3000 Fund Balance - August 31 (Ending)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

215 ESEA Title I Part D - Subpart 2	220 Adult Basic Education Federal	223 TANF Family Assistance	224 IDEA - Part B Formula	225 IDEA - Part B Preschool	229 Title I SIP - Wheatley MS	231 Title I SIP - Fox Tech HS	232 Title I SIP - Houston HS
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
214,946	1,141,505	225,865	10,460,010	232,036	111,367	252,740	374,607
<u>214,946</u>	<u>1,141,505</u>	<u>225,865</u>	<u>10,460,010</u>	<u>232,036</u>	<u>111,367</u>	<u>252,740</u>	<u>374,607</u>
83,432	831,856	182,895	5,816,309	125,366	84,089	207,093	144,017
-	-	-	-	-	4,974	-	38,101
58,067	30,727	1,200	2,508,882	103,449	18,776	30,899	67,281
40,101	278,922	41,770	198,332	3,221	-	-	-
-	-	-	6,550	-	2,737	7,147	119,441
-	-	-	1,543,106	-	791	7,601	-
33,346	-	-	55,737	-	-	-	-
-	-	-	121,668	-	-	-	-
-	-	-	490	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	40,995	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	4,221	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	163,720	-	-	-	5,767
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>214,946</u>	<u>1,141,505</u>	<u>225,865</u>	<u>10,460,010</u>	<u>232,036</u>	<u>111,367</u>	<u>252,740</u>	<u>374,607</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

SAN ANTONIO INDEPENDENT SCHOOL DISTRICT  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS  
 FOR THE YEAR ENDED AUGUST 31, 2010

Data Control Codes	233 Title I SIP - Navarro Acad	240 National Breakfast and Lunch Program	244 Title I Part C Carl Perkins	255 ESEA II, A Training and Recruiting	
REVENUES:					
5700	Total Local and Intermediate Sources	\$ -	\$ 2,540,494	\$ -	\$ -
5800	State Program Revenues	-	212,168	-	-
5900	Federal Program Revenues	135,374	32,813,454	1,020,611	5,568,810
5020	Total Revenues	<u>135,374</u>	<u>35,566,116</u>	<u>1,020,611</u>	<u>5,568,810</u>
EXPENDITURES:					
Current:					
0011	Instruction	114,741	-	886,790	1,099,240
0012	Instructional Resources and Media Services	1,056	-	-	-
0013	Curriculum and Instructional Staff Development	15,479	-	74,851	3,151,885
0021	Instructional Leadership	-	-	-	400,208
0023	School Leadership	3,089	-	-	88,768
0031	Guidance, Counseling and Evaluation Services	-	-	42,996	8,632
0032	Social Work Services	1,009	-	-	-
0033	Health Services	-	-	-	-
0034	Student (Pupil) Transportation	-	-	-	-
0035	Food Services	-	31,264,322	-	-
0036	Extracurricular Activities	-	-	-	-
0041	General Administration	-	4,784	-	-
0051	Facilities Maintenance and Operations	-	1,406,267	-	-
0052	Security and Monitoring Services	-	17,326	-	-
0053	Data Processing Services	-	-	11,486	69,434
0061	Community Services	-	-	4,488	750,643
Capital Outlay:					
0081	Facilities Acquisition and Construction	-	20,779	-	-
Intergovernmental:					
0093	Payments to Fiscal Agent/Member Districts of SSA	-	-	-	-
6030	Total Expenditures	<u>135,374</u>	<u>32,713,478</u>	<u>1,020,611</u>	<u>5,568,810</u>
1100	Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>2,852,638</u>	<u>-</u>	<u>-</u>
OTHER FINANCING SOURCES (USES):					
7915	Transfers In	-	873,006	-	-
7080	Total Other Financing Sources (Uses)	<u>-</u>	<u>873,006</u>	<u>-</u>	<u>-</u>
1200	Net Change in Fund Balance	-	3,725,644	-	-
0100	Fund Balance - September 1 (Beginning)	<u>-</u>	<u>2,776,469</u>	<u>-</u>	<u>-</u>
3000	Fund Balance - August 31 (Ending)	<u>\$ -</u>	<u>\$ 6,502,113</u>	<u>\$ -</u>	<u>\$ -</u>



258 PCS - Young Womens Academy	261 Texas Reading First	263 Title III, A English Lang. Acquisition	266 Title XIV ARRA State Stabilization	272 Medical Assistance Program	274 Gear Up Project	279 Title II, D ARRA - Ed. Technology	281 Teaching American History
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
262,829	110,364	827,805	22,191,510	287,279	3,008,683	328,150	349,243
<u>262,829</u>	<u>110,364</u>	<u>827,805</u>	<u>22,191,510</u>	<u>287,279</u>	<u>3,008,683</u>	<u>328,150</u>	<u>349,243</u>
246,243	-	547,649	22,171,100	-	1,461,613	290,250	-
-	-	-	-	-	-	-	-
-	110,364	240,885	-	-	197,702	-	256,168
-	-	5,968	-	-	1,033,536	-	53,075
14,028	-	-	-	-	322	-	-
-	-	33,303	-	-	34,390	-	40,000
-	-	-	-	-	229,953	-	-
-	-	-	-	287,279	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	13,736	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
1,902	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
656	-	-	20,410	-	37,431	37,900	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>262,829</u>	<u>110,364</u>	<u>827,805</u>	<u>22,191,510</u>	<u>287,279</u>	<u>3,008,683</u>	<u>328,150</u>	<u>349,243</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

SAN ANTONIO INDEPENDENT SCHOOL DISTRICT  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS  
 FOR THE YEAR ENDED AUGUST 31, 2010

Data Control Codes	283 IDEA, Pt. B ARRA Formula	285 Title I, Pt A ARRA / Stimulus	288 ARRA, Title I SIP Fox Tech HS	289 Other Federal Special Revenue Funds
REVENUES:				
5700 Total Local and Intermediate Sources	\$ -	\$ -	\$ -	\$ -
5800 State Program Revenues	-	-	-	-
5900 Federal Program Revenues	4,397,377	14,264,253	166,160	2,255,467
5020 Total Revenues	<u>4,397,377</u>	<u>14,264,253</u>	<u>166,160</u>	<u>2,255,467</u>
EXPENDITURES:				
Current:				
0011 Instruction	3,556,787	9,819,013	166,160	1,574,254
0012 Instructional Resources and Media Services	-	-	-	24,194
0013 Curriculum and Instructional Staff Development	547,766	4,027,034	-	244,337
0021 Instructional Leadership	-	217,888	-	42,749
0023 School Leadership	-	-	-	10,023
0031 Guidance, Counseling and Evaluation Services	183,157	-	-	44,532
0032 Social Work Services	63,988	-	-	87,416
0033 Health Services	-	-	-	117
0034 Student (Pupil) Transportation	-	-	-	-
0035 Food Services	-	-	-	-
0036 Extracurricular Activities	-	-	-	-
0041 General Administration	-	-	-	-
0051 Facilities Maintenance and Operations	218	-	-	-
0052 Security and Monitoring Services	-	-	-	315
0053 Data Processing Services	-	-	-	37,719
0061 Community Services	45,461	200,318	-	189,811
Capital Outlay:				
0081 Facilities Acquisition and Construction	-	-	-	-
Intergovernmental:				
0093 Payments to Fiscal Agent/Member Districts of SSA	-	-	-	-
6030 Total Expenditures	<u>4,397,377</u>	<u>14,264,253</u>	<u>166,160</u>	<u>2,255,467</u>
1100 Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
OTHER FINANCING SOURCES (USES):				
7915 Transfers In	-	-	-	-
7080 Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
1200 Net Change in Fund Balance	-	-	-	-
0100 Fund Balance - September 1 (Beginning)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
3000 Fund Balance - August 31 (Ending)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

300	301	302	304	305	381	394	401
PCS Bonham Acad.	PSC Harris Acad.	PCS Irving Acad.	PCS Storm Acad.	PCS Whittier Acad	Adult Basic Education State	Life Skills for Student Parents	Optional Extended Year Program
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	242,746	310,851	215,813
<u>254,635</u>	<u>236,153</u>	<u>256,773</u>	<u>266,235</u>	<u>221,208</u>	-	-	-
<u>254,635</u>	<u>236,153</u>	<u>256,773</u>	<u>266,235</u>	<u>221,208</u>	<u>242,746</u>	<u>310,851</u>	<u>215,813</u>
223,506	223,651	190,456	193,501	162,974	193,247	8,670	182,169
1,304	-	-	18,821	-	-	-	-
24,975	8,951	10,399	48,415	46,506	1,500	-	-
4,313	3,551	802	3,612	11,728	47,999	13,392	-
537	-	-	-	-	-	-	16,961
-	-	-	-	-	-	-	-
-	-	-	-	-	-	54,603	-
-	-	-	-	-	-	-	8,470
-	-	-	-	-	-	-	8,213
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	55,116	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	1,886	-	-	234,186	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>254,635</u>	<u>236,153</u>	<u>256,773</u>	<u>266,235</u>	<u>221,208</u>	<u>242,746</u>	<u>310,851</u>	<u>215,813</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

SAN ANTONIO INDEPENDENT SCHOOL DISTRICT  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS  
 FOR THE YEAR ENDED AUGUST 31, 2010

Data Control Codes	402 Student Success Initiative	411 Technology Fund	427 District Awrds for Tchr Excell	429 Other State Special Revenue Funds
REVENUES:				
5700 Total Local and Intermediate Sources	\$ -	\$ -	\$ -	\$ -
5800 State Program Revenues	647,819	1,500,565	3,753,993	889,763
5900 Federal Program Revenues	-	-	-	-
5020 Total Revenues	<u>647,819</u>	<u>1,500,565</u>	<u>3,753,993</u>	<u>889,763</u>
EXPENDITURES:				
Current:				
0011 Instruction	-	502,696	3,687,669	504,089
0012 Instructional Resources and Media Services	-	46,868	-	480
0013 Curriculum and Instructional Staff Development	647,819	495,473	-	85,536
0021 Instructional Leadership	-	-	-	65,150
0023 School Leadership	-	-	-	123,708
0031 Guidance, Counseling and Evaluation Services	-	-	66,324	23,372
0032 Social Work Services	-	-	-	58,002
0033 Health Services	-	-	-	-
0034 Student (Pupil) Transportation	-	-	-	3,500
0035 Food Services	-	-	-	-
0036 Extracurricular Activities	-	-	-	20,911
0041 General Administration	-	-	-	-
0051 Facilities Maintenance and Operations	-	-	-	71
0052 Security and Monitoring Services	-	-	-	2,829
0053 Data Processing Services	-	455,528	-	-
0061 Community Services	-	-	-	2,115
Capital Outlay:				
0081 Facilities Acquisition and Construction	-	-	-	-
Intergovernmental:				
0093 Payments to Fiscal Agent/Member Districts of SSA	-	-	-	-
6030 Total Expenditures	<u>647,819</u>	<u>1,500,565</u>	<u>3,753,993</u>	<u>889,763</u>
1100 Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
OTHER FINANCING SOURCES (USES):				
7915 Transfers In	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
7080 Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
1200 Net Change in Fund Balance	-	-	-	-
0100 Fund Balance - September 1 (Beginning)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
3000 Fund Balance - August 31 (Ending)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

433 Tx Ed Excellence Grant	434 Tx Ed Excellence Grant	435 Tx Ed Excellence Grant	436 Tx Ed Excellence Grant	437 Tx Ed Excellence Grant	461 Campus Activity Funds	472 Texas School Ready! Project	477 SLC Enhanced Rdg Opp
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 685,028	\$ -	\$ -
638,326	530,000	588,317	576,883	651,836	-	139,385	-
-	-	-	-	-	-	-	977,392
<u>638,326</u>	<u>530,000</u>	<u>588,317</u>	<u>576,883</u>	<u>651,836</u>	<u>685,028</u>	<u>139,385</u>	<u>977,392</u>
502,331	424,995	484,936	477,021	537,718	353,440	4,725	443,451
6,210	10,910	11,069	11,114	11,613	77,561	-	-
8,212	16,363	13,744	13,531	12,947	12,841	92,386	264,468
-	1,428	984	541	1,699	100	42,274	189,985
35,024	24,798	16,554	14,952	18,116	19,074	-	-
12,525	12,223	7,477	7,538	15,063	90	-	74,471
2,146	-	-	781	-	-	-	-
2,454	8,855	7,454	5,877	9,913	1,150	-	-
-	-	-	-	-	-	-	-
33,610	12,500	28,188	24,780	25,000	272	-	-
-	-	-	-	-	88,576	-	-
-	-	-	-	-	-	-	-
28,297	13,944	15,735	19,384	17,841	16,835	-	178
4,313	2,541	-	-	-	3,707	-	-
-	-	-	-	-	-	-	-
3,204	1,443	2,176	1,364	1,926	60,455	-	4,839
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>638,326</u>	<u>530,000</u>	<u>588,317</u>	<u>576,883</u>	<u>651,836</u>	<u>634,101</u>	<u>139,385</u>	<u>977,392</u>
-	-	-	-	-	50,927	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	50,927	-	-
-	-	-	-	-	444,151	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 495,078</u>	<u>\$ -</u>	<u>\$ -</u>

SAN ANTONIO INDEPENDENT SCHOOL DISTRICT  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS  
 FOR THE YEAR ENDED AUGUST 31, 2010

Data Control Codes	478 After School Challenge Program	498 Elementary & Secondary Sch Counseling	499 Other Local Special Revenue Funds	Total Nonmajor Governmental Funds	
REVENUES:					
5700	Total Local and Intermediate Sources	\$ 1,183,291	\$ -	\$ 140,998	\$ 4,549,811
5800	State Program Revenues	-	-	-	10,898,465
5900	Federal Program Revenues	-	245,165	-	141,890,446
5020	Total Revenues	<u>1,183,291</u>	<u>245,165</u>	<u>140,998</u>	<u>157,338,722</u>
EXPENDITURES:					
Current:					
0011	Instruction	-	-	55,500	80,214,139
0012	Instructional Resources and Media Services	-	-	-	2,899,187
0013	Curriculum and Instructional Staff Development	-	-	82,898	16,936,213
0021	Instructional Leadership	-	-	-	4,571,640
0023	School Leadership	-	-	-	5,831,612
0031	Guidance, Counseling and Evaluation Services	-	227,627	-	2,566,618
0032	Social Work Services	-	-	-	926,449
0033	Health Services	-	-	-	972,982
0034	Student (Pupil) Transportation	-	-	-	294,283
0035	Food Services	-	-	-	31,603,673
0036	Extracurricular Activities	-	-	752	173,712
0041	General Administration	-	-	-	4,784
0051	Facilities Maintenance and Operations	-	-	-	1,731,448
0052	Security and Monitoring Services	-	-	-	38,047
0053	Data Processing Services	-	17,538	-	714,698
0061	Community Services	1,183,291	-	1,848	4,550,681
Capital Outlay:					
0081	Facilities Acquisition and Construction	-	-	-	246,381
Intergovernmental:					
0093	Payments to Fiscal Agent/Member Districts of SSA	-	-	-	158,610
6030	Total Expenditures	<u>1,183,291</u>	<u>245,165</u>	<u>140,998</u>	<u>154,435,157</u>
1100	Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,903,565</u>
OTHER FINANCING SOURCES (USES):					
7915	Transfers In	-	-	-	873,006
7080	Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>873,006</u>
1200	Net Change in Fund Balance	-	-	-	3,776,571
0100	Fund Balance - September 1 (Beginning)	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,220,620</u>
3000	Fund Balance - August 31 (Ending)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,997,191</u>

*Proprietary Funds*

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## INTERNAL SERVICE FUNDS

The Internal Service Funds are used to account for activities where the District charges fees to internal users for goods or services.

### **Workers' Compensation Insurance Fund (Fund 753)**

This fund is used to account for the operations of the District's self-funded insurance program, which meets the state mandate that all District employees be covered by workers' compensation insurance. Premiums are collected from the various campuses and departments based on predetermined experience rates. Claim costs, administrative costs, and stop loss insurance premiums are paid from the premiums collected. Excess claims are covered by a stop loss carrier.

### **Dental Insurance Fund (Fund 770)**

This fund is used to account for the operations of the District's self-funded dental insurance plan. Premiums are collected from the various campuses and departments of the District. Claim costs and administrative costs are paid from the proceeds of the premiums collected through this fund.

SAN ANTONIO INDEPENDENT SCHOOL DISTRICT  
 COMBINING STATEMENT OF NET ASSETS  
 INTERNAL SERVICE FUNDS  
 AUGUST 31, 2010

	753 Workers Compensation Fund	770 Dental Insurance Fund	Total Internal Service Funds
<b>ASSETS</b>			
Current Assets:			
Cash and Cash Equivalents	\$ 5,414,952	\$ 896,148	\$ 6,311,100
Other Current Assets - Deposit	623,261	40,000	663,261
Total Assets	<u>6,038,213</u>	<u>936,148</u>	<u>6,974,361</u>
<b>LIABILITIES</b>			
Current Liabilities:			
Claims Payable	<u>880,857</u>	<u>423,485</u>	<u>1,304,342</u>
Total Current Liabilities	<u>880,857</u>	<u>423,485</u>	<u>1,304,342</u>
NonCurrent Liabilities:			
Claims Payable - Due in More than One Year	<u>7,927,714</u>	<u>-</u>	<u>7,927,714</u>
Total Noncurrent Liabilities	<u>7,927,714</u>	<u>-</u>	<u>7,927,714</u>
Total Liabilities	<u>8,808,571</u>	<u>423,485</u>	<u>9,232,056</u>
<b>NET ASSETS</b>			
Unrestricted Net Assets	<u>(2,770,358)</u>	<u>512,663</u>	<u>(2,257,695)</u>
Total Net Assets	<u><u>\$ (2,770,358)</u></u>	<u><u>\$ 512,663</u></u>	<u><u>\$ (2,257,695)</u></u>

SAN ANTONIO INDEPENDENT SCHOOL DISTRICT  
 COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS  
 INTERNAL SERVICE FUNDS  
 FOR THE YEAR ENDED AUGUST 31, 2010

	753 Workers Compensation Fund	770 Dental Insurance Fund	Total Internal Service Funds
OPERATING REVENUES:			
Local and Intermediate Sources	\$ 65,075	\$ -	\$ 65,075
Total Operating Revenues	<u>65,075</u>	<u>-</u>	<u>65,075</u>
OPERATING EXPENSES:			
Professional and Contracted Services	1,907,695	47,337	1,955,032
Total Operating Expenses	<u>1,907,695</u>	<u>47,337</u>	<u>1,955,032</u>
Income (Loss) Before Transfers	(1,842,620)	(47,337)	(1,889,957)
Transfer In	<u>4,750,000</u>	<u>560,000</u>	<u>5,310,000</u>
Change in Net Assets	2,907,380	512,663	3,420,043
Total Net Assets - September 1 (Beginning)	<u>(5,677,738)</u>	<u>-</u>	<u>(5,677,738)</u>
Total Net Assets - August 31 (Ending)	<u>\$ (2,770,358)</u>	<u>\$ 512,663</u>	<u>\$ (2,257,695)</u>

SAN ANTONIO INDEPENDENT SCHOOL DISTRICT  
 COMBINING STATEMENT OF CASH FLOWS  
 INTERNAL SERVICE FUNDS  
 FOR THE YEAR ENDED AUGUST 31, 2010

	753 Workers Compensation Fund	770 Dental Insurance Fund	Total Internal Service Funds
<u>Cash Flows from Operating Activities:</u>			
Cash Received from General Fund	\$ 65,075	\$ -	\$ 65,075
Cash Received from Assessments - Other Funds	2,249,977	336,148	2,586,125
Cash Payments for Insurance Claims	(1,650,100)	-	(1,650,100)
Net Cash Provided by Operating Activities	<u>664,952</u>	<u>336,148</u>	<u>1,001,100</u>
<u>Cash Flows from Non-Capital Financing Activities:</u>			
Transfers In from General Fund	4,750,000	560,000	5,310,000
Net Increase in Cash and Cash Equivalents	5,414,952	896,148	6,311,100
Cash and Cash Equivalents at Beginning of the Year:	-	-	-
Cash and Cash Equivalents at the End of the Year:	<u>\$ 5,414,952</u>	<u>\$ 896,148</u>	<u>\$ 6,311,100</u>
<u>Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities:</u>			
Operating Income (Loss):	\$ (1,842,620)	\$ (47,337)	\$ (1,889,957)
Effect of Increases and Decreases in Current Assets and Liabilities:			
(Increase) in Deposits	(623,261)	(40,000)	(663,261)
Increase in Claims Payable	3,130,833	423,485	3,554,318
Net Cash Provided by Operating Activities	<u>\$ 664,952</u>	<u>\$ 336,148</u>	<u>\$ 1,001,100</u>

*Fiduciary Funds*

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## **AGENCY FUNDS**

Agency Funds are used to account for assets held by the District as an agent for campuses and organizations. They are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

### **Student Activities Fund (Fund 865)**

This fund is used to account for the receipt and disbursement of monies for school approved activities of the various student groups and organizations at each campus. These activities promote the general welfare of a campus and educational development and morale of the students.

SAN ANTONIO INDEPENDENT SCHOOL DISTRICT  
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
AGENCY FUND  
FOR THE YEAR ENDED AUGUST 31, 2010

	BALANCE SEPTEMBER 1 2009	ADDITIONS	DEDUCTIONS	BALANCE AUGUST 31 2010
<b>STUDENT ACTIVITY ACCOUNT</b>				
Assets:				
Cash and Cash Equivalents	\$ 1,948,756	\$ 5,693,529	\$ 5,652,665	\$ 1,989,620
Liabilities:				
Accounts Payable	\$ 53,114	\$ 93,365	\$ 53,114	\$ 93,365
Due to Student Groups	1,895,642	5,600,164	5,599,551	1,896,255
Total Liabilities	<u>\$ 1,948,756</u>	<u>\$ 5,693,529</u>	<u>\$ 5,652,665</u>	<u>\$ 1,989,620</u>
<b>TOTAL AGENCY FUNDS</b>				
Assets:				
Cash and Cash Equivalents	\$ 1,948,756	\$ 5,693,529	\$ 5,652,665	\$ 1,989,620
Liabilities:				
Accounts Payable	\$ 53,114	\$ 93,365	\$ 53,114	\$ 93,365
Due to Student Groups	1,895,642	5,600,164	5,599,551	1,896,255
Total Liabilities	<u>\$ 1,948,756</u>	<u>\$ 5,693,529</u>	<u>\$ 5,652,665</u>	<u>\$ 1,989,620</u>



**Required TEA Schedules**

SAN ANTONIO INDEPENDENT SCHOOL DISTRICT  
SCHEDULE OF DELINQUENT TAXES RECEIVABLE  
FOR THE YEAR ENDED AUGUST 31, 2010

Last 10 Years Ended August 31	(1)	(2)	(3)
	Tax Rates		Assessed/Appraised Value for School Tax Purposes
	Maintenance	Debt Service	
2001 and prior years	Various	Various	\$ Various
2002	1.500000	0.222000	7,572,267,664
2003	1.500000	0.222000	7,842,137,743
2004	1.500000	0.222000	8,435,683,746
2005	1.500000	0.222000	8,645,841,256
2006	1.500000	0.222000	9,059,120,799
2007	1.370000	0.209700	9,504,999,050
2008	1.040000	0.209700	10,730,737,246
2009	1.040000	0.209700	12,723,716,043
2010 (School year under audit)	1.040000	0.209700	12,882,846,677
100 TOTALS			

(10) Beginning Balance 9/1/2009	(20) Current Year's Total Levy	(31) Maintenance Collections	(32) Debt Service Collections	(40) Entire Year's Adjustments	(50) Ending Balance 8/31/2010
\$ 1,973,654	\$ -	\$ 54,364	\$ 8,251	\$ (380,230)	\$ 1,530,809
648,787	-	13,712	2,029	(9,312)	623,734
663,561	-	17,357	2,569	(9,692)	633,943
707,184	-	29,241	4,328	(14,923)	658,692
816,604	-	75,559	11,183	14,011	743,873
947,378	-	130,430	19,130	44,820	842,638
1,283,614	-	92,315	14,130	(138,876)	1,038,293
1,602,694	-	308,650	62,234	(142,070)	1,089,740
4,603,561	-	1,132,365	228,324	(1,229,379)	2,013,493
-	152,838,516	121,503,061	24,499,182	(1,311,564)	5,524,709
<u>\$ 13,247,037</u>	<u>\$ 152,838,516</u>	<u>\$ 123,357,054</u>	<u>\$ 24,851,360</u>	<u>\$ (3,177,215)</u>	<u>\$ 14,699,924</u>

SAN ANTONIO INDEPENDENT SCHOOL DISTRICT  
 SCHEDULE OF EXPENDITURES FOR COMPUTATIONS OF INDIRECT COST FOR 2011-2012  
 GENERAL AND SPECIAL REVENUE FUNDS  
 FOR THE YEAR ENDED AUGUST 31, 2010

**FUNCTION 41 AND RELATED FUNCTION 53 - GENERAL ADMINISTRATION, 99 - APPRAISAL DISTRICT COST**

Account Number	Account Name	1	2	3	4	5	6	7
		(702) School Board	(703) Tax Collections	(701) Supt's Office	(750) Indirect Cost	(720) Direct Cost	(other) Miscellaneous	Total
611X-6146	PAYROLL COSTS	\$ -	\$ -	\$ 559,082	\$ 8,571,072	\$ -	\$ -	\$ 9,130,154
6149	Leave for Separating Employees in Fn 41 & 53	-	-	-	187	-	-	187
6149	Leave - Separating Employees not in 41 & 53	-	-	-	579,540	-	-	579,540
6211	Legal Services	-	-	1,182,460	-	-	-	1,182,460
6212	Audit Services	-	-	-	115,156	-	-	115,156
6213	Tax Appraisal/Collection - Appraisal in Fn 99	-	1,069,368	-	-	-	-	1,069,368
621X	Other Professional Services	-	-	-	89,905	-	-	89,905
6220	Tuition and Transfer Payments	-	-	-	-	-	-	-
6230	Education Service Centers	-	-	-	578,798	-	-	578,798
6240	Contr. Maint. and Repair	-	-	-	-	322,934	-	322,934
6250	Utilities	-	-	-	-	-	-	-
6260	Rentals	-	-	-	69,449	-	-	69,449
6290	Miscellaneous Contr.	-	80,935	199,059	322,514	-	-	602,508
6320	Textbooks and Reading	-	-	-	3,347	-	-	3,347
6330	Testing Materials	-	-	-	-	-	-	-
63XX	Other Supplies Materials	465	-	23,908	357,869	-	-	382,242
6410	Travel, Subsistence, Stipends	12,809	-	9,964	74,325	-	-	97,098
6420	Ins. and Bonding Costs	-	-	-	336,120	-	-	336,120
6430	Election Costs	-	-	-	-	-	-	-
6490	Miscellaneous Operating	24,300	-	67,645	196,517	-	-	288,462
6500	Debt Service	-	-	-	-	-	-	-
6600	Capital Outlay	-	-	-	-	-	165,182	165,182
6000	<b>TOTAL</b>	<b>\$ 37,574</b>	<b>\$ 1,150,303</b>	<b>\$ 2,042,118</b>	<b>\$ 11,294,799</b>	<b>\$ 322,934</b>	<b>\$ 165,182</b>	<b>\$ 15,012,910</b>

Total expenditures/expenses for General and Special Revenue Funds: (9) \$ 527,579,016

LESS: Deductions of Unallowable Costs

FISCAL YEAR

Total Capital Outlay (6600)	(10)	\$ 16,159,728
Total Debt & Lease(6500)	(11)	-
Plant Maintenance (Function 51, 6100-6400)	(12)	46,940,050
Food (Function 35, 6341 and 6499)	(13)	11,955,008
Stipends (6413)	(14)	294,081
Column 4 (above) - Total Indirect Cost		11,294,799

SubTotal: 86,643,667

Net Allowed Direct Cost \$ 440,935,349

CUMULATIVE

Total Cost of Buildings before Depreciation (1520)	(15)	\$ 912,134,428
Historical Cost of Building over 50 years old	(16)	\$ 39,523,965
Amount of Federal Money in Building Cost (Net of #16)	(17)	\$ 1,018,443
Total Cost of Furniture & Equipment before Depreciation (1530 & 1540)	(18)	\$ 36,814,204
Historical Cost of Furniture & Equipment over 16 years old	(19)	\$ 4,616,403
Amount of Federal Money in Furniture & Equipment (Net of #19)	(20)	\$ 4,904,075

(8) NOTE A: \$833,302 in Function 53 expenditures are included in this report on administrative costs.  
 \$911,195 in Function 99 expenditures for appraisal district costs are included in this report on administrative costs.

SAN ANTONIO INDEPENDENT SCHOOL DISTRICT  
 FUND BALANCE AND CASH FLOW CALCULATION WORKSHEET  
 GENERAL FUND AS OF AUGUST 31, 2010

1	Total General Fund Balance as of 8/31/10 (Exhibit C-1 object 3000 for the General Fund Only)		\$ 63,108,491
2	Total Reserved Fund Balance (from Exhibit C-1 - total of object 3400s for the General Fund Only)	\$ 3,191,324	
3	Total Designated Fund Balance (from Exhibit C-1 - total of object 3500s for the General Fund Only)	21,791,411	
4	Estimated amount needed to cover fall cash flow deficits in the General Fund (Net of borrowed funds and funds representing deferred revenues.)	-	
5	Estimate of two month's average cash disbursements during the fiscal year.	66,654,880	
6	Estimate of delayed payments from state sources (58xx).	8,772,527	
7	Estimate of underpayment from state sources equal to variance between Legislative Payment Estimate (LPE) and District Planning Estimate (DPE) or District's calculated earned state aid amount.	-	
8	Estimate of delayed payments from federal sources (59xx)	26,522,441	
9	Estimate of expenditures to be reimbursed to General Fund from Capital Projects Fund (uses of General Fund cash after bond referendum and prior to issuance of bonds)	-	
10	Adjustment to meet Board Policy	-	
11	Optimum Fund Balance and Cash Flow (Lines 2+3+4+5+6+7+8+9+10)		<u>126,932,583</u>
12	Excess (Deficit) Undesignated Unreserved General Fund Balance (Line 1 minus Line 11)		<u>\$ (63,824,092)</u>

SAN ANTONIO INDEPENDENT SCHOOL DISTRICT  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL - CHILD NUTRITION PROGRAM  
 FOR THE YEAR ENDED AUGUST 31, 2010

Data Control Codes	Budgeted Amounts		Actual Amounts (GAAP BASIS)	Variance With Final Budget Positive or (Negative)	
	Original	Final			
<b>REVENUES:</b>					
5700	Total Local and Intermediate Sources	\$ 3,134,318	\$ 2,513,593	\$ 2,540,494	\$ 26,901
5800	State Program Revenues	220,000	212,168	212,168	-
5900	Federal Program Revenues	32,790,788	32,910,803	32,813,454	(97,349)
5020	Total Revenues	36,145,106	35,636,564	35,566,116	(70,448)
<b>EXPENDITURES:</b>					
0035	Food Services	35,674,136	33,242,343	31,264,322	1,978,021
0041	General Administration	3,000	10,500	4,784	5,716
0051	Facilities Maintenance and Operations	1,103,221	1,845,221	1,406,267	438,954
0052	Security and Monitoring Services	-	35,000	17,326	17,674
<b>Capital Outlay:</b>					
0081	Facilities Acquisition and Construction	-	29,000	20,779	8,221
6030	Total Expenditures	36,780,357	35,162,064	32,713,478	2,448,586
1100	Excess (Deficiency) of Revenues Over Expenditures	(635,251)	474,500	2,852,638	2,378,138
<b>OTHER FINANCING SOURCES (USES):</b>					
7915	Transfers In	959,998	912,527	873,006	(39,521)
7080	Total Other Financing Sources (Uses)	959,998	912,527	873,006	(39,521)
1200	Net Change in Fund Balances	324,747	1,387,027	3,725,644	2,338,617
0100	Fund Balance - September 1 (Beginning)	2,776,469	2,776,469	2,776,469	-
3000	Fund Balance - August 31 (Ending)	\$ 3,101,216	\$ 4,163,496	\$ 6,502,113	\$ 2,338,617

SAN ANTONIO INDEPENDENT SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL - DEBT SERVICE FUND  
FOR THE YEAR ENDED AUGUST 31, 2010

Data Control Codes	Budgeted Amounts		Actual Amounts (GAAP BASIS)	Variance With Final Budget Positive or (Negative)	
	Original	Final			
REVENUES:					
5700	Total Local and Intermediate Sources	\$ 25,182,065	\$ 25,924,065	\$ 25,417,474	\$ (506,591)
5800	State Program Revenues	11,938,163	11,938,163	9,971,331	(1,966,832)
5020	Total Revenues	37,120,228	37,862,228	35,388,805	(2,473,423)
EXPENDITURES:					
Debt Service:					
0071	Debt Service - Principal on Long Term Debt	11,619,382	14,679,382	14,679,382	-
0072	Debt Service - Interest on Long Term Debt	27,102,948	27,398,869	27,398,868	1
0073	Debt Service - Bond Issuance Cost and Fees	-	45,830	35,829	10,001
6030	Total Expenditures	38,722,330	42,124,081	42,114,079	10,002
1100	Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,602,102)	(4,261,853)	(6,725,274)	(2,463,421)
OTHER FINANCING SOURCES (USES):					
7915	Transfers In	2,137,879	3,361,421	2,102,694	(1,258,727)
7080	Total Other Financing Sources (Uses)	2,137,879	3,361,421	2,102,694	(1,258,727)
1200	Net Change in Fund Balances	535,777	(900,432)	(4,622,580)	(3,722,148)
0100	Fund Balance - September 1 (Beginning)	43,055,983	43,055,983	43,055,983	-
3000	Fund Balance - August 31 (Ending)	\$ 43,591,760	\$ 42,155,551	\$ 38,433,403	\$ (3,722,148)

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## **STATISTICAL SECTION**

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# SAN ANTONIO INDEPENDENT SCHOOL DISTRICT

## STATISTICAL SECTION OVERVIEW

This part of the District's comprehensive annual financial report presents detailed information to provide the readers of the District's financial statements with a background for a better understanding of the information in the financial statements, note disclosures, and required supplementary information.

The statistical section is organized in the following sections:

**Financial Trend Information** – This section contains schedules of government-wide and fund financial statements.

*Government-Wide Information* – This section contains schedules that reflect current year and past years amounts on the District's government-wide financial statements.

*Fund Information* – This section contains schedules that reflect current year and past years amounts on the District's fund financial statements.

**Revenue Capacity Information** – This section contains schedules that provide information about the District's most significant major own-source revenue, which is property taxes, and the factors that impact the District's ability to generate such revenue.

**Debt Capacity Information** – This section contains schedules that provide information on the District's current levels of outstanding debt, the District's ability to repay the debt, and to issue additional debt in the future.

**Demographic and Economic Information** – This section contains schedules that provide an understanding of the environment within which the District's financial activities take place.

**Operating Information** – This section contains schedules that provide information about the services the District provides and the activities it performs; such as, employees and facilities of the District.

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## **Financial Trend Information**

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***Government-Wide Information***

SAN ANTONIO INDEPENDENT SCHOOL DISTRICT  
NET ASSETS BY COMPONENT

LAST NINE YEARS

(Unaudited)

<b>Governmental Activities</b>				
Fiscal Year	Invested in Capital Assets, Net of Related Debt	Restricted	Unrestricted	Total Net Assets
2002	\$ 269,679,217	\$ 23,576,531	\$ 78,348,439	\$ 371,604,187
2003	278,505,771	26,323,904	67,832,022	372,661,697
2004	272,958,067	31,481,493	69,931,944	374,371,504
2005	287,331,094	35,541,261	45,609,701	368,482,056
2006	180,057,441	92,842,384	88,473,835	361,373,660
2007	210,911,234	80,761,763	80,780,026	372,453,023
2008	247,224,627	66,331,710	64,108,935	377,665,272
2009	219,332,248	65,118,955	110,086,765	394,537,968
2010	297,770,820	65,712,857	43,912,966	407,396,643

Source: The District's Statement of Net Assets (Exhibit A-1)

Note: Comparative data is for nine years only, due to the implementation of GASB Statement No. 34 effective September 1, 2001.



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SAN ANTONIO INDEPENDENT SCHOOL DISTRICT  
GOVERNMENTAL ACTIVITIES EXPENSES & PROGRAM REVENUES

LAST NINE YEARS

(Unaudited)

	2002	2003	2004
<b>Expenses</b>			
Governmental Activities:			
Instruction	\$ 249,495,968	\$ 273,138,243	\$ 261,602,656
Instructional Resources & Media	7,788,290	9,093,784	8,662,897
Curr & Instr. Staff Development	20,609,568	25,337,174	28,145,935
Instructional Leadership	7,937,443	10,264,737	11,740,347
School Leadership	23,632,362	26,018,889	26,122,749
Guidance, Counseling & Eval Svcs	16,215,584	17,489,281	17,702,750
Social Work Services	2,031,529	2,761,865	2,886,766
Health Services	5,841,720	6,272,772	6,098,395
Student (Pupil) Transportation	6,741,822	7,084,462	7,524,193
Food Services	26,913,308	29,776,961	29,719,207
Extracurricular Activities	8,328,546	8,943,246	9,531,720
General Administration	10,397,331	12,985,458	13,381,582
Facilities Maintenance & Operations	35,349,749	41,924,384	40,943,937
Security & Monitoring Services	5,072,013	5,355,472	5,594,644
Data Processing Services	3,622,707	5,877,792	5,111,946
Community Services	5,537,124	6,516,014	6,202,157
Interest and Other Charges	30,155,641	30,154,697	29,313,770
Facilities Acquisition & Construction	369,264	844,480	-
Shared Service Arrangements	-	-	-
Payments to JJAEP	1,385,867	1,504,913	1,205,880
Other Intergovernmental Charges	-	-	-
Total Governmental Activities	<u>467,425,836</u>	<u>521,344,624</u>	<u>511,491,531</u>
<b>Program Revenues</b>			
Charges for Services			
Instruction	115,159	136,174	109,825
Curr & Instr. Staff Development	-	-	-
Social Work Services	-	-	-
Health Services	-	-	-
Student (Pupil) Transportation	213,916	23,394	-
Food Services	2,816,724	2,725,801	2,302,260
Cocurr/Extracurr Activities	463,573	499,827	427,570
General Administration	-	1,074,795	1,305,830
Plant Maintenance & Operations	58,809	61,446	64,734
Security & Monitoring Services	37,387	56,530	48,540
Data Processing Services	-	-	-
Community Services	-	-	-
Interest and Other Charges	-	-	-
Facilities Acquisition & Construction	-	-	-
Operating Grants and Contributions	140,677,473	156,603,751	150,587,761
<b>Total Governmental Activities</b>	<u>144,383,041</u>	<u>161,181,718</u>	<u>154,846,520</u>
<b>Program Revenue</b>	<u>144,383,041</u>	<u>161,181,718</u>	<u>154,846,520</u>
<b>Net Governmental Activities</b>			
<b>Revenue/(Expense)</b>	<u>\$ (323,042,795)</u>	<u>\$ (360,162,906)</u>	<u>\$ (356,645,011)</u>

Source: The District's Statement of Activities (Exhibit B-1)

Note: Comparative data is for nine years only, due to the implementation of GASB Statement No. 34 effective September 1, 2001.

	2005	2006	2007	2008	2009	2010
\$	270,198,882	\$ 276,170,147	\$ 278,739,255	\$ 282,099,584	\$ 285,880,498	\$ 301,913,336
	8,793,041	8,669,625	8,933,803	8,669,616	8,259,073	8,275,841
	27,664,697	25,225,975	22,808,041	22,117,698	19,651,645	21,986,186
	10,588,001	11,208,236	11,623,488	12,484,337	10,934,363	11,087,427
	26,599,189	27,090,441	27,431,678	27,964,950	27,774,815	29,066,306
	18,173,596	18,223,644	18,686,510	18,405,095	18,638,131	19,334,049
	2,986,139	2,992,839	2,620,233	2,861,816	2,762,650	2,798,724
	6,078,249	6,217,647	6,644,460	6,774,058	6,667,215	7,716,173
	7,155,836	8,241,643	8,555,548	10,083,719	10,059,529	11,571,089
	29,738,714	31,343,967	30,641,792	32,404,614	30,900,485	31,581,913
	9,104,900	9,290,785	9,508,805	9,361,787	9,191,406	10,237,969
	12,626,378	13,215,798	13,048,010	12,350,258	13,945,038	13,299,575
	42,862,948	46,120,606	45,996,302	46,819,189	47,132,011	49,908,328
	6,016,769	6,158,718	6,100,861	5,671,009	5,641,140	6,030,358
	5,196,512	4,501,703	4,626,304	5,120,719	5,584,147	8,373,349
	5,760,431	5,791,581	6,657,402	6,317,163	6,035,175	6,218,703
	25,672,764	26,105,562	25,690,711	24,250,441	23,559,716	22,864,393
	944,063	908,866	647,939	-	-	-
	-	-	-	-	-	158,610
	984,568	756,075	92,250	59,250	77,126	68,333
	-	-	-	865,920	866,810	911,195
	517,145,677	528,233,858	529,053,392	534,681,223	533,560,973	563,401,857
	269,936	477,326	437,308	863,494	863,862	2,158,707
	-	8,270	-	-	-	168,484
	-	66,157	-	-	-	-
	-	8,270	-	-	-	-
	-	-	-	-	-	139,435
	2,246,458	2,164,529	1,849,720	2,568,975	3,776,449	2,540,495
	517,407	833,819	1,557,930	1,449,299	1,458,728	658,213
	921,392	1,088,667	-	-	-	-
	68,543	122,541	301,422	724,104	736,600	643,858
	61,632	51,510	-	-	-	-
	-	-	-	-	-	5,810
	-	12,769	449,024	958,706	965,184	392,736
	-	8,270	-	-	-	-
	-	148,479	-	-	-	-
	152,724,403	154,135,294	154,454,024	148,873,676	157,573,376	194,918,033
	156,809,771	159,125,901	159,049,428	155,438,254	165,374,199	201,625,771
\$	(360,335,906)	\$ (369,107,957)	\$ (370,003,964)	\$ (379,242,969)	\$ (368,186,774)	\$ (361,776,086)

SAN ANTONIO INDEPENDENT SCHOOL DISTRICT  
GENERAL REVENUES AND CHANGES IN NET ASSETS

LAST NINE YEARS

(Unaudited)

	2002	2003	2004
<b>Net Governmental Activities</b>			
<b>Revenue/(Expense)</b>	\$ (323,042,795)	\$ (360,162,906)	\$ (356,645,011)
<b>General Revenues and Changes in Net Assets:</b>			
Property Taxes - General	117,600,392	112,834,156	121,009,182
Property Taxes - Debt Service	17,390,100	16,610,438	17,907,068
Grants and Contributions not Restricted	210,619,367	216,031,932	219,174,035
Investment Earnings	18,495,434	13,633,381	7,798,628
Miscellaneous - Local/Federal	1,185,055	1,385,509	1,634,718
Special Item - Loss on Sale of Capital Assets	-	-	-
Special Item			
Gain on Sale of Capital Assets	-	-	-
Proceeds from Insurance Settlement	-	725,000	-
<b>Total General Revenues</b>	<b>365,290,348</b>	<b>361,220,416</b>	<b>367,523,631</b>
<b>Change in Net Assets</b>	<b>\$ 42,247,553</b>	<b>\$ 1,057,510</b>	<b>\$ 10,878,620</b>

Source: The District's Statement of Activities (Exhibit B-1)

Note: Comparative data is for nine years only, due to the implementation of GASB Statement No. 34 effective September 1, 2001.

	2005	2006	2007	2008	2009	2010
\$	(360,335,906)	\$ (369,107,957)	\$ (370,003,964)	\$ (379,242,969)	\$ (368,186,774)	\$ (361,776,086)
	124,354,037	127,364,139	127,679,481	110,428,655	123,386,852	124,185,378
	18,397,944	18,680,608	19,547,601	22,266,108	24,878,358	25,037,142
	204,297,224	203,190,744	213,802,534	242,469,553	231,153,491	222,129,005
	7,346,240	9,807,541	13,669,648	6,862,948	2,796,023	615,873
	79,210	2,956,529	2,715,760	2,427,954	2,844,746	2,667,363
	(28,197)	-	-	-	-	-
	-	-	3,668,303	-	-	-
	-	-	-	-	-	-
	354,446,458	361,999,561	381,083,327	384,455,218	385,059,470	374,634,761
\$	(5,889,448)	\$ (7,108,396)	\$ 11,079,363	\$ 5,212,249	\$ 16,872,696	\$ 12,858,675

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## ***Fund Information***

SAN ANTONIO INDEPENDENT SCHOOL DISTRICT  
FUND BALANCES  
GOVERNMENTAL FUNDS

LAST TEN YEARS

(Unaudited)

	2001	2002	2003	2004
<b>General Fund</b>				
Reserved Fund Balances:				
Investments in Inventory	\$ 3,519,475	\$ 3,356,397	\$ 2,865,468	\$ 3,097,793
Prepaid Items	981,832	1,077,632	1,195,499	878,904
Outstanding Encumbrances	559,768	283,258	259,028	717,206
Food Service	2,256,241	2,483,595	3,117,408	2,880,081
Other Purposes	-	114,369	192,033	202,644
Authorized Construction	-	-	-	-
Unreserved Designated For:				
Governance	-	5,350,000	-	-
Academic Support	5,300,000	3,818,787	-	-
Administration	-	12,520,785	-	-
Human Resources	-	7,387,774	-	-
Technology Services	1,108,973	8,395,789	-	-
Special Facilities Construction & Impr.	-	1,000,000	-	-
Central Office and/or Real Estate Acquisition	-	-	2,995,000	2,717,731
Permanent Employee Compensation Fund	9,600,000	-	6,300,000	6,300,000
Health Insurance	264,843	-	69,064	17,200
Bond Program	-	-	-	-
Various Campus Improvements	-	-	1,000,000	1,000,000
High School Tennis Courts	-	-	574,000	-
Musical Instruments -- Replacement Program	668,000	-	668,000	668,000
A/C, Equipment & Bldg. Repairs	4,607,012	-	3,250,000	3,250,000
Establish Health Insurance Internal Service Fund	-	-	-	-
Increase Funding for Internal Service Funds	-	-	-	-
Budgetary Fund Balance	3,915,526	-	3,875,497	8,182,902
Financial Obligations Carry Over	392,288	-	725,941	725,941
School Buses & Vehicle Replacement	800,000	-	1,100,000	985,000
Workers Compensation	1,000,000	-	1,000,000	1,000,000
Instructional & Administrative Technology	4,600,000	-	6,000,000	6,000,000
E-Rate	-	-	1,000,000	512,000
Other Purposes	50,000	257,000	1,313,751	1,152,924
Unreserved and Undesignated:				
Reported in the General Fund	28,180,616	29,636,834	32,435,452	31,283,245
<b>Total General Fund Balance</b>	<b>67,804,574</b>	<b>75,682,220</b>	<b>69,936,141</b>	<b>71,571,571</b>
<b>All Other Governmental Funds</b>				
Reserved, Reported In:				
Debt Service Fund	12,251,314	17,097,783	19,529,061	24,812,020
Capital Projects Fund	140,403,900	48,450,282	283,709,713	201,309,120
Special Revenue Funds	-	-	-	-
Unreserved Designated, Reported In:				
Capital Projects Fund	295,334,358	283,908,277	-	-
Unreserved and Undesignated:				
Reported in Special Revenue Funds	193,177	197,387	255,069	274,467
<b>Total All other Governmental Funds Balance</b>	<b>448,182,749</b>	<b>349,653,729</b>	<b>303,493,843</b>	<b>226,395,607</b>
<b>Total Governmental Funds -- Fund Balance</b>	<b>\$ 515,987,323</b>	<b>\$ 425,335,949</b>	<b>\$ 373,429,984</b>	<b>\$ 297,967,178</b>
<b>Governmental Funds</b>				
Beginning Fund Balance	\$ 471,364,263	\$ 516,065,513	\$ 425,335,949	\$ 373,429,984
Net Change in Fund Balance	44,623,060	(90,729,564)	(51,905,965)	(75,462,806)
Ending Fund Balance	\$ 515,987,323	\$ 425,335,949	\$ 373,429,984	\$ 297,967,178

Source: The District's Governmental Funds Balance Sheets and Combined Statements of Revenues, Expenditures, and Changes in Fund Balances.

Note: During fiscal year 2001-02 the trust fund was transferred to the general fund; therefore, beginning balance was restated.



	2005	2006	2007	2008	2009	2010
\$	3,485,515	\$ 3,085,540	\$ 3,099,554	\$ 2,767,345	\$ 1,861,577	\$ 1,532,814
	884,415	509,077	905,794	1,186,669	438,261	-
	648,702	1,244,286	832,550	556,154	1,149,172	1,658,510
	1,933,430	1,001,332	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	4,600,000	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	450,000	-	-	-	-	-
	2,400,000	-	-	-	5,000,000	5,000,000
	-	-	-	-	-	10,000,000
	-	-	-	-	-	3,750,000
	10,841,320	10,080,799	9,780,766	-	-	-
	516,307	301,140	333,257	677,000	458,534	828,411
	450,000	-	-	-	-	-
	1,000,000	1,000,000	1,000,000	800,000	-	-
	2,000,000	400,000	400,000	323,000	528,000	-
	495,693	500,000	2,500,000	800,000	2,901,000	2,213,000
	210,742	-	-	-	4,500,000	-
	32,496,017	31,024,506	33,521,190	41,036,736	45,924,022	38,125,756
	57,812,141	49,146,680	52,373,111	52,746,904	62,760,566	63,108,491
	29,469,113	32,400,335	37,054,721	40,778,817	43,055,983	38,433,403
	119,731,575	88,794,539	69,523,399	46,455,476	38,165,094	31,066,251
	-	-	-	-	663,988	761,932
	-	-	-	-	-	-
	333,330	311,874	853,106	416,579	2,556,632	6,235,259
	149,534,018	121,506,748	107,431,226	87,650,872	84,441,697	76,496,845
\$	207,346,159	\$ 170,653,428	\$ 159,804,337	\$ 140,397,776	\$ 147,202,263	\$ 139,605,336
\$	297,967,178	\$ 207,346,159	\$ 170,653,428	\$ 159,804,337	\$ 140,397,776	\$ 147,202,263
	(90,621,019)	(36,692,731)	(10,849,091)	(19,406,561)	6,804,487	(7,596,927)
\$	207,346,159	\$ 170,653,428	\$ 159,804,337	\$ 140,397,776	\$ 147,202,263	\$ 139,605,336

SAN ANTONIO INDEPENDENT SCHOOL DISTRICT  
GOVERNMENTAL FUND REVENUES BY SOURCE

LAST TEN YEARS

(Unaudited)

Fiscal Year	Local and Intermediate Sources			State Programs	
	Property Tax	Tuition	Other	Per Capita and Foundation	On-behalf TRS Payments
2001	\$ 115,593,248	\$ 122,489	\$ 36,270,165	\$ 217,761,763	\$ 14,655,881
2002	122,769,304	115,159	26,481,383	211,511,048	15,248,308
2003	126,369,972	136,174	23,249,396	217,240,054	15,362,510
2004	136,043,109	109,825	16,401,649	220,482,256	15,428,592
2005	140,714,781	176,547	15,762,905	205,611,215	15,052,845
2006	145,344,201	131,480	18,297,921	203,190,744	15,363,616
2007	149,173,423	135,887	22,953,659	213,802,536	16,312,320
2008	133,289,728	139,389	17,848,888	242,469,553	17,199,385
2009	147,511,908	127,262	14,889,248	235,518,915	16,475,595
2010	148,643,811	127,639	11,366,549	222,827,905	17,442,431

Source: The District's Governmental Funds Statements of Revenues, Expenditures, and Changes in Fund Balances and Notes to Financial Statements.

	Other	Federal Programs	Total
\$	40,687,572	\$ 67,754,208	\$ 492,845,326
	43,215,196	80,742,487	500,082,885
	52,047,371	86,820,813	521,226,290
	42,444,302	90,544,409	521,454,142
	38,723,469	95,741,673	511,783,435
	36,708,914	101,222,927	520,259,803
	36,717,144	99,453,538	538,548,507
	36,283,652	93,087,921	540,318,516
	29,412,141	105,206,258	549,141,327
	20,251,727	154,515,658	575,175,720

SAN ANTONIO INDEPENDENT SCHOOL DISTRICT  
GOVERNMENTAL FUND EXPENDITURES BY FUNCTION

LAST TEN YEARS

(Unaudited)

Fiscal Year	Instruction and Instructional - Related Services	Instructional and School Leadership	Support Services - Student (Pupil)	Administrative Support Services	Support Services - Nonstudent Based	Ancillary Services
2001	\$ 265,110,831	\$ 28,226,648	\$ 58,919,274	\$ 9,679,020	\$ 40,667,793	\$ 5,155,459
2002	273,365,548	31,031,635	65,098,443	10,269,632	43,295,188	5,512,485
2003	297,205,863	35,091,732	69,536,027	12,628,193	52,499,053	6,434,838
2004	289,338,672	36,796,350	71,232,622	12,999,150	49,582,598	6,050,665
2005	299,160,430	36,219,751	71,336,571	12,285,457	52,439,772	5,622,886
2006	297,544,705	36,748,480	73,111,262	12,696,456	54,286,428	5,558,521
2007	299,144,160	37,618,412	75,248,803	12,629,193	55,207,637	6,419,496
2008	302,020,522	39,067,896	83,213,163	11,937,961	56,141,561	6,099,706
2009	302,949,067	37,306,244	75,942,896	13,429,287	56,414,647	5,810,421
2010	322,328,306	38,857,678	80,512,249	12,688,873	62,563,435	6,130,510

Source: The District's CAFR - Governmental Funds Statements of Revenues, Expenditures, and Changes in Fund Balances.

Note: Operating expenditures used to compute the debt service ratio excludes debt service expenditures and total Capital Outlay of \$13,981,223, which is the total recorded as "Capital Outlay" and "Capital Outlay Excluded from Capital Outlay Function."

	Debt Service Principal	Debt Service Interest and Other	Capital Outlay	Inter- governmental Charges	Total Governmental Fund Expenditures	Capital Outlay Excluded from Capital Outlay Function	Ratio of Debt Service to Noncapital Expenditures
\$	14,338,637	\$ 27,447,381	\$ 126,767,397	\$ 182,251	\$ 576,494,691	\$ -	10.24%
	12,737,846	29,409,437	118,784,230	1,359,705	590,864,149	-	9.80%
	12,255,000	29,316,337	57,483,195	1,472,583	573,922,821	-	8.75%
	12,830,000	28,682,361	88,440,217	1,205,314	597,157,949	447,411	8.89%
	13,970,000	28,242,518	85,906,355	990,471	606,174,211	-	8.83%
	14,410,000	25,998,180	36,038,483	751,791	557,144,306	100,666	8.41%
	15,300,000	24,707,472	26,799,410	92,250	553,166,833	1,483,159	8.25%
	16,742,000	24,279,117	26,118,376	925,170	566,545,472	7,798,661	8.34%
	17,495,000	23,411,807	9,377,907	943,936	543,081,212	3,507,937	8.36%
	14,679,382	27,434,697	11,218,928	1,138,138	577,552,196	2,762,295	8.08%

SAN ANTONIO INDEPENDENT SCHOOL DISTRICT  
GOVERNMENTAL FUNDS OTHER SOURCES, USES  
AND CHANGES IN FUND BALANCES

LAST TEN YEARS

(Unaudited)

	2001	2002	2003	2004
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ (83,649,365)	\$ (90,781,264)	\$ (52,696,531)	\$ (75,703,807)
Other Financing Sources (Uses)				
Refunding Bonds Issued	124,518,997	-	-	-
Capital-Related Debt Issued	126,500,000	-	-	-
Refunding Bonds Premium	-	-	-	-
Sale of Real and Personal Property	-	51,700	65,566	241,000
Transfers In	2,225,864	1,240,280	4,543,818	1,240,994
Transfers Out	(2,225,864)	(1,240,280)	(4,543,818)	(1,240,994)
Payment to Refunded Bond Escrow Agent	(122,746,572)	-	-	-
Total Other Financing Sources (Uses)	<u>128,272,425</u>	<u>51,700</u>	<u>65,566</u>	<u>241,000</u>
Special Item -- Proceeds from Ins. Settlement	-	-	725,000	-
Total Special Items	<u>-</u>	<u>-</u>	<u>725,000</u>	<u>-</u>
Net Change in Fund Balances	<u>\$ 44,623,060</u>	<u>\$ (90,729,564)</u>	<u>\$ (51,905,965)</u>	<u>\$ (75,462,807)</u>

Source: The District's Governmental Funds Statements of Revenues, Expenditures, and Changes in Fund Balances.

	2005	2006	2007	2008	2009	2010
\$	(94,390,776)	\$ (36,884,503)	\$ (14,618,326)	\$ (26,226,956)	6,060,115	\$ (2,376,476)
	306,880,000	-	47,609,988	-	-	-
	-	-	-	6,747,000	-	-
	24,914,380	-	1,600,350	-	-	-
	-	191,772	4,133,601	73,395	744,372	89,549
	1,268,055	1,210,891	1,209,894	6,733,071	2,869,858	2,975,700
	(1,268,055)	(1,210,891)	(1,209,894)	(6,733,071)	(2,869,858)	(8,285,700)
	(328,024,623)	-	(49,574,704)	-	-	-
	<u>3,769,757</u>	<u>191,772</u>	<u>3,769,235</u>	<u>6,820,395</u>	<u>744,372</u>	<u>(5,220,451)</u>
	-	-	-	-	-	-
	-	-	-	-	-	-
\$	<u>(90,621,019)</u>	<u>(36,692,731)</u>	<u>(10,849,091)</u>	<u>(19,406,561)</u>	<u>6,804,487</u>	<u>(7,596,927)</u>

SAN ANTONIO INDEPENDENT SCHOOL DISTRICT  
GOVERNMENTAL FUND EXPENDITURES BY FUNCTION  
PER AVERAGE DAILY ATTENDANCE

LAST TEN YEARS

(Unaudited)

Fiscal Year	Average Daily Attendance**	Instruction and Instructional - Related Services	Instructional and School Leadership	Support Services - Student (Pupil)	Administrative Support Services	Support Services - Nonstudent Based
2001	\$ 53,545	\$ 4,951	\$ 527	\$ 1,100	\$ 181	\$ 760
2002	53,948	5,067	575	1,207	190	803
2003	53,475	5,558	656	1,300	236	982
2004	53,371	5,421	689	1,335	244	929
2005	53,011	5,643	683	1,346	232	989
2006	52,841	5,631	695	1,384	240	1,027
2007	51,698	5,786	728	1,456	244	1,068
2008	50,488	5,982	774	1,648	236	1,112
2009	50,740	5,971	735	1,497	265	1,112
2010	48,830	6,601	796	1,649	260	1,281

Source: Average Daily Attendance provided by the District's PEIMS and Data Services Office. Function expenditures are from the Governmental Funds Statements of Revenues, Expenditures, and Changes in Fund Balances.

\*\* Average Daily Attendance - the average daily attendance of eligible enrollees, district-wide, over the official number of instructional days.



Ancillary Services	Debt Service Principal	Debt Service Interest and Other	Capital Outlay	Inter-governmental Charges	Total
\$ 96	\$ 268	\$ 513	\$ 2,367	\$ 3	\$ 10,767
102	236	545	2,202	25	10,952
120	229	548	1,075	28	10,733
113	240	537	1,657	23	11,189
106	264	533	1,621	19	11,435
105	273	492	682	14	10,544
124	296	478	518	2	10,700
121	332	481	517	18	11,221
115	345	461	185	19	10,704
126	301	562	230	23	11,828

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## **Revenue Capacity Information**

SAN ANTONIO INDEPENDENT SCHOOL DISTRICT  
 ASSESSED AND ESTIMATED ACTUAL VALUE OF PROPERTY

LAST TEN YEARS

(Unaudited)

Fiscal Year	Assessed Value			Estimated Actual Value	Ratio of Total Assessed To Total Estimated Actual Value	Total Direct Tax Rate *
	Real Property	Personal Property	Total			
2001	\$ 5,301,308,124	\$ 1,866,359,166	\$ 7,167,667,290	\$ 7,805,865,993	91.82%	1.7220
2002	5,606,400,965	1,965,866,699	7,572,267,664	8,234,441,697	91.96%	1.7220
2003	5,723,686,993	2,118,450,750	7,842,137,743	8,741,705,610	89.71%	1.7220
2004	6,351,572,709	2,084,111,037	8,435,683,746	8,989,871,413	93.84%	1.7220
2005	6,904,389,134	1,741,452,122	8,645,841,256	9,710,458,681	89.04%	1.7220
2006	7,283,905,791	1,775,215,008	9,059,120,799	10,056,505,109	90.08%	1.7200
2007	7,795,370,327	1,709,628,723	9,504,999,050	11,050,415,927	86.01%	1.5797
2008	9,443,048,776	1,287,688,470	10,730,737,246	12,254,850,384	87.56%	1.2497
2009	11,195,493,370	1,528,222,673	12,723,716,043	15,537,789,879	81.89%	1.2497
2010	11,409,672,835	1,473,173,842	12,882,846,677	15,939,569,943	80.82%	1.2497

Source: Bexar County Tax Assessor/Collector

\* Per \$100 of assessed value

SAN ANTONIO INDEPENDENT SCHOOL DISTRICT  
PROPERTY TAX LEVIES AND COLLECTIONS

LAST TEN YEARS

(Unaudited)

Fiscal Year	Total Tax Levy	Current Tax Collections	Percent of Current Taxes Collected	Delinquent Tax Collections	Total Tax Collections	Ratio of Total Tax Collections to Total Tax Levy	Outstanding Delinquent Taxes	Ratio of Delinquent Taxes to Total Tax Levy
2001	\$ 117,503,204	\$ 112,963,936	96.14%	\$ 2,629,312	\$ 115,593,248	98.37%	\$ 13,626,194	11.60%
2002	124,055,206	119,359,340	96.21%	3,409,964	122,769,304	98.96%	14,579,249	11.75%
2003	127,712,308	122,364,379	95.81%	4,005,593	126,369,972	98.95%	15,088,548	11.81%
2004	137,371,510	132,037,694	96.12%	4,005,415	136,043,109	99.03%	15,629,478	11.38%
2005	140,886,126	135,771,753	96.37%	4,943,028	140,714,781	99.88%	15,020,486	10.66%
2006	146,714,088	141,702,418	96.58%	3,641,702	145,344,200	99.07%	15,281,399	10.42%
2007	150,150,470	144,883,356	96.49%	4,290,067	149,173,423	99.35%	13,430,647	8.94%
2008	134,230,767	129,497,119	96.47%	3,685,943	133,183,062	99.22%	12,888,418	9.60%
2009	150,148,483	144,712,290	96.38%	2,979,513	147,691,803	98.36%	13,247,037	8.82%
2010	152,838,516	146,002,243	95.53%	2,206,170	148,208,413	96.97%	14,699,924	9.62%

Source: Bexar County Tax Assessor/Collector and the District's Exhibit J-1.

Note: The tax levy shown above is the adjusted tax levy as of the fiscal year end.

SAN ANTONIO INDEPENDENT SCHOOL DISTRICT  
ALLOCATION OF PROPERTY TAX RATES AND LEVIES

LAST TEN YEARS

(Unaudited)

Fiscal Year	Tax Rates (Per \$100 of Assessed Value)			Tax Levies		
	General Fund	Debt Service Fund	Total	General Fund	Debt Service Fund	Original Levy Total
2001	\$ 1.50000	\$ 0.22200	\$ 1.72200	\$ 102,354,691	\$ 15,148,513	\$ 117,503,204
2002	1.50000	0.22200	1.72200	108,062,009	15,993,197	124,055,206
2003	1.50000	0.22200	1.72200	111,247,637	16,464,671	127,712,308
2004	1.50000	0.22200	1.72200	119,661,575	17,709,935	137,371,510
2005	1.50000	0.22200	1.72200	122,723,087	18,163,039	140,886,126
2006	1.50000	0.22000	1.72000	127,948,262	18,765,745	146,714,008
2007	1.37000	0.20970	1.57970	130,218,487	19,931,983	150,150,470
2008	1.04000	0.20970	1.24970	111,706,808	22,523,959	134,230,767
2009	1.04000	0.20970	1.24970	124,953,568	25,194,915	150,148,483
2010	1.04000	0.20970	1.24970	127,192,213	25,646,303	152,838,516

Source: Bexar County Tax Assessor/Collector October 1 Tax Roll.

Note: The basis for the property tax rate is per \$100 of assessed valuation.

SAN ANTONIO INDEPENDENT SCHOOL DISTRICT  
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS  
(PER \$100 ASSESSED VALUATION)

LAST TEN YEARS

(Unaudited)

Fiscal Year	Tax Year	Direct Tax Rate	Overlapping Tax Rates					Total Direct and Overlapping Tax Rate
		San Antonio Independent School District	City of San Antonio	Bexar County	Alamo Community College District	City of Balcones Heights	University Health System	
2001	2000	\$ 1.72200	\$ 0.57979	\$ 0.33945	\$ 0.10690	\$ 0.46934	\$ 0.24387	\$ 3.46135
2002	2001	1.72200	0.57854	0.32076	0.10460	0.46941	0.24387	3.43918
2003	2002	1.72200	0.57850	0.31760	0.10710	0.55190	0.24390	3.52100
2004	2003	1.72200	0.57854	0.32095	0.10705	0.56357	0.24387	3.53598
2005	2004	1.72200	0.57854	0.31847	0.10705	0.52703	0.24387	3.49696
2006	2005	1.72000	0.57854	0.31847	0.10705	0.55850	0.24387	3.52643
2007	2006	1.57970	0.57854	0.31415	0.13705	0.53240	0.24387	3.38571
2008	2007	1.24970	0.57230	0.32687	0.13455	0.49836	0.23741	3.01918
2009	2008	1.24970	0.56714	0.28940	0.135855	0.49073	0.26102	2.99385
2010	2009	1.24970	0.56569	0.296187	0.141623	0.558843	0.276235	3.08828

Source: Bexar County Tax Assessor/Collector.

Note: The District was subject to a maximum Maintenance & Operations tax rate of \$1.50 for each of the prior six years presented, \$1.37 for tax year 2006, and \$1.04 for tax years 2007, 2008 and 2009 (per \$100 of assessed valuation).

SAN ANTONIO INDEPENDENT SCHOOL DISTRICT  
PRINCIPAL PROPERTY TAXPAYERS

CURRENT YEAR AND NINE YEARS PRIOR

(Unaudited)

Taxpayer	Type of Business	Fiscal Year 2010	
		Tax Year 2009 Assessed Valuation	Percentage of Total Assessed Valuation
HEB Grocery Company LP	Grocery	\$ 198,452,931	1.25%
Southwestern Bell Telephone	Telephone Utility	170,521,690	1.08%
Marriott Hotel Prop II Ltd	Hotel	164,490,480	1.04%
Hotel Investments	Hotel	150,689,600	0.95%
Hyatt Regency Hotel	Hotel	96,851,767	0.61%
New Rivercenter Mall	Shopping Center	89,087,738	0.56%
VHS San Antonio Partners LP	Medical	78,981,520	0.50%
Palacio Del Rio Inc.	Hotel	78,450,360	0.50%
Silver Rio Ltd Partnerhsip	Hotel	77,405,361	0.49%
Frost National Bank	Banking	73,240,420	0.46%
Methodist Healthcare System SA	Medical	69,663,446	0.44%
HMH Rivers Inc.	Land/Improvements	66,000,000	0.42%
Brass Centerview Holdings LLC	Real Estate	59,842,500	0.38%
Santa Clara Land Co. LTD	Real Estate	55,583,830	0.35%
Bre/LQ TX Properties LP	Hotel	54,739,400	0.35%
Koger Equity	Real Estate	-	-
Keystone - TX Property Corp.	Manufacturer	-	-
Lowes Properties	Real Estate	-	-
Express News Corporation	Commercial	-	-
AT & T	Telephone Utility	-	-
Totals		\$ 1,484,001,043	9.38%

Source: Bexar County Appraisal District.



Fiscal Year 2001

	Tax Year 2000 Assessed Valuation	Percentage of Total Assessed Valuation
\$	79,917,330	1.11%
	212,455,280	2.96%
	111,639,710	1.56%
	-	-
	54,003,530	0.75%
	-	-
	-	-
	-	-
	-	-
	-	-
	-	-
	-	-
	48,011,320	0.67%
	-	-
	71,453,550	1.00%
	68,950,400	0.96%
	61,205,940	0.85%
	46,913,020	0.65%
	45,927,930	0.64%
\$	800,478,010	11.17%

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## **Debt Capacity Information**

SAN ANTONIO INDEPENDENT SCHOOL DISTRICT  
OUTSTANDING DEBT BY TYPE

LAST TEN YEARS

(Unaudited)

Fiscal Year	General Obligation Bonds	Refunding Bonds	Lease Revenue Bonds	Maintenance Tax Notes
2001	\$ 453,545,000	\$ 109,135,000	\$ 9,560,000	\$ -
2002	443,320,000	108,425,000	8,820,000	-
2003	432,795,000	107,475,000	8,040,000	-
2004	421,770,000	106,490,000	7,220,000	-
2005	100,085,000	411,805,000	6,355,000	-
2006	88,005,000	410,390,000	5,440,000	-
2007	27,700,000	456,040,000	4,475,000	-
2008	14,360,000	454,375,000	3,455,000	6,030,000
2009	6,475,000	446,515,000	2,370,000	5,365,000
2010	2,880,000	441,445,000	-	4,675,000

Source: Debt information was obtained from the District's CAFR for the respective year.

\* Note: See Estimated Actual Property Value and Average Daily Membership amounts in Demographic and Economic Information Schedule in Demographic and Economic Information section of this report.

<u>Capital Appreciation Bonds</u>	<u>Total Debt</u>	<u>* Debt to Estimated Actual Property Value</u>	<u>* Total Debt Per Average Daily Membership</u>
\$ 4,697,202	\$ 576,937,202	7.39%	\$ 10,197
4,697,202	565,262,202	6.86%	9,944
4,697,202	553,007,202	6.33%	9,804
7,294,573	542,774,573	6.04%	9,647
7,294,573	525,539,573	5.41%	9,372
7,294,573	511,129,573	5.08%	9,154
7,614,561	495,829,561	4.49%	9,055
7,614,561	485,834,561	3.96%	9,094
7,614,561	468,339,561	3.01%	8,698
4,660,179	453,660,179	2.85%	8,708

SAN ANTONIO INDEPENDENT SCHOOL DISTRICT  
DIRECT AND OVERLAPPING DEBT  
GENERAL OBLIGATION BONDS

As of August 31, 2010

(Unaudited)

Taxing Body	Net Debt Obligation	As of	Estimated Overlapping	
			Percentage	Amount
Alamo Community College District	\$ 524,153,258	11/30/2009	11.49%	\$ 60,225,209
Balcones Heights, City of	990,757	9/30/2008	40.01%	396,402
Bexar County	348,168,605	9/30/2008	12.89%	44,878,933
Bexar County Hospital District	551,910,000	2/28/2010	12.89%	71,141,199
Olmos Park, City of	4,625,000	2/28/2010	100.00%	4,625,000
San Antonio River Authority	42,015,000	2/28/2010	12.64%	5,310,696
San Antonio, City of	1,099,430,000	2/28/2010	18.30%	201,195,690
				\$ 387,773,129
San Antonio Independent School District		8/31/2010		419,998,621
		Total Direct and Overlapping Debt		\$ 807,771,750

Source: The Texas Municipal Report from the Municipal Advisory Council of Texas.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the district. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the district. This process recognizes that, when considering the district's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

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SAN ANTONIO INDEPENDENT SCHOOL DISTRICT  
COMPUTATION OF LEGAL DEBT MARGIN

Last Ten Years

(Unaudited)

	2001	2002	2003	2004
Assessed Valuation	\$ 7,167,667,290	\$ 7,572,267,664	\$ 7,842,137,743	\$ 8,435,683,746
Debt Limit - 10% of Assessed Valuation	\$ 716,766,729	\$ 757,226,766	\$ 784,213,774	\$ 843,568,375
General Obligation Bonds	576,937,202	565,475,400	553,451,793	550,465,327
Deduct Amount Available in Debt Service Fund	12,251,314	17,097,783	19,529,061	24,812,020
Applicable Debt	564,685,888	548,377,617	533,922,732	525,653,307
Legal Debt Margin	\$ 152,080,841	\$ 208,849,149	\$ 250,291,042	\$ 317,915,068
Debt Margin as a Percentage of the Debt Limit	21.22%	27.58%	31.92%	37.69%

Source: The District's CAFR, as follows: Assessed Valuation (Exhibit J-1); General Obligation Bonds (Notes to Financial Statements); and Debt Service Fund, Amount Available in Debt Service Fund (Exhibit C-1)

Note: Texas statutes do not prescribe a debt limit; however, by custom, a practical economic debt limit of 10% of the assessed valuation is used.



2005	2006	2007	2008	2009	2010
\$ 8,645,841,256	\$ 9,059,120,799	\$ 9,504,999,050	\$ 10,730,737,246	\$ 12,723,716,043	\$ 12,882,846,677
\$ 864,584,126	\$ 905,912,080	\$ 950,499,905	\$ 1,073,073,725	\$ 1,272,371,604	\$ 1,288,284,668
533,936,918	520,266,927	507,228,353	492,096,862	476,202,452	458,432,024
29,469,113	32,400,335	37,054,721	40,778,817	43,055,983	38,433,403
504,467,805	487,866,592	470,173,632	451,318,045	433,146,469	419,998,621
\$ 360,116,321	\$ 418,045,488	\$ 480,326,273	\$ 621,755,680	\$ 839,225,135	\$ 868,286,047
41.65%	46.15%	50.53%	57.94%	65.96%	67.40%

SAN ANTONIO INDEPENDENT SCHOOL DISTRICT  
RATIO OF NET GENERAL OBLIGATION BONDED DEBT  
TO ESTIMATED ACTUAL VALUE AND  
PER AVERAGE DAILY MEMBERSHIP

LAST TEN YEARS

(Unaudited)

Fiscal Year	Average Daily Membership	Estimated Actual Property Value	Net Bonded Debt	Ratio of Net Bonded Debt to Estimated Actual Property Value	Net Bonded Debt Per Average Daily Membership
2001	56,577	\$ 7,805,865,993	\$ 564,685,888	7.23%	\$ 9,981
2002	56,842	8,234,441,697	548,377,617	6.66%	9,647
2003	56,409	8,741,705,610	533,922,732	6.11%	9,465
2004	56,264	8,989,871,413	525,653,307	5.85%	9,343
2005	56,075	9,710,458,681	504,467,805	5.20%	8,996
2006	55,837	10,056,505,109	487,866,593	4.85%	8,737
2007	54,759	11,050,415,927	470,173,632	4.25%	8,586
2008	53,422	12,254,850,384	451,318,045	3.68%	8,448
2009	53,844	15,537,789,879	433,146,469	2.79%	8,044
2010	52,096	15,939,569,943	419,998,621	2.63%	8,062

Source: Average Daily Membership provided by the District's PEIMS and Data Service Office. Estimated Actual Value obtained from the Bexar County Tax Assessor/Collector.

Note (1): Average Daily Membership represents the average daily enrollment of students , district-wide, over the official number of instructional days.

Note (2): Estimated actual property value and average daily membership are used because they are more relevant to the school district than personal income and population.

SAN ANTONIO INDEPENDENT SCHOOL DISTRICT  
 RATIO OF ANNUAL DEBT SERVICE FOR GENERAL BONDED DEBT  
 TO TOTAL GENERAL FUND EXPENDITURES

LAST TEN YEARS

(Unaudited)

Fiscal Year	Principal	Interest*	Total Debt Service	Total General Fund Expenditures	Ratio of Debt Service To General Fund Expenditures
2001	\$ 13,320,000	\$ 27,355,416	\$ 40,675,416	\$ 348,770,439	11.66%
2002	11,675,000	29,363,310	41,038,310	363,377,533	11.29%
2003	12,255,000	29,318,316	41,573,316	391,614,126	10.62%
2004	12,830,000	28,682,361	41,512,361	391,421,137	10.61%
2005	13,970,000	28,242,518	42,212,518	394,708,294	10.69%
2006	14,410,000	25,998,180	40,408,180	394,801,358	10.24%
2007	15,300,000	24,182,876	39,482,876	399,043,112	9.89%
2008	16,742,000	24,247,792	40,989,792	415,420,173	9.87%
2009	17,495,000	23,398,466	40,893,466	374,987,551	10.91%
2010	14,679,382	27,398,868	42,078,250	373,143,859	11.28%

Source: The District's Comprehensive Annual Financial Report.

\* Excludes other fees.

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## **Demographic and Economic Information**

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SAN ANTONIO INDEPENDENT SCHOOL DISTRICT  
DEMOGRAPHIC AND ECONOMIC STATISTICS

LAST TEN YEARS

(Unaudited)

Fiscal Year	Population	Personal Income	Per Capita Income	Unemployment Rate	Estimated Actual Property Value	Average Daily Membership
2001	*	*	*	4.0%	\$ 7,805,865,993	56,577
2002	*	*	*	4.6%	8,234,441,697	56,842
2003	*	*	*	5.7%	8,741,705,610	56,409
2004	*	*	*	6.1%	8,989,871,413	56,264
2005	*	*	*	5.6%	9,710,458,681	56,075
2006	292,768	3,810,749,200	13,016	5.0%	10,056,505,109	55,837
2007	322,114	4,218,109,100	13,095	4.6%	11,050,415,927	54,759
2008	313,001	4,361,370,300	13,934	4.1%	12,254,850,384	53,422
2009	297,421	4,449,364,800	14,960	4.7%	15,537,789,879	53,844
2010	321,367	4,715,100,400	14,672	6.7%	15,939,569,943	52,096

Source: Population, Personal Income, and Per Capita Income obtained from U.S. Census Bureau's American Community Survey for 2006-2010.

Unemployment Rate obtained from U.S. Department of Labor Bureau of Statistics.

Estimated Actual Value of Property obtained from Bexar County Tax Assessor/ Collector.

Average Daily Membership obtained from the District's PEIMS & Data Services Office.

\* Note: Census information before 2006 was not available for San Antonio Independent School District.

SAN ANTONIO INDEPENDENT SCHOOL DISTRICT  
 PRINCIPAL EMPLOYERS  
 CURRENT YEAR AND FOUR YEARS PRIOR

(Unaudited)

Employer	2010	
	Employees	Percentage of Total Employment
Fort Sam Houston	30,793	3.70%
Lackland Air Force Base	28,100	3.38%
USAA	14,852	1.78%
H.E.B. Food Stores	14,588	1.75%
Northside I.S.D.	12,597	1.51%
Randolph Air Force Base	10,700	1.29%
North East I.S.D.	10,223	1.23%
City of San Antonio	9,000	1.08%
San Antonio I.S.D.	7,581	0.91%
Methodist Healthcare System	7,013	0.84%
U.S. Air Force (Lackland & Randolph)	-	-
Alamo Community College District	2,678	0.32%
AT&T	5,000	0.60%
	<u>153,125</u>	
Total Employment	<u>832,400</u>	

Source: Employment information obtained from the San Antonio Economic Development Foundation Website  
 Total employment for 2010 obtained from the Texas Workforce Commission's Tracer web site. Employment information  
 for 2006 obtained from the fiscal year 2006 CAFR.

Note: Employer information from nine years prior was not available; therefore, information from 2006, the earliest year  
 available, is used.



2006

<u>Employees</u>	<u>Percentage of Total Employment</u>
35,527	4.05%
-	-
13,965	1.59%
14,588	1.67%
10,320	1.18%
-	-
7,574	0.86%
-	-
7,685	0.88%
7,027	0.80%
53,928	6.16%
7,200	0.82%
6,500	0.74%
<u>164,314</u>	
<u>876,147</u>	

SAN ANTONIO INDEPENDENT SCHOOL DISTRICT  
CONSTRUCTION AND PROPERTY VALUES

LAST TEN YEARS

(Unaudited)

Fiscal Year	CONSTRUCTION PERMITS (1)		Estimated Actual Property Value
	Number of Permits	Construction Value	
2001	19,330	\$ 1,433,102,000	\$ 7,805,865,993
2002	18,379	1,675,847,000	8,234,441,697
2003	23,556	1,544,384,000	8,741,705,610
2004	22,328	1,377,758,000	8,989,871,413
2005	25,473	2,192,936,517	9,710,458,681
2006	27,821	2,587,528,154	10,056,505,109
2007	17,566	2,665,069,000	11,050,415,927
2008	19,230	3,206,440,355	12,254,850,384
2009	14,313	2,728,389,322	15,537,789,879
2010	13,857	2,017,556,180	15,939,569,943

(1) City of San Antonio Development Services Department

## **Operating Information**

SAN ANTONIO INDEPENDENT SCHOOL DISTRICT  
WORK FORCE COMPOSITION BY EMPLOYEE CLASSIFICATION

LAST TEN YEARS

(Unaudited)

Classification	2001	2002	2003	2004
<b>Number of Employees</b>				
Teachers	3,560	3,659	3,636	3,527
Professional Support	625	659	756	801
Campus Administration	167	181	182	176
Central Administration	43	54	52	53
Educational Aides	713	764	787	877
Auxiliary Staff	2,224	2,207	2,337	2,232
Total Employees	7,332	7,524	7,750	7,666
<b>Percent of Total</b>				
Teachers	48.55%	48.63%	46.92%	46.01%
Professional Support	8.52%	8.76%	9.75%	10.45%
Campus Administration	2.28%	2.41%	2.35%	2.30%
Central Administration	0.59%	0.72%	0.67%	0.69%
Educational Aides	9.72%	10.15%	10.15%	11.44%
Auxiliary Staff	30.33%	29.33%	30.15%	29.12%
	100.00%	100.00%	100.00%	100.00%

Source: Texas Education Public Education Information System Report

2005	2006	2007	2008	2009	2010
3,517	3,516	3,494	3,388	3,321	3,437
800	795	798	799	772	807
173	179	179	174	172	178
67	66	67	70	65	69
895	951	943	916	856	899
2,248	2,271	2,279	2,218	2,153	2,243
7,700	7,778	7,760	7,565	7,339	7,633
45.68%	45.20%	45.03%	44.79%	45.25%	45.03%
10.39%	10.22%	10.28%	10.56%	10.52%	10.58%
2.25%	2.30%	2.31%	2.30%	2.34%	2.33%
0.87%	0.85%	0.86%	0.93%	0.89%	0.90%
11.62%	12.23%	12.15%	12.11%	11.66%	11.77%
29.19%	29.20%	29.37%	29.32%	29.34%	29.39%
100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

SAN ANTONIO INDEPENDENT SCHOOL DISTRICT  
SCHEDULE OF TEACHER INFORMATION

LAST TEN YEARS

(Unaudited)

Fiscal Year	State Min-Max Salaries	Average Teacher Salary	Average Years of Experience	Bachelor's Education	Master's Education
2001	\$24,240 - \$40,800	\$44,767	15.3	57.7%	41.9%
2002	\$24,240 - \$40,800	\$45,504	14.7	58.9%	40.5%
2003	\$24,240 - \$40,800	\$46,274	14.6	59.6%	40.0%
2004	\$24,240 - \$40,800	\$46,224	14.5	59.8%	39.8%
2005	\$24,240 - \$40,800	\$46,927	14.0	61.1%	38.5%
2006	\$24,820 - \$41,770	\$46,567	13.6	61.7%	37.9%
2007	\$27,320 - \$44,270	\$49,273	13.3	62.1%	37.4%
2008	\$27,320 - \$44,270	\$49,376	13.6	62.3%	37.3%
2009	\$27,320 - \$44,270	\$48,620	13.3	63.8%	35.6%
2010	\$27,320 - \$44,270	\$50,045	12.6	65.4%	34.0%

Source: Academic Excellence Indicator System (AEIS)

SAN ANTONIO INDEPENDENT SCHOOL DISTRICT  
SCHEDULE OF STUDENT ATTENDANCE AND MEMBERSHIP

LAST TEN YEARS

(Unaudited)

Fiscal Year	Average Daily Attendance	Change	Average Daily Membership	Change	Percentage of Attendance
2001	53,545	-0.17%	56,577	0.15%	94.64%
2002	53,948	0.75%	56,842	0.47%	94.91%
2003	53,475	-0.88%	56,409	-0.76%	94.80%
2004	53,371	-0.19%	56,264	-0.26%	94.86%
2005	53,001	-0.69%	56,075	-0.34%	94.52%
2006	52,877	-0.23%	55,837	-0.42%	94.70%
2007	51,698	-2.23%	54,759	-1.93%	94.50%
2008	50,488	-2.34%	53,422	-2.44%	94.60%
2009	50,740	0.50%	53,844	0.79%	94.30%
2010	48,830	-3.77%	52,096	-3.25%	93.60%

Source: The District's PEIMS & Data Services Office.

SAN ANTONIO INDEPENDENT SCHOOL DISTRICT  
OPERATING STATISTICS

LAST TEN YEARS

(Unaudited)

Fiscal Year	Average Daily Attendance	General Fund Operating Expenditures	Cost Per Pupil	Percent Change	Operating Expenses	Cost Per Pupil	Percent Change
2001	53,545	\$ 347,454,813	\$ 6,489	1.10%	\$ NA	\$ NA	NA
2002	53,948	361,768,664	6,706	3.34%	436,900,931	8,099	NA
2003	53,475	390,271,437	7,298	8.83%	490,345,447	9,170	13.23%
2004	53,371	390,439,369	7,316	0.24%	482,177,761	9,034	-1.47%
2005	53,035	394,352,360	7,440	1.71%	490,528,850	9,255	2.44%
2006	52,877	394,636,738	7,468	0.38%	501,219,430	9,485	2.49%
2007	51,698	398,738,005	7,713	3.18%	502,622,492	9,722	2.50%
2008	50,488	413,671,405	8,193	6.23%	509,505,612	10,092	3.80%
2009	50,740	373,883,045	7,369	-10.06%	509,057,321	10,033	-0.59%
2010	48,830	369,050,885	7,558	2.57%	539,399,326	11,047	10.11%

Source: Average Daily Attendance obtained from the District's PEIMS and Data Services Office. Operating Expenditures and Expenses obtained from the District's CAFR for the respective year.



SAN ANTONIO INDEPENDENT SCHOOL DISTRICT  
SCHEDULE OF STUDENT INFORMATION

LAST TEN YEARS

(Unaudited)

Fiscal Year	Teacher/ Student Ratio	(1) # of Students Who Qualify for Free or Reduced Price Lunch	(1) % of Students Who Qualify for Free or Reduced Price Lunch
2001	16.1	53,479	93.40%
2002	15.7	52,975	92.30%
2003	15.7	51,586	90.40%
2004	16.1	51,115	90.00%
2005	16.1	52,553	92.90%
2006	16.0	52,007	92.18%
2007	15.8	50,598	91.50%
2008	16.2	48,302	88.30%
2009	16.4	49,113	90.30%
2010	16.2	50,986	92.60%

Source: Academic Excellence Indicator System (AEIS)

(1) Includes economically disadvantaged students coded as eligible for free or reduced-price lunch or eligible for other public assistance.

SAN ANTONIO INDEPENDENT SCHOOL DISTRICT  
SCHEDULE OF SCHOOL BUILDINGS

(Unaudited)

	Estimated Square Footage	Core Student Capacity	<b>ELEMENTARY, PK8 and ECEC SCHOOLS</b>	Estimated Square Footage	Core Student Capacity
<b>HIGH SCHOOLS</b>					
Brackenridge	325,072.00	1,870	Arnold	50,588	726
Burbank	296,328.00	1,976	Austin	48,296	462
Edison	279,594.00	2,040	Ball	64,351	660
Fox Tech	378,177.00	1,742	Barkley/Ruiz	62,392	616
Highlands	328,449.00	2,422	Baskin	59,955	616
Houston	299,013.00	2,040	Beacon Hill	79,411	682
Jefferson	302,452.00	2,337	Bonham	53,464	594
Lanier	353,057.00	1,848	Bowden	88,029	748
<b>TOTAL</b>	<b>2,562,142.00</b>	<b>16,275</b>	Bowie (Closed-and Leased)	57,080	506
<b>MIDDLE SCHOOLS</b>			Brackenridge ES	100,036	880
Connell	121,009	786	Brewer	72,341	770
Davis	153,035	1,296	Briscoe	62,735	726
Harris	148,978	765	Cameron	46,747	528
Irving	139,570	1,105	Carroll (Repurposed)	85,154	396
Longfellow	129,817	1,062	Carvajal (Repurposed)	54,621	682
Lowell	96,513	701	Collins Garden	81,438	836
Page	99,113	786	Cotton	70,327	572
Poe	111,184	807	Crockett	104,945	1,012
Rhodes	90,690	786	DeZavala	82,889	836
Rogers MS	105,130	977	Douglass	73,692	528
Tafolla	153,868	1,360	Fenwick	57,449	550
Twain	147,630	977	Forbes	56,794	550
Wheatley	122,273	871	Foster	67,406	792
Whittier	128,550	871	Franklin	71,677	616
<b>TOTAL</b>	<b>1,747,360</b>	<b>13,150</b>	Gates	78,346	704
<b>SPECIAL CAMPUSES</b>			Graebner	81,255	1,034
Estrada A.C.	45,838	N/A	Green	56,301	396
Gonzales, A.C.	14,828	N/A	Hawthorne	77,565	726
Navarro Academy	48,758	N/A	Herff	67,284	616
Pickett Academy	21,939	N/A	Highland Hills	74,533	924
YWLA formerly Mann	98,227	807	Highland Park	79,642	748
Travis Repurposed-College	54,862	506	Hillcrest	70,566	726
Cooper Academy	103,900	N/A	Hirsch	62,574	660
<b>TOTAL</b>	<b>388,352</b>	<b>1,313</b>	Huppertz	58,094	616
			Japhet	81,127	726
			Kelly	41,854	396
			King ES	67,014	682
			Knox (Repurposed)	41,386	484
			Lamar	53,789	440
			Madison	69,904	726
			Margil	72,795	660
			Maverick	64,345	726
			Miller	53,026	682
			Mission	140,396	836
			M.L. King	110,923	770
			Neal	66,379	836
			Nelson	62,351	704
			Ogden	72,310	770
			Pershing	59,855	594
			Pfeiffer (Closed)	55,960	506
			Riverside Park	64,980	638
			Rodriguez	49,126	484
			Rogers ES	74,354	924
			Schenck	84,856	836
			Smith	74,611	836
			Steele	56,581	572
			Stewart	61,519	770
			Storm	63,386	682
			Tynan (Repurposed)	44,795	484
			Washington	63,168	660
			Wilson	62,548	594
			Woodlawn	75,462	880
			Woodlawn Hills	61,513	704
			WW White	62,284	836
			<b>TOTAL</b>	<b>4,370,574</b>	<b>43,472</b>

Source: Facility Area Inventory Report, SAISD

Note: The information presented above are indicators of the volume and usage of the District's buildings, which are the material capital assets.

## SAN ANTONIO INDEPENDENT SCHOOL DISTRICT

### MISCELLANEOUS STATISTICS

The San Antonio Independent School District has, as a part of its efforts to serve all of its students, expanded its educational system off campus to serve specific student needs. Some off campus educational programs are staffed with District teachers and teacher assistants.

As of August 31, 2010, it included such programs as follows:

**Bexar County Juvenile Detention Center** – The site detains juvenile offenders who are waiting to be adjudicated.

**Children’s Shelter of San Antonio** – The site receives children (infant to 11 yrs old) who have been removed from their homes because they have been abused and/or neglected. The Shelter has the responsibility of finding foster families or families who wish to adopt them.

**Christus Santa Rosa Children’s Hospital** - The site provides special education and general education services to all school age children who are admitted to the hospital for at least four (4) consecutive weeks or four weeks over the school year.

**Gonzales Achievement Center** – A special campus of the District that was created to provide a safe, consistent climate within a structured program to empower students with severe behavior problems to develop the skills necessary to function successfully on a regular campus.

**Healy Murphy Center** – The site is a private, non-profit fully accredited high school, grades 9 to 12. Students choose to attend based on their need for personal academic attention and remediation in order to complete TEA requirements for graduation.

**Inman Residential Treatment** – The site provides special education and general education services to middle and high school boys while residing at the treatment center.

**Roy Maas Youth Alternative – The Bridge** – The site receives children who are placed by choice (17 to 18 yr. Olds), by local, state, and family referrals. Youth receive behavioral readjustment and social skills training.

**Seton Home for Girls** – Located within the District and receive Title 1, Part A funding to support tutoring and academic remedial efforts for children who are in residence. Girls choose to be placed because they are homeless and/or have children.

**Seidel Learning Center** – The site provides special education and related services to students while residing at the San Antonio State Hospital who are emotionally disturbed, however; a significant percentage have multiple handicaps.

**St. Peter, St. Joseph’s Home for Children** – Located within the District and receive Title 1, Part A funding to support tutoring and academic remedial efforts for children who are in residence. Children, who are placed here following their stay at the Children’s Shelter, are allowed longer residential care until foster families are found, or until they are adopted.

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# **FEDERAL AWARDS SECTION**

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# Garza/Gonzalez & Associates

CERTIFIED PUBLIC ACCOUNTANTS

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

Board of School Trustees  
San Antonio Independent School District  
San Antonio, Texas

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the San Antonio Independent School District (the District), as of and for the year ended August 31, 2010, which collectively comprise the District's basic financial statements as listed in the table of contents, and have issued our report thereon dated January 3, 2011. 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 District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the 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 combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected on a timely basis.

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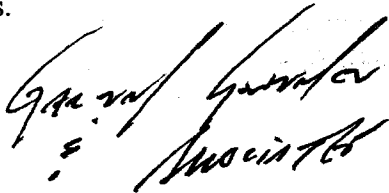
Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies 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 District's 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 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 reported to management of the District in a separate letter dated January 3, 2011.

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

A handwritten signature in cursive script, appearing to read "General Counsel".

January 3, 2011

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# Garza/Gonzalez & Associates

CERTIFIED PUBLIC ACCOUNTANTS

## INDEPENDENT AUDITOR'S 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

Board of School Trustees  
San Antonio Independent School District  
San Antonio, Texas

### Compliance

We have audited the compliance of San Antonio Independent School District (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 could have a direct and material effect on each of the District's major federal programs for the year ended August 31, 2010. The 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 District's management. 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 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 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 District's compliance with those requirements.

207 Arden Grove  
San Antonio, TX 78215  
210/227-1389  
Fax 227-0716

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In our opinion, the 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 August 31, 2010.

Internal Control Over Compliance

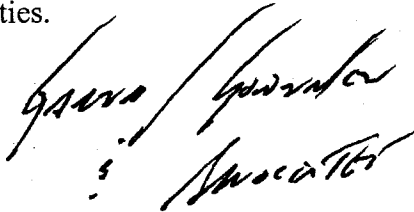
Management of the District is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the District's internal control over 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 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 over compliance 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.

We noted certain matters that we reported to management of the District in a separate letter dated January 3, 2011.

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



January 3, 2011

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SAN ANTONIO INDEPENDENT SCHOOL DISTRICT  
San Antonio, Texas

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For The Year Ended August 31, 2010

**SECTION I --- SUMMARY OF AUDITORS' RESULTS**

<i>Financial Statements</i>		
Type of auditor's report issued:	<u>Unqualified</u>	
Internal control over financial reporting: • Material weakness(es) identified?	<u>    </u> Yes	<u>  X  </u> No
• Significant deficiency(ies) identified not considered to be material weaknesses?	<u>    </u> Yes	<u>  X  </u> None Reported
Noncompliance material to financial statements noted?	<u>    </u> Yes	<u>  X  </u> No

<i>Federal Awards</i>		
Internal control over major programs: • Material weakness(es) identified?	<u>    </u> Yes	<u>  X  </u> No
• Significant deficiency(ies) identified not considered to be material weaknesses?	<u>    </u> Yes	<u>  X  </u> None Reported
Type of auditor's report issued on compliance for major programs	Unqualified	
Any audit findings disclosed that are required to be reported in accordance with Circular A-133, Section. 510(a)?	<u>    </u> Yes	<u>  X  </u> No

(Continued)

SAN ANTONIO INDEPENDENT SCHOOL DISTRICT  
San Antonio, Texas

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For The Year Ended August 31, 2010

<i>Identification of Major Programs</i>	
CFDA Numbers(s)	Name of Federal Program or Cluster
84.010A 84.010A 84.010A 84.389A 84.389A 84.389A	Title I, Part A Cluster: Title I, Part A – Improving Basic Programs Title I, Part D – Subpart 2 – Delinquent Programs Title I – School Improvement Program ARRA – Title I, Part A – Improving Basic Programs ARRA – Title I, Part D – Subpart 2 – Delinquent Programs ARRA – Title I – School Improvement Program
84.027A 84.027A 84.173A 84.391A 84.392A	Special Education Cluster (IDEA): IDEA-B Discretionary – (RF Tracker) IDEA-B Formula IDEA-B Preschool ARRA – IDEA-B Formula ARRA – IDEA-B Preschool
93.600 93.708	Headstart Cluster: Headstart ARRA - Headstart
84.394A	ARRA – Title XIV, State Fiscal Stabilization Fund
84.334	GEAR UP Project
Dollar threshold used to distinguish between Type A and Type B programs:	\$3,000,000
Auditee qualified as low-risk auditee?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No



SAN ANTONIO INDEPENDENT SCHOOL DISTRICT  
San Antonio, Texas

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For The Year Ended August 31, 2010

**SECTION II --- FINANCIAL STATEMENT FINDINGS**

There were no financial statement findings required to be reported in accordance with *Government Auditing Standards*.

**SECTION III --- FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

There were no federal award findings and questioned costs required to be reported by OMB Circular A-133, Section .510(a).

SAN ANTONIO INDEPENDENT SCHOOL DISTRICT  
San Antonio, Texas

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For The Year Ended August 31, 2010

There were no prior audit findings reported.

SAN ANTONIO INDEPENDENT SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED AUGUST 31, 2010

EXHIBIT K-1 (Cont'd)

Project Number		Federal Grantor/ Pass - Through Grantor/ Program Title	Federal CFDA Number	(A) Expenditures Indirect Costs or Award Amount
<b>U.S. DEPARTMENT OF EDUCATION</b>				
<b>DIRECT PROGRAMS</b>				
N/A	199	IMPACT AID PL874 SUBTOTAL	84.041	\$ 39,878.86 <u>39,878.86</u>
U215X080081	281.0	TEACHING AMERICAN HISTORY GRANT -YR 2 OF 3	84.215	354,855.52
U215X080081	281.1	TEACHING AMERICAN HISTORY GRANT -YR 3 OF 3	84.215	1,528.53
V215L050022	477.0	SMALLER LEARNING COMMUNITIES YR 5 OF 5	84.215	997,818.78
Q215E070006-09	498.0	FUND FOR IMPROVEMENT OF ED (ESCD) YR 3 OF 3 SUBTOTAL	84.215	<u>250,282.03</u> <u>1,604,484.86</u>
P334A050145-08	274.9	SAISD GEAR UP PROJECT -YR 4 OF 6	84.334	27,101.85
P334A050145-08	274.0	SAISD GEAR PROJECT -YR 5 OF 6 SUBTOTAL	84.334	<u>3,047,208.14</u> <u>3,074,309.99</u>
S383A090023	282.9	HOMELESS ED. DISASTER ASSISTANCE PROGRAM SUBTOTAL	84.383	<u>38,481.83</u> <u>38,481.83</u>
<b>TOTAL U.S. DEPARTMENT OF EDUCATION - DIRECT PROGRAMS</b>				<u>\$ 4,757,155.54</u>
<b>PASSED THROUGH STATE DEPARTMENT OF EDUCATION</b>				
104100017110289	220.0	ADULT EDUCATION and FAMILY LITERACY-SECTION 231	84.002A	\$ 1,086,672.56
114100017110358	220.1	ADULT EDUCATION and FAMILY LITERACY- CONTINUATION	84.002A	55,343.46
104100087110318	221.0	ADULT EDUCATION-ENGLISH LITERACY & CIVICS ED., SEC 231	84.002A	91,236.94
114100087110384	221.1	ADULT EDUCATION-ENGLISH LITERACY & CIVICS AWARENESS CONT. SUBTOTAL	84.002A	<u>845.56</u> <u>1,234,098.52</u>
10610101015907	211.0	TITLE I, PART A - IMPROVING BASIC PROGRAMS*	84.010A	26,647,270.51
11610101015907	211.1	TITLE I, PART A - IMPROVING BASIC PROGRAMS*	84.010A	304,083.48
10610103015907	215.0	TITLE I, PART D- SUBPT 2 -DELINQUENT PROGRAMS*	84.010A	218,415.55
11610103015907	215.1	TITLE I, PART D- SUBPT 2 -DELINQUENT PROGRAMS*	84.010A	0.00
10610104015907046	229.0	TITLE I - SCHOOL IMPROVEMENT PROGRAM - WHEATLEY MS*	84.010A	112,980.53
10610104015907058	230.0	TITLE I - SCHOOL IMPROVEMENT PROGRAM - TWAIN MS*	84.010A	29,728.37
10610104015907004	231.0	TITLE I - SCHOOL IMPROVEMENT PROGRAM - FOX TECH HS*	84.010A	254,962.52
10610104015907006	232.0	TITLE I - SCHOOL IMPROVEMENT PROGRAM - HOUSTON HS*	84.010A	381,062.40
10610104015907014	233.0	TITLE I - SCHOOL IMPROVEMENT PROGRAM - NAVARRO ACADEMY*	84.010A	136,884.43
10610104015907057	234.0	TITLE I - SCHOOL IMPROVEMENT PROGRAM - ROGERS MS*	84.010A	25,808.12
10610104015907059	235.0	TITLE I - SCHOOL IMPROVEMENT PROGRAM - WHITTER ACADEMY*	84.010A	43,050.19
10610104015907053	237.0	TITLE I - SCHOOL IMPROVEMENT PROGRAM - PAGE MS*	84.010A	57,471.42
10610104015907050	238.0	TITLE I - SCHOOL IMPROVEMENT PROGRAM - LONGFELLOW MS*	84.010A	55,122.14
10610104015907003	239.0	TITLE I - SCHOOL IMPROVEMENT PROGRAM - EDISON HS*	84.010A	34,306.30
10610104015907008	241.0	TITLE I - SCHOOL IMPROVEMENT PROGRAM - LANIER HS*	84.010A	33,372.46
10610104015907007	242.0	TITLE I - SCHOOL IMPROVEMENT PROGRAM - JEFFERSON HS*	84.010A	43,330.34
10610104015907055	243.0	TITLE I - SCHOOL IMPROVEMENT PROGRAM - RHODES MS* SUBTOTAL	84.010A	<u>45,229.57</u> <u>28,423,078.33</u>
10615001015907	212.0	TITLE I, PART C, MIGRANT	84.011A	316,856.54
11615001015907	212.1	TITLE I, PART C, MIGRANT SUBTOTAL	84.011A	<u>94.15</u> <u>316,950.69</u>
1066002271220	168.0	IDEA-B DISCRETIONARY - (RF TRACKER)*	84.027A	8,711.25
106600010159076600	224.0	IDEA-B FORMULA*	84.027A	10,387,510.65
116600010159076600	224.1	IDEA-B FORMULA* SUBTOTAL	84.027A	<u>290,964.14</u> <u>10,687,186.04</u>
10420006015907	244.0	CARL D PERKINS BASIC GRANT FORMULA FOR CATE	84.048A	984,588.24
11420006015907	244.1	CARL D PERKINS BASIC GRANT FORMULA FOR CATE SUBTOTAL	84.048A	<u>52,562.85</u> <u>1,037,151.09</u>
106610010159076610	225.0	IDEA-B PRESCHOOL*	84.173A	222,881.74
116610010159076010	225.1	IDEA-B PRESCHOOL* SUBTOTAL	84.173A	<u>14,028.58</u> <u>236,910.32</u>
10691001015907	204.0	TITLE IV SAFE & DRUG FREE SCHOOLS & COMMUNITIES SUBTOTAL	84.186A	<u>220,254.84</u> <u>220,254.84</u>

SAN ANTONIO INDEPENDENT SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED AUGUST 31, 2010

EXHIBIT K-1 (Cont'd)

Project Number	Federal Grantor/ Pass - Through Grantor/ Program Title	Federal CFDA Number	(A) Expenditures Indirect Costs or Award Amount
095900147110007	258.9 PCS -START UP GRANT, CYCLE 14-YOUNG WOMEN'S LEADERSHIP ACADEMY	84.282A	264,879.51
085900017110003	299.8 PCS-START UP GRANT, CYCLE 13, BARKLEY/RUIZ ACADEMY	84.282A	213,820.63
085900017110004	300.8 PCS-START UP GRANT, CYCLE 13, BONHAM ACADEMY	84.282A	257,118.08
085900017110005	301.8 PCS-START UP GRANT, CYCLE 13, HARRIS ACADEMY	84.282A	238,301.32
085900017110006	302.8 PCS-START UP GRANT, CYCLE 13, IRVING ACADEMY	84.282A	257,594.95
085900017110007	303.8 PCS-START UP GRANT, CYCLE 13, LOWELL ACADEMY	84.282A	148,821.47
085900017110008	304.8 PCS-START UP GRANT, CYCLE 13, STORM ACADEMY	84.282A	268,875.10
085900017110009	305.8 PCS-START UP GRANT, CYCLE 13, WHITTIER ACADEMY	84.282A	224,178.16
	SUBTOTAL		<u>1,873,589.22</u>
10630001015907	262.0 TITLE II, PART D-ENHANCING EDUCATION THROUGH TECHNOLOGY*	84.318X	320,699.86
	SUBTOTAL		<u>320,699.86</u>
086455057110074	261.9 TEXAS READING FIRST INIT.-CYCLE 1 YEAR 6	84.357A	112,619.12
	SUBTOTAL		<u>112,619.12</u>
10671001015907	263.0 TITLE III, PART A - LEP	84.365A	845,549.13
11671001015907	263.1 TITLE III, PART A - LEP	84.365A	0.00
	SUBTOTAL		<u>845,549.13</u>
10694501015907	255.0 TITLE II PART A-TEACHER & PRINCIPAL TRAINING & RECRUITING	84.367A	5,432,517.84
11694501015907	255.1 TITLE II PART A-TEACHER & PRINCIPAL TRAINING & RECRUITING	84.367A	253,651.00
	SUBTOTAL		<u>5,686,168.84</u>
09610701015907053	276.9 TITLE I, SCHOOL IMPROVEMENT PROGRAMS-PAGE MS	84.377A	6,959.19
10610701015907053	276.0 TITLE I, SCHOOL IMPROVEMENT PROGRAMS-PAGE MS	84.377A	44,095.32
	SUBTOTAL		<u>51,054.51</u>
10551001015907	285.0 ARRA - TITLE I, PART A - IMPROVING BASIC PROGRAMS*	84.389A	14,564,764.52
10551003015907	286.0 ARRA - TITLE I, PART D- SUBPT 2 -DELINQUENT PROGRAMS*	84.389A	3,012.28
10551004015907003	287.0 ARRA - TITLE I - SCHOOL IMPROVEMENT PROGRAM - EDISON HS*	84.389A	31,328.84
10551004015907004	288.0 ARRA - TITLE I - SCHOOL IMPROVEMENT PROGRAM - FOX TECH HS*	84.389A	166,798.66
10551004015907006	289.0 ARRA - TITLE I - SCHOOL IMPROVEMENT PROGRAM - HOUSTON HS*	84.389A	193,154.19
10551004015907007	290.0 ARRA - TITLE I - SCHOOL IMPROVEMENT PROGRAM - JEFFERSON HS*	84.389A	22,199.43
10551004015907008	291.0 ARRA - TITLE I - SCHOOL IMPROVEMENT PROGRAM - LANIER HS*	84.389A	30,235.36
10551004015907014	292.0 ARRA - TITLE I - SCHOOL IMPROVEMENT PROGRAM - NAVARRO ACADEMY*	84.389A	33,672.75
10551004015907046	293.0 ARRA - TITLE I - SCHOOL IMPROVEMENT PROGRAM - WHEATLEY MS*	84.389A	65,557.10
10551004015907050	294.0 ARRA - TITLE I - SCHOOL IMPROVEMENT PROGRAM - LONGFELLOW MS*	84.389A	34,325.04
10551004015907053	295.0 ARRA - TITLE I - SCHOOL IMPROVEMENT PROGRAM - PAGE MS*	84.389A	9,011.94
10551004015907055	296.0 ARRA - TITLE I - SCHOOL IMPROVEMENT PROGRAM - RHODES MS*	84.389A	40,155.11
10551004015907057	297.0 ARRA - TITLE I - SCHOOL IMPROVEMENT PROGRAM - ROGERS MS*	84.389A	25,372.98
10551004015907058	298.0 ARRA - TITLE I - SCHOOL IMPROVEMENT PROGRAM - TWAIN MS*	84.389A	34,700.22
10551004015907059	299.0 ARRA - TITLE I - SCHOOL IMPROVEMENT PROGRAM - WHITTIER ACADEMY*	84.389A	49,985.46
	SUBTOTAL		<u>15,304,273.88</u>
10554001015907	283.9 ARRA - IDEA-B FORMULA*	84.391A	4,458,959.80
	SUBTOTAL		<u>4,458,959.80</u>
10553001015907	279.0 ARRA-TITLE II, PART D TECHNOLOGY*	84.386A	328,149.53
	SUBTOTAL		<u>328,149.53</u>
10555001015907	284.9 ARRA - IDEA-B PRESCHOOL*	84.392A	111,104.39
	SUBTOTAL		<u>111,104.39</u>
10557001015907	266.0 ARRA- TITLE XIV, STATE FISCAL STABILIZATION FUND	84.394A	22,519,774.51
	SUBTOTAL		<u>22,519,774.51</u>
103625017110270	223.0 TEMPORARY ASSISTANCE FOR NEEDY FAMILIES	93.558	229,376.04
	SUBTOTAL		<u>229,376.04</u>
	<b>TOTAL PASSED THROUGH STATE DEPARTMENT OF EDUCATION</b>		<u>\$ 93,996,948.66</u>
	<b>PASSED THROUGH REGION 10</b>		
00-004	206.0 MCKINNEY-VENTO HOMELESS EDUCATION*	84.196	129,600.00
	SUBTOTAL		<u>129,600.00</u>
A09-041	280.0 ARRA - MCKINNEY-VENTO HOMELESS EDUCATION*	84.387	110,716.39
	SUBTOTAL		<u>110,716.39</u>
	<b>TOTAL PASSED THROUGH REGION 10</b>		<u>\$ 240,316.39</u>
	<b>TOTAL U.S. DEPARTMENT OF EDUCATION</b>		<u>\$ 98,994,420.59</u>

SAN ANTONIO INDEPENDENT SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED AUGUST 31, 2010

EXHIBIT K-1

Project Number		Federal Grantor/ Pass - Through Grantor/ Program Title	Federal CFDA Number	(A) Expenditures Indirect Costs or Award Amount
<b>U.S. DEPARTMENT OF AGRICULTURE</b>				
<b>PASSED THROUGH TEXAS DEPARTMENT OF AGRICULTURE</b>				
N/A	240	CHILD & ADULT CARE FOOD PROGRAM - CASH ASSISTANCE	10.558	\$ 110,005.44
N/A	240	FRESH FRUIT & VEGETABLE PROGRAM	10.582	260,371.89
		SUBTOTAL		<u>\$ 370,377.33</u>
		<b>TOTAL PASSED THROUGH TEXAS DEPARTMENT OF AGRICULTURE</b>		<u>\$ 370,377.33</u>
<b>PASSED THROUGH STATE DEPARTMENT OF EDUCATION</b>				
N/A	240	SCHOOL BREAKFAST PROGRAM*	10.553	\$ 9,401,161.00
N/A	240	NATIONAL SCHOOL LUNCH PROGRAM - CASH ASSISTANCE*	10.555	21,228,116.00
N/A	240	NATIONAL SCHOOL LUNCH PROGRAM - NON-CASH ASSISTANCE*	10.555	1,813,799.85
		SUBTOTAL		<u>\$ 32,443,076.85</u>
		<b>TOTAL PASSED THROUGH STATE DEPARTMENT OF EDUCATION</b>		<u>\$ 32,443,076.85</u>
		<b>TOTAL U.S. DEPARTMENT OF AGRICULTURE</b>		<u>\$ 32,813,454.18</u>
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>				
<b>PASSED THROUGH CITY OF SAN ANTONIO - DEPARTMENT OF COMMUNITY INITIATIVES</b>				
06CH0107/31	205.9	HEADSTART*	93.600	\$ 4,966,148.28
06CH0107/32	205.0	HEADSTART*	93.600	6,209,688.38
		SUBTOTAL		<u>11,175,836.66</u>
06SE0107	205.9	ARRA - HEADSTART*	93.708	169,179.78
06SE0107	205.0	ARRA - HEADSTART*	93.708	287,890.72
		SUBTOTAL		<u>457,070.50</u>
		<b>TOTAL PASSED THROUGH CITY OF SAN ANTONIO - DEPARTMENT OF COMMUNITY INITIATIVES</b>		<u>\$ 11,632,907.16</u>
<b>PASSED THROUGH TEXAS LEADERSHIP CENTER</b>				
	277.0	CHILDREN'S HEALTH INSURANCE PRORGRAM (CHIPRA)	93.767	\$ 37,042.48
		SUBTOTAL		<u>37,042.48</u>
		<b>TOTAL PASSED THROUGH TEXAS LEADERSHIP CENTER</b>		<u>\$ 37,042.48</u>
<b>PASSED THROUGH TEXAS DEPARTMENT OF HUMAN SERVICES</b>				
	272.0	MEDICAL ASSISTANCE PROGRAM	93.778	\$ 287,279.49
		SUBTOTAL		<u>287,279.49</u>
		<b>TOTAL PASSED THROUGH TEXAS DEPARTMENT OF HUMAN SERVICES</b>		<u>\$ 287,279.49</u>
<b>PASSED THROUGH SAN ANTONIO METROPOLITAN HEALTH DISTRICT</b>				
	199.0	PUBLIC HEALTH EMERGENCY PREPAREDNESS	93.069	\$ 66,974.50
		SUBTOTAL		<u>66,974.50</u>
5U58DP624469-05	425.9	HEALTHY STEPS - SAN ANTONIO	93.283	3,600.00
		SUBTOTAL		<u>3,600.00</u>
		<b>TOTAL PASSED THROUGH SAN ANTONIO METROPOLITAN HEALTH DISTRICT</b>		<u>\$ 70,574.50</u>
		<b>TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>		<u>\$ 12,027,803.63</u>
<b>U.S. DEPARTMENT OF DEFENSE</b>				
<b>DIRECT PROGRAMS</b>				
N/A	199	STARBASE KELLY	N/A	\$ 62,582.57
		SUBTOTAL		<u>62,582.57</u>
N/A	199	ARMY JROTC	N/A	628,711.91
		SUBTOTAL		<u>628,711.91</u>
		<b>TOTAL U.S. DEPARTMENT OF DEFENSE - DIRECT PROGRAMS</b>		<u>\$ 691,294.48</u>
		<b>TOTAL U.S. DEPARTMENT OF DEFENSE</b>		<u>\$ 691,294.48</u>
		<b>TOTAL FEDERAL ASSISTANCE</b>		<u>\$ 144,526,972.88</u>

SAN ANTONIO INDEPENDENT SCHOOL DISTRICT  
San Antonio, Texas

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended August 31, 2010

1. For all Federal programs, the District uses the fund types specified in Texas Education Agency's *Financial Accountability System Resource Guide*. Special revenue funds are used to account for resources restricted to, or designated for, specific purposes by a grantor. Federal and state financial assistance generally is accounted for in a Special Revenue Fund.
2. The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The Governmental Fund types are accounted for using a current financial resources measurement focus. All Federal grant funds, with the exception of funds for the Impact Aid, IDEA B Discretionary-RF Tracker, Public Health Emergency Preparedness, Star Base Kelly, Army JROTC, and the indirect cost revenues, were accounted for in a Special Revenue Fund which is a Governmental Fund type. The revenues received for the previously mentioned programs were accounted for in the General Fund, which is also a component of the Governmental Fund type. With this measurement focus, only current assets and current liabilities and the fund balance are included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets.

The modified accrual basis of accounting is used for the Governmental Fund types. This basis of accounting recognizes revenues in the accounting period in which they become susceptible to accrual, i.e., both measurable and available, and expenditures in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on General Long-Term Debt, which is recognized when due, and certain compensated absences and claims and judgments, which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

Federal grant funds are considered to be earned to the extent of expenditures made under the provisions of the grant, and, accordingly, when such funds are received, they are recorded as deferred revenues until earned.

3. The period of availability for federal grant funds for the purpose of liquidation of outstanding obligations made on or before the ending date of the federal project period is extended 30 days beyond the federal project period ending date, in accordance with provisions in Section H, Period of Availability of Federal Funds, Part 3, OMB Circular A-133 Compliance Statement.
4. National School Lunch Program – Non-Cash Assistance - Commodity receipts represent USDA donated commodities received during the fiscal year. The related expenditures relate to the issuance of the commodities to the District's campuses.
5. Expenditures for the National School Breakfast and Lunch Program are not specifically attributable to the federal revenue source and are shown on the schedule in an amount equal to federal revenue.
6. In accordance with TEA instructions, federal funds for the School Health and Related Services (SHARS) have been excluded from the Schedule of Expenditures of Federal Awards.