

COMPREHENSIVE ANNUAL FINANCIAL REPORT



DUVAL COUNTY PUBLIC SCHOOLS



TEACHING
LEARNING
ACHIEVING

FOR THE YEAR ENDED JUNE 30, 2008

Duval County Public Schools

Jacksonville, Florida

Comprehensive Annual Financial Report

For the
Fiscal Year
Ended June 30, 2008

Prepared by:
Business Services

Duval County Public Schools
Comprehensive Annual Financial Report

For the fiscal year ended June 30, 2008

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INTRODUCTORY SECTION

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December ; , 2008

Dear School Board Members and Citizens of Duval County:

We are pleased to submit to you the Comprehensive Annual Financial Report (CAFR) of Duval County Public Schools ("District") for the fiscal year ended June 30, 2008. The CAFR serves as the District's official annual financial report and is presented in accordance with Governmental Accounting Standards Board (GASB) and Florida Administrative Code 6A-1.001 requirements. The purpose of the CAFR is to report the financial position and the operations of the school system, including blended component units, and provide an overview of the discretely presented component units.

Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the District. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position, and changes in financial position of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

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 losses, theft, or misuse and to compile sufficient reliable information for the preparation of the District's financial statements in conformity with Generally Accepted Accounting Principles (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 CPA firm of Ernst and Young has issued an opinion on the Duval County Public Schools' basic financial statements for the year ended June 30, 2008. Ernst and Young's report is located at the front of the financial section of this report.

The CAFR is presented in four sections: an introductory section, financial section, statistical section, and other reports section. The introductory section includes this letter of transmittal, a list of principal officials, and the organizational chart. The financial section includes the report of independent auditors on the District's basic financial statements, Management's Discussion and Analysis (MD&A) of the financial statements, the government-wide financial statements, and fund financial statements. Information presented in the statistical section includes selected

financial and demographic data, generally presented on a multi-year basis. The other reports section includes other required schedules and disclosures, as well as related reports issued by the District's independent auditors.

This CAFR also contains the financial statements for all operations over which the School Board has oversight responsibility or is financially accountable. Potential component units were evaluated to determine whether they should be considered as part of the District's reporting entity. Based on established criteria, it was determined that four District-sponsored charter schools are component units of the District, requiring discrete presentation in the basic financial statements. Charter school applications and contracts are approved and monitored by the District throughout the contract periods. Charter schools are funded by the State and Federal governments, and funds pass through the District for distribution to each charter school. Charter schools may also receive grants and donations that do not pass through the District's financial system. The Duval School Board Leasing Corporation is identified as a component unit, requiring blended presentation in the basic financial statements. Additional information on this corporation is located on page 39 in the notes to the financial statements section.

Generally Accepted Accounting Principles require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of MD&A. The MD&A complements this letter of transmittal and should be read in conjunction with it. The District's MD&A can be found on page 4, immediately following the independent auditor's report.

PROFILE OF DUVAL COUNTY PUBLIC SCHOOLS

The District and its governing School Board were created pursuant to Section 4, Article IX of the Constitution of the State of Florida. The District is an independent taxing and reporting entity; managed, controlled, operated, administered, and supervised by the District school officials in accordance with Chapter 1003 Public K-12 Education, Florida Statutes. The School Board consists of seven elected officials responsible for the adoption of policies, which govern the operation of the District's public schools. The School Board appoints the Superintendent who is responsible for the administration and management of the schools within the applicable parameters of the State's laws, State Board of Education rules, and School Board policies. The Superintendent is also specifically delegated the responsibility of maintaining a uniform system of records and accounts for the District by Section 1010.01, Florida Statutes, as prescribed by the State Board of Education.



The first school taxing district was created by Jacksonville, South Jacksonville, and adjoining suburban areas in 1914. Duval County Public Schools (DCPS) has now grown to become the twenty-first (21st) largest school district in the United States, with 124,834 students enrolled, and encompasses the entirety of Duval County as its geographical boundaries. The District now has 162 schools, composed of 106 elementary schools, 26 middle schools, 19 high schools, 3

alternative centers, 3 exceptional centers, and 5 charter schools, four of which are reported as component units. The fifth, Pathways Academy, is an operating unit of Florida Community College at Jacksonville. The student body reflects the racial diversity of the surrounding county with 43.1% African-American, 42.1% Caucasian, 6.5% Hispanic, 3.9% Asian, .2% American Indian, and 4.2% other or biracial students.

The State Board of Education gave “A” grades to 62 District schools, an increase of 5 over the previous year. Also, the number of “F” schools was reduced, from 11 in 2006-07 to 8 in 2007-08. Overall, 39 schools improved their grades. These grades are determined by both the percentage of students that meet high standards in math, writing, and science, as determined by their scores on the Florida Comprehensive Assessment Test (FCAT), and the percentage of students that had previously been in the lowest 25% of students that made gains on their FCAT scores. In addition to the improving FCAT scores, *Newsweek Magazine* listed four District schools in their list of top 1,300 high schools in the nation. Stanton was ranked #5, Paxon #8, Mandarin #155, and Douglas Anderson #181. Duval County was the only District in Florida to have any schools in the top 10 of the list.

The District owns or controls 937 buildings, covering 3,648 acres around the County. The average age of the facilities is 49.8 years. In the last ten years, 9 new elementary schools and 3 middle schools have been built. During 2007 the District began construction of a new 162 acre high school facility. The District has also continued to renovate and expand existing facilities.



The District is the third largest employer in the Jacksonville Metropolitan Statistical Area (MSA), with an average of 14,489 people employed during the 2007-08 year. Out of this total, 9,901 are instructional personnel.

In 1996, the Florida Legislature passed a law allowing for the formation of charter schools. The Legislature’s intention in creating charter schools was to provide parents with other school choices outside the standard public school system, choices that are designed to improve academic performance among students who may be struggling in a regular public school environment. In June of 2006, House Bill 135 was enacted which created the Florida Schools of Excellence Counsel (FSE). This Counsel has been empowered to act as a Sponsor to any charter school, in any district in the State, so long as that district has not been granted exclusive authority, and retains its right to be the only entity authorized to sponsor a charter school. During the 2007-08 school year, the first charter schools approved by the FSE were opened. Although Duval County has not been granted exclusive authority, no FSE-sponsored schools have opened in the District.

Each of the charter schools open during the 2007-2008 school year within the District provides an alternative choice with a specific focus. Wayman Academy of the Arts, Inc. is an elementary school focusing on the Arts. All students are required to participate in some form of art education. Florida School for Integrated Academics and Technologies Jacksonville, Inc. is partnered with Job Corps to provide an education to older students while they are receiving

occupational training. Typically, these are students that have dropped out, but have since realized the importance of completing their education. S.O.C.K. Outstanding Students (S.O.S) Academy, Inc. focuses on younger at-risk students and provides a dropout prevention plan. Pathways Academy, partnered with Florida Community College at Jacksonville, focuses on older students who are at-risk, or have dropped out, and want to return to school to complete their high school diploma, while also taking college-level classes. River City Science Academy, which opened in 2007-08, focuses on students who wish to concentrate their studies around math and science. Students are required to take all general education classes, such as language arts and social studies, but many of these classes work to help enhance the math and science curriculum.

Although the charter schools receive public funds, they operate independently of public school districts. Each charter school has its own board of directors and administrators. However, State law requires that all charters be issued by the local School Board, or the Florida Schools of Excellence Commission (per 1002.335, F.S), and are under mandate that they receive no more than two consecutive “F” grades, given by the State Board of Education and based on the FCAT or else become subject to closure.

One school, Wayman Academy of the Arts received a second “F” grade, but was allowed to reconstitute and remain open for one more year. Reconstitution requires major changes in the school’s structure, including replacing most of the administrative staff and board members, as well as teachers whose students did not make adequate yearly progress. A reconstitution plan was submitted to the School Board as well as the State Department of Education, and approved by both entities before the school was allowed to remain open for its reconstitution year.

GENERAL DESCRIPTION AND LOCATION



Duval County is located on the Northeast coast of Florida, lining both banks of the St. Johns River. This location lends to the nickname “The River City”. In 1968, the County consolidated its government with the City of Jacksonville. Although there are a few small independent towns remaining, the City of Jacksonville and Duval County have become synonymous.

The consolidated City covers over 841 square miles, which is the largest city by land area in the continental United States. The City’s land area is extremely diverse, including modern urban and industrial centers, as well as beaches, woodlands and swamplands. The City is the 12th largest in the United States by population, with 906,587 people. Duval County is the seventh most populous county in Florida, with 4.8% of the State’s total population. The mild climate has helped to propel population growth by attracting industry and tourism to the area.



Jacksonville's deep-water port is the largest in the South Atlantic, and the 14th largest overall in the United States. This has helped Jacksonville to become the leading transportation and distribution hub in the state. Recent initiatives are helping to expand the port, including the creation of a cruise ship port. Major exports include lumber, phosphate, paper and wood pulp, while imports include coffee and automobiles. Although the City has a significant manufacturing industry, Jacksonville is also a major Southern center for trade, financial activities, and business services. The City is also home to two major Naval Bases, Naval Air Station Jacksonville, and Naval Station Mayport.

As the City continues to grow, it has also developed its arts and entertainment for not only the permanent population, but to grow the tourist industry as well. The Jacksonville Symphony Orchestra is one of the top 40 orchestras in the country, and one of only a few that has a dedicated concert hall. The Robert E. Jacoby Symphony Hall at the Times-Union Center for performing arts is actually the only true orchestra concert hall in Florida. The Times-Union Center has two other performance environments within the facility, and has hosted major Broadway Shows such as *Phantom of the Opera*, *Rent*, *The Lion King*, and *Miss Saigon*.



The Ritz Theater and LaVilla Museum features African-American exhibits and shows, with "Amateur Night at the Ritz" being a popular amateur talent showcase. Jacksonville also boasts the Florida Theater, which was the site of Elvis Presley's first concert on an indoor stage in 1956, as well as the Jacksonville Veterans Memorial Arena, which attracts major singing stars and other large-scale performances.



Jacksonville has many outdoor recreation activities. In June of 2008, *Forbes* ranked Jacksonville as 4th in its listing of America's Best Cities for the Outdoors. The city has over 57,000 acres of dedicated parks, one of the highest of any city in the nation. This includes playgrounds, horse trails, athletic fields, and state and national parks. The county has several beaches, which allow for swimming, boating, fishing, and other water recreation. The City also has many outdoor festivals, such as the Jacksonville Jazz Festival, Shrimp Festival of Fernandina Beach, and the World of Nations Celebration.

Sporting events are very popular within the City. The City is home to the Jacksonville Jaguars, an NFL franchise, as well as other teams such as the minor league baseball team, the Jacksonville Suns. The Players Championship Golf Tournament is held annually in the City, as well as the Bausch & Lomb Tennis Championship. The annual Greater Jacksonville Kingfish tournament is the largest of its kind in the country.

Education is another major focus of the City with 82.7% of the population being high school graduates, as compared to 79.9% of the entire state population, and 21.9% with a bachelor's degree or higher, as compared to 22.3% of the state population. Some of the higher-level

educational facilities in the city include the University of North Florida, Florida Community College at Jacksonville, Jacksonville University, Everest College, Edward Waters College, Florida Coastal School of Law, and ITT Technical Institute. Museums such as the Museum of Science and History, Jacksonville Museum of Modern Art, and the Cummer Museum of Art and Gardens also add to educational experiences.

ECONOMIC CONDITIONS AND OUTLOOK OF LOCAL ECONOMY

The State has suffered heavily with the slowing of both the housing market and tourism. New housing starts are down 44.5% from the previous year, and the housing market is not expected to improve until 2010. The financial markets are struggling, which makes credit more difficult to obtain, and thus damages the housing market as well. Tourism has had a noticeable decline as the cost of oil climbed to over \$140 per barrel, and the average gas price at \$4.07 per gallon. Considering that property taxes from housing and tourism are two major sources of revenue for the State, a decrease in either is cause for concern.

However, the current economic downturn is not expected to last, and the economy should be fully recovered by late 2009 to early 2010. Overall employment is expected to shrink .1% this year, but grow .8% next year. Retail spending has continued to expand by 2.3%, though this rate is slower than considered healthy. Overall, the Gross State Product grew by 1.1%. This is much slower than the 4.2% growth experienced last year, however, Florida is expected to recover sooner than most of the nation, and should return to the higher growth by 2010.

The local economy in Jacksonville has also experienced stress. New housing starts have decreased by 44.3%, and the sale of existing homes has decreased by 23.8%. Although Jacksonville has suffered under the increasing prices of fuel, the economy has been aided by several major expansions of companies into the area. Unemployment is slightly higher than the State average; 4.1% as compared to 4.0%, however the average annual wage in Jacksonville is \$3,883 higher than the State average of \$39,762.

Population Growth

Despite the economic issues that the City and State have dealt with, population has remained steadily increasing with 79% of the State's increase due to migration from other states. Florida is expected to break the 20 million resident mark by 2011, which would make it the third most populous state.

Jacksonville has seen a steady increase in population from 897,597 in 2007 to an estimated 906,587 in 2008. The City is expected to continue increasing in population with an estimated growth of 2.8% between 2007 and 2010, and 7.3% between 2010 and 2015. Although these percentages are slightly less than the State anticipated growth rates of 3.4% and 8.5% respectively, they still indicate that people will continue to migrate into the area.

Employment

Although unemployment increased during 2007-08, the City did work to bring new employers into the area, and increase the workforce needed by current companies. Currently 87 companies are planning or have committed to major expansions in the City, with capital investments for

those expansions expected to exceed \$800 million, and create over 9,600 jobs. Currently, the military continues to be the largest employer with over 40,000 people employed at two military bases.

The City has attracted major growth into the area this year, which is expected to generate jobs and revenue. Coach, Inc., a leading marketer of accessories added an additional 285,000 square feet to its global distribution and customer service center. This expansion, which was completed in June 2008, is expected to generate 60 new jobs over the next three years, and increase the center's processing and storage capacity by over 50%. Another consumer products company, Unilever, announced that it would be moving its southeastern hub to Jacksonville, building a 772,000 square foot facility on the Westside of the city.

The City also made a major agreement with Hanjin Shipping to develop a \$360 million container terminal at JAXPORT. Hanjin is one of the largest container shipping companies in the world, and the agreement signed between the company and the City is expected to generate at least \$1 billion in economic activity, and create thousands of jobs, both direct and indirect for the area. The 170 acre site is expected to be fully operational by 2011, processing over seven and a half million tons of cargo annually.

MAJOR INITIATIVES

District Goals

The District has developed a new Strategic Plan, aligning all of its strategic goals around the vision and mission of the District. The vision statement of the District is:

Every student will graduate from Duval County Public Schools with the knowledge and skills to be successful in post-secondary education and/or the workforce.

The District's mission is:

The Duval County Public School System is committed to providing high quality educational opportunities that will inspire all students to acquire and use the knowledge and skills needed to succeed in a global economy and culturally diverse world.

In order to support this mission and vision, six strategic goals have been developed, and all initiatives and individual goals are being developed around the overall strategic goals of the District. The six goals are:

- *Increase Academic Achievement for All Students* – Increase overall achievement for all students while moving significantly toward eliminating the achievement gap of racial and ethnic groups and students from low income families.
- *Significantly Increase the Graduation Rate* – Increase the percentage of students graduating ready for post-secondary education and work.

- *Employ the Best Teachers and Principals* – Hire, develop, support and retain the best teachers and principals in the nation for all schools.
- *Establish Safe, Secure and Respectful Schools* – Establish safe schools where all individuals are respected, valued and feel secure.
- *Engage Family and Community Support* – Energize families, community, civic and business leaders and corporations to engage in the success of education.
- *Deliver High Quality Support for Schools* – Continually enhance school performance through delivery of high quality District management, operational support, and customer service.

Professional Development Services for Teachers

Students within the District are dismissed early every other Wednesday so that teachers may participate in professional development classes. These classes include workshops and the use of standards coaches in order to help improve teachers' abilities in classroom practices and management, and in teaching standards-based literacy content. A study conducted on fourth and fifth grade students by the Schultz Center for Teaching and Learning found a positive correlation between teacher participation in the professional development services, and increased student achievement.

Achievement Gap Reduction

Inspired by The Broad Center for the Management of School Systems, the District monitored and reported on the disparity of academic success between Caucasian and African-American students. This reduction of this disparity, known as the achievement gap, is one of the strategic goals of the District. The reporting showed that over the last ten years, the overall achievement gap has decreased.

Out of all the categories tracked and reported, only two showed unfavorable increases. Elementary school math (Sunshine State Standards component) increased from 27 points different to 32 points different, and High school reading (Sunshine State Standards component) increased from 25 points different to 31 points different. The average gap in the report decreased by 5.9 points. Although there is still much to be done to completely eliminate the achievement gap, the reporting does prove that some gains have been made, and the District has dedicated itself to eliminating the achievement gap completely.



Project INVEST

Duval County Public Schools has collaborated with the Alliance for World Class Education in order to identify and develop new procedures in cash management that would allow for streamlining and cost savings. The task force used existing corporate models used in large businesses in order to develop methods for cost savings. The employees and Alliance members donated over 500 hours to the project and developed seven key recommendations:

- ePayables Solution
- P-card Usage for Business Travel
- EZStub Application
- Electronic Time and Attendance (SMART)
- Investment Oversight
- Tax Anticipation Note (TAN) Utilization
- Special Purpose Investment Account (SPIA) Program

When fully implemented, these new programs are expected to provide the District with \$6 million in new revenue, cost avoidance, and savings.

Class Size Reduction Amendment

In November of 2002, the Florida State Constitution was amended by referendum to limit class sizes. By the beginning of the 2010-11 school year, class sizes are to be in compliance with specific student-teacher ratio for curricula courses, based on grade groupings. For pre-kindergarten through grade 3, 1 teacher could only have 18 students, for grades 4 through 8, the ratio increased to 1 teacher per 22 students, and grades 9 through 12 have a ratio of 1 teacher per 25 students.

In order to comply with the amendment, the District has added over 1,200 teachers. The process has been phased in since the amendment was approved. The final step is scheduled for 2010-11 when the ratio must be met per individual classroom. The District has been 96.3% successful with making the transition from the District-wide ratio to the school ratio. Six schools were not able to meet the compliancy requirements, but the District is working to correct and have the schools compliant as soon as possible.

Student Achievements

A fifth grade student, Cynetra Tolen from Carter G. Woodson Elementary won the National AAA Patroller of the Year Award. This award is given annually to students that participate in the safety patrol program, and exemplify leadership qualities, as well as performing their duties effectively and responsibly. Only one patroller wins the award each year. Cynetra was flown to Washington D.C. to participate in an awards ceremony, and her school received \$200 to expand its current patrol program.

Quantum Mines from Southside Middle School won the Javámo Coffees Art for Autism contest, which is a state-wide contest aimed at raising autism awareness. Javámo Coffees began the contest as a way to support autism programs, and raise both funds and awareness for the programs. Second place also went to a Southside Middle student, Joey Thompson. As winner, Quantum received a commemorative plaque, and a basket of art supplies.



Teacher Achievements

Mai D. Keisling, an art teacher at Paxon School for Advanced Studies, received a Target Field Trip Grant. Over 16,000 applicants from around the country applied for the grant, which

provides \$1,000 to a teacher for setting up a field trip for students. Field trips are a way for students to learn outside of the classroom, however, due to budget constraints, they are usually one of the first things eliminated from a school's curriculum. Ms. Keisling plans to use the grant to take 140 of her students to the Cummer Museum of Art and Gardens and the Museum of Contemporary Art.

John Poe Jr. from Wolfson High School and Kathleen Poe from Fletcher Middle School were selected as participants in the Space Foundation's Teacher Liaison Program. The Space Foundation selects teachers from across the country who promotes space and science education, honoring them and allowing them to participate together in a professional development workshop. Only 69 teachers were chosen for this honor.

School Achievements

Pine Forest Elementary School of the Arts and John N.C. Stockton Elementary both received awards from Magnet Schools of America due to their commitment to high academic standards, curriculum innovation, and successful diversity efforts. Pine Forest was named a National Magnet School of Excellence, and can now compete for cash awards up to \$8,500. Stockton received the National Magnet School of Distinction Award. Both schools received their awards at a ceremony held in Chattanooga, TN.

Two District Schools, Carter G. Woodson Elementary School and Martin Luther King, Jr. Elementary School were named Recognized ASCA Model Program (RAMP) schools. The RAMP designation is given to schools that are committed to delivering a comprehensive, data driven school counseling program, and an exemplary educational environment according to the ASCA national model. Only 62 schools received this designation this year.

FINANCIAL INFORMATION

Long-term Financial Planning

Duval County Public Schools continues careful management of its financial resources. Maintaining adequate fund balances, solid debt ratings, and fiscal restraint are critical success factors in this endeavor. In terms of State funding (not including local) the District is in the bottom third of all school districts in Florida (42nd out of 67) despite the improved changes in the District Cost Differential component of the Florida Education Finance Program (FEFP) formula.

As an intricate part of long-term financial planning the District has an ongoing five-year plan for construction and maintenance projects, which is part of a twenty-year work plan. The District also developed a twenty year master plan in conjunction with consultants, which was accepted by the School Board. The master plan evaluated enrollment growth, class size reduction, building conditions, and program considerations, and then determined how to best deal with these factors, including building new schools, major renovations and modernizations, and additions.

Class size reduction initiatives, professional development training for new teachers and staff, and the need to pay salaries competitive with neighboring districts including Southeastern Georgia are pressuring the operating fund. Similarly, capital funds are pressured by the Class Size

Amendment requirements, the need to finish deploying technology throughout all schools, and school facilities that have the highest average age of any regular K-12 school district in Florida.

Budgetary Controls

The District maintains comprehensive budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the School Board. Activities of all governmental fund types are included in the annual appropriated budget. Long-term financial plans are adopted for the Capital Projects Funds. Budgetary control is maintained for individual accounts or groups of accounts within each school or department through the use of an encumbrance accounting system. The process uses a test for availability of funds that precludes any requisition from becoming a purchase order, if the account or account group would be overspent. Encumbrances are re-appropriated as part of the following year's budget.

To provide budgetary control for salaries, the District utilizes a centralized position control system. On an annual basis, the School Board adopts a District staffing plan that establishes teaching positions based generally on student populations served. Additionally, support and administrative positions are created based on established criteria.

Risk Management

The District established an Internal Service Fund to account for its self-funded insurance programs for health insurance, workers' compensation liability, general liability, and miscellaneous fleet liability. All funds make contributions to the Internal Service Fund based on associated salary cost. Resources contributed to this fund are accumulated to satisfy potential losses.

The District has contracted with an insurance administrator to manage its self-insurance programs, including the processing, investigating, and/or payment of claims, thus providing a comprehensive risk management and loss-control program.

Retirement Plans

District employees participate in the Florida Retirement System (FRS), a multiple-employer, non-contributory, cost-sharing public employee retirement system. The Retirement System consists of the following plans: The Defined Benefit Plan and the Defined Investment Plan. Under the Defined Benefit Plan, generally, a member's retirement pension benefit vests after six (6) years of service and members are eligible for normal retirement benefits at age 62 with six (6) years of service or at any age after thirty years of service. Under the Defined Investment Plan the employee is vested after one (1) year of service. Further information on these plans can be located on pages 66 through 68 in the notes to the financial statements.

Internal Controls

District Management is responsible for designing and maintaining internal controls whose purpose is to ensure that the assets of the District are protected from loss, theft, or misuse, and that accounting data compiled for the formation of financial statements are in conformity with GAAP. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are being met. The concept of reasonable assurance recognizes

that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management. Both management and employees of the District are required to periodically review internal controls, and evaluate if additions or changes should be made in order to strengthen controls, though not at a rate where the benefits are less than the costs of the control.

Cash Management and Investments

The intention of the cash management system is to perform daily reviews of the District's cash positions, which limits the amount of funds placed in accounts where low or no interest is paid. This reduces potential loss and liability, and ensures there is less idle cash that could be misappropriated. Idle cash is invested in various instruments, with varying maturity dates, depending on the anticipated future cash requirements.

The overall strategy is to minimize the amount of credit and market risks. All bank balances, as of the balance sheet date, are entirely insured by the Federal Depository Insurance Corporation (FDIC) and/or collateralized with securities held in Florida's multiple financial institution collateral pool as required by Florida Statute 280.

Independent Audit

Section 218.39, Florida Statutes, requires an annual audit by independent certified public accountants. The CPA firm of Ernst and Young performed the audit for the fiscal year ended June 30, 2008. The audit was conducted under the United States' generally accepted auditing standards, and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. The auditor's report on the basic financial statements is included in the financial section of this report.

OTHER INFORMATION

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting and the Association of School Business Officials International (ASBO) awarded a Certificate of Excellence in Financial Reporting to Duval County Public Schools for its comprehensive annual financial report for the fiscal year ended June 30, 2007. This was the seventh consecutive year the District achieved these prestigious awards. To be awarded the Certificate of Achievement and the Certificate of Excellence in Financial Reporting, a government entity must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

The Certificate of Achievement and the Certificate of Excellence are valid for a one-year period. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement and Certificate of Excellence Programs' requirements.

We are submitting this report to the GFOA and ASBO to determine eligibility for these prestigious awards.

Acknowledgments

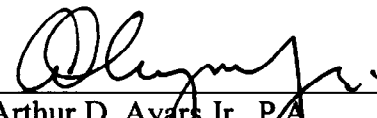
The preparation of this report could not have been accomplished without the efficient and dedicated services of the entire staff of Business Services. We give special thanks to Budget Services, Communication Services, Property Management/Printing Services, Curriculum and Instruction Services, and all other departments that provided assistance and support throughout the preparation of this report.

In closing, we would like to thank the members of the School Board for their strong and effective leadership in planning and conducting the financial operations of the District.

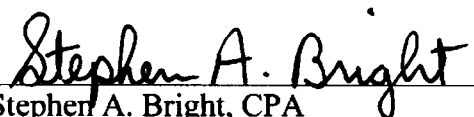
Respectfully submitted,



Ed Pratt-Dannals
Superintendent of Duval County Public Schools



Arthur D. Ayars Jr., P.A.
Chief Operations Officer



Stephen A. Bright, CPA
Executive Director, Business Services



Cynthia D. Hill, CPA
Director, Business Services



Duval County Public Schools

BOARD MEMBERS

Non-Partisan – Elected



Ms Betty Burney, Chairman

Board Member from Districts 9 and 10

Present term began

November, 2004

Present term expires

November, 2008

Began as a Board member

November, 2004



Mr. Tommy Hazouri, Vice-Chairman

Board Member from Districts 13 and 14

Present term began

November, 2004

Present term expires

November, 2008

Began as a Board member

November, 2004



Ms. Kristanna B. Barnes

Board Member from Districts 4 and 5

Present term began

November, 2004

Present term expires

November, 2008

Began as a Board member

November, 2000



Ms. Martha Barrett

Board Member from Districts 1 and 2

Present term began

November, 2004

Present term expires

November, 2008

Began as a Board member

November, 2000



Ms. Nancy Broner

Board Member from Districts 3 and 6

Present term began

November, 2006

Present term expires

November, 2010

Began as a Board member

November, 2002



Ms. Vicki Drake

Board Member from Districts 11 and 12

Present term began

November, 2006

Present term expires

November, 2010

Began as a Board member

November, 2002



Ms. Brenda A. Priestly Jackson

Board Member from Districts 7 and 8

Present term began

November, 2006

Present term expires

November, 2010

Began as a Board member

November, 2002



Duval County Public Schools

PRINCIPAL OFFICIALS

Appointed

Ed Pratt-Dannals

Superintendent of Schools

Pat Willis

Deputy Superintendent

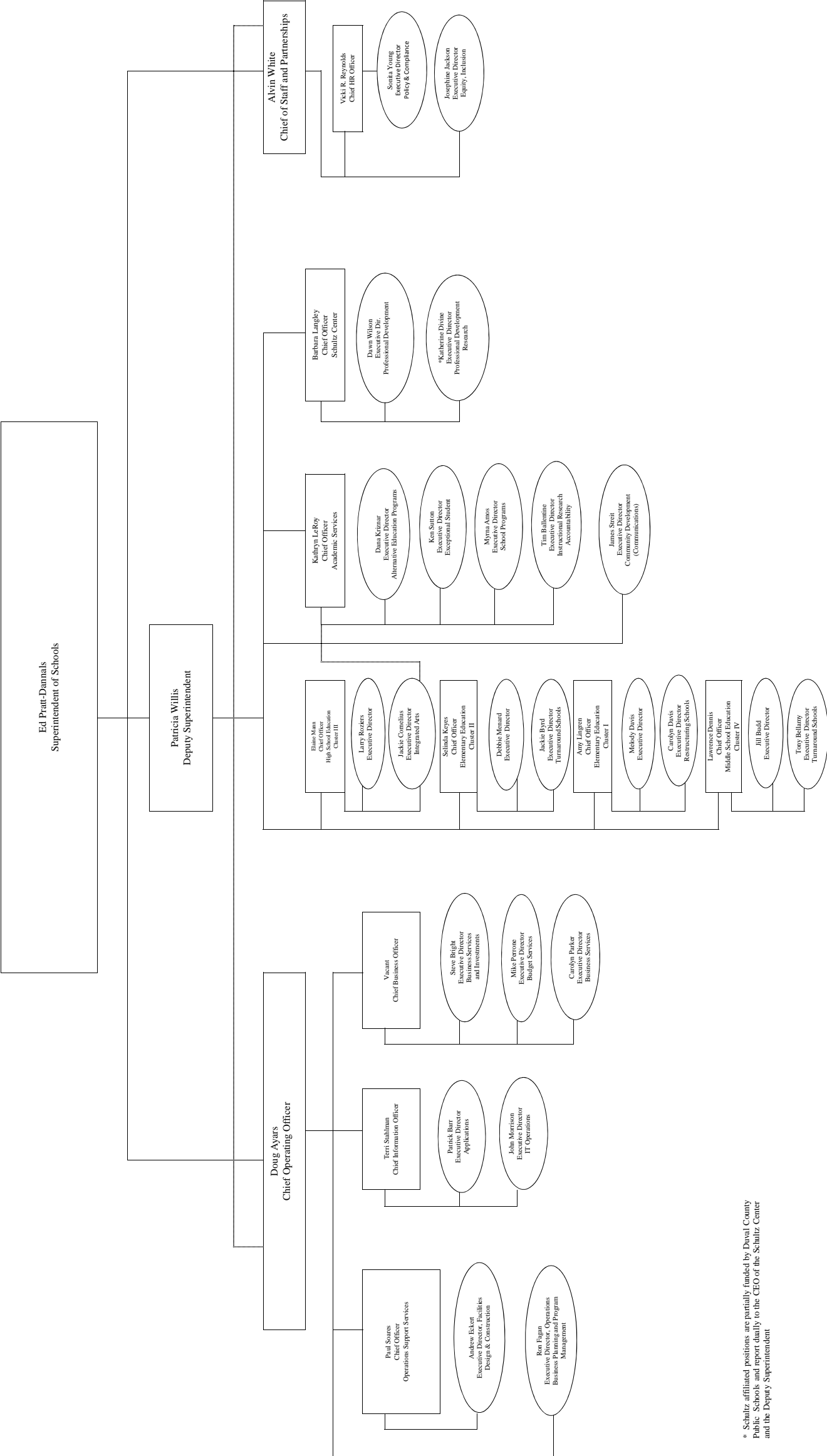
Doug Ayars

Chief Operating Officer

Dr. Alvin G. White

Chief of Staff and Partnerships

Duval County Public Schools



* Schultz affiliated positions are partially funded by Duval County Public Schools and report dually to the CEO of the Schultz Center and the Deputy Superintendent

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Duval County Public Schools
Florida

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2007

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



President

Executive Director

ASSOCIATION OF SCHOOL BUSINESS OFFICIALS INTERNATIONAL



This Certificate of Excellence in Financial Reporting

is presented to

Duval County Public Schools

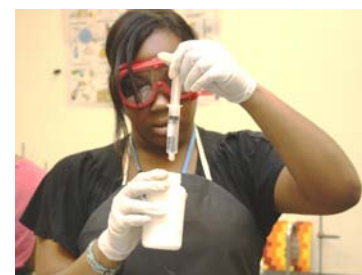
For its Comprehensive Annual Financial Report (CAFR)
For the Fiscal Year Ended June 30, 2007
upon recommendation of the Association's Panel of Review
which has judged that the Report substantially conforms
to principles and standards of ASBO's Certificate of Excellence Program

James E. Brundel
President

John D. Mason
Executive Director

FINANCIAL SECTION

TEACHING • LEARNING • ACHIEVING



FINANCIAL SECTION

Report of Independent Certified Public Accountants

Members of the School Board
Duval County Public Schools

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Duval County Public Schools (the District), as of and for the year ended June 30, 2008, 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 did not audit the financial statements of the charter schools, which comprise the discretely presented component units of the District. Those financial statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the discretely presented component units, is based solely on the reports of other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States 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. We were not engaged to perform an audit of the District's internal control over financial reporting. Our audit included 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, and evaluating the overall financial statement presentation. We believe that our audit and the reports of other auditors provide 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, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the District as of June 30, 2008, and the respective changes in financial position and, where applicable, cash flows thereof, and the budgetary comparison information for the general fund, for the year then ended in conformity with accounting principles generally accepted in the United States.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 24, 2008, 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 schedule of funding progress, as listed in the table of contents, are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. 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.

As discussed in note 15 to the basic financial statements, the District has implemented Governmental Accounting Standards Board (GASB) Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions*.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Similarly, the combining and individual fund financial statements and schedules listed in the accompanying table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has 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.

Ernst & Young LLP

November 28, 2008

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MANAGEMENT'S DISCUSSION AND ANALYSIS



The District School Board of Duval County (the “District”) has prepared the following discussion and analysis of financial activities for the fiscal year ended June 30, 2008. It is intended to provide a broad overview using a short-term and long-term analysis of the District’s activities based on information presented in the financial report and fiscal policies that have been adopted by the School Board (the “Board”). The intent of this discussion and analysis is to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the District’s financial activities, (c) identify changes in the District’s financial position, (d) identify material deviations from the approved budget, and (e) highlight significant issues in the individual funds.

The Management’s Discussion and Analysis (MD&A) is intended to highlight significant transactions, events, and conditions, and should be considered in conjunction with the District’s financial statements and notes to financial statements.

FINANCIAL HIGHLIGHTS

Key financial highlights for the 2007-08 fiscal year are as follows:

- The District’s total assets exceeded its total liabilities at June 30, 2008, by \$972,525,321 (net assets).
- The District’s net assets increased by \$58,062,446, which represents a 6.3 percent increase from the 2006-07 fiscal year.
- The District’s total government-wide revenues of \$1,208,660,061 were comprised of general revenues of \$1,106,046,627, or 91.5 percent of total revenues, and program specific revenues from charges for services, operating grants and contributions, and capital grants and contributions of \$102,613,434, or 8.5 percent of total revenues. This compares to the prior year with government-wide revenues of \$1,197,638,227, which were comprised of general revenues of \$1,078,636,812, or 90 percent of the total revenue, and charges for services, operating grants and contributions, and capital grants and contributions of \$119,226,415 or 10 percent of the total revenue.
- The District’s total expenses for governmental activities of \$1,150,597,615 were offset by program specific revenues of \$102,613,434. The remaining expenses were funded from general revenues.

- The District's governmental funds reported combined ending fund balances of \$450,912,125, or an increase of \$115,812,190 in the 2007-08 fiscal year in comparison with the prior year.
- The unreserved fund balance of the General Fund, representing the net current financial resources available for general appropriation by the Board, totaled \$39,570,696 at June 30, 2008, or 4.2 percent of total General Fund expenditures.
- The General Fund total fund balance was \$115,927,126 as of June 30, 2008, which represents an increase of 15.4 percent as compared to the prior year. The increase in total fund balance of the General Fund is mainly attributed to an increase in local funding of \$50,068,282, as well as a reduction of transfers out of the general fund from \$9,791,706 in 2006-07 to \$2,076,849 in 2007-08.
- The District's investment in capital assets (net of accumulated depreciation) increased by \$55,695,150, or 7 percent.
- During the current year, General Fund expenditures exceeded revenues by \$18,043,229. This may be compared to last year's results in which General Fund expenditures exceeded revenues by \$7,422,486. The General Fund also saw \$33,495,726 in net other financing sources, as compared to \$27,601,797 in 2007-08.

OVERVIEW OF THE FINANCIAL STATEMENTS

The District's basic financial statements are comprised of three parts:

- Government-Wide Financial Statements;
- Fund Financial Statements;
- Notes to Financial Statements.

In addition to the basic financial statements, this report also contains other required supplementary information.

Government-Wide Financial Statements

The government-wide financial statements provide both short-term and long-term information regarding the overall financial position of the District, in a manner similar to a private-sector business. These include a statement of net assets and a statement of activities designed to provide consolidated financial information about the activities of the primary government presented on the accrual basis of accounting; specifically:

- The Statement of Net Assets provides information about the government's financial position, its assets and liabilities, using an economic resources measurement focus. The difference between the assets and liabilities, the net assets, is a measure of the financial health of the District.
- The Statement of Activities presents information about the change in the District's net assets, the results of operations, during the fiscal year. An increase or decrease in net assets is an indicator of whether the District's financial position is improving or deteriorating.

All of the District's activities and services are reported in the government-wide financial statements, including instruction, pupil personnel services, instructional support services, administrative support services, facility maintenance, transportation, food services, and other functions. Property taxes, State and Federal assistance, and interest and investment earnings finance most of these activities. Additionally, all capital and debt financing activities are reported in these statements. The District currently does not report any business-type activities, which would include functions that are intended to recover all or a significant portion of their costs through user fees and charges.

The government-wide financial statements include not only the District itself (the primary government), but also report the combined activities of four legally separate charter schools (discrete component units) for which the District is financially accountable. Financial information for these discrete component units is reported separately from the financial information presented for the primary government itself. A fifth charter school has been determined to be a component unit of Florida Community College at Jacksonville, and is therefore not included in the District's financial statements. The Duval School Board Leasing Corporation, although also legally separate, was formed to facilitate financing for the acquisition of facilities and equipment. Due to the substantive economic relationship between the District and the Leasing Corporation, the Leasing Corporation has been included as an integral part of the primary government.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements and prudent fiscal management. All of the funds of the District can be classified into one of the following three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Therefore, to facilitate this comparison, both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation of governmental funds and governmental activities.

The governmental funds balance sheet and statement of revenues, expenditures, and changes in fund balances provide detailed information about the District's most significant funds. The District's major funds for this fiscal year are the General Fund, Capital Projects – Local Capital Improvement Fund, and Capital Projects – Other Capital Projects. Data from other governmental funds are aggregated into a single presentation.

The District adopts an annual appropriated budget for its governmental funds. A budgetary comparison statement is provided for the General Fund to demonstrate compliance with this budget.

Proprietary Funds The District maintains proprietary funds for its Internal Service Funds. Internal Service Funds are used to accumulate and allocate costs internally among the District's various functions. The District uses its Internal Service Funds to account for its self-insurance programs, including health, workers' compensation, general liability, and automobile liability coverage, and its District printing operations. The District's Internal Service Funds are included within governmental activities in the government-wide financial statements because the services predominantly benefit the District's governmental functions.

Fiduciary Funds Fiduciary funds are used to report assets held in a trustee or fiduciary capacity for the benefit of external parties, such as school and activity funds, commonly called the school internal funds. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the District's own programs. In its fiduciary

capacity, the District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes. The District's only fiduciary funds are the Agency Funds used to account for resources held for the school internal funds.

Notes to Financial Statements

The notes to the basic financial statements provide additional information that is essential to understanding the data provided in the government-wide and fund financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net assets may serve over time as a useful indicator of a government's financial position. The following is a summary of the District's net assets as of June 30, 2008, compared to net assets as of June 30, 2007:

	Net Assets, June 30,		Percent Change 2007-2008
	Governmental Activities 2008	2007	
Current and Other Assets	\$ 647,486,245	\$ 468,628,435	38.2%
Capital Assets	847,366,970	791,671,820	7.0%
Total Assets	1,494,853,215	1,260,300,255	18.6%
Long-Term Liabilities	397,870,047	255,323,341	55.8%
Other Liabilities	124,457,847	90,514,039	37.5%
Total Liabilities	522,327,894	345,837,380	51.0%
Net Assets:			
Invested in Capital Assets -			
Net of Debt	546,439,801	614,326,140	-11.1%
Restricted	394,715,303	280,886,334	40.5%
Unrestricted	31,370,217	19,250,401	63.0%
Total Net Assets	\$ 972,525,321	\$ 914,462,875	6.3%

Much of the District's net assets (56.2 percent) reflect its investment in capital assets (e.g., land, buildings, machinery, and equipment); less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide education and related services to the students of Duval County, Florida; consequently, these assets are not available for future spending. Although the District's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt are provided from other sources, since the capital assets themselves are not to be used to liquidate these liabilities.

The restricted portion of the District's net assets (40.6 percent) represents resources that are subject to external restrictions on how they may be used. The District's unrestricted net assets (3.2 percent) may be used to meet the District's ongoing obligations to students, employees, and creditors.

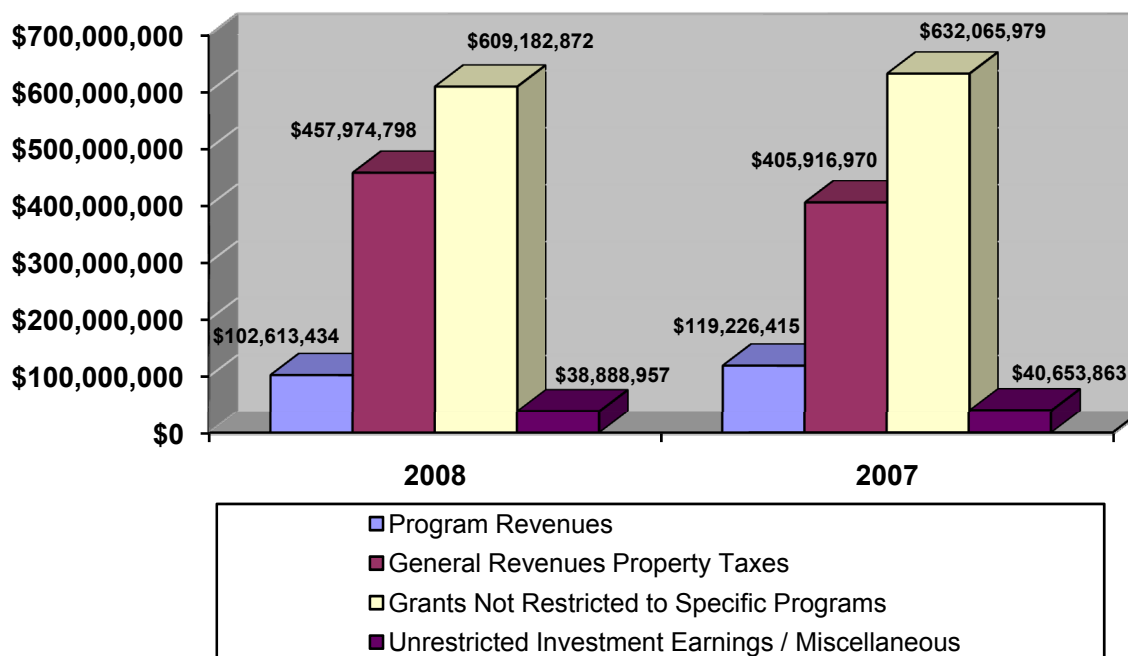
The District's total net assets increased by \$58,062,446 during the 2007-08 fiscal year. The increase represents the degree to which ongoing revenues have exceeded ongoing expenses. Details of the revenues and expenses composing the increase are as follows:

Operating Results for the Fiscal Year Ended			
	Governmental Activities		Percent Change
	6-30-08	6-30-07	
Program Revenues:			
Charges for Services	\$ 27,030,285	\$ 25,700,050	5.2%
Operating Grants and Contributions	47,986,456	47,997,638	0.0%
Capital Grants and Contributions	27,596,693	45,528,727	-39.4%
General Revenues:			
Property Taxes Levied for Operational Purposes	330,935,738	287,708,806	15.0%
Property Taxes Levied for Debt Service	9,029,712	17,273,770	-47.7%
Property Taxes Levied for Capital Projects	118,009,348	100,934,394	16.9%
Grants and Contributions Not Restricted to Specific Programs	609,182,872	632,065,979	-3.6%
Unrestricted Investment Earnings	20,816,939	22,143,346	-6.0%
Miscellaneous	18,072,018	18,510,517	-2.4%
Total Revenues	1,208,660,061	1,197,863,227	0.9%
Functions/Program Expenses:			
Instruction	631,191,635	617,619,961	2.2%
Pupil Personnel Services	61,514,280	60,271,038	2.1%
Instructional Media Services	18,082,649	17,502,009	3.3%
Instruction and Curriculum Development Services	19,242,697	21,544,786	-10.7%
Instructional Staff Training Services	37,628,230	34,975,813	7.6%
Instruction Related Technology	9,098,712	10,409,163	-12.6%
Board of Education	1,626,588	2,017,645	-19.4%
General Administration	7,005,815	6,995,107	0.2%
School Administration	60,716,323	58,392,208	4.0%
Facilities Acquisition and Construction	74,034,812	46,642,063	58.7%
Fiscal Services	5,901,306	6,014,874	-1.9%
Food Services	43,237,893	45,293,724	-4.5%
Central Services	19,010,633	20,986,324	-9.4%
Pupil Transportation Services	47,088,344	47,271,858	-0.4%
Operation of Plant	62,727,643	60,709,214	3.3%
Maintenance of Plant	31,569,835	32,502,883	-2.9%
Administrative Technology Services	8,675,009	6,846,454	26.7%
Community Services	502,083	774,638	-35.2%
Interest on Long-Term Debt	11,743,128	9,882,476	18.8%
Total Functions/Program Expenses	1,150,597,615	1,106,652,238	4.0%
Increase in Net Assets	\$ 58,062,446	\$ 91,210,989	-36.3%

The majority of the District's revenues for current operations are provided through the State's Florida Education Finance Program (FEFP), State categorical educational programs, and local property taxes. These revenues, for the most part, are included in general revenues, which provide about 91.5 percent of total revenues, whereas program revenues provide only about 8.5 percent. The

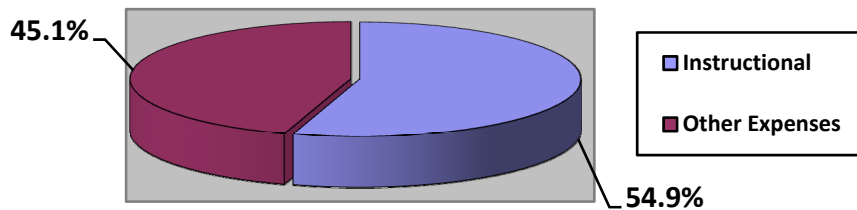
largest program revenues (84.1 percent) are from the facilities acquisition and construction, food services, and pupil transportation services activities.

Revenues by Source - Governmental Activities

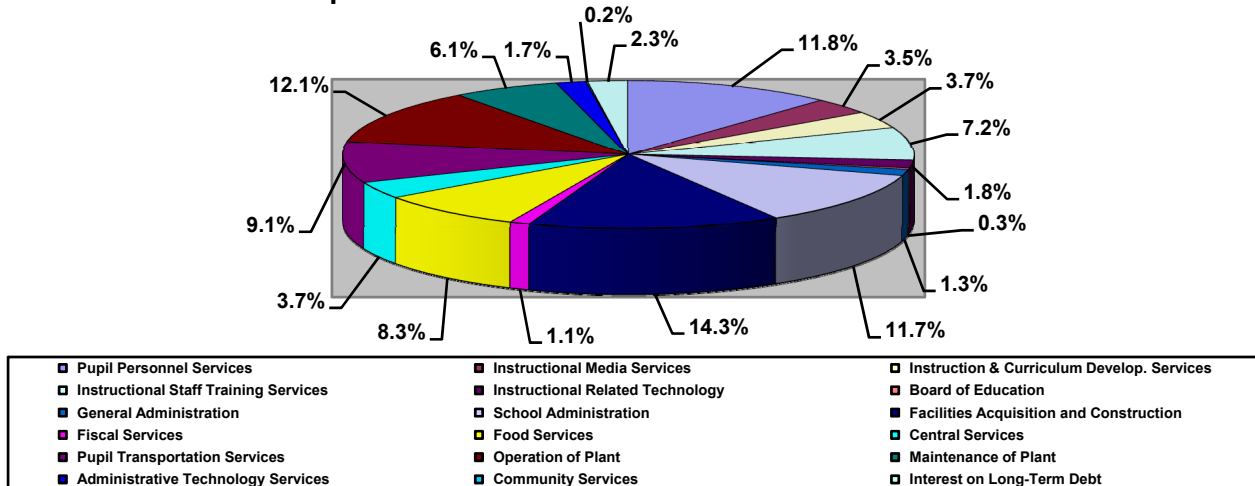


The FEFP funding formula is used to allocate State revenue sources for current District operations and, utilizing student enrollment data, is designed to maintain equity in funding across all Florida school districts considering funding ability based on taxable local property values. Student full time equivalency (FTE) decreased by 1,196 students, from 126,030 in the 2006-07 fiscal year to 124,834 in the 2007-08 fiscal year. Although the District experienced decreases in FEFP, State categorical programs, program revenues, and other miscellaneous and investment earnings, the additional revenue generated by the increase in property tax revenue allowed the District to maintain its excess of revenues over expenses. During the 2007-08 fiscal year, State FEFP funding decreased by \$38,655,935, or 9.5 percent. Local property tax revenues increased by \$52,057,827, or 12.8 percent, from growth and increasing property values. The change in local property tax revenues was comprised of increases in taxes levied for operational purposes (General Fund) and capital outlay (Capital Projects – Local Capital Improvement Fund) of \$43,226,932 and \$17,074,954, respectively, and a decrease in taxes levied for debt service of \$8,244,058.

2008 Expenses - Governmental Activities



2008 Expenses Other than Instruction - Governmental Activities



Instructional activities represent the majority of the District's expenses, totaling approximately 54.9 percent of total governmental expenses in the 2007-08 fiscal year. Overall, total expenses increased by \$43,945,377 or 4 percent, as compared to total revenues which increased by \$10,796,834, or .9 percent.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

As noted previously, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements and prudent fiscal management.

Governmental Funds

The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of June 30, 2008, the District's governmental funds reported combined ending fund balances of \$450,912,125, or an increase of \$115,812,190 in comparison with the prior year. Of the

total combined ending fund balances, \$225,962,727, or 50.1 percent, constitutes unreserved fund balances which are generally available for spending at the District's discretion considering each fund's established purpose. The remaining fund balances of \$224,949,398 are reserved to indicate they are not available for new spending. The reserved fund balances include: 1) \$102,076,583 for liquidation of contracts and outstanding purchase orders at year-end; 2) \$55,984,239 for State categorical programs; 3) \$4,279,606 for inventories purchased and available for issuance; 4) \$5,349,984 for employee benefits; and 5) \$57,258,986 for debt service. The District's total governmental fund revenues increased by \$15,239,039, or 1.3 percent in comparison to the prior year; the expenditures increased by \$74,846,087 or 6.4 percent.

Major Governmental Funds

The General Fund is the chief operating fund of the District. At the end of the current fiscal year, unreserved fund balance of the General Fund was \$39,570,696, while total fund balance was \$115,927,126. As a measure of the General Fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total expenditures. Unreserved fund balance represents 4.2 percent of total General Fund expenditures, while total fund balance represents 12.4 percent of total General Fund expenditures.

The District's General Fund total fund balance for the 2007-08 fiscal year increased by \$15,452,497, or 15.4 percent, as compared to the prior fiscal year. Key factors contributing to this increase are as follows:

- An increase in revenues of \$39,638,689 comprised mainly of increases in local revenue sources. Local revenues increased by \$50,068,282, mainly from increases in local property tax revenues.
- An increase in expenditures of \$50,259,432, mainly from increases in salaries and benefits expenditures, as well as transportation, utility, and other costs related to higher energy costs.
- Although total expenditures exceeded total revenues by \$18,043,229, transfers in from other funds exceeded transfers out by \$33,367,640, creating an overall increase in fund balance.

The Capital Projects – Local Capital Improvement Fund has a total fund balance of \$139,812,636, all of which is restricted for the acquisition, construction, and maintenance of capital assets. Local property tax revenues for capital outlay projects increased by \$17,074,954 in comparison to the prior fiscal year. This contributed to an increase in the fund balance of \$6,898,245, or 5.2 percent.

The Capital Projects – Other Capital Projects fund had a total fund balance of \$125,781,337, an increase of \$96,451,497 or 328.9 percent. This increase is due to the issuance of Certificates of Participation that were issued in 2007 for \$148,331,809 (including the premium) to fund the construction of several new school facilities.

Proprietary Funds

The District's proprietary funds provide the same type of information found in the government-wide financial statements. The Internal Service Fund's unrestricted net assets totaled \$50,737,858 at the end of the current fiscal year. The District experienced an increase in net assets of \$20,394,261, or 67.2 percent, in comparison to the prior fiscal year. The increase is mainly attributed to the District beginning a self-insurance program for health benefits.

GENERAL FUND BUDGETARY HIGHLIGHTS

Differences between the General Fund original budget and the final amended budget were minor for revenues and expenditures. Projected revenues decreased by \$11,648,033, or 1.3 percent. Expenditures decreased by \$8,447,199, or .8 percent. Budget revisions are necessary to adjust planned revenues and expenditures based on actual revenues and resource needs. The passage of Amendment One and the economic slowdown resulted in the budget shortfalls.

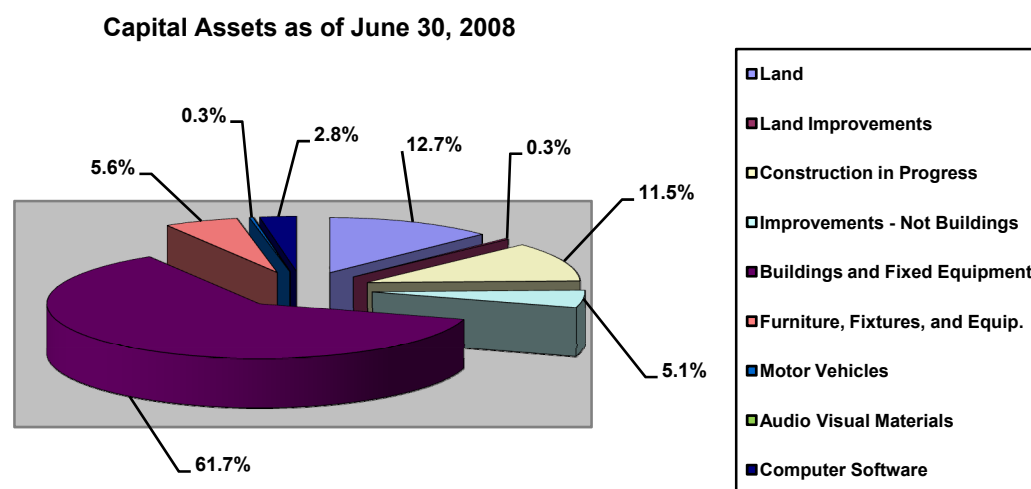
Actual revenues were \$1,296,991 or .1 percent more than final budgeted amounts, and actual expenditures were \$81,848,377 or 8.0 percent less than anticipated. With the passing of Amendment One and the slowdown of the economy, the District immediately began cutting costs in order to prepare for the loss of revenue that was anticipated in the coming year. The large difference between the budgeted and actual expenses is a reflection of that preparation in order to carry funds forward. The actual ending fund balance exceeded the estimated fund balance in the final budget by \$85,202,104.

CAPITAL ASSETS AND LONG-TERM DEBT

Capital Assets

The District's investment in capital assets (net of accumulated depreciation) as of June 30, 2008, totaled \$847,366,970. The capital assets include land; land improvements; improvements other than buildings; buildings and fixed equipment; furniture, fixtures and equipment; motor vehicles; audio visual equipment; computer software; and construction in progress. The investment

in capital assets (net of accumulated depreciation) increased during the current fiscal year by \$55,695,150, or 7 percent.



	2007-08	2006-07	(Decrease)
Land	\$ 107,685,773	\$ 87,750,980	\$ 19,934,793
Land Improvements	2,371,494	2,371,494	(0)
Construction in Progress	97,745,129	44,358,370	53,386,759
Improvements Other Than Buildings	43,362,065	44,797,151	(1,435,086)
Buildings and Fixed Equipment	522,721,240	542,028,569	(19,307,329)
Furniture, Fixtures, and Equipment	47,637,201	49,091,450	(1,454,249)
Motor Vehicles	2,313,300	2,797,692	(484,392)
Audio Visual Materials	4,697	16,181	(11,484)
Computer Software	23,526,071	18,459,933	5,066,138
Total Capital Assets, Net	<u>\$ 847,366,970</u>	<u>\$ 791,671,820</u>	<u>\$ 55,695,150</u>

Major capital asset additions during the current fiscal year included new construction, remodeling, renovations, and site improvements at several schools and other facilities, with budgeted costs totaling \$286,554,250. The schools included Robert E. Lee High School, North Shore, Lake Forrest Elementary, Chaffee Road Elementary, Darnell Cookman Middle School, Waterleaf Elementary, Bartram Springs Elementary, Sandalwood High School, Nathaniel B. Forrest High School, Kernan Middle School, Frank Peterson Career Academy, and A. Philip Randolph Career Academy, as well as the new “AAA” high school and “DD” elementary school.

Additional information on the District’s capital assets is shown in Note 5 to the financial statements.

Long-Term Debt

The District had total debt outstanding of \$303,287,482 at the end of the current fiscal year, of which \$8,300,000 represented General Obligation Bonds secured by a pledge of property taxes levied. The remaining debt consisted of State School Bonds and Certificates of Participation, which include Qualified Zone Academy Bonds, as shown below:

	Long-Term Debt Outstanding at June 30,		
	2008	2007	Increase (Decrease)
General Obligation Bonds	\$ 8,300,000	\$ 26,463,227	\$ (18,163,227)
State School Bonds (1)	26,935,000	29,340,000	(2,405,000)
Certificates of Participation	261,370,482	115,821,098	145,549,384
Qualified Zone Academy Bonds	6,682,000	6,682,000	
Total Long-Term Debt	<u>\$ 303,287,482</u>	<u>\$ 178,306,325</u>	<u>\$ 124,981,157</u>

Note (1): The beginning balance reported for State School Bonds is \$1,540,000 less than the amount reported at June 30, 2006, to correctly report outstanding debt resulting from the issuance of State Board of Education Refunding Bonds in prior years.

The District's total debt increased 70 percent during the current fiscal year, due largely to the issuance of new Certificates of Participation. Changes in long-term debt were comprised of scheduled principal payments and related amortizations.

Additional information on the District's long-term debt is shown in Notes 6 through 9 to the financial statements.

OTHER MATTERS OF SIGNIFICANCE

The following factors were considered in preparing the District budget for the 2007-08 fiscal year:

- The unemployment rate (seasonally adjusted) for the District (Duval County, Florida) is currently 4.1 percent, an increase from the rate of 3.5 percent from the prior fiscal year. This also compares unfavorably to the State's average unemployment rate of 4.0 percent. However, this rate compares favorably to the national average unemployment rate of 5.5 percent as of June, 2008.
- There are approximately 25 companies with headquarters in Jacksonville with greater than 500 employees for a total of 48,857 employees. Additionally, there are 32 various unions in the area, with the largest membership in the public sectors, with approximately 13,700 members.

- The Better Jacksonville Plan is a \$2.25 billion comprehensive growth management strategy initiative which encompasses public facilities, roads and infrastructure, environmental projects and targeted economic development. Approved by voters in September of 2000, many of the projects covered by the plan have been completed, including the new baseball grounds, certain road and infrastructure projects, the new main library, and other library renovations. Remaining projects include various road construction projects budgeted at \$278 million, and the new county courthouse complex budgeted at \$263.5 million.
- Florida legislation requiring the reduction of class sizes at all levels over the next several years continues to have a strong impact on the District's budget and its ability to provide elective courses and other services to the schools.
- Inflationary trends in the District compare favorably to national indices.
- The housing market within Duval County, as well as the market throughout the State, has slowed. The number of homes sold in Duval County was reduced by 23.8 percent, and the number of permits for new home construction reduced by 44.3 percent when compared to the previous year. This does compare favorably against the State's percentages of 29.2 and 44.5 percent respectively.
- Energy costs continue to increase, which affects the cost of utilities at the District's facilities, as well as transportation costs. According to the Bureau of Labor and Statistics, the energy index rose to 29.3 in 2007, a new high. Gasoline prices increased 35.2 percent on top of a 29.6 percent increase the previous year, and natural gas prices have increased 71.3 percent.
- The passing of Amendment One has had significant impact on the District. This amendment limited the funding that local governments can collect on property taxes. The District relies heavily on local property taxes collected as a major source of funding. To date, the legislature has not developed a replacement for the lost funding, and the District has worked to cut administrative costs in order to absorb the funding shortfall with as little impact on the schools as possible.

During the 2007-08 fiscal year, unreserved fund balance in the General Fund decreased from \$41,238,344 to \$39,570,696, or 4.2 percent of total General Fund revenues. The District strives to maintain an unreserved fund balance of 3 to 5 percent of General Fund revenues in an effort to ensure resources are available for unforeseen changes in economic factors.

STATE BOARD OF ADMINISTRATION WITHDRAWAL

As previously reported in prior Annual Reports, the District is a participant in the State Board of Administration (SBA) Local Government Investment Pool (LGIP) along with hundreds of other local governments throughout Florida. The Pool was created in 1985 to provide the equivalent of a money market fund for local governments and state agencies. The Pool has historically provided a safe and liquid investment vehicle that generated competitive investment earnings.

In November 2007, the Pool reported credit problems with some investments, which ultimately led to a run on the Pool and a temporary freeze of the Pool. The District withdrew all SBA funds in November prior to the freeze of the Pool, except for \$426.98 that was left in the Pool in order to maintain an open account. The Pool was reopened in December under new management and with new limitations on investments and withdrawals.

Upon reopening, the Pool was divided into two sub-pools, Fund A and Fund B, in order to segregate the downgraded investments from higher rated investments. Governments with accounts in the SBA Pool in November had 86% of their assets allocated to Fund A and 14% of their assets allocated to Fund B. The District had approximately \$60 of the \$426.98 account balance allocated to Fund B in November.

The SBA continues to assert that investments included in Fund B are collateralized and that the principal invested should be realized in full if Fund B investments are held to maturity. These investments cannot be sold without experiencing a loss; therefore, no amounts can be withdrawn from Fund B by any Pool participant.

Even though the District withdrew all funds from the SBA Pool, except for \$426.98, 100% of all participants' November investment earnings were frozen and were allocated to Fund B in order to reduce potential losses. The frozen earnings will be gradually released to Pool participants as investments mature and funds are available. The Districts' frozen investment earnings from November that were allocated to Fund B are estimated to be in excess of \$600,000. As of June 30, 2008, the measurability and collectability of these investment earnings are still indeterminable to the extent that the District has not accrued this income for financial statement purposes.

As a result of the SBA LGIP failure, amounts withdrawn from the SBA Pool have been redistributed to other investments, including a State Qualified Public Depository (QPD) Certificate of Deposit (CD), a Treasury backed Money Market account, and participation in the State of Florida, Special Purpose Investment Account (SPIA) program. This process of diversification has

significantly improved the Districts' Concentration of Credit Risk exposure, with a minimal trade off against liquidity and yield. Future District participation in the SBA LGIP as a viable investment option will be dependent on how soon, and to what extent, the new management of the Pool re-establishes the trust previously held by its participants prior to November, 2007.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Duval County District School Board's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Director of Business Services, Duval County Public Schools, 1701 Prudential Drive, Jacksonville, Florida 32207-8182.

BASIC FINANCIAL STATEMENTS

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DUVAL COUNTY PUBLIC SCHOOLS
STATEMENT OF NET ASSETS
JUNE 30, 2008

	Primary Government	Component Units	
	Governmental	Charter	
	Activities	Schools	Total
ASSETS			
Cash and Cash Equivalents	\$ 12,295,949	\$ 1,041,695	\$ 13,337,644
Investments	515,193,207	-	515,193,207
Taxes Receivable (net)	1,522,689	-	1,522,689
Accounts Receivable (net)	1,402,783	45,533	1,448,316
Interest Receivable	968,162	-	968,162
Deferred Charges - Issuance Cost	2,360,313	-	2,360,313
Deposits Receivable	-	5,048	5,048
Due From Other Agencies	30,147,954	18,956	30,166,910
Due From Excess Insurance Carriers	411,111	-	411,111
Inventories	4,279,606	-	4,279,606
Prepaid Expenses	-	5,224	5,224
Restricted Assets:			
Cash and Investments	78,904,471	-	78,904,471
Capital Assets:			
Non-Depreciable	207,802,395	-	207,802,395
Depreciable (net)	639,564,575	2,220,066	641,784,641
Total Assets	1,494,853,215	3,336,522	1,498,189,737
LIABILITIES			
Accounts Payable	52,035,907	216,866	52,252,773
Construction Contracts Payable	12,198,398	-	12,198,398
Construction Contracts Retainage Payable	2,659,404	-	2,659,404
Accrued Salaries and Benefits	8,476,551	7,809	8,484,360
Payroll Deductions and Withholdings	274,093	-	274,093
Due to Excess Insurance Carriers	5,912	-	5,912
Due to Other Agencies	49,240	-	49,240
Notes Payable	22,640,444	-	22,640,444
Matured Bonds Payable	2,545,000	-	2,545,000
Matured Interest Payable	6,090,831	-	6,090,831
Accrued Interest Payable	216,423	-	216,423
Deposits Payable	5,905,210	-	5,905,210
Sales Tax Payable	1,444	-	1,444
Deferred Revenue	11,358,990	-	11,358,990
Noncurrent Liabilities:			
Portion Due or Payable Within One Year:		77,461	77,461
Bonds Payable	10,655,000	-	10,655,000
Unearned Revenue	-	5,221	5,221
Certificates of Participation Payable	38,541,479	-	38,541,479
Compensated Absences Payable	7,404,250	-	7,404,250
Estimated Insurance Claims Payable	9,424,241	-	9,424,241
Portion Due or Payable After One Year:			
Bonds Payable	24,580,000	177,880	24,757,880
Obligations Under Capital Lease	-	9,583	9,583
Certificates of Participation Payable	229,511,003	-	229,511,003
Compensated Absences Payable	56,924,790	-	56,924,790
Estimated Insurance Claims Payable	9,810,284	-	9,810,284
Other Post-Employment Benefits Obligation	11,019,000	-	11,019,000
Total Liabilities	522,327,894	494,820	522,822,714
NET ASSETS			
Invested in Capital Assets, Net of Related Debt	546,439,801	1,994,921	548,434,722
Restricted for:			-
Capital Projects	276,122,094	387,152	276,509,246
Debt Service	57,258,986	-	57,258,986
Employee Benefits	5,349,984	-	5,349,984
State Categorical Programs	55,984,239	-	55,984,239
Unrestricted	31,370,217	459,629	31,829,846
Total Net Assets	\$ 972,525,321	\$ 2,841,702	\$ 975,367,023

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

DUVAL COUNTY PUBLIC SCHOOLS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2008

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government:				
Governmental Activities:				
Instruction	\$ 631,191,635	\$ 12,466,117	\$ -	\$ -
Pupil Personnel Services	61,514,280	-	-	-
Instructional Media Services	18,082,649	-	-	-
Instruction and Curriculum Development Services	19,242,697	-	-	-
Instructional Staff Training	37,628,230	-	-	-
Instruction Related Technology	9,098,712	-	-	-
Board of Education	1,626,588	-	-	-
General Administration	7,005,815	-	-	-
School Administration	60,716,323	-	-	-
Facilities Acquisition & Construction	74,034,812	-	-	23,781,745
Fiscal Services	5,901,306	-	-	-
Food Services	43,237,893	14,564,168	26,821,906	-
Central Services	19,010,633	-	-	-
Pupil Transportation Services	47,088,344	-	21,164,550	-
Operation of Plant	62,727,643	-	-	-
Maintenance of Plant	31,569,835	-	-	-
Administrative Technology Services	8,675,009	-	-	-
Community Services	502,083	-	-	-
Interest on Long-Term Debt and Fiscal Fees	11,743,128	-	-	3,814,948
Total Governmental Activities	<u>\$ 1,150,597,615</u>	<u>\$ 27,030,285</u>	<u>\$ 47,986,456</u>	<u>\$ 27,596,693</u>
Component Units:				
Charter Schools	<u>\$ 8,396,765</u>	<u>\$ 2,642</u>	<u>\$ 97,503</u>	<u>\$ 266,446</u>

General Revenues:

Taxes:

Property Taxes, Levied for Operational Purposes

Property Taxes, Levied for Debt Service

Property Taxes, Levied for Capital Projects

Grants and Contributions Not Restricted to Specific Programs

Unrestricted Investment Income

Miscellaneous

Total General Revenues

Change in Net Assets

Net Assets - July 1, 2007

Net Assets - June 30, 2008

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

Net (Expense) Revenue and Changes in Net Assets		
Primary Government	Component Units	
Governmental Activities	Charter Schools	Total
\$ (618,725,518)	\$	\$ (618,725,518)
(61,514,280)		(61,514,280)
(18,082,649)		(18,082,649)
(19,242,697)		(19,242,697)
(37,628,230)		(37,628,230)
(9,098,712)		(9,098,712)
(1,626,588)		(1,626,588)
(7,005,815)		(7,005,815)
(60,716,323)		(60,716,323)
(50,253,067)		(50,253,067)
(5,901,306)		(5,901,306)
(1,851,819)		(1,851,819)
(19,010,633)		(19,010,633)
(25,923,794)		(25,923,794)
(62,727,643)		(62,727,643)
(31,569,835)		(31,569,835)
(8,675,009)		(8,675,009)
(502,083)		(502,083)
(7,928,180)		(7,928,180)
(1,047,984,181)	-	(1,047,984,181)
-	(8,030,174)	(8,030,174)
330,935,738	-	330,935,738
9,029,712	-	9,029,712
118,009,348	-	118,009,348
609,182,872	6,935,133	616,118,005
20,816,939	-	20,816,939
18,072,018	1,107,739	19,179,757
1,106,046,627	8,042,872	1,114,089,499
58,062,446	12,698	58,075,144
914,462,875	2,829,004	917,291,879
\$ 972,525,321	\$ 2,841,702	\$ 975,367,023

DUVAL COUNTY PUBLIC SCHOOLS
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2008

	<u>General Fund</u>	<u>Capital Projects - Local Capital Improvement Fund</u>	<u>Capital Projects - Other Capital Projects Fund</u>
ASSETS			
Cash and Cash Equivalents	\$ 10,721,788	\$ -	\$ -
Cash held with Fiscal Agent	6,633,585	-	-
Taxes Receivable	1,088,557	369,181	-
Investments	145,062,241	153,797,456	132,235,664
Accounts Receivable, net	1,076,905	-	-
Interest Receivable	705,613	-	-
Due From Other Agencies	62,862	-	13,590,813
Inventories	3,287,018	-	-
Total Assets	<u>\$ 168,638,569</u>	<u>\$ 154,166,637</u>	<u>\$ 145,826,477</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Salaries, Benefits and Payroll Taxes Payable	8,476,551	-	-
Payroll Deductions and Withholdings Payable	274,093	-	-
Accounts Payable	15,238,864	11,092,985	3,682,260
Construction Contracts Payable	-	2,615,326	8,539,424
Construction Contracts Payable - Retainage	3,422	645,690	1,591,947
Note Payable	22,640,444	-	-
Matured Certificates of Participation Payable	-	-	-
Matured Interest Payable	-	-	-
Sales Tax Payable	633	-	-
Due to Other Agencies	9,132	-	-
Deposits Payable	5,905,210	-	-
Deferred Revenue	163,094	-	6,231,509
Total Liabilities	<u>52,711,443</u>	<u>14,354,001</u>	<u>20,045,140</u>
Fund Balances:			
Reserved for:			
State Required Carryover Programs	55,984,239	-	-
Encumbrances	11,735,189	33,730,510	49,682,206
Employee Benefits	5,349,984	-	-
Inventories	3,287,018	-	-
Debt Service Funds	-	-	-
Unreserved Reported In:			
General Fund	39,570,696	-	-
Special Revenue Funds	-	-	-
Capital Projects Funds	-	106,082,126	76,099,131
Total Fund Balances	<u>115,927,126</u>	<u>139,812,636</u>	<u>125,781,337</u>
Total Liabilities and Fund Balances	<u>\$ 168,638,569</u>	<u>\$ 154,166,637</u>	<u>\$ 145,826,477</u>

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

Other Governmental Funds	Total Governmental Funds
\$ 917,865	\$ 11,639,653
-	6,633,585
64,951	1,522,689
72,721,537	503,816,898
325,878	1,402,783
-	705,613
16,375,502	30,029,177
992,588	4,279,606
<u>\$ 91,398,321</u>	<u>\$ 560,030,004</u>

-	8,476,551
-	274,093
6,904,165	36,918,274
1,043,648	12,198,398
418,345	2,659,404
-	22,640,444
2,545,000	2,545,000
6,090,831	6,090,831
811	1,444
40,108	49,240
-	5,905,210
4,964,387	11,358,990
<u>22,007,295</u>	<u>109,117,879</u>

-	55,984,239
6,928,678	102,076,583
-	5,349,984
992,588	4,279,606
57,258,986	57,258,986
-	39,570,696
99,160	99,160
4,111,614	186,292,871
<u>69,391,026</u>	<u>450,912,125</u>
<u>\$ 91,398,321</u>	<u>\$ 560,030,004</u>

**DUVAL COUNTY PUBLIC SCHOOLS
RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET ASSETS
AS OF JUNE 30, 2008**

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

Total Fund Balances - Governmental Funds		\$ 450,912,125
Capital assets, net of accumulated depreciation, used in governmental activities are not financial resources and, therefore, are not reported as assets in the governmental funds.		847,366,970
Deferred charges are not available to liquidate liabilities in the governmental funds, but are accrued in governmental activities in the statement of net assets.		2,360,313
Accrued interest on long-term liabilities is not due and payable in the current period and, therefore, is not reported as a liability in the governmental funds.		(216,423)
Internal service funds are used by management to charge the costs of certain activities such as insurance to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.		50,737,858
Long-term liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds. Long-term liabilities at current year-end consist of:		
Bonds Payable	(35,235,000)	
Certificates of Participation Payable	(268,052,482)	
Compensated Absences Payable	(64,329,040)	
Other Post Employment Benefits	(11,019,000)	
	<u>(378,635,522)</u>	<u>(378,635,522)</u>
Total Net Assets - Governmental Activities		<u>\$ 972,525,321</u>

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

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DUVAL COUNTY PUBLIC SCHOOLS
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2008

	General Fund	Capital Projects - Local Capital Improvement Fund	Capital Projects - Other Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
REVENUES					
Federal Direct Sources:					
Reserve Officer Training Corps (ROTC)	\$ 551,904	\$ -	\$ -	\$ -	\$ 551,904
Other Federal Direct Sources	689,160	-	-	4,409,707	5,098,867
Total Federal Direct	1,241,064	-	-	4,409,707	5,650,771
Federal Through State Sources:					
Food Service	-	-	-	25,970,956	25,970,956
Other Federal Through State Sources	-	-	-	75,280,878	75,280,878
Total Federal Through State	-	-	-	101,251,834	101,251,834
State Sources:					
Florida Education Finance Program	368,237,774	-	-	-	368,237,774
Food Service	-	-	-	850,950	850,950
Categorical Programs	171,584,636	-	-	-	171,584,636
District Discretionary Lottery Funds	6,186,777	-	-	-	6,186,777
Other State Sources	2,745,162	-	6,761,966	21,496,153	31,003,281
Total State Sources	548,754,349	-	6,761,966	22,347,103	577,863,418
Local Sources:					
Ad Valorem Taxes	330,935,738	118,009,347	-	9,029,712	457,974,797
Food Service	-	-	-	14,564,168	14,564,168
Interest Income	7,799,382	6,253,114	1,510,211	2,003,184	17,565,891
Other Local Sources	28,908,379	938,440	13,000	35,910	29,895,729
Total Local Sources	367,643,499	125,200,901	1,523,211	25,632,974	520,000,585
Total Revenues	917,638,912	125,200,901	8,285,177	153,641,618	1,204,766,608

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

(Continued)

	General Fund	Capital Projects - Local Capital Improvement Fund	Capital Projects - Other Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
EXPENDITURES					
Current:					
Instruction	\$ 581,189,857	\$ -	\$ -	\$ 34,441,427	\$ 615,631,284
Pupil Personnel Services	41,906,771	-	-	16,956,745	58,863,516
Instructional Media Services	17,298,386	-	-	32,322	17,330,708
Instruction and Curriculum Development	12,448,313	-	-	6,059,254	18,507,567
Instructional Staff Training	22,794,144	-	-	13,957,447	36,751,591
Instruction Related Technology	8,874,100	-	-	-	8,874,100
Board of Education	1,601,194	-	-	-	1,601,194
General Administration	4,707,481	-	-	2,031,985	6,739,466
School Administration	57,953,252	-	-	7,281	57,960,533
Facilities Acquisition & Construction	2,258,691	44,897,520	406,205	11,320,575	58,882,991
Fiscal Services	5,648,763	-	-	-	5,648,763
Food Services	-	-	-	43,037,043	43,037,043
Central Services	18,096,690	-	-	326,386	18,423,076
Pupil Transportation Services	45,058,374	-	-	1,955,070	47,013,444
Operation of Plant	61,952,588	-	-	158,309	62,110,897
Maintenance of Plant	30,556,675	-	-	-	30,556,675
Administrative Technology Services	8,428,369	-	-	-	8,428,369
Community Services	326,978	-	-	156,189	483,167
Capital Outlay:					
Facilities Acquisition & Construction	126,207	25,856,389	59,494,683	4,231,942	89,709,221
Other Capital	13,814,864	-	-	1,303,520	15,118,384
Debt Service:					
Principal	-	-	-	21,960,000	21,960,000
Interest and Fiscal Charges	640,444	-	-	12,945,888	13,586,332
Total Expenditures	935,682,141	70,753,909	59,900,888	170,881,383	1,237,218,321
Excess (Deficiency) of Revenues Over Expenditures	(18,043,229)	54,446,992	(51,615,711)	(17,239,765)	(32,451,713)
OTHER FINANCING SOURCES (USES)					
Loss Recoveries	9,896	-	-	-	9,896
Proceeds of Certificates Participation	-	-	148,331,808	-	148,331,808
Sale of Land	-	-	415,000	-	415,000
Loans Incurred	118,190	-	-	-	118,190
Transfers In	35,444,489	267,796	-	16,633,622	52,345,907
Transfers Out	(2,076,849)	(47,816,543)	(679,600)	(2,383,906)	(52,956,898)
Total Other Financing Sources (Uses)	33,495,726	(47,548,747)	148,067,208	14,249,716	148,263,903
Net Change in Fund Balance	15,452,497	6,898,245	96,451,497	(2,990,049)	115,812,190
Fund Balance, Beginning July 1, 2007	100,474,629	132,914,391	29,329,840	72,381,075	335,099,935
Fund Balance, Ending June 30, 2008	\$ 115,927,126	\$ 139,812,636	\$ 125,781,337	\$ 69,391,026	\$ 450,912,125

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

DUVAL COUNTY PUBLIC SCHOOLS
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2008

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

Net Change in Fund Balances - Governmental Funds	\$ 115,812,190
Capital outlays are reported in the governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount of capital outlays in excess of depreciation expense in the current period.	56,065,779
Issuing long-term bonded debt is an other financing source in the governmental funds, but issuing new debt increases long-term liabilities in the statement of net assets.	(148,331,808)
Other Post Employment Benefits liabilities, which are long-term, are not due and payable in the current period and therefore are not reported in the funds.	(11,019,000)
Capital assets donated to the District increase net assets in the government-wide financial statements, but are not financial resources and, therefore, are not reported in the governmental funds.	256,847
The loss on disposal of capital assets during the current period is reported in the statement of activities. In the governmental funds, the cost of these assets was recognized as an expenditure in the year purchased. Thus, the change in net assets differs from the change in fund balances by the undepreciated cost of the disposed assets.	(627,477)
Repayment of long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. This is the amount of long-term debt that was repaid in the current period.	21,960,000
Governmental funds report the effect of premiums, discounts, and similar items in the year debt is issued, but these amounts are deferred and amortized over the life of the debt in the statement of activities.	2,790,318
In the statement of activities, the cost of compensated absences is measured by the amounts earned during the year, while in the governmental funds expenditures are recognized based on the amounts actually paid for leave used. This is the net amount of vacation and sick leave earned in excess of the amount paid in the current period.	317,799
Interest on long term debt is recognized as an expenditure in governmental funds when due, but is recognized as interest accrues in the statement of activities. This is the net decrease in accrued interest during the current period.	443,537
Internal service funds are used by management to charge the cost of certain activities to individual funds. The net revenue of internal service funds is reported with governmental activities.	20,394,261
Change in Net Assets of Governmental Activities:	\$ 58,062,446

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

DUVAL COUNTY PUBLIC SCHOOLS
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual Amounts	
REVENUES				
Federal Direct Sources:				
Reserve Officer Training Corps (ROTC)	\$ 550,000	\$ 600,000	\$ 551,904	\$ (48,096)
Other Federal Direct Sources	600,000	687,206	689,160	1,954
Total Federal Direct	1,150,000	1,287,206	1,241,064	(46,142)
State Sources:				
Florida Education Finance Program	404,909,771	368,237,774	368,237,774	-
Categorical Programs	171,074,848	163,388,776	171,584,636	8,195,860
District Discretionary Lottery Funds	5,048,907	6,186,777	6,186,777	-
Other State Sources	1,101,237	10,212,288	2,745,162	(7,467,126)
Total State Sources	582,134,763	548,025,615	548,754,349	728,734
Local Sources:				
Ad Valorem Taxes	325,868,173	329,847,178	330,935,738	1,088,560
Interest Income	4,223,327	6,699,741	7,799,382	1,099,641
Other Local Sources	14,613,691	30,482,181	28,908,379	(1,573,802)
Total Local Sources	344,705,191	367,029,100	367,643,499	614,399
Total Revenues	927,989,954	916,341,921	917,638,912	1,296,991

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

(Continued)

DUVAL COUNTY PUBLIC SCHOOLS
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008

	General Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
EXPENDITURES				
Current:				
Instruction:				
Salaries	\$ 399,446,706	\$ 413,011,704	\$ 400,669,094	\$ 12,342,610
Benefits	149,406,739	137,274,523	127,725,185	9,549,338
Purchased Services	43,718,994	35,770,517	26,739,687	9,030,830
Energy Services	25,350	56,550	33,393	23,157
Materials & Supplies	67,224,740	39,295,540	22,792,121	16,503,419
Capital Outlay	2,276,664	3,096,924	1,873,382	1,223,542
Other Expenses	264,148	1,507,075	1,356,995	150,080
Pupil Personnel Services:				
Salaries	28,012,686	28,796,017	28,140,390	655,627
Benefits	9,977,435	9,576,702	9,357,590	219,112
Purchased Services	6,894,770	6,457,079	4,036,347	2,420,732
Energy Services	7,526	7,526	5,943	1,583
Materials & Supplies	4,692,511	743,565	151,435	592,130
Capital Outlay	3,441	27,858	16,926	10,932
Other Expenses	5,059	210,204	198,140	12,064
Instructional Media Services:				
Salaries	11,397,091	11,693,244	11,561,281	131,963
Benefits	4,104,452	3,774,459	3,764,168	10,291
Purchased Services	551,607	1,248,212	1,016,325	231,887
Energy Services	1,228	624	11	613
Materials & Supplies	686,383	370,751	262,367	108,384
Capital Outlay	1,629,270	1,291,537	688,932	602,605
Other Expenses	18,763	5,822	5,302	520
Instruction and Curriculum Development:				
Salaries	7,233,103	7,772,551	7,179,258	593,293
Benefits	2,606,497	2,448,121	2,178,336	269,785
Purchased Services	1,870,580	3,021,840	2,546,491	475,349
Materials & Supplies	4,340,655	4,565,757	490,482	4,075,275
Capital Outlay	22,374	112,646	35,446	77,200
Other Expenses	39,431	18,628	18,300	328
Instructional Staff Training Services:				
Salaries	13,239,247	16,100,797	14,251,228	1,849,569
Benefits	4,646,020	4,927,785	4,248,259	679,526
Purchased Services	966,962	5,771,952	4,108,895	1,663,057
Materials & Supplies	219,181	157,430	115,691	41,739
Capital Outlay	24,105	26,440	20,817	5,623
Other Expenses	31,412	62,274	49,254	13,020
Instruction Related Technology:				
Salaries	3,957,503	3,983,470	3,982,939	531
Benefits	1,433,297	1,295,786	1,265,956	29,830
Purchased Services	5,330,637	4,625,932	3,321,112	1,304,820
Energy Services	47,955	48,064	48,060	4
Materials & Supplies	413,563	365,070	223,680	141,390
Capital Outlay	33,752	109,475	19,788	89,687
Other Expenses	100	12,665	12,565	100
Board of Education:				
Salaries	386,320	399,012	399,012	-
Benefits	139,848	143,913	143,898	15
Purchased Services	2,438,349	2,448,015	969,282	1,478,733
Materials & Supplies	17,119	9,090	6,378	2,712
Capital Outlay	1,194	20,178	19,944	234
Other Expenses	118,269	107,816	62,680	45,136

(Continued)

DUVAL COUNTY PUBLIC SCHOOLS
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008

	General Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
EXPENDITURES				
General Administration:				
Salaries	\$ 3,193,537	\$ 3,434,785	\$ 3,379,793	\$ 54,992
Benefits	1,137,473	903,687	895,002	8,685
Purchased Services	797,065	826,150	338,918	487,232
Energy Services	16,512	16,593	11,822	4,771
Materials & Supplies	76,464	69,738	42,571	27,167
Capital Outlay	5,456	15,464	8,876	6,588
Other Expenses	34,617	59,032	30,499	28,533
School Administration:				
Salaries	43,976,559	42,345,091	42,043,259	301,832
Benefits	15,802,961	13,942,337	13,831,319	111,018
Purchased Services	1,335,696	1,605,897	1,185,641	420,256
Materials & Supplies	559,160	879,752	630,851	248,901
Capital Outlay	117,202	366,942	220,499	146,443
Other Expenses	17,193	48,819	41,683	7,136
Facilities Acquisition & Construction:				
Salaries	1,266,320	720,301	720,301	-
Benefits	458,408	253,620	209,075	44,545
Purchased Services	796,668	610,405	206,043	404,362
Materials & Supplies	15,498	28,302	12,570	15,732
Capital Outlay	903,450	1,461,084	1,110,502	350,582
Other Expenses	3,699	2,465	200	2,265
Fiscal Services:				
Salaries	4,435,580	4,027,926	4,006,451	21,475
Benefits	1,598,978	1,331,362	1,301,395	29,967
Purchased Services	471,394	491,566	228,241	263,325
Materials & Supplies	1,055,859	922,131	104,420	817,711
Capital Outlay	3,111	5,601	1,596	4,005
Other Expenses	7,762	8,025	6,660	1,365
Central Services:				
Salaries	9,326,437	9,547,687	9,540,590	7,097
Benefits	3,365,919	3,461,212	3,457,819	3,393
Purchased Services	2,939,887	5,811,490	4,574,658	1,236,832
Energy Services	169,717	227,094	215,579	11,515
Materials & Supplies	370,913	387,224	273,907	113,317
Capital Outlay	69,912	94,422	26,498	67,924
Other Expenses	116,505	208,351	7,639	200,712
Pupil Transportation Services:				
Salaries	1,039,896	1,003,638	998,755	4,883
Benefits	373,987	332,672	332,672	-
Purchased Services	41,672,790	40,654,109	39,608,625	1,045,484
Energy Services	5,462,016	5,517,904	4,099,381	1,418,523
Materials & Supplies	23,741	18,982	13,306	5,676
Capital Outlay	15,334	6,229	5,635	594
Other Expenses	7,291	1,532	-	1,532
Operation of Plant:				
Salaries	8,176,184	11,576,912	11,400,324	176,588
Benefits	2,971,542	4,750,340	4,675,191	75,149
Purchased Services	31,406,654	31,138,631	27,558,689	3,579,942
Energy Services	17,993,291	18,382,428	17,430,385	952,043
Materials & Supplies	661,039	997,851	802,571	195,280
Capital Outlay	13,721	136,093	82,160	53,933
Other Expenses	8,745	10,859	3,268	7,591

(Continued)

DUVAL COUNTY PUBLIC SCHOOLS
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008

	General Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
EXPENDITURES				
Maintenance of Plant:				
Salaries	\$ 15,728,330	\$ 15,505,111	\$ 15,486,304	\$ 18,807
Benefits	5,692,868	4,867,630	4,867,075	555
Purchased Services	4,312,943	4,350,328	3,690,592	659,736
Energy Services	517,623	674,623	618,707	55,916
Materials & Supplies	5,891,032	6,144,403	5,859,796	284,607
Capital Outlay	64,511	404,622	20,986	383,636
Other Expenses	24,565	13,909	13,215	694
Administrative Technology:				
Salaries	3,415,455	3,304,208	3,302,770	1,438
Benefits	1,241,367	989,182	961,417	27,765
Purchased Services	3,613,905	4,411,634	3,857,735	553,899
Energy Services	510	-	-	-
Materials & Supplies	47,597	74,722	46,577	28,145
Capital Outlay	38,883	273,149	231,233	41,916
Other Expenses	30,717	35,512	28,637	6,875
Community Services:				
Salaries	177,681	217,082	197,454	19,628
Benefits	62,604	63,758	52,348	11,410
Purchased Services	110,797	110,613	58,607	52,006
Materials & Supplies	46,561	47,697	16,354	31,343
Capital Outlay	636	2,637	1,790	847
Other Expenses	8,760	9,035	425	8,610
Capital Outlay:				
Facilities Acquisition & Construction	126,207	126,207	126,207	-
Other Capital	594,356	13,482,618	13,814,864	(332,246)
Debt Service:				
Other Expenses	54,630	1,007,963	640,444	367,519
Total Expenditures	<u>1,025,977,717</u>	<u>1,017,530,518</u>	<u>935,682,141</u>	<u>81,848,377</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(97,987,763)</u>	<u>(101,188,597)</u>	<u>(18,043,229)</u>	<u>83,145,368</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	19,300,694	33,704,767	35,444,489	1,739,722
Loans Incurred	-	-	118,190	118,190
Loss Recoveries	-	9,857	9,896	39
Transfers Out	(91,387)	(2,275,634)	(2,076,849)	198,785
Total Other Financing Sources	<u>19,209,307</u>	<u>31,438,990</u>	<u>33,495,726</u>	<u>2,056,736</u>
Net Change in Fund Balance	(78,778,456)	(69,749,607)	15,452,497	85,202,104
Fund Balance, Beginning July 1, 2007	<u>102,379,844</u>	<u>100,474,629</u>	<u>100,474,629</u>	<u>-</u>
Fund Balance, Ending June 30, 2008	<u>\$ 23,601,388</u>	<u>\$ 30,725,022</u>	<u>\$ 115,927,126</u>	<u>\$ 85,202,104</u>

DUVAL COUNTY PUBLIC SCHOOLS
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
JUNE 30, 2008

	Governmental Activities - Internal Service Funds
ASSETS	
Current Assets:	
Cash	\$ 290,000
Investments	84,013,490
Interest Receivable	262,549
Due From Other Agencies	118,777
Due from Excess Insurance Carriers, Net of	
Allowance for Doubtful Accounts of \$440,379	411,112
Total Assets	<u>85,095,928</u>
LIABILITIES	
Current Liabilities:	
Accounts Payable	15,117,633
Due to Reinsurer	5,912
Estimated Insurance Claims Payable	9,424,241
Total Current Liabilities	<u>24,547,786</u>
Noncurrent Liabilities:	
Estimated Insurance Claims Payable	9,810,284
Total Noncurrent Liabilities	<u>9,810,284</u>
Total Liabilities	<u>34,358,070</u>
NET ASSETS	
Unrestricted	50,737,858
Total Net Assets	<u>\$ 50,737,858</u>

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

**DUVAL COUNTY PUBLIC SCHOOLS
STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2008**

	Governmental Activities - Internal Service Funds
OPERATING REVENUES	
Premium Revenues	\$ 96,107,526
Charges for Services	1,347,095
Other Operating Revenues	<u>704,656</u>
Total Operating Revenues	<u>98,159,277</u>
OPERATING EXPENSES	
Salaries and Benefits	434,067
Purchased Services	8,376,963
Materials and Supplies	240,955
Insurance Claims and Related Costs	<u>71,654,368</u>
Total Operating Expenses	<u>80,706,353</u>
Operating Income	<u>17,452,924</u>
NONOPERATING REVENUES	
Interest	2,330,346
Transfers In	802,991
Transfers Out	<u>(192,000)</u>
Total Non-Operating Revenues	<u>2,941,337</u>
Change in Net Assets	20,394,261
Total Net Assets, July 1, 2007	<u>30,343,597</u>
Total Net Assets, June 30, 2008	<u><u>\$ 50,737,858</u></u>

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

DUVAL COUNTY PUBLIC SCHOOLS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2008

	Governmental Activities - Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash Received from Board Funds	\$ 97,421,740
Cash Received from Other Operating Activities	1,026,449
Cash Payments for Employee Services	(434,067)
Cash Payments to Vendors for Goods and Services	(7,917,481)
Cash Payments for Insurance Claims	(50,429,785)
Net Cash Provided by Operating Activities	<u>39,666,856</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES	
Transfers from Other Funds	802,991
Transfers to Other Funds	(192,000)
Net Cash Provided by Non-Capital Financing Activities	<u>610,991</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of Investments	(71,917,250)
Proceeds from Sale of Investments	29,557,162
Interest Income	2,082,241
Net Cash Used by Investing Activities	<u>(40,277,847)</u>
Net Change in Cash	-
Cash at Beginning of Year	290,000
Cash at End of Year	<u>\$ 290,000</u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:	
Operating Income	<u>\$ 17,452,924</u>
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:	
Decrease in Due from Excess Insurance Carrier	105,855
Increase in Due from Other Funds	(320,205)
Decrease in Due from Other Agencies	503,703
Increase in Accounts Payable	15,060,231
Increase in Estimated Insurance Claims Payable	6,864,348
Total Adjustments	<u>22,213,932</u>
Net Cash Provided by Operating Activities	<u>\$ 39,666,856</u>
Noncash Investing Activity:	
Increase in Fair Value of Investments	<u>\$ 3,100</u>

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

DUVAL COUNTY PUBLIC SCHOOLS
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
FIDUCIARY FUNDS
JUNE 30, 2008

	Agency Funds - School Internal Accounts
ASSETS	
Cash	\$ 6,129,049
Investments	944,548
	<hr/>
Total Assets	\$ 7,073,597
	<hr/> <hr/>
LIABILITIES	
Accounts Payable	7,073,597
	<hr/>
Total Liabilities	\$ 7,073,597
	<hr/> <hr/>

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

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2008



1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

➤ Reporting Entity

The Duval County School Board (the Board) has direct responsibility for operation, control, and supervision of District schools and is considered a primary government for financial reporting. The Duval County School District (the District) is considered part of the Florida system of public education. The governing body of the District is the School Board which is comprised of seven elected members. The appointed Superintendent of Schools is the executive officer of the Board. Geographic boundaries of the District correspond with those of Duval County.

Criteria for determining if other entities are potential component units which should be reported within the District's basic financial statements are identified and described in the Governmental Accounting Standards Board's (GASB) *Codification of Governmental Accounting and Financial Reporting Standards*, Sections 2100 and 2600. The application of these criteria provides for identification of any entities for which the District is financially accountable and other organizations for which the nature and significance of their relationship with the Board are such that exclusion would cause the District's basic financial statements to be misleading or incomplete.

Based on the application of these criteria, the following component units are included within the District's reporting entity:

- Blended Component Unit The Duval School Board Leasing Corporation was formed to facilitate financing for the acquisition of facilities and equipment as further discussed in Note 6. Due to the substantive economic relationship between the District and the Leasing Corporation, the financial activities of the Leasing Corporation are included in the accompanying basic financial statements. Separate financial statements for the Leasing Corporation are not published.
- Discretely Presented Component Units The component units columns in the basic financial statements, Exhibits A and B, include the financial data of the District's other component units. These component units consist of the following four charter schools: Florida School for Integrated Academics and Technologies Jacksonville,

DUVAL COUNTY PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2008

Inc.; River City Science Academy, S.O.C.K. Outstanding Students (S.O.S) Academy, Inc.; and Wayman Academy of the Arts, Inc. The Charter Schools are separate not-for-profit corporations organized pursuant to Chapter 617, Florida Statutes, the *Florida Not For Profit Corporation Act*, and Section 1002.33, Florida Statutes, *Charter Schools*. The Charter Schools operate under charters approved by their sponsor, the District.

The District also considered its Pathways Academy charter school operated by Florida Community College at Jacksonville for inclusion in its reporting entity; however, because Pathways Academy is an operating component of the College and is not a separate legal entity, it does not meet the criteria for inclusion as a component unit of the District. The charter school's financial statements were audited by an independent certified public accountant and are filed in the District's administrative offices. The charter schools' audited financial statements are available.

➤ **Basis of Presentation**

Government-wide Financial Statements - Government-wide financial statements, including the statement of net assets and the statement of activities, present information about the District as a whole. These statements include the nonfiduciary financial activity of the primary government and its component units.

Government-wide financial statements are prepared using the economic resources measurement focus. The statement of activities presents a comparison between direct expenses and program revenues for each function or program of the District's governmental activities. Direct expenses are those that are specifically associated with a service, program, or department and are thereby clearly identifiable to a particular function. Depreciation expenses are allocated to the various expense functions based on actual and estimated usage of the assets in those functions.

Program revenues include charges paid by the recipient of the goods or services offered by the program, and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as

DUVAL COUNTY PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2008

program revenues are presented as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the District.

The effects of interfund activity have been eliminated from the government-wide financial statements.

Fund Financial Statements - Fund financial statements report detailed information about the District in the governmental, proprietary, and fiduciary funds. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is reported in a separate column. Nonmajor funds are aggregated and reported in a single column. Because the focus of governmental fund financial statements differs from the focus of government-wide financial statements, a reconciliation is presented with each of the governmental fund financial statements.

The District reports the following major governmental funds:

- General Fund – to account for all financial resources not required to be accounted for in another fund, and for certain revenues from the State that are legally restricted to be expended for specific current operating purposes.
- Capital Project – Other Capital Projects Fund – to account for the financial resources received from the lottery capital outlay program, Certificates of Participation proceeds, and other miscellaneous sources, to be used for educational capital outlay needs, including new construction and renovation and remodeling projects.
- Capital Projects – Local Capital Improvement Fund – to account for the financial resources generated by the local capital improvement tax levy to be used for educational capital outlay needs, including new construction and renovation and remodeling projects.

Additionally, the District reports separately the following proprietary and fiduciary fund types:

DUVAL COUNTY PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2008

- Internal Service Funds – to account for the District's individual self-insurance programs and its printing department operations.
- Agency Funds – to account for resources of the school internal funds which are used to administer moneys collected at the several schools in connection with school, student athletic, class, and club activities.

➤ **Basis of Accounting**

Basis of accounting refers to when revenues and expenditures, or expenses, are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The government-wide financial statements are prepared using the accrual basis of accounting, as are the proprietary funds and fiduciary funds financial statements. Revenues are recognized when earned and expenses are recognized when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized in the year for which they are levied. Revenues from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements imposed by the provider have been satisfied.

Governmental fund financial statements are prepared using the modified accrual basis of accounting. Revenues, except for certain grant revenues, are recognized when they become 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. The District considers revenues to be available if they are collected within 60 days of the end of the current fiscal year. When grant terms provide that the expenditure of resources is the prime factor for determining eligibility for Federal, State, and other grant resources, revenue is recognized at the time the expenditure is made. Under the modified accrual basis of accounting, expenditures are generally recognized when the related fund liability is incurred, except for principal and interest on long-term

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debt, claims and judgments, and compensated absences, which are recognized when due. Allocations of cost, such as depreciation, are not recognized in governmental funds.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

The Internal Service Funds are accounted for as proprietary activities under standards issued by the Financial Accounting Standards Board through November 1989 and applicable standards issued by the Governmental Accounting Standards Board. Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the proprietary funds' principal ongoing operations. The principal operating revenues of the District's Internal Service Fund for self-insurance are charges to the District for health insurance, workers' compensation, general liability, and automobile liability insurance premiums. The principal operating expenses include insurance claims and administrative expenses and fees. The principal operating revenues and expenses of the District's Internal Service Fund for printing department operations are charges to District departments to recover the costs of printing operations on a cost-reimbursement basis. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The charter schools are accounted for as governmental organizations and follow the same accounting model as the District's governmental activities.

➤ **Deposits and Investments**

Cash deposits and Certificates of Deposit are held by banks qualified as public depositories under Florida law. All deposits are insured by Federal depository insurance and collateralized with securities held in Florida's multiple financial institution collateral pool as required by Chapter 280, Florida Statutes. The statement of cash flows considers cash as those accounts used as demand deposit accounts.

Investments consist of amounts placed in State Board of Administration Debt Service accounts for investment of debt service moneys, amounts placed with the State Board of

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Administration for participation in the Local Government Surplus Funds Trust Fund investment pool created by Section 218.405, Florida Statutes, and those made locally. The investment pool operates under investment guidelines established by Section 215.47, Florida Statutes. The District's investments in the Local Government Surplus Funds Trust Fund, a Securities and Exchange Commission Rule 2a7-like external investment pool, are reported at fair value, which is amortized cost. In addition, beginning in January, 2008, the district now participates in the State of Florida's Special Purpose Investment Account or "SPIA". This program is authorized in Section 17.61(1), Florida Statutes, and is available to entities created by the Florida Constitution or Florida Statutes. This investment is part of an investment pool managed by the Florida Department of Treasury, where the District owns a share of the pool, not the underlying shares. The District's share of the pool is reported at fair value, which is amortized cost.

Unrestricted investments made locally consist of amounts placed in Obligations of United States Government Agencies and Instrumentalities and are reported at fair value. Restricted investments consist of amounts held by a trustee in Obligations of United States Government Agencies and Instrumentalities and commercial paper and are reported at cost.

Types and amounts of investments held at fiscal year-end are described in Note 3.

➤ **Inventories**

Inventories consist of expendable supplies held for consumption in the course of District operations. Inventories are stated at cost on the moving weighted-average basis, except that United States Department of Agriculture surplus commodities are stated at their fair value as determined at the time of donation to the District's food service program by the Florida Department of Agriculture and Consumer Services, Bureau of Food Distribution. The costs of inventories are recorded as expenditures when used rather than when purchased.

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➤ **Restricted Assets**

Certain assets held in escrow or by trustee, in the name of the District, in connection with Certificates of Participation financing arrangements are classified as restricted assets on the statement of net assets because they are set aside for repayment of maturing and refunding debt as required by applicable debt covenants. Additionally, certain District assets held with a third-party administrator in an Internal Revenue Code Section 125 Flexible Benefits Plan are classified as restricted because, pursuant to Plan provisions, they may only be used in connection with current and future employee benefit programs. Also, funds held for repayment of the District's tax anticipation note are restricted by the related debt covenants.

➤ **Capital Assets**

Expenditures for capital assets acquired or constructed for general District purposes are reported in the governmental fund that financed the acquisition or construction. The capital assets so acquired are reported at cost in the government-wide statement of net assets but are not reported in the governmental fund financial statements. Capital assets are defined by the District as those costing \$750 or more. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated assets are recorded at fair value at the date of donation. Land and buildings acquired or constructed prior to July 1, 1969, were valued at appraised value when historical costs could not be determined.

Costs of construction-related capital assets and improvements are accounted for as construction in progress until accepted as substantially complete by the District. Interest costs incurred during construction of capital assets are not capitalized as part of the cost of construction.

Depreciable capital assets are depreciated using the straight-line method over the following estimated useful lives:

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<u>Description</u>	<u>Estimated Lives</u>
Improvements Other than Buildings	10 - 40 years
Buildings and Fixed Equipment	10 - 50 years
Furniture, Fixtures, and Equipment	5 - 15 years
Motor Vehicles	7 years
Audio Visual Equipment	5 years
Computer Software	5 years

➤ **Long-Term Liabilities**

Long-term obligations that will be financed from resources to be received in the future by governmental funds are reported as liabilities in the government-wide statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the governmental fund financial statements, bonds and other long-term obligations are not recognized as liabilities until due. Governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the period originally incurred. The face amount of debt issued is reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

In the government-wide financial statements, compensated absences (i.e., paid absences for employee vacation leave and sick leave) are accrued as liabilities to the extent that it is probable that the benefits will result in termination payments. A liability is reported in the governmental fund financial statements only for the current portion of compensated absences expected to be paid using expendable available resources.

Changes in long-term liabilities for the current year are reported in Note 9.

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➤ **State Revenue Sources**

Revenues from State sources for current operations are primarily from the Florida Education Finance Program administered by the Florida Department of Education (Department) under the provisions of Section 1011.62, Florida Statutes. In accordance with this law, the District determines and reports the number of full-time equivalent (FTE) students and related data to the Department. The Department performs certain edit checks on the reported number of FTE and related data, and calculates the allocation of funds to the District. The District is permitted to amend its original reporting for a period of nine months following the date of the original reporting. Such amendments may impact funding allocations for subsequent years. The Department may also adjust subsequent fiscal period allocations based upon an audit of the District's compliance in determining and reporting FTE and related data. Normally, such adjustments are treated as reductions or additions of revenue in the year when the adjustments are made.

The State provides financial assistance to administer certain categorical educational programs. State Board of Education rules require that revenue earmarked for certain programs be expended only for the program for which the money is provided, and require that the money not expended as of the close of the fiscal year be carried forward into the following year to be expended for the same categorical educational programs. The Department generally requires that categorical educational program revenues be accounted for in the General Fund. A portion of the fund balance of the General Fund is reserved in the governmental fund financial statements for the unencumbered balance of categorical educational program resources.

The State allocates gross receipts taxes, generally known as Public Education Capital Outlay money, to the District on an annual basis. The District periodically receives an allocation under the Class Size Reduction Construction Program. The District is authorized to expend these funds only upon applying for and receiving an encumbrance authorization from the Department. Accordingly, the District recognizes the allocation of Public Education Capital Outlay and Class Size Reduction Construction Program funds as deferred revenue until such time as an encumbrance authorization is received.

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A schedule of revenue from State sources for the current year is presented Note 12.

➤ **District Property Taxes**

The Board is authorized by State law to levy property taxes for district school operations, capital improvements, and debt service.

Property taxes consist of ad valorem taxes on real and personal property within the District. Property values are determined by the Duval County Property Appraiser, and property taxes are collected by the Duval County Tax Collector.

The Board adopted the 2007 tax levy on September 10, 2007. Truth in Millage (TRIM) notices are prepared by August 15, based on the value of the property as of January 1 of that year. Tax bills are mailed in October and taxes are payable between November 1 of the year assessed and March 31 of the following year at discounts of up to 4 percent for early payment.

Taxes become delinquent on April 1 of the year following the year of assessment. After May 1, tax lien processing begins for delinquent taxes. State law provides for enforcement of collection of personal property taxes by seizure of the property to satisfy unpaid taxes, and for enforcement of collection of real property taxes by the sale of interest-bearing tax certificates to satisfy unpaid taxes. The procedures result in the collection of essentially all taxes prior to June 30 of the year following the year of assessment.

Property tax revenues are recognized in the government-wide financial statements when the Board adopts the tax levy. Property tax revenues are recognized in the governmental fund financial statements when taxes are received by the District, except that revenue is accrued for taxes collected by the Duval County Tax Collector at fiscal year-end but not yet remitted to the District.

Millages and taxes levied for the current year are presented in Note 13.

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➤ **Federal Revenue Sources**

The District receives Federal awards for the enhancement of various educational programs. Federal awards are generally received based on applications submitted to, and approved by, various granting agencies. For Federal awards in which a claim to these grant proceeds is based on incurring eligible expenditures, revenue is recognized to the extent that eligible expenditures have been incurred.

2. BUDGETARY COMPLIANCE AND ACCOUNTABILITY

The Board follows procedures established by State statutes and State Board of Education rules in establishing budget balances for governmental funds, as described below:

- Budgets are prepared, public hearings are held, and original budgets are adopted annually for all governmental fund types in accordance with procedures and time intervals prescribed by law and State Board of Education rules.
- Appropriations are controlled at the object level (e.g., salaries, purchased services, and capital outlay) within each activity (e.g., instruction, pupil personnel services, and school administration) and may be amended by resolution at any School Board meeting prior to the due date for the annual financial report.
- Budgets are prepared using the same modified accrual basis as is used to account for governmental funds.
- Budgetary information is integrated into the accounting system and, to facilitate budget control, budget balances are encumbered when purchase orders are issued. Appropriations lapse at fiscal year-end and encumbrances outstanding are honored from the subsequent year's appropriations.

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3. INVESTMENTS

As of June 30, 2008, the District has the following investments and maturities:

Investment	Maturities	Fair Value
Unrestricted Investments		
State Board of Administration Local Government		
Surplus Funds Trust Fund Investment Pool	20 Day Average	\$ 427
State Board of Administration Debt Service Accounts	Within six months	792,715
State Special Purpose Investment Account	3.31 year average	189,189,437
Obligations of United States Government		
Agencies and Instrumentalities	December, 2008	10,078,100
Money Market Accounts	48-55 days	265,093,744
Certificates of Deposits	July 31, 2009	50,000,000
Other Investments (Donated Common Stock)		38,784
Total Unrestricted Investments		515,193,207
Restricted Investments		
Obligations of United States Government		
Agencies and Instrumentalities (*)	July 2008 - June 2009	36,667,478
State Special Purpose Investment Account (TAN Sinking Fund)	October 9, 2008	22,000,000
Money Market Accounts (*)	55 days	12,714,535
Commercial Paper - Enterprise FDG (*)	August 19, 2008	1,255,169
Total Restricted Investments		72,637,182
Total Investments, Primary Government		\$ 587,830,389
<u>Fiduciary Funds:</u>		
Certificates of Deposit	July 2008 - June 2011	\$ 692,983
Money Market Accounts	N/A	\$ 251,565
Total Investments - Fiduciary Funds		\$ 944,548

Notes: (*) Restricted investments are held by a trustee for Certificates of Participation, Crossover Refunding Certificates of Participation, and Qualified Zone Academy Bonds. Restricted investments are reported at cost because they are held in a fiduciary capacity to provide a fixed amount at a future date certain rather than primarily to generate income or profit.

Interest Rate Risk

- Section 218.415(17), Florida Statutes, limits investment maturities to provide sufficient liquidity to pay obligations as they come due. The District's investment policy does not specifically limit investment maturities as a means of managing its exposure to fair value losses from increasing interest rates, but generally requires shorter-term investment maturities that are matched with cash flow needs to avoid selling securities prior to

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maturity. As of June 30, 2008, the District's weighted average maturity was 48 days and 3.31 years for its Money Market Account and Special Purpose Investment Accounts, respectively.

- The District's unrestricted investments of \$10,078,100 in Obligations of United States Government Agencies and Instrumentalities are callable investments with embedded options consisting of the option at the discretion of the issuer to call their obligation or pay a stated increase in the interest rate. These securities mature in December, 2008.

Credit Risk

- Section 218.415(17), Florida Statutes, provides the authority to invest in the State Board of Administration Local Government Surplus Funds Trust Fund Investment Pool and limits investments in money market funds to Securities and Exchange Commission (SEC) registered money market funds with the highest credit quality rating from a nationally recognized rating agency, and investments in interest-bearing time deposits to qualified public depositories, as defined in Section 280.02, Florida Statutes. The District's investment policy limits investments to the Local Government Surplus Funds Trust Fund or similar intergovernmental investment pools, United States Treasury securities, Obligations of United States Government Agencies and Instrumentalities, SEC registered money market funds, commercial paper, and interest-bearing time deposits and bankers' acceptances.
- As of June 30, 2008, the District's investment in the Local Government Surplus Funds Trust Fund A was rated AAAm by Standard & Poors. Fund B is not rated. As of June 30, 2008, the District's investment in the State of Florida's Special Purpose Investment Account was rated AA-f by Standard & Poors.
- The District's investments in the State Board of Administration Debt Service Accounts are to provide for debt service payments on bond debt issued by the State Board of Education for the benefit of the District. The District relies on policies developed by the State Board of Administration for managing credit risk for this account.

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- Restricted investments of \$36,563,468 in Obligations of United States Government Agencies and Instrumentalities are authorized under a forward supply agreement and held by a trustee in an escrow account for the Crossover Refunding Certificates of Participation, Series 2005. The forward supply agreement authorizes the investment of funds in direct, non-callable Obligations of United States Government Agencies and Instrumentalities. The District's investments in Obligations of United States Government Agencies and Instrumentalities are rated AAA by Standard & Poor's and Aaa by Moody's Investors Service.
- Restricted investments of \$104,010 in Federal National Mortgage Association obligations and \$1,255,169 in Enterprise FDG commercial paper are authorized under forward delivery agreements and held by the trustee for Qualified Zone Academy Bonds. The forward delivery agreements authorize the investment of the available sinking fund amounts in certain eligible securities, including United States Treasury securities, obligations issued by agencies of the United States Government, and short-term obligations issued by banks, corporations, or other borrowers having a rating at the time of delivery of at least P-1 by Moody's Investors Service or A-1 by Standard and Poor's Ratings Service.
- The District's investments in Certificates of Deposit are in qualified public depositories.

Custodial Credit Risk

- The District's investment policy requires that all securities purchased and collateral obtained be held by a third-party custodial institution and be properly designated as an asset of the District. As of June 30, 2008, all investments are held with an appropriate custodian or trustee or are held in accounts in the name of and belonging to the Board.

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NOTES TO THE BASIC FINANCIAL STATEMENTS
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4. DUE FROM OTHER AGENCIES

The following is a schedule of amounts due from other agencies at June 30, 2008:

General:	
Florida Department of Revenue:	
Fuel Tax Rebate	\$ 62,862
Capital Projects - Other Capital Projects	
Florida Department of Education:	
Class Size Reduction Construction	13,590,813
Nonmajor Governmental Funds:	
Special Revenue - Food Service:	
City of Jacksonville Childrens' Commission:	
Meal Reimbursements	835,600
Capital Projects - Public Education Capital Outlay:	
Florida Department of Education:	
State Public Education Capital Outlay Appropriations	15,539,902
Total Governmental Funds	<u>30,029,177</u>
Proprietary Funds:	
Internal Service Funds:	
Special Disability Trust Fund	<u>118,777</u>
Total Governmental Activities	<u>\$ 30,147,954</u>

The amounts due from other agencies in the nonmajor governmental funds for State Public Education Capital Outlay Appropriations and Class Size Reduction Construction are for long-term capital projects and may not be entirely collected within one year. The amount due from other agencies in the Internal Service Funds from the Special Disability Trust Fund is paid on a first-in, first-out basis in the order the reimbursement requests were received, based on available funding. Therefore, the entire balance is not expected to be collected within one year.

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NOTES TO THE BASIC FINANCIAL STATEMENTS
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5. CHANGES IN CAPITAL ASSETS

Changes in capital assets are presented in the table below.

	Balance 7-1-07	Additions	Deletions	Balance 6-30-08
GOVERNMENTAL ACTIVITIES				
Capital Assets Not Being Depreciated:				
Land	\$ 87,750,980	\$ 20,000,675	\$ 65,882	\$ 107,685,773
Land Improvements - Nondepreciable	2,371,494	-	-	2,371,494
Construction in Progress	44,358,370	55,796,040	2,409,282	97,745,128
Total Capital Assets Not Being Depreciated	134,480,844	75,796,715	2,475,164	207,802,395
Capital Assets Being Depreciated:				
Improvements Other Than Buildings	115,130,934	308,613	8,544	115,431,003
Buildings and Fixed Equipment	1,127,615,601	1,402,297	898,272	1,128,119,626
Furniture, Fixtures, and Equipment	155,793,537	16,691,310	20,664,145	151,820,702
Motor Vehicles	9,461,259	481,880	661,767	9,281,372
Audio Visual Equipment	590,654	0	83,023	507,632
Computer Software	60,213,722	12,448,342	164,237	72,497,828
Total Capital Assets Being Depreciated	1,468,805,707	31,332,443	22,479,988	1,477,658,162
Less Accumulated Depreciation for:				
Improvements Other Than Buildings	70,333,783	1,735,257	103	72,068,938
Buildings and Fixed Equipment	585,587,033	20,653,683	842,330	605,398,387
Furniture, Fixtures, and Equipment	106,702,087	17,652,452	20,171,039	104,183,500
Motor Vehicles	6,663,567	961,428	656,924	6,968,072
Audio Visual Equipment	574,473	10,343	81,881	502,935
Computer Software	41,753,789	7,379,294	161,327	48,971,756
Total Accumulated Depreciation	811,614,732	48,392,458	21,913,603	838,093,587
Total Capital Assets Being Depreciated, Net	657,190,975	(17,060,016)	566,384	639,564,575
Governmental Activities Capital Assets, Net	\$ 791,671,819	\$ 58,736,699	\$ 3,041,548	\$ 847,366,970

On the reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities, the reconciling item relating to capital outlays in excess of depreciation can be calculated as follows: Net capital asset additions (less donations and losses on disposal) of \$82,544,634, less depreciation of \$26,478,855.

Depreciation expense was charged to functions as follows for the year ended June 30, 2008:

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<u>Function</u>	<u>Amount</u>
GOVERNMENTAL ACTIVITIES	
Instruction	\$ 33,725,427
Pupil Personnel Services	3,174,977
Instructional Media Services	926,187
Instruction and Curriculum Development Services	904,005
Instructional Staff Training	1,597,372
Instruction Related Technology	321,723
Board of Education	32,230
General Administration	273,003
School Administration	3,396,138
Facilities Acquisition and Construction	58,182
Fiscal Services	323,622
Food Services	322,726
Central Services	783,171
Pupil Transportation Services	95,562
Operation of Plant	920,865
Maintenance of Plant	1,250,909
Administrative Technology Services	266,782
Community Services	19,577
	<hr/>
Total Depreciation Expense - Governmental Activities	<u>\$ 48,392,458</u>

6. CERTIFICATES OF PARTICIPATION

Certificates of Participation outstanding at June 30, 2008 are as follows:

<u>Series</u>	<u>Amount Outstanding</u>	<u>Interest Rates (Percent)</u>	<u>Lease Term Maturity</u>	<u>Original Amount</u>
Series 2000	\$ 37,955,000	4.75 - 5.75	2020	\$ 53,000,000
Series 2005 Refunding	35,355,000	3.00 - 5.00	2020	35,355,000
Series 2005A	37,445,000	2.75 - 5.00	2025	38,290,000
Series 2007A	145,575,000	3.50 - 5.00	2033	145,575,000
Series 2003-QZAB	5,667,000	(a)	2018	5,667,000
Series 2005-QZAB	1,015,000	(a)	2021	1,015,000
Subtotal	<hr/> 263,012,000			
Unamortized Premium	<hr/> 5,040,482			
Total Certificates of Participation	<u>\$ 268,052,482</u>			

Note (a): Interest on this debt is "paid" by the United States Government through the issuance of Federal income tax credits to the holder of the QZABs. The rate of return to the holders was established by the United States Government at the time of the sale.

DUVAL COUNTY PUBLIC SCHOOLS
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The District entered into a master financing arrangement on October 1, 2000, characterized as a lease-purchase agreement, with the Duval School Board Leasing Corporation whereby the District secured financing of various educational facilities and equipment. The financing was accomplished through the issuance of Certificates of Participation by the Corporation to third-party investors, to be repaid from the proceeds of rents paid by the District.

Series 2000, 2005A, and 2007A Certificates As a condition of the financing arrangement, the District has given a ground lease on District property to the Duval School Board Leasing Corporation, with a rental fee of \$10 per year. The properties covered by the ground leases are, together with the improvements constructed thereon from the financing proceeds, leased back to the District. If the District fails to renew the lease and to provide for the rent payments through to term, the District may be required to surrender the sites included under the Ground Lease Agreements to the Trustee for the benefit of the securers of the Certificates for the remaining term of the ground leases.

A summary of the lease terms is as follows:

<u>Certificates</u>	<u>Lease Term</u>
Series 2000	Earlier of date paid in full or June 30, 2035
Series 2005A	Earlier of date paid in full or June 30, 2030
Series 2007A	Earlier of date paid in full or June 30, 2033

The District properties included in the ground leases under these arrangements include:

<u>Certificates</u>	<u>Description of Properties</u>
Series 2000	Oceanway Elementary (New Elementary School "V") Kernan Trail Elementary (New Elementary School "W") Don Brewer Elementary (New Elementary School "X") Kernan Middle (New Middle School "CC") Sandalwood High School - Ten Portable Replacements to Permanent Classrooms Alfred I. DuPont Middle School - Addition of New 6th Grade Wing Paxon School for Advanced Studies - Additional Science Labs
Series 2005A	Arlington Middle School (Replacement) Nutrition Service Center (New Districtwide Facility)
Series 2007A	High School (AAA) 103rd Street K-8 School North Shore K-8 School Completion

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Series 2005 Refunding Certificates (Crossover Refunding) The District entered into a crossover refunding arrangement on January 11, 2005, to advance refund the Certificates of Participation, Series 2000. In a crossover refunding, an escrow account is established with the proceeds of the refunding certificates that does not secure repayment of the refunded certificates until a future designated crossover date. Upon the crossover date of July 1, 2009, the crossover transaction will meet the definition of a defeasance and the liability for the Refunded Series 2000 Certificates, along with the related escrow account assets, will be removed from the District's government-wide financial statements. As a condition of the financing arrangement, the District will maintain, subsequent to the refunding date of July 1, 2009, the ground lease on District property given at the issuance of the Series 2000 Certificates to the Leasing Corporation, with a rental fee of \$10 per year. The final maturity date for the Series 2005 Refunding Certificates is July 1, 2020.

Series 2003 and 2005 QZAB Certificates The Qualified Zone Academy Bonds (QZAB) were issued under a special program whereby the certificates will mature in full for the original issue amounts. There is no interest cost for borrowing monies under this program. The financing proceeds were used to acquire technology-related equipment and improvements at various designated schools, which are leased by the District from the Leasing Corporation. The District entered into forward delivery agreements under which mandatory deposits (rent payments) are accumulated. The forward delivery agreements provide a guaranteed investment return whereby the required deposits, along with accrued interest, will be sufficient to redeem the certificates at maturity. The invested assets accumulated pursuant to the forward delivery agreements are held under trust agreements until the certificates mature. The QZAB issues are secured by the assets held under the trust agreements in the event of cancelation or default.

The schools designated for technology-related equipment and improvements include:

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<u>Certificates</u>	<u>Designated Schools</u>
Series 2003-QZAB	John Love Elementary School Highlands Middle School Southside Middle School J.E.B. Stuart Middle School Mandarin Middle School Landmark Middle School
Series 2005-QZAB	Cedar Hills Elementary School Brookview Elementary School

Minimum Lease Payments Except for the QZAB's, lease payments are payable by the District, semiannually, on July 1 and January 1. The following is a schedule by years of future minimum lease payments under the lease agreement together with the present value of minimum lease payments as of June 30, 2008:

<u>Fiscal Year Ending June 30</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
2009	\$ 16,877,625	\$ 4,500,000	\$ 12,377,625
2010	19,707,543	7,525,000	12,182,543
2011	19,703,511	7,815,000	11,888,511
2012	19,704,734	8,135,000	11,569,734
2013	19,706,824	8,515,000	11,191,824
2014-2018	98,539,583	49,145,000	49,394,583
2019-2023	86,644,007	49,695,000	36,949,007
2024-2028	78,312,775	53,185,000	25,127,775
2029-2033	78,317,750	67,815,000	10,502,750
Subtotal	437,514,352	256,330,000	181,184,352
Unamortized Premium	5,040,482	5,040,482	
Sub-Total	<u>\$ 442,554,834</u>	<u>\$ 261,370,482</u>	<u>\$ 181,184,352</u>
Lump Sum Payments	<u>Maturity Date</u>		
Series 2003- QZAB	December 23, 2018	5,667,000	
Series 2005- QZAB	October 20, 2021	1,015,000	
Total Minimum Lease Principal Payments		<u>\$ 268,052,482</u>	

Annual requirements to amortize the premium for the Series 2005 Refunding Certificates, Series 2005A Certificates, and Series 2007A Certificates as of June 30, 2008, are as follows:

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<u>Fiscal Year Ending June 30</u>	<u>Total</u>
2009	\$ 291,479
2010	291,479
2011	291,479
2012	291,479
2013	291,479
2014-2033	<u>3,583,087</u>
Total	<u><u>\$ 5,040,482</u></u>

7. BONDS PAYABLE

Bonds payable at June 30, 2008 are as follows:

<u>Bond Type</u>	<u>Amount Outstanding</u>	<u>Interest Rates (Percent)</u>	<u>Annual Maturity To</u>
State School Bonds:			
Series 1999A	\$ 1,020,000	4.00 - 4.75	2019
Series 2005A, Refunding	23,885,000	5.00	2017
Series 2005B, Refunding	2,030,000	3.50 - 5.00	2018
District General Obligation Bonds, Refunding:			
Series 1992, Remarketed	<u>8,300,000</u>	6.30	2009
Total Bonds Payable	<u><u>\$ 35,235,000</u></u>		

The various bonds were issued to finance capital outlay projects of the District. The following is a description of the bonded debt issues:

➤ **State School Bonds**

These bonds are issued by the State Board of Education on behalf of the District. The bonds mature serially, and are secured by a pledge of the District's portion of the State-assessed motor vehicle license tax. The State's full faith and credit is also pledged as security for these bonds. Principal and interest payments, investment of Debt Service Fund resources, and compliance with reserve requirements are administered by the State Board of Education and the State Board of Administration.

DUVAL COUNTY PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
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➤ **District General Obligation Bonds**

General Obligation Bonds, Series 1992, were authorized by the District pursuant to Chapters 1010 and 1011, Florida Statutes, approved at a special election held on May 26, 1987, and secured by a pledge of property taxes levied. These bonds were issued to refund the General Obligation Bonds, Series 1987 and 1988, which were issued to finance capital outlay projects of the District. The Series 1992 Refunding Bonds were purchased and remarketed pursuant to the terms of a Remarketing Agreement dated June 13, 2002. The Bonds were purchased (called) at their early redemption price and remarketed as non-callable bonds on August 1, 2002. Utilizing the spread between the interest rates payable on the Bonds and the market rates, the Bonds were remarketed at a premium sufficient to pay the early redemption fees and the remarketing costs, and to provide an additional gain of \$8,108,648 for capital outlay projects within the District. The amortization schedule for the Remarketed Series 1992 Refunding Bonds is unchanged from that of the original Series 1992 Refunding Bonds, and the remarketing premium of \$8,601,460 is being amortized over the remaining life of the Bonds.

Annual requirements to amortize the bonded debt outstanding as of June 30, 2008, are as follows:

Fiscal Year Ending June 30	Total	Principal	Interest
State School Bonds:			
2009	\$ 3,792,644	\$ 2,450,000	\$ 1,342,644
2010	3,785,888	2,565,000	1,220,888
2011	3,788,200	2,695,000	1,093,200
2012	3,778,900	2,820,000	958,900
2013	3,773,350	2,955,000	818,350
2014-2018	15,087,280	13,345,000	1,742,280
2019	109,988	105,000	4,988
Total State School Bonds	34,116,250	26,935,000	7,181,250
General Obligation Bonds:			
2009	8,561,450	8,300,000	261,450
Total	\$42,677,700	\$35,235,000	\$7,442,700

DUVAL COUNTY PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2008

On August 1, 2008 the final payment due for the Remarketed Series 1992 General Obligation Refunding Bonds was made by the District.

8. TAX ANTICIPATION NOTE

On October 10, 2007 the District issued a Tax Anticipation Note (TAN), Series 2007 in the amount of \$22,000,000. This issue was sold at a coupon interest rate of 4.00 percent with an effective yield of 3.422 percent. Interest costs incurred on this issue for the year ended June 30, 2008, were \$522,254, net of a premium of \$118,190. Note proceeds were used to pay fiscal year 2008 District operating expenditures prior to the receipt of ad-valorem taxes. The note is due October 9, 2008. The TAN is subject to arbitrage rebate. As of June 30, 2008, there were no arbitrage rebate due on this issue.

9. CHANGES IN LONG-TERM LIABILITIES

The following is a summary of changes in long-term liabilities:

Description	Balance 7/01/07	Additions	Deductions	Balance 6/30/08	Due in One Year
Governmental Activities					
Estimated Insurance Claims Payable	\$ 12,370,177	\$ 12,023,608	\$ 5,159,260	\$ 19,234,525	\$ 9,424,241
Bonds Payable	55,803,227	280,350	20,848,577	35,235,000	10,655,000
Certificates of Participation Payable	122,503,098	148,331,809	2,782,424	268,052,482	38,541,479
Other Post Employment Benefits Payable	-	11,019,000	-	11,019,000	-
Compensated Absences Payable	64,646,839	7,780,590	8,098,389	64,329,040	7,404,250
Total Governmental Activities	\$ 255,323,341	\$ 179,435,357	\$ 36,888,650	\$ 397,870,047	\$ 66,024,970

For the governmental activities, compensated absences and other post employment benefits are generally liquidated with resources of the General Fund. The estimated insurance claims are generally liquidated with resources of the Proprietary Funds as discussed in Note 17.

DUVAL COUNTY PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2008

10. RESERVE FOR ENCUMBRANCES

Appropriations in governmental funds are encumbered upon issuance of purchase orders for goods and services. Even though appropriations lapse at the end of the fiscal year, unfilled purchase orders of the current year are carried forward and the next year's appropriations are likewise encumbered.

The Florida Department of Education requires that fund balances be reserved at fiscal year-end to report an amount likely to be expended from the 2008-09 fiscal year budget as a result of purchase orders outstanding at June 30, 2008.

Pursuant to provisions of Section 1006.40(6), Florida Statutes, the District is authorized to issue purchase orders for instructional materials in anticipation of the subsequent year's legislative appropriations. Because revenues for these appropriations are not available at fiscal year-end, a reserve for encumbrances is not shown for these outstanding purchase orders. However, purchase orders outstanding in the General Fund for these instructional materials total \$8,611,097 at June 30, 2008.

11. INTERFUND TRANSFERS

The following is a summary of interfund transfers reported in the fund financial statements for the year ended June 30, 2008:

Funds	Interfund	
	Transfers In	Transfers Out
Major:		
General	\$ 35,444,489	\$ 2,076,849
Capital Projects:		
Capital Improvement (370)	267,796	47,816,543
Other Capital Projects (390)	-	679,600
Nonmajor:		
Debt Services	15,627,561	
Federal Programs	923,626	2,383,906
Food Service Program	82,435	
Others:		
Internal Services	802,991	192,000
Total	<u>\$ 53,148,898</u>	<u>\$ 53,148,898</u>

DUVAL COUNTY PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2008

Interfund transfers represent permanent transfers of moneys between funds. The transfers out of the Capital Projects – Local Capital Improvement Fund were to provide for debt service payments in the Debt Service – Other Debt Service Fund and to fund certain expenditures of the District’s transportation and maintenance departments in the General Fund. The transfers out of the Nonmajor Governmental Funds were mainly to transfer the unexpended balance of Medicaid administrative claims reimbursements to the General Fund. The remaining transfers between funds were operational in nature, and used to cover anticipated appropriated expenditures so that funds do not operate with a deficit fund balance.

12. SCHEDULE OF STATE REVENUE SOURCES

The following is a schedule of the District’s State revenue for the 2007-08 fiscal year:

<u>Source</u>	<u>Amount</u>
Florida Education Finance Program	\$ 368,237,774
Categorical Educational Programs:	
Class Size Reduction	127,617,920
Transportation	21,164,550
Instructional Materials	12,263,947
School Recognition	5,223,765
Excellent Teaching Program	2,504,056
Teacher's Lead Program	2,277,096
Voluntary Pre-K Program	362,100
Class Size Reduction Construction	6,034,210
Gross Receipts Tax (Public Education Capital Outlay)	17,027,463
Discretionary Lottery Funds	6,186,777
Motor Vehicle License Tax (Capital Outlay and Debt Service)	4,535,021
Food Service Supplement	850,950
Charter School Capital Outlay	602,875
Miscellaneous	2,974,914
Total	<u>\$ 577,863,418</u>

Accounting policies relating to certain State revenue sources are described in Note 1.

13. PROPERTY TAXES

The following is a summary of millages and taxes levied on the 2007 tax roll for the 2007-08 fiscal year:

DUVAL COUNTY PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2008

	<u>Millages</u>	<u>Taxes Levied (b)</u>
<u>GENERAL FUND</u>		
Nonvoted School Tax:		
Required Local Effort	4.879	\$ 299,747,146
Basic Discretionary Local Effort	0.725	44,541,234
<u>DEBT SERVICE FUNDS</u>		
Voted Tax:		
Special Tax School District No. 1	0.151	9,276,864
<u>CAPITAL PROJECTS FUNDS</u>		
Nonvoted Tax:		
Local Capital Improvements	<u>2.000</u>	<u>122,872,370</u>
Total	<u>7.755</u>	<u>\$ 476,437,614</u>

(b) Based on certifications from the Duval County property Appraiser, which includes prior year certificate sales received in 2007-08.

Actual property taxes collected totaled 96.12% of taxes levied. The Duval County Tax Collector is not required by law to make an accounting to the School Board of the difference between taxes levied and taxes collected. However, because discounts are allowed for early payments of taxes and because of other reasons for non-collection, the School Board budget estimates a shortfall between taxes levied and taxes collected.

14. STATE RETIREMENT PROGRAM

Defined Benefit Plan The District's obligations for defined benefit plans relate to the Florida Retirement System (FRS). The FRS is primarily a State-administered, cost-sharing, multiple-employer, defined retirement plan (Plan). Plan provisions are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and Florida Retirement System Rules, Chapter 60S, Florida Administrative Code, wherein eligibility, contributions, and benefits are defined and described in detail. Essentially all regular employees of participating employers are eligible and must enroll as members of the FRS.

DUVAL COUNTY PUBLIC SCHOOLS
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Benefits in the Plan become fully vested at six years of service. All members are eligible for normal retirement benefits at age 62 or at any age after 30 years of service, which may include up to 4 years of credit for military service. The Plan also includes an early retirement provision, but imposes a penalty for each year a member retires before his or her normal retirement date. The Plan provides retirement, disability, and death benefits, and annual cost-of-living adjustments.

A Deferred Retirement Option Program (DROP) subject to provisions of Section 121.091, Florida Statutes, permits employees eligible for normal retirement under the Plan to defer receipt of monthly benefit payments while continuing employment with an FRS employer. An employee may participate in the DROP for a period not to exceed 60 months after electing to participate, except that certain instructional personnel may participate for up to 96 months. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest.

The employee who participated in the General Employees Pension Plan administered by the City of Jacksonville retired on June 30, 2007 and will no longer will be reported.

Funding Policy The contribution rates for members are established, and may be amended, by the State of Florida. During the 2007-08 fiscal year, contribution rates were as follows:

Class or Plan	Percent of Gross Salary	
	Employee	Employer (A)
Florida Retirement System, Regular	0.00	9.85
Florida Retirement System, Elected County Officers	0.00	16.53
Florida Retirement System, Senior Management Service	0.00	13.12
Florida Retirement System, Special Risk	0.00	20.92
Teacher's Retirement System, Plan E	6.25	11.35
Deferred Retirement Option Program - Applicable to Members from All of the Above Classes or Plan	0.00	10.91
Florida Retirement System, Reemployed Retiree	(B)	(B)

Notes: (A) Employer rates include 1.11 percent for the post-employment health insurance subsidy. Also, employer rates, other than for DROP participants, include 0.05 percent for administrative costs of the Public Employee Optional Retirement Program.

(B) Contribution rates are dependent upon retirement class or plan in which reemployed.

The District's liability for participation is limited to the payment of the required contribution at the rates and frequencies established by law on future payrolls of the District. The District's

DUVAL COUNTY PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2008

contributions (including employee contributions) for the fiscal years ended June 30, 2006, June 30, 2007, and June 30, 2008, totaled \$41,424,411, \$56,025,562, and \$58,844,870, respectively, which were equal to the required contributions for each fiscal year.

Defined Contribution Plan Effective July 1, 2002, the Public Employee Optional Retirement Program (PEORP) was implemented as a defined contribution plan alternative available to all FRS members in lieu of the FRS defined benefit plan. Employer contributions are defined by law, but the ultimate benefit depends in part on the performance of investment funds. The PEORP is funded by employer contributions that are based on salary and membership class (Regular Class, Special Risk Class, etc.). Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. There were 2,175 District participants during the 2007-08 fiscal year. Required contributions made to the PEORP totaled \$7,425,893 for the 2007-08 fiscal year.

Pension Reporting The financial statements and other supplementary information of the FRS are included in the comprehensive annual financial report of the State of Florida, which may be obtained from the Florida Department of Financial Services. Also, an annual report on the FRS, which includes its financial statements, required supplementary information, actuarial report, and other relevant information, is available from the Florida Department of Management Services, Division of Retirement.

15. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS

For the fiscal year ending June 30, 2008, The District implemented Governmental Accounting Standard Board Statement No. 45, Accounting and Reporting by Employers for Postemployment Benefits Other than Pensions (OPEB), for certain postemployment health care plans provided by the District. The requirements of this Statement were implemented prospectively, with the actuarially determined liability of \$139,083,000 at the July 1, 2007 date of transition being amortized over 30 years. Accordingly, for financial reporting purposes, no liability is reported for the postemployment health care benefits liability at the date of transition.

DUVAL COUNTY PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
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Plan Description Pursuant to the provision of the Section 112.0801, Florida Statutes, former employees who retire from the District, and eligible dependents, may continue to participate in the District's health and hospitalization plans for medical and prescriptions. The District subsidizes the premium rates paid by the retirees by allowing them to participate in the plan at the blended group (implicitly subsidized) premium rates for both active and retired employees. These rates provide an implicit subsidy for retirees because, on an actuarial basis, their current and future claims are expected to result in higher costs to the plan on average than those of active employees.

Funding Policy The District plans to fund this postemployment benefit on a pay-as-you go basis. For fiscal year 2007-08, 1,889 retirees received health care benefits under these plans. The District provided required contributions of \$1,519,000 towards the annual OPEB cost, comprised of benefit payments made on behalf of retirees, net of retiree contributions, totaling \$12,872,000.

Annual OPEB Cost and Net OPEB Obligations for the year ended June 30, 3008 The following table shows the District's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the District's net OPEB obligation:

Normal cost (service cost for one year)	\$ 6,633,000
Interest on Normal Cost	332,000
Amortization	5,308
Interest on Amortization	<u>265,000</u>
Annual Required Contribution	12,538,000
Interest on Net OPEB Obligation	-
Adjustment to Annual Required Contribution	<u>-</u>
Annual OPEB Cost (Expense)	12,538,000
Contribution Toward OPEB Cost	<u>(1,519,000)</u>
Increase in Net OPEB Obligation	11,019,000
Net OPEB Obligation, Beginning of Year	<u>-</u>
Net OPEB Obligation, End of Year	<u><u>\$ 11,019,000</u></u>

DUVAL COUNTY PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2008

The District's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation as of June 30, 2008 (first year of implementation), were as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	New OPEB Obligation
June 30, 2008	\$12,538,000	12.1%	\$11,019,000

Funded Status and Funding Progress The funded status of the plan as of June 30, 2008, was as follows:

Actuarial Accrued Liability (a)	\$ 11,019,000
Actuarial Value of Plan Assets (b)	-
Unfunded Actuarial Accrued Liability (c) = (a-b)	<u>\$ 11,019,000</u>
Funded Ratio (b / a)	0.00
Covered Payroll (Active Plan Members (d)	\$ 581,590,241
UAAL as a Percentage of Covered Payroll (c / d)	1.89%

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about rates of return, future employment and termination, mortality, and the healthcare cost trends. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information, following the notes to the financial statements, presents multiyear trend information.

Actuarial Methods and Assumptions

Projection of benefits for financial reporting purposes are based on the substantive plan provisions, as understood by the employer and participating members, and include the type of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs

DUVAL COUNTY PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2008

between the employer and participating members. The actuarial methods and assumptions used include techniques that are designed to reduce the effect of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The valuation requires assumptions on certain key items that the District has not historically tracked. In the absence of credible, long-term data, the District has made conservative assumptions based on the limited information available. The key assumptions are that 75% of retirees will participate in the District's health plan, and that 75% of Medicare eligible retirees in the District plan will participate in the Medicare Part B program. The District has taken steps to more accurately track the data relating to these assumptions.

In the July 1, 2007 OPEB actuarial valuation, the Unit Credit method with amortization on a level percentage basis was used. Because the OPEB liability is currently unfunded, the actuarial assumptions included a 5 percent discount rate. The actuarial assumptions also included an annual healthcare cost trend rate of 11.0 percent initially for fiscal year 2007-08, reduced by .5 percent per year, to an ultimate rate of 6 percent after 10 years. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payrolls on a closed basis. The remaining amortization period at June 30, 2008 is 29 years.

16. CONSTRUCTION CONTRACT COMMITMENTS

The following is a summary of major construction contract commitments remaining at fiscal year-end:

Project	Contract Amount	Completed to Date	Balance Committed
New School (103rd / Westside)	\$ 37,733,000	\$ 2,564,269	\$ 35,168,731
New Medical Academy 6th - 12th	15,110,000	-	15,110,000
New Bartram Springs Elem. K-5	21,339,000	471,843	20,867,157
New High School AAA	76,542,000	483,469	76,058,531
Total	\$ 150,724,000	\$ 3,519,581	\$ 147,204,419

DUVAL COUNTY PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2008

17. RISK MANAGEMENT PROGRAMS

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. Workers' compensation, health and hospitalization coverage, general liability, and automobile liability coverages are being provided on a self-insured basis.

The District's liability for workers' compensation is limited from \$150,000 to \$425,000 per occurrence, depending on the year of occurrence, through January 31, 2003. Additionally, during the period February 1, 1997, through January 31, 2002, the District's liability is limited by aggregate excess coverage when total claims minus specific excess coverage exceeds the loss fund established annually by the District. For claims occurring on or after February 1, 2003, the District retains the entire liability for workers' compensation claims.

The District's liability for tort claims under the general and automobile liability coverages is limited by Florida statute to \$100,000 per claim and \$200,000 per incident. The District has contracted with an insurance administrator to administer the self-insurance program, including the processing, investigation, and payment of claims. The insurance administrator has been approved by the Florida Department of Financial Services, Office of Insurance Regulation.

The following schedule represents the changes in claims liability for the past two fiscal years for the District's self-insurance programs:

		Beginning of Fiscal-Year Liability	Current Year Claims and Changes in Estimate	Claims Payments	Balance at Fiscal Year-End
2006-07	\$	13,727,548	4,328,695	(5,686,066)	\$ 12,370,177
2007-08		12,370,177	6,180,943	(5,159,260)	13,391,860

Liability coverage for property protection, errors and omissions, employee blanket bond, and other coverage deemed necessary by the Board are provided through purchased commercial insurance, with minimum deductibles for each line of coverage.

DUVAL COUNTY PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2008

The District is self-insured for employee health benefits. Management of the health plan claims for the Duval County Public Schools Group Health Plan is provided by a contracted health insurance administrator.

The District has purchased individual excess loss insurance for catastrophic cases. The individual stop loss level is \$500,000 each plan year. A liability in the amount of \$5,842,665 was actuarially determined to cover estimated incurred but not reported health insurance claims payable at June 30, 2008.

The health and hospitalization coverage provided by the District contains high employee and dependent deductibles. To satisfy the annual deductible associated with the coverage, the District contributes \$500 per eligible employee, and an additional \$300 for dependent and family coverage, to an Internal Revenue Code 125 Flexible Benefits Plan (Plan). These and other Plan contributions are subject to a use-it-or-lose-it rule whereby unspent balances remaining in the Plan after the reimbursement eligibility period are forfeited. The District's Plan Document generally requires that the forfeited balances be used to provide increased benefits or compensation to employees in future years. At June 30, 2008, the District held forfeited balances and interest earnings totaling \$2,172,245 that are restricted to providing employee benefits in future years.

Settled claims resulting from these risks have not exceeded commercial coverage in any of the past three fiscal years.

18. INTERNAL SERVICE FUNDS

The following is a summary of financial information as reported in the Internal Service Funds for the District's self-insured risk management program (workers' compensation, health insurance, unemployment insurance, general liability, and automobile liability) and printing department operations for the 2007-08 fiscal year:

DUVAL COUNTY PUBLIC SCHOOLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2008

	Self- Insurance W/C Program	Self- Insurance Health Ins. Program	District Printing Department	Total
Total Assets	<u>\$ 40,536,602</u>	<u>\$ 44,040,294</u>	<u>\$ 519,032</u>	<u>\$ 85,095,928</u>
Liabilities and Net Assets:				
Accounts Payable	\$ 82,895	\$ 14,858,003	\$ 182,647	\$ 15,123,545
Due to Other Agencies	-	-	-	-
Estimated Insurance Claims Payable	13,391,860	5,842,665	-	19,234,525
Net Assets:				
Unrestricted Net Assets	<u>27,061,847</u>	<u>23,339,626</u>	<u>336,385</u>	<u>50,737,858</u>
Total Liabilities and Net Assets	<u>\$ 40,536,602</u>	<u>\$ 44,040,294</u>	<u>\$ 519,032</u>	<u>\$ 85,095,928</u>
Revenues:				
Premium Revenues	\$ 1,848,694	\$ 94,258,832	\$ -	\$ 96,107,526
Charges for Services			1,347,095	1,347,095
Interest Income	1,456,582	874,205	-	2,330,787
Transfer In	-	-	802,991	802,991
Total Revenues	3,305,276	95,133,037	2,150,086	100,588,399
Total Expenses	<u>(6,393,624)</u>	<u>(71,793,411)</u>	<u>(2,007,103)</u>	<u>(80,194,138)</u>
Change in Net Assets	<u>\$ (3,088,348)</u>	<u>\$ 23,339,626</u>	<u>\$ 142,983</u>	<u>\$ 20,394,261</u>

19. CONTINGENT LIABILITIES

The District is involved in several pending and threatened legal actions. In the opinion of District management, the range of potential loss from all such claims and actions should not materially affect the financial condition of the District. For governmental activities, claims and judgments are generally liquidated with resources of the self-insurance Internal Service Fund reported in the Proprietary Funds.

The District receives grants from various Federal agencies. Amounts received or receivable under the grant programs are subject to audit and adjustment by the various Federal grantor and pass-through agencies. The amount, if any, of disallowed claims, including amounts already collected, cannot be determined at this time, although the District expects such amounts, if any, to be immaterial.

REQUIRED SUPPLEMENTARY INFORMATION

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**DUVAL COUNTY PUBLIC SCHOOLS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS
OTHER POST EMPLOYMENT BENEFITS PLAN**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Projected Unit Credit (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll [(b-a)/c]
Oct. 1, 2007	-	\$139,083,000	\$139,083,000	0%	\$581,590,241	23.91%

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

Other Supplementary Information

Other supplementary information is comprised of information that accompanies the audited basic financial statements, but is not a required part of the basic financial statements. This subsection includes the budgetary analysis of major funds, other than the general fund, not included elsewhere and the fund financial statements and schedules of the District's nonmajor funds.

Nonmajor Governmental Funds

Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for specific purposes.

Food Service Fund – This fund is used to account for the activities of the District’s food services function. These activities are primarily through local charges and federal award programs.

Other Federal Programs Fund – This fund is used to account for programs funded by various restricted resources, primarily federal and state grants, requiring separate accountability due to legal and/or regulatory restrictions.

Debt Service Funds

State Board of Education (SBE) and Capital Outlay Bond Issue (COBI) Fund – This fund is used to account for the payment of principal, interest, and related costs on the state bonds issued by the State Board on behalf of the District. Such bonds are payable from the District’s portion of the state-assessed motor vehicle license tax.

District Bonds Fund – This fund is used to account for the payment of principal, interest, and related costs on the District’s general obligation bonds. These bonds are secured by a pledge of ad valorem taxes levied.

Other Debt Service – This fund is used to account for the payment of principal, interest, and related costs on other miscellaneous obligations, including lease payments required under the District’s Certificates of Participation financing arrangement.

Capital Projects Funds

Public Education Capital Outlay (PECO) Fund – These funds are used for educational capital outlay needs, including new construction, remodeling, renovation, maintenance, repairs and site improvements.

District Bonds Fund – This fund is used to account for the capital project activity funded by the District’s general obligation debt.

Capital Outlay and Debt Service (CO&DS) Fund – This fund is used to account for capital project activity funded by the District’s portion of the State CO&DS program.

**DUVAL COUNTY PUBLIC SCHOOLS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2008**

	<u>Special Revenue Funds</u>			
	<u>Total Nonmajor Governmental Funds</u>	<u>Total Nonmajor Special Revenue Funds</u>	<u>Food Service</u>	<u>Other Federal Programs</u>
ASSETS				
Cash	\$ 917,865	\$ 560	\$ 560	\$ -
Taxes Receivable	64,951	-	-	-
Investments	72,721,537	3,620,222	2,148,682	1,471,540
Accounts Receivable, net	325,878	325,878	187,826	138,052
Due From Other Agencies	16,375,502	835,600	835,600	-
Inventories	992,588	992,588	992,588	-
Total Assets	<u>\$ 91,398,321</u>	<u>\$ 5,774,848</u>	<u>\$ 4,165,256</u>	<u>\$ 1,609,592</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	6,904,165	4,328,884	2,759,372	1,569,512
Construction Contracts Payable	1,043,648	-	-	-
Construction Contracts Payable - Retainage	418,345	-	-	-
Sales Tax Payable	811	811	811	-
Matured Bonds Payable	2,545,000	-	-	-
Matured Interest Payable	6,090,831	-	-	-
Due to Other Agencies	40,108	40,108	28	40,080
Deferred Revenue	4,964,387	245,477	245,477	-
Total Liabilities	<u>22,007,295</u>	<u>4,615,280</u>	<u>3,005,688</u>	<u>1,609,592</u>
Fund Balances:				
Reserved for:				
Encumbrances	\$ 6,928,678	\$ 67,820	\$ 67,820	\$ -
Inventories	992,588	992,588	992,588	-
Debt Service	57,258,986	-	-	-
Unreserved Reported In:				
Special Revenue Funds	99,160	99,160	99,160	-
Capital Projects Funds	4,111,614	-	-	-
Total Fund Balances	<u>69,391,026</u>	<u>1,159,568</u>	<u>1,159,568</u>	<u>-</u>
Total Liabilities and Fund Balances	<u>\$ 91,398,321</u>	<u>\$ 5,774,848</u>	<u>\$ 4,165,256</u>	<u>\$ 1,609,592</u>

DUVAL COUNTY PUBLIC SCHOOLS
COMBINING BALANCE SHEET (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2008

	Debt Service Funds			
	Total Nonmajor Debt Service Funds	State Board of Education (SBE) and Capital Outlay Bond Issue (COBI)	District Bonds	Other Debt Service
ASSETS				
Cash	\$ 917,305	\$ -	\$ -	\$ 917,305
Taxes Receivable	64,951	-	64,951	-
Investments	64,912,561	792,715	9,752,867	54,366,979
Accounts Receivable, net	-	-	-	-
Due From Other Agencies	-	-	-	-
Inventories	-	-	-	-
Total Assets	<u>\$ 65,894,817</u>	<u>\$ 792,715</u>	<u>\$ 9,817,818</u>	<u>\$ 55,284,284</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	-	-	-	-
Construction Contracts Payable	-	-	-	-
Construction Contracts Payable - Retainage	-	-	-	-
Due to Fiscal Agencies	-	-	-	-
Matured Bonds Payable	2,545,000	-	-	2,545,000
Matured Interest Payable	6,090,831	-	-	6,090,831
Due to Other Agencies	-	-	-	-
Deferred Revenue	-	-	-	-
Total Liabilities	<u>8,635,831.00</u>	<u>-</u>	<u>-</u>	<u>8,635,831</u>
Fund Balances:				
Reserved for:				
Encumbrances	\$ -	\$ -	\$ -	\$ -
Inventories	-	-	-	-
Debt Service	57,258,986	792,715	9,817,818	46,648,453
Unreserved Reported In:				
Special Revenue Funds	-	-	-	-
Capital Projects Funds	-	-	-	-
Total Fund Balances	<u>57,258,986</u>	<u>792,715</u>	<u>9,817,818</u>	<u>46,648,453</u>
Total Liabilities and Fund Balances	<u>\$ 65,894,817</u>	<u>\$ 792,715</u>	<u>\$ 9,817,818</u>	<u>\$ 55,284,284</u>

DUVAL COUNTY PUBLIC SCHOOLS
COMBINING BALANCE SHEET (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2008

	<u>Capital Projects Funds</u>			
	<u>Total Nonmajor Capital Projects Funds</u>	<u>Public Education Capital Outlay (PECO)</u>	<u>District Bonds</u>	<u>Capital Outlay & Debt Service (CO&DS)</u>
ASSETS				
Cash	\$ -	\$ -	\$ -	\$ -
Taxes Receivable	-	-	-	-
Investments	4,188,754	2,818,873	1,616	1,368,265
Accounts Receivable, net	-	-	-	-
Due From Other Agencies	15,539,902	15,539,902	-	-
Inventories	-	-	-	-
Total Assets	<u>\$ 19,728,656</u>	<u>\$ 18,358,775</u>	<u>\$ 1,616</u>	<u>\$ 1,368,265</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	2,575,281	2,575,281	-	-
Construction Contracts Payable	1,043,648	1,043,648	-	-
Construction Contracts Payable - Retainage	418,345	417,179	1,166	-
Due to Fiscal Agencies	-	-	-	-
Matured Bonds Payable	-	-	-	-
Matured Interest Payable	-	-	-	-
Due to Other Agencies	-	-	-	-
Deferred Revenue	4,718,910	4,718,910	-	-
Total Liabilities	<u>8,756,184</u>	<u>8,755,018</u>	<u>1,166</u>	<u>-</u>
Fund Balances:				
Reserved for:				
Encumbrances	\$ 6,860,858	\$ 6,860,858	\$ -	\$ -
Inventories	-	-	-	-
Debt Service	-	-	-	-
Unreserved Reported In:				
Special Revenue Funds	-	-	-	-
Capital Projects Funds	4,111,614	2,742,899	450	1,368,265
Total Fund Balances	<u>10,972,472</u>	<u>9,603,757</u>	<u>450</u>	<u>1,368,265</u>
Total Liabilities and Fund Balances	<u>\$ 19,728,656</u>	<u>\$ 18,358,775</u>	<u>\$ 1,616</u>	<u>\$ 1,368,265</u>

DUVAL COUNTY PUBLIC SCHOOLS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2008

	<u>Special Revenue Funds</u>			
	<u>Total Nonmajor Governmental Funds</u>	<u>Total Nonmajor Special Revenue Funds</u>	<u>Food Service</u>	<u>Other Federal Programs</u>
REVENUES				
Federal Direct Sources:				
Other Federal Direct Sources	\$ 4,409,707	\$ 4,409,707	\$ -	\$ 4,409,707
Total Federal Direct Sources	4,409,707	4,409,707	-	4,409,707
Federal Through State Sources:				
Food Service	25,970,956	25,970,956	25,970,956	-
Other Federal Through State Sources	75,280,878	75,280,878	-	75,280,878
Total Federal Through State Sources	101,251,834	101,251,834	25,970,956	75,280,878
State Sources:				
Food Service	850,950	850,950	850,950	-
Other State Sources	21,496,153	-	-	-
Total State Sources	22,347,103	850,950	850,950	-
Local Sources:				
Ad Valorem Taxes	9,029,712	-	-	-
Food Service	14,564,168	14,564,168	14,564,168	-
Interest Income	2,003,184	66,124	66,124	-
Other Local Sources	35,910	35,456	35,456	-
Total Local Sources	25,632,974	14,665,748	14,665,748	-
Total Revenues	153,641,618	121,178,239	41,487,654	79,690,585

DUVAL COUNTY PUBLIC SCHOOLS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2008

	Debt Service Funds			
	Total Nonmajor Debt Service Funds	State Board of Education (SBE) and Capital Outlay Bond Issue (COBI)	District Bonds	Other Debt Service
REVENUES				
Federal Direct Sources:				
Other Federal Direct Sources	\$ -	\$ -	\$ -	\$ -
Total Federal Direct Sources	-	-	-	-
Federal Through State Sources:				
Food Service	-	-	-	-
Other Federal Through State Sources	-	-	-	-
Total Federal Through State Sources	-	-	-	-
State Sources:				
Food Service	-	-	-	-
Other State Sources	3,814,948	3,814,948	-	-
Total State Sources	3,814,948	3,814,948	-	-
Local Sources:				
Ad Valorem Taxes	9,029,712	-	9,029,712	-
Food Service	-	-	-	-
Interest Income	1,902,631	-	224,840	1,677,791
Other Local Sources	454	-	-	454
Total Local Sources	10,932,797	-	9,254,552	1,678,245
Total Revenues	14,747,745	3,814,948	9,254,552	1,678,245

DUVAL COUNTY PUBLIC SCHOOLS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2008

	<u>Capital Projects Funds</u>			
	<u>Total Nonmajor Capital Projects Funds</u>	<u>Public Education Capital Outlay (PECO)</u>	<u>District Bonds</u>	<u>Capital Outlay & Debt Service (CO&DS)</u>
REVENUES				
Federal Direct Sources:				
Other Federal Direct Sources	\$ -	\$ -	\$ -	\$ -
Total Federal Direct Sources	-	-	-	-
Federal Through State Sources:				
Food Service	-	-	-	-
Other Federal Through State Sources	-	-	-	-
Total Federal Through State Sources	-	-	-	-
State Sources:				
Food Service	-	-	-	-
Other State Sources	17,681,205	17,027,463	-	653,742
Total State Sources	17,681,205	17,027,463	-	653,742
Local Sources:				
Ad Valorem Taxes	-	-	-	-
Food Service	-	-	-	-
Interest Income	34,429	32,003	175	2,251
Other Local Sources	-	-	-	-
Total Local Sources	34,429	32,003	175	2,251
Total Revenues	17,715,634	17,059,466	175	655,993

DUVAL COUNTY PUBLIC SCHOOLS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2008

	Special Revenue Funds			
	Total Nonmajor Governmental Funds	Total Nonmajor Special Revenue Funds	Food Service	Other Federal Programs
EXPENDITURES				
Current:				
Instruction	\$ 34,441,427	\$ 34,441,427	\$ -	\$ 34,441,427
Pupil Personnel Services	16,956,745	16,956,745	-	16,956,745
Instructional Media Services	32,322	32,322	-	32,322
Instruction and Curriculum Development	6,059,254	6,059,254	-	6,059,254
Instructional Staff Training Services	13,957,447	13,957,447	-	13,957,447
General Administration	2,031,985	2,031,985	-	2,031,985
School Administration	7,281	7,281	-	7,281
Facilities Acquisition & Construction	11,320,575	469	-	469
Food Services	43,037,043	43,037,043	43,037,043	-
Central Services	326,386	326,386	-	326,386
Pupil Transportation Services	1,955,070	1,955,070	-	1,955,070
Operation of Plant	158,309	158,309	-	158,309
Community Services	156,189	156,189	-	156,189
Capital Outlay:				
Facilities Acquisition & Construction	4,231,942	2,710	-	2,710
Other Capital Outlay	1,303,520	1,303,520	-	1,303,520
Debt Service:				
Principal	21,960,000	-	-	-
Interest and Fiscal Charges	12,945,888	-	-	-
Total Expenditures	170,881,383	120,426,157	43,037,043	77,389,114
Excess (Deficiency) of Revenues Over Expenditures	(17,239,765)	752,082	(1,549,389)	2,301,471
OTHER FINANCING SOURCES (USES)				
Transfers In	16,633,622	1,006,061	923,626	82,435
Transfers Out	(2,383,906)	(2,383,906)	-	(2,383,906)
Total Other Financing Sources (Uses)	14,249,716	(1,377,845)	923,626	(2,301,471)
Net Change in Fund Balances	(2,990,049)	(625,763)	(625,763)	-
Fund Balance, Beginning	72,381,075	1,785,331	1,785,331	-
Fund Balance, Ending	\$ 69,391,026	\$ 1,159,568	\$ 1,159,568	\$ -

DUVAL COUNTY PUBLIC SCHOOLS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2008

	Debt Service Funds			
	Total Nonmajor Debt Service Funds	State Board of Education (SBE) and Capital Outlay Bond Issue (COBI)	District Bonds	Other Debt Service
EXPENDITURES				
Current:				
Instruction	\$ -	\$ -	\$ -	\$ -
Pupil Personnel Services	-	-	-	-
Instructional Media Services	-	-	-	-
Instruction and Curriculum Development	-	-	-	-
Instructional Staff Training Services	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Facilities Acquisition & Construction	-	-	-	-
Food Services	-	-	-	-
Central Services	-	-	-	-
Pupil Transportation Services	-	-	-	-
Operation of Plant	-	-	-	-
Community Services	-	-	-	-
Capital Outlay:				
Facilities Acquisition & Construction	-	-	-	-
Other Capital Outlay	-	-	-	-
Debt Service:				
Principal	21,960,000	2,405,000	17,010,000	2,545,000
Interest and Fiscal Charges	12,943,780	1,463,622	1,059,315	10,420,843
Total Expenditures	34,903,780	3,868,622	18,069,315	12,965,843
Excess (Deficiency) of Revenues Over Expenditures	(20,156,035)	(53,674)	(8,814,763)	(11,287,598)
OTHER FINANCIAL SOURCES (USES)				
Transfers In	15,627,561	-	-	15,627,561
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	15,627,561	-	-	15,627,561
Net Change in Fund Balances	(4,528,474)	(53,674)	(8,814,763)	4,339,963
Fund Balance, Beginning	61,787,460	846,389	18,632,581	42,308,490
Fund Balance, Ending	\$ 57,258,986	\$ 792,715	\$ 9,817,818	\$ 46,648,453

DUVAL COUNTY PUBLIC SCHOOLS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2008

	Capital Projects Funds			
	Total Nonmajor Capital Project Funds	Public Education Capital Outlay (PECO)	District Bonds	Capital Outlay & Debt Service (CO&DS)
EXPENDITURES				
Current:				
Instruction	\$ -	\$ -	\$ -	\$ -
Pupil Personnel Services	-	-	-	-
Instructional Media Services	-	-	-	-
Instruction and Curriculum Development	-	-	-	-
Instructional Staff Training Services	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Facilities Acquisition & Construction	11,320,106	11,317,167	2,939	-
Food Services	-	-	-	-
Central Services	-	-	-	-
Pupil Transportation Services	-	-	-	-
Operation of Plant	-	-	-	-
Community Services	-	-	-	-
Capital Outlay:				
Facilities Acquisition & Construction	4,229,232	4,229,232	-	-
Other Capital Outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest and Fiscal Charges	2,108	-	-	2,108
Total Expenditures	15,551,446	15,546,399	2,939	2,108
Excess (Deficiency) of Revenues Over Expenditures	2,164,188	1,513,067	(2,764)	653,885
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	2,164,188	1,513,067	(2,764)	653,885
Fund Balance, Beginning	8,808,284	8,090,690	3,214	714,380
Fund Balance, Ending	<u>\$ 10,972,472</u>	<u>\$ 9,603,757</u>	<u>\$ 450</u>	<u>\$ 1,368,265</u>

**DUVAL COUNTY PUBLIC SCHOOLS
FOOD SERVICE - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008**

	Food Service			
	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget
REVENUES				
Federal Through State Sources:				
Food Service	\$ 29,230,768	\$ 25,970,956	\$ 25,970,956	\$ -
Total Federal Direct	29,230,768	25,970,956	25,970,956	-
State Sources:				
Food Service	821,855	850,950	850,950	-
Total State Sources	821,855	850,950	850,950	-
Local Sources:				
Food Service	13,699,809	14,564,168	14,564,168	-
Interest Income	30,000	66,124	66,124	-
Other Local Sources	941,039	35,456	35,456	-
Total Local Sources	14,670,848	14,665,748	14,665,748	-
Total Revenues	44,723,471	41,487,654	41,487,654	-
EXPENDITURES				
Current:				
Salaries	4,544,222	3,995,364	3,995,364	-
Benefits	1,830,636	1,936,859	1,936,859	-
Purchase Services	33,462,202	33,608,968	33,608,968	-
Energy Services	1,078,843	1,082,869	1,082,869	-
Material and Supplies	3,591,929	2,200,914	2,200,914	-
Capital Outlay	29,109	58,375	58,375	-
Other Expenses	578,587	153,694	153,694	-
Total Expenditures	45,115,528	43,037,043	43,037,043	-
Excess (Deficiency) of Revenues Over Expenditures	(392,057)	(1,549,389)	(1,549,389)	-
OTHER FINANCING SOURCES (USES)				
Transfers In	4,341	923,626	923,626	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	4,341	923,626	923,626	-
Net Change in Fund Balance	(387,716)	(625,763)	(625,763)	-
Fund Balance, Beginning	2,634,605	1,785,331	1,785,331	-
Fund Balance, Ending	\$ 2,246,889	\$ 1,159,568	\$ 1,159,568	\$ -

DUVAL COUNTY PUBLIC SCHOOLS
OTHER FEDERAL PROGRAMS - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008

	Other Federal Programs			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Federal Direct Sources:				
Other Federal Direct Sources	\$ 5,217,391	\$ 15,369,636	\$ 4,409,707	\$ (10,959,929)
Total Federal Direct	5,217,391	15,369,636	4,409,707	(10,959,929)
Federal Through State Sources:				
Other Federal Through State Sources	89,617,434	95,795,746	75,280,878	(20,514,868)
Total Federal Through State	89,617,434	95,795,746	75,280,878	(20,514,868)
Total Revenues	94,834,825	111,165,382	79,690,585	(31,474,797)
EXPENDITURES				
Current:				
Instruction:				
Salaries	18,973,323	19,798,969	16,853,175	2,945,794
Benefits	7,718,559	8,225,321	6,366,938	1,858,383
Purchased Services	8,441,927	10,261,063	8,757,321	1,503,742
Materials & Supplies	2,907,180	3,898,378	1,720,758	2,177,620
Capital Outlay	2,266,377	3,365,481	682,194	2,683,287
Other Expenses	59,511	150,942	61,041	89,901
Pupil Personnel Services:				
Salaries	11,913,405	12,341,135	11,165,967	1,175,168
Benefits	4,280,299	3,851,306	3,434,145	417,161
Purchased Services	1,298,276	2,041,202	1,747,752	293,450
Materials & Supplies	444,637	766,508	493,135	273,373
Capital Outlay	144,590	156,443	106,727	49,716
Other Expenses	17,210	15,599	9,019	6,580
Instructional Media Services:				
Salaries	821	6,228	-	6,228
Benefits	752	2,254	-	2,254
Purchased Services	3,944	4,665	842	3,823
Materials & Supplies	22,916	4,225	1,734	2,491
Capital Outlay	60,158	249,515	29,746	219,769
Instruction and Curriculum Development:				
Salaries	4,677,449	5,175,148	4,012,366	1,162,782
Benefits	1,750,054	1,778,841	1,168,861	609,980
Purchased Services	892,025	934,201	601,563	332,638
Materials & Supplies	542,170	522,161	240,211	281,950
Capital Outlay	76,544	111,064	14,648	96,416
Other Expenses	129	22,889	21,605	1,284
Instructional Staff Training Services:				
Salaries	6,980,453	9,862,012	5,524,305	4,337,707
Benefits	2,808,823	3,388,396	1,618,867	1,769,529
Purchased Services	7,177,567	9,106,084	6,256,402	2,849,682
Materials & Supplies	945,239	938,282	326,181	612,101
Capital Outlay	155,680	254,279	102,521	151,758
Other Expenses	238,898	298,939	129,171	169,768
General Administration:				
Other Expenses	2,570,004	3,253,394	2,031,985	1,221,409

(Continued)

DUVAL COUNTY PUBLIC SCHOOLS
OTHER FEDERAL PROGRAMS - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008

	Other Federal Programs			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
School Administration:				
Salaries	\$ 6,429	\$ 2,882	\$ 1,073	\$ 1,809
Benefits	2,849	1,464	192	1,272
Purchased Services	56,412	9,064	6,016	3,048
Materials & Supplies	2,500	-	-	-
Capital Outlay	1,000	1,000	-	1,000
Facilities Acquisition & Construction:				
Purchased Services	-	3,541	95	3,446
Capital Outlay	1,509	10,756	374	10,382
Central Services:				
Salaries	145,517	507,750	155,095	352,655
Benefits	59,298	177,140	47,396	129,744
Purchased Services	144,264	331,281	115,035	216,246
Materials & Supplies	2,964	36,126	8,324	27,802
Capital Outlay	9,032	6,693	536	6,157
Other Expenses	606	13,862	-	13,862
Pupil Transportation Services:				
Salaries	181,376	184,739	184,302	437
Benefits	69,278	64,819	63,921	898
Purchased Services	5,410,416	4,519,861	1,654,651	2,865,210
Energy Services	47,794	67,115	52,196	14,919
Operation of Plant:				
Salaries	1,546	1,710	31	1,679
Benefits	507	560	5	555
Purchased Services	53,492	158,273	158,273	-
Community Services:				
Salaries	77,473	133,892	44,916	88,976
Benefits	25,130	40,590	8,057	32,533
Purchased Services	315,852	465,451	89,336	376,115
Materials & Supplies	6,862	21,267	7,929	13,338
Capital Outlay	-	5,000	5,951	(951)
Other Expenses	1,175	7,673	-	7,673
Capital Outlay:				
Facilities Acquisition & Construction	2,710	2,710	2,710	-
Other Capital Outlay	926,960	1,303,520	1,303,520	-
Total Expenditures	94,921,871	108,863,663	77,389,114	31,474,549
Excess (Deficiency) of Revenues				
Over Expenditures	(87,046)	2,301,719	2,301,471	(248)
OTHER FINANCING SOURCES (USES)				
Transfers In	87,046	82,187	82,435	248
Transfers Out	-	(2,383,906)	(2,383,906)	-
Total Other Financing Sources (Uses)	87,046	(2,301,719)	(2,301,471)	248
Net Change in Fund Balance	-	-	-	-
Fund Balance, Beginning	-	-	-	-
Fund Balance, Ending	\$ -	\$ -	\$ -	\$ -

DUVAL COUNTY PUBLIC SCHOOLS
STATE BOARD OF EDUCATION (SBE) AND CAPITAL OUTLAY BOND ISSUE (COBI) -
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008

State Board of Education (SBE) and Capital Outlay Bond Issue (COBI)				
Budgeted Amounts				
	Original	Final	Actual Amounts	Variance with Final Budget
REVENUES				
State Sources:				
CO&DS Withheld for SBE/COBI Bond	\$ 3,942,616	\$ 3,806,606	\$ 3,814,948	\$ 8,342
Total State Sources	3,942,616	3,806,606	3,814,948	8,342
Total Revenues	3,942,616	3,806,606	3,814,948	8,342
EXPENDITURES				
Debt Service:				
Principal	2,420,000	2,405,000	2,405,000	-
Interest and Fiscal Charges	1,547,439	1,463,622	1,463,622	-
Total Expenditures	3,967,439	3,868,622	3,868,622	-
Excess (Deficiency) of Revenues Over Expenditures	(24,823)	(62,016)	(53,674)	8,342
Net Change in Fund Balance	(24,823)	(62,016)	(53,674)	8,342
Fund Balance, Beginning	202,793	846,389	846,389	-
Adjustment to Restate Beginning Fund Balance	-	-	-	-
Fund Balance, Ending	\$ 177,970	\$ 784,373	\$ 792,715	\$ 8,342

**DUVAL COUNTY PUBLIC SCHOOLS
DISTRICT BONDS - DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008**

	District Bonds			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Local Sources:				
Ad Valorem Taxes	\$ 8,830,531	\$ 8,964,761	\$ 9,029,712	\$ 64,951
Interest Income	100,000	190,868	224,840	33,972
Total Local Sources	<u>8,930,531</u>	<u>9,155,629</u>	<u>9,254,552</u>	<u>98,923</u>
EXPENDITURES				
Debt Service:				
Principal	17,010,000	17,010,000	17,010,000	-
Interest and Fiscal Charges	1,059,715	1,059,315	1,059,315	-
Total Expenditures	<u>18,069,715</u>	<u>18,069,315</u>	<u>18,069,315</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(9,139,184)</u>	<u>(8,913,686)</u>	<u>(8,814,763)</u>	<u>98,923</u>
Net Change in Fund Balance	(9,139,184)	(8,913,686)	(8,814,763)	98,923
Fund Balance, Beginning	<u>18,130,549</u>	<u>18,632,581</u>	<u>18,632,581</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 8,991,365</u>	<u>\$ 9,718,895</u>	<u>\$ 9,817,818</u>	<u>\$ 98,923</u>

**DUVAL COUNTY PUBLIC SCHOOLS
OTHER DEBT SERVICE- DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008**

	Other Debt Service			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Local Sources:				
Interest Income	\$ 1,556,403	\$ 1,596,939	\$ 1,677,791	\$ 80,852
Other Local Sources	-	-	454	454
Total Local Sources	<u>1,556,403</u>	<u>1,596,939</u>	<u>1,678,245</u>	<u>81,306</u>
EXPENDITURES				
Debt Service:				
Principal	2,545,000	2,545,000	2,545,000	-
Interest and Fiscal Charges	<u>8,293,407</u>	<u>10,420,844</u>	<u>10,420,843</u>	<u>1</u>
Total Expenditures	<u>10,838,407</u>	<u>12,965,844</u>	<u>12,965,843</u>	<u>1</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(9,282,004)</u>	<u>(11,368,905)</u>	<u>(11,287,598)</u>	<u>81,307</u>
OTHER FINANCING SOURCES				
Transfers In	<u>12,326,361</u>	<u>15,627,561</u>	<u>15,627,561</u>	<u>-</u>
Total Other Financing Sources	<u>12,326,361</u>	<u>15,627,561</u>	<u>15,627,561</u>	<u>-</u>
Net Change in Fund Balance	3,044,357	4,258,656	4,339,963	81,307
Fund Balance, Beginning	<u>42,347,065</u>	<u>42,308,490</u>	<u>42,308,490</u>	<u>-</u>
Fund Balance, Ending	<u><u>\$ 45,391,422</u></u>	<u><u>\$ 46,567,146</u></u>	<u><u>\$ 46,648,453</u></u>	<u><u>\$ 81,307</u></u>

DUVAL COUNTY PUBLIC SCHOOLS
PUBLIC EDUCATION CAPITAL OUTLAY - CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008

	Public Education Capital Outlay			
	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget
REVENUES				
State Sources:				
Public Education Capital Outlay	\$ 21,746,373	\$ 21,746,373	\$ 17,027,463	\$ (4,718,910)
Total State Sources	21,746,373	21,746,373	17,027,463	(4,718,910)
Local Sources:				
Interest Income	-	27,841	32,003	4,162
Total Local Sources	-	27,841	32,003	4,162
Total Revenues	21,746,373	21,774,214	17,059,466	(4,714,748)
EXPENDITURES				
Current:				
Facilities Acquisition & Construction	26,122,426	19,107,840	11,317,167	7,790,673
Capital Outlay:				
Facilities Acquisition & Construction	4,229,232	4,229,232	4,229,232	-
Total Expenditures	30,351,658	23,337,072	15,546,399	7,790,673
Excess (Deficiency) of Revenues Over Expenditures	(8,605,285)	(1,562,858)	1,513,067	3,075,925
Net Change in Fund Balance	(8,605,285)	(1,562,858)	1,513,067	3,075,925
Fund Balance, Beginning	8,605,285	8,086,889	8,090,690	3,801
Fund Balance, Ending	\$ -	\$ 6,524,031	\$ 9,603,757	\$ 3,079,726

DUVAL COUNTY PUBLIC SCHOOLS
LOCAL CAPITAL IMPROVEMENT - CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008

	Local Capital Improvement			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Local Sources:				
Ad Valorem Taxes	\$ 116,448,420	\$ 117,640,167	\$ 118,009,347	\$ 369,180
Interest Income	1,940,700	6,634,162	6,253,114	(381,048)
Other Local Sources	-	6,788	938,440	931,652
Total Local Sources	118,389,120	124,281,117	125,200,901	919,784
Total Revenues	118,389,120	124,281,117	125,200,901	919,784
EXPENDITURES				
Current:				
Facilities Acquisition & Construction	180,516,734	160,664,795	44,897,520	115,767,275
Capital Outlay:				
Facilities Acquisition & Construction	25,856,389	25,856,389	25,856,389	-
Total Expenditures	206,373,123	186,521,184	70,753,909	115,767,275
Excess (Deficiency) of Revenues Over Expenditures	(87,984,003)	(62,240,067)	54,446,992	116,687,059
OTHER FINANCING SOURCES (USES)				
Transfers In	-	267,796	267,796	-
Transfers Out	(31,326,361)	(53,785,703)	(47,816,543)	5,969,160
Total Other Financing Sources (Uses)	(31,326,361)	(53,517,907)	(47,548,747)	5,969,160
Net Change in Fund Balance	(119,310,364)	(115,757,974)	6,898,245	122,656,219
Fund Balance, Beginning	141,452,334	132,910,295	132,914,391	4,096
Fund Balance, Ending	\$ 22,141,970	\$ 17,152,321	\$ 139,812,636	\$ 122,660,315

DUVAL COUNTY PUBLIC SCHOOLS
OTHER CAPITAL PROJECTS - CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008

	Other Capital Projects		
	Budgeted Amounts		Variance with Final Budget
	Original	Final	
REVENUES			
State Sources:			
Other State Sources	\$ 12,492,420	\$ 13,168,991	\$ 6,761,966
Total State Sources	12,492,420	13,168,991	6,761,966
Local Sources:			
Interest Income	-	804,556	1,510,211
Other Local Sources	-	13,000	13,000
Total Local Sources	-	817,556	1,523,211
Total Revenues	12,492,420	13,986,547	8,285,177
EXPENDITURES			
Current:			
Facilities Acquisition & Construction	-	122,778,570	406,205
Capital Outlay:			
Facilities Acquisition & Construction	36,115,132	59,494,683	59,494,683
Total Expenditures	36,115,132	182,273,253	59,900,888
Excess (Deficiency) of Revenues Over Expenditures	(23,622,712)	(168,286,706)	(51,615,711)
OTHER FINANCING SOURCES (USES)			
Certificates of Participation Issued	101,320,000	145,575,000	148,331,808
Sale of Land	415,000	415,000	415,000
Loss Recoveries	-	-	-
Transfers In	-	-	-
Transfers Out	(300,694)	(752,912)	(679,600)
Total Other Financing Sources (Uses)	101,434,306	145,237,088	148,067,208
Net Change in Fund Balance	77,811,594	(23,049,618)	96,451,497
Fund Balance, Beginning	29,225,653	29,435,096	29,329,840
Fund Balance, Ending	\$ 107,037,247	\$ 6,385,478	\$ 125,781,337

**DUVAL COUNTY PUBLIC SCHOOLS
CAPITAL OUTLAY AND DEBT SERVICE (CO&DS) -
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008**

	Capital Outlay & Debt Service (CO&DS)			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
State Sources:				
Other State Sources	\$ 508,071	\$ 1,169,821	\$ 653,742	\$ (516,079)
Total State Sources	508,071	1,169,821	653,742	(516,079)
Local Sources:				
Interest Income	-	2,251	2,251	-
Total Local Sources	-	2,251	2,251	-
Total Revenues	508,071	1,172,072	655,993	(516,079)
EXPENDITURES				
Debt Service:				
Interest and Fiscal Charges	-	2,108	2,108	-
Total Expenditures	-	2,108	2,108	-
Excess (Deficiency) of Revenues Over Expenditures	508,071	1,169,964	653,885	(516,079)
Net Change in Fund Balance	508,071	1,169,964	653,885	(516,079)
Fund Balance, Beginning	703,207	714,380	714,380	-
Fund Balance, Ending	\$ 1,211,278	\$ 1,884,344	\$ 1,368,265	\$ (516,079)

**DUVAL COUNTY PUBLIC SCHOOLS
DISTRICT BONDS - CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2008**

	District Bonds			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Local Sources:				
Interest Income	\$ -	\$ (275)	\$ 175	\$ 450.00
Total Local Sources	-	(275)	175	450.00
EXPENDITURES				
Current:				
Facilities Acquisition & Construction	-	2,939	2,939	-
Total Expenditures	-	2,939	2,939	-
Excess (Deficiency) of Revenues Over Expenditures	-	(3,214)	(2,764)	450
Net Change in Fund Balance	-	(3,214)	(2,764)	450
Fund Balance, Beginning	-	3,214	3,214	-
Fund Balance, Ending	\$ -	\$ -	\$ 450	\$ 450

DUVAL COUNTY PUBLIC SCHOOLS
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FIDUCIARY FUNDS - AGENCY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

	School Internal Accounts Balances July 1, 2007	Total Additions	Total Deductions	School Internal Accounts Balances June 30, 2008
ASSETS				
Cash	\$ 6,622,545	\$ -	\$ 493,496	\$ 6,129,049
Investments	676,142	268,406	-	944,548
Total Assets	<u>\$ 7,298,687</u>	<u>\$ 268,406</u>	<u>\$ 493,496</u>	<u>\$ 7,073,597</u>
LIABILITIES				
Accounts Payable	\$ 7,298,687	\$ 17,512	\$ 242,602	\$ 7,073,597
Total Liabilities	<u>\$ 7,298,687</u>	<u>\$ 17,512</u>	<u>\$ 242,602</u>	<u>\$ 7,073,597</u>

COMBINING FINANCIAL STATEMENTS COMPONENT UNITS

DUVAL COUNTY PUBLIC SCHOOLS
COMBINING STATEMENT OF NET ASSETS
COMPONENT UNITS
JUNE 30, 2008

	S.O.C.K. Outstanding Students (S.O.S.) Academy, Inc. - Middle School	Wayman Academy of the Arts, Inc.
ASSETS		
Cash and Cash Equivalents	\$ 2,214	\$ 357,348
Accounts Receivable, Net	-	45,533
Due From Other Agencies	6,841	-
Other Assets	-	-
Capital Assets:		
Depreciable (Net)	1,580,931	453,867
Total Assets	<u>1,589,986</u>	<u>856,748</u>
LIABILITIES		
Current Liabilities:		
Payroll Deductions and Withholdings	-	-
Accounts Payable	57,351	38,148
Total Current Liabilities	<u>57,351</u>	<u>38,148</u>
Noncurrent Liabilities:		
Portion Due or Payable Within One Year:		
Notes Payable	45,000	-
Obligations Under Capital Lease	5,221	-
Portion Due or Payable After One Year:		
Notes Payable	-	-
Obligations Under Capital Lease	9,583	-
Total Noncurrent Liabilities	<u>59,804</u>	<u>-</u>
Total Liabilities	<u>117,155</u>	<u>38,148</u>
NET ASSETS (DEFICIT)		
Invested in Capital Assets, Net of Related Debt	1,566,127	453,867
Restricted Net Assets	-	-
Unrestricted Net Assets	(93,296)	364,733
Total Net Assets (Deficit)	<u>\$ 1,472,831</u>	<u>\$ 818,600</u>

River City Science Academy	Florida School for Integrated Academics and Technologies Jacksonville, Inc.	Totals
\$ 26,381	\$ 655,752	\$ 1,041,695
-	-	45,533
-	12,115	18,956
-	10,272	10,272
53,804	131,464	2,220,066
80,185	809,603	3,336,522
-	7,809	7,809
12,320	109,047	216,866
12,320	116,856	224,675
32,461	-	77,461
-	-	5,221
177,880	-	177,880
-	-	9,583
210,341	-	270,145
222,661	116,856	494,820
(156,537)	131,464	1,994,921
-	387,152	387,152
14,061	174,131	459,629
\$ (142,476)	\$ 692,747	\$ 2,841,702

**DUVAL COUNTY PUBLIC SCHOOLS
COMBINING STATEMENT OF ACTIVITIES
COMPONENT UNITS
FOR THE YEAR ENDED JUNE 30, 2008**

	S.O.C.K. Outstanding Students (S.O.S.) Academy, Inc. - Middle School	Wayman Academy of the Arts, Inc.
EXPENSES		
Instruction	\$ 748,106	\$ 1,863,108
Pupil Personnel Services	71,388	30,248
Instructional Media Services	95,626	-
Instruction and Curriculum Development	83,160	-
Instructional Staff Training Services	75,401	42,632
Board	2,396	-
General Administration	-	-
School Administration	259,611	732,051
Facilities Acquisition & Construction	-	372,420
Fiscal Services	75,679	31,726
Food Services	121,046	248,845
Central Services	-	-
Pupil Transportation Services	151,404	112,293
Operation of Plant	182,264	248,239
Maintenance of Plant	188,517	-
Community Services	36,295	-
Interest on Long-Term Debt	615	-
Depreciation - Unallocated	-	54,184
Total Expenses	<u>2,091,508</u>	<u>3,735,746</u>
PROGRAM REVENUES		
Charges for Services	-	-
Operating Grants and Contributions	97,503	-
Capital Grants and Contributions	80,889	-
Total Program Revenues	<u>178,392</u>	<u>-</u>
Net Program Expense	<u>(1,913,116)</u>	<u>(3,735,746)</u>
GENERAL REVENUES		
Grants and Contributions not Restricted to Specific Programs	1,810,129	3,781,250
Miscellaneous	-	-
Total General Revenues	<u>1,810,129</u>	<u>3,781,250</u>
Change in Net Assets	(102,987)	45,504
Net Assets (Deficit) - July 1, 2007	<u>1,575,818</u>	<u>773,096</u>
Net Assets (Deficit) - June 30, 2008	<u>\$ 1,472,831</u>	<u>\$ 818,600</u>

River City Science Academy	Florida School for Integrated Academics and Technologies Jacksonville, Inc.	Totals
\$ 623,890	\$ 785,249	\$ 4,020,353
1,257	-	102,893
-	-	95,626
-	26,028	109,188
3,742	-	121,775
22,430	27,381	52,207
-	65,359	65,359
199,520	259,169	1,450,351
-	-	372,420
55,324	26,028	188,757
63,378	-	433,269
2,032	33,675	35,707
125,303	-	389,000
140,429	18,302	589,234
17,369	-	205,886
-	-	36,295
1,717	-	2,332
5,978	65,951	126,113
<u>1,262,369</u>	<u>1,307,142</u>	<u>8,396,765</u>
2,642	-	2,642
-	-	97,503
-	185,557	266,446
<u>2,642</u>	<u>185,557</u>	<u>366,591</u>
<u>(1,259,727)</u>	<u>(1,121,585)</u>	<u>(8,030,174)</u>
36,554	1,307,200	6,935,133
<u>1,106,477</u>	<u>1,262</u>	<u>1,107,739</u>
<u>1,143,031</u>	<u>1,308,462</u>	<u>8,042,872</u>
(116,696)	186,877	12,698
<u>(25,780)</u>	<u>505,870</u>	<u>2,829,004</u>
<u>\$ (142,476)</u>	<u>\$ 692,747</u>	<u>\$ 2,841,702</u>

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STATISTICAL SECTION

TEACHING • LEARNING • ACHIEVING



STATISTICAL SECTION

STATISTICAL SECTION

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

Contents

Financial Trends

These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the District's most significant local revenues source, the property tax.

Debt Capacity

These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the government's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.

Operating Information

These schedules contain service data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs. Statistical data on some of the schedules may be less than 10 years because the data was not tracked prior to GASB 34.

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DUVAL COUNTY PUBLIC SCHOOLS
NET ASSETS BY COMPONENT - GOVERNMENT-WIDE
LAST SEVEN FISCAL YEARS
(Accrual Basis of Accounting)
(Unaudited)

	Fiscal Year Ending		
	June 30, 2008	June 30, 2007	June 30, 2006
Primary Government:			
Governmental Activities:			
Invested in Capital Assets, Net of Related Debt	\$ 546,439,801	\$ 614,326,140	\$ 549,729,072
Restricted	394,715,303	280,886,334	247,345,800
Unrestricted	<u>31,370,217</u>	<u>19,250,401</u>	<u>29,160,155</u>
Total Net Assets	<u><u>\$ 972,525,321</u></u>	<u><u>\$ 914,462,875</u></u>	<u><u>\$ 826,235,027</u></u>

Source: District Records

Fiscal Year Ending			
June 30, 2005	June 30, 2004	June 30, 2003	June 30, 2002
\$ 524,174,412	\$ 501,040,960	\$ 460,562,674	\$ 410,584,627
237,476,291	230,456,426	242,837,950	261,281,532
16,393,403	(1,333,218)	(10,365,316)	(877,454)
<u>\$ 778,044,106</u>	<u>\$ 730,164,168</u>	<u>\$ 693,035,308</u>	<u>\$ 670,988,705</u>

DUVAL COUNTY PUBLIC SCHOOLS
CHANGES IN NET ASSETS - GOVERNMENT-WIDE
LAST SEVEN FISCAL YEARS
(Accrual Basis of Accounting)
(Unaudited)

	Fiscal Year Ending		
	June 30, 2008	June 30, 2007	June 30, 2006
Expenses			
Governmental Activities:			
Instruction	\$ 631,191,635	\$ 617,619,961	\$ 560,826,730
Pupil Personnel Services	61,514,280	60,271,038	62,701,243
Instructional Media Services	18,082,649	17,502,009	17,220,291
Instruction and Curriculum Developmental Services	19,242,697	21,544,786	21,785,102
Instructional Staff Training	37,628,230	34,975,813	33,292,113
Instruction Related Technology	9,098,712	10,409,163	9,587,351
Board of Education	1,626,588	2,017,645	1,683,054
General Administration	7,005,815	6,995,107	7,661,149
School Administration	60,716,323	58,392,208	40,733,928
Facilities Acquisition and Construction	74,034,812	46,642,063	34,893,677
Fiscal Services	5,901,306	6,014,874	5,819,582
Food Services	43,237,893	45,293,724	43,767,714
Central Services	19,010,633	20,986,324	20,276,104
Pupil Transportation Services	47,088,344	47,271,858	45,782,751
Operation of Plant	62,727,643	60,709,214	61,200,190
Maintenance of Plant	31,569,835	32,502,883	30,734,973
Administrative Technology Services	8,675,009	6,846,454	6,570,050
Community Services	502,083	774,638	1,381,756
Interest on Long-Term Debt	11,743,128	9,882,476	10,670,426
Loss on Disposal of Capital Assets	-	-	-
Depreciation - Unallocated	-	-	-
Total Governmental Activities Expenses	1,150,597,615	1,106,652,238	1,016,588,184
Program Revenues			
Governmental Activities:			
Charges for Services:			
Instruction	12,466,117	11,872,657	11,224,176
Food Service	14,564,168	13,827,393	14,897,271
Pupil Transportation Services	-	-	-
Operating Grants and Contributions	47,986,456	47,997,638	45,770,657
Capital Grants and Contributions	27,596,693	45,528,727	20,852,077
Total Governmental Activities Program Revenues	102,613,434	119,226,415	92,744,181
Net Expenses			
Governmental Activities	(1,047,984,181)	(987,425,823)	(923,844,003)
Total Primary Government Net Expenses	(1,047,984,181)	(987,425,823)	(923,844,003)
General Revenues			
Governmental Activities:			
Property Tax Levied for Operational Purposes	330,935,738	287,708,806	272,216,105
Property Tax Levied for Debt Service	9,029,712	17,273,770	19,491,295
Property Tax Levied for Capital Projects	118,009,348	100,934,394	90,456,276
Grants and Contributions Not Restricted			
to Specific Programs	609,182,872	632,065,979	565,831,277
Unrestricted Investment Earnings	20,816,939	22,143,346	13,728,006
Miscellaneous	18,072,018	18,510,517	10,311,965
Total Governmental Activities General Revenues	1,106,046,627	1,078,636,812	972,034,924
Changes in Net Assets			
Governmental Activities	58,062,446	91,210,989	48,190,921
Total Governmental Activities Changes in Net Assets	\$ 58,062,446	\$ 91,210,989	\$ 48,190,921

Source: District Records

Fiscal Year Ending				
June 30, 2005		June 30, 2004	June 30, 2003	June 30, 2002
		(As Restated)	(As Restated)	
\$	521,647,595	\$ 494,981,865	\$ 450,214,488	\$ 419,754,914
	54,564,530	51,208,753	47,221,687	41,759,013
	17,502,704	16,886,188	16,095,150	15,189,507
	19,124,906	18,408,077	18,834,800	17,534,114
	30,941,004	19,963,200	17,000,522	11,771,030
	-	-	-	-
	1,550,414	1,898,992	1,847,640	1,812,088
	6,370,396	5,667,320	5,797,915	5,074,655
	38,346,686	36,869,152	34,026,201	31,943,221
	31,372,931	51,247,146	72,424,576	40,013,927
	6,026,873	5,773,933	5,580,764	5,087,738
	43,087,583	43,206,944	40,138,409	38,700,476
	32,276,413	31,043,914	31,904,955	28,765,996
	43,235,947	34,577,185	39,295,793	39,451,581
	52,600,847	50,470,803	46,841,209	45,178,321
	28,663,143	12,067,088	27,278,847	14,406,634
	-	-	-	-
	1,476,452	1,034,541	1,319,135	591,029
	8,309,461	9,147,519	10,461,614	11,054,794
	-	749,764	-	-
	-	-	-	31,115,111
	<u>937,097,885</u>	<u>885,202,384</u>	<u>866,283,705</u>	<u>799,204,149</u>
	10,559,560	10,584,301	10,304,427	9,965,595
	15,175,542	15,534,715	15,150,023	14,747,403
	-	-	189	-
	47,517,131	46,121,047	45,521,538	49,713,105
	<u>30,048,615</u>	<u>20,494,468</u>	<u>25,691,155</u>	<u>17,848,433</u>
	<u>103,300,848</u>	<u>92,734,531</u>	<u>96,667,332</u>	<u>92,274,536</u>
	<u>(833,797,037)</u>	<u>(792,467,853)</u>	<u>(769,616,373)</u>	<u>(706,929,613)</u>
	<u>(833,797,037)</u>	<u>(792,467,853)</u>	<u>(769,616,373)</u>	<u>(706,929,613)</u>
	237,686,909	235,979,646	211,280,515	194,429,909
	18,404,609	18,549,791	18,736,722	18,327,287
	77,669,872	72,274,442	66,595,441	61,927,462
	523,077,944	487,398,902	475,361,320	457,938,580
	11,909,874	1,275,387	7,415,735	10,093,286
	<u>12,476,504</u>	<u>15,168,225</u>	<u>12,273,242</u>	<u>10,862,267</u>
	<u>881,225,712</u>	<u>830,646,393</u>	<u>791,662,975</u>	<u>753,578,791</u>
	<u>47,428,675</u>	<u>38,178,540</u>	<u>22,046,602</u>	<u>46,649,178</u>
\$	<u><u>47,428,675</u></u>	<u><u>38,178,540</u></u>	<u><u>22,046,602</u></u>	<u><u>\$ 46,649,178</u></u>

DUVAL COUNTY PUBLIC SCHOOLS
GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)
(Unaudited)

Fiscal Year Ending	Property Tax			Sales Tax	Total
	General Purposes	Debt Service	Capital Projects		
June 30, 2008	\$ 330,935,738	\$ 9,029,712	\$ 118,009,348		\$ 457,974,798
June 30, 2007	287,708,806	17,273,770	100,934,394	-	405,916,970
June 30, 2006	272,216,105	19,491,295	90,456,276	-	382,163,676
June 30, 2005	237,686,909	18,404,609	77,669,872	-	333,761,390
June 30, 2004	235,979,646	18,549,791	72,274,442	-	326,803,879
June 30, 2003	211,280,515	18,736,722	66,595,441	-	296,612,678
June 30, 2002	194,429,909	18,327,287	61,927,462	-	274,684,658
June 30, 2001	190,966,652	18,545,780	57,706,615	-	267,219,047
June 30, 2000	181,087,650	18,083,177	53,431,222	-	252,602,049
June 30, 1999	194,207,758	19,215,646	60,454,854	-	273,878,258

Source: District Records

Sales Tax has never been assessed or collected at the local District level.

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DUVAL COUNTY PUBLIC SCHOOLS
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST SEVEN FISCAL YEARS
(Modified Accrual Basis of Accounting)
(Unaudited)

	Fiscal Year Ending		
	June 30, 2008	June 30, 2007	June 30, 2006
General Fund			
Reserved for:			
State Categorical Programs	\$ 55,984,239	\$ 41,797,883	\$ 17,774,251
Encumbrances	11,735,189	12,182,344	12,596,513
Employee Benefits	5,349,984	2,049,058	-
Inventories	3,287,018	3,207,000	3,212,409
Other Purposes	-	-	-
Unreserved	39,570,696	41,238,344	51,878,881
Total General Fund	<u>\$ 115,927,126</u>	<u>\$ 100,474,629</u>	<u>\$ 85,462,054</u>
All Other Governmental Funds			
Reserved for:			
Encumbrances	\$ 90,341,394	\$ 46,870,034	\$ 36,115,043
Inventories	992,588	1,051,080	670,948
Debt Services	57,258,986	61,787,460	61,307,794
Unreserved, Reported in:			
Special Revenue Funds	99,160	633,584	2,973,999
Capital Project Funds	186,292,871	124,283,148	125,928,831
Total All Other Governmental Funds	<u>\$ 334,984,999</u>	<u>\$ 234,625,306</u>	<u>\$ 226,996,615</u>

Source: District Records

Fiscal Year Ending			
June 30, 2005	June 30, 2004	June 30, 2003	June 30, 2002
\$ 11,341,877	\$ 21,241,608	\$ 15,429,666	\$ 15,720,070
21,718,652	13,268,747	15,391,330	15,094,816
-	-	-	-
2,587,629	3,161,590	2,849,880	3,056,396
13,053,350	2,837,854	-	11,113,579
28,046,230	29,805,590	24,066,272	20,975,096
<u>\$ 76,747,738</u>	<u>\$ 70,315,389</u>	<u>\$ 57,737,148</u>	<u>\$ 65,959,957</u>
\$ 44,589,575	\$ 36,853,155	\$ 39,469,536	\$ 46,077,317
1,025,780	1,014,594	1,089,763	608,004
56,596,581	18,389,889	18,034,789	20,495,459
8,174,872	7,354,264	7,728,957	8,670,364
147,778,591	141,633,168	169,832,261	191,380,687
<u>\$ 258,165,399</u>	<u>\$ 205,245,070</u>	<u>\$ 236,155,306</u>	<u>\$ 267,231,831</u>

DUVAL COUNTY PUBLIC SCHOOLS
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST SEVEN FISCAL YEARS
(Modified Accrual Basis of Accounting)
(Unaudited)

	Fiscal Year Ending		
	June 30, 2008	June 30, 2007	June 30, 2006
Revenues			
Federal Direct Sources:			
Reserve Officers Training Corps (ROTC)	\$ 551,904	\$ 599,254	\$ 611,595
Other Federal Direct Sources	5,098,867	6,367,012	7,172,266
Total Federal Direct	5,650,771	6,966,266	7,783,861
Federal Through State Sources:			
Food Service	25,970,956	26,413,308	25,747,831
Other Federal Through State Sources	75,280,878	86,077,011	83,369,420
Total Federal Through State Sources	101,251,834	112,490,319	109,117,251
State Sources:			
Florida Education Finance Program	368,237,774	406,893,709	369,910,723
Categorical Programs	171,584,636	144,768,951	116,348,913
District Discretionary Lottery Funds	6,186,777	5,104,410	6,163,916
CO&DS Withheld for Administrative Expense		65,847	66,615
Public Education Capital Outlay		15,950,720	13,065,125
Other State Sources	31,854,231	33,352,122	9,997,607
Total State Sources	577,863,418	606,135,759	515,552,899
Local Sources:			
Ad Valorem Taxes	457,974,797	405,916,970	382,163,677
Interest Income	17,565,891	18,817,387	11,970,992
Other Local Sources	44,459,897	39,200,868	37,213,136
Total Local Sources	520,000,585	463,935,225	431,347,805
Total Revenues	1,204,766,608	1,189,527,569	1,063,801,816
Expenditures			
Current:			
Instruction	615,631,284	586,868,272	537,481,426
Pupil Personnel Services	58,863,516	57,452,625	59,953,495
Instructional Media Services	17,330,708	16,575,528	16,473,867
Instruction and Curriculum Development	18,507,567	20,590,303	20,814,671
Instructional Staff Training	36,751,591	33,344,557	31,960,506
Instructional Related Technology	8,874,100	9,861,119	10,165,915
Board of Education	1,601,194	1,982,971	1,652,634
General Administrative	6,739,466	6,799,950	7,488,723
School Administration	57,960,533	55,438,330	38,829,829
Facilities Acquisition & Construction	58,882,991	46,595,260	34,573,151
Fiscal Services	5,648,763	5,714,963	5,519,393
Food Services	43,037,043	44,059,671	47,225,059
Central Services	18,423,076	19,853,438	19,532,668
Pupil Transportation Services	47,013,444	47,129,256	45,797,920
Operation of Plant	62,110,897	60,045,477	60,723,061
Maintenance of Plant	30,556,675	31,834,568	30,254,052
Administrative Technology Services	8,428,369	6,570,005	6,375,648
Community Services	483,167	726,478	1,276,258
Capital Outlay	-	-	-
Facilities Acquisition & Construction	89,709,221	69,796,114	82,025,761
Other Capital Outlay	15,118,384	10,523,383	-
Debt Service:	-	-	-
Principal	21,960,000	20,735,000	19,580,000
Interest and Fiscal Charges	13,586,332	9,874,966	10,640,410
Total Expenditures	1,237,218,321	1,162,372,234	1,088,344,447
Excess (Deficiency) of Revenues Over Expenditures	(32,451,713)	27,155,335	(24,542,631)
Other Financing Sources (Uses)			
Certificates of Participation Issued	148,331,808	-	1,015,000
Loans Incurred	118,190	-	-
Refunding Bonds Issued	-	-	-
Payment to Refunded Bond Escrow Agent	-	-	-
Premium on Debt Issuances	-	-	-
Proceeds from the Sale of Capital Assets	415,000	-	1,860,792
Loss Recoveries	9,896	9,072	12,371
Transfers In	52,345,907	54,464,049	33,544,953
Transfers Out	(52,956,898)	(54,464,049)	(34,344,953)
Total Other Financing Sources (Uses)	148,263,903	9,072	2,088,163
Net Change in Fund Balance	115,812,190	9,072	2,088,163
Fund Balance, Beginning	335,099,935	312,458,669	334,913,137
Adjustment to Fund Balance	-	(4,523,141)	-
Fund Balance, Ending	\$ 450,912,125	\$ 307,944,600	\$ 337,001,300
Debt Service as a percentage of noncapital expenditures	3.24%	2.91%	3.10%
Source: District Records			

Fiscal Year Ending			
June 30, 2005	June 30, 2004	June 30, 2003	June 30, 2002
\$ 523,145	\$ 521,436	\$ 559,330	\$ 464,357
6,104,080	8,094,062	7,863,057	5,329,880
6,627,225	8,615,498	8,422,387	5,794,237
26,340,335	24,739,426	24,990,333	25,712,941
70,621,325	69,107,915	60,778,040	52,805,954
96,961,660	93,847,341	85,768,373	78,518,895
366,998,649	353,656,624	360,142,880	342,991,466
87,406,310	67,748,165	45,938,950	52,448,744
6,987,657	5,989,700	9,041,877	11,418,923
66,587	-	-	-
10,311,465	7,953,151	29,636,777	8,660,215
25,093,635	16,412,317	7,622,768	25,667,637
496,864,303	451,759,957	452,383,252	441,186,985
333,761,389	326,803,879	295,267,097	273,785,713
10,697,056	1,184,615	5,679,846	10,247,936
37,237,947	39,621,140	38,838,043	35,437,507
381,696,392	367,609,634	339,784,986	319,471,156
982,149,580	921,832,430	886,358,998	844,971,273
494,469,391	468,847,337	444,875,566	424,996,708
51,867,559	48,714,041	47,192,665	42,135,675
16,539,892	15,832,818	15,770,200	15,324,702
18,172,068	17,478,384	18,797,100	17,691,542
29,590,129	19,106,001	16,887,863	11,866,901
-	-	-	-
1,863,730	1,872,029	1,842,980	1,826,592
6,186,819	5,544,301	5,812,024	5,116,833
36,346,501	34,906,993	33,891,312	32,232,815
33,657,074	51,422,141	41,826,573	40,317,567
5,658,042	5,481,737	5,597,020	5,133,764
41,689,256	41,854,782	40,029,634	39,027,045
30,266,003	29,567,129	31,412,561	29,497,569
43,128,295	34,611,295	39,369,036	38,924,699
52,091,590	49,760,074	47,097,322	45,545,574
28,274,212	11,777,366	27,754,000	14,543,714
-	-	-	-
1,315,889	961,759	1,127,382	600,104
72,800,492	72,468,847	76,360,601	95,232,167
5,194,168	8,215,215	8,176,189	5,122,522
19,910,624	18,418,808	17,894,637	17,016,733
10,583,804	9,456,902	10,916,578	11,388,778
999,605,538	946,297,959	932,631,243	893,542,004
(17,455,958)	(24,465,529)	(46,272,245)	(48,570,731)
73,645,000	5,667,000	-	-
-	-	-	28,102
-	-	92,706,460	-
-	-	(85,787,100)	-
2,963,488	-	-	-
230,000	420,814	53,551	596,030
453,479	45,720	-	50,581
33,048,445	7,778,267	31,890,739	13,665,294
(33,848,445)	(7,778,267)	(31,890,739)	(13,665,294)
76,491,967	6,133,534	6,972,911	674,713
76,491,967	6,133,534	6,972,911	674,713
275,560,458	293,892,454	333,191,788	381,087,807
316,670	-	-	-
\$ 352,369,095	\$ 300,025,988	\$ 340,164,699	\$ 381,762,520
3.42%	3.33%	3.52%	3.71%

DUVAL COUNTY PUBLIC SCHOOLS
SUMMARY OF REVENUES AND EXPENDITURES (by Major Object)
AND CHANGES IN FUND BALANCES - GENERAL FUND
LAST SEVEN FISCAL YEARS
(Modified Accrual Basis of Accounting)
(Unaudited)

	Fiscal Year Ending		
	June 30, 2008	June 30, 2007	June 30, 2006
Revenues:			
Federal Sources:			
Reserve Officer Training Corps (ROTC)	\$ 551,904	\$ 599,254	\$ 611,595
Other Federal Sources	689,160	959,890	1,518,193
Total Federal Sources	1,241,064	1,559,144	2,129,788
State Sources:			
Florida Education Finance Program	368,237,774	406,893,709	369,910,723
Categorical Programs	171,584,636	144,768,951	116,348,913
Other State Sources	8,931,939	7,203,202	8,898,134
Total State Sources	548,754,349	558,865,862	495,157,770
Local Sources:			
Ad Valorem Taxes	330,935,738	287,708,806	272,216,105
Interest	7,799,382	6,176,951	5,389,201
Other Local Sources	28,908,379	23,689,460	21,382,775
Total Local Sources	367,643,499	317,575,217	298,988,081
Total Revenues	917,638,912	878,000,223	796,275,639
Expenditures: (by object)			
Salaries	557,259,203	522,909,791	484,026,522
Employee Benefits	179,266,705	172,577,790	149,225,289
Purchased Services	124,045,888	121,168,644	112,434,528
Energy Services	22,463,281	21,499,075	21,417,704
Materials and Supplies	31,845,077	35,100,290	31,281,712
Capital Outlay	18,326,081	10,076,849	9,763,794
Other Expenditures	2,475,906	2,090,270	1,989,322
Total Expenditures	935,682,141	885,422,709	810,138,871
Excess (Deficiency) of Revenues Over Expenditures	(18,043,229)	(7,422,486)	(13,863,232)
Other Financing Sources, Net	33,495,726	27,601,797	22,577,548
Net Change in Fund Balance	15,452,497	20,179,311	8,714,316
Beginning Fund Balances	100,474,629	85,462,054	76,747,738
Adjustment to Fund Balance	-	(5,166,736)	-
Ending Fund Balances	\$ 115,927,126	\$ 100,474,629	\$ 85,462,054

Source: District Records

Fiscal Year Ending			
June 30, 2005	June 30, 2004	June 30, 2003	June 30, 2002
\$ 523,145	\$ 521,436	\$ 559,330	\$ 719,510
1,053,327	1,077,077	1,183,689	921,090
1,576,472	1,598,513	1,743,019	1,640,600
366,998,649	353,656,624	360,142,880	342,991,466
94,393,967	73,737,865	54,980,827	63,867,667
4,053,374	2,814,857	2,304,330	2,208,549
465,445,990	430,209,346	417,428,037	409,067,682
236,838,885	235,979,646	209,934,934	193,530,965
4,388,524	(147,681)	2,192,423	3,169,785
21,901,689	23,324,669	22,755,204	20,525,875
263,129,098	259,156,634	234,882,561	217,226,625
730,151,560	690,964,493	654,053,617	627,934,907
454,419,528	412,287,954	412,054,958	387,471,057
138,574,416	123,924,515	113,141,121	106,607,239
92,824,269	84,127,893	92,320,482	91,830,919
16,788,509	14,717,391	14,277,260	12,929,753
27,814,000	24,760,243	30,628,218	23,205,478
8,196,479	8,395,919	8,693,528	6,225,568
10,087,164	10,576,037	10,824,546	9,450,674
748,704,365	678,789,952	681,940,113	637,720,688
(18,552,805)	12,174,541	(27,886,496)	(9,785,781)
24,996,203	403,700	19,734,573	2,340,845
6,443,398	12,578,241	(8,151,923)	(7,444,936)
70,315,389	57,737,148	65,959,957	73,404,893
(11,049)	-	(70,886)	-
\$ 76,747,738	\$ 70,315,389	\$ 57,737,148	\$ 65,959,957

DUVAL COUNTY PUBLIC SCHOOLS
SUMMARY OF REVENUES AND EXPENDITURES (by Major Object)
AND CHANGES IN FUND BALANCES
OTHER FEDERAL PROGRAMS - SPECIAL REVENUE FUND
LAST SEVEN FISCAL YEARS
(Modified Accrual Basis of Accounting)
(Unaudited)

	Fiscal Year Ending		
	June 30, 2008	June 30, 2007	June 30, 2006
Revenues:			
Federal Direct Sources:			
Other Federal Direct Sources	\$ 4,409,707	\$ 5,581,362	\$ 6,428,014
Federal Through State Sources:			
Other Federal Through State Sources	75,280,878	85,902,771	82,595,479
Local Sources:			
Local Grants and Other Local Sources	-	-	-
Total Revenues	79,690,585	91,484,133	89,023,493
Expenditures: (by object)			
Salaries	37,941,232	40,614,902	40,685,352
Employee Benefits	12,708,380	13,381,443	12,854,690
Purchased Services	19,387,286	21,071,975	19,801,125
Energy Services	52,196	-	-
Materials and Supplies	2,798,273	2,819,303	4,610,802
Capital Outlay	2,242,976	5,790,232	5,407,002
Other Expenditures	2,258,771	2,936,616	3,405,500
Total Expenditures	77,389,114	86,614,471	86,764,471
Excess (Deficiency) of Revenues Over Expenditures	2,301,471	4,869,662	2,259,022
Other Financing Sources (Uses), Net	(2,301,471)	(4,869,662)	(2,259,022)
Net Change in Fund Balance	-	-	-
Beginning Fund Balances	-	-	-
Adjustment to Fund Balances	-	-	-
Ending Fund Balances	\$ -	\$ -	\$ -

Source: District Records

Fiscal Year Ending			
June 30, 2005	June 30, 2004	June 30, 2003	June 30, 2002
\$ 5,050,753	\$ 7,018,189	\$ 6,679,368	\$ 4,153,637
70,621,325	69,106,711	60,778,040	52,805,954
-	-	-	-
75,672,078	76,124,900	67,457,408	56,959,591
36,542,713	35,036,427	33,114,863	27,960,219
11,279,335	10,368,047	8,809,272	7,836,477
15,313,205	15,828,569	11,515,004	9,589,658
-	-	-	-
5,353,957	5,272,634	4,296,211	2,856,084
3,121,047	5,349,271	3,737,709	3,618,211
3,177,902	3,421,761	4,216,028	3,541,330
74,788,159	75,276,709	65,689,087	55,401,979
883,919	848,191	1,768,321	1,557,612
(883,919)	(848,191)	(1,768,321)	(1,557,612)
-	-	-	-
-	-	-	-
-	-	-	-
\$ -	\$ -	\$ -	\$ -

DUVAL COUNTY PUBLIC SCHOOLS
SUMMARY OF REVENUES AND EXPENDITURES (by Major Object)
AND CHANGE IN FUND BALANCES
FOOD SERVICE - SPECIAL REVENUE FUND
LAST SEVEN FISCAL YEARS
(Modified Accrual Basis of Accounting)
(Unaudited)

	Fiscal Year Ending		
	June 30, 2008	June 30, 2007	June 30, 2006
Revenues:			
Federal Sources:			
National School Lunch Act	\$ 25,184,997	\$ 24,251,910	\$ 23,894,659
USDA	785,959	2,161,398	1,853,172
Total Federal Sources	25,970,956	26,413,308	25,747,831
State Sources:			
Food Service Supplements	850,950	822,779	798,710
Other State Sources	-	17,219	18,077
Total State Sources	850,950	839,998	816,787
Local Sources:			
Food Service Sales	14,564,168	13,827,393	15,554,366
Interest Income	66,124	140,452	-
Other Local Sources	35,456	1,090,515	242,438
Total Local Sources	14,665,748	15,058,360	15,796,804
Total Revenues	41,487,654	42,311,666	42,361,422
Expenditures:			
Salaries	3,995,364	4,284,113	4,477,582
Employee Benefits	1,936,859	2,232,985	2,194,333
Purchased Services	33,608,968	32,584,462	30,871,775
Energy Services	1,082,869	982,012	783,143
Materials and Supplies	2,200,914	3,343,214	3,851,883
Capital Outlay	58,375	1,094,348	4,457,918
Other (includes indirect cost)	153,694	629,525	588,425
Total Expenditures	43,037,043	45,150,659	47,225,059
Excess (Deficiency) of Revenues			
Over Expenditures	(1,549,389)	(2,838,993)	(4,863,637)
Other Financing Sources (Uses), Net	923,626	109,170	178,139
Net Change in Fund Balance	(625,763)	(2,729,823)	(4,685,498)
Beginning Fund Balances	1,785,331	4,515,154	9,200,652
Adjustment to Fund Balances	-	-	-
Ending Fund Balances	\$ 1,159,568	\$ 1,785,331	\$ 4,515,154

Source: District Records

Fiscal Year Ending			
June 30, 2005	June 30, 2004	June 30, 2003	June 30, 2002
\$ 23,744,361	\$ 22,769,515	\$ 22,626,922	\$ 24,007,557
2,595,973	1,969,911	2,363,411	1,705,384
26,340,334	24,739,426	24,990,333	25,712,941
833,736	840,497	921,986	852,354
19,253	19,662	20,555	20,135
852,989	860,159	942,541	872,489
15,175,542	15,534,715	15,150,023	14,747,403
-	-	-	-
205,100	170,376	123,610	332,599
15,380,642	15,705,091	15,273,633	15,080,002
42,573,965	41,304,676	41,206,507	41,665,432
13,611,136	13,864,031	13,266,899	12,869,566
4,845,972	4,015,568	4,241,801	3,968,849
3,370,415	2,588,620	2,700,939	2,820,117
733,235	711,008	725,938	613,125
17,904,064	19,381,800	17,368,321	16,872,264
385,127	1,773,118	411,296	446,043
999,623	1,130,874	1,535,155	1,736,337
41,849,572	43,465,019	40,250,349	39,326,301
724,393	(2,160,343)	956,158	2,339,131
79,332	125,199	129,412	384,818
803,725	(2,035,144)	1,085,570	2,723,949
8,396,927	10,432,071	9,346,501	6,622,552
-	-	-	-
\$ 9,200,652	\$ 8,396,927	\$ 10,432,071	\$ 9,346,501

DUVAL COUNTY PUBLIC SCHOOLS
SUMMARY OF REVENUES AND EXPENDITURES (by Major Object)
AND CHANGE IN FUND BALANCES
DEBT SERVICE FUNDS
LAST SEVEN FISCAL YEARS
(Modified Accrual Basis of Accounting)
(Unaudited)

	Fiscal Year Ending		
	June 30, 2008	June 30, 2007	June 30, 2006
Revenues:			
State Sources:			
CO&DS Withheld for SBE/COBI Bond	\$ 3,781,980	\$ 3,784,098	\$ 3,897,516
Other State Sources	32,968	27,285	-
Total State Sources	3,814,948	3,811,383	3,897,516
Local Sources:			
Ad Valorem Taxes	9,029,712	17,273,770	19,192,779
Interest Income	1,902,631	2,070,627	2,108,922
Other Local Sources	454	-	-
Total Local Sources	10,932,797	19,344,397	21,301,701
Total Revenues	14,747,745	23,155,780	25,199,217
Expenditures: (by object)			
Debt Service:			
Principal	21,960,000	20,735,000	19,580,000
Interest and Fiscal Charges	12,943,780	9,872,620	10,640,410
Total Expenditures	34,903,780	30,607,620	30,220,410
Excess (Deficiency) of Revenues Over Expenditures	(20,156,035)	(7,451,840)	(5,021,193)
Other Financing Sources, Net	15,627,561	7,287,911	9,732,406
Net Change in Fund Balance	(4,528,474)	(163,929)	4,711,213
Beginning Fund Balances	61,787,460	61,307,794	56,596,581
Adjustment to Fund Balances		643,595	-
Ending Fund Balances	\$ 57,258,986	\$ 61,787,460	\$ 61,307,794

Source: District Records

Fiscal Year Ending			
June 30, 2005	June 30, 2004	June 30, 2003	June 30, 2002
\$ 3,907,397	\$ 3,907,227	\$ 3,899,012	\$ 3,880,643
8,024	8,284	8,779	21,805
3,915,421	3,915,511	3,907,791	3,902,448
18,615,555	18,549,791	18,736,722	18,327,287
1,080,781	133,143	167,308	245,748
-	-	-	-
19,696,336	18,682,934	18,904,030	18,573,035
23,611,757	22,598,445	22,811,821	22,475,483
19,910,623	17,479,506	16,578,409	15,745,430
10,583,803	9,453,503	10,840,358	11,265,217
30,494,426	26,933,009	27,418,767	27,010,647
(6,882,669)	(4,334,564)	(4,606,946)	(4,535,164)
45,089,362	4,689,663	2,146,276	5,087,835
38,206,693	355,099	(2,460,670)	552,671
18,389,888	18,034,789	20,495,459	19,942,788
-	-	-	-
\$ 56,596,581	\$ 18,389,888	\$ 18,034,789	\$ 20,495,459

DUVAL COUNTY PUBLIC SCHOOLS
SUMMARY OF REVENUES AND EXPENDITURES (by Major Object)
AND CHANGE IN FUND BALANCES
CAPITAL PROJECTS FUNDS
LAST SEVEN FISCAL YEARS
(Modified Accrual Basis of Accounting)
(Unaudited)

	Fiscal Year Ending		
	June 30, 2008	June 30, 2007	June 30, 2006
Revenues:			
State Sources:			
PECO	\$ 17,027,463	\$ 15,950,720	\$ 14,710,125
CO&DS Distribution	550,439	508,071	476,885
Interest on Undistributed CO&DS	103,303	107,052	55,936
SIT funds	-	-	-
Effort Index	-	-	-
Charter Schools	602,875	678,509	319,342
Other State Sources	6,159,091	25,374,164	118,538
Total State Sources	24,443,171	42,618,516	15,680,826
Local Sources:			
Ad Valorem Taxes	118,009,347	100,934,394	90,754,793
Interest	7,797,754	10,429,357	5,558,177
Other Local Sources	951,440	593,500	(1,051,751)
Total Local Sources	126,758,541	111,957,251	95,261,219
Total Revenues	151,201,712	154,575,767	110,942,045
Expenditures: (by object)			
Library Books	120,743	186,890	80,768
Audio Visual Materials	25,458	39,820	35,016
Buildings and Fixed Equipment	40,511,718	27,399,682	37,670,469
Furniture, Fixtures, and Equipment	18,800,954	20,954,147	10,227,843
Motor Vehicles	-	619,237	1,098,769
Land	20,628,147	3,592,528	10,592,407
Remodel & Renovations	65,655,284	50,927,701	53,512,292
Computer Software	461,831	10,856,771	778,072
Dues and Fees	2,108	-	-
Total Expenditures	146,206,243	114,576,775	113,995,636
Excess(Deficiency) of Revenues Over Expenditures	4,995,469	39,998,992	(3,053,591)
Other Financing Sources (Uses), Net	100,518,461	(30,120,144)	(28,140,908)
Net Change in Fund Balance	105,513,930	9,878,848	(31,194,499)
Beginning Fund Balances	171,052,515	161,173,667	192,368,166
Adjustment to Fund Balances	-	-	-
Ending Fund Balances	\$ 276,566,445	\$ 171,052,515	\$ 161,173,667

Source: District Records

Fiscal Year Ending				
June 30, 2005	June 30, 2004	June 30, 2003	June 30, 2002	
\$ 10,311,465	\$ 7,953,151	\$ 29,636,777	\$ 8,660,215	
519,624	461,957	468,107	486,287	
-	42,464	-	100,370	
-	-	-	4,632,611	
-	1,244,861	-	12,250,676	
-	716,520	-	1,061,018	
15,818,814	6,355,988	-	153,189	
26,649,903	16,774,941	30,104,884	27,344,366	
78,306,949	72,274,442	66,595,441	61,927,462	
5,078,167	1,110,513	3,633,912	6,539,394	
105,200	680,019	495,408	124,638	
83,490,316	74,064,974	70,724,761	68,591,494	
110,140,219	90,839,915	100,829,645	95,935,860	
1,088,005	3,530,506	5,892,495	382,618	
62,605	85,696	160,724	70,142	
43,394,849	24,330,436	29,045,913	49,044,713	
13,950,405	12,291,202	22,834,601	10,069,272	
615,902	7,032,858	646,978	1,025,827	
8,128,355	1,277,932	699,490	1,369,039	
33,082,267	64,678,171	53,459,163	68,008,329	
3,446,626	8,606,469	4,522,678	4,112,449	
-	-	-	-	
103,769,014	121,833,270	117,262,042	134,082,389	
6,371,205	(30,993,355)	(16,432,397)	(38,146,529)	
7,210,988	1,763,162	(13,269,029)	(3,581,172)	
13,582,193	(29,230,193)	(29,701,426)	(41,727,701)	
178,458,253	207,688,446	237,389,872	279,117,573	
327,720	-	-	-	
\$ 192,368,166	\$ 178,458,253	\$ 207,688,446	\$ 237,389,872	

DUVAL COUNTY PUBLIC SCHOOLS
SUMMARY OF REVENUES BY SOURCE
AND EXPENDITURES BY FUNCTION - GOVERNMENTAL FUNDS
LAST SEVEN FISCAL YEARS
(Modified Accrual Basis of Accounting)
(Unaudited)

	Fiscal Year Ending		
	June 30, 2008	June 30, 2007	June 30, 2006
Revenues:			
Federal Sources:			
Federal Direct	\$ 5,650,771	\$ 6,966,266	\$ 7,783,861
Other Federal Grants	75,280,878	86,077,011	83,369,420
Food Services	25,970,956	26,413,308	25,747,831
Total Federal sources	<u>106,902,605</u>	<u>119,456,585</u>	<u>116,901,112</u>
State Sources:			
Florida Education Finance Program	368,237,774	406,893,709	369,910,723
Categorical Programs	171,584,636	144,768,951	116,348,913
Public Education Capital Outlay	-	15,950,720	14,710,125
Food Services	850,950	839,998	816,787
State Grants and Other	-	37,575,329	13,710,415
District Discretionary Lottery Funds	6,186,777	-	-
Interest Income and Other	31,003,281	107,052	55,936
Total State Sources:	<u>577,863,418</u>	<u>606,135,759</u>	<u>515,552,899</u>
Local Sources:			
Ad Valorem Taxes	457,974,797	405,916,970	382,163,677
Food Service Sales	14,564,168	13,827,393	14,897,270
Interest Income and Other	17,565,891	18,817,387	11,970,992
Local Grants and Other	29,895,729	25,373,475	22,315,866
Total Local Sources	<u>520,000,585</u>	<u>463,935,225</u>	<u>431,347,805</u>
Total Revenues	<u>\$ 1,204,766,608</u>	<u>\$ 1,189,527,569</u>	<u>\$ 1,063,801,816</u>
Expenditures:			
Instructional services	\$ 615,631,284	\$ 586,868,272	\$ 537,481,426
Instructional Support Services	148,755,851	144,394,137	139,368,454
Pupil Transportation Services	47,013,444	47,129,256	45,797,920
Operation and Maintenance of Plant	92,667,572	91,880,045	90,977,113
School Administration	57,960,533	55,438,330	46,858,111
General Administration and Central Services	32,412,499	34,351,322	32,540,784
Food Services	43,037,043	44,059,671	47,225,059
Capital Outlay	163,710,596	126,914,757	116,598,912
Debt Service	35,546,332	30,609,966	30,220,410
Community Services	483,167	726,478	1,276,258
Total Expenditures	<u>\$ 1,237,218,321</u>	<u>\$ 1,162,372,234</u>	<u>\$ 1,088,344,447</u>

Source: District Records

Fiscal Year Ending			
June 30, 2005	June 30, 2004	June 30, 2003	June 30, 2002
\$ 6,627,225	\$ 8,615,498	\$ 8,422,387	\$ 5,794,237
70,621,325	69,107,915	60,778,040	52,805,954
26,340,335	24,739,426	24,990,333	25,712,941
103,588,885	102,462,839	94,190,760	84,313,132
366,998,649	353,656,624	360,142,880	342,991,466
94,393,967	73,737,865	45,938,950	52,448,744
10,311,465	7,953,151	29,636,777	8,660,215
852,989	860,159	921,986	852,354
24,252,762	15,501,410	15,649,388	36,112,032
-	-	-	-
54,471	50,748	93,271	122,174
496,864,303	451,759,957	452,383,252	441,186,985
333,761,389	326,803,879	295,267,097	273,785,713
15,175,542	15,534,715	15,770,932	14,747,403
10,697,056	1,184,615	5,679,846	10,247,936
22,062,405	24,086,425	23,067,111	20,690,104
381,696,392	367,609,634	339,784,986	319,471,156
\$ 982,149,580	\$ 921,832,430	\$ 886,358,998	\$ 844,971,273
\$ 494,469,391	\$ 468,847,337	\$ 444,875,566	\$ 424,996,708
116,169,648	101,131,244	98,647,828	87,018,820
43,128,295	34,611,295	39,369,036	38,924,699
80,365,802	61,537,440	74,851,322	60,089,288
36,346,501	34,906,993	33,891,312	32,232,815
43,974,594	42,465,196	44,664,585	41,574,759
41,689,256	41,854,782	40,029,634	39,027,045
111,651,734	132,106,203	126,363,363	140,672,256
30,494,428	27,875,710	28,811,215	28,405,511
1,315,889	961,759	1,127,382	600,104
\$ 999,605,538	\$ 946,297,959	\$ 932,631,243	\$ 893,542,005

DUVAL COUNTY PUBLIC SCHOOLS
SUMMARY OF REVENUES BY SOURCE AND EXPENSES
BY FUNCTION - GOVERNMENT-WIDE
LAST SEVEN FISCAL YEARS
(Accrual Basis of Accounting)
(Unaudited)

	Fiscal Year Ending		
	June 30, 2008	June 30, 2007	June 30, 2006
Primary Government:			
Program Revenues:			
Charges for Services	\$ 27,030,285	\$ 25,700,050	\$ 26,121,447
Operating Grants and Contributions	47,986,456	47,997,638	45,770,657
Capital Grants and Contributions	27,596,693	45,528,727	20,852,077
Total Program Revenues	<u>102,613,434</u>	<u>119,226,415</u>	<u>92,744,181</u>
General Revenues:			
Property Taxes:			
Levied for Operational Purposes	330,935,738	287,708,806	272,216,105
Levied for Debt Service	9,029,712	17,273,770	19,491,295
Levied for Capital Projects	118,009,348	100,934,394	90,456,276
Grants and Contributions Not Restricted to Specific Programs	609,182,872	632,065,979	565,831,277
Investment Income	20,816,939	22,143,346	13,728,006
Miscellaneous	18,072,018	18,510,517	10,311,966
Total General Revenues	<u>1,106,046,627</u>	<u>1,078,636,812</u>	<u>972,034,925</u>
Total Revenues	<u><u>\$ 1,208,660,061</u></u>	<u><u>\$ 1,197,863,227</u></u>	<u><u>\$ 1,064,779,106</u></u>
Current:			
Primary Government:			
Instruction	\$ 631,191,635	\$ 617,619,961	\$ 560,826,730
Student Personnel Services	61,514,280	60,271,038	62,701,243
Instructional Media Services	18,082,649	17,502,009	17,220,291
Instruction and Curriculum Development Services	19,242,697	21,544,786	21,785,102
Instructional Staff Training	37,628,230	34,975,813	33,292,113
Instructional Related Technology	9,098,712	10,409,163	9,587,351
Board of Education	1,626,588	2,017,645	1,683,054
General Administration	7,005,815	6,995,107	7,661,149
School Administration	60,716,323	58,392,208	40,733,928
Facilities Acquisition & Construction	74,034,812	46,642,063	34,893,677
Fiscal Services	5,901,306	6,014,874	5,819,582
Food Services	43,237,893	45,293,724	43,767,714
Central Services	19,010,633	20,986,324	20,276,104
Pupil Transportation Services	47,088,344	47,271,858	45,782,751
Operation of Plant	62,727,643	60,709,214	61,200,190
Maintenance of Plant	31,569,835	32,502,883	30,734,973
Administrative Technology Services	8,675,009	6,846,454	6,570,050
Community Services	502,083	774,638	1,381,756
Interest on Long-Term Debt and Fiscal Fees	11,743,128	9,882,476	10,670,426
Loss on Disposal of Capital Assets	-	-	-
Depreciation - Unallocated	-	-	-
Total Expenses	<u><u>\$ 1,150,597,615</u></u>	<u><u>\$ 1,106,652,238</u></u>	<u><u>\$ 1,016,588,184</u></u>

Source: District Records

Fiscal Year Ending			
June 30, 2005	June 30, 2004	June 30, 2003	June 30, 2002
\$ 25,735,102	\$ 26,119,016	\$ 25,454,639	\$ 24,712,998
47,517,131	46,121,047	45,521,538	49,713,105
30,048,615	20,494,468	25,691,155	17,848,433
103,300,848	92,734,531	96,667,332	92,274,536
237,686,909	235,979,646	211,280,515	194,429,909
18,404,609	18,549,791	18,736,722	18,327,287
77,669,872	72,274,442	66,595,441	61,927,462
523,077,944	487,398,902	475,361,320	457,938,580
11,909,874	1,275,387	7,415,735	10,093,286
12,476,504	15,168,225	12,273,242	10,862,267
881,225,712	830,646,393	791,662,975	753,578,791
\$ 984,526,560	\$ 923,380,924	\$ 888,330,307	\$ 845,853,327
\$ 521,647,595	\$ 494,981,865	\$ 450,214,488	\$ 419,754,914
54,564,530	51,208,753	47,221,687	41,759,013
17,502,704	16,886,188	16,095,150	15,189,507
19,124,906	18,408,077	18,834,800	17,534,114
30,941,004	19,963,200	17,000,522	11,771,030
-	-	-	-
1,550,414	1,898,992	1,847,640	1,812,088
6,370,396	5,667,320	5,797,915	5,074,655
38,346,686	36,869,152	34,026,201	31,943,221
31,372,931	51,247,146	72,424,576	40,013,927
6,026,873	5,773,933	5,580,764	5,087,738
43,087,583	43,206,944	40,138,409	38,700,476
32,276,413	31,043,914	31,904,955	28,765,996
43,235,947	34,577,185	39,295,793	39,451,581
52,600,847	50,470,803	46,841,209	45,178,321
28,663,143	12,067,088	27,278,847	14,406,634
-	-	-	-
1,476,452	1,034,541	1,319,135	591,029
8,309,461	9,147,519	10,461,614	11,054,794
-	749,764	-	-
-	-	-	31,115,111
\$ 937,097,885	\$ 885,202,384	\$ 866,283,705	\$ 799,204,149

DUVAL COUNTY PUBLIC SCHOOLS
GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)
(Unaudited)

Fiscal Year Ending	Property Tax			Sales Tax	Total
	General Purposes	Debt Service	Capital Projects		
June 30, 2008	\$ 330,935,738	\$ 9,029,712	\$ 118,009,348		\$ 457,974,798
June 30, 2007	287,708,806	17,273,770	100,934,394	-	405,916,970
June 30, 2006	272,216,105	19,491,295	90,456,276	-	382,163,676
June 30, 2005	237,686,909	18,404,609	77,669,872	-	333,761,390
June 30, 2004	235,979,646	18,549,791	72,274,442	-	326,803,879
June 30, 2003	211,280,515	18,736,722	66,595,441	-	296,612,678
June 30, 2002	194,429,909	18,327,287	61,927,462	-	274,684,658
June 30, 2001	190,966,652	18,545,780	57,706,615	-	267,219,047
June 30, 2000	181,087,650	18,083,177	53,431,222	-	252,602,049
June 30, 1999	194,207,758	19,215,646	60,454,854	-	273,878,258

Source: District Records

Sales Tax has never been assessed or collected at the local District level.

DUVAL COUNTY PUBLIC SCHOOLS
ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(amounts expressed in thousands)
(Unaudited)

Fiscal Year Ending	Taxable Assessed Value				Total Direct Tax Rate (4)	Estimated Actual Values (5)	Ratio of Assessed to Actual Values
	Real Property (1)	Personal Property (2)	Centrally Assessed Property (3)	Total Taxable Property			
June 30, 2008	\$ 60,150,228	\$ 4,745,482	\$ 176,783	\$ 65,072,493	7.7550	\$ 95,707,463	67.99%
June 30, 2007	55,944,510	5,093,426	171,758	61,209,694	8.0420	92,412,916	66.23%
June 30, 2006	46,764,105	5,032,337	154,700	51,951,142	8.4250	77,477,171	67.05%
June 30, 2005	40,587,166	5,117,180	148,323	45,852,669	8.5650	68,661,525	66.78%
June 30, 2004	35,588,575	4,488,617	189,987	40,267,179	9.0510	61,676,160	65.29%
June 30, 2003	32,580,744	4,624,319	169,546	37,374,609	8.9200	56,409,622	66.26%
June 30, 2002	29,377,996	4,661,787	136,798	34,176,581	8.8720	47,714,719	71.63%
June 30, 2001	27,147,738	4,691,012	130,112	31,968,862	9.2580	44,158,093	72.40%
June 30, 2000	24,880,669	4,721,210	138,449	29,740,328	9.3660	41,803,761	71.14%
June 30, 1999	22,752,874	4,536,116	108,934	27,397,924	9.8560	39,448,272	69.45%

- (1) Prior to fiscal year 1981, State Homestead Exemption Laws exempted from taxation the first \$5,000 of assessed value for qualified homeowners. For 1981, the homestead exemption was increased to \$15,000; for 1982, it was increased to \$20,000; and for 1983 and subsequent years, it was increased to \$25,000.
- (2) Personal property values are also net of certain allowable exemptions - primarily for inventories (which have not been assessed since 1982) and government property.
- (3) Centrally assessed property is primarily railroad property and private car line property, which must be separately assessed.
- (4) Tax Rates are per \$1,000 of assessed value.
- (5) Estimated actual values are the total "just" values of property subject to taxation, as defined by Section 193.011 of the Florida Statutes.

Source: Duval County Property Appraiser's Office

**DUVAL COUNTY PUBLIC SCHOOLS
PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS (IN MILS)
LAST TEN FISCAL YEARS
(Per Assessed Valuation)
(Unaudited)**

Fiscal Year Ending	District (Note 1)	Duval County Public Schools	Other Taxing Authorities			Combined Millage Total
			City of Jacksonville Total	Water Management District	FIND (Note 3)	
June 30, 2008	GSD(4)	7.7550	8.4841	0.4158	0.0345	16.6894
June 30, 2007	GSD(4)	8.0420	9.6400	0.4620	0.0385	18.1825
June 30, 2006	GSD(4)	8.4250	9.6500	0.4620	0.0385	18.5755
June 30, 2005	GSD(4)	8.5650	9.6879	0.4620	0.0385	18.7534
June 30, 2004	GSD(4)	9.0510	9.8398	0.4620	0.0385	19.3913
June 30, 2003	GSD(4)	8.9200	10.1842	0.4620	0.0385	19.6047
June 30, 2002	GSD(4)	8.8720	10.3675	0.4620	0.0386	19.7401
June 30, 2001	GSD(4)	9.2580	10.5723	0.4720	0.0410	20.3433
June 30, 2000	GSD(4)	9.3660	10.7861	0.4820	0.0440	20.6781
June 30, 1999	GSD(4)	9.8560	10.9158	0.4820	0.0470	21.3008

- (1) The GSD (General Services District) millage rate is the one which applies to most taxpayers in the City of Jacksonville, and it is effectively a county-wide rate. Due to the existence of six other taxing districts, a total of seven combined millage rates apply to taxpayers within the City of Jacksonville. Two most prevalent millage rates shown here.

The USD (Urban Services District 1) millage rates apply to the area of the preconsolidation City of Jacksonville. The millage rates shown include the GSD rate.

- (2) Beginning in 1981, as the result of a double-taxation suit settlement, the four independent Urban Services Districts within Duval County began paying 18.8% less than the GSD millage rate, subject to a limit of 10 mills plus debt service. Each of the four levies additional taxes for its own municipal services.
- (3) Florida Inland Navigational District
- (4) Beginning in 1999, the same rates apply to the consolidated City of Jacksonville.

Source: Duval County Tax Collector

**DUVAL COUNTY PUBLIC SCHOOLS
PRINCIPAL PROPERTY TAXPAYERS
LAST TEN FISCAL YEARS**

(Unaudited)

		Fiscal Year Ending					
		June 30, 2008			June 30, 2007		
Taxpayer	Type of Business	Rank	Assessed Valuation	Percentage of Net Assessed Valuation	Rank	Assessed Valuation	Percentage of Net Assessed Valuation
Bell South/Jacksonville MSA Limited	Communications	1	\$ 455,501,336	0.70%	1	\$ 363,216,104	0.59%
Flagler Development Company	Real Estate Mgmt/ Dev	2	384,520,304	0.59%	3	298,419,090	0.49%
Anheuser-Busch/Metal Container Corp	Manufacturing	3	304,077,607	0.47%	2	334,317,791	0.55%
Vistakon/Johnson & Johnson Vision	Manufacturing	4	246,630,623	0.38%	5	240,555,179	0.39%
Wal-Mart Properties/Stores	Retail	5	239,275,131	0.37%	4	247,962,020	0.41%
St. Johns Town Center, LLC	Real Estate Mgmt/ Dev	6	228,388,756	0.35%			
Blue Cross & Blue Shield	Insurance	7	219,492,230	0.34%	6	209,328,324	0.34%
Liberty Property Limited Partnership	Real Estate Mgmt/Dev	8	197,625,530	0.30%	7	178,007,862	0.29%
Mid America Apartment Communities	Apartment	9	167,468,756	0.26%	10	149,731,703	0.24%
Cedar Bay Generating Co	Utilities	10	158,599,113	0.24%	9	160,458,992	0.26%
Winn Dixie Stores/ZSF WD Jacksonville	Retail				8	164,552,579	0.27%
First States Investors	Investment/Banking						
Gate Petroleum/Maritime/Lands	Petroleum						
CSX Railroad	Transportation						
Comcast Cable	Communications						
Bank of America	Banking						
AT&T/Media One	Communications						
Florida Power & Light Co.	Utilities						
Gran-Central Corp/FEC RR	Transportation						
AT&T/American Transtech	Communications						
MediaOne/Continental Cablevision	Communications						
Nations Bank/Barnett Bank	Banking						
Jacksonville Port Authority	Manufacturing						
Total Taxable Assessed Value of 10 Largest Taxpayers			2,601,579,386	4.00%		2,346,549,644	3.83%
Total Taxable Assessed Value of Other Taxpayers*			62,470,913,614	96.00%		58,863,144,356	96.17%
Total Taxable Assessed Value of All Taxpayers			\$ 65,072,493,000	100.00%		\$ 61,209,694,000	100.00%

(Continued)

**DUVAL COUNTY PUBLIC SCHOOLS
PRINCIPAL PROPERTY TAXPAYERS
LAST TEN FISCAL YEARS**

(Unaudited)

		Fiscal Year Ending					
		June 30, 2006			June 30, 2005		
		Net Assessed Valuation	Rank	Percentage of Net Assessed Valuation	Net Assessed Valuation	Rank	Percentage of Net Assessed Valuation
Taxpayer	Type of Business						
Bell South/Jacksonville MSA Limited	Communications	\$ 406,459,530	1	0.78%	\$ 391,409,715	1	0.85%
Flagler Development Company	Real Estate Mgmt/ Dev	235,454,572	3	0.45%	213,906,010	3	0.47%
Anheuser-Busch/Metal Container Corp	Manufacturing	308,597,388	2	0.59%	294,771,519	2	0.64%
Vistakon/Johnson & Johnson Vision	Manufacturing	246,775,775	4	0.48%	200,328,816	4	0.44%
Wal-Mart Properties/Stores	Retail	162,620,178	9	0.31%	140,418,952	9	0.31%
St. Johns Town Center, LLC	Real Estate Mgmt/ Dev						
Blue Cross & Blue Shield	Insurance	206,435,773	5	0.40%	198,293,871	5	0.43%
Liberty Property Limited Partnership	Real Estate Mgmt/Dev	143,248,555	6	0.28%	184,991,932	6	0.40%
Mid America Apartment Communities	Apartment	137,493,824	10	0.26%	135,345,849	10	0.30%
Cedar Bay Generating Co	Utilities	162,354,525	7	0.31%	164,279,314	7	0.36%
Winn Dixie Stores/ZSF WD Jacksonville	Retail						
First States Investors	Investment/Banking	142,336,200	8	0.27%	142,788,636	8	0.31%
Gate Petroleum/Maritime/Lands	Petroleum						
CSX Railroad	Transportation						
Comcast Cable	Communications						
Bank of America	Banking						
AT&T/Media One	Communications						
Florida Power & Light Co.	Utilities						
Gran-Central Corp/FEC RR	Transportation						
AT&T/American Transtech	Communications						
MediaOne/Continetal Cablevison	Communications						
Nations Bank/Barnett Bank	Banking						
Jacksonville Port Authority	Manufacturing						
Total Taxable Assessed Value of 10 Largest Taxpayers		2,151,776,320		4.14%	2,066,534,614		4.51%
Total Taxable Assessed Value of Other Taxpayers*		49,799,365,680		95.86%	43,786,134,386		95.49%
Total Taxable Assessed Value of All Taxpayers		\$ 51,951,142,000		100.00%	\$ 45,852,669,000		100.00%

(Continued)

**DUVAL COUNTY PUBLIC SCHOOLS
PRINCIPAL PROPERTY TAXPAYERS
LAST TEN FISCAL YEARS**

(Unaudited)

		Fiscal Year Ending					
		June 30, 2004		June 30, 2003			
Taxpayer	Type of Business	Rank	Assessed Valuation	Percentage of Net Assessed Valuation	Rank	Assessed Valuation	Percentage of Net Assessed Valuation
Bell South/Jacksonville MSA Limited	Communications	1	\$ 398,576,581	0.99%	1	\$ 548,398,230	1.47%
Flagler Development Company	Real Estate Mgmt/ Dev	3	202,071,722	0.50%	5	195,713,963	0.52%
Anheuser-Busch/Metal Container Corp	Manufacturing	2	281,165,116	0.70%	2	285,392,187	0.76%
Vistakon/Johnson & Johnson Vision	Manufacturing	5	193,267,145	0.48%	10	162,958,137	0.44%
Wal-Mart Properties/Stores	Retail						
St. Johns Town Center, LLC	Real Estate Mgmt/ Dev						
Blue Cross & Blue Shield	Insurance	4	194,848,730	0.48%	6	192,078,918	0.51%
Liberty Property Limited Partnership	Real Estate Mgmt/Dev	7	185,188,293	0.46%	7	191,688,526	0.51%
Mid America Apartment Communities	Apartment						
Cedar Bay Generating Co	Utilities	8	173,781,092	0.43%	9	179,257,699	0.48%
Winn Dixie Stores/ZSF WD Jacksonville	Retail						
First States Investors	Investment/Banking						
Gate Petroleum/Maritime/Lands	Petroleum	6	190,316,456	0.47%	8	188,542,624	0.50%
CSX Railroad	Transportation	9	157,416,517	0.39%			
Comcast Cable	Communications	10	153,027,514	0.38%	4	201,216,818	0.54%
Bank of America	Banking				3	220,787,479	0.59%
AT&T/Media One	Communications						
Florida Power & Light Co.	Utilities						
Gran-Central Corp/FEC RR	Transportation						
AT&T/American Transtech	Communications						
MediaOne/Continetial Cablevision	Communications						
Nations Bank/Barnett Bank	Banking						
Jacksonville Port Authority	Manufacturing						
Total Taxable Assessed Value of 10 Largest Taxpayers				5.29%	2,366,034,581 6.33%		
Total Taxable Assessed Value of Other Taxpayers*				83.17%	35,008,574,419 93.67%		
Total Taxable Assessed Value of All Taxpayers				88.46%	\$ 37,374,609,000 100.00%		

(Continued)

**DUVAL COUNTY PUBLIC SCHOOLS
PRINCIPAL PROPERTY TAXPAYERS
LAST TEN FISCAL YEARS**

(Unaudited)

Fiscal Year Ending						
Taxpayer	Type of Business	June 30, 2002			June 30, 2001	
		Rank	Assessed Valuation	Percentage of Net Assessed Valuation	Rank	Assessed Valuation
Bell South/Jacksonville MSA Limited	Communications	1	\$ 388,615,393	1.14%	1	\$ 434,470,896
Flagler Development Company	Real Estate Mgmt/ Dev	8	183,040,969	0.54%	4	266,935,601
Anheuser-Busch/Metal Container Corp	Manufacturing	3	294,388,539	0.86%	2	333,986,872
Vistakon/Johnson & Johnson Vision	Manufacturing	9	174,679,397	0.51%	3	293,769,111
Wal-Mart Properties/Stores	Retail				6	199,321,586
St. Johns Town Center, LLC	Real Estate Mgmt/ Dev					
Blue Cross & Blue Shield	Insurance	7	192,771,325	0.56%	5	202,776,399
Liberty Property Limited Partnership	Real Estate Mgmt/Dev	6	193,147,696	0.57%	8	187,370,826
Mid America Apartment Communities	Apartment				10	152,203,156
Cedar Bay Generating Co	Utilities	5	195,602,797	0.57%	7	194,874,468
Winn Dixie Stores/ZSF WD Jacksonville	Retail					
First States Investors	Investment/Banking				9	183,171,779
Gate Petroleum/Maritime/Lands	Petroleum	10	157,014,172	0.46%		
CSX Railroad	Transportation					
Comcast Cable	Communications					
Bank of America	Banking	4	244,721,979	0.72%		
AT&T/Media One	Communications	2	362,146,974	1.06%		
Florida Power & Light Co.	Utilities					
Gran-Central Corp/FEC RR	Transportation					
AT&T/American Transtech	Communications					
MediaOne/Continental Cablevision	Communications					
Nations Bank/Barnett Bank	Banking					
Jacksonville Port Authority	Manufacturing					
Total Taxable Assessed Value of 10 Largest Taxpayers			2,386,129,241	6.98%		2,448,880,694
Total Taxable Assessed Value of Other Taxpayers*			31,790,451,759	93.02%		29,519,981,306
Total Taxable Assessed Value of All Taxpayers			\$ 34,176,581,000	100.00%		\$ 31,968,862,000

(Continued)

**DUVAL COUNTY PUBLIC SCHOOLS
PRINCIPAL PROPERTY TAXPAYERS
LAST TEN FISCAL YEARS
(Unaudited)**

Taxpayer	Type of Business	Fiscal Year Ending					
		June 30, 2000			June 30, 1999		
		Rank	Assessed Valuation	Percentage of Net Assessed Valuation	Rank	Assessed Valuation	Percentage of Net Assessed Valuation
Bell South/Jacksonville MSA Limited	Communications	1	\$ 465,803,971	1.57%	1	\$ 612,139,766	2.23%
Flagler Development Company	Real Estate Mgmt/ Dev						
Anheuser-Busch/Metal Container Corp	Manufacturing	2	306,475,884	1.03%	3	304,918,894	1.11%
Vistakon/Johnson & Johnson Vision	Manufacturing	8	170,831,903	0.57%	7	184,585,109	0.67%
Wal-Mart Properties/Stores	Retail						
St. Johns Town Center, LLC	Real Estate Mgmt/ Dev						
Blue Cross & Blue Shield	Insurance						
Liberty Property Limited Partnership	Real Estate Mgmt/Dev	5	206,694,686	0.69%	8	175,295,894	0.64%
Mid America Apartment Communities	Apartment						
Cedar Bay Generating Co	Utilities	4	211,572,453	0.71%	4	222,477,991	0.81%
Winn Dixie Stores/ZSF WD Jacksonville	Retail						
First States Investors	Investment/Banking						
Gate Petroleum/Maritime/Lands	Petroleum						
CSX Railroad	Transportation						
Comcast Cable	Communications						
Bank of America	Banking	6	190,778,788	0.64%			
AT&T/Media One	Communications						
Florida Power & Light Co.	Utilities	10	161,887,861	0.54%	9	170,260,688	0.62%
Gran-Central Corp/FEC RR	Transportation	7	186,768,565	0.63%	10	147,191,023	0.54%
AT&T/American Transtech	Communications	3	217,596,956	0.73%	6	207,741,005	0.76%
MediaOne/Continetal Cablevision	Communications	5	206,694,686	0.69%			
Nations Bank/Barnett Bank	Banking				2	336,503,939	1.23%
Jacksonville Port Authority	Manufacturing				5	218,188,774	0.80%
Total Taxable Assessed Value of 10 Largest Taxpayers			2,325,105,753	7.82%		2,579,303,083	9.41%
Total Taxable Assessed Value of Other Taxpayers*			27,415,222,247	92.18%		24,818,620,917	90.59%
Total Taxable Assessed Value of All Taxpayers			\$ 29,740,328,000	100.00%		\$ 27,397,924,000	100.00%

DUVAL COUNTY PUBLIC SCHOOLS
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(Unaudited)

Fiscal Year Ending	General Fund	Debt Service Funds	Capital Projects Funds	Total Levy	Total Tax Collections	Percent of Total Tax Collections to Tax Levy
June 30, 2008	\$ 344,288,380	\$ 9,276,864	\$ 122,872,370	\$ 476,437,614	\$ 457,974,798	96.12%
June 30, 2007	300,292,206	18,017,532	105,365,686	423,675,424	405,916,970	95.81%
June 30, 2006	275,227,744	19,298,947	91,681,460	386,208,151	382,163,676	98.95%
June 30, 2005	247,645,384	19,227,884	81,301,833	348,175,101	333,761,390	95.86%
June 30, 2004	246,188,416	19,235,823	75,286,977	340,711,216	326,803,879	95.92%
June 30, 2003	222,992,504	19,672,715	70,134,456	312,799,675	296,612,678	94.83%
June 30, 2002	204,250,308	19,183,012	65,027,159	288,460,479	274,684,658	95.22%
June 30, 2001	201,078,975	19,512,198	60,785,663	281,376,836	267,229,047	94.97%
June 30, 2000	187,971,909	18,962,941	56,186,492	263,121,342	250,495,952	95.20%
June 30, 1999	189,058,110	19,543,086	53,106,211	261,707,407	246,949,848	94.36%

Fiscal Year Ending	Total Tax Levy	Collected to End of Tax Year		Subsequent (Delinquent) Collections	Collected in Fiscal Year	
		Current Tax Collections (a)	Percent of Levy		Total Collections (a)	Percent of Levy
June 30, 2008	\$ 476,437,614	\$ 454,119,230	95.32%	\$ 3,855,568	\$ 457,974,798	96.12%
June 30, 2007	423,675,424	404,115,217	95.38%	1,801,753	405,916,970	95.81%
June 30, 2006	386,208,151	380,220,096	98.45%	1,943,580	382,163,676	98.95%
June 30, 2005	348,175,101	333,132,819	95.68%	628,571	333,761,390	95.86%
June 30, 2004	340,711,216	N/A	N/A	N/A	326,803,879	95.92%
June 30, 2003	312,799,675	N/A	N/A	N/A	296,612,678	94.83%
June 30, 2002	288,460,479	N/A	N/A	N/A	274,684,658	95.22%
June 30, 2001	281,376,836	N/A	N/A	N/A	267,229,047	94.97%
June 30, 2000	263,121,342	N/A	N/A	N/A	250,495,952	95.20%
June 30, 1999	261,707,407	N/A	N/A	N/A	246,949,848	94.36%

(a) Net of allowable discounts

(N/A) Information not available prior to 2005

Note: Property taxes become due and payable on November 1st of each year. A four percent (4%) discount is allowed if taxes are paid in November, with the discounts declining by one percent (1%) each month thereafter. Accordingly, tax collected will never be 100% of the tax levy. Taxes become delinquent of April 1st of each year and tax certificates for the full amount of any unpaid taxes and assessments must be sold not later than June 1st of each year. Accordingly, the majority of taxes are collected in the fiscal year levied.

Source: Duval County Public Schools - Business Services.

DUVAL COUNTY PUBLIC SCHOOLS
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(Unaudited)

Governmental Activities (a)									
Fiscal Year Ending	General Obligation Bonds	State School Bonds	Certificates of Participation	Qualified Academy Zone Bonds	Capital Leases	Revenue Anticipation Note	Total Primary Government	Percentage of Personal Income (b)	Per Capita (b)
June 30, 2008	\$ 8,300,000	\$ 26,935,000	\$ 256,330,000	\$ 6,682,000	\$ -	\$ 22,000,000	\$ 320,247,000	1.038%	\$ 353.24
June 30, 2007	25,310,000	29,340,000	113,300,000	6,682,000	-	-	174,632,000	0.601%	194.56
June 30, 2006	41,325,000	33,165,000	115,735,000	6,682,000	-	-	196,907,000	0.711%	220.95
June 30, 2005	56,410,000	35,325,000	118,070,000	5,667,000	-	-	215,472,000	0.817%	250.74
June 30, 2004	70,645,000	37,380,000	46,395,000	5,667,000	1,650,623	-	161,737,623	0.652%	193.23
June 30, 2003	84,105,000	39,335,000	48,285,000	-	1,825,129	939,302	174,489,431	0.738%	211.00
June 30, 2002	96,840,000	41,205,000	50,095,000	-	1,988,538	2,261,894	192,390,432	0.843%	238.40
June 30, 2001	108,900,000	43,000,000	51,830,000	-	2,616,006	3,527,113	209,873,119	0.931%	264.36
June 30, 2000	120,340,000	44,720,000	-	-	3,983,443	947,660	169,991,103	0.825%	214.77
June 30, 1999	131,200,000	46,365,000	-	-	6,449,138	1,690,045	185,704,183	0.937%	238.59

Source:

(a) District Records

(b) Total Primary Government Debt divided by Personal Income and Population from Statistical Table "Demographics and Economic Statistics".

DUVAL COUNTY PUBLIC SCHOOLS
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
(Unaudited)

Fiscal Year Ending	Population (1)	Pupils (2)	Assessed Value (3)	Gross General Obligation Bonded Debt (4)	Less Respective Debt Service Funds	Net General Obligation Bonded Debt	Ratio to Assessed Value	Net Bonded Debt Per Capita	Net Bonded Debt Per Pupil
June 30, 2008	906,587	124,620	\$ 65,072,493,000	\$ 8,300,000	\$ 9,817,818	\$ (1,517,818)	0.00%	\$ (2)	\$ (12)
June 30, 2007	897,597	125,814	61,209,694,000	25,310,000	18,632,581	6,677,419	0.01%	7	53
June 30, 2006	891,192	127,051	51,951,142,000	41,325,000	18,971,081	22,353,919	0.04%	25	176
June 30, 2005	859,361	127,560	45,852,669,000	56,410,000	17,541,848	38,868,152	0.08%	45	305
June 30, 2004	837,037	127,353	40,267,179,000	70,645,000	16,833,075	53,811,925	0.13%	64	423
June 30, 2003	826,951	125,990	37,374,609,000	84,105,000	16,441,581	67,663,419	0.18%	82	537
June 30, 2002	807,012	125,071	34,176,581,000	96,840,000	17,559,983	79,280,017	0.23%	98	634
June 30, 2001	793,898	123,600	31,968,862,000	108,900,000	17,374,160	91,525,840	0.29%	115	741
June 30, 2000	791,507	123,074	29,740,328,000	120,340,000	16,564,077	103,775,923	0.35%	131	843
June 30, 1999	778,341	128,186	27,397,924,000	131,200,000	16,395,423	114,804,577	0.42%	147	896

- (1) Population estimates for Duval County from the Florida Legislature, Office of Economic and Demographic research, as revised after the 2000 census analysis. General obligation bonded debt applies to all of Duval County.
- (2) Student enrollment figures provided by Duval County Public Schools
- (3) Assessed values are the final adjusted appraisals as reported by the Duval County Property Appraiser.
- (4) Gross general obligation bonded debt represents bonds payable from ad valorem taxes only.

DUVAL COUNTY PUBLIC SCHOOLS
ANTICIPATED CAPITAL OUTLAY MILLAGE LEVY
REQUIRED TO COVER
CERTIFICATES OF PARTICIPATION PAYMENTS
LAST TEN FISCAL YEARS
(amounts expressed in thousands)
(Unaudited)

Fiscal Year Ending	Assessed Taxable Valuation (in thousands)	Minimum Annual Lease Payment	Millage Levy to Provide 1.00x Coverage (1)
June 30, 2008	\$ 65,072,493	\$ 16,877,625	0.273 mils
June 30, 2007	61,209,694	8,023,475	0.138 mils
June 30, 2006	51,951,142	5,700,326	0.115 mils
June 30, 2005	45,852,669	4,843,886	0.111 mils
June 30, 2004	40,267,179	4,387,694	0.115 mils
June 30, 2003	37,374,609	4,387,301	0.124 mils
June 30, 2002	34,176,581	4,387,774	0.135 mils
June 30, 2001	31,968,862	4,529,843	0.149 mils
June 30, 2000	29,740,328	-	NA
June 30, 1999	27,397,924	-	NA

(1) This number calculated using 95% of the assessed taxable valuation.

Source: City and District Records

DUVAL COUNTY PUBLIC SCHOOLS
COMPUTATION OF LEGAL DEBT MARGIN ON BONDED DEBT
LAST SEVEN FISCAL YEARS
(Unaudited)

	Fiscal Year Ending		
	June 30, 2008	June 30, 2007	June 30, 2006
Assessed Value (1)	<u>\$65,072,493,000</u>	<u>\$61,209,694,000</u>	<u>\$51,951,142,000</u>
Debt Limit - 10 % of Net Assessed Taxable Property Value	<u>\$ 6,507,249,300</u>	<u>\$ 6,120,969,400</u>	<u>\$ 5,195,114,200</u>
Debt Applicable to Limit:			
Bonds Payable	\$ 8,300,000	\$ 25,310,000	\$ 41,325,000
Less: Amount available for Debt Service	(9,817,818)	(18,632,581)	(18,971,081)
Debt Applicable to Debt Limit	<u>\$ (1,517,818)</u>	<u>\$ 6,677,419</u>	<u>\$ 22,353,919</u>
Legal Debt Margin	<u>\$ 6,508,767,118</u>	<u>\$ 6,114,291,981</u>	<u>\$ 5,172,760,281</u>
Applicable Debt as a Percentage of Debt Limit	<u>0.00%</u>	<u>0.11%</u>	<u>0.43%</u>

(1) Assessed values are the final adjusted appraisals as reported by the Duval County Property Appraiser.

Note: This schedule was previously presented as a requirement of Rule 6A-1.037 (2) State Board of Education, Florida Administration Code, which established a legal debt limit of 10% of the assessed valuation of the District. Rule 6A-1.037 (2) was repealed in March 2006, however, management believes this information may still be of value to users.

Fiscal Year Ending			
June 30, 2005	June 30, 2004	June 30, 2003	June 30, 2002
\$ 45,852,669,000	\$ 40,267,179,000	\$ 37,374,609,000	\$ 34,176,581,000
\$ 4,585,266,900	\$ 4,026,717,900	\$ 3,737,460,900	\$ 3,417,658,100
\$ 56,410,000	\$ 70,645,000	\$ 84,105,000	\$ 96,840,000
(17,541,848)	(16,833,075)	(16,441,581)	(17,559,983)
\$ 38,868,152	\$ 53,811,925	\$ 67,663,419	\$ 79,280,017
\$ 4,546,398,748	\$ 3,972,905,975	\$ 3,669,797,481	\$ 3,338,378,083
0.85%	1.35%	1.84%	2.37%

DUVAL COUNTY PUBLIC SCHOOLS
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
(Unaudited)

Fiscal Year Ending	Population (1)	Personal Income (amts in thousands) (1)	Per Capita Personal Income (1)	Median Age (1)	School Enrollment (2)	Cost Per Student	Unemployment Rate (1)
June 30, 2008	906,587	\$ 30,844,161	\$ 34,022	34.1	124,620	\$ 9,233	4.1%
June 30, 2007	897,597	29,074,347	32,391	35.5	125,814	8,796	3.0%
June 30, 2006	891,192	27,689,855	31,071	35.4	127,051	8,001	4.2%
June 30, 2005	859,361	26,371,290	30,687	35.0	127,560	7,346	5.2%
June 30, 2004	837,037	24,788,824	29,615	34.6	127,353	6,951	5.5%
June 30, 2003	826,951	23,651,670	28,601	34.2	125,990	6,876	5.7%
June 30, 2002	807,012	22,828,124	28,287	34.1	125,071	6,390	4.2%
June 30, 2001	793,898	22,548,496	28,402	34.1	123,600	NA	3.3%
June 30, 2000	791,507	20,616,898	26,048	(3)	123,074	NA	3.2%
June 30, 1999	778,341	19,822,257	25,467	(3)	128,186	NA	3.4%

Sources:

- (1) Office of Economic and Demographic Research
- (2) Duval County Public Schools, Budget Department
- (3) Information not available

DUVAL COUNTY PUBLIC SCHOOLS
FULL TIME DISTRICT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS
(Unaudited)

Fiscal Year Ending	(1) (4) Instructional	(2) Administrative	(3) Support Services	Total	(4) Students	Ratio Students to Instructional Personnel	Ratio of Instructional Personnel to School Administrators
June 30, 2008	9,901	701	2,221	12,823	124,620	12.59	14.12
June 30, 2007	10,200	652	2,269	13,121	125,814	12.33	15.64
June 30, 2006	8,920	649	3,745	13,314	127,051	14.24	13.74
June 30, 2005	8,645	609	3,665	12,919	127,560	14.76	14.20
June 30, 2004	8,044	571	3,746	12,361	127,353	15.83	14.09
June 30, 2003	7,582	583	3,934	12,099	125,990	16.62	13.01
June 30, 2002	7,449	558	3,805	11,812	125,071	16.79	13.35
June 30, 2001	7,689	547	3,887	12,123	123,600	16.07	14.06
June 30, 2000	7,529	520	3,887	11,936	123,074	16.35	14.48
June 30, 1999	7,329	497	4,067	11,893	128,186	17.49	14.75

- (1) Classroom teachers, Guidance/Psychologists, Exceptional Education Teachers, Media Specialists, Other Professional Instructional Staff
- (2) Principals, Assistant Principals, Deans, Superintendent, Asst./Area Superintendents, Directors/Managers/Coordinators
- (3) Paraprofessionals, Bus Drivers/Attendants, Cafeteria, Custodial, Executive/Administrative/Professional, Clerical, Crafts and Services
- (4) Previously reported from CAFR

SOURCE: Duval County Public Schools - Human Resource Services (Employees) & Budget Services (Students)

**Duval County Public Schools
Principal Employers
Jacksonville Metropolitan Statistical Area (MSA)
LAST TEN FISCAL YEARS
(Unaudited)**

Employer	Fiscal Year Ending			
	June 30, 2008		June 30, 2007	
	Employees	Rank	Employees	Rank
Naval Air Station, Jacksonville	25,245	1	25,245	1
Mayport Naval Station	15,293	2	15,293	2
Duval County Public Schools	14,489	3	14,284	3
City of Jacksonville	8,828	4	8,828	4
Baptist Health Systems	7,000	5	7,000	5
Blue Cross & Blue Shield of Fla.	7,000	6	7,000	6
Mayo Clinic	5,000	7	5,000	7
CSX	4,400	8	4,400	8
Citibank	4,200	9	4,200	9
Bank of America	4,000	10	4,000	10
Publix Supermarkets, Inc.				
Winn Dixie Stores, Inc.				
Walmart				
State of Florida				
Shands Jacksonville				
Nations Bank				

Employer	Fiscal Year Ending			
	June 30, 2003		June 30, 2002	
	Employees	Rank	Employees	Rank
Naval Air Station, Jacksonville	19,537	1	10,317	3
Mayport Naval Station	15,293	2	15,001	1
Duval County Public Schools	14,962	3	14,442	2
City of Jacksonville	7,100	6	6,761	8
Baptist Health Systems	5,824	9	5,584	10
Blue Cross & Blue Shield of Fla.	9,200	5	8,500	5
Mayo Clinic				
Citibank			5,800	9
Bank of America				
Publix Supermarkets, Inc.	7,000	8	7,000	7
Winn Dixie Stores, Inc.	12,253	4	12,097	4
Walmart	5,800	10	7,056	6
State Of Florida	7,056	7		
Shands Jacksonville				
Nations Bank				

Source: City of Jacksonville and Chamber of Commerce Records

Fiscal Year Ending					
June 30, 2006		June 30, 2005		June 30, 2004	
Employees	Rank	Employees	Rank	Employees	Rank
19,537	1	19,537	1	19,537	1
15,293	3	15,293	3	14,442	4
16,003	2	16,003	2	14,647	3
8,493	5	8,019	5	6,761	8
5,600	8	5,600	8		
9,000	4	9,000	4	9,000	5
5,000	9	5,000	9		
5,000	10	4,400	10		
				5,500	10
6,615	6	6,615	6	7,000	7
6,200	7	6,200	7	16,000	2
				5,800	9
				7,056	6

Fiscal Year Ending					
June 30, 2001		June 30, 2000		June 30, 1999	
Employees	Rank	Employees	Rank	Employees	Rank
9,465	3	9,465	4	13,405	2
				13,213	3
14,442	2	14,442	2	14,442	1
6,761	7	6,761	7	6,761	7
5,475	10			9,599	5
9,000	4	7,500	5	6,000	10
5,500	9	6,000	8		
7,000	6	18,265	1	6,188	9
16,000	1	13,058	3	13,058	4
5,800	8	5,800	9		
7,056	5	7,056	6	7,056	6
		4,900	10		
				6,500	8

SCHOOL BUILDING INFORMATION AND FULL-TIME EQUIVALENT ENROLLMENT DATA
DUVAL COUNTY PUBLIC SCHOOLS
LAST TEN FISCAL YEARS
(Unaudited)

Place in Service	Square Footage	Portables	Full-Time Equivalent Enrollment Data									
			2007-08	2006-07	2005-06	2004-05	2003-04	2002-03	2001-02	2000-01	1999-00	1998-99
Elementary Schools												
Abess Park	112,273	-	771.32	796.43	897.84	900.82	928.92	1,021.12	1,027.02	1,001.18	1,000.28	1,015.40
Alimacani	136,019	1	1,042.84	1,102.79	1,107.96	1,152.19	1,117.26	1,132.98	1,216.05	1,218.47	1,190.18	1,173.35
Arlington	34,091	1	267.80	299.10	309.12	317.20	368.67	374.34	384.11	340.76	352.11	354.38
Arlington Heights	68,360	8	573.90	587.32	574.41	525.06	561.79	574.58	640.83	567.63	529.82	561.41
Atlantic Beach	49,388	3	488.21	486.72	554.80	493.76	493.05	493.04	521.09	496.15	521.85	533.08
Bayview	47,546	3	355.72	413.43	398.64	399.10	422.64	418.36	456.03	451.54	465.86	454.41
Beaulac	97,766	6	1,230.27	1,250.64	1,267.46	1,329.58	1,291.74	1,402.14	1,375.20	1,337.72	1,266.99	1,266.69
Biltmore	67,179	5	350.89	337.64	368.54	334.50	328.08	369.00	351.79	375.93	355.54	383.64
Biscayne	82,130	-	550.10	569.57	630.97	573.66	514.50	-	-	-	-	-
Brentwood	59,903	1	396.23	335.42	290.62	203.59	215.46	296.55	318.47	305.66	286.47	338.90
Brookview	69,691	10	759.66	771.44	769.94	820.18	875.66	849.68	897.12	911.44	972.16	1,019.49
Richard L. Brown	77,534	4	669.50	686.00	680.53	644.72	759.94	710.94	741.50	739.02	748.50	841.10
George W. Carver	54,546	-	424.68	441.60	452.50	407.56	392.06	406.53	456.89	421.02	435.76	448.77
Cedar Hills	50,242	-	376.53	373.13	420.18	421.72	361.24	366.08	351.71	389.41	383.45	428.81
Central Riverside	55,482	-	371.28	385.86	386.88	372.28	430.58	431.24	435.26	444.90	481.83	495.57
Chaffee Trail	99,439	-	567.77	-	-	-	-	-	-	-	-	-
Chet's Creek	117,688	4	1,199.11	1,114.24	1,153.92	1,131.20	1,099.78	1,106.69	1,422.19	1,322.99	1,184.71	992.80
Chimney Lakes	134,742	4	1,132.63	1,098.41	1,159.92	1,133.66	1,235.97	1,209.66	1,150.87	1,141.23	1,142.17	1,194.28
Crown Point	120,307	2	1,201.80	1,284.93	1,307.23	1,290.18	1,153.80	1,142.85	1,181.08	1,205.86	1,241.63	1,297.00
Crystal Springs	147,384	4	1,239.53	1,291.22	1,347.61	1,311.72	1,345.83	1,276.52	1,192.04	1,103.09	1,077.82	1,259.95
Lola M Culver	33,222	-	264.84	232.32	260.32	249.28	268.50	280.17	279.39	276.34	298.28	336.30
R. V. Daniels	41,670	-	344.07	375.90	374.50	295.60	285.36	282.53	300.78	309.55	309.18	302.92
Dinsmore	51,397	9	615.07	544.96	538.72	482.35	421.80	412.96	414.95	416.64	439.99	459.56
Don Brewer	86,243	-	526.65	579.60	609.50	611.44	571.19	541.90	-	-	-	-
Englewood	46,661	1	480.82	429.04	469.85	517.51	522.28	507.15	511.97	524.24	510.11	507.30
Enterprise Learning Academy	133,051	9	1,099.44	1,126.27	1,035.66	972.47	894.80	750.33	730.15	730.10	707.81	685.63
St. Clair Evans Academy	63,133	6	467.00	503.00	552.26	557.84	633.90	662.50	647.17	596.08	589.94	552.01
Joseph Finegan	74,159	-	403.34	506.87	474.03	497.14	564.69	608.20	593.50	589.53	534.05	561.97
Fishweir	44,013	2	390.37	325.79	322.24	325.40	318.19	344.99	358.13	330.01	356.35	379.54
John E. Ford	114,060	-	811.93	838.24	925.47	640.66	635.70	667.62	667.64	713.42	717.92	771.91
Ft. Caroline	72,645	11	737.32	752.20	725.93	741.41	738.87	708.53	745.26	741.08	837.17	835.26
Garden City	52,435	3	550.20	683.33	580.40	517.80	516.91	530.75	586.91	545.04	582.07	527.53
Greenfield	51,224	3	524.30	550.17	547.91	522.79	533.52	536.46	536.46	538.53	546.47	603.47
Greenland Pines	117,043	-	1,299.01	1,184.73	1,044.51	950.55	848.07	774.24	741.29	720.99	703.39	712.54
Gregory Drive	53,333	13	788.79	727.30	722.36	666.08	648.11	644.15	655.31	660.99	647.89	709.54
Hendricks Avenue	76,083	6	669.38	646.75	629.61	638.97	624.54	658.58	666.47	642.54	611.23	592.33
Highlands	66,491	-	419.76	431.02	437.50	399.42	321.06	498.36	510.65	563.30	614.53	589.43
Hogan-Spring Glen	58,995	7	453.45	451.68	504.87	463.03	467.65	462.90	460.57	423.68	524.19	550.13
Holiday Hill	69,112	3	671.54	612.38	580.79	555.99	569.43	559.64	572.91	566.90	568.19	580.19
S. A. Hull	41,549	-	312.96	319.10	283.92	306.86	321.57	301.44	300.05	289.08	336.31	333.20
Hyde Grove	57,421	20	514.00	551.46	587.50	594.53	605.60	580.40	571.27	614.02	616.88	604.86
Hyde Park	58,180	2	437.06	477.29	461.22	502.59	515.38	507.87	499.05	537.84	588.20	618.15
J. Allen Axson	62,369	-	406.36	387.20	386.64	325.77	-	-	-	-	-	-
Stonewall Jackson	35,311	-	279.31	317.06	334.56	340.68	329.05	305.45	316.66	287.45	323.67	379.86
Jacksonville Beach	62,809	-	616.58	612.70	619.18	621.14	619.64	627.14	631.20	633.74	601.06	603.50
Jacksonville Heights	84,462	7	959.36	891.63	886.56	873.45	839.58	837.54	907.62	935.70	985.48	1,010.30
Thomas Jefferson	56,144	5	533.88	598.36	577.10	561.18	510.97	560.11	548.67	561.72	535.22	490.74

(Continued)

DUVAL COUNTY PUBLIC SCHOOLS
SCHOOL BUILDING INFORMATION AND FULL-TIME EQUIVALENT ENROLLMENT DATA
LAST TEN FISCAL YEARS
(Unaudited)

Place in Service	Square Footage	Portables	Full-Time Equivalent Enrollment Data									
			2007-08	2006-07	2005-06	2004-05	2003-04	2002-03	2001-02	2000-01	1999-00	1998-99
John C. Stockton	47,822	8	563.38	554.37	499.86	493.97	488.75	484.64	480.35	489.27	480.18	508.21
Mamie Agnes Jones	66,659	-	333.24	378.18	356.20	391.81	402.31	415.39	452.85	435.29	485.01	497.29
Justina Road	46,265	1	317.80	340.02	326.28	346.76	373.39	434.07	360.85	390.22	431.83	441.57
Kernan Trail	82,433	1	774.08	745.58	786.73	788.91	764.73	700.23	-	-	-	-
Martin Luther King	62,459	2	532.50	485.58	543.00	622.02	651.69	636.52	606.56	642.02	566.04	568.06
Kings Trail	49,209	4	379.64	476.74	493.97	453.13	479.64	439.65	500.10	441.49	454.80	487.11
Henry F. Kite	38,060	1	402.05	413.83	353.66	381.69	401.05	384.04	371.14	346.60	357.42	356.73
Lake Forest	75,262	-	386.56	461.26	477.17	485.36	488.45	540.44	533.95	545.70	575.90	617.71
Lake Lucina	54,971	4	493.92	503.08	507.83	509.91	515.81	516.14	527.19	550.31	539.89	578.28
Smart Pope Livingston	100,875	-	528.16	571.58	532.50	563.56	594.89	627.02	652.78	629.90	665.48	715.63
Lone Star	66,025	5	771.68	780.93	767.23	819.35	795.86	824.59	913.52	894.38	859.39	875.48
Long Branch	55,299	-	271.50	293.04	289.00	277.50	302.06	320.03	352.09	340.01	302.50	363.56
Loretta	102,378	13	1,235.49	1,235.23	1,209.99	1,273.59	1,253.87	1,242.79	1,227.70	1,268.61	1,301.74	1,287.49
Love Grove	71,565	-	448.05	467.06	475.95	483.70	559.38	569.29	528.98	547.16	491.90	587.30
John Love	38,494	-	248.12	256.08	246.00	243.60	264.00	293.78	281.17	276.60	283.10	314.12
Mandarin Oaks	143,091	-	1,130.76	1,174.60	1,216.89	1,218.78	1,208.25	1,179.93	1,192.42	1,229.68	1,227.67	1,274.86
Sallye B. Mathis	66,546	-	268.57	286.02	321.46	293.00	308.50	374.01	379.22	382.68	386.34	484.75
Mayport	80,889	-	406.06	559.70	664.66	754.25	859.79	851.88	837.56	896.90	962.91	991.81
Merrill Road	72,463	-	541.04	581.45	548.93	574.28	574.28	543.58	543.58	689.07	684.16	683.82
Annie R. Morgan	52,888	4	388.06	442.45	412.09	383.10	365.92	390.96	492.10	525.05	514.81	480.37
Neptune Beach	118,118	-	919.89	976.12	1,008.34	1,001.62	1,023.06	1,017.06	1,042.66	1,037.19	1,086.76	1,122.98
New Berlin	101,785	6	888.18	689.28	-	-	-	-	-	-	-	-
Northside Village	60,967	3	632.38	614.34	601.70	625.66	624.08	619.45	606.00	644.75	677.56	721.08
North Shore	141,316	-	354.54	378.04	403.50	386.86	425.04	419.82	415.06	486.00	509.50	515.30
Norwood	27,207	-	204.88	202.89	228.58	203.56	218.78	174.39	191.89	162.10	186.62	191.10
Oak Hill	76,214	-	480.28	498.34	498.70	496.58	485.46	491.76	555.89	577.07	627.16	658.51
Oceanway	81,801	-	659.81	635.71	732.33	693.99	661.09	619.30	-	-	-	-
Ortega	33,993	6	402.68	343.98	344.55	369.99	399.18	487.60	394.72	371.93	337.44	337.00
Parkwood Heights	48,808	4	520.82	519.74	524.86	531.62	550.11	571.42	590.88	566.73	582.87	540.91
Rufus E. Payne	55,077	-	335.50	388.50	395.02	388.56	384.46	441.00	515.00	495.00	475.09	507.97
Rutledge H. Pearson	55,357	-	231.00	251.50	258.00	270.62	268.90	300.93	322.32	351.52	367.26	346.50
Pickett	32,584	1	262.00	278.31	259.58	252.06	246.69	252.78	270.28	292.57	301.55	301.58
Pine Estates	35,405	7	360.13	318.03	289.30	302.89	334.67	364.71	362.09	337.84	297.02	320.54
Pine Forest	49,428	-	468.25	458.16	461.26	448.23	489.80	493.19	451.52	384.57	386.90	372.02
Pinedale	80,339	-	354.58	437.00	505.17	476.99	562.36	607.69	633.30	706.51	683.62	673.69
Ramona Boulevard	54,228	2	478.90	561.16	556.56	573.72	476.12	405.13	391.11	425.63	454.85	479.77
Reynolds Lane	76,109	-	365.62	400.45	364.42	377.49	319.08	371.06	397.18	392.84	391.64	450.46
Andrew Robinson	124,289	-	859.02	817.84	616.00	507.40	617.85	624.02	701.04	838.06	895.96	952.68
Sabal Palm	144,731	2	1,289.14	1,264.68	1,314.44	1,320.61	1,291.95	1,390.88	1,533.25	1,500.14	1,415.85	1,381.19
San Jose	74,963	11	702.68	734.37	716.60	649.04	772.50	720.06	758.95	866.76	842.80	795.03
San Mateo	52,045	8	717.20	639.94	684.35	700.38	675.14	688.04	681.67	690.02	684.56	696.90
San Pablo	63,538	4	478.65	500.41	480.18	469.64	513.70	521.30	526.26	567.88	560.24	567.88
Seabreeze	48,950	6	538.25	541.07	563.48	557.23	531.32	567.50	575.38	573.72	573.72	642.13
Louis Sheffield	63,319	14	765.30	720.83	1,020.87	899.02	770.62	696.57	648.42	639.26	626.69	644.21
Southside Estates	77,023	2	534.14	612.04	643.66	647.87	595.94	612.37	647.72	635.09	665.06	633.65
Spring Park	50,976	-	260.82	312.99	363.81	384.04	365.08	371.06	365.92	347.48	385.20	378.82
Sadie Tillis	61,199	-	484.90	477.68	454.31	432.85	404.83	368.82	392.28	443.54	453.67	450.57

(Continued)

SCHOOL BUILDING INFORMATION AND FULL-TIME EQUIVALENT ENROLLMENT DATA
DUVAL COUNTY PUBLIC SCHOOLS
LAST TEN FISCAL YEARS
(Unaudited)

Place in Service	Square Footage	Portables	Full-Time Equivalent Enrollment Data									
			2007-08	2006-07	2005-06	2004-05	2003-04	2002-03	2001-02	2000-01	1999-00	1998-99
Timucuan	71,737	9	675.94	717.27	733.74	695.91	637.38	630.24	632.36	620.96	642.43	677.80
Susie Tolbert	60,317	2	393.02	402.04	385.11	388.50	576.00	582.50	587.00	640.50	597.50	594.00
Twin Lakes	121,137	6	1,124.26	1,092.60	1,061.16	1,212.56	1,266.25	1,204.36	1,077.56	999.24	918.96	837.82
Ruth N. Upson	53,884	-	319.52	374.75	393.19	432.32	431.44	474.81	516.42	491.18	473.95	535.89
Venetia	46,434	2	349.81	335.91	402.09	426.99	417.67	378.28	380.74	398.48	413.37	427.34
Wescott	35,542	-	289.56	276.07	285.89	264.62	265.49	278.04	315.54	336.06	365.03	449.33
West Jacksonville	44,610	1	241.10	237.00	300.08	310.16	370.64	396.83	443.66	425.08	397.04	393.55
West Riverside	37,092	-	336.04	399.21	387.80	396.39	333.49	317.72	371.92	371.92	391.75	343.83
Whitehouse	50,485	5	570.19	798.75	746.44	690.73	637.50	593.70	555.56	565.20	620.81	630.09
Windy Hill	64,111	9	623.96	649.66	689.28	711.16	709.83	721.79	806.11	810.36	759.21	811.26
Woodland Acres	89,567	-	554.63	512.52	581.11	575.00	650.38	617.91	697.09	686.92	750.52	842.70
Carter G. Woodson	58,515	4	424.56	487.02	528.88	512.98	529.20	533.98	603.42	414.82	475.04	443.76
Total Elementary			60,419.35	61,145.22	61,369.92	60,638.72	60,462.13	60,405.93	60,143.42	60,116.57	60,548.98	62,141.19
Middle Schools												
Arlington	143,133	-	850.50	911.59	820.00	895.50	1,007.17	1,057.50	1,082.50	1,002.50	1,029.00	1,066.00
Eugene I. Butler	135,284	-	388.50	499.02	564.50	542.00	537.50	737.50	773.00	732.01	730.01	872.99
Darnell-Cookman	125,085	8	1,126.00	1,093.51	1,138.50	1,239.00	1,234.50	1,225.06	1,202.84	1,144.20	1,118.84	1,201.36
Jefferson Davis	118,043	4	1,505.10	1,522.25	1,491.01	1,559.21	1,502.00	1,497.06	1,517.18	1,507.50	1,482.50	1,562.51
Alfred I. duPont	141,510	2	881.50	953.51	1,053.51	1,143.50	1,125.52	1,130.50	1,347.57	1,296.58	1,257.52	1,300.63
Duncan U. Fletcher	151,113	-	1,312.00	1,302.00	1,384.76	1,400.50	1,433.50	1,383.00	1,604.91	1,538.00	1,457.62	1,505.68
Ft. Caroline	108,005	11	813.00	863.55	980.50	1,097.50	1,068.30	1,042.52	1,124.99	1,126.50	1,008.40	1,105.34
Matthew Gilbert	123,099	-	615.00	616.46	622.54	627.00	692.00	741.00	770.49	800.04	820.00	895.99
Highlands	135,255	9	1,168.00	1,181.71	1,119.96	995.78	1,539.26	1,507.02	1,487.55	1,407.52	1,490.01	1,615.49
James Weldon Johnson	106,272	6	1,086.50	1,105.00	1,101.00	1,137.50	1,212.50	1,206.95	1,214.66	1,212.88	1,200.42	1,127.51
Kernan	154,374	-	1,167.46	1,210.78	1,248.42	1,349.50	1,292.82	1,116.50	-	-	-	-
Kirby-Smith	199,726	-	972.50	968.50	971.00	934.00	979.50	985.01	999.52	982.50	968.50	1,014.51
Lake Shore	129,356	18	977.30	1,057.46	1,154.50	1,179.47	1,276.42	1,141.50	1,248.00	1,085.40	1,059.50	1,145.00
Landmark	234,514	-	1,235.30	1,339.09	1,571.59	1,613.50	1,597.56	1,557.50	2,101.71	2,008.02	1,916.32	1,874.46
Julia E. Landon	112,517	-	531.50	559.39	589.88	791.64	883.12	811.00	451.00	470.00	1,377.20	1,247.66
Lavilla School of the Arts	118,017	-	1,103.50	1,060.50	1,078.50	1,087.72	1,057.81	1,053.60	1,000.00	990.96	-	-
Mandarin	225,034	-	1,570.80	1,576.99	1,637.00	1,708.84	1,710.61	1,630.66	1,593.89	1,561.99	1,558.13	1,554.51
Mayport	142,154	-	667.26	730.40	802.00	895.30	921.94	938.70	934.00	980.00	1,007.50	1,044.00
Northwestern	108,795	-	568.00	758.95	777.24	899.50	979.00	929.00	961.00	758.00	823.50	879.16
Oceanway	139,143	-	1,204.00	1,169.51	1,165.50	1,287.50	-	-	-	-	-	-
Paxon	134,994	-	783.93	829.63	845.97	792.50	890.00	957.00	945.50	935.00	977.00	1,028.25
Jean Ribault	123,152	7	600.00	680.00	654.27	636.32	740.00	793.53	1,042.00	1,030.09	999.46	1,107.64
Southside	133,330	12	992.96	1,010.58	1,086.51	1,116.02	1,135.50	1,120.98	1,216.52	1,202.02	1,125.89	1,260.98
Joseph Stilwell	113,453	12	1,199.48	1,207.00	1,270.79	1,449.01	1,250.08	1,289.56	1,199.55	1,191.03	1,180.01	1,366.53
JEB Stuart	125,936	2	929.41	1,041.80	1,127.50	1,109.63	1,109.00	1,048.51	1,054.49	1,013.99	977.01	1,122.12
Twin Lakes	185,688	-	1,270.00	1,363.60	1,479.33	1,719.50	1,603.00	1,636.01	1,662.49	1,636.49	1,521.03	1,573.96
Total Middle Schools			25,519.50	26,612.78	27,738.28	29,207.44	28,778.61	28,537.17	28,535.36	27,613.22	27,085.37	28,472.28

(Continued)

DUVAL COUNTY PUBLIC SCHOOLS
SCHOOL BUILDING INFORMATION AND FULL-TIME EQUIVALENT ENROLLMENT DATA
LAST TEN FISCAL YEARS
(Unaudited)

Place in Service	Square Footage	Portables	Full-Time Equivalent Enrollment Data									
			2007-08	2006-07	2005-06	2004-05	2003-04	2002-03	2001-02	2000-01	1999-00	1998-99
High Schools												
1922	140,892	12	1,024.56	1,047.14	1,028.36	1,051.52	1,024.14	985.14	1,000.86	916.02	915.52	934.71
1919	112,945	7	1,182.65	1,042.59	1,031.86	926.47	917.00	868.21	815.00	849.00	853.00	912.82
1955	220,580	1	1,884.14	1,940.52	2,003.92	2,026.35	1,843.06	1,894.12	1,677.45	1,650.06	1,683.14	1,865.79
1989	325,820	5	2,380.14	2,162.96	2,149.61	2,010.42	1,920.01	1,635.00	1,574.50	1,509.98	1,555.98	1,919.25
1964	202,575	19	2,430.82	2,536.24	2,519.90	2,358.70	2,317.87	2,177.95	2,148.11	2,092.96	2,041.19	2,191.77
1966	190,885	17	1,727.48	1,693.61	1,650.77	1,611.25	1,530.23	1,524.66	1,464.30	1,486.01	1,554.49	1,860.87
1926	161,314	9	1,505.03	1,585.79	1,582.66	1,467.51	1,479.82	1,417.53	1,433.51	1,490.71	1,455.55	1,573.02
1926	182,736	12	1,822.37	1,870.52	1,837.81	1,910.82	1,810.62	1,561.86	1,338.34	1,200.60	1,205.51	1,450.98
1989	328,045	20	2,846.34	2,822.34	2,843.71	2,843.94	2,753.07	2,657.86	2,515.60	2,423.39	2,301.89	2,381.79
1955	206,890	11	1,819.54	1,855.15	1,936.53	2,010.60	2,104.83	2,135.71	2,172.85	2,082.41	2,047.77	2,205.83
1953	171,700	3	1,510.52	1,491.02	1,470.48	1,492.52	1,541.17	1,462.55	1,397.53	1,288.35	1,121.61	1,010.67
1979	376,415	2	1,170.17	1,224.19	1,225.37	1,192.68	1,234.04	1,087.01	1,101.03	980.06	1,128.05	854.41
1965	217,102	2	1,215.44	1,349.31	1,386.35	1,350.26	1,528.00	1,559.50	1,542.97	1,727.51	1,755.67	2,049.80
1979	240,629	-	947.29	751.35	681.92	734.99	884.72	899.00	958.50	890.97	985.36	630.60
1955	210,567	1	924.82	949.33	998.57	925.87	1,144.42	1,520.50	1,498.00	1,377.43	1,269.00	1,251.31
1971	307,657	18	2,948.54	2,861.60	3,078.20	3,189.84	3,038.88	2,986.37	2,865.63	2,762.34	2,759.06	2,946.14
1953	158,871	8	1,440.08	1,433.50	1,490.94	1,512.00	1,524.13	1,498.50	1,452.95	1,471.36	1,448.24	1,535.98
1971	205,287	17	2,090.33	2,109.98	2,053.41	2,023.52	1,966.01	2,036.56	2,032.45	2,024.59	2,099.54	2,213.49
1965	210,337	22	1,855.08	1,845.36	1,827.97	1,960.90	1,988.94	2,026.09	2,009.79	1,939.80	1,870.65	1,899.43
Total High Schools			32,725.34	32,572.50	32,798.34	32,600.16	32,550.96	31,934.12	30,999.37	30,163.55	30,051.22	31,688.66
Specialty Schools												
1973	49,799	3	224.95	218.69	214.42	192.48	192.86	196.60	194.46	189.95	185.62	201.09
1915	31,202	12	188.58	112.05	127.19	100.50	91.00	130.50	138.00	129.50	150.10	203.00
1927	13,510	-	38.20	34.00	34.50	34.00	33.50	32.00	33.00	33.50	34.50	42.73
1964	68,151	-	152.00	150.65	132.00	141.00	146.00	154.50	159.50	147.50	139.50	189.01
1970	41,553	4	159.00	160.50	153.00	153.00	172.00	169.00	175.00	172.50	179.37	205.37
1898	40,118	3	176.50	156.23	226.04	168.00	160.00	177.00	176.00	178.00	155.00	171.50
Total Specialty Schools			939.23	832.12	887.15	788.98	795.36	859.60	875.96	850.45	844.09	1,012.70
Satellite School												
(a)	(a)	N/A	185.69	179.10	173.20	203.58	199.29	157.04	178.82	168.78	172.11	164.40
Total Satellite School			185.69	179.10	173.20	203.58	199.29	157.04	178.82	168.78	172.11	164.40
Charter Schools												
(a)	(a)	N/A	109.50	171.85	-	-	-	-	-	-	-	-
(a)	(a)	N/A	171.50	-	-	-	-	-	-	-	-	-
(a)	(a)	N/A	202.05	201.00	182.49	147.05	-	-	-	-	-	-
(a)	(a)	N/A	213.50	240.00	267.50	311.50	349.50	356.98	506.99	492.50	481.00	353.94
(a)	(a)	N/A	428.00	431.00	334.00	375.50	259.50	246.50	217.50	152.00	-	-
Total Charter Schools			696.55	612.85	449.99	458.55	349.50	356.98	506.99	492.50	481.00	353.94

(Continued)

SCHOOL BUILDING INFORMATION AND FULL-TIME EQUIVALENT ENROLLMENT DATA
DUVAL COUNTY PUBLIC SCHOOLS
LAST TEN FISCAL YEARS
(Unaudited)

Place in Service	Square Footage	Portables	Full-Time Equivalent Enrollment Data									
			2007-08	2006-07	2005-06	2004-05	2003-04	2002-03	2001-02	2000-01	1999-00	1998-99
Other Programs												
(a)	(a)	N/A	709.67	408.04	-	-	-	-	-	-	-	-
(a)	(a)	N/A	148.29	161.54	175.17	155.88	174.78	157.49	213.81	256.56	109.88	223.86
(a)	(a)	N/A	29.18	29.11	31.05	34.49	36.03	32.51	30.29	30.65	18.25	31.13
(a)	(a)	N/A	7.48	-	-	-	-	-	-	-	-	-
(a)	(a)	N/A	29.79	27.50	27.08	21.00	29.50	33.50	29.00	59.00	73.50	73.59
(a)	(a)	N/A	44.99	43.16	44.25	55.48	54.73	52.74	49.13	60.90	58.25	53.43
(a)	(a)	N/A	21.32	24.96	32.53	34.18	30.59	26.28	27.19	30.14	19.98	33.10
(a)	(a)	N/A	18.68	20.78	23.39	19.52	20.03	19.81	18.20	19.41	24.28	36.21
(a)	(a)	N/A	68.76	82.84	103.07	113.94	121.29	133.66	99.69	92.92	35.05	76.99
(a)	(a)	N/A	2,379.64	2,324.50	2,127.00	1,929.50	1,550.50	1,069.50	567.00	118.00	-	-
(a)	(a)	N/A	100.25	104.73	102.97	107.01	108.50	113.91	109.30	115.83	61.17	100.01
(a)	(a)	N/A	58.30	43.50	32.46	45.00	42.00	38.00	43.50	50.00	67.00	126.61
(a)	(a)	N/A	240.50	216.50	223.00	249.00	263.00	253.50	270.00	242.00	340.50	381.67
(a)	(a)	N/A	27.77	25.54	28.82	23.75	20.49	21.24	20.83	20.82	16.63	23.39
(a)	(a)	N/A	36.21	25.69	23.25	26.00	25.00	31.50	31.00	39.50	37.00	35.27
Total Other Programs			3,920.83	3,538.39	2,976.04	2,814.75	2,476.44	1,983.64	1,508.94	1,135.73	861.49	1,195.26
Closed												
1910	(a)	N/A	-	-	-	-	289.84	266.13	275.93	270.39	322.06	378.19
1911	(a)	N/A	-	-	70.50	106.50	157.50	145.50	169.00	207.01	188.50	219.50
1956	(a)	N/A	-	-	-	-	-	-	-	372.76	361.30	608.80
(a)	(a)	N/A	-	-	-	-	-	-	-	-	-	61.99
(a)	(a)	N/A	-	-	-	-	178.50	162.50	184.00	159.50	195.50	159.50
(a)	(a)	N/A	-	-	-	-	-	41.00	42.50	43.50	32.00	29.86
(a)	(a)	N/A	-	-	-	-	144.00	142.50	114.50	113.48	-	-
(a)	(a)	N/A	-	-	-	-	1.16	26.69	30.33	26.98	14.72	25.76
(a)	(a)	N/A	-	-	-	-	-	-	-	-	-	-
(a)	(a)	N/A	-	-	-	80.50	320.50	323.50	298.50	375.00	375.53	375.13
(a)	(a)	N/A	-	-	-	-	-	-	-	178.00	103.50	-
(a)	(a)	N/A	-	-	-	-	-	-	-	-	49.96	-
(a)	(a)	N/A	-	-	-	-	-	-	-	-	149.43	-
(a)	(a)	N/A	-	-	-	-	-	-	75.82	93.36	40.28	84.48
1890	(a)	N/A	-	-	-	134.00	97.50	112.00	116.50	90.50	107.50	118.51
(a)	(a)	N/A	-	-	60.50	90.00	6.00	-	-	-	-	-
(a)	(a)	N/A	-	-	-	-	108.00	109.89	130.00	113.00	107.00	80.00
1957	(a)	N/A	-	-	-	-	-	-	-	141.50	141.00	-
(a)	(a)	N/A	-	-	-	-	154.00	160.28	170.22	174.42	199.77	219.92
(a)	(a)	N/A	-	-	118.87	100.50	-	-	-	-	-	-
(a)	(a)	N/A	-	-	139.51	148.50	153.54	142.51	-	-	-	-
1959	(a)	N/A	-	-	-	-	-	-	605.85	623.97	692.01	746.26
Total Closed			-	105.87	491.38	660.00	1,610.54	1,632.50	2,213.15	2,983.37	3,030.10	3,157.86
Total District FTE Data			124,620.49	125,814.33	127,051.30	127,559.93	127,352.58	125,990.23	125,070.76	123,600.17	123,074.36	128,186.29

Source: District Records

(a) Information not available

**DUVAL COUNTY PUBLIC SCHOOLS
OTHER PROPERTIES INFORMATION
(Unaudited)**

	<u>Year Acquired</u>	<u>Square Footage</u>
Administrative Buildings		
ADMINISTRATION BUILDING KING STREET	1942	103,077
ADMINISTRATIVE OFFICES ARLINGTON	1990	30,336
MAINTENANCE # 1 LIBERTY STREET	1937	28,434
MAINTENANCE # 2 POWERS AVENUE	1972	5,527
CENTRAL ADMINISTATIVE OFFICE PRUDENTIAL DRIVE	1980	104,671
TEAM CENTER-SHULTZ CENTER	1995	105,945
CONSOLIDATED SERVICE CENTER BULLS BAY	1994	203,120
JOHN GORRIE JUNIOR HIGH TEACHER DEPOT	1923	102,011
MAINTENANCE # 3 STRICKLAND	1968	22,116
MAINTENANCE SUBSTATION #13	1961	2,286
NORTHEAST SPRINGFIELD ELEMENTARY	1910	38,674
NUTRITION SERVICE CENTER	2005	65,852
Leased to others		
FAIRFIELD ELEMENTARY	1911	15,654
FOREST PARK ELEMENTARY	1954	65,028
	<u>Year Acquired</u>	<u>Total Acerage</u>
Vacant Land		
5270 CONNIE JEAN ROAD	2000	46
U.S HWY 301 AND FIFTONE ROAD	1901	1
1923 PERRY STREET	1901	2
LAKESHORE BOULEVARD (E. OF BLANDING)	1901	1
PICKETTVILLE ROAD AND OLD KINGS ROAD	1901	5
11231 PHILLIPS INDUSTRIAL BLVD E	2005	44
450 KERNAN BOULEVARD NORTH	2006	17
14799 BARTRAM SPRINGS PARKWAY	2007	20
9735 R.G. SKINNER PARKWAY	2007	102
R.G. SKINNER PARKWAY	2007	60

Source: District Records

DUVAL COUNTY PUBLIC SCHOOLS
TEACHERS' BASE SALARIES (10 MONTH)
LAST TEN FISCAL YEARS
(Unaudited)

Fiscal Year Ending	Minimum Salary	Maximum Salary	Average Salary
June 30, 2008	\$37,000	\$70,891	\$48,300
June 30, 2007	35,200	67,566	48,649
June 30, 2006	32,750	63,816	45,895
June 30, 2005	31,000	60,489	42,813
June 30, 2004	30,000	57,648	41,513
June 30, 2003	30,000	57,648	42,182
June 30, 2002	28,155	54,647	41,380
June 30, 2001	27,510	53,340	38,392
June 30, 2000	26,200	50,800	37,913
June 30, 1999	25,500	49,131	36,116

Source: District Records

Note: The total for year 2003 and 2004 are the same because the teachers moved a step but there was no money added to the salary schedule.

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DUVAL COUNTY PUBLIC SCHOOLS
FOOD SERVICES OPERATING DATA
LAST TEN FISCAL YEARS
(Unaudited)

	Fiscal Year Ending				
	June 30, 2008	June 30, 2007	June 30, 2006	June 30, 2005	June 30, 2004
Days Meals were Served	180	180	180	179	180
Average Number of Free and Reduced Meals Served Daily	78,747	77,198	88,068	84,152	80,535
Number of Free and Reduced Meals Served	14,174,460	13,895,693	15,852,203	15,063,149	14,496,371
Average Daily Subsidy Received	\$ 139,917	\$ 134,733	\$ 127,008	\$ 126,281	\$ 118,591
Total Subsidy Received	\$ 25,184,977	\$ 24,251,910	\$ 22,861,509	\$ 22,604,215	\$ 21,346,418
Average Number of Meals Served Daily	117,279	119,086	120,279	124,650	123,469
Average Number of Paid Meals Served	38,532	41,888	32,211	40,498	42,934
Average Daily Revenue	\$ 230,487	\$ 235,065	\$ 212,810	\$ 211,602	\$ 205,745
Total Revenue	\$ 41,487,654	\$ 42,311,666	\$ 38,305,841	\$ 37,876,830	\$ 37,034,144
Average Daily Costs	\$ 239,095	\$ 250,837	\$ 209,002	\$ 209,032	\$ 205,022
Total Costs	\$ 43,037,043	\$ 45,150,659	\$ 37,620,331	\$ 37,416,672	\$ 36,903,996

Source: District Records

Fiscal Year Ending				
June 30, 2003	June 30, 2002	June 30, 2001	June 30, 2000	June 30, 1999
180	180	180	180	180
79,634	79,519	74,370	73,192	72,981
14,334,194	14,313,445	13,386,600	13,174,560	13,136,580
\$ 118,032	\$ 115,817	\$ 103,795	\$ 115,817	\$ 115,947
\$ 21,245,731	\$ 20,847,103	\$ 18,683,087	\$ 20,847,103	\$ 20,870,519
120,711	116,034	107,104	105,285	105,698
41,077	23,613	32,734	32,093	32,717
\$ 201,478	\$ 197,004	\$ 187,451	\$ 184,700	\$ 172,211
\$ 36,265,987	\$ 35,460,750	\$ 33,741,180	\$ 33,246,000	\$ 30,997,980
\$ 191,096	\$ 185,971	\$ 176,799	\$ 173,987	\$ 166,282
\$ 34,397,356	\$ 33,474,830	\$ 31,823,820	\$ 31,317,660	\$ 29,930,760

**DUVAL COUNTY PUBLIC SCHOOLS
FREE AND REDUCED LUNCH PROGRAM**

District			Charter		
Fiscal Year Ending	Number of Students on Free and Reduced Lunch Program	Percentage of Students on Free and Reduced Lunch	Fiscal Year Ending	Number of Students on Free and Reduced Lunch Program	Percentage of Students on Free and Reduced Lunch
June 30, 2008	52,775	42.59%	June 30, 2008	400	59.64%
June 30, 2007	52,477	42.90%	June 30, 2007	547	50.20%
June 30, 2006	54,863	42.49%	June 30, 2006	550	52.03%
June 30, 2005	57,206	44.65%	June 30, 2005	642	57.84%
June 30, 2004	55,458	41.95%	June 30, 2004	1,084	71.74%
June 30, 2003	51,007	41.91%	June 30, 2003	940	68.56%
June 30, 2002	51,160	41.52%	June 30, 2002	740	50.48%
June 30, 2001	49,262	40.73%	June 30, 2001	1,096	63.57%
June 30, 2000	49,281	40.84%	June 30, 2000	794	57.83%
June 30, 1999	51,043	41.62%	June 30, 1999	554	56.21%

Source: DCPS Economic Report March 2008

DUVAL COUNTY PUBLIC SCHOOLS
COMPUTATION OF DIRECT AND OVERLAPPING DEBT
JUNE 30, 2007
(Unaudited)

Name of Governmental Agency	Net General Obligation Debt Outstanding (1)	Percentage Applicable to Duval County Public Schools (2)	Amount Applicable to Duval County Public Schools
Duval County Public School District	\$ (1,517,818)	100%	<u>(\$1,517,818)</u>
			<u><u>(\$1,517,818)</u></u>

(1) The net general obligation debt outstanding includes debt which is secured by the District to levy taxes on real estate less amounts available in debt service funds.

(2) The applicable percentage is based on the District's geographical boundaries within Duval County.

Source: Duval County Public Schools - Business Services

DUVAL COUNTY PUBLIC SCHOOLS
PROPERTY VALUE, CONSTRUCTION AND BANK DEPOSITS
LAST TEN FISCAL YEARS (in thousands)
(Unaudited)

Fiscal Year Ending	New Construction (1)			Bank Deposits(2)	Real Property (3)		
	Residential	Commercial	Alterations (1)		Commercial	Residential	Nontaxable
June 30, 2008	\$ 2,128,046	\$ 246,919	\$ 225,193	\$29,901,000	\$ 20,598,197	\$ 59,421,928	\$ 7,343,672
June 30, 2007	1,192,561	346,009	317,990	8,042,402	19,236,094	57,791,533	6,969,653
June 30, 2006	2,004,095	463,362	218,872	7,597,361	16,379,010	48,187,874	5,629,953
June 30, 2005	1,635,353	342,124	1,156,223	21,334,437	14,915,831	40,299,325	5,212,968
June 30, 2004	959,906	293,540	465,506	16,284,725	13,431,483	34,800,077	4,956,996
June 30, 2003	753,302	251,835	420,335	12,941,342	12,774,546	30,972,000	4,814,862
June 30, 2002	711,968	232,161	853,260	11,646,987	12,179,411	27,207,404	4,483,005
June 30, 2001	622,959	374,950	688,407	8,882,117	11,330,305	24,657,180	4,364,902
June 30, 2000	600,833	259,934	854,827	9,780,491	10,610,895	21,736,222	4,362,901
June 30, 1999	594,438	376,159	479,738	10,127,170	9,688,133	20,147,736	4,357,722

SOURCE:

- (1) City Building and Zoning Division.
- (2) Federal Deposit Insurance Corporation - The 2008 balance is as of June 30, 2008 at:
<http://www.fdic.gov>.
- (3) The Property Appraiser's Office - October 8, 2008

OTHER REPORTS

OTHER REPORTS



TEACHING

LEARNING



ACHIEVING



OTHER REPORTS SECTION

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Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*

Members of the School Board
Duval County Public Schools

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Duval County Public Schools (the District) as of and for the year ended June 30, 2008, which collectively comprise the District's basic financial statements and have issued our report thereon dated November 28, 2008. We conducted our audit in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Our report was modified to include a reference to other auditors. Other auditors audited the financial statements of the charter schools as described in our report on the District's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

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 control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

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

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

Compliance and other matters

As part of obtaining reasonable assurance about whether the 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 November 24, 2008.

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

Ernst & Young LLP

November 28, 2008

Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133

Members of the School Board
Duval County Public Schools

Compliance

We have audited the compliance of Duval County Public Schools (the District) with the types of compliance requirements described in the US Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2008. The District's major federal programs are identified in the summary of auditor's 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; 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 of the District's compliance with those requirements.

In our opinion, the District complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2008.

Internal control over compliance

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

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

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

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

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

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

Ernst & Young LLP

November 28, 2008

DUVAL COUNTY PUBLIC SCHOOLS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended June 30, 2008

Federal Grantor/Pass-Through Grantor/Program Title	Catalog of Federal Domestic Assistance Number	Pass-Through Grantor Number	Amount of Expenditures (1)	Amount Provided to Subrecipients
United States Department of Agriculture:				
Indirect:				
Florida Department of Agriculture and Consumer Services:				
Food Distribution	10.550 (2)	None	\$ 785,959	\$ -
Florida Department of Education				
Child Nutrition Cluster:				
School Breakfast Program	10.553	321	6,417,035	
National School Lunch Program	10.555	300	17,209,100	
Summer Food Service Program for Children	10.559	323	316,414	
Total Child Nutrition Cluster			<u>23,942,549</u>	<u>-</u>
City of Jacksonville				
Child and Adult Care Food Program	10.558	JCPS 192MS	1,242,448	-
Total United States Department of Agriculture			<u>25,970,956</u>	<u>-</u>
United States Department of Labor:				
Indirect:				
Employment and Training Administration:				
WIA Youth Activities	17.259	N/A	127,241	
Total United States Department of Labor			<u>127,241</u>	<u>-</u>
United States Office of Air and Radiation, Environmental Protection				
Indirect:				
Environmental Protection Agency				
Demonstrations, and Special Purpose Activities Relating to the Clean Air Act	66.034	XA-96444406	8,503.00	
Total United States Office of Air and Radiation, Environmental Protection			<u>8,503.00</u>	
United States Department of Education:				
Direct:				
Impact Aid	84.041	N/A	420,827	
Magnet Schools Assistance Program	84.165	N/A	2,584,915	
Funds for the Improvement of Education	84.215	N/A	785,385	

Gaining Early Awareness and Readiness for Undergraduate Programs	84.334	N/A	428,243	
Transition to Teaching Program	84.350	N/A	413,712	
Total Direct			4,633,082	-
Indirect:				
Special Education Cluster:				
Florida Department of Education:				
Special Education - Grants to States	84.027	262, 263	29,482,442	
Special Education - Preschool Grants	84.173	266, 267	917,098	
Total Special Education Cluster			30,399,540	-
Florida Department of Education:				
Title I Grants to Local Educational Agencies	84.010	212, 238, 226, 223	28,723,386.00	
Title I Program for Neglected and Delinquent Children	84.013	223	347,240.00	
Vocational Education - Basic Grants to States	84.048	151	1,534,890.00	
Safe and Drug-Free Schools and Communities - State Grants	84.186	103	578,795.00	
Education for Homeless Children and Youth	84.196	127	95,032.00	
Twenty-First Century Community Learning Centers	84.287	244	1,923,109.00	1,044,000
State Grants for Innovative Programs	84.298	113	170,912.00	
Education Technology State Grants	84.318	121	405,472.00	
Comprehensive School Reform Demonstration	84.332	129, 128	330.00	
Reading First State Grants	84.357	211	1,113,812.00	
Voluntary Public School Choice Mentor District Project	84.361	299	99,405.00	
English Language Acquisition Grants	84.365	102	514,362.00	
Mathematics and Science Partnerships	84.366	235	264,979.00	
Improving Teacher Quality State Grants	84.367	224	6,623,286.00	
Florida Community College of Jacksonville:				
Carl D. Perkins - Tech Prep	84.243	07B015	41,103.00	
Total Indirect			72,835,653.00	1,044,000.00
Total United States Department of Education			77,468,735.00	1,044,000.00
United States Department of Health and Human Services:				
Indirect:				
Agency for Health Care Administration:				
Refugee and Entrant Assistance Discretionary Grant	93.576	NA	109,534.00	
Total United States Department of Health and Human Services			109,534.00	
United States Corporation for National and Community Service:				
Indirect:				
Florida Department of Education				
Learn and Serve America - School and Community Based Programs	94.004	N/A	13,493.00	

Total United State Corporation for National and Community Service

	13,493.00

United States Department of Defense:

Direct:

Reserve Officers Training Corps

N/A

None

	551,904.00
	551,904.00

Total United States Department of Defense

Total Expenditures of Federal Awards

\$	104,250,366.00	\$	1,044,000.00
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- (1) Basis of Presentation - The Schedule of Expenditures of Federal Awards represents amounts expended from Federal Programs during the 2007-2008 fiscal year as determined based on the modified accrual basis of accounting. The amounts reported on the Schedule have been reconciled to and are in material agreement with amounts recorded in the District's accounting records from which the general purpose financial statements have been reported.
- (2) Noncash Assistance of Food Distribution - Represents the amount of donated food used during the 2007-2008 fiscal year. Commodities are valued at fair value as determined at the time of donation.

Duval County Public Schools
Schedule of findings and questioned costs
for the year ended June 30, 2008

Part I—Summary of Auditor's Results

Financial statements section

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

Material weakness(es) identified? **yes** **X** **no**

Significant deficiency(s) identified not considered to be
material weaknesses? **yes** **X** **none reported**

Noncompliance material to financial statements noted? **yes** **X** **no**

Federal awards section

Internal control over major programs:

Material weakness(es) identified? **yes** **X** **no**

Significant deficiency(s) identified not considered to be
material weaknesses? **yes** **X** **none reported**

Type of auditor's report 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))? **yes** **X** **no**

Part I—Summary of Auditor’s Results (continued)

Identification of major programs:

<u>CFDA Numbers</u>	<u>Name of federal program or cluster</u>
10.553, 10.555 & 10.559	Child Nutrition Cluster
84.010	Title I Grants to Local Educational Agencies
84.367	Improving Teacher Quality State Grants
84.165	Magnet School Assistance

Dollar threshold used to distinguish between

Type A and Type B programs:

\$3,000,000

Auditee qualified as low-risk auditee?

_____yes X no

Part II—Financial statement findings section

This section identifies the significant deficiencies, material weaknesses, fraud, illegal acts, violations of provisions of contracts and grant agreements, and abuse related to the financial statements for which *Government Auditing Standards* require reporting in a Circular A-133 audit

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

Part III—Federal award findings and questioned costs section

This section identifies the audit findings required to be reported by Circular A-133 section .510(a) (for example, material weaknesses, significant deficiencies and material instances of noncompliance, including questioned costs), as well as any abuse findings involving federal awards that are material to a major program..

There are no federal award findings that are required to be reported in accordance with Circular A-133 section .510(a).

Duval County Public Schools
Summary schedule of prior audit findings
for the year ended June 30, 2008

Prior Federal Award Finding No.	Program	Description	Status
2007-01	Child Nutrition Cluster [School Breakfast Program(CFDA No. 10.553); National School Lunch Program (CFDA No. 10.555); and Summer Food Service Program for Children (CFDA No. 10.559)]	Procurement-Contract Monitoring: District procedures were not adequate for monitoring the contract payments to the food service management company, and other terms and conditions of the food services management agreement.	The District is in the process of enhancing its procedures to ensure that reimbursements to the FSMC are allowable expenditures of the food service program, properly supported by detailed invoices, and net of rebates and allowances as recommended. During the year, the District performed a review of the contract requirements with the assistance of the Department of Education Food and Nutrition Services Department. As a result, the FSMC has agreed to an audit of purchases and costs associated with the food service program. Recommendations appear to be in progress.

Prior Federal Award Finding No.	Program	Description	Status
2007-02	School Breakfast Program (CFDA No. 10.553) and National School Lunch Program (CFDA No. 10.555)	Program Income - Exclusive Beverage Contract: The District did not properly allocate a portion of the program income from its exclusive beverage contract to the food service program.	After documentation to the grantor and per directives from the grantor, the district allocated 10% of the monetary value of the exclusive beverage contract for the current fiscal year (approximately \$170,000). Prior to June 30, 2008, these funds were transferred to the food service account. Using 2008 as a basis, contributions from the exclusive beverage contract are now redirected to the food service account based on the % of the value of the contract contributed by the food service operations in accordance with directives from DOE. Enhanced policies and procedures in place for program income.
2007-03	National School Lunch Program (CFDA No. 10.555)	Special Tests and Provisions- Competitive Food Sales: The District did not comply with applicable Federal Regulations and State rules relating to the sale of competitive food and beverage items.	The District has implemented corrective action plans to ensure school compliance on the sale of food and beverages in the National School Lunch Program. As of March 2008, the food service auditing staff began looking for compliance during their normal visits to schools and advise managers about the rules of beverage machines in their facilities. The exclusive beverage contractor has been instructed again on the proper procedures. Principles will be informed again at start of school year.

Prior Federal Award Finding No.	Program	Description	Status
2007-04	Child Nutrition Cluster [School Breakfast Program(CFDA No. 10.553); National School Lunch Program (CFDA No. 10.555); and Summer Food Service Program for Children (CFDA No. 10.559)]	Cash Management-Food Service Program: Contrary to Federal Regulation, the District's food service program subsidized the cost of certain non-program food service activities.	The amount used for subsidy, \$320,466, was restored to the Child Nutrition Cluster. The District has increased prices in the affected areas effective March 17, 2008 to avoid any further deficit operations for administration and increased meal prices at the school level effective August 2007. The District continues to monitor sales in non school settings to assure compliance.

Prior Federal Award Finding No.	Program	Description	Status
2007-05	Child Nutrition Cluster [School Breakfast Program(CFDA No. 10.553); National School Lunch Program (CFDA No. 10.555); and Summer Food Service Program for Children (CFDA No. 10.559)]; Magnet Schools Assistance Program (CFDA No. 84.165)	Allowable Costs/Cost Principles - Contract Provisions: Improvements were needed in District procedures to provide for required provisions in contracts funded with Federal moneys.	The finding was reported to the U.S. Department of Education's Post Audit Group by the District. The USDOE concurred with the auditor's recommendation. Alterations were made to the Special Conditions section of the District's solicitation documents incorporating the requirement of respondents to adhere to Federal contract provisions. Information was provided to the USDOE as an update of corrective action taken. USDOE accepted District's response to the finding and consider the finding resolved. The above status refers to both Major programs. Specifically related to the Nutrition Cluster, the District performed an audit of food service contracts and determined that contracts were compliant with federal regulations involving Federal Funds that contain certain provisions.

Prior Federal Award Finding No.	Program	Description	Status
2007-06	Child Nutrition Cluster [School Breakfast Program(CFDA No. 10.553); National School Lunch Program (CFDA No. 10.555); and Summer Food Service Program for Children (CFDA No. 10.559)]; Magnet Schools Assistance Program (CFDA No. 84.165)	Debarment and Suspension: District records did not always evidence compliance with Federal suspension and debarment requirements.	The District implemented corrective actions plans to ensure proper documents are always maintained for compliance with federal suspension and debarment requirements. In addition, finding was reported to the U.S. Department of Education's Post-Audit Group by the District. The USDOE concurred with the auditor's recommendation. Alterations made to the Special Conditions Section of the District's solicitation documents relating to this finding were submitted and reviewed by the USDOE. The USDOE accepted the District's response to the finding and considered the finding resolved.

Prior Federal Award Finding No.	Program	Description	Status
2007-07	Magnet Schools Assistance Program (CFDA No. 84.165)	<p>Matching, Level of Effort, and Earmarking - Planning Costs: The District reported expenditures for planning activities in its Magnet Schools Assistance Program for the second and third award years that exceeded the program requirements by \$366,984.</p>	<p>District strengthened documentation procedures to ensure grant expenditures are recorded correctly. In addition, the District provided an explanation to the U.S. Department of Education's Post Audit Group for exceeding the allowable limit and the USDOE approved the explanation as valid for the audit issue. The USDOE accepted the District's response to the finding and did not require that the questioned costs of \$366,984 be refunded to the USDOE. The USDOE considered the finding resolved.</p>

Prior Federal Award Finding No.	Program	Description	Status
2007-08	Magnet Schools Assistance Program (CFDA No. 84.165)	<p>Allowable Costs/Cost Principles: Documentation of Employee Time and Effort: Enhancements were needed in District procedures for documenting salaries and benefits charged to the Magnet Schools Assistance Program.</p>	<p>The District implemented corrective procedures to ensure compliance. Specific to the Major Program, the Magnet Office created Time and Effort logs for full time and part time personnel paid from Magnet Schools Assistance Program grant funds. These forms are collected monthly. In addition, the District submitted the finding to the U.S. Department of Education's Post Audit Group. The USDOE concurred with the auditors' recommendation. At the USDOE's request, the District documented to the USDOE the specific actions that the Magnet Office has implemented to comply with Time and Effort requirements. The USDOE accepted the District's response. The USDOE stated that it will review future A-133 audits of the District's programs to ensure this finding does not recur.</p>

Prior Federal Award Finding No.	Program	Description	Status
2007-09	Improving Teacher Quality State Grants (CFDA No. 84.367)	<p>Activities Allowed or Unallowed: The District's contracted payments to the Schultz Center for Teaching and Leadership from the Improving Teacher Quality State Grants program included costs that do not appear necessary and reasonable for the program, resulting in payment amounts exceeding the Center's costs by \$483,408 for the 2006-07 fiscal year.</p>	<p>On April 14, 2008, the District accepted the finding (prior to this the District disagreed with the finding). A credit adjustment was posted as a reduction of expenditures in the questioned amount. Supporting documentation showing the corrective action was forwarded to the FDOE and the Auditor General. The District contacted the FDOE for guidance on making changes to the arrangement with the Center to ensure the necessity and reasonableness of the costs. Per this guidance, future funding for the Schultz Center will be split between Federal Title II funds and general operating funds. In addition, the District will meet with the Schultz Center to agree to accounting and reporting requirements that need to be performed by the Center as a sub-recipient.</p>

DUVAL COUNTY SCHOOL BOARD



Vision

Every student will graduate from Duval County Public Schools with the knowledge and skills to be successful in post-secondary education and/or the workforce.

Mission

The Duval County Public School System is committed to providing high quality educational opportunities that will inspire all students to acquire and use the knowledge and skills needed to succeed in a global economy and culturally diverse world.



TEACHING • LEARNING • ACHIEVING

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