

CLEVELAND HEIGHTS - UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT UNIVERSITY HEIGHTS, OHIO



Designed and quilted by
PATRICIA BENEDICT, MATHEMATICS TEACHER,
Cleveland Heights High School, 2002-2003
Representing 22+ years of collecting CHHS T-shirts.

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2003



**Auditor of State
Betty Montgomery**

Board of Education
Cleveland Heights – University Heights City School District

We have reviewed the Independent Auditor's Report of the Cleveland Heights – University Heights City School District, Cuyahoga County, prepared by Ciuni & Panichi, Inc. for the audit period July 1, 2002 through June 30, 2003. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

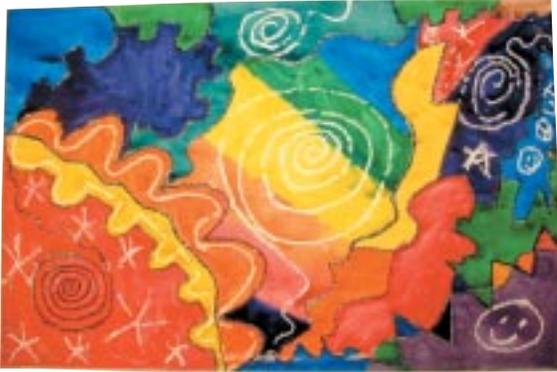
Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Cleveland Heights – University Heights City School District is responsible for compliance with these laws and regulations.

A handwritten signature in cursive script that reads "Betty Montgomery".

BETTY MONTGOMERY
Auditor of State

January 22, 2004

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LENA CONSOLE
Grade 6, Roxboro Middle



ANTHONAYA HARMON
Cleveland Heights High School



DEVYN MITCHELL
Grade 7, Roxboro Middle

INTRODUCTORY SECTION

CLEVELAND HEIGHTS - UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT

UNIVERSITY HEIGHTS, OHIO

COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2003

ISSUED BY
Treasurer's Office
A. Scott Gainer
Treasurer



ISABEL MCGAUGH
Kindergarten, Coventry Elementary

CLEVELAND HEIGHTS - UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT

MISSION STATEMENT

OUR EDUCATIONAL COMMUNITY SUPPORTS AN ENVIRONMENT THAT FREES THE VISION, CREATIVITY AND ENERGY OF ALL ITS MEMBERS, ALLOWING THEM TO:

- Become academically literate in reading, computation, and oral and written communication.
- Promote self-control, self-discipline, and a sense of responsibility for one's actions.
- Assist students and staff in recognizing their strengths and setting realistic goals.
- Appreciate the multicultural ethnic, racial, and religious natures of our students, staff, and community.
- Treat with equity and dignity all who participate in the schools.
- Encourage family and community involvement in our schools and school involvement in our community.
- Explore career options that satisfy individual goals and help fulfill societal needs for productive citizens.
- Use accumulated knowledge, decision-making, and critical thinking skills to make reasoned judgements and wise decisions.

CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
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A. Scott Gainer
Treasurer

December 19, 2003

Members of the Board of Education and
Residents of the Cleveland Heights-University Heights City School District

Dear Board Members and Residents:

We are pleased to submit to you the Cleveland Heights-University Heights City School District's third Comprehensive Annual Financial Report (CAFR). This report is the District's official annual financial report for the fiscal year ended June 30, 2003. This report presents the District's financial information in a comprehensive manner consistent with generally accepted accounting principles (GAAP) applicable to all governmental entities. Generally accepted accounting principles are uniform minimum standards and guidelines for financial accounting and reporting. These national standards provide a consistent and standard format for the reader to analyze and interpret the financial data presented. The Government Accounting Standards Board (GASB) is the authoritative body that prescribes and administers the guidelines and standards relative to financial reporting. This report also includes an unqualified opinion from Ciuni & Panichi, Inc. for the 2003 fiscal year.

Responsibility for the accuracy of the data presented 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 presents fairly the financial position of the District.

This report has been filed with the appropriate regulatory agencies as well as the major bond rating agencies and copies will be made available to the Cleveland Heights-University Heights Public Library, major taxpayers, and other interested parties.

This report is presented in the following three sections:

1. The Introductory Section contains a Table of Contents, Letter of Transmittal, Government Finance Officer's Association (GFOA) Certificate of Achievement, List of Principal Officials, an Organizational Chart of the District, and a map of the District.

2. The Financial Section begins with the Report of Independent Accountants and includes the Management's Discussion and Analysis and the Basic Financial Statements and Notes which provide an overview of the District's financial position and operating results, Combining Statements by fund type, and other schedules that provide detailed information relative to the Basic Financial Statements.
3. The Statistical Section presents social and economic data, financial trends, and the fiscal capacity of the Cleveland Heights-University Heights City School District.

The School District

The Cleveland Heights-University Heights City School District is one of 612 school districts in the State of Ohio and one of 31 school districts in Cuyahoga County. The District provides education to 6,821 students in grades kindergarten through twelve. Additionally, the District provides preschool, after school, adult and community education services. The District covers approximately 9.6 square miles, serving the cities of Cleveland Heights, University Heights, and a small portion of South Euclid, and is located approximately ten miles southeast of downtown Cleveland.

Highlights of the history of the Cleveland Heights-University Heights City School District are as follows:

- 1901 East Cleveland Township School Board formed (included the hamlet of Cleveland Heights)
- 1902 Passed issue to build Lee Road School
- 1903 Cleveland Heights became a village
- 1904 District renamed Cleveland Heights School District
- 1905 Expansion of Lee Road School
- 1906 Roxboro Elementary School built
- 1907 First graduation at Heights High
- 1916 Fairfax Elementary School built
- 1916 New high school built on Lee Road site
- 1919 Coventry Elementary School built
- 1922 Noble Elementary School built
- 1923 Taylor Elementary School built
- 1924 Boulevard Elementary School built
- 1925 Oxford Elementary School built
- 1926 New high school at Cedar and Lee Roads built
- 1926 Roosevelt Junior High School built
- 1926 Roxboro Junior High School built
- 1927 Canterbury Elementary School built
- 1929 Superior Opportunity School built
- 1930 Monticello Junior High School built
- 1942 District became Cleveland Heights-University Heights City School District
- 1948 Northwood Elementary School built
- 1949 Belvoir Elementary School built
- 1953 Millikin Elementary School built
- 1954 Wiley Junior High School built
- 1964 Board Administration Building opened
- 1972 Bond issue to construct new Coventry, Boulevard, Fairfax, and Taylor school buildings
- 1987 Northwood Elementary School sold
- 1993 Belvoir School renamed Lauree P. Gearity Elementary School

Organizational Structure

Statutorily, the District operates under standards prescribed by the Ohio State Board of Education as provided in Division (D) of Section 3301.07 and Section 119.01 of the Ohio Revised Code, to provide educational services prescribed by State and/or Federal agencies. The Board of Education is made up of five members elected at large for overlapping four-year terms. The Board of Education elects its President and Vice President annually and appoints two officials: the Superintendent, who serves as the Chief Executive Officer, and the Treasurer, who serves as the Chief Financial Officer. A complete organizational chart is included in this Introductory Section.

The Reporting Entity

The District has reviewed its reporting entity definition in order to insure conformance with the Governmental Accounting Standards Board Statement No. 14, *The Financial Reporting Entity*. In evaluating how to define the District for financial reporting purposes, management has considered all agencies, departments, and organizations making up the District (the primary government) and its potential component units. Excluded from the reporting entity, because they are fiscally independent of the District, are the City of Cleveland Heights, the City of University Heights, the Parent Teacher Organization, and the parochial and private schools operating within the boundaries of the District.

The District is associated with two organizations, the Ohio Schools' Council and the Cleveland Heights-University Heights Public Library. The Ohio Schools' Council is a jointly governed organization whose relationship to the District is described in Note 17 to the accompanying financial statements. The Cleveland Heights-University Heights Public Library is a related organization and is described in Note 18 to the accompanying financial statements.

A complete discussion of the District's reporting entity is provided in Note 1 to the accompanying financial statements.

Economic Condition and Outlook

The District serves approximately 55,000 residents of the City of Cleveland Heights and approximately 15,000 residents of the City of University Heights, both inner-ring suburbs of the City of Cleveland. Both communities are primarily residential in nature, with a diverse base of residents working largely in professional capacities. Consequently, the District's economic strength is largely dependent on the strength of the northeast Ohio economy, which continues to struggle. The proximity and easy access of the cities to major cultural, educational, and medical facilities in northeast Ohio contributes to climbing property values, a key indicator of a community's economic health and stability where the primary "industry" is housing.

The vitality of the area is also demonstrated by the new construction in both cities. Several residential condominium and townhouse projects began and/or are being continued in the City of Cleveland Heights in 2003. In the City of University Heights, construction was completed on University Square, retail space built around a multi-story parking garage including a new Kaufmann's department store, a Tops grocery store, and a Target department store as anchors.

State funding of schools, specifically for general operations, remains unclear for future years due to a series of Ohio Supreme Court decisions on the constitutionality of the present funding system. Additionally, the real property tax system in Ohio does not permit school districts to receive additional tax revenue solely as a result of reassessment or reappraisal. Consequently, the primary means of increasing revenue for the District is through additional operating tax levies. The District recently placed an 8.9 mill operating levy on the ballot in May of 2003, which was defeated. The District subsequently placed another 8.9 mill operating levy on the ballot in November of 2003, which was again defeated. The result of having not passed an operating levy in calendar year 2003 is a loss of \$9 million in additional tax revenue collection in 2004. The Superintendent and Treasurer presented to the Board of Education in October of 2003 a list of budget reductions totaling approximately \$9 million for their consideration. The District continues to review and implement these reductions, and intends to place another operating levy on the ballot in March of 2004.

Major Initiatives and Future Projects

The District continues to be committed to achieving “Excellence in Learning through Excellence in Teaching” and ensuring quality education in support of our communities’ commitment to quality integrated living. The District’s goals for 2002-2003 are as follow:

- Continue to emphasize competency and proficiency in basic studies and target results for measurable improvement.
- Every high school student will have a four-year plan that ensures that he/she is pursuing academic work at the highest level of which he/she is capable. The plan will have as its goal that the student will be prepared for career and/or college entry upon graduation from high school.
- Promote better communications between schools and their stakeholders by implementing the Board’s comprehensive communications plan.
- The District will have and implement a plan to ensure quality fiscal planning and management. The plan will ensure that the District’s Economy and Efficiency Plan is implemented in a timely and effective manner.
- Institute an ongoing evaluation of the District’s programs for all departments and schools, which will include technology and staff development.
- Transfer students will be given special attention by the District to ensure that they will be able to pursue academic work at the highest level of which they are capable. To that end, the District will give individual attention to the placement and instruction of each transfer student. Where information on the students indicates a need, a plan for remedying academic deficiencies will be developed.

Financial Information

Internal Accounting and Budgetary Control

The District's accounting system is organized on a "fund" basis. Each fund and account group is a distinct self-balancing accounting entity. Reports for governmental operations are presented on the modified accrual basis whereby revenues are recognized when measurable and available, and expenditures are recognized when goods and services are received. Reports of the District's proprietary operations are presented on the accrual basis whereby revenues are recognized when earned and expenses when incurred.

In developing the District's accounting system, much consideration was given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against loss from unauthorized use or disposition and the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance is based on the assumption that the cost of internal accounting controls should not exceed the benefits expected to be derived from their implementation.

The District utilizes a fully automated accounting system as well as an automated system of control for fixed assets and payroll. These systems, coupled with the manual auditing of each voucher prior to payment, ensures that the financial information generated is both accurate and reliable.

At the beginning of each fiscal year, the Board of Education adopts a temporary appropriation measure for that fiscal year. By statute, permanent appropriations must be adopted upon receipt from the County Auditor of an amended certificate of estimated resources based on final assessed values and tax rates. The District adopts the permanent appropriation measure in September.

Annual appropriations may not exceed the County Budget Commission's official estimate of resources. The County Auditor must certify that the Board of Education's appropriation measures, including any supplements or amendments, do not exceed the amount set forth in the latest of those official estimates.

All disbursements and transfers of cash between funds require appropriation authority from the Board. Budgets are controlled at the object account level within a function and fund. All purchase order requests must be approved by the site administrator or central office administrator and be certified by the Treasurer; necessary funds are then encumbered and purchase orders released to vendors. Those requests, which exceed the available appropriations, are rejected until additional appropriations are secured.

The accounting system used by the District provides interim financial reports which detail year-to-date expenditures and encumbrances versus the original appropriation plus any additional appropriations made to date. On-line inquiry of account balances is available to all budget managers. As an additional safeguard, all employees are covered by a blanket bond and certain individuals in policy making roles are covered by a separate higher limit bond.

The basis of accounting and the various funds and account groups utilized by the District are fully described in Note 2 to the financial statements. Additional information on the District's budgetary accounting can also be found in Note 2.

Financial Condition

This is the first year the District has prepared financial statements following GASB Statement No. 34, "Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments". GASB 34 creates new basic financial statements for reporting on the District's financial activities as follows:

Government-wide financial statements - These statements are prepared on an accrual basis of accounting, which is similar to the basis of accounting followed by many businesses. The government-wide statements distinguish between those activities of the District that are governmental and those that are considered business-type activities.

Fund financial statements - These statements present information for individual major funds rather than by fund type. Nonmajor funds are presented in total in one column. Governmental funds use the modified accrual basis of accounting and include a reconciliation to the governmental activities accrual information presented in the government-wide financial statements. Proprietary and fiduciary funds use the accrual basis of accounting.

Statements of budgetary comparisons - These statements present comparisons of actual information to the legally adopted budget. The budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances.

As part of this new reporting model, management is responsible for preparing a Management Discussion and Analysis of the District. This discussion follows this letter of transmittal, providing an assessment of the District's finances for 2003 and the outlook for the future. Because that discussion focuses on major funds, other nonmajor funds are discussed briefly in this letter.

Financial Highlights - Internal Service Fund - The only internal service fund carried on the financial records of the District is related to self-insurance and the workers' compensation fund. These funds account for the revenues and expenses related to the provision of medical and workers' compensation program. The internal service fund had net assets of 2.9 million at June 30, 2003 compared with net asset of 2.6 million at June 30, 2002. The District is meeting its claim liability.

Cash Management

The District has a comprehensive cash management program, which consists of expediting receipt of revenues and prudently depositing and investing available cash balances. The available cash of the District's individual funds is combined into a single cash pool and invested according to cash flow projections. The District invests in U.S. Treasury Notes, authorized Federal agency securities, bankers' acceptances, and STAROhio, an investment pool operated by the Treasurer of the State of Ohio. Interest earned on investments is distributed in accordance with Board of Education authorization. During fiscal year 2003, the District earned \$254,688 in interest income of which \$210,815 was credited to the general fund.

The District's deposits are protected by the Federal Deposit Insurance Corporation, as well as qualified securities pledged by the institutions holding the assets. By law, financial institutions may establish a collateral pool to cover all public deposits. The market value of the pooled collateral must equal at least 105 percent for the funds deposited. Collateral is held by trustees including the Federal Reserve Bank and designated third-party trustees of the financial institution.

Risk Management

The District strives to provide itself with superior risk coverage at the lowest possible cost to the taxpayers. The District manages the prescription drug benefits for its employees on a self-insured basis. A third party administrator processes and pays the claims. Because the maximum payment per participant is limited, no individual or aggregate stop-losses are necessary.

Prior to 1996, the District participated in the State Workers' Compensation retrospective rating and payment system. The plan involved the payment of a minimum premium for administrative services and stop-loss coverage plus the actual claim costs for the employees injured. During 1996, the District switched to the premium rating coverage provided by the State. This coverage is based on a rate per \$100 of salaries. Additional information of retrospective liability can be found in Note 16 to the financial statements.

The District contracts for general liability insurance with Nationwide-Wausau Insurance Company. The limits of coverage are \$1,000,000 per occurrence and \$5,000,000 aggregate.

Independent Audit

State statute requires the District to undergo an annual audit by an independent auditor. An annual audit serves to maintain and strengthen the District's accounting and budgetary controls. Ciuni & Panichi, Inc. was selected to render an opinion on the District's financial statements as of and for the fiscal year ended June 30, 2003. The Auditor's unqualified opinion has been included in this report at the beginning of the financial section. Pursuant to State statute, the Auditor of State prescribes a uniform accounting system to standardize accounting classifications and financial reporting for all governments in Ohio. The District adopted and has been in conformance with that system beginning with its financial report for the 1979 fiscal year.

Awards

GFOA Certificate of Achievement The Government Finance Officers Association in the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its Comprehensive Annual Financial Report for the year ended June 30, 2002.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose content conforms to program standards. Such a report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement Program requirements, and we are submitting it to the GFOA for review.

The Association of School Business Officials International also awarded a Certificate of Excellence in Financial Reporting to the District for its Comprehensive Annual Financial Report for the year ended June 30, 2002. The Association's Panel of Review judged that the District's report substantially conforms to principles and standards of ASBO's Certificate of Excellence Program. This certificate is awarded upon recommendation of the Association's Panel of Review and is valid for a period of one year only.

Acknowledgments

The publication of the Comprehensive Annual Financial Report enhances the District's accountability to the citizens of the District. The preparation of this report would not have been possible without the assistance and support of the staff of the Treasurer's Office and numerous other District staff members. Our appreciation is also expressed to the firm of James G. Zupka, CPA, Inc. for their assistance in preparing and reviewing this financial report.

• Respectfully submitted,



A. Scott Gainer
Treasurer



Deborah Delisle
Superintendent

GFOA CERTIFICATE OF ACHIEVEMENT FOR 2003

Certificate of Achievement for Excellence in Financial Reporting

Presented to
Cleveland Heights-
University Heights City
School District, Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2002

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

CLEVELAND HEIGHTS – UNIVERSITY HEIGHTS CITY SCHOOLS

For its Comprehensive Annual Financial Report (CAFR)
For the Fiscal Year Ended June 30, 2002

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

President

Executive Director

**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
PRINCIPAL OFFICIALS
JUNE 30, 2003**

Board of Education

Ms. Christine Sumner	President
Ms. Kari Sharpe	Vice-President
Ms. Barbara Hodgkiss	Member
Mrs. Bernice Jefferis	Member
Mrs. Ron Register	Member

Treasurer

Mr. A. Scott Gainer

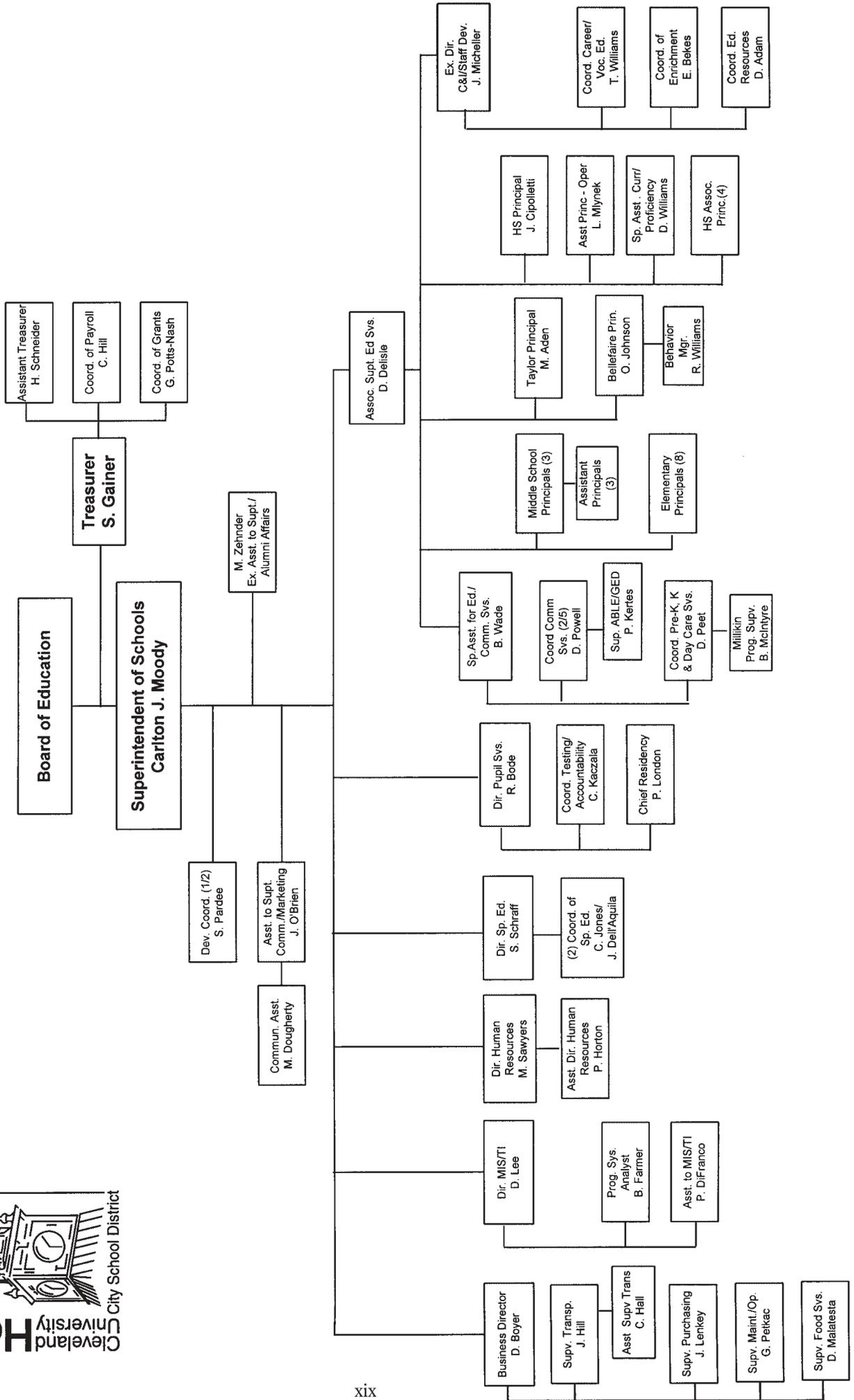
Administration

Mrs. Deborah Delisle	Superintendent
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* In August 2003, the District welcomed a new Superintendent, Deborah S. Delisle. Mr. Carlton J. Moody, Superintendent during the fiscal year being reported, was unavailable at the time of publication of this document.



Cleveland Heights-University Heights Board of Education Organizational Chart 2002-2003

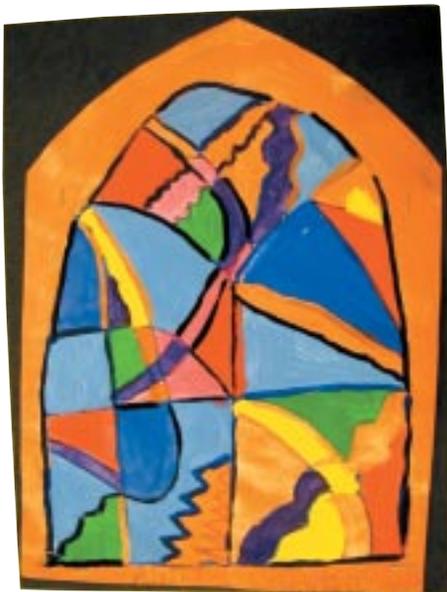




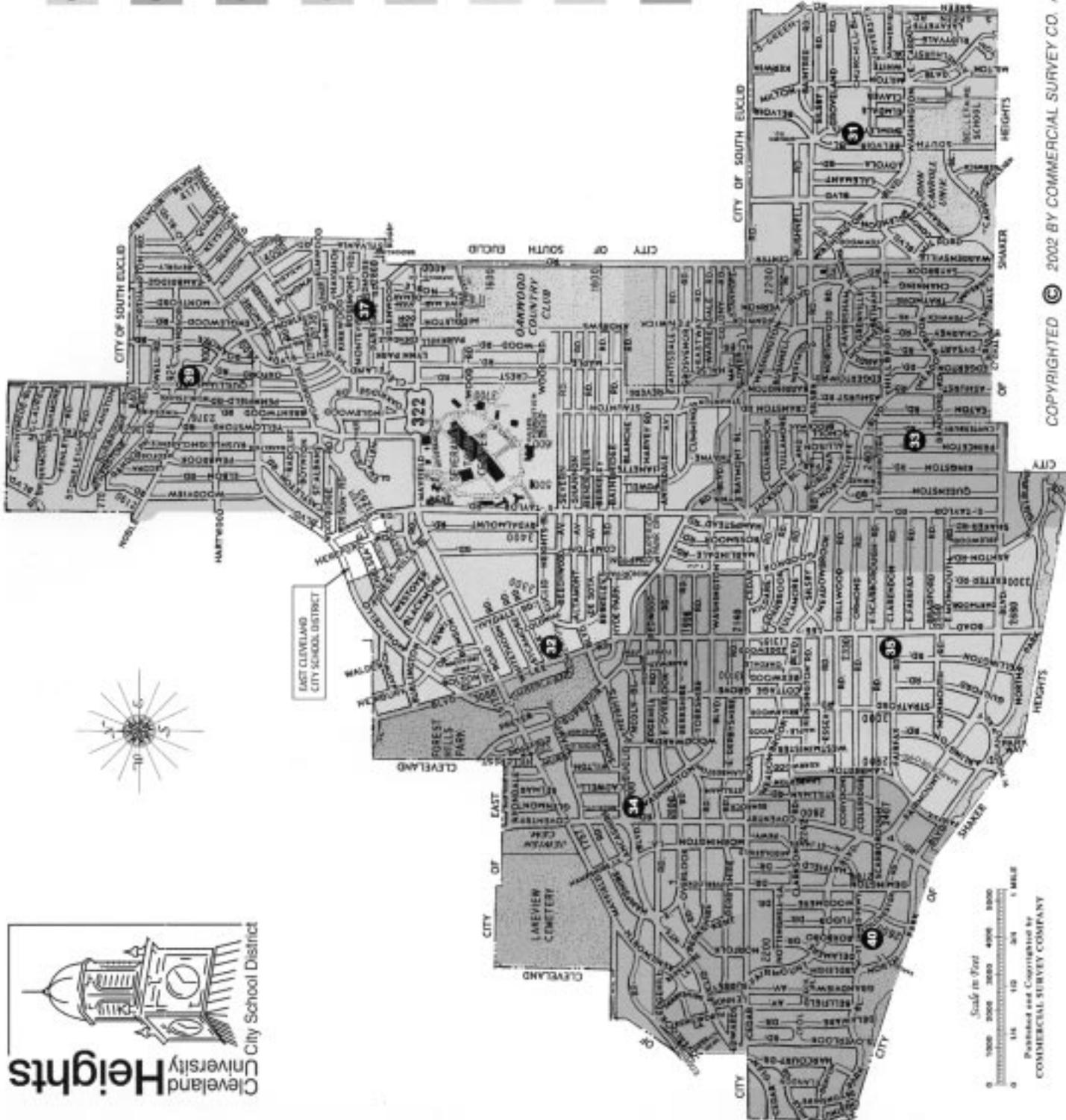
SUNYOUNG BIDDLE
Grade 7, Monticello Middle



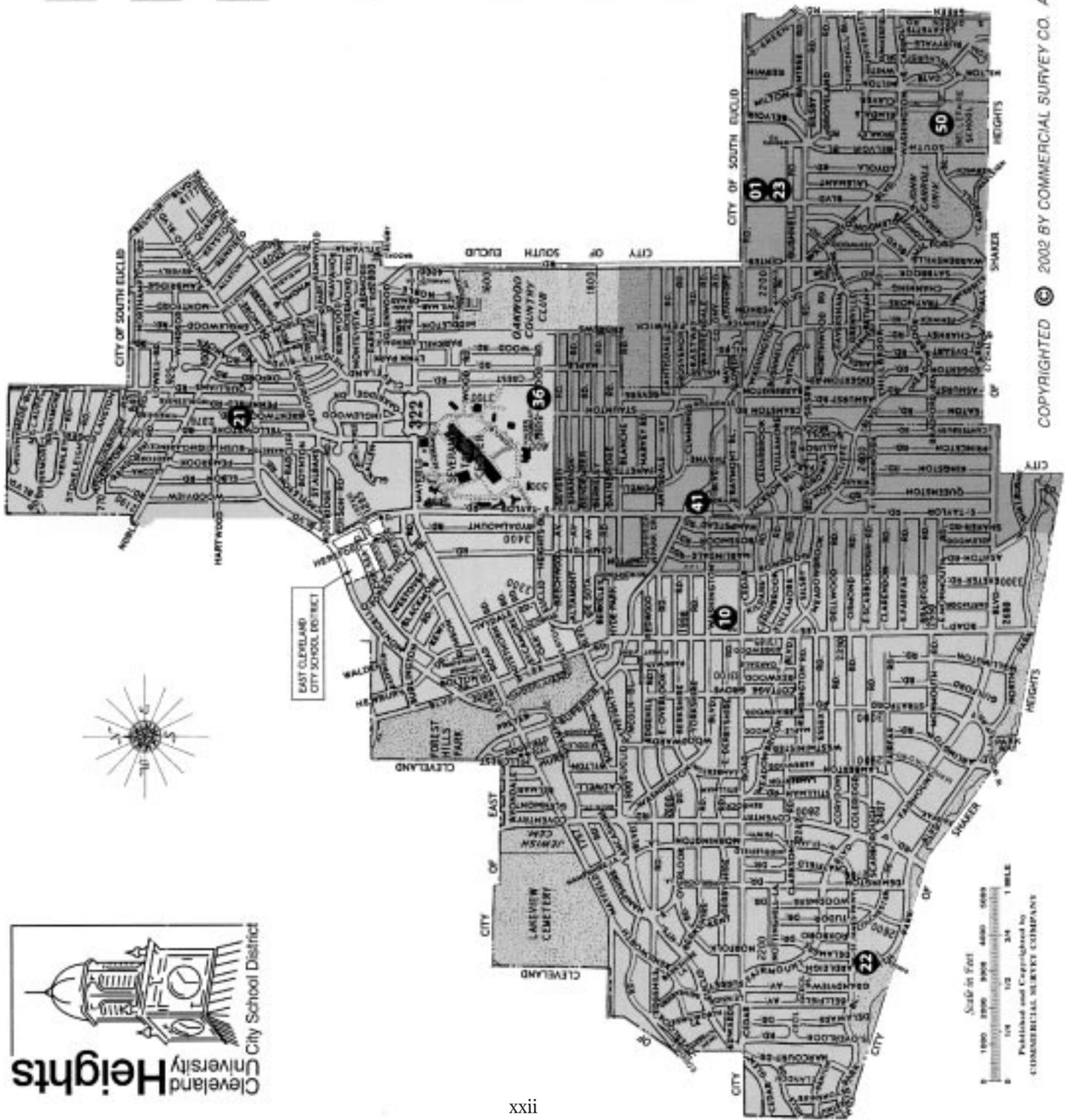
MADISON APPLE
Grade 5, Coventry Elementary



ALEIGHA CRAYTON
Grade 3, Oxford



- ELEMENTARY SCHOOLS**
- 32** Boulevard Elementary School
1749 Lee Road
Cleveland Hts., OH 44118-1700
216-371-7140
 - 33** Canterbury Elementary School
2530 Canterbury Road
Cleveland Hts., OH 44118-4398
216-371-7470
 - 34** Coventry Elementary School
2843 Washington Boulevard
Cleveland Hts., OH 44118-2012
216-371-7110
 - 35** Fairfax Elementary School
3150 Fairfax Road
Cleveland Hts., OH 44118-4097
216-371-7480
 - 37** Lauree P. Gearity Elementary School
2323 Wrenford Road
University Hts., OH 44118-3998
216-371-6515
 - 37** Noble Elementary School
1293 Ardooon Street
Cleveland Hts., OH 44121-1600
216-371-6535
 - 39** Oxford Elementary School
939 Quilliams Road
Cleveland Hts., OH 44121-1900
216-371-6525
 - 40** Roxboro Elementary School
2405 Roxboro Road
Cleveland Hts., OH 44106-3699
216-371-7115



- MIDDLE SCHOOLS**
- 21** Monticello Middle School
3665 Monticello Boulevard
Cleveland Hts., OH 44121-1599
216-371-6520
 - 22** Roxboro Middle School
2400 Roxboro Road
Cleveland Hts., OH 44106-3698
216-371-7440
 - 23** Willey Middle School
2181 Miramar Boulevard
University Hts., OH 44118-3394
216-371-7270

- HIGH SCHOOL**
- 10** Cleveland Heights High School
13263 Cedar Road
Cleveland Hts., OH 44118-2988
216-371-7101

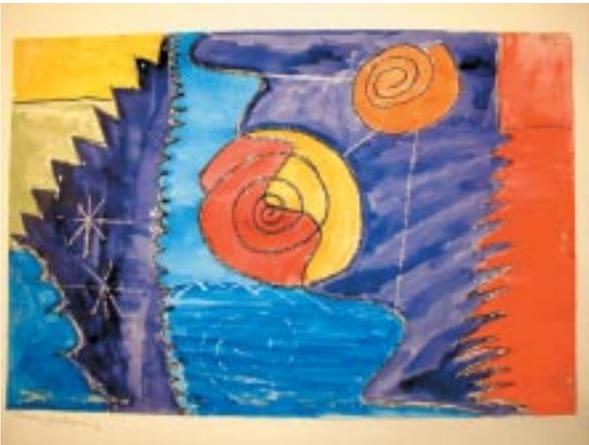
- OTHER SITES**
- 01** Board of Education
2155 Miramar Boulevard
University Hts., OH 44118-3397
216-371-7171
 - 36** Millikin Early Childhood Center
1700 Crest Road
Cleveland Hts., OH 44121-1726
216-371-7356
 - 41** Taylor Academy
14780 Superior Road
Cleveland Hts., OH 44118-2143
216-371-7463
 - 50** Bellefaire School
22001 Fairmount Boulevard
Cleveland Hts., OH 44118-4898
216-932-6700



TALI LUGASY
Grade 5, Roxboro Elementary



EMILY HULL
Grade 12,
Cleveland Heights High School



ALIVIA JACKSON
Grade 6, Roxboro Middle

FINANCIAL SECTION



Creating economic value through
knowledge, innovation, commitment, and service

CIUNI & PANICHI
INC.

CERTIFIED PUBLIC ACCOUNTANTS
AND BUSINESS CONSULTING FIRM

a C&P Advisors Company

Independent Auditor's Report

Board of Education
Cleveland Heights-University Heights City School District
University Heights, Ohio

We have audited the accompanying basic financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Cleveland Heights-University Heights City School District (the "District") as of and for the year ended June 30, 2003, 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 an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the District as of June 30, 2003, and the respective changes in financial position and cash flows, where applicable, and the respective budgetary comparison for the General Fund thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 3, during the year ended June 30, 2003, the District implemented a new financial reporting model, as required by the provisions of Government Accounting Standards Board Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments* and Interpretation No. 6 and changed its accounting for capital assets.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 3, 2003 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 grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.



The Management's Discussion and Analysis is not a required part of the basic financial statements but is supplementary information the Governmental Accounting Standards Board requires. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

We conducted our audit to form opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, and statistical tables are presented for purposes of additional analysis and are not a required part of the basic financial statements. We subjected the combining and individual nonmajor fund financial statements to the auditing procedures applied in the audit of the basic financial statements. In our opinion, this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole. We did not subject the introductory section and statistical tables to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Cini & Parichi, Inc.

Cleveland, Ohio
December 3, 2003

CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
Management's Discussion and Analysis
for the Fiscal Year Ended June 30, 2003
Unaudited

The discussion and analysis of the Cleveland Heights-University Heights City School District's financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2003. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should also review the transmittal letter, notes to the basic financial statements, and financial statements to enhance their understanding of the District's financial performance.

Financial Highlights

Key financial highlights for 2003 are as follows:

- Net assets of governmental activities decreased by \$11.0 million.
- General revenues accounted for \$70.5 million in revenue or 80 percent of all revenues. Program specific revenues in the form of charges for services, grants, contributions, and interest accounted for \$18.0 million or 20 percent of total revenues of \$88.5 million.
- Total assets of governmental activities increased by \$9.0 million as cash and cash equivalents decreased by \$6.0 million, property tax receivables increased by \$4.9 million, investments decreased by \$3.3 million, capital assets increased by \$2.8 million, and internal balances increased by \$1.9 million.
- The District had \$92.7 million in expense related to governmental activities; only \$11.8 million of these expenses were offset by program specific charges for services, grants, contributions, and interest. General revenues of \$70.0 million were adequate to provide for these programs.
- Among major funds, the general fund had \$73.5 million in revenues and \$85.9 million in expenditures. The general fund's fund balance declined to \$18.2 million from \$30.7 million. To address this decline, the District attempted to get voter approval for an operating levy in November of 2003. The levy was defeated, so the District is beginning to implement budget cuts for the general fund.
- Net assets for enterprise funds declined slightly. This decline resulted from operating expenses of \$6.9 million exceeding operating revenues of \$4.3 million. Grants of \$1.6 million in the food service fund reduced the operating loss.

Using this Comprehensive Annual Financial Report (CAFR)

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
Management's Discussion and Analysis
for the Fiscal Year Ended June 30, 2003
Unaudited

The *Statement of Net Assets* and *Statement of Activities* provide information about the activities of the whole District, presenting both an aggregate view of the District's finances and a longer-term view of those finances. Fund financial statements provides the next level of detail. For governmental funds, these statements tell how services were financed in the short term, as well as what remains for future spending. The fund financial statements also look at the District's most significant funds, with all other nonmajor funds presented in total in one column. In the case of the District, the general fund is by far the most significant fund.

Reporting the School District as a Whole

Statement of Net Assets and Statement of Activities

While this document contains information about the large number of funds used by the District to provide programs and activities, the view of the District as a whole looks at all financial transactions and asks the question, "How did we do financially during 2003?" The Statement of Net Assets and Statement of Activities answer this question. These statements include *all assets* and *all liabilities* using the *accrual basis of accounting* similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the District's *net assets* and changes in those assets. This change in net assets is important because it tells the reader that, for the District as a whole, the *financial position* of the District has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors include the District's property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, required educational programs, and other factors.

In the Statement of Net Assets and Statement of Activities, the District reports governmental activities. Governmental activities are the activities where most of the District's programs and services are reported including, but not limited to, instruction, support services, operation and maintenance of plant, pupil transportation, and extracurricular activities.

Reporting the District's Most Significant Funds

Fund Financial Statements

The analysis of the District's major funds begins on page 14 of the financial statements. Fund financial reports provide detailed information about the District's major funds. The District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the District's most significant funds. The District's major governmental funds are the general fund, debt service fund, the permanent improvement capital projects fund, and the Bellefaire general rotary enterprise fund.

CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
Management's Discussion and Analysis
for the Fiscal Year Ended June 30, 2003
Unaudited

Governmental Funds Most of the District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using an accounting method called *modified accrual* accounting, which measures cash and all other *financial assets* that can readily be converted to cash. The governmental fund statements provide a detailed *short-term view* of the District's general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental *activities* (reported in the Statement of Net Assets and Statement of Activities) and governmental *funds* is reconciled in the financial statements.

The School District as a Whole

Recall that the Statement of Net Assets provides the perspective of the District as a whole. Table 1 provides a summary of the District's net assets for 2003 compared to 2002:

Table 1 - Net Assets (in Millions)

	Governmental Activities		Business-Type Activities		Total	
	2003	2002	2003	2002	2003	2002
Assets						
Current and Other Assets	\$ 94.0	\$ 87.8	\$ (0.4)	\$ 5.0	\$ 93.6	\$ 92.8
Capital Assets	17.0	14.2	0.6	0.3	17.6	14.5
Total Assets	<u>111.0</u>	<u>102.0</u>	<u>0.2</u>	<u>5.3</u>	<u>111.2</u>	<u>107.3</u>
Liabilities						
Long-Term Liabilities	(22.5)	(17.4)	(0.2)	(0.2)	(22.7)	(17.6)
Other Liabilities	(58.6)	(43.9)	(0.3)	(5.3)	(58.9)	(49.2)
Total Liabilities	<u>(81.1)</u>	<u>(61.3)</u>	<u>(0.5)</u>	<u>(5.5)</u>	<u>(81.6)</u>	<u>(66.8)</u>
Net Assets						
Invested in Capital Assets Net of Debt	9.9	13.0	0.6	0.5	10.5	13.5
Restricted	7.0	6.5	0.0	0.0	7.0	6.5
Unrestricted (Deficit)	13.0	21.2	(0.9)	(0.7)	12.1	20.5
Total Net Assets	<u>\$ 29.9</u>	<u>\$ 40.7</u>	<u>\$ (0.3)</u>	<u>\$ (0.2)</u>	<u>\$ 29.6</u>	<u>\$ 40.5</u>

Total assets increased by \$3.9 million. Taxes receivable totaled \$61.7 million, of which \$50.5 million is offset as deferred revenue, which is to be used in future periods. Taxes receivable increased from 2002 due to an increase in property taxes. Cash decreased by \$9.6 million. Total liabilities increased by \$14.8 million, due to energy conservation bonds issued in 2003 and an increase in deferred revenue. Unrestricted net assets of the District, the part of net assets that can be used to finance day-to-day activities without constraints established by grants or legal requirements, decreased by \$8.4 million.

CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
Management's Discussion and Analysis
for the Fiscal Year Ended June 30, 2003
Unaudited

Table 2 shows the changes in net assets for fiscal year 2003. Since this is the first year the District has prepared financial statements following GASB Statement No. 34, revenue and expense comparisons to fiscal year 2003 are not available. In future years, when prior year information is available, a comparative analysis of government-wide data will be presented.

Table 2 - Change in Net Assets (in Millions)

	Governmental Activities 2003	Business- Type Activities 2003	Total 2003
Revenues			
Program Revenues:			
Charges for Services	\$ 2.90	\$ 4.30	\$ 7.20
Operating Grants, Contributions, and Interest	8.80	1.90	10.70
Capital Grants and Contributions	0.10	0.00	0.10
General Revenue:			
Property Taxes	53.50	0.00	53.50
Grants and Entitlements	16.60	0.00	16.60
Investment Earnings	0.30	0.00	0.30
Miscellaneous	(0.50)	0.50	0.00
Total Revenues	\$ 81.70	\$ 6.70	\$ 88.40
Program Expenses			
Instruction	\$ 35.00	\$ 0.00	\$ 35.00
Regular	7.60	0.00	7.60
Special	1.80	0.00	1.80
Adult/Continuing	0.20	0.00	0.20
Other	2.50	0.00	2.50
Support Services			
Pupil	7.90	0.00	7.90
Instructional Staff	5.10	0.00	5.10
Board of Education	0.50	0.00	0.50
Administration	5.50	0.00	5.50
Fiscal	2.00	0.00	2.00
Business	2.50	0.00	2.50
Operation and Maintenance of Plant	11.60	0.00	11.60
Pupil Transportation	3.20	0.00	3.20
Central	3.00	0.00	3.00
Operation of Non-Instructional Services:			
Food Service	0.00	2.50	2.50
Community Service	2.30	1.30	3.60
Other	0.10	3.00	3.10
Extracurricular Activities	1.20	0.00	1.20
Capital Outlay	0.10	0.00	0.10
Interest and Fiscal Charges	0.60	0.00	0.60
Total Program Expenses	92.70	6.80	99.50
Total Decrease in Net Assets	\$ (11.00)	\$ (0.10)	\$ (11.10)

CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
Management's Discussion and Analysis
for the Fiscal Year Ended June 30, 2003
Unaudited

Governmental Activities

When the need for additional operating funds became apparent, management placed an 8.9 mill operating levy on the May 2003 ballot. This levy was unsuccessful. The levy was anticipated to raise 9.0 million in cash during calendar year 2004.

To assure no deficit will occur in fiscal 2004, management plans to reduce expenditures to compensate for \$9 million in lost revenue. The District will place the issue on the next election ballot in March 2004.

The unique nature of property taxes in Ohio creates the need to routinely seek voter approval for operating funds. The overall revenue generated by the levy will not increase solely as a result of inflation. As an example, a homeowner with a home valued at \$100,000 and taxed at 1.0 mill would pay \$35.00 annually in taxes. If three years later the home were reappraised and its value was increased to \$200,000 (and this inflationary increase in value is comparable to other property owners), the effective tax rate would become .5 mills and the owner would still pay \$35.00.

Thus, school districts dependent upon property taxes are hampered by a lack of revenue growth and must regularly return to the voters to maintain a constant level of service. Property taxes made up 56 percent of revenues for governmental activities for the District in fiscal year 2003.

Instruction comprises 48 percent of governmental program expenses. Interest expense was 0.6 percent. Interest expense was attributable to the outstanding bond and borrowing for capital projects.

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows, for governmental activities, the total cost of services and the net cost of services. That is, it identifies the cost of these services supported by tax revenue and unrestricted State entitlements. Comparisons to 2002 have not been made since they are not available.

CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
Management's Discussion and Analysis
for the Fiscal Year Ended June 30, 2003
Unaudited

Table 3 - Governmental Activities (in millions)

	Total Cost of Services <u>2003</u>	Net Cost of Services <u>2003</u>
Instruction	\$ 47.1	\$ 38.6
Support Services:		
Pupil and Instructional Staff	13.0	12.2
Board of Education, Administration, Fiscal, and Business	10.5	10.4
Operation and Maintenance of Plant	11.6	11.6
Pupil Transportation	3.2	3.0
Central Services	3.0	3.0
Operation of Non-Instructional Service	2.4	0.4
Extracurricular Activities	1.2	1.1
Capital Outlay	0.1	0.1
Interest and Fiscal Charges	0.6	0.6
Total Expenses	<u>\$ 92.7</u>	<u>\$ 81.0</u>

The dependence upon tax revenues for governmental activities is apparent.

The School District's Funds

The District's major funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenue of \$91.6 million and expenditures of \$99.8 million. The net change in fund balance for the year was most significant in the general fund, a decline of \$12.4 million. As previously discussed, the District has begun budget cuts for the 2004 year.

General Fund Budgeting Highlights

The District's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the general fund.

During the course of fiscal year 2003, the District amended its general fund budget, but not significantly. The District uses a modified site-based budgeting technique which is designed to tightly control site budgets but provide flexibility for site management.

For the general fund, the final budget basis revenue and financing sources estimate was \$80,584,706. The original budgeted estimate was \$78,941,651. During fiscal year 2003, the District budgeted \$51,136,500 for property tax revenue. The District only received \$50,771,177 in property tax revenue. This variance was simply caused by over-estimation of the revenue line item.

CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
Management's Discussion and Analysis
for the Fiscal Year Ended June 30, 2003
Unaudited

Capital Assets and Debt Administration

Capital Assets

At the end of fiscal year 2003, the District had \$17,591,164 invested in land, buildings, furniture and equipment, and vehicles. Table 4 shows fiscal year 2003 balances compared to 2002:

Table 4 - Capital Assets at June 30 (net of depreciation, in millions)

	Governmental Activities		Business-Type Activities		Total	
	2003	2002	2003	2002	2003	2002
	Land and Land Improvements	\$ 3.2	\$ 3.3	\$ 0.0	\$ 0.0	\$ 3.2
Buildings and Improvements	11.7	8.9	0.6	0.3	12.3	9.2
Furniture and Equipment	0.7	0.6	0.0	0.0	0.7	0.6
Vehicles	1.2	1.3	0.0	0.0	1.2	1.3
Construction in Progress	0.2	0.1	0.0	0.0	0.2	0.1
Totals	<u>\$ 17.0</u>	<u>\$ 14.2</u>	<u>\$ 0.6</u>	<u>\$ 0.3</u>	<u>\$ 17.6</u>	<u>\$ 14.5</u>

Overall capital assets increased \$4.5 million from fiscal year 2002 to fiscal year 2003. Increase in capital assets (primarily building improvements) was offset by \$1.4 million depreciation expense for the year.

The majority of building improvements and equipment purchased during fiscal year 2003 was for building improvements/energy conservation, computer equipment, and various school projects.

Debt

At June 30, 2003, the District had \$16.2 million in bonds outstanding, \$0.7 million due within one year. The bonds remaining from the 1993 Series were refunded in June 2003. Library improvement bonds of \$9.3 million are being retired with the tax millage received on behalf of the Library. Table 5 summarizes bonds and notes outstanding.

Table 5 - Outstanding Debt at Year End (in millions)

	Governmental Activities 2003	Governmental Activities 2002
	1993 Series Energy Conservation	\$ 0.3
1998 Series Energy Conservation	0.8	1.0
2003 Series Energy Conservation	5.8	0.0
1999 Notes Payable	0.0	0.4
2002 Library Improvement Bonds	9.3	9.5
2002 Library Improvement Notes	0.0	9.5
Total	<u>\$ 16.2</u>	<u>\$ 21.0</u>

CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
Management's Discussion and Analysis
for the Fiscal Year Ended June 30, 2003
Unaudited

Economic Factors

The District is dependent on its local taxpayers. As discussed earlier, the District asked voters to approve an 8.9 mill levy in May 2003 and November 2003. Both ballot issues were defeated. The District lost approximately \$9 million in tax collection due to the levy defeat. The District is in the process of making budget reductions to compensate for the \$9 million in lost revenue, and is determining the timing of the next ballot issue in 2004.

Based on these factors, the Board of Education and administration of the District must maintain careful financial planning and prudent fiscal management in order to preserve the financial stability of the District.

Contacting the School District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have any questions about this report or need additional information, contact Scott Gainer, Treasurer/CFO at Cleveland Heights-University Heights City School District at (216) 320-2078.

BASIC
FINANCIAL
STATEMENTS



SZE CHAN
Grade 7, Wiley Middle



KRISTEN HAGER
Grade 7, Monticello Middle

CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
STATEMENT OF NET ASSETS
JUNE 30, 2003

	<u>Governmental</u> <u>Activities</u>	<u>Business-Type</u> <u>Activities</u>	<u>Total</u>
<u>Assets</u>			
Equity in Pooled Cash and Cash Equivalents	\$ 20,009,346	\$ 129,016	\$ 20,138,362
Receivables:			
Taxes	61,748,485	0	61,748,485
Accounts	74,396	7,938	82,334
Intergovernmental	2,806,993	4,348,395	7,155,388
Internal Balances	4,961,128	(4,961,128)	0
Prepaid Expenses	62,285	0	62,285
Inventory Held for Resale	0	90,033	90,033
Materials and Supplies Inventory	273,987	3,708	277,695
Investments	4,012,435	0	4,012,435
Nondepreciable Capital Assets	2,231,395	0	2,231,395
Depreciable Capital Assets, Net	<u>14,743,000</u>	<u>616,769</u>	<u>15,359,769</u>
Total Assets	<u>110,923,450</u>	<u>234,731</u>	<u>111,158,181</u>
<u>Liabilities</u>			
Accounts Payable	1,021,179	15,139	1,036,318
Contracts Payable	1,638,888	0	1,638,888
Accrued Wages and Benefits	2,187,664	146,063	2,333,727
Intergovernmental Payable	2,825,372	111,430	2,936,802
Deferred Revenue	50,523,291	1,760	50,525,051
Accrued Interest Payable	55,659	0	55,659
Claims Payable	327,459	0	327,459
Long-Term Liabilities:			
Due Within One Year	2,097,699	72,270	2,169,969
Due In More Than One Year	<u>20,455,773</u>	<u>140,452</u>	<u>20,596,225</u>
Total Liabilities	<u>81,132,984</u>	<u>487,114</u>	<u>81,620,098</u>
<u>Net Assets</u>			
Invested in Capital Assets, Net of Related Debt	9,895,703	616,769	10,512,472
Restricted for:			
Capital Projects	6,116,568	0	6,116,568
Other Purposes	760,578	0	760,578
Unrestricted (Deficit)	<u>13,017,617</u>	<u>(869,152)</u>	<u>12,148,465</u>
Total Net Assets	<u>\$29,790,466</u>	<u>\$ (252,383)</u>	<u>\$ 29,538,083</u>

See accompanying notes to the basic financial statements.

CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
		Charges for Services and Sales	Operating Grants, Contributions and Interest	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities							
Instruction:							
Regular	\$ 34,958,355	\$ 2,162,966	\$ 3,150,954	\$ 0	\$ (29,644,435)	\$ 0	\$ (29,644,435)
Special	7,570,304	0	1,853,403	0	(5,716,901)	0	(5,716,901)
Vocational Education	1,839,843	0	238,846	0	(1,600,997)	0	(1,600,997)
Adult/Continuing	249,789	0	508,232	0	258,443	0	258,443
Other	2,454,574	566,797	0	0	(1,887,777)	0	(1,887,777)
Support Services:							
Pupil	7,951,089	21,220	655,546	0	(7,274,323)	0	(7,274,323)
Instructional Staff	5,056,893	0	142,883	0	(4,914,010)	0	(4,914,010)
Board of Education	491,748	0	0	0	(491,748)	0	(491,748)
Administrative	5,514,641	0	55,280	0	(5,459,361)	0	(5,459,361)
Fiscal Services	1,964,999	0	0	0	(1,964,999)	0	(1,964,999)
Business	2,494,829	0	0	0	(2,494,829)	0	(2,494,829)
Operation and Maintenance of Plant Services							
	11,645,982	0	45,500	0	(11,600,482)	0	(11,600,482)
Pupil Transportation	3,253,212	0	186,892	56,288	(3,010,032)	0	(3,010,032)
Central Services	2,976,889	0	26,220	0	(2,950,669)	0	(2,950,669)
Operation of Non-Instructional Services:							
Community Service	2,280,063	0	1,962,989	0	(317,074)	0	(317,074)
Other	101,502	0	0	0	(101,502)	0	(101,502)
Extracurricular Activities	1,170,728	116,855	0	0	(1,053,873)	0	(1,053,873)
Capital Outlay	122,904	0	0	0	(122,904)	0	(122,904)
Interest and Fiscal Charges	610,196	0	0	0	(610,916)	0	(610,916)
Total Governmental Activities	92,708,540	2,867,838	8,826,745	56,288	(80,957,669)	0	(80,957,669)
Business-Type Activities							
Food Service	2,539,369	998,818	1,245,716	0	0	(294,835)	(294,835)
Uniform School Supplies	40,248	43,492	0	0	0	3,244	3,244
Customer Services	47,037	23,305	0	0	0	(23,732)	(23,732)
Community Svcs/Early Childhood	1,286,944	1,481,117	0	0	0	194,173	194,173
Bellefaire General Rotary	2,953,518	1,741,370	663,565	0	0	(548,583)	(548,583)
Total Business-Type Activities	6,867,116	4,288,102	1,909,281	0	0	(669,733)	(669,733)
Totals	\$ 99,575,656	\$ 7,155,940	\$ 10,736,026	\$ 56,288	(80,957,669)	(669,733)	(81,627,402)
General Revenues and Transfers							
Property Taxes Levied for:							
General Purposes					50,466,423	0	50,466,423
Debt Service					501,821	0	501,821
Capital Outlay					2,692,133	0	2,692,133
Grants and Entitlements not Restricted to Specific Programs					16,603,073	0	16,603,073
Investment Earnings					260,631	0	260,631
Transfers - Internal Activity					(545,509)	545,509	0
Total General Revenues and Transfers					69,978,572	545,509	70,524,081
Change in Net Assets					(10,979,097)	(124,224)	(11,103,321)
Net Assets (Deficit) Beginning of Year, as Restated					40,769,563	(128,159)	40,641,404
Net Assets (Deficit) End of Year					\$ 29,790,466	\$ (252,383)	\$ 29,538,083

See accompanying notes to the basic financial statements.

CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2003

	General	Debt Service	Permanent Improvement Capital Projects	Other Governmental Funds	Total Governmental Funds
Assets					
Equity in Pooled Cash and Cash Equivalents	\$ 8,632,942	\$ 0	\$ 6,768,295	\$ 1,411,416	\$ 16,812,653
Investments	4,012,435	0	0	0	4,012,435
Receivables:					
Taxes	57,368,470	708,106	3,671,909	0	61,748,485
Accounts	47,534	0	0	22,320	69,854
Intergovernmental	2,215,978	0	0	591,015	2,806,993
Interfund Receivable	5,217,310	80,522	225,725	0	5,523,557
Prepaid Expenses	62,285	0	0	0	62,285
Materials and Supplies Inventory	273,987	0	0	0	273,987
Total Assets	<u>\$ 77,830,941</u>	<u>\$ 788,628</u>	<u>\$10,665,929</u>	<u>\$ 2,024,751</u>	<u>\$91,310,249</u>
Liabilities and Fund Balances					
Liabilities					
Accounts Payable	\$ 815,047	\$ 0	\$ 75,105	\$ 125,402	\$ 1,015,554
Contracts Payable	36,202	0	1,602,686	0	1,638,888
Accrued Wages and Benefits	2,085,224	0	0	101,816	2,187,040
Compensated Absences Payable	308,721	0	0	25,063	333,784
Interfund Payable	306,247	0	0	256,182	562,429
Intergovernmental Payable	1,964,556	0	0	72,438	2,036,994
Deferred Revenue	54,093,534	637,229	3,288,037	161,011	58,179,811
Total Liabilities	<u>59,609,531</u>	<u>637,229</u>	<u>4,965,828</u>	<u>741,912</u>	<u>65,954,500</u>
Fund Balances					
Reserved for:					
Encumbrances	2,478,887	0	4,144,872	328,177	6,951,936
Inventory	273,987	0	0	0	273,987
Property Taxes	5,406,436	70,328	383,872	0	5,860,636
Unreserved, Undesignated, Reported in:					
General Fund	10,062,100	0	0	0	10,062,100
Special Revenue Funds	0	0	0	952,830	952,830
Debt Service Fund	0	81,071	0	0	81,071
Capital Projects Funds	0	0	1,171,357	1,832	1,173,189
Total Fund Balances	<u>18,221,410</u>	<u>151,399</u>	<u>5,700,101</u>	<u>1,282,839</u>	<u>25,355,749</u>
Total Liabilities and Fund Balances	<u>\$ 77,830,941</u>	<u>\$ 788,628</u>	<u>\$10,665,929</u>	<u>\$ 2,024,751</u>	<u>\$91,310,249</u>

See accompanying notes to the basic financial statements.

**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO
NET ASSETS OF GOVERNMENTAL ACTIVITIES
JUNE 30, 2003**

Total Governmental Fund Balances		\$ 25,355,749
<i>Amounts Reported for Governmental Activities in the statement of net assets are different because:</i>		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		16,974,395
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.		
Taxes	5,162,098	
Intergovernmental	278,444	
Tuition	<u>2,215,978</u>	
Total		7,656,520
An internal service fund is used by management to charge the costs of insurance to individual funds. The assets and liabilities of the self-insurance fund and the workers' compensation fund are included in governmental activities in the statement of net assets.		2,866,965
Long-term liabilities, including bonds and notes payable, are not due and payable in the current period and therefore are not reported in the funds.		
General Obligation Bonds	(5,800,000)	
Notes Payable	(10,389,990)	
Capital Leases	(985,513)	
Compensated Absences	(5,044,185)	
Intergovernmental Payable	(787,816)	
Accrued Interest Payable	<u>(55,659)</u>	
Total		<u>(23,063,163)</u>
Net Assets of Governmental Activities		<u>\$ 29,790,466</u>

CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	General	Debt Service	Permanent Improvement Capital Projects	Other Governmental Funds	Total Governmental Funds
Revenues					
Taxes	\$ 42,897,986	\$ 583,888	\$ 2,827,125	\$ 0	\$ 46,308,999
Intergovernmental	28,237,714	0	168,097	5,462,555	33,868,366
Transportation Fees	56,288	0	0	0	56,288
Earnings on Investments	210,815	3,689	0	40,184	254,688
Tuition and Fees	578,418	0	0	10,935	589,353
Extracurricular Activities	0	0	0	347,415	347,415
Classroom Materials and Fees	36,878	0	0	28,874	65,752
Miscellaneous	649,904	0	0	623,392	1,273,296
Total Revenues	<u>72,668,003</u>	<u>587,577</u>	<u>2,995,222</u>	<u>6,513,355</u>	<u>82,764,157</u>
Expenditures					
Current:					
Instruction:					
Regular	33,743,060	0	0	840,585	34,583,645
Special	6,559,625	0	0	999,337	7,558,962
Vocational Education	1,640,380	0	0	188,263	1,828,643
Adult/Continuing	3,059	0	0	246,730	249,789
Other	2,387,745	0	0	66,829	2,454,574
Support Services:					
Pupil	7,248,016	0	0	703,425	7,951,441
Instructional Staff	4,060,723	0	0	774,436	4,835,159
Board of Education	491,748	0	0	0	491,748
Administrative	5,247,817	0	0	276,223	5,524,040
Fiscal Services	1,952,007	0	0	4,613	1,956,620
Business	4,087,808	0	0	0	4,087,808
Operation and Maintenance of Plant	9,678,217	0	4,600,269	2,180	14,280,666
Pupil Transportation	2,997,552	0	184,509	12,143	3,194,204
Central Services	2,859,302	0	0	83,684	2,942,986
Operation of Non-Instructional Services:					
Food Service	0	0	0	976	976
Community Services	7,346	0	0	2,272,547	2,279,893
Other	80,019	0	0	20,901	100,920
Extracurricular Activities	801,325	0	0	353,670	1,154,995
Capital Outlay	0	0	0	122,904	122,904
Debt Service:					
Principal Retirement	319,915	690,000	400,000	0	1,409,915
Interest and Fiscal Charges	53,939	666,702	8,600	0	729,241
Total Expenditures	<u>84,219,603</u>	<u>1,356,702</u>	<u>5,193,378</u>	<u>6,969,446</u>	<u>97,739,129</u>
Excess of Revenues Over (Under) Expenditures	(11,551,600)	(769,125)	(2,198,156)	(456,091)	(14,974,972)
Other Financing Sources (Uses)					
Proceeds from Sale of Bonds	0	0	5,800,000	0	5,800,000
Capitalized Leases	0	0	732,323	0	732,323
Other	0	0	5,942	0	5,942
Operating Transfers In	838,127	935,592	0	533,874	2,307,593
Operating Transfers Out	(1,706,101)	0	0	(397,001)	(2,103,102)
Total Other Financing Sources (Uses)	<u>(867,974)</u>	<u>935,592</u>	<u>6,538,265</u>	<u>136,873</u>	<u>6,742,756</u>
Net Change in Fund Balances	(12,419,574)	166,467	4,340,109	(319,218)	(8,232,216)
Fund Balances Beginning of Year, Restated	30,657,707	(15,068)	1,359,992	1,602,057	33,604,688
Decrease in Reserve for Inventory	(16,723)	0	0	0	(16,723)
Fund Balances End of Year	<u>\$ 18,221,410</u>	<u>\$ 151,399</u>	<u>\$ 5,700,101</u>	<u>\$ 1,282,839</u>	<u>\$ 25,355,749</u>

See accompanying notes to the basic financial statements.

**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

Net Change in Fund Balances - Total Governmental Funds \$ (8,232,216)

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

Governmental funds report capital outlays 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 by which capital outlay exceeded depreciation in the current period.

Capital Additions (Net of Deletions)	4,075,418	
Current Year Depreciation (Net of Deletions)	(1,343,650)	
Total	2,731,768	2,731,768

Revenues in the statement of activities that do not provide current resources are not reported as revenues in the funds.

Grants and Entitlements	278,444	
Tuition	(1,478,088)	
Total	(1,199,644)	(1,199,644)

Proceeds from debt issuances are an other financing source in the funds but a debt issue increases long-term liabilities in the statement of net assets. (5,800,000)

Purchase of asset through capital is an expenditure in the governmental funds but reported as a long-term liability in the statement of net assets. (732,323)

Repayment of bond and capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. 2,107,755

In the statement of activities, interest is accrued on outstanding bonds, whereas in the governmental funds an interest expenditure is reported when due. 98,060

Some expenses reported in the statement of activities, such as compensated absences and intergovernmental payable which represents contractually required pension contributions, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Compensated Absences Payable	(218,789)	
Pension Obligation	(11,922)	
Change in Inventory	(16,723)	
Total	(247,434)	(247,434)

The internal service fund used by management to charge the costs of insurance to individual funds is not reported in the district-wide statement of activities. Governmental fund expenditures and the related internal service fund revenues are eliminated. The net revenue (expense) of the internal service fund is allocated among the governmental activities. 294,937

Change in Net Assets of Governmental Activities **\$ (10,979,097)**

**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
BUDGET (NON-GAAP BASIS) AND ACTUAL - GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

	Budgeted Amounts		Actual	Variance
	Original	Final		Final Budget Favorable (Unfavorable)
Revenues				
Taxes	\$50,536,500	\$51,136,500	\$50,771,177	\$ (365,323)
Intergovernmental	26,739,151	26,888,703	28,349,605	1,460,902
Tuition and Fees	310,000	577,000	583,087	6,087
Transportation Fees	50,000	55,000	57,331	2,331
Earnings on Investments	750,000	375,000	395,713	20,713
Classroom Materials and Fees	30,000	35,400	36,878	1,478
Miscellaneous	176,000	640,806	638,335	(2,471)
Total Revenues	<u>78,591,651</u>	<u>79,708,409</u>	<u>80,832,126</u>	<u>1,123,717</u>
Expenditures				
Current:				
Instruction:				
Regular	32,714,946	33,686,947	33,877,823	(190,876)
Special	6,844,459	6,667,502	6,524,068	143,434
Vocational	1,614,397	1,622,521	1,595,198	27,323
Adult/Continuing	2,600	2,600	3,039	(439)
Other	1,699,842	2,538,350	2,587,829	(49,479)
Support Services:				
Pupils	7,063,740	7,194,232	7,201,615	(7,383)
Instructional	4,834,161	5,003,321	4,349,327	653,994
Board of Education	1,118,704	740,054	703,543	36,511
Administrative	5,183,920	5,294,237	5,262,773	31,464
Fiscal Services	2,428,123	2,022,635	1,965,177	57,458
Business	3,427,385	5,214,041	4,551,178	662,863
Operation and Maintenance of				
Plant Services	10,276,134	10,744,969	10,421,089	323,880
Pupil Transportation	2,837,378	2,908,783	3,129,038	(220,255)
Central Services	3,220,284	3,183,847	3,130,944	52,903
Operation of Non-Instructional Services:				
Community Services	32,017	29,017	24,610	4,407
Other Operation of Non-Instructional Services	80,928	83,208	52,391	30,817
Extracurricular Activities	671,353	671,353	792,503	(121,150)
Debt Service:				
Principal Retirement	319,915	319,915	319,915	0
Interest and Fiscal Charges	73,421	73,421	53,939	19,482
Total Expenditures	<u>84,443,707</u>	<u>88,000,953</u>	<u>86,545,999</u>	<u>1,454,954</u>
Excess of Revenue Over(Under) Expenditures	<u>(5,852,056)</u>	<u>(8,292,544)</u>	<u>(5,713,873)</u>	<u>2,578,671</u>
Other Financing Sources (Uses)				
Operating Transfers In	0	838,127	838,127	0
Operating Transfers Out	(500,000)	(837,622)	(1,706,101)	(868,479)
Advances In	350,000	38,170	38,170	0
Advances Out	0	(1,800,000)	(2,153,819)	(353,819)
Total Other Financing Sources (Uses)	<u>(150,000)</u>	<u>(1,761,325)</u>	<u>(2,983,623)</u>	<u>(1,222,298)</u>
Net Change in Fund Balance	<u>(6,002,056)</u>	<u>(10,053,869)</u>	<u>(8,697,496)</u>	<u>1,356,373</u>
Fund Balance at Beginning of Year	15,327,232	15,327,232	15,327,232	0
Prior Year Encumbrances Appropriated	<u>2,846,344</u>	<u>2,846,344</u>	<u>2,846,344</u>	<u>0</u>
Fund Balance at End of Year	<u>\$12,171,520</u>	<u>\$ 8,119,707</u>	<u>\$ 9,476,080</u>	<u>\$ 1,356,373</u>

See accompanying notes to the basic financial statements.

CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
JUNE 30, 2003

	Business-Type Activities-Enterprise Funds			Governmental
	Bellefaire General Rotary	Nonmajor Enterprise	Total	Internal Service Funds
Assets				
Current Assets:				
Equity in Pooled Cash and Cash Equivalents	\$ 66,200	\$ 62,816	\$ 129,016	\$ 3,196,693
Accounts Receivable	5,414	2,524	7,938	4,542
Intergovernmental Receivable	4,293,299	55,096	4,348,395	0
Inventory Held for Resale	0	90,033	90,033	0
Materials and Supplies Inventory	0	3,708	3,708	0
Total Current Assets	4,364,913	214,177	4,579,090	3,201,235
Fixed Assets (Net of Depreciation)	5,977	610,792	616,769	0
Total Assets	4,370,890	824,969	5,195,859	3,201,235
Liabilities				
Accounts Payable	513	14,626	15,139	5,625
Accrued Wages and Benefits	77,816	68,247	146,063	624
Compensated Absences Payable	148,957	63,765	212,722	
Interfund Payable	4,627,960	333,168	4,961,128	0
Intergovernmental Payable	58,235	53,195	111,430	562
Deferred Revenue	0	1,760	1,760	0
Claims Payable	0	0	0	327,459
Total Liabilities	4,913,481	534,761	5,448,242	334,270
Net Assets				
Unrestricted (Deficit)	(542,591)	290,208	(252,383)	2,866,965
Total Net Assets (Deficit)	\$ (542,591)	\$ 290,208	\$ (252,383)	\$ 2,866,965

See accompanying notes to the basic financial statements.

CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS -
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	Business-Type Activities-Enterprise Funds			Governmental
	Bellefaire			Activities
	General Rotary	Nonmajor Enterprise	Total	Internal Service Funds
<u>Operating Revenues</u>				
Intergovernmental	\$ 0	\$ 47,640	\$ 47,640	\$ 0
Tuition and Fees	1,741,370	1,086,230	2,827,600	0
Charges for Services	0	0	0	2,020,739
Food Services	0	998,818	998,818	0
Classroom Materials and Fees	0	23,199	23,199	0
Miscellaneous	0	438,485	438,485	899,562
Total Operating Revenues	<u>1,741,370</u>	<u>2,594,372</u>	<u>4,335,742</u>	<u>2,920,301</u>
<u>Operating Expenses</u>				
Salaries and Wages	1,805,774	1,435,854	3,241,628	16,150
Fringe Benefits	620,323	634,004	1,254,327	1,830,005
Purchased Services	457,679	1,518,769	1,976,448	29,209
Supplies and Materials	59,470	199,294	258,764	0
Other	9,515	48,938	58,453	
Depreciation	757	76,739	77,496	0
Total Operating Expenses	<u>2,953,518</u>	<u>3,913,598</u>	<u>6,867,116</u>	<u>1,875,364</u>
Operating Income (Loss)	<u>(1,212,148)</u>	<u>(1,319,226)</u>	<u>(2,531,374)</u>	<u>1,044,937</u>
<u>Non-Operating Revenues</u>				
Federal Donated Commodities	0	238,621	238,621	0
Operating Grants	663,565	959,455	1,623,020	0
Total Non-Operating Revenues	<u>663,565</u>	<u>1,198,076</u>	<u>1,861,641</u>	<u>0</u>
Income (Loss) Before Operating Transfers	<u>(548,583)</u>	<u>(121,150)</u>	<u>(669,733)</u>	<u>1,044,937</u>
<u>Operating Transfers</u>				
Operating Transfers In	0	545,509	545,509	0
Operating Transfers Out	0	0	0	(750,000)
Total Operating Transfers (Uses)	<u>0</u>	<u>545,509</u>	<u>545,509</u>	<u>(750,000)</u>
Net Income (Loss)	(548,583)	424,359	(124,224)	294,937
Net Assets (Deficit) Beginning of Year, as Restated	<u>5,992</u>	<u>(134,151)</u>	<u>(128,159)</u>	<u>2,572,028</u>
Net Assets (Deficit) End of Year	<u>\$ (542,591)</u>	<u>\$ 290,208</u>	<u>\$ (252,383)</u>	<u>\$ 2,866,965</u>

See accompanying notes to the basic financial statements.

CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	<u>Business-Type Activities-Enterprise Funds</u>			<u>Governmental</u>
	<u>Bellefaire</u>	<u>Nonmajor</u>	<u>Total</u>	<u>Internal</u>
	<u>General</u>	<u>Enterprise</u>		<u>Service</u>
	<u>Rotary</u>			<u>Funds</u>
<i>Increase (Decrease) in Cash and Cash Equivalents</i>				
<u>Cash Flows from Operating Activities</u>				
Cash Received from Customers	\$ 480,394	\$ 2,105,024	\$ 2,585,418	\$ 0
Cash Received from Quasi-External Transactions with Other Funds	0	0	0	2,016,197
Cash Received from Other Operating Sources	0	436,601	436,601	899,562
Cash Payments to Suppliers for Goods and Services	(607,087)	(1,568,841)	(2,175,928)	(23,584)
Cash Payments to Employees for Services	(1,777,600)	(1,483,162)	(3,260,762)	(19,034)
Cash Payments for Employee Benefits	(623,891)	(636,257)	(1,260,148)	0
Cash Payments for Claims	0	0	0	(1,851,908)
Cash Payments for Other	(2,388)	(23,369)	(25,757)	0
Net Cash Provided by (Used for) Operating Activities	<u>(2,530,572)</u>	<u>(1,170,004)</u>	<u>(3,700,576)</u>	<u>1,021,233</u>
<u>Cash Flows from Noncapital Financing Activities</u>				
Operating Grants Received	663,565	963,437	1,627,002	0
Operating Transfers In	0	545,509	545,509	0
Operating Transfers Out	0	0	0	(750,000)
Advances In	1,916,207	0	1,916,207	0
Net Cash Provided by (Used for) Noncapital Financing Activities	<u>2,579,772</u>	<u>1,508,946</u>	<u>4,088,718</u>	<u>(750,000)</u>
<u>Cash Flows from Capital and Related Financing Activities</u>				
Payments for Capital Acquisitions	0	(393,232)	(393,232)	0
Net Cash Provided by (Used for) Capital and Related Financing Activities	<u>0</u>	<u>(393,232)</u>	<u>(393,232)</u>	<u>0</u>
Net Increase (Decrease) in Cash and Cash Equivalents	49,200	(54,290)	(5,090)	271,233
Cash and Cash Equivalents Beginning of Year	17,000	117,106	134,106	2,925,460
Cash and Cash Equivalents End of Year	<u>\$ 66,200</u>	<u>\$ 62,816</u>	<u>\$ 129,016</u>	<u>\$ 3,196,693</u>
<u>Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities</u>				
Operating Income (Loss)	\$(1,212,148)	\$(1,319,226)	\$(2,531,374)	\$ 1,044,937
Adjustments:				
Depreciation	757	76,739	77,496	0
Commodities	0	234,642	234,642	0
Increase (Decrease) in Assets:				
Accounts Receivable	(5,414)	2,349	(3,065)	(4,542)
Inventory Held for Resale	0	(41,245)	(41,245)	0
Materials and Supplies Inventory	0	(783)	(783)	0
Intergovernmental Receivable	(1,255,562)	(51,114)	(1,306,676)	0
Increase (Decrease) in Liabilities:				
Accounts Payable	(110,813)	(22,081)	(132,894)	(27,368)
Accrued Wages and Benefits	44,795	(38,128)	6,667	(2,884)
Compensated Absences Payable	5,430	(8,904)	(3,474)	0
Intergovernmental Payable	2,383	(2,253)	130	(338)
Claims Payable	0	0	0	11,428
Total Adjustments	<u>(1,318,424)</u>	<u>149,222</u>	<u>(1,169,202)</u>	<u>(23,704)</u>
Net Cash Provided by (Used for) Operating Activities	<u>\$(2,530,572)</u>	<u>\$(1,170,004)</u>	<u>\$(3,700,576)</u>	<u>\$ 1,021,233</u>

Schedule of Noncash Financing Activities

During the year, the food services enterprise fund received donated commodities of \$234,642.

See accompanying notes to the basic financial statements.

CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUND
JUNE 30, 2003

	<u>Student Managed Activity- Agency Fund</u>
<u>Assets</u>	
Equity in Pooled Cash and Cash Equivalents	\$ 112,440
Total Assets	<u>\$ 112,440</u>
 <u>Liabilities</u>	
Accounts Payable	\$ 1,988
Intergovernmental Payable	16
Due to Students	<u>110,436</u>
Total Liabilities	<u>\$ 112,440</u>

See accompanying notes to the basic financial statements.

CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2003

NOTE 1: DESCRIPTION OF THE DISTRICT AND THE REPORTING ENTITY

The Cleveland Heights-University Heights City School District (the District) is a body politic and corporate established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio.

The District operates under a locally elected five-member Board form of of government and provides educational services as mandated by State and/or federal agencies. The Board of Education controls the District's ten instructional/support facilities staffed by 567 classified employees, 610 certificated full-time teaching personnel and 58 administrators who provide services to 6,821 students and other community members.

The Reporting Entity

The reporting entity is comprised of the primary government, component units, and other organizations that are included to ensure that the financial statements of the District are not misleading. The primary government consists of all funds, departments, boards, and agencies that are not legally separate from the District. For the District, this includes general operations, food service, and student related activities.

The following non-public schools operate within the District's boundaries: Beaumont High School, Fuchs Mizrahi School, GESU School, Hebrew Academy of Cleveland, Lutheran East High School, Monarch School, Mosdos Ohr Hatorah, Ruffing Montessori, St. Ann School, St. Louis School and Woodside School. Current State legislation provides funding to these non-public schools. These monies are received and disbursed by the District on behalf of the non-public schools by the Treasurer of the District, as directed by the non-public schools. The activity of these monies by the District is reflected in a special revenue fund for financial reporting purposes.

Component units are legally separate organizations for which the District is financially accountable. The District is financially accountable for an organization if the District appoints a voting majority of the organization's governing board and:

- (1) the District is able to significantly influence the programs or services performed or provided by the organization; or
- (2) the District is legally entitled to or can otherwise access the organization's resources; the District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to the organization; or the District is obligated for the debt of the organization.

CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2003
(CONTINUED)

NOTE 1: **DESCRIPTION OF THE DISTRICT AND THE REPORTING ENTITY** (Continued)

The Reporting Entity (Continued)

Component units may also include organizations that are fiscally dependent on the District in that the District approves the budget, the issuance of debt, or the levying of taxes. The District has no component units.

The District is associated with two organizations which are defined as a jointly governed organization and a related organization. The Ohio School Council Association is a jointly governed organization and the Cleveland Heights-University Heights Library is a related organization. The jointly governed organization is presented in Note 17 and the related organization is presented in Note 18 to the basic financial statements.

NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The District also applies Financial Accounting Standards Board (FASB) statements and interpretations issued on or before November 30, 1989, to its proprietary activities provided they do not conflict with or contradict GASB pronouncements. The more significant of the District's accounting policies are described below.

A. **Fund Accounting**

The District uses funds to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain District functions or activities. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The various funds of the School District are grouped into the categories governmental, propriety and fiduciary.

Governmental Funds

Governmental funds focus on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purpose for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the District's major governmental funds:

CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2003
(CONTINUED)

NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

A. **Fund Accounting** (Continued)

Governmental Funds (Continued)

General Fund - The general fund is used to account for all financial resources except those required to be accounted for in another fund. The general fund balance is available for any purpose provided it is expended or transferred according to the general laws of Ohio.

Debt Service Fund - The debt service fund provides for the retirement of serial bonds and short term loans. All revenue derived from general or special levies, either within or exceeding the ten-mill limitation, which is levied for debt charges on bonds or loans shall be paid into this fund.

Permanent Improvement Capital Projects Funds - A fund provided to account for all transactions related to the acquiring, constructing, or improving of such permanent improvements as are authorized by Chapter 5705, Ohio Revised Code.

The other governmental funds of the District account for grants and other resources whose use is restricted to a particular purpose.

Proprietary Funds

Proprietary funds focus on the determination of operating income/loss, changes in net assets, financial position and cash flows and are classified as either enterprise or internal service.

Enterprise Funds - Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The District's major enterprise fund is:

Bellefaire General Rotary Fund - This fund provides for the purchase of services and equipment by internal persons and organizations.

The other enterprise funds of the District account for food services, uniform school supplies, customer services, and community services.

CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2003
(CONTINUED)

NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

A. **Fund Accounting** (Continued)

Proprietary Funds (Continued)

Internal Service Funds - Internal service funds account for the financing of goods or services provided by one department or agency to other departments or agencies of the District, or to other governmental units, on a cost-reimbursement basis. One internal service fund of the District accounts for a self-insurance program which provides medical and dental benefits to employees. The other internal service fund accounts for the claims and premiums paid to the State for workers' compensation insurance.

Fiduciary Funds

Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and agency funds. Trust funds are used to account for assets held by the District under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the District's own programs. The District has no trust funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The District's only agency fund accounts for resources that belong to the student bodies of the various schools, accounting for sales and other revenue generating activities.

B. **Basis of Presentation**

Government-wide Financial Statements

The statement of net assets and the statement of activities display information about the School District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. Internal service fund activity is eliminated to avoid "doubling up" revenues and expenses. The statements distinguish between those activities of the School District that are governmental and those that are considered business-type activities.

The government-wide statements are prepared using the economic resources measurement focus. This is the same approach used in the preparation of the proprietary fund financial statements but differs from the manner in which governmental fund financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statement for governmental funds.

CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2003
(CONTINUED)

NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

B. **Basis of Presentation** (Continued)

Government-wide Financial Statements (Continued)

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the District and 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 therefore clearly identifiable to a particular function. 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 which are not classified as program revenues are presented as general revenues of the District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the School District.

Fund Financial Statements

Fund financial statements report detailed information about the School District. The focus of governmental and enterprise fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Internal service funds are combined and the totals are presented in a single column on the face of the proprietary fund statements. Fiduciary funds are reported by fund type.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources measurement focus. The financial statements for governmental funds are a balance sheet, which generally includes only current assets and current liabilities, and a statement of revenues, expenditures and changes in fund balances, which reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources.

All proprietary funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the statement of net assets. The statement of changes in fund net assets presents increases (i.e., revenues) and decreases (i.e., expenses) in net total assets. The statement of cash flows provides information about how the District finances and meets the cash flow needs of its proprietary activities.

CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2003
(CONTINUED)

NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

C. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Proprietary also use the accrual basis of accounting.

Revenues – Exchange and Non-Exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, available means expected to be received within sixty days of year end.

Non-exchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from income tax is recognized in the fiscal year in which the exchange on which the tax is imposed takes place and revenue from property taxes is recognized in the fiscal year for which the taxes are levied. (See Note 8). Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year-end: property taxes available as an advance, interest, tuition, grants, student fees and rentals.

CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2003
(CONTINUED)

NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

C. **Basis of Accounting** (Continued)

Deferred Revenue

Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

Delinquent property taxes and property taxes for which there is an enforceable legal claim as of June 30, 2003, but which were levied to finance fiscal year 2003 operations, have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

On governmental fund financial statements, receivables that will not be collected within the available period have also been reported as deferred revenue.

Expenses/Expenditures

On the accrual basis of accounting, expenses are recognized at the time they are incurred. The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

D. **Cash and Cash Equivalents**

Cash received by the District is pooled for investment purposes. Interest in the pool is presented as "equity in pooled cash and cash equivalents" on the financial statements. The District utilized a financial institution to service bonded debt as principal and interest payments come due. The balance in this account is presented on the financial statements as "cash and cash equivalents with fiscal agent". The District also utilizes an escrow agent to hold retainage on construction contracts. The balances in these accounts are presented on the financial statements as "cash and cash equivalents with escrow agents" and represents deposits or short term investments in certificates in deposit.

During fiscal year 2003, investments were limited to U.S. Government Securities, overnight Repurchase Agreements, a Manuscript Note, and the State Treasury Asset Reserve of Ohio (STAROhio).

CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2003
(CONTINUED)

NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

D. Cash and Cash Equivalents (Continued)

Except for nonparticipating investment contracts, investments are reported at fair value which is based on quoted market prices. Nonparticipating investment contracts such as nonnegotiable certificates of deposits and repurchase agreements are reported at cost.

The District has invested funds in STAROhio during fiscal year 2003. STAROhio is an investment pool managed by the State Treasurer's Office, which allows governments within the State to pool their funds for investment purposes. STAROhio is not registered with the SEC as an investment company but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAROhio are valued at STAROhio's share price, which is the price the investment could be sold for on June 30, 2003.

Following Ohio statutes, the Board of Education has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue credited to the general fund during fiscal year 2003 amounted to \$210,815. The amount allocated from the other funds during fiscal year 2003 amounted to \$99,087.

For presentation on the financial statements, investments of the cash management pool and investments with an original maturity of three months or less at the time they are purchased by the School District are considered to be cash equivalents. Investments with an initial maturity of more than three months that are not purchased from the pool are reported as investments.

E. Inventory

On government-wide financial statements, inventories are presented at the lower of cost or market on a first-in, first-out basis and are expensed when used.

On fund financial statements, inventories of governmental funds are stated at cost while inventories of proprietary funds are stated at the lower of cost or market. For all funds, cost is determined on a first-in, first-out basis. Inventory in governmental funds consists of expendable supplies held for consumption. The cost of inventory items is recorded as an expenditure in the governmental funds types when purchased. Inventories of proprietary funds consist of donated food, purchased food, and school supplies held for resale and are expensed when used.

CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2003
(CONTINUED)

NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

F. Capital Assets

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net assets but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide statement of net assets and in the respective funds.

All capital assets are capitalized at cost (or estimate historical cost) and updated for additions and retirements during the year. Donated fixed assets are recorded at their fair market values as of the date received. The District maintains a capitalization threshold of five thousand dollars. The District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. Interest incurred during the construction of capital assets is also capitalized.

All reported capital assets except land and construction in progress are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line over the following useful lives:

<u>Description</u>	Governmental Activities <u>Estimated Lives</u>	Business-Type Activities <u>Estimated Lives</u>
Land Improvements	30 years	30 years
Buildings and Improvements	10–30 years	10-30 years
Furniture and Equipment	5–10 years	5-10 years
Vehicles	10 years	N/A

G. Interfund Transactions

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as “interfund receivables/payables.” These amounts are eliminated in the governmental and business-type activities columns of the statement of net assets, except for the net residual amounts due between governmental and business-type activities, which are presented as internal balances.

CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2003
(CONTINUED)

NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

H. Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the District will compensate the employees for the benefits through paid time off or some other means. The District records a liability for accumulated unused vacation time when earned for all employees with more than one year of service and salary related payments, if applicable.

Sick leave benefits are accrued as a liability using the termination payment method. An accrual for earned sick leave is made to the extent that it is probable that the benefits will result in termination payments. The liability is an estimate based on the District's past experience of making termination payments.

I. Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements, and all payables, accrued liabilities and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements.

In general, payables and accrued liabilities that will be paid from governmental funds are reported on the governmental fund financial statements regardless of whether they will be liquidated with current resources. However, claims and judgments, compensated absences, contractually required pension contributions and special termination benefits that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they will be paid with current expendable available financial resources. In general, payments made more than sixty days after year end are considered not to have been made with current available financial resources. Bonds and other long-term obligations that will be paid from governmental funds are not recognized as a liability in the fund financial statements when due.

CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2003
(CONTINUED)

NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

J. Fund Balance Reserves

The District reserves those portions of fund equity which are legally segregated for a specific future use or which do not represent available expendable resources and therefore are not available for appropriation or expenditure. Unreserved fund balance indicates this portion of fund equity which is available for appropriation in future periods. Fund equity reserves have been established for encumbrances, inventories of supplies and materials, and property taxes.

The reserve for property taxes represents taxes recognized as revenue under generally accepted accounting principles but not available for appropriations under State statute.

K. Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

The District applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

L. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the District, these revenues are tuition for adult education classes, sales for food service and uniform school supplies, and charge for services for self-insurance programs. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund.

CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2003
(CONTINUED)

NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

M. Interfund Transactions

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues.

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after nonoperating revenues/expenses in the food service enterprise fund. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

N. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the District and that are either unusual in nature or infrequent in occurrence. For fiscal year ended June 30, 2002, special items include library renovations as described in Note 14 of the basic financial statements.

O. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

P. Budgetary Data

All funds, other than agency funds, are legally required to be budgeted and appropriated. The major documents are the tax budget, the appropriation resolution, and the certificate of estimated resources, which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amounts that the Board of Education may appropriate. The appropriation resolution is the Board's authorization to spend resources and set annual limits on expenditures plus encumbrances at a level of control selected by the Board. The legal level of control has been established by the Board of Education at the fund level.

CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2003
(CONTINUED)

NOTE 2: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

P. **Budgetary Data** (Continued)

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the District Treasurer. The amounts reported as the original budgeted amounts in the budgetary statements reflect the amounts in the certificate when the original appropriations were adopted. The amounts reported as the final budgeted amounts in the budgetary statements reflect the amounts in the amended certificate in effect at the time the final appropriations were passed.

The appropriation resolution is subject to amendment by the Board throughout the year with the restriction that appropriations may not exceed estimated resources. The amounts reported as the original budgeted amounts reflect the first appropriation for that fund that covered the entire fiscal year, including amounts automatically carried over from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by the Board during the year.

NOTE 3: **CHANGES IN ACCOUNTING PRINCIPLES AND RESTATEMENT OF FUND BALANCE**

A. **Changes in Accounting Principles**

For fiscal year 2003, the District implemented Governmental Accounting Standards Board Statement (GASB) No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, GASB No. 37, *Basic Financial Statements for State and Local Governments: Omnibus*, GASB No. 38, *Certain Financial Statement Note Disclosures*, GASB Statement No. 41, *Budgetary Comparison Schedules - Perspective Differences*, and GASB Interpretation No. 6, *Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements*.

GASB Statement No. 34 creates new basic financial statements for reporting on the District's financial activities. The financial statements now include government-wide financial statements prepared on an accrual basis of accounting and fund financial statements which present information for individual major funds rather than by fund type. Nonmajor funds are presented in total in one column.

The government-wide financial statements split the District's programs between governmental and business-type activities. The beginning net asset amount for governmental activities reflects the changes in fund balance for governmental funds

CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2003
(CONTINUED)

NOTE 3: CHANGES IN ACCOUNTING PRINCIPLES AND RESTATEMENT OF FUND BALANCE (Continued)

A. Changes in Accounting Principles (Continued)

at June 30, 2002, caused by the conversion to the accrual basis of accounting. Except for the restatement explained below, the beginning net asset amount for the business-type activities equals fund equity of the enterprise funds from last year.

GASB Statement No. 37 clarifies certain provisions of GASB Statement No. 34, including the required content of the MD&A, the classification of program revenues, and the criteria for determining major funds. GASB Statement No. 38 modified, establishes, and rescinds certain financial statement note disclosures.

GASB Statement No. 41 allows the presentation of budgetary schedules as required supplementary information based on the fund, organization, or program structure that the government uses for its legally adopted budget when significant budgetary perspective differences result in the school district not being able to present budgetary comparisons for the general and each major special revenue fund.

GASB Interpretation No. 6 clarifies the application of standards for modified accrual recognition of certain liabilities and expenditures in areas where differences have arisen, or potentially could arise, in interpretation and practice.

B. Restatement of Fund Balance/Equity

The implementation of these changes had the following effects on fund balance/equity of the major and nonmajor funds of the District as they were previously reported.

The transition from fund balance/equity to net assets of both governmental activities and business type-activities is also presented.

	<u>General</u>	<u>Permanent Improvement Capital Projects</u>	<u>Debt Service</u>	<u>Nonmajor Funds</u>	<u>Total Governmental Activities</u>
Fund Balances, June 30, 2002	\$ 31,071,835	\$ 1,359,992	\$ 9,484,932	\$ 1,448,417	\$ 43,365,176
General Obligation Notes	0	0	(9,500,000)	0	(9,500,000)
Interfund Payable (Receivable)	<u>(414,128)</u>	<u>0</u>	<u>0</u>	<u>153,640</u>	<u>(260,488)</u>
Adjusted Fund Balances, June 30, 2002	<u>\$ 30,657,707</u>	<u>\$ 1,359,992</u>	<u>\$ (15,068)</u>	<u>\$ 1,602,057</u>	<u>33,604,688</u>
GASB 34 Adjustments:					
Capital Assets					14,242,627
Internal Service Fund					2,572,028
Long-term Liabilities					(18,352,225)
Accrued Interest Payable					(153,719)
Long-term (Deferred) Assets					8,856,164
Net Assets, June 30, 2002					<u>\$ 40,769,563</u>

CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2003
(CONTINUED)

NOTE 3: CHANGES IN ACCOUNTING PRINCIPLES AND RESTATEMENT OF FUND BALANCE (Continued)

B. Restatement of Fund Balance/Equity (Continued)

	Bellefaire General Rotary	Nonmajor Enterprise Funds	Total Business-Type	Governmental Activities Internal Service
Fund Balance/Equity, June 30, 2002	\$ 0	\$ (513,807)	\$ (513,807)	\$ 2,714,813
Fund Reclassification	142,785	0	142,785	(142,785)
Interfund Payable	0	260,488	260,488	0
Compensated Absences	(136,793)	(69,397)	(206,190)	0
Capitalization of Assets	0	188,565	188,565	0
Adjusted Fund Balance/Equity June 30, 2002	<u>\$ 5,992</u>	<u>\$ (134,151)</u>	<u>\$ (128,159)</u>	<u>\$ 2,572,028</u>

NOTE 4: COMPLIANCE AND ACCOUNTABILITY

Fund Deficits

The following funds had deficit fund balances/net assets at June 30, 2003:

Special Revenue Funds:

Motorcycle Safety Education	\$ 13,847
Public School Preschool Grant	7,122
Career Technical/Adult Education	7,617
Alternative School Grant	338
Title II	352
Vocational Education	37,036
Emergency Immigrant Education	28
Continuous Improvement	109

Enterprise Funds:

Bellefaire General Rotary	542,591
Food Services	226,963

The special revenue deficits were created by the recognition of expenditures on the modified accrual basis which are greater than expenditures on a cash basis. The general fund is liable for any deficit in these funds and provides operating transfers when cash is required, not when accruals occur.

The deficits in the enterprise funds are due to increased expenses. The deficits will be eliminated through increases in fees in future periods.

CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2003
(CONTINUED)

NOTE 5: BUDGETARY BASIS OF ACCOUNTING

While the District is reporting financial position, results of operations, and changes in fund balances on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The Statement of Revenues, Expenditures and Changes in Fund Balances - Budget (Non-GAAP) and Actual presented for the general fund is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and GAAP basis are that:

1. Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).
2. Expenditures are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).
3. Encumbrances are treated as expenditures (budget) rather than as a reservation of fund balance (GAAP).

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the general fund.

	<u>General</u>
GAAP Basis	\$ (12,419,574)
Revenue Accruals	8,164,123
Advances In	38,170
Expenditure Accruals	808,489
Advances Out	(2,153,819)
Encumbrances	<u>(3,134,885)</u>
Budget Basis	<u>\$ (8,697,496)</u>

NOTE 6: DEPOSITS AND INVESTMENTS

State statutes classify monies held by the District into three categories.

Active deposits are public deposits necessary to meet current demands on the treasury. Such monies must be maintained either as cash in the District Treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Inactive deposits are public deposits that the Board of Education has identified as not required for use within the current five-year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2003
(CONTINUED)

NOTE 6: **DEPOSITS AND INVESTMENTS** (Continued)

Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit, or by savings or deposit accounts including passbook accounts.

Protection of the District's deposits is provided by the Federal Deposit Insurance Corporation, by eligible securities pledged by the financial institution as a security for repayment, by surety company bonds deposited with the Treasurer of the financial institution, or by a single collateral pool established by the financial institution to secure the repayment of all public monies deposited with the institution.

Interim monies may be deposited or invested in the following securities:

1. United States Treasury notes, bills, bonds, or other obligation or security issued by the United States Treasury or any other obligation guaranteed as to payment of principal and interest by the United States;
2. Bonds, notes, debentures, or other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, federal national mortgage association, federal home loan bank, federal farm credit bank, federal home loan mortgage corporation, government national mortgage association, and student loan marketing association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. The State Treasurer's investment pool (STAROhio);
7. Certain banker's acceptance and commercial paper notes for a period not to exceed one hundred and eighty days in an amount not to exceed twenty-five percent of the interim monies available for investment at any one time; and

CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2003
(CONTINUED)

NOTE 6: **DEPOSITS AND INVESTMENTS** (Continued)

8. Under limited circumstances, corporate debt interests rated in either of the two highest rating classifications by at least two nationally recognized rating agencies.

Investments in stripped principal or interest obligations, reverse repurchase agreements, and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage, and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the District, and must be purchased with the expectation that it will be held until maturity. Investments may only be made through specified dealers and institutions. Payments for investments may be made only upon delivery of the securities representing the investments to the Treasurer or qualified trustee or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

Cash on Hand

At fiscal year end, the District had \$3,320 in undeposited cash on hand, which is included on the balance sheet of the District as part of "Equity in Pooled Cash and Cash Equivalents".

The following information classifies deposits and investments by categories of risk, as defined in GASB Statement 3, *Deposits with Financial Institutions, Investments, and Reverse Repurchase Agreements*.

Deposits

At fiscal year end, the carrying amount of the District's deposits was \$9,642,108 and the bank balance was \$10,755,704. \$303,405 of the bank balance was covered by Federal depository insurance and \$10,452,299 was uninsured and uncollateralized. Although the securities serving as collateral were held by the pledging financial institution's trust department in the District's name and all State statutory requirements for the deposit of money had been followed, non-compliance with Federal requirements would potentially subject the District to a successful claim by the FDIC.

Investments

GASB Statement No. 3 requires the District's investments be categorized to give an indication of the level of risk assumed by the District at fiscal year end. Category 1 includes investments that are insured or registered for which the securities are held by the District or its agent in the District's name. Category 2 includes uninsured and unregistered investments which are held by the counterparty's trust department or agent in the District's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the counterparty, or by its trust department or agent but not in the District's name. The District invested in the State Treasury Asset Reserve of

CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2003
(CONTINUED)

NOTE 6: **DEPOSITS AND INVESTMENTS** (Continued)

Investments (Continued)

Ohio (STAROhio) during the 2002-2003 fiscal year. STAROhio is an unclassified investment since it is not evidenced by securities that exist in physical or book entry form.

<u>Description</u>	<u>Category 3</u>	<u>Amount/ Fair Value</u>
Repurchase Agreements	\$ 4,874,410	\$ 4,874,410
STAROhio	0	5,730,964
Federal Securities	4,012,435	4,012,435
Total Investments	<u>\$ 8,886,845</u>	<u>\$14,617,809</u>

The classification of cash and cash equivalents and investments on the combined financial statements is based on criteria set forth in GASB Statement No. 9. A reconciliation between the classifications of cash and investments on the combined financial statements and the classification per GASB statement No. 3 is as follows:

	<u>Cash and Cash Equivalents/ Deposits</u>	<u>Investments</u>
GASB Statement 9	\$ 20,250,802	\$ 4,012,435
Petty Cash	(3,320)	0
Investments:		
Repurchase Agreement	(4,874,410)	4,874,410
STAROhio	(5,730,964)	5,730,964
GASB Statement 3	<u>\$ 9,642,108</u>	<u>\$14,617,809</u>

NOTE 7: **INTERFUND TRANSFERS AND BALANCES**

As of June 30, 2003, interfund balances were as follows:

<u>Major Funds</u>	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
General	\$ 5,217,310	\$ 306,247
Debt Service	80,522	0
Permanent Improvement Capital Projects	225,725	0
Bellefaire General Rotary	0	4,627,960
 <u>Nonmajor Funds</u>		
Special Revenue	0	256,182
Enterprise	0	333,168
	<u>\$5,523,557</u>	<u>\$5,523,557</u>

Interfund balances of \$4,961,182 on the government-wide financial statements are a result of advances for reimbursements due from operations and intrafund balances of \$562,375 were eliminated.

CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2003
(CONTINUED)

NOTE 7: **INTERFUND TRANSFERS AND BALANCES** (Continued)

As of June 30, 2003, Board approved interfund transfers were as follows:

	<u>Transfer To</u>	<u>Transfer From</u>
General Fund	\$ 838,127	\$ 1,706,101
Debt Service Fund	935,592	0
Nonmajor Governmental Funds	533,874	397,001
Nonmajor Enterprise Funds	545,509	0
Internal Service Fund	<u>0</u>	<u>750,000</u>
Totals	<u>\$ 2,853,102</u>	<u>\$ 2,853,102</u>

Transfers of \$545,509 on the government-wide financial statements were made to provide additional resources for current operations. Transfers of \$2,307,593 were eliminated since they were within the governmental and business-type activity.

NOTE 8: **PROPERTY TAXES**

Property taxes are levied and assessed on a calendar year basis while the District's fiscal year runs from July through June. First half tax collections are received by the District in the second half of the fiscal year. Second half tax distributions occur in the first half of the following fiscal year.

Property taxes include amounts levied against all real, public utility, and tangible personal property (used in business) located in the District. Real property tax revenue received in calendar 2003 represents collections of calendar year 2002 taxes. Real property taxes received in calendar year 2003 were levied after April 1, 2002, on the assessed value listed as of January 1, 2002, the lien date. Assessed values for real property taxes are established by State law at 35 percent of appraised market value. Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Public utility property tax revenue received in calendar 2003 represents collections of calendar year 2002 taxes. Public utility real and tangible personal property taxes received in calendar year 2003 became a lien December 31, 2001, were levied after April 1, 2002 and are collected in 2003 with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property currently is assessed at varying percentages of true value.

CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2003
(CONTINUED)

NOTE 8: **PROPERTY TAXES** (Continued)

Tangible personal property tax revenue received during calendar 2003 (other than public utility property) represents the collection of 2003 taxes. Tangible personal property taxes received in calendar year 2003 were levied after April 1, 2002, on the value as of December 31, 2002. Tangible personal property is currently assessed at 25 percent of true value for capital assets and 24 percent of true value for inventory. Payments by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30, with the remainder payable by September 20. Tangible personal property taxes paid by April 30 are usually received by the District prior to June 30.

The District receives property taxes from Cuyahoga County. The County Auditor periodically advances to the District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2003 are available to finance fiscal year 2003 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable includes real property, public utility property, and tangible personal property taxes which are measurable as of June 30, 2003 and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the amount of real property taxes available as an advance at June 30 was levied to finance current fiscal year operations and is reported as revenue at fiscal year end. The portion of the receivable not levied to finance current fiscal year operations is offset by a credit to deferred revenue.

The amount available as an advance at June 30, 2003 was \$5,406,436 in the general fund, \$70,328 in the debt service fund, and \$383,872 was available to the permanent improvement capital projects fund.

On a full accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue, while on a modified accrual basis the revenue has been deferred.

The assessed values upon which the fiscal year 2003 taxes were collected are:

CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2003
(CONTINUED)

NOTE 8: **PROPERTY TAXES** (Continued)

	2002		2003	
	<u>Second-Half Collections</u>		<u>First- Half Collections</u>	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
Agricultural/Residential and Other Real Estate	\$ 929,693,070	95.37%	\$ 937,234,820	94.24%
Public Utility	20,379,170	2.09%	31,701,920	3.19%
Tangible Personal Property	<u>24,751,484</u>	<u>2.54%</u>	<u>25,539,854</u>	<u>2.57%</u>
	<u>\$ 974,823,724</u>	<u>100.00%</u>	<u>\$ 994,476,594</u>	<u>100.00%</u>
Tax Rate per \$1,000 of Assessed Valuation	\$ 121.10		\$ 121.10	

NOTE 9: **RECEIVABLES**

Receivables at June 30, 2003 consisted of taxes, accounts (rent and student fees), tuition, intergovernmental grants and interest. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current year guarantee of federal funds.

A summary of the principal items of intergovernmental receivables follows:

	<u>Amount</u>	
General Fund:		
Special Education - Tuition	<u>\$2,215,978</u>	
Total General Fund		\$2,215,978
Special Revenue Funds:		
Other Grants	1,554	
Motorcycle Safety Education	10,790	
Adult Basic Education	82,758	
IDEA (Flo Thru)	159,642	
Vocational Education	35,331	
Title III	9,151	
Title I	217,492	
Title V Innovative Program	6,860	
Preschool Disabilities Grant	3,201	
Title IIA - Improving Teacher Quality	45,530	
Miscellaneous Federal Grants	<u>18,706</u>	
Total Special Revenue Funds		591,015
Enterprise Funds:		
Bellefaire General Rotary	4,293,299	
Food Services	<u>55,096</u>	
Total Enterprise Funds		<u>4,348,395</u>
Total Intergovernmental Receivable		<u>\$7,155,388</u>

CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2003
(CONTINUED)

NOTE 10: **CAPITAL ASSETS**

Capital asset activity for the fiscal year ended June 30, 2003, was as follows:

	Restated Balance <u>at 6/30/02</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>at 6/30/03</u>
<u>Governmental Activities</u>				
<i>Capital Assets, not being depreciated:</i>				
Land	\$ 1,981,623	\$ 0	\$ 0	\$ 1,981,623
Construction in Progress	<u>142,977</u>	<u>402,536</u>	<u>(295,741)</u>	<u>249,772</u>
<i>Total Capital Assets, not being depreciated</i>	<u>2,124,600</u>	<u>402,536</u>	<u>(295,741)</u>	<u>2,231,395</u>
<i>Capital Assets, being depreciated:</i>				
Land Improvements	2,308,692	0	0	2,308,692
Buildings and Improvements	22,514,542	3,696,747	0	26,211,289
Vehicles	2,656,403	199,309	(141,766)	2,713,946
Furniture and Equipment	<u>2,334,584</u>	<u>214,333</u>	<u>0</u>	<u>2,548,917</u>
<i>Total Capital Assets, being depreciated</i>	<u>29,814,221</u>	<u>4,110,389</u>	<u>(141,766)</u>	<u>33,782,844</u>
Less Accumulated Depreciation:				
Land Improvements	(1,022,550)	(115,227)	0	(1,137,777)
Buildings and Improvements	(13,571,066)	(955,284)	0	(14,526,350)
Vehicles	(1,403,785)	(240,061)	141,766	(1,502,080)
Furniture and Equipment	<u>(1,698,793)</u>	<u>(174,844)</u>	<u>0</u>	<u>(1,873,637)</u>
Total Accumulated Depreciation	<u>(17,696,194)</u>	<u>(1,485,416)</u>	<u>141,766</u>	<u>(19,039,844)</u>
<i>Total Capital Assets being depreciated, net</i>	<u>12,118,027</u>	<u>2,624,973</u>	<u>0</u>	<u>14,743,000</u>
Governmental Activities Capital Assets, Net	<u>\$14,242,627</u>	<u>\$ 3,027,509</u>	<u>\$ (295,741)</u>	<u>\$16,974,395</u>
<u>Business-Type Activities</u>				
Land Improvements	\$ 6,274	\$ 0	\$ 0	\$ 6,274
Buildings and Improvements	857,578	393,232	0	1,250,810
Furniture and Equipment	<u>417,763</u>	<u>0</u>	<u>0</u>	<u>417,763</u>
	<u>1,281,615</u>	<u>393,232</u>	<u>0</u>	<u>1,674,847</u>
Less Accumulated Depreciation:				
Land Improvements	(4,705)	(314)	0	(5,019)
Buildings and Improvements	(600,187)	(52,701)	0	(652,888)
Furniture and Equipment	<u>(375,690)</u>	<u>(24,481)</u>	<u>0</u>	<u>(400,171)</u>
Total Accumulated Depreciation	<u>(980,582)</u>	<u>(77,496)</u>	<u>0</u>	<u>(1,058,078)</u>
Business-Type Activities Capital Assets, Net	<u>\$ 301,033</u>	<u>\$ 315,736</u>	<u>\$ 0</u>	<u>\$ 616,769</u>

CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2003
(CONTINUED)

NOTE 10: **CAPITAL ASSETS** (Continued)

Depreciation expense was charged to governmental functions as follows:

Instruction:	
Regular	\$ 835,394
Special	207
Vocational	4,018
Support Services:	
Pupil	3,083
Instructional Staff	74,450
Administration	1,111
Fiscal	218
Business	142,708
Operation and Maintenance of Plant	112,511
Pupil Transportation	245,892
Central	27,669
Operation of Non-Instructional Services:	
Community Services	20,516
Extracurricular Activities	17,639
Total Depreciation Expense	<u>\$ 1,485,416</u>

NOTE 11: **COMPENSATED ABSENCES**

The criteria for determining vacation, personal, and sick leave benefits are derived from negotiated agreements and State laws. Employees can earn three days of personal leave per year. This may be accumulated up to five days. Classified employees can earn ten to twenty-five days of vacation per year, depending on length of service. Accumulated unused vacation time is paid to classified employees upon termination of employment. Teachers do not earn vacation time.

Each employee earns sick leave at the rate of one and one-fourth days per month. Sick leave may be accumulated with no maximum. Upon retirement, payment is made for one-fourth of the first 160 days of total sick leave accumulation, 100 percent of the next twenty-five and one-fourth of any remaining days.

The entire compensated absence liability is reported on the government-wide financial statements. For governmental fund financial statements, the current portion of unpaid compensated absences is the amount expected to be paid using expendable available resources. These amounts are recorded in the account "Compensated Absences Payable" in the fund from which the employees who have accumulated unpaid leave are paid. The noncurrent portion of the liability is not reported. In proprietary funds, the entire amount of compensated absences is reported as a fund liability.

CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2003
(CONTINUED)

NOTE 12: **DEFINED BENEFIT PENSION PLANS**

A. School Employees Retirement System

The District contributes to the School Employees Retirement System of Ohio (SERS), a cost-sharing multiple employer defined benefit pension plan. SERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by State statute per Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the School Employees Retirement System, 300 East Broad Street, Suite 100, Columbus, Ohio 43215-3476.

Plan members are required to contribute 9 percent of their annual covered salary and the District is required to contribute an actuarially determined rate. The current District rate is 14 percent of annual covered payroll. A portion of the District's contribution is used to fund pension obligations, with the remainder being used to fund health care benefits. For fiscal years 2003 and 2002, 8.17 and 5.46 percent, respectively, of annual covered salary was the portion used to fund pension obligations. The contribution requirements of plan members and employers are established and may be amended, up to statutory maximum amounts, by SERS' Retirement Board. The District's required contributions for pension obligations to SERS for the fiscal years ended June 30, 2003, 2002, and 2001, were \$2,039,850, \$1,891,696 and \$1,832,500, respectively; 51.69 percent has been contributed for fiscal year 2003 and 100 percent for the fiscal years 2002 and 2001.

B. State Teachers Retirement System

The District contributes to the State Teachers Retirement System of Ohio (STRS), a cost-sharing multiple employer public employee retirement system administered by the State Teachers Retirement Board. STRS provides basic retirement benefits, disability, survivor, and health care benefits, based on eligible service credit to members and beneficiaries. STRS issues a stand-alone financial report. Copies of the report can be requested by writing to the State Teachers Retirement System, 275 East Broad Street, Columbus, Ohio 43215-3371, or by calling (614) 227-4090.

New members have a choice of three retirement plans: a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan, and a Combined Plan. The DB plan offers an annual retirement allowance based on final average salary times a percentage that varies based on years of service, or an allowance based on member contributions and earned interest matched by STRS Ohio funds times an actuarially determined annuity factor. The DC plan allows members to place all their member contributions

CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2003
(CONTINUED)

NOTE 12: **DEFINED BENEFIT PENSION PLANS** (Continued)

B. **State Teachers Retirement System** (Continued)

and employer contributions equal to 10.5 percent of earned compensation into an investment account. Investment decisions are made by the member. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The Combined Plan offers features of both the DC plan and the DB plan. In the Combined Plan, member contributions are invested by the member, and employer contributions are used to fund the defined benefit payment at a reduced level from the regular DB plan. DC and Combined Plan members will transfer to the Defined

Benefit Plan during their fifth year of membership unless they permanently select the DC or Combined Plan. Existing members with less than five years of service credit as of June 30, 2001 were given the option of making a one time irrevocable decision to transfer their account balances from the existing DB Plan into the DC Plan or the Combined Plan. This option expired on December 31, 2001. Benefits are established by Chapter 3307 of the Ohio Revised Code.

A DB or Combined Plan member with five or more years of credited service who becomes disabled may qualify for a disability benefit. Eligible spouses and dependents of these active members who die before retirement may qualify for survivor benefits. Members in the DC Plan who become disabled are entitled only to their account balance. If a member dies before retirement benefits begin, the member's designated beneficiary is entitled to receive the member's account balance

For the fiscal year ended June 30, 2003, plan members are required to contribute 9.3 percent of their annual covered salaries. The District is required to contribute 14 percent; 13 percent was the portion used to fund pension obligations. For fiscal year 2002, the portion used to fund pension obligations was 9.5 percent. Contribution rates are established by STRS, upon recommendation of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers. Chapter 3307 of the Ohio Revised Code provides statutory authority for member and employer contributions. The District's required contributions for pension obligations to STRS for the fiscal years ended June 30, 2003, 2002, and 2001, were \$5,680,938, \$5,394,924, and \$5,126,856, respectively; 81.33 percent has been contributed for fiscal year 2003 and 100 percent for fiscal years 2002 and 2001.

NOTE 13: **POSTEMPLOYMENT BENEFITS**

The District provides comprehensive health care benefits to retired teachers and their dependents through the State Teachers Retirement System (STRS), and to retired non-certificated employees and their dependents through the School Employees Retirement

CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2003
(CONTINUED)

NOTE 13: POSTEMPLOYMENT BENEFITS (Continued)

System (SERS). Benefits include hospitalization, physicians' fees, prescription drugs, and reimbursement of monthly Medicare premiums. Benefit provisions and the obligations to contribute are established by the Systems based on authority granted by State statute. Both systems are funded on a pay-as-you-go basis.

All STRS benefit recipients and sponsored dependents are eligible for health care coverage. The STRS Board has statutory authority over how much, if any, of the health care costs will be absorbed by STRS. Most benefit recipients pay a portion of health care cost in the form of a monthly premium. By law, the cost of coverage paid from STRS funds is included in the employer contribution rate, currently, 14 percent of covered payroll. For the fiscal year ended June 30, 2003, the STRS Board allocated employer contributions equal to 1.0 percent of covered payroll to the Health Care Reserve Fund. For the District, this amount equaled \$405,781 for fiscal year 2003.

STRS pays health care benefits from the Health Care Reserve Fund. At June 30, 2002 (the latest information available) the balance in the fund was \$3.011 billion. For the year ended June 30, 2002, net health care costs by STRS were \$354,697,000 and STRS had 105,300 eligible benefit recipients.

For SERS, coverage is made available to service retirees with ten or more fiscal years of qualifying service credit, and to disability and survivor benefit recipients. Members retiring on or after August 1, 1989, with less than 25 years of service credit must pay a portion of their premium for health care. The portion is based on years of service up to a maximum of 75 percent of the premium.

After the allocation for basic benefits, the remainder of the employer's 14 percent contribution is allocated to providing health care benefits. For the fiscal year ended June 30, 2003, employer contributions to fund health care benefits were 9.8 percent of covered payroll. In addition, SERS levies a surcharge to fund health care benefits equal to 14 percent of the difference between a minimum pay and the member's pay, pro-rated for partial service credit. For fiscal year 2003, the minimum pay has been established at \$14,500. For the District, the amount to fund health care benefits, including surcharge, during the 2003 fiscal year equaled \$980,260.

The surcharge, added to the unallocated portion of the 14 percent employer contribution rate, provides for maintenance of the asset target level for the health care fund. The target level for the health care reserve is 150 percent of annual health care expenses. Expenses for health care for the fiscal year ended June 30, 2002 (the latest information available), were \$182,946,777 and the target level was \$274.4 million. At June 30, 2002, SERS had net assets available for payment of health care benefits of \$335.3 million. SERS has approximately 50,253 participants currently receiving health care benefits.

CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2003
(CONTINUED)

NOTE 14: LONG-TERM OBLIGATIONS

The changes in the District's long-term obligations during fiscal year 2003 were as follows:

	Principal Outstanding 6/30/02, Restated	Additions	Deletions	Principal Outstanding at 6/30/03	Amounts Due in One Year
<u>Governmental Activities</u>					
1993 \$2,800,000 Energy Conservation Bonds-2.75%	\$ 600,000	\$ 0	\$ 300,000	\$ 300,000	\$ 300,000
1998 \$1,400,000 Energy Conservation Bonds-7.00%	980,000	0	140,000	840,000	140,000
2003 \$5,800,000 Energy Conservation Bonds-variable	0	5,800,000	0	5,800,000	0
1999 \$1,600,000 Notes Payable-4.3%	400,000	0	400,000	0	0
2002 \$9,499,990 Library Improvement Bonds- variable interest rate	9,499,990	0	250,000	9,249,990	215,000
2002 \$9,500,000 Library Notes Payable-2.25%-2.5%	9,500,000	0	9,500,000	0	0
Capital Lease Obligations	1,270,945	732,323	1,017,755	985,513	484,995
Compensated Absences	4,825,396	552,573	0	5,377,969	957,704
Total Governmental Long-Term Liabilities	<u>\$ 27,076,331</u>	<u>\$7,084,896</u>	<u>\$11,607,755</u>	<u>\$22,553,472</u>	<u>\$2,097,699</u>
<u>Business-Type Activities</u>					
Compensated Absences	\$ 206,190	\$ 6,532	\$ 0	\$ 212,722	\$ 72,270
Total Business-Type Activities	<u>\$ 206,190</u>	<u>\$ 6,532</u>	<u>\$ 0</u>	<u>\$ 212,722</u>	<u>\$ 72,270</u>

Energy conservation bonds will be paid from property taxes. The 1993 and 1998 bonds have maturities of 2004 and 2009, respectively. The 2003 bonds have a maturity of 2014. Compensated absences will be paid from the fund from which the employee is paid.

The District issued Library Improvement Notes in 2002 in the amount of \$9,500,000 in anticipation of bonds. In 2002, a payment was made to the Library, which was inadvertently recorded as a reduction of the debt. Therefore, the June 30, 2002 beginning balance has been adjusted to reflect the Library Notes payable. Payment was made in July 2002 to repay the notes.

The District, acting as the taxing authority for the Cleveland Heights-University Heights Public Library, issued tax related debt in the form of a voted general obligation bond issue for renovating, remodeling, furnishing, and otherwise improving Library facilities and their sites in the amount of \$9,499,990. The bonds were issued for a 25-year period with final maturity in 2024.

The District is party to three capital leases. A wide-area network is under lease which began in 2001 and ends in 2004. Per the lease agreement, total principal and interest expense is \$660,000 and \$55,215, respectively. The termination amount as of June 30, 2003 is \$237,182.

CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2003
(CONTINUED)

NOTE 14: **LONG-TERM OBLIGATIONS** (Continued)

A communication system is under lease, which began in 2002 and ends in 2006. Per the lease agreement, total principal and interest expense is \$732,323 and \$47,928, respectively. The prepayment balance at June 30, 2003 is \$635,039.

A Xerox copier is under lease, which began in 2002 and ends in 2006. Per the lease agreement, total principal and interest expense is \$200,459 and \$31,500, respectively. The early purchase charge at June 30, 2003 is \$20,804.

The future minimum lease payments required under capital leases are as follows:

<u>Year Ending December 31</u>	<u>Wide-Area Network</u>	<u>Communication System</u>	<u>Xerox Copier</u>
2004	\$ 238,405	\$ 222,929	\$ 59,224
2005	0	222,930	59,223
2006	0	204,351	34,547
Minimum Lease Payments	238,405	605,210	152,994
Less: Amount Representing Interest	<u>(8,130)</u>	<u>(33,664)</u>	<u>(14,302)</u>
Present Value of Net Lease Payments	<u>\$ 230,275</u>	<u>\$ 616,546</u>	<u>\$ 138,692</u>

The legal debt margin of the District as of June 30, 2003 was \$73,393,974 with an unvoted debt margin of \$994,477.

Principal and interest requirements to retire general obligation bonds, long-term notes, library improvement bonds, and capital lease obligations outstanding at June 30, 2003 are as follows:

<u>Fiscal Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2004	\$ 1,139,995	\$ 670,815	\$ 1,810,810
2005	1,176,075	612,222	1,788,297
2006	1,164,439	575,718	1,740,157
2007	838,371	549,714	1,388,085
2008	846,748	531,581	1,378,329
2009-2013	4,524,875	2,263,866	6,788,741
2014-2018	2,585,000	1,497,421	4,082,421
2019-2023	2,455,000	945,405	3,400,405
2024-2027	<u>2,445,000</u>	<u>258,685</u>	<u>2,703,685</u>
Total	<u>\$17,175,503</u>	<u>\$ 7,905,427</u>	<u>\$25,080,930</u>

CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2003
(CONTINUED)

NOTE 15: RESTRICTED ASSETS

The following amounts, which are reflected on the statement of net assets, are restricted for various purposes.

	<u>Governmental Activities</u>
Assets:	
Equity in Pooled Cash and Cash Equivalents	\$ 7,652,222
Receivables:	
Tax	3,671,909
Accounts	21,685
Intergovernmental	591,015
Interfund	<u>225,725</u>
Total Restricted Assets	12,162,556
Less Liabilities Payable from Restricted Assets	<u>5,285,410</u>
Restricted Net Assets	<u>\$ 6,877,146</u>

NOTE 16: RISK MANAGEMENT

A. Property and Liability

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. During fiscal year 2003, the District contracted with several companies for various types of insurance as follows:

<u>Company</u>	<u>Type of Coverage</u>	<u>Deductible/Limit of Coverage</u>
United National Insurance Co.	Liability	\$25,000 (deductible) \$5,000,000 (limit)
United National Insurance Co.	Fleet	\$25,000 comprehensive \$25,000 collision \$5,000,000 (limit)
Lexington/Allianz Insurance	Property and Inland Marine Boiler and Machinery (Travelers)	\$50,000 deductible-boilers \$50,000 deductible-property \$250,000 deductible-arson/fire \$105,000,000 loss limit
Fidelity and Deposit Co. of Maryland	Employee Blanket Bond	\$500 deductible \$20,000 limit
Wausau	Position and Treasurers' Bond	\$20,000-100,000 limit

Settled claims have not exceeded this commercial coverage in any of the past three years. There has been no change from prior years coverage.

CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2003
(CONTINUED)

NOTE 16: **RISK MANAGEMENT**

B. Workers' Compensation

Prior to 1996, the District participated in the State Workers' Compensation retrospective rating and payment system. The plan involved the payment of a minimum premium for administrative services and stop loss coverage plus the actual claim costs for employees injured. During 1996, the District switched to the premium rating coverage provided by the State. This coverage is based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs. The District still owes the State Workers' Compensation System for ongoing claims during the year that the District was covered by the retrospective rating plan. Claims of \$209,759 have been accrued as a liability in the Workers' Compensation Internal Service fund at June 30, 2003 based on an estimate by the claims administrator. Changes in the fund's claims liability amount in 2001, 2002, and 2003 are as follows:

	<u>Beginning of Year</u>	<u>Current Year Claims</u>	<u>Claim Payments</u>	<u>Balance at End of Year</u>
June 30, 2001	\$ 309,513	\$ 682,176	\$ 737,236	\$ 254,453
June 30, 2002	\$ 254,453	\$ 424,395	\$ 458,817	\$ 220,031
June 30, 2003	\$ 220,031	\$ 220,276	\$ 230,548	\$ 209,759

C. Employee Medical Benefits

The District operates and manages employee health benefits on a self-insured basis for prescriptions for all employees and dental and vision for teachers. Dental and vision coverage switched from self-insured to premium based in September, 2000. Also, all employees are now covered. The District maintains a self-insurance internal service fund to account for and finance its uninsured risks of loss in this program. The premium is paid by the fund that pays the salary for the employee and is based on historical cost information. Incurred but not reported claims of \$117,000 have been accrued in the self insurance internal service fund at June 30, 2003 based on an estimate from third party administrator.

The claims liability of \$117,700 reported in the funds at June 30, 2003 is based on an estimate provided by the Treasurer and the requirements of Governmental Accounting Standards Board Statement No. 30 which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses. Changes in the fund's claims liability amount in 2001, 2002, and 2003 are as follows:

CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2003
(CONTINUED)

NOTE 16: RISK MANAGEMENT

C. Employee Medical Benefits (Continued)

	<u>Beginning</u> <u>of Year</u>	<u>Current</u> <u>Year Claims</u>	<u>Claim</u> <u>Payments</u>	<u>Balance</u> <u>at End</u> <u>of Year</u>
June 30, 2001	\$ 88,367	\$1,510,894	\$1,527,118	\$ 72,143
June 30, 2002	\$ 72,143	\$1,518,613	\$1,494,756	\$ 96,000
June 30, 2003	\$ 96,000	\$1,747,759	\$1,726,059	\$ 117,700

NOTE 17: JOINTLY GOVERNED ORGANIZATION

The Ohio Schools' Council Association (Council) is a jointly governed organization among 83 school districts. The jointly governed organization was formed to purchase quality products and services at the lowest possible cost to the member districts. The Council sponsors an insurance purchasing plan in which the District participates. The Council also sponsors a workers' compensation group rating plan which is an insurance purchasing pool. Each district supports the Council by paying an annual participation fee. The Council's Board consists of seven superintendents of the participating districts whose terms rotate every year. The degree of control exercised by any school district is limited to its representation on the Board. In fiscal year 2003, the District paid \$477,537 to the Council. Financial information can be obtained by contacting Albert G. Vasek, Executive Secretary, at the Ohio Schools Council at 6133 Rockside Road, Suite 10, Independence, Ohio 44131.

The District participates in the Council's electric purchase program which was implemented during fiscal year 1998. This program allows school districts to purchase electricity at reduced rates, if the school districts will commit to participating for an eight year period. The participants make monthly payments based on estimated usage. Each June these estimated payments are compared to their actual usage for the year and any necessary adjustments are made.

Energy Acquisition Corporation, a non-profit corporation with a self-appointing board, issued \$119,140,000 in debt to repurchase eight years of electricity from Cleveland Electric Illuminating (CEI) for the participants. The participating school districts are not obligated in any manner for this debt. If a participating school district terminates its agreement, the school district is required to repay the savings to CEI and CEI will refund the remaining prepayment related to that participant to Energy Acquisition Corporation.

CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2003
(CONTINUED)

NOTE 17: **JOINTLY GOVERNED ORGANIZATION** (Continued)

The District also participates in the Council's prepaid natural gas program which was implemented during fiscal year 2003. This program allows school districts to purchase natural gas at reduced rates, if the school districts will commit to participating for a twelve year period. The participants make monthly payments based on estimated usage.

Each month these estimated payments are compared to their actual usage and any necessary adjustments are made.

The City of Hamilton, a municipal corporation and political subdivision duly organized and existing under the laws of the State of Ohio, issued \$89,450,000 in debt to purchase twelve years of natural gas from CMS Energy Corporation for their participants. If a participating school district terminates its agreement, the district is entitled to recover that amount, if any, of its contributions to the operating fund which are not encumbered for its share of program administrative costs.

NOTE 18: **RELATED ORGANIZATION**

The Cleveland Heights-University Heights Public Library is a distinct political subdivision of the State of Ohio created under Chapter 3375 of the Ohio Revised Code. The Library is governed by a Board of Trustees appointed by the District's Board of Education. The Board of Trustees possesses its own contracting and budgeting authority, hires and fires personnel and does not depend on the District for operational subsidies. Although the District serves as the taxing authority and may issue tax related debt on behalf of the Library, its role is limited to a ministerial function. The determination to request approval of a tax, the rate, and the purpose are discretionary decisions made solely by the Board of Trustees. Financial information can be obtained from the Cleveland Heights-University Heights Public Library at 2345 Lee Road, Cleveland Heights, Ohio 44118.

NOTE 19: **CONTINGENCIES**

A. **Grants**

The District received financial assistance from federal and state agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the District at June 30, 2003.

CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2003
(CONTINUED)

NOTE 19: **CONTINGENCIES** (Continued)

B. Litigation

The District is party to legal proceedings. The District is of the opinion that ultimate disposition of claims will not have a material effect, if any, on the financial condition of the District.

NOTE 20: **STATE SCHOOL FUNDING DECISION**

On December 11, 2002, the Ohio Supreme Court issued its latest opinion regarding the State's school funding plan. The decision reaffirmed earlier decisions that Ohio's current school funding plan is unconstitutional.

The Supreme Court relinquished jurisdiction over the case and directed "...the Ohio General Assembly to enact a school funding scheme that is thorough and efficient...". The District is currently unable to determine what effect, if any, this decision will have on its future State funding and its financial operations.

NOTE 21: **SET ASIDE REQUIREMENTS**

The District is required by State statute to annually set aside in the general fund an amount on a statutory formula for the purchase of textbooks and other instructional materials and an equal amount for the acquisition and construction of capital improvements. Amounts not spent by the end of the fiscal year or offset by similarly restricted resources received during the year must be held in cash at year-end and carried forward to be used for the same purposes in future years. In prior years, the District was also required to set aside money for budget stabilization.

The following cash basis information describes the changes in the year end set-aside amounts for textbooks and capital acquisition. Disclosure of this information is required by State statute.

	<u>Textbooks</u>	<u>Capital Improvements</u>
Set-Aside Reserve Balance as of June 30, 2002	\$ (485,360)	\$ 0
Current Year Set-Aside Requirements	989,536	989,536
Qualifying Disbursements	<u>(764,714)</u>	<u>(3,350,522)</u>
Total	<u>\$ (260,539)</u>	<u>\$2,360,986</u>
Set-Aside Balances Carried		
Forward to Future Years	<u>\$ (260,538)</u>	<u>\$ 0</u>
Set-Aside Reserve Balance as of June 30, 2004	<u>\$ (260,538)</u>	<u>\$ 0</u>

CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2003
(CONTINUED)

NOTE 21: **SET ASIDE REQUIREMENTS** (Continued)

The District had qualifying expenditures during the fiscal year that reduced the textbooks set-aside amount below zero. This amount may be used to reduce the set-aside requirements of future years. Although the District had qualifying disbursements during the year that reduced the capital improvements set-aside amount below zero, these extra amounts may not be used to reduce the set-aside requirement in future years.

NOTE 22: **SUBSEQUENT EVENT**

In November 2003, voters rejected an 8.9 mill increase in tax rates. As a result of the failure, the District needs to reduce expenditures to compensate for \$9 million in lost revenue and will place the issue on the next election ballot in March 2004.



HOMER BOUNDS
Grade 6, Roxboro Middle



KAMIRA WALLER
Grade 11, Cleveland Heights High School



ANTHONY SGRO
Grade 7, Wiley Middle

COMBINING, INDIVIDUAL FUND, AND ACCOUNT GROUP STATEMENTS AND SCHEDULES



MOHAN KRISHNA
Grade 3, Coventry Elementary



MIDORI MARSH
Grade 3, Coventry Elementary

CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT

COMBINING STATEMENTS - NONMAJOR FUNDS

Nonmajor Special Revenue Funds

The Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes. Following is a description of the District's nonmajor special revenue funds:

Special Trust - this fund is used to account for assets held by a school system in a trustee capacity or as an agent for individuals, private organizations, other governmental and/or other funds.

Public School Support - this fund is used for the general support of the school building, staff, and students.

Other Grants - this fund is used to account for the proceeds of specific revenue sources, except for state and federal grants that are legally restricted to expenditures for specified purposes.

Venture Capital - Boulevard - this fund is used for government subsidy to improve achievement.

District Managed Activity - this fund is used to account for those student activity programs which have student participation in the activity but do not have student management of the programs. This fund would usually include athletic programs but could also include the band, cheerleaders, flag corps, and other similar types of activities.

Auxiliary Services - this fund accounts for state funds for the purchase of science and math materials, as well as psychological and other supplemental services at the parochial schools within the District.

Career Development Program - this fund is used to enable authorized school districts to comply with the provisions pertaining to career enhancement.

Teacher Development - the purpose of this fund is to provide assistance to school districts for the development of in-service programs.

Motorcycle Safety Education - this fund is used to account for receipts and expenditures of the Motorcycle Safety and Education Program.

Educational Management Information System - funds provided by the State of Ohio to be used solely for costs associated with the requirements of the education management information system required by Senate Bill 140.

Public School Preschool Grant - this fund accounts for the state revenues which address the educational needs of 4 year olds who are at risk of being poor achievers.

(Continued)

CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT

COMBINING STATEMENTS - NONMAJOR FUNDS

Nonmajor Special Revenue Funds

(Continued)

One Net Communicue - this fund is provided to account for money appropriated for Ohio Educational Computer Network connections and switching cost.

School Net Professional Development - this fund was established to provide training for teachers to become practitioners. They will develop lesson labs related to proficiency outcomes.

Textbook Subsidy - this fund accounts for State monies used for textbooks.

Ohio Reads - The Ohio Reads Grants were established to provide funds to be utilized to improve reading skills for students in grades K-3. These funds will be used for salaries, benefits, supplies and purchased services associated with this program.

Summer School Subsidy - this fund accounts for summer intervention services satisfying criteria defined in Division (E) of Section 2318.608 of the Ohio Revised Code.

Career Technical/Adult Education - this fund is used to account for Vocational Education Enhancements that: **1)** expand the number of students enrolled in tech prep programs, **2)** enable students to develop career plans, to identify initial educational and career goals, and to develop a career passport which provides a clear understanding of the student's knowledge, skills, and credentials to present to future employers, universities, and other training institutes, and **3)** replace or update equipment essential for the instruction of students in job skills taught as part of a vocational program or programs approved for such instruction by the State Board of Education.

Alternative Schools - The Alternative Schools Grant was established to provide funding for Saturday School for discipline problem students. The funds will be used for intervention programs, support groups for families, homework centers, tutoring programs, and various other programs to aid severe behavior students. The fund will be used for salaries, benefits, supplies, purchased services, and equipment associated with the program.

Extended Learning Opportunity - this Ohio Department of Education allocation provided funding to supplement existing programs for extended learning opportunities in kindergarten through third grade, as well as professional development opportunities for teachers.

Miscellaneous State Grants - this fund represents State monies that support academic and enrichment programs for the student body.

Adult Basic Education - this fund accounts for federal monies used to provide computer equipment, library resource materials, salaries, and room rental for adult education classes.

(Continued)

CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT

COMBINING STATEMENTS - NONMAJOR FUNDS

Nonmajor Special Revenue Funds

(Continued)

Title II - this fund was established to improve the skills of teachers in instruction of mathematics and science. These federal funds are used for in-service training, instructional materials, and workshops.

IDEA (Flo Thru) - the purpose of this federal program is to assist schools in the identification of handicapped children, development of procedural safeguards, implementation of least-restrictive, alternative service patterns, and provision of full educational opportunities to handicapped children at the preschool, elementary, and secondary levels.

Vocational Education - provides funds to boards of education, teacher training institutions, and the state administering agency for cooperating in development of vocational education programs in the following categories: secondary, post-secondary, adult, disadvantaged and handicapped persons, exemplary programs, cooperative education, construction of area vocational schools, ancillary services, research, advisory committees, and work-study projects, including six equity grants. Funds are administered by the Ohio Department of Education, Division of Vocational and Career Education.

Title III - provides funds to develop and carry out elementary and secondary school programs, including activities at the pre-school level, to meet the educational needs of children of limited English proficiency. These programs provide structured English language instruction, with respect to the years of study to which the program is applicable, and instruction in the child's native language to the extent necessary to allow a child to achieve competence in English. The instruction must incorporate the cultural heritage of these children and of other children in American society. The instruction must, to the extent necessary, be in all courses or subjects of study which will allow a child to meet grade promotion and graduation standards.

Chinese Refugees - the purpose of this fund provides educational services to meet special educational needs of refugee children who are enrolled in public and non-profit private elementary and secondary schools.

Title I - the purpose of this federal program is to provide financial assistance to state and local education agencies to meet the special needs of educationally deprived children.

Title V Innovative Program - the purpose of this federal program is to consolidate various programs into a single authorization of grants to states for the same purposes set forth in the provisions of law as specified in the authorization section, to be used in accordance with the educational needs and priorities of the state and local agencies.

(Continued)

CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT

COMBINING STATEMENTS - NONMAJOR FUNDS

Nonmajor Special Revenue Funds

(Continued)

Emergency Immigrant Education - the purpose of this federal program is to provide federal assistance to state educational agencies for educational services and costs for eligible immigrant children enrolled in elementary and secondary public and nonprofit private schools.

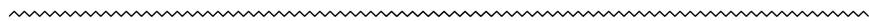
Drug Free Schools - this fund accounts for federal revenues to implement programs to educate and encourage students to live lives free of drug dependency.

Preschool Disabilities Grant - the Preschool Grant Program, Section 619 of Public Law 99-457, addresses the improvement and expansion of services for handicapped children ages three (3) through five (5) years.

Continuous Improvement - this fund accounts for monies to support a broad range of education improvement goals. Competitive grants are used to establish a network of schools that have developed a systematic improvement plan for the fourth and ninth grade State proficiency tests.

Title IIA - Improving Teacher Quality - this fund is used to account for various monies received through state agencies from the Federal government or directly from the Federal government which are not classified elsewhere.

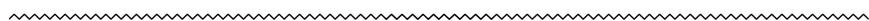
Miscellaneous Federal Grants - this fund is used to account for various monies received through state agencies from the federal government or directly from the federal government which are not classified elsewhere. A separate cost center must be used for each grant and be approved by the Auditor of State.



Nonmajor Capital Projects Funds

Capital Projects funds are used to account for the acquisition or construction of major capital facilities. Following is a description of the nonmajor capital projects fund:

School Net Plus - a fund to account for monies received by the State of Ohio for the purpose of purchasing computers for K-4 grades.



CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT

COMBINING STATEMENTS - NONMAJOR FUNDS

Nonmajor Enterprise Funds

Enterprise Funds are established to account for operations that are financed and operated in a manner similar to private sector businesses where the intent is that the expense (including depreciation) of providing goods or services is primarily or solely to the general public be financed or recovered primarily through user charges.

Food Service - this fund accounts for the provision of food service to the District.

Uniform School Supplies - this fund accounts for the purchase of necessary supplies, materials, or other school related items above these items provided for general instruction, paid for by students.

Customer Services - this fund accounts for services provided primarily to the general public which are financed or recovered through user charges.

Community Services/Early Childhood - this fund is provided for monies received and expended in connection with community recreation programs.



Nonmajor Internal Service Funds

Internal Service Funds are used to account for the financing of services provided by one department to other departments of the government or to other districts on a cost reimbursement basis.

Self-Insurance - this fund is to account for the receipt and expenditure of funds for medical and dental claims for employees.

Workers' Compensation - to account for the claims and premiums paid to the State for workers' compensation insurance.

CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2003

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
<u>Assets</u>			
Equity in Pooled Cash and Cash Equivalents	\$ 1,302,000	\$ 109,416	\$ 1,411,416
Receivables:			
Accounts	22,320	0	22,320
Intergovernmental	<u>591,015</u>	<u>0</u>	<u>591,015</u>
Total Assets	<u>\$ 1,915,335</u>	<u>\$ 109,416</u>	<u>\$ 2,024,751</u>
<u>Liabilities and Fund Balances</u>			
<u>Liabilities</u>			
Accounts Payable	\$ 111,007	\$ 14,395	\$ 125,402
Accrued Wages and Benefits	101,816	0	101,816
Compensated Absences Payable	25,063	0	25,063
Interfund Payable	256,182	0	256,182
Intergovernmental Payable	72,438	0	72,438
Deferred Revenue	<u>161,011</u>	<u>0</u>	<u>161,011</u>
Total Liabilities	<u>727,517</u>	<u>14,395</u>	<u>741,912</u>
<u>Fund Balances</u>			
Reserved for Encumbrances	234,988	93,189	328,177
Unreserved, Undesignated, Reported in:			
Special Revenue Funds	952,830	0	952,830
Capital Projects Funds	<u>0</u>	<u>1,832</u>	<u>1,832</u>
Total Fund Balances	<u>1,187,818</u>	<u>95,021</u>	<u>1,282,839</u>
Total Liabilities and Fund Balances	<u>\$ 1,915,335</u>	<u>\$ 109,416</u>	<u>\$ 2,024,751</u>

**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR JUNE 30, 2003**

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
Revenues			
Intergovernmental	\$ 5,462,555	\$ 0	\$ 5,462,555
Earnings on Investments	40,184	0	40,184
Tuition and Fees	10,935	0	10,935
Extracurricular Activities	347,415	0	347,415
Classroom Materials and Fees	28,874	0	28,874
Miscellaneous	623,392	0	623,392
Total Revenues	<u>6,513,355</u>	<u>0</u>	<u>6,513,355</u>
Expenditures			
Current:			
Instruction:			
Regular	840,585	0	840,585
Special	999,337	0	999,337
Vocational Education	188,263	0	188,263
Adult/Continuing	246,730	0	246,730
Other	66,829	0	66,829
Support Services:			
Pupil	703,425	0	703,425
Instructional Staff	774,436	0	774,436
Administrative	276,223	0	276,223
Fiscal Services	4,613	0	4,613
Operation and Maintenance of Plant Services	2,180	0	2,180
Pupil Transportation	12,143	0	12,143
Central Services	83,684	0	83,684
Operation of Non-Instructional Services:			
Food Service	976	0	976
Community Service	2,272,547	0	2,272,547
Other	0	20,901	20,901
Extracurricular Activities	353,670	0	353,670
Building Acquisition	119,453	3,451	122,904
Total Expenditures	<u>6,945,094</u>	<u>24,352</u>	<u>6,969,446</u>
Excess of Revenues Over (Under) Expenditures	<u>(431,739)</u>	<u>(24,352)</u>	<u>(456,091)</u>
Other Financing Sources (Uses)			
Operating Transfers In	533,874	0	533,874
Operating Transfers Out	(397,001)	0	(397,001)
Total Other Financing Sources (Uses)	<u>136,873</u>	<u>0</u>	<u>136,873</u>
Net Change in Fund Balance	(294,866)	(24,352)	(319,218)
Fund Balance Beginning of Year, Restated	<u>1,482,684</u>	<u>119,373</u>	<u>1,602,057</u>
Fund Balance End of Year	<u>\$ 1,187,818</u>	<u>\$ 95,021</u>	<u>\$ 1,282,839</u>

CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
STATEMENT OF NET ASSETS
NONMAJOR PROPRIETARY FUNDS
JUNE 30, 2003

	<u>Business-Type Activities Nonmajor Enterprise Funds</u>	<u>Governmental Activities Nonmajor Internal Service Funds</u>
<u>Assets</u>		
<u>Current Assets</u>		
Equity in Pooled Cash and Cash Equivalents	\$ 62,816	\$ 3,196,693
Accounts Receivable	2,524	4,542
Intergovernmental Receivable	55,096	0
Inventory Held for Resale	90,033	0
Materials and Supplies Inventory	<u>3,708</u>	<u>0</u>
Total Current Assets	214,177	3,201,235
Fixed Assets (Net of Depreciation)	<u>610,792</u>	<u>0</u>
Total Assets	<u>824,969</u>	<u>3,201,235</u>
<u>Liabilities</u>		
Accounts Payable	14,626	5,625
Accrued Wages and Benefits	68,247	624
Compensated Absences Payable	63,765	0
Interfund Payable	333,168	0
Intergovernmental Payable	53,195	562
Deferred Revenue	1,760	0
Claims Payable	<u>0</u>	<u>327,459</u>
Total Liabilities	<u>534,761</u>	<u>334,270</u>
<u>Net Assets</u>		
Unrestricted	<u>290,208</u>	<u>2,866,965</u>
Total Net Assets	<u>\$ 290,208</u>	<u>\$ 2,866,965</u>

CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
NONMAJOR PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	<u>Business-Type Activities Nonmajor Enterprise Funds</u>	<u>Governmental Activities Nonmajor Internal Service Funds</u>
<u>Operating Revenues</u>		
Intergovernmental	\$ 47,640	\$ 0
Tuition and Fees	1,086,230	2,020,739
Food Services	998,818	0
Classroom Materials and Fees	23,199	0
Miscellaneous	<u>438,485</u>	<u>899,562</u>
Total Operating Revenues	<u>2,594,372</u>	<u>2,920,301</u>
<u>Operating Expenses</u>		
Salaries and Wages	1,435,854	16,150
Fringe Benefits	634,004	1,830,005
Purchased Services	1,518,769	29,209
Supplies and Materials	199,294	0
Other	48,938	0
Depreciation	<u>76,739</u>	<u>0</u>
Total Operating Expenses	<u>3,913,598</u>	<u>1,875,364</u>
Operating Income (Loss)	<u>(1,319,226)</u>	<u>1,044,937</u>
<u>Non-Operating Revenue</u>		
Federal Donated Commodities	238,621	0
Operating Grants	<u>959,455</u>	<u>0</u>
Total Non-Operating Revenue	<u>1,198,076</u>	<u>0</u>
Income (Loss) Before Operating Transfers	<u>(121,150)</u>	<u>1,044,937</u>
<u>Operating Transfers</u>		
Transfers In	545,509	0
Transfers Out	<u>0</u>	<u>(750,000)</u>
Total Operating Transfers	<u>545,509</u>	<u>(750,000)</u>
Net Income (Loss)	424,359	294,937
Net Assets (Deficit) Beginning of Year, Restated	<u>(134,151)</u>	<u>2,572,028</u>
Net Assets (Deficit) End of Year	<u>\$ 290,208</u>	<u>\$ 2,866,965</u>

**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
COMBINING STATEMENT OF CASH FLOWS - NONMAJOR PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

	Business-Type Activities Nonmajor Enterprise Funds	Governmental Activities Nonmajor Internal Service Funds
<i>Increase (Decrease) in Cash and Cash Equivalents</i>		
<u>Cash Flows from Operating Activities</u>		
Cash Received from Customer	\$ 2,105,024	\$ 0
Cash Received from Quasi-External Transactions with Other Funds	0	2,016,197
Cash Received from Other Operating Sources	436,601	899,562
Cash Payments to Suppliers for Goods and Services	(1,568,841)	(23,584)
Cash Payments to Employees for Services	(1,483,162)	(19,034)
Cash Payments for Employee Benefits	(636,257)	0
Cash Payments for Claims	0	(1,851,908)
Cash Payments for Other	(23,369)	0
Net Cash Provided by (Used for) Operating Activities	(1,170,004)	1,021,233
<u>Cash Flows from Noncapital Financing Activities</u>		
Operating Grants Received	963,437	0
Operating Transfers In	545,509	0
Operating Transfers Out	0	(750,000)
Net Cash Provided by (Used for) Noncapital Financing Activities	1,508,946	(750,000)
<u>Cash Flows from Capital and Related Financing Activities</u>		
Payments for Capital Acquisitions	(393,232)	0
Net Cash Provided by (Used for) Capital and Related Financing Activities	(393,232)	0
Net Increase (Decrease) in Cash and Cash Equivalents	(54,290)	271,233
Cash and Cash Equivalents Beginning of Year	117,106	2,925,460
Cash and Cash Equivalents End of Year	\$ 62,816	\$ 3,196,693
<u>Reconciliation of Operating Income (Loss) to Net Cash Used for Operating Activities</u>		
Operating Income (Loss)	\$(1,319,226)	\$ 1,044,937
Adjustments:		
Depreciation	76,739	0
Commodities	234,642	0
Increase (Decrease) in Assets:		
Accounts Receivable	2,349	(4,542)
Inventory Held for Resale	(41,245)	0
Materials and Supplies Inventory	(783)	0
Intergovernmental Receivable	(51,114)	0
Increase (Decrease) in Liabilities:		
Accounts Payable	(22,081)	(27,368)
Accrued Wages and Benefits	(38,128)	(2,884)
Compensated Absences Payable	(8,904)	0
Intergovernmental Payable	(2,253)	(338)
Claims Payable	0	11,428
Total Adjustments	149,222	(23,704)
Net Cash Provided by (Used for) Operating Activities	\$(1,170,004)	\$ 1,021,233

See accompanying notes to the basic financial statements.

**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2003**

	<u>Special Trust</u>	<u>Public School Support</u>	<u>Other Grants</u>	<u>Venture Capital- Boulevard</u>	<u>District Managed Activity</u>
<u>Assets</u>					
Equity in Pooled Cash and Cash Equivalents	\$ 454,522	\$ 60,589	\$ 338,687	\$ 58	\$ 12,378
Receivables:					
Accounts	0	635	21,685	0	0
Intergovernmental	<u>0</u>	<u>0</u>	<u>1,554</u>	<u>0</u>	<u>0</u>
Total Assets	<u>\$ 454,522</u>	<u>\$ 61,224</u>	<u>\$ 361,926</u>	<u>\$ 58</u>	<u>\$ 12,378</u>
<u>Liabilities and Fund Balances</u>					
<u>Liabilities</u>					
Accounts Payable	\$ 0	\$ 2,996	\$ 17,090	\$ 0	\$ 2,002
Accrued Wages and Benefits	0	0	471	0	0
Compensated Absences Payable	0	0	0	0	0
Interfund Payable	0	0	0	0	0
Intergovernmental Payable	0	31	932	0	699
Deferred Revenue	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities	<u>0</u>	<u>3,027</u>	<u>18,493</u>	<u>0</u>	<u>2,701</u>
<u>Fund Balances</u>					
Reserved for Encumbrances	8,500	34,905	23,723	0	9,892
Unreserved, Undesignated (Deficit)	<u>446,022</u>	<u>23,292</u>	<u>319,710</u>	<u>58</u>	<u>(215)</u>
Total Fund Balances (Deficits)	<u>454,522</u>	<u>58,197</u>	<u>343,433</u>	<u>58</u>	<u>9,677</u>
Total Liabilities and Fund Balances	<u>\$ 454,522</u>	<u>\$ 61,224</u>	<u>\$ 361,926</u>	<u>\$ 58</u>	<u>\$ 12,378</u>

<u>Auxiliary Services</u>	<u>Career Development Program</u>	<u>Teacher Development</u>	<u>Motorcycle Safety Education</u>	<u>Educational Management Information System</u>	<u>Public School Preschool Grant</u>	<u>One Net Communique</u>	<u>School Net Professional Development</u>
\$ 93,146	\$ 0	\$ 0	\$ 208	\$ 124,192	\$ 142	\$ 0	\$ 1,942
0	0	0	0	0	0	0	0
0	0	0	10,790	0	0	0	0
<u>\$ 93,146</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 10,998</u>	<u>\$ 124,192</u>	<u>\$ 142</u>	<u>\$ 0</u>	<u>\$ 1,942</u>
\$ 40,988	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
28,530	0	0	4,932	0	3,614	0	0
12,000	0	0	148	0	423	0	0
0	0	0	18,599	0	0	0	0
2,355	0	0	1,166	0	3,227	0	111
0	0	0	0	0	0	0	0
<u>83,873</u>	<u>0</u>	<u>0</u>	<u>24,845</u>	<u>0</u>	<u>7,264</u>	<u>0</u>	<u>111</u>
49,840	0	0	208	121	142	0	0
(40,567)	0	0	(14,055)	124,071	(7,264)	0	1,831
9,273	0	0	(13,847)	124,192	(7,122)	0	1,831
<u>\$ 93,146</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 10,998</u>	<u>\$ 124,192</u>	<u>\$ 142</u>	<u>\$ 0</u>	<u>\$ 1,942</u>

(Continued)

CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS (Continued)
JUNE 30, 2003

	<u>Textbook Subsidy</u>	<u>Ohio Reads</u>	<u>Summer School Subsidy</u>	<u>Career Technical/ Adult Education</u>	<u>Alternative Schools</u>
Assets					
Equity in Pooled Cash and Cash Equivalents	\$ 1,602	\$ 33,035	\$ 10,617	\$ 0	\$ 11,779
Receivables:					
Accounts	0	0	0	0	0
Intergovernmental	0	0	0	0	0
Total Assets	<u>\$ 1,602</u>	<u>\$ 33,035</u>	<u>\$ 10,617</u>	<u>\$ 0</u>	<u>\$ 11,779</u>
Liabilities and Fund Balances					
<u>Liabilities</u>					
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 0	\$ 5,035
Accrued Wages and Benefits	0	0	0	1,473	2,399
Compensated Absences Payable	0	0	0	0	0
Interfund Payable	0	0	0	5,365	282
Intergovernmental Payable	0	736	435	779	4,401
Deferred Revenues	0	0	0	0	0
Total Liabilities	<u>0</u>	<u>736</u>	<u>435</u>	<u>7,617</u>	<u>12,117</u>
<u>Fund Balances</u>					
Reserved for Encumbrances	266	21,259	0	0	6,672
Unreserved, Undesignated (Deficit)	1,336	11,040	10,182	(7,617)	(7,010)
Total Fund Balances (Deficits)	<u>1,602</u>	<u>32,299</u>	<u>10,182</u>	<u>(7,617)</u>	<u>(338)</u>
Total Liabilities and Fund Balances	<u>\$ 1,602</u>	<u>\$ 33,035</u>	<u>\$ 10,617</u>	<u>\$ 0</u>	<u>\$ 11,779</u>

<u>Extended Learning Opportunity</u>	<u>Miscellaneous State Grants</u>	<u>Adult Basic Education</u>	<u>Title II</u>	<u>IDEA (Flo Thru)</u>	<u>Vocational Education</u>	<u>Title III</u>
\$ 4,358	\$ 14,325	\$ 3,145	\$ 0	\$ 66,173	\$ 15,339	\$ 2,297
0	0	0	0	0	0	0
0	0	82,758	0	159,642	35,331	9,151
<u>\$ 4,358</u>	<u>\$ 14,325</u>	<u>\$ 85,903</u>	<u>\$ 0</u>	<u>\$ 225,815</u>	<u>\$ 50,670</u>	<u>\$ 11,448</u>
\$ 0	\$ 0	\$ 0	\$ 0	\$ 11,488	\$ 8,395	\$ 0
0	0	14,284	0	11,816	1,521	1,889
0	0	0	0	492	0	0
0	0	38,708	0	117,175	39,605	0
0	89	8,402	352	13,188	3,562	30
0	0	0	0	0	34,623	1,667
0	89	61,394	352	154,159	87,706	3,586
0	2,985	3,145	0	54,685	1,645	2,078
4,358	11,251	21,364	(352)	16,971	(38,681)	5,784
4,358	14,236	24,509	(352)	71,656	(37,036)	7,862
<u>\$ 4,358</u>	<u>\$ 14,325</u>	<u>\$ 85,903</u>	<u>\$ 0</u>	<u>\$ 225,815</u>	<u>\$ 50,670</u>	<u>\$ 11,448</u>

(Continued)

CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS (Continued)
JUNE 30, 2003

	<u>Chinese Refugees</u>	<u>Title I</u>	<u>Title V Innovative Program</u>	<u>Emergency Immigrant Education</u>	<u>Drug Free Schools</u>
<u>Assets</u>					
Equity in Pooled Cash and Cash Equivalents	\$ 2,037	\$ 11,443	\$ 4,700	\$ 0	\$ 1,675
Receivables:					
Accounts	0	0	0	0	0
Intergovernmental	0	217,492	6,860	0	0
Total Assets	<u>\$ 2,037</u>	<u>\$ 228,935</u>	<u>\$ 11,560</u>	<u>\$ 0</u>	<u>\$ 1,675</u>
<u>Liabilities and Fund Balances</u>					
<u>Liabilities</u>					
Accounts Payable	\$ 0	\$ 2,850	\$ 3,350	\$ 0	\$ 0
Accrued Wages and Benefits	0	23,783	861	0	33
Compensated Absences Payable	0	12,000	0	0	0
Interfund Payable	0	32,310	4,138	0	0
Intergovernmental Payable	0	21,642	1,419	28	895
Deferred Revenues	0	94,008	0	0	0
Total Liabilities	<u>0</u>	<u>186,593</u>	<u>9,768</u>	<u>28</u>	<u>928</u>
<u>Fund Balances</u>					
Reserved for Encumbrances	0	8,488	1,350	0	292
Unreserved, Undesignated (Deficit)	2,037	33,854	442	(28)	455
Total Fund Balances (Deficits)	<u>2,037</u>	<u>42,342</u>	<u>1,792</u>	<u>(28)</u>	<u>747</u>
Total Liabilities and Fund Balances	<u>\$ 2,037</u>	<u>\$ 228,935</u>	<u>\$ 11,560</u>	<u>\$ 0</u>	<u>\$ 1,675</u>

<u>Preschool Disabilities Grant</u>	<u>Continuous Improvement</u>	<u>Title IIA - Improving Teacher Quality</u>	<u>Miscellaneous Federal Grants</u>	<u>Total Nonmajor Special Revenue Funds</u>
\$ 1,453	\$ 0	\$ 25,973	\$ 6,185	\$ 1,302,000
0	0	0	0	22,320
<u>3,201</u>	<u>0</u>	<u>45,530</u>	<u>18,706</u>	<u>591,015</u>
<u>\$ 4,654</u>	<u>\$ 0</u>	<u>\$ 71,503</u>	<u>\$ 24,891</u>	<u>\$ 1,915,335</u>
\$ 0	\$ 0	\$ 14,870	\$ 1,943	\$ 111,007
66	0	6,144	0	101,816
0	0	0	0	25,063
0	0	0	0	256,182
838	109	6,869	143	72,438
<u>0</u>	<u>0</u>	<u>14,608</u>	<u>16,105</u>	<u>161,011</u>
<u>904</u>	<u>109</u>	<u>42,491</u>	<u>18,191</u>	<u>727,517</u>
0	0	3,703	1,089	234,988
<u>3,750</u>	<u>(109)</u>	<u>25,309</u>	<u>5,611</u>	<u>952,830</u>
<u>3,750</u>	<u>(109)</u>	<u>29,012</u>	<u>6,700</u>	<u>1,187,818</u>
<u>\$ 4,654</u>	<u>\$ 0</u>	<u>\$ 71,503</u>	<u>\$ 24,891</u>	<u>\$ 1,915,335</u>

CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	Special Trust	Public School Support	Other Grants	Venture Capital- Boulevard	District Managed Activity
Revenues					
Intergovernmental	\$ 0	\$ 0	\$ 11,251	\$ 0	\$ 0
Earnings on Investments	3,092	0	896	0	0
Tuition and Fees	0	0	10,935	0	0
Extracurricular Activities	0	227,121	8,250	0	112,044
Classroom Materials and Fees	0	28,874	0	0	0
Miscellaneous	<u>225,230</u>	<u>40,063</u>	<u>330,433</u>	<u>0</u>	<u>4,811</u>
Total Revenues	<u>228,322</u>	<u>296,058</u>	<u>361,765</u>	<u>0</u>	<u>116,855</u>
Expenditures					
Current:					
Instruction:					
Regular	300	336,904	34,991	0	0
Special	0	0	128	0	0
Vocational Education	0	0	7,613	0	0
Adult/Continuing	0	0	8,679	0	0
Other	0	0	3,636	0	0
Support Services:					
Pupil	500	65	165,795	0	0
Instructional Staff	0	4,316	182	0	0
Administrative	0	0	19,418	0	0
Fiscal Services	0	0	0	0	0
Operation and Maintenance of Plant Services	0	0	2,180	0	0
Pupil Transportation	0	0	0	0	0
Central Services	60,832	0	0	0	0
Operation of Instructional Service:					
Food Service	0	0	976	0	0
Community Service	24,115	0	2,035	0	0
Extracurricular Activities	4,650	0	616	0	348,404
Capital Outlay	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>90,397</u>	<u>341,285</u>	<u>246,249</u>	<u>0</u>	<u>348,404</u>
Excess of Revenues Over (Under) Expenditures	<u>137,925</u>	<u>(45,227)</u>	<u>115,516</u>	<u>0</u>	<u>(231,549)</u>
Other Financing Sources (Uses)					
Operating Transfers In	0	0	2,362	0	225,000
Operating Transfers Out	<u>0</u>	<u>0</u>	<u>(2,368)</u>	<u>0</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>(6)</u>	<u>0</u>	<u>225,000</u>
Net Change in Fund Balance	137,925	(45,227)	115,510	0	(6,549)
Fund Balance (Deficit) Beginning of Year, Restated	<u>316,597</u>	<u>103,424</u>	<u>227,923</u>	<u>58</u>	<u>16,226</u>
Fund Balance (Deficit) End of Year	<u>\$ 454,522</u>	<u>\$ 58,197</u>	<u>\$ 343,433</u>	<u>\$ 58</u>	<u>\$ 9,677</u>

Auxiliary Services	Career Development Program	Teacher Development	Motorcycle Safety/ Education	Educational Management Information System	Public School Preschool Grant	One Net Communique	School Net Professional Development
\$ 1,791,270	\$ 0	\$ 0	\$ 36,975	\$ 26,220	\$ 158,773	\$ 45,500	\$ 1,150
36,196	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	1,456	0	15,480	0	0	0	0
<u>1,827,466</u>	<u>1,456</u>	<u>0</u>	<u>52,455</u>	<u>26,220</u>	<u>158,773</u>	<u>45,500</u>	<u>1,150</u>
0	0	0	0	0	46,919	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	448	0	0	0	0	0
0	0	0	0	0	789	0	3,194
0	0	9,580	0	0	83,988	0	55
0	0	0	0	0	17,906	0	0
0	0	0	0	0	4,613	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	2,391	0	0
0	0	0	0	1,034	95	0	0
0	0	0	0	0	0	0	0
1,988,049	0	0	58,837	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	119,453	0
<u>1,988,049</u>	<u>0</u>	<u>10,028</u>	<u>58,837</u>	<u>1,034</u>	<u>156,701</u>	<u>119,453</u>	<u>3,249</u>
<u>(160,583)</u>	<u>1,456</u>	<u>(10,028)</u>	<u>(6,382)</u>	<u>25,186</u>	<u>2,072</u>	<u>(73,953)</u>	<u>(2,099)</u>
136,965	0	0	0	0	0	0	0
<u>(211,086)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>(74,121)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>(234,704)</u>	<u>1,456</u>	<u>(10,028)</u>	<u>(6,382)</u>	<u>25,186</u>	<u>2,072</u>	<u>(73,953)</u>	<u>(2,099)</u>
<u>243,977</u>	<u>(1,456)</u>	<u>10,028</u>	<u>(7,465)</u>	<u>99,006</u>	<u>(9,194)</u>	<u>73,953</u>	<u>3,930</u>
<u>\$ 9,273</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (13,847)</u>	<u>\$ 124,192</u>	<u>\$ (7,122)</u>	<u>\$ 0</u>	<u>\$ 1,831</u>

(Continued)

CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
NONMAJOR SPECIAL REVENUE FUNDS (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	Textbook Subsidy	Ohio Reads	Summer School Subsidy	Career Technical/ Adult Education	Alternative Schools
Revenues					
Intergovernmental	\$ 0	\$ 101,460	\$ 0	\$ 30,573	\$ 214,292
Earnings on Investments	0	0	0	0	0
Tuition and Fees	0	0	0	0	0
Extracurricular Activities	0	0	0	0	0
Classroom Materials and Fees	0	0	0	0	0
Miscellaneous	0	0	0	0	0
Total Revenues	<u>0</u>	<u>101,460</u>	<u>0</u>	<u>30,573</u>	<u>214,292</u>
Expenditures					
Current:					
Instruction:					
Regular	0	93,983	0	0	7,490
Special	0	0	0	0	0
Vocational Education	0	0	0	0	0
Adult/Continuing	0	0	0	0	0
Other	0	0	0	0	1,234
Support Services:					
Pupil	0	942	21,248	0	263,594
Instructional Staff	0	13,147	0	0	0
Administrative	0	12,052	0	38,190	0
Fiscal Services	0	0	0	0	0
Operation and Maintenance of Plant Services	0	0	0	0	0
Pupil Transportation	0	3,026	0	0	847
Central Services	0	0	0	0	0
Operation of Instructional Service:					
Food Service	0	0	0	0	0
Community Service	0	0	0	0	0
Extracurricular Activities	0	0	0	0	0
Building Acquisition	0	0	0	0	0
Total Expenditures	<u>0</u>	<u>123,150</u>	<u>21,248</u>	<u>38,190</u>	<u>273,165</u>
Excess of Revenues Over (Under) Expenditures	<u>0</u>	<u>(21,690)</u>	<u>(21,248)</u>	<u>(7,617)</u>	<u>(58,873)</u>
Other Financing Sources (Uses)					
Operating Transfers In	0	0	0	0	0
Operating Transfers Out	0	0	0	0	0
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	0	(21,690)	(21,248)	(7,617)	(58,873)
Fund Balance (Deficit) Beginning of Year, Restated	<u>1,602</u>	<u>53,989</u>	<u>31,430</u>	<u>0</u>	<u>58,535</u>
Fund Balance (Deficit) End of Year	<u>\$ 1,602</u>	<u>\$ 32,299</u>	<u>\$ 10,182</u>	<u>\$ (7,617)</u>	<u>\$ (338)</u>

Extended Learning Opportunity	Miscellaneous State Grants	Adult Basic Education	Title II	IDEA (Flo Thru)	Vocational Education	Title III
\$ 0	\$ 18,000	\$ 297,281	\$ 14,253	\$ 928,208	\$ 238,846	\$ 9,817
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
919	5,000	0	0	0	0	0
<u>919</u>	<u>23,000</u>	<u>297,281</u>	<u>14,253</u>	<u>928,208</u>	<u>238,846</u>	<u>9,817</u>
0	0	0	0	0	0	0
0	0	0	0	187,037	0	0
0	0	0	0	0	180,650	0
0	0	238,051	0	0	0	0
0	0	0	0	41,987	0	0
0	9,538	0	0	107,057	43,591	1,955
80	1,964	72,916	38,275	454,932	717	0
0	0	0	0	118,360	12,297	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	1,854	2,090	0
0	0	0	0	0	21,723	0
0	0	0	0	0	0	0
0	0	0	3,223	61,736	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>80</u>	<u>11,502</u>	<u>310,967</u>	<u>41,498</u>	<u>972,963</u>	<u>261,068</u>	<u>1,955</u>
<u>839</u>	<u>11,498</u>	<u>(13,686)</u>	<u>(27,245)</u>	<u>(44,755)</u>	<u>(22,222)</u>	<u>7,862</u>
0	0	53,745	0	0	0	0
0	(14,000)	(53,745)	(13,975)	0	0	0
0	(14,000)	0	(13,975)	0	0	0
839	(2,502)	(13,686)	(41,220)	(44,755)	(22,222)	7,862
<u>3,519</u>	<u>16,738</u>	<u>38,195</u>	<u>40,868</u>	<u>116,411</u>	<u>(14,814)</u>	<u>0</u>
<u>\$ 4,358</u>	<u>\$ 14,236</u>	<u>\$ 24,509</u>	<u>\$ (352)</u>	<u>\$ 71,656</u>	<u>\$ (37,036)</u>	<u>\$ 7,862</u>

(Continued)

CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
NONMAJOR SPECIAL REVENUE FUNDS (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	<u>Chinese Refugees</u>	<u>Title I</u>	<u>Title V Innovative Program</u>	<u>Emergency Immigrant Education</u>	<u>Drug Free Schools</u>
Revenues					
Intergovernmental	\$ 2,000	\$ 1,015,628	\$ 65,054	\$ 0	\$ 48,708
Earnings on Investments	0	0	0	0	0
Tuition and Fees	0	0	0	0	0
Extracurricular Activities	0	0	0	0	0
Classroom Materials and Fees	0	0	0	0	0
Miscellaneous	0	0	0	0	0
Total Revenues	<u>2,000</u>	<u>1,015,628</u>	<u>65,054</u>	<u>0</u>	<u>48,708</u>
Expenditures					
Current:					
Instruction:					
Regular	0	0	6,223	0	44,843
Special	0	772,736	108	0	578
Vocational Education	0	0	0	0	0
Adult/Continuing	0	0	0	0	0
Other	0	0	0	3,049	4,599
Support Services:					
Pupil	1,671	0	46,775	2,307	2,545
Instructional Staff	0	44,642	0	0	0
Administrative	0	55,280	0	0	2,720
Fiscal Services	0	0	0	0	0
Operation and Maintenance of Plant Services	0	0	0	0	0
Pupil Transportation	0	0	1,400	0	535
Central Services	0	0	0	0	0
Operation of Non-Instructional Services:					
Food Service	0	0	0	0	0
Community Service	0	93,627	25,637	0	4,073
Extracurricular Activities	0	0	0	0	0
Building Acquisition	0	0	0	0	0
Total Expenditures	<u>1,671</u>	<u>966,285</u>	<u>80,143</u>	<u>5,356</u>	<u>59,893</u>
Excess of Revenues Over (Under) Expenditures	<u>329</u>	<u>49,343</u>	<u>(15,089)</u>	<u>(5,356)</u>	<u>(11,185)</u>
Other Financing Sources (Uses)					
Operating Transfers In	0	84,446	9,206	0	8,175
Operating Transfers Out	0	(84,446)	(9,206)	0	(8,175)
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	329	49,343	(15,089)	(5,356)	(11,185)
Fund Balances (Deficit) Beginning of Year, Restated	<u>1,708</u>	<u>(7,001)</u>	<u>16,881</u>	<u>5,328</u>	<u>11,932</u>
Fund Balances (Deficit) End of Year	<u>\$ 2,037</u>	<u>\$ 42,342</u>	<u>\$ 1,792</u>	<u>\$ (28)</u>	<u>\$ 747</u>

<u>Preschool Disabilities Grant</u>	<u>Continuous Improvement</u>	<u>Title IIA - Improving Teacher Quality</u>	<u>Miscellaneous Federal Grants</u>	<u>Total Nonmajor Special Revenue Funds</u>
\$ 34,289	\$ 0	\$ 319,195	\$ 53,812	\$ 5,462,555
0	0	0	0	40,184
0	0	0	0	10,935
0	0	0	0	347,415
0	0	0	0	28,874
0	0	0	0	623,392
<u>34,289</u>	<u>0</u>	<u>319,195</u>	<u>53,812</u>	<u>6,513,355</u>
0	7,367	246,329	15,236	840,585
2,926	0	0	35,824	999,337
0	0	0	0	188,263
0	0	0	0	246,730
0	6,811	0	5,065	66,829
28,513	3,346	0	0	703,425
0	0	44,725	4,917	774,436
0	0	0	0	276,223
0	0	0	0	4,613
0	0	0	0	2,180
0	0	0	0	12,143
0	0	0	0	83,684
0	0	0	0	976
0	0	7,140	4,075	2,272,547
0	0	0	0	353,670
0	0	0	0	119,453
<u>31,439</u>	<u>17,524</u>	<u>298,194</u>	<u>65,117</u>	<u>6,945,094</u>
<u>2,850</u>	<u>(17,524)</u>	<u>21,001</u>	<u>(11,305)</u>	<u>(431,739)</u>
0	0	13,975	0	533,874
0	0	0	0	(397,001)
0	0	13,975	0	136,873
2,850	(17,524)	34,976	(11,305)	(294,866)
<u>900</u>	<u>17,415</u>	<u>(5,964)</u>	<u>18,005</u>	<u>1,482,684</u>
<u>\$ 3,750</u>	<u>\$ (109)</u>	<u>\$ 29,012</u>	<u>\$ 6,700</u>	<u>\$ 1,187,818</u>

**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
 COMBINING BALANCE SHEET
 NONMAJOR CAPITAL PROJECT FUND
 JUNE 30, 2003**

	School Net <u>Plus</u>
<u>Assets</u>	
Equity in Pooled Cash and Cash Equivalents	\$ <u>109,416</u>
Total Assets	\$ <u>109,416</u>
<u>Liabilities and Fund Balances</u>	
<u>Liabilities</u>	
Accounts Payable	\$ <u>14,395</u>
Total Liabilities	<u>14,395</u>
<u>Fund Balance</u>	
Reserved for Encumbrances	93,189
Unreserved, Undesignated	<u>1,832</u>
Total Fund Balances	<u>95,021</u>
Total Liabilities and Fund Balances	\$ <u>109,416</u>

**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
 NONMAJOR CAPITAL PROJECT FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

	School Net Plus
<u>Total Revenues</u>	<u>\$ 0</u>
<u>Expenditures</u>	
Operation of Non-Instructional Services:	
Other	20,901
Capital Outlay	<u>3,451</u>
Total Expenditures	<u>24,352</u>
Net Change in Fund Balance	(24,352)
Fund Balance Beginning of Year	<u>119,373</u>
Fund Balance End of Year	<u>\$ 95,021</u>

CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
COMBINING BALANCE SHEET
NONMAJOR ENTERPRISE FUNDS
JUNE 30, 2003

	<u>Food Services</u>	<u>Uniform School Supplies</u>	<u>Customer Services</u>	<u>Community Services/ Early Childhood</u>	<u>Total Nonmajor Enterprise Funds</u>
Assets					
<u>Current Assets</u>					
Equity in Pooled Cash and Cash Equivalents	\$ 3,500	\$ 32,007	\$ 2,606	\$ 24,703	\$ 62,816
Accounts Receivable	0	1,884	0	640	2,524
Intergovernmental Receivable	55,096	0	0	0	55,096
Inventory Held for Resale	90,033	0	0	0	90,033
Materials and Supplies Inventory	<u>3,708</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>3,708</u>
Total Current Assets	152,337	33,891	2,606	25,343	214,177
Fixed Assets (Net of Depreciation)	<u>15,900</u>	<u>0</u>	<u>0</u>	<u>594,892</u>	<u>610,792</u>
Total Assets	<u>168,237</u>	<u>33,891</u>	<u>2,606</u>	<u>620,235</u>	<u>824,969</u>
Liabilities					
Accounts Payable	2,562	0	1,464	10,600	14,626
Accrued Wages and Benefits	15,732	0	0	52,515	68,247
Compensated Absences Payable	17,735	0	0	46,030	63,765
Interfund Payable	333,168	0	0	0	333,168
Intergovernmental Payable	24,243	0	70	28,882	53,195
Deferred Revenue	<u>1,760</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,760</u>
Total Liabilities	<u>395,200</u>	<u>0</u>	<u>1,534</u>	<u>138,027</u>	<u>534,761</u>
Net Assets					
Unreserved (Deficit)	<u>(226,963)</u>	<u>33,891</u>	<u>1,072</u>	<u>482,208</u>	<u>290,208</u>
Total Net Assets (Deficit)	<u>\$ (226,963)</u>	<u>\$ 33,891</u>	<u>\$ 1,072</u>	<u>\$ 482,208</u>	<u>\$ 290,208</u>

CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS -
NONMAJOR ENTERPRISE FUNDS
JUNE 30, 2003

	Food Services	Uniform School Supplies	Customer Services	Community Services/ Early Childhood	Total Nonmajor Enterprise Funds
<u>Operating Revenues</u>					
Intergovernmental	\$ 47,640	\$ 0	\$ 0	\$ 0	\$ 47,640
Tuition and Fees	0	0	0	1,086,230	1,086,230
Food Services	998,818	0	0	0	998,818
Classroom Materials and Fees	0	23,199	0	0	23,199
Miscellaneous	0	20,293	23,305	394,887	438,485
Total Operating Revenues	<u>1,046,458</u>	<u>43,492</u>	<u>23,305</u>	<u>1,481,117</u>	<u>2,594,372</u>
<u>Operating Expenses</u>					
Salaries and Wages	762,767	0	3,079	670,008	1,435,854
Fringe Benefits	365,111	0	649	268,244	634,004
Purchased Services	1,349,112	0	41,851	127,806	1,518,769
Supplies and Materials	28,903	39,395	0	130,996	199,294
Other	22,987	853	1,458	23,640	48,938
Depreciation	10,489	0	0	66,250	76,739
Total Operating Expenses	<u>2,539,369</u>	<u>40,248</u>	<u>47,037</u>	<u>1,286,944</u>	<u>3,913,598</u>
Operating Income (Loss)	<u>(1,492,911)</u>	<u>3,244</u>	<u>(23,732)</u>	<u>194,173</u>	<u>(1,319,226)</u>
<u>Non-Operating Revenues</u>					
Federal Donated Commodities	238,621	0	0	0	238,621
Operating Grants	959,455	0	0	0	959,455
Total Non-Operating Revenues	<u>1,198,076</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,198,076</u>
Income (Loss) Before Operating Transfers	<u>(294,835)</u>	<u>3,244</u>	<u>(23,732)</u>	<u>194,173</u>	<u>(121,150)</u>
<u>Operating Transfers</u>					
Transfers In	378,116	0	8,025	159,368	545,509
Transfers Out	0	0	0	0	0
Total Operating Transfers	<u>378,116</u>	<u>0</u>	<u>8,025</u>	<u>159,368</u>	<u>545,509</u>
Net Income (Loss)	83,281	3,244	(15,707)	353,541	424,359
Net Assets (Deficit) Beginning of Year, Restated	<u>(310,244)</u>	<u>30,647</u>	<u>16,779</u>	<u>128,667</u>	<u>(134,151)</u>
Net Assets (Deficit) End of Year	<u>\$ (226,963)</u>	<u>\$ 33,891</u>	<u>\$ 1,072</u>	<u>\$ 482,208</u>	<u>\$ 290,208</u>

CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
COMBINING STATEMENT OF CASH FLOWS - NONMAJOR ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

	Food Service	Uniform School Supplies	Customer Services	Community Service	Nonmajor Enterprise
<i>Increase (Decrease) in Cash and Cash Equivalents</i>					
<u>Cash Flows from Operating Activities</u>					
Cash Received from Customers	\$ 995,680	\$ 23,199	\$ 0	\$ 1,086,145	\$ 2,105,024
Cash Received from Other Operating Sources	0	18,409	23,305	394,887	436,601
Cash Payments to Suppliers for Goods and Services	(1,226,497)	(41,641)	(41,851)	(258,852)	(1,568,841)
Cash Payments to Employees for Services	(762,868)	0	(4,863)	(715,431)	(1,483,162)
Cash Payments for Employee Benefits	(363,986)	0	(1,638)	(270,633)	(636,257)
Cash Payments for Other	(3,400)	(853)	(1,458)	(17,658)	(23,369)
Net Cash Provided by (Used for) Operating Activities	<u>(1,361,071)</u>	<u>(886)</u>	<u>(26,505)</u>	<u>218,458</u>	<u>(1,170,004)</u>
<u>Cash Flows from Noncapital Financing Activities</u>					
Operating Grants Received	963,437	0	0	0	963,437
Operating Transfers In	378,116	0	8,025	159,368	545,509
Net Cash Provided by Noncapital Financing Activities	<u>1,341,553</u>	<u>0</u>	<u>8,025</u>	<u>159,368</u>	<u>1,508,946</u>
<u>Cash Flows from Capital and Related Financing Activities</u>					
Payments for Capital Acquisitions	0	0	0	(393,232)	(393,232)
Net Cash (Used for) Capital and Related Financing Activities	<u>0</u>	<u>0</u>	<u>0</u>	<u>(393,232)</u>	<u>(393,232)</u>
Net Decrease in Cash and Cash Equivalents	(19,518)	(886)	(18,480)	(15,406)	(54,290)
Cash and Cash Equivalents Beginning of Year	23,018	32,893	21,086	40,109	117,106
Cash and Cash Equivalents End of Year	<u>\$ 3,500</u>	<u>\$ 32,007</u>	<u>\$ 2,606</u>	<u>\$ 24,703</u>	<u>\$ 62,816</u>
<u>Reconciliation of Operating Income (Loss) to Net Cash Used for Operating Activities</u>					
Operating Income (Loss)	\$(1,492,911)	\$ 3,244	\$ (23,732)	\$ 194,173	\$(1,319,226)
Adjustments:					
Depreciation	10,489	0	0	66,250	76,739
Commodities	234,642	0	0	0	234,642
Increase (Decrease) in Assets:					
Accounts Receivable	4,318	(1,884)	0	(85)	2,349
Inventory Held for Resale	(41,245)	0	0	0	(41,245)
Materials and Supplies Inventory	(783)	0	0	0	(783)
Intergovernmental Receivable	(51,114)	0	0	0	(51,114)
Increase (Decrease) in Liabilities:					
Accounts Payable	(25,668)	(2,246)	(99)	5,932	(22,081)
Accrued Wages and Benefits	2,203	0	(916)	(39,415)	(38,128)
Compensated Absences Payable	(2,127)	0	(769)	(6,008)	(8,904)
Intergovernmental Payable	1,125	0	(989)	(2,389)	(2,253)
Total Adjustments	<u>131,840</u>	<u>(4,130)</u>	<u>(2,773)</u>	<u>24,285</u>	<u>149,222</u>
Net Cash Provided by (Used for) Operating Activities	<u>\$ (1,361,071)</u>	<u>\$ (886)</u>	<u>\$ (26,505)</u>	<u>\$ 218,458</u>	<u>\$ (1,170,004)</u>

Schedule of Noncash Financing Activities

During the year, the Food Services Enterprise Fund received donated commodities of \$238,621.

CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
COMBINING BALANCE SHEET
NONMAJOR INTERNAL SERVICE FUNDS
JUNE 30, 2003

	<u>Self- Insurance</u>	<u>Workers' Compensation</u>	<u>Total Nonmajor Internal Service Funds</u>
<u>Assets</u>			
Equity in Pooled Cash and Cash Equivalents	\$ 1,502,640	\$ 1,694,053	\$ 3,196,693
Receivables:			
Accounts	<u>4,542</u>	<u>0</u>	<u>4,542</u>
Total Assets	<u>1,507,182</u>	<u>1,694,053</u>	<u>3,201,235</u>
<u>Liabilities</u>			
Accounts Payable	0	5,625	5,625
Accrued Wages and Benefits	624	0	624
Intergovernmental Payable	562	0	562
Claims Payable	<u>117,700</u>	<u>209,759</u>	<u>327,459</u>
Total Liabilities	<u>118,886</u>	<u>215,384</u>	<u>334,270</u>
<u>Net Assets</u>			
Unreserved	<u>1,388,296</u>	<u>1,478,669</u>	<u>2,866,965</u>
Total Net Assets	<u>\$1,388,296</u>	<u>\$1,478,669</u>	<u>\$2,866,965</u>

**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS -
 NONMAJOR INTERNAL SERVICE FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

	<u>Self- Insurance</u>	<u>Workers' Compensation</u>	<u>Total Nonmajor Internal Service Funds</u>
<u>Operating Revenues</u>			
Charges for Services	\$ 2,020,739	\$ 0	\$ 2,020,739
Miscellaneous	<u>0</u>	<u>899,562</u>	<u>899,562</u>
Total Operating Revenues	<u>2,020,739</u>	<u>899,562</u>	<u>2,920,301</u>
<u>Operating Expenses</u>			
Salaries and Wages	16,150	0	16,150
Fringe Benefits	1,641,688	188,317	1,830,005
Purchased Services	<u>8,925</u>	<u>20,284</u>	<u>29,209</u>
Total Operating Expenses	<u>1,666,763</u>	<u>208,601</u>	<u>1,875,364</u>
Operating Income Before Operating Transfers	353,976	690,961	1,044,937
Operating Transfers Out	<u>0</u>	<u>(750,000)</u>	<u>(750,000)</u>
Net Income (Loss)	353,976	(59,039)	294,937
Net Assets Beginning of Year	<u>1,034,320</u>	<u>1,537,708</u>	<u>2,572,028</u>
Net Assets End of Year	<u>\$ 1,388,296</u>	<u>\$ 1,478,669</u>	<u>\$ 2,866,965</u>

**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
COMBINING STATEMENT OF CASH FLOWS - INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

	<u>Self- Insurance</u>	<u>Workers' Compensation</u>	<u>Governmental Activities Internal Service Funds</u>
<i>Increase (Decrease) in Cash and Cash Equivalents</i>			
<u>Cash Flows from Operating Activities</u>			
Cash Received from Quasi-External Transactions with Other Funds	\$ 2,016,197	\$ 0	\$ 2,016,197
Cash Received from Other Operating Sources	0	899,562	899,562
Cash Payments to Suppliers for Goods and Services	(8,925)	(14,659)	(23,584)
Cash Payments to Employees for Services	(19,034)	0	(19,034)
Cash Payments for Claims	<u>(1,621,360)</u>	<u>(230,548)</u>	<u>(1,851,908)</u>
Net Cash Provided by Operating Activities	<u>366,878</u>	<u>654,355</u>	<u>1,021,233</u>
<u>Cash Flows from Noncapital Financing Activities</u>			
Operating Transfers Out	<u>0</u>	<u>(750,000)</u>	<u>(750,000)</u>
Net Cash Used for Noncapital Financing Activities	<u>0</u>	<u>(750,000)</u>	<u>(750,000)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	366,878	(95,645)	271,233
Cash and Cash Equivalents Beginning of Year	<u>1,135,762</u>	<u>1,789,698</u>	<u>2,925,460</u>
Cash and Cash Equivalents End of Year	<u>\$ 1,502,640</u>	<u>\$ 1,694,053</u>	<u>\$ 3,196,693</u>
<u>Reconciliation of Operating Income to Net Cash Provided by Operating Activities</u>			
Operating Income	<u>\$ 353,976</u>	<u>\$ 690,961</u>	<u>\$ 1,044,937</u>
Adjustments:			
Increase (Decrease) in Assets:			
Accounts Receivable	(4,542)	0	(4,542)
Increase (Decrease) in Liabilities:			
Accounts Payable	(1,034)	(26,334)	(27,368)
Accrued Wages and Benefits	(2,884)	0	(2,884)
Intergovernmental Payable	(338)	0	(338)
Claims Payable	<u>21,700</u>	<u>(10,272)</u>	<u>11,428</u>
Total Adjustments	<u>12,902</u>	<u>(36,606)</u>	<u>(23,704)</u>
Net Cash Provided by Operating Activities	<u>\$ 366,878</u>	<u>\$ 654,355</u>	<u>\$ 1,021,233</u>

**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -
 ALL AGENCY FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

	<u>Balance</u> <u>06/30/02</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>06/30/03</u>
<i>Student Activities</i>				
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$ 126,767	\$ 107,897	\$ 122,224	\$ 112,440
Total Assets	<u>\$ 126,767</u>	<u>\$ 107,897</u>	<u>\$ 122,224</u>	<u>\$ 112,440</u>
<u>Liabilities</u>				
Accounts Payable	\$ 739	\$ 1,988	\$ 739	\$ 1,988
Intergovernmental Payable	59	16	59	16
Due to Students	<u>125,969</u>	<u>0</u>	<u>15,533</u>	<u>110,436</u>
Total Liabilities	<u>\$ 126,767</u>	<u>\$ 2,004</u>	<u>\$ 16,331</u>	<u>\$ 112,440</u>

INDIVIDUAL FUND SCHEDULES OF
REVENUE, EXPENDITURES/EXPENSES,
AND CHANGES IN FUND BALANCES –
BUDGET (NON-GAAP BASIS)
AND ACTUAL



LORIN FRANKLIN
Grade 6, Monticello Middle

**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
BUDGET (NON-GAAP BASIS) AND ACTUAL - GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Final Budget Favorable (Unfavorable)
Revenues				
Taxes	\$50,536,500	\$51,136,500	\$50,771,177	\$ (365,323)
Intergovernmental	26,739,151	26,888,703	28,349,605	1,460,902
Tuition and Fees	310,000	577,000	583,087	6,087
Transportation Fees	50,000	55,000	57,331	2,331
Earnings on Investments	750,000	375,000	395,713	20,713
Classroom Materials and Fees	30,000	35,400	36,878	1,478
Miscellaneous	<u>176,000</u>	<u>640,806</u>	<u>638,335</u>	<u>(2,471)</u>
Total Revenues	<u>78,591,651</u>	<u>79,708,409</u>	<u>80,832,126</u>	<u>1,123,717</u>
Expenditures				
Current:				
Instruction:				
Regular Instruction:				
Salaries and Wages	23,874,236	24,458,081	24,734,538	(276,457)
Fringe Benefits	7,613,184	7,817,109	7,816,945	164
Purchased Services	132,968	173,636	151,369	22,267
Supplies and Materials	1,068,693	1,129,157	1,079,218	49,939
Capital Outlay	14,335	53,286	41,936	11,350
Other	<u>11,530</u>	<u>55,678</u>	<u>53,817</u>	<u>1,861</u>
Total Regular Instruction	<u>32,714,946</u>	<u>33,686,947</u>	<u>33,877,823</u>	<u>(190,876)</u>
Special:				
Salaries and Wages	4,938,227	4,742,381	4,657,943	84,438
Fringe Benefits	1,690,803	1,690,803	1,667,723	23,080
Purchased Services	106,463	161,079	141,532	19,547
Supplies and Materials	59,690	30,854	25,854	5,000
Capital Outlay	20,418	20,118	9,024	11,094
Other	<u>28,858</u>	<u>22,267</u>	<u>21,992</u>	<u>275</u>
Total Special Instruction	<u>6,844,459</u>	<u>6,667,502</u>	<u>6,524,068</u>	<u>143,434</u>
Vocational Education:				
Salaries and Wages	1,157,381	1,158,549	1,142,112	16,437
Fringe Benefits	398,092	398,092	389,427	8,665
Purchased Services	1,950	9,292	8,470	822
Supplies and Materials	41,988	49,367	49,819	(452)
Capital Outlay	14,806	6,991	5,140	1,851
Other	<u>180</u>	<u>230</u>	<u>230</u>	<u>0</u>
Total Vocational Education	<u>1,614,397</u>	<u>1,622,521</u>	<u>1,595,198</u>	<u>27,323</u>
Adult/Continuing:				
Salaries and Wages	2,600	2,600	2,600	0
Fringe Benefits	<u>0</u>	<u>0</u>	<u>439</u>	<u>(439)</u>
Total Adult/Continuing	<u>2,600</u>	<u>2,600</u>	<u>3,039</u>	<u>(439)</u>
Other:				
Purchased Services	1,699,842	2,538,350	2,538,350	0
Other	<u>0</u>	<u>0</u>	<u>49,479</u>	<u>(49,479)</u>
Total Other	<u>1,699,842</u>	<u>2,538,350</u>	<u>2,587,829</u>	<u>(49,479)</u>
Total Instruction	<u>42,876,244</u>	<u>44,517,920</u>	<u>44,587,957</u>	<u>(70,037)</u>

(Continued)

**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
BUDGET (NON-GAAP BASIS) AND ACTUAL - GENERAL FUND (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance Final Budget Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>		
Support Services:				
Pupil:				
Salaries and Wages	4,926,547	4,932,547	4,971,969	(39,422)
Fringe Benefits	1,679,582	1,680,262	1,758,860	(78,598)
Purchased Services	315,545	445,294	354,417	90,877
Supplies and Materials	92,000	83,769	72,863	10,906
Capital Outlay	47,793	46,081	40,367	5,714
Other	<u>2,273</u>	<u>6,279</u>	<u>3,139</u>	<u>3,140</u>
Total Pupil	<u>7,063,740</u>	<u>7,194,232</u>	<u>7,201,615</u>	<u>(7,383)</u>
Instructional Staff:				
Salaries and Wages	2,476,075	2,551,906	2,387,725	164,181
Fringe Benefits	869,860	869,860	879,412	(9,552)
Purchased Services	211,865	222,094	150,661	71,433
Supplies and Materials	1,183,354	1,261,450	884,875	376,575
Capital Outlay	83,557	85,362	37,368	47,994
Other	<u>9,450</u>	<u>12,649</u>	<u>9,286</u>	<u>3,363</u>
Total Instructional Staff	<u>4,834,161</u>	<u>5,003,321</u>	<u>4,349,327</u>	<u>653,994</u>
Board of Education				
Salaries and Wages	0	0	8,438	(8,438)
Fringe Benefits	80,532	80,532	82,173	(1,641)
Purchased Services	1,030,011	650,611	608,010	42,601
Supplies and Materials	4,661	4,661	812	3,849
Other	<u>3,500</u>	<u>4,250</u>	<u>4,110</u>	<u>140</u>
Total Board of Education	<u>1,118,704</u>	<u>740,054</u>	<u>703,543</u>	<u>36,511</u>
Administrative:				
Salaries and Wages	3,573,453	3,573,453	3,561,568	11,885
Fringe Benefits	1,294,172	1,294,172	1,317,566	(23,394)
Purchased Services	71,213	97,870	76,840	21,030
Supplies and Materials	156,360	227,383	223,944	3,439
Capital Outlay	68,725	82,585	69,208	13,377
Other	<u>19,997</u>	<u>18,774</u>	<u>13,647</u>	<u>5,127</u>
Total Administrative	<u>5,183,920</u>	<u>5,294,237</u>	<u>5,262,773</u>	<u>31,464</u>
Fiscal Services:				
Salaries and Wages	596,952	596,952	637,422	(40,470)
Fringe Benefits	233,408	233,578	255,310	(21,732)
Purchased Services	571,358	296,075	266,829	29,246
Supplies and Materials	67,035	76,660	35,053	41,607
Capital Outlay	25,000	25,000	4,572	20,428
Other	<u>934,370</u>	<u>794,370</u>	<u>765,991</u>	<u>28,379</u>
Total Fiscal Services	<u>2,428,123</u>	<u>2,022,635</u>	<u>1,965,177</u>	<u>57,458</u>

(Continued)

**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
BUDGET (NON-GAAP BASIS) AND ACTUAL - GENERAL FUND (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Final Budget Favorable (Unfavorable)
Business:				
Salaries and Wages	341,403	341,403	359,664	(18,261)
Fringe Benefits	135,787	135,787	138,931	(3,144)
Purchased Services	1,981,787	1,962,962	1,497,256	465,706
Supplies and Materials	173,348	127,334	125,009	2,325
Capital Outlay	12,500	1,878,995	1,858,385	20,610
Other	782,560	767,560	571,933	195,627
Total Business	<u>3,427,385</u>	<u>5,214,041</u>	<u>4,551,178</u>	<u>662,863</u>
Operation and Maintenance of Plant Services:				
Salaries and Wages	3,851,030	3,851,030	3,945,864	(94,834)
Fringe Benefits	1,698,747	1,898,747	1,495,126	403,621
Purchased Services	3,176,384	3,618,698	3,604,355	14,343
Supplies and Materials	1,073,830	997,516	996,766	750
Capital Outlay	442,828	345,914	345,914	0
Other	33,315	33,064	33,064	0
Total Operation and Maintenance of Plant Services	<u>10,276,134</u>	<u>10,744,969</u>	<u>10,421,089</u>	<u>323,880</u>
Pupil Transportation:				
Salaries and Wages	1,308,104	1,308,104	1,477,528	(169,424)
Fringe Benefits	616,237	616,237	685,893	(69,656)
Purchased Services	522,460	631,636	621,442	10,194
Supplies and Materials	358,597	293,906	288,166	5,740
Capital Outlay	30,780	58,580	55,689	2,891
Other	1,200	320	320	0
Total Pupil Transportation	<u>2,837,378</u>	<u>2,908,783</u>	<u>3,129,038</u>	<u>(220,255)</u>
Central Services:				
Salaries and Wages	1,295,436	1,276,936	1,246,296	30,640
Fringe Benefits	486,716	486,716	495,349	(8,633)
Purchased Services	970,210	993,757	939,216	54,541
Supplies and Materials	190,938	228,838	223,397	5,441
Capital Outlay	270,073	184,689	216,486	(31,797)
Other	6,911	12,911	10,200	2,711
Total Central Services	<u>3,220,284</u>	<u>3,183,847</u>	<u>3,130,944</u>	<u>52,903</u>
Total Support Services	<u>40,389,829</u>	<u>42,306,119</u>	<u>40,714,684</u>	<u>1,591,435</u>
Operation of Non-Instructional Services:				
Community Services:				
Purchased Services	30,167	27,167	24,037	3,130
Supplies and Materials	1,850	1,850	573	1,277
Total Community Services	<u>32,017</u>	<u>29,017</u>	<u>24,610</u>	<u>4,407</u>

(Continued)

**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
BUDGET (NON-GAAP BASIS) AND ACTUAL - GENERAL FUND (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Final Budget Favorable (Unfavorable)
Other Operation of Non-Instructional Services				
Salaries and Wages	55,400	55,400	32,951	22,449
Fringe Benefits	10,797	10,797	6,472	4,325
Purchased Services	5,608	5,938	5,295	643
Supplies and Materials	6,283	9,333	7,165	2,168
Capital Outlay	1,100	0	0	0
Other	1,740	1,740	508	1,232
Total Other Operation of Non-Instructional Services	<u>80,928</u>	<u>83,208</u>	<u>52,391</u>	<u>30,817</u>
Total Operation of Non-Instructional Services	<u>112,945</u>	<u>112,225</u>	<u>77,001</u>	<u>35,224</u>
Extracurricular Activities:				
Salaries and Wages	564,377	564,377	660,413	(96,036)
Fringe Benefits	106,976	106,976	132,090	(25,114)
Total Extracurricular Activities	<u>671,353</u>	<u>671,353</u>	<u>792,503</u>	<u>(121,150)</u>
Debt Service:				
Principal Retirement	319,915	319,915	319,915	0
Interest Expense	73,421	73,421	53,939	19,482
Total Debt Service	<u>393,336</u>	<u>393,336</u>	<u>373,854</u>	<u>19,482</u>
Total Expenditures	<u>84,443,707</u>	<u>88,000,953</u>	<u>86,545,999</u>	<u>1,454,954</u>
Excess of Revenue Over (Under) Expenditures	<u>(5,852,056)</u>	<u>(8,292,544)</u>	<u>(5,713,873)</u>	<u>2,578,671</u>
Other Financing Sources (Uses)				
Operating Transfers In	0	838,127	838,127	0
Operating Transfers Out	(500,000)	(837,622)	(1,706,101)	(868,479)
Advances In	350,000	38,170	38,170	0
Advances Out	0	(1,800,000)	(2,153,819)	(353,819)
Total Other Financing Sources (Uses)	<u>(150,000)</u>	<u>(1,761,325)</u>	<u>(2,983,623)</u>	<u>(1,222,298)</u>
Net Change in Fund Balance	<u>(6,002,056)</u>	<u>(10,053,869)</u>	<u>(8,697,496)</u>	<u>1,356,373</u>
Fund Balance Beginning of Year	15,327,232	15,327,232	15,327,232	0
Prior Year Encumbrances Appropriated	<u>2,846,344</u>	<u>2,846,344</u>	<u>2,846,344</u>	<u>0</u>
Fund Balance End of Year	<u>\$12,171,520</u>	<u>\$ 8,119,707</u>	<u>\$ 9,476,080</u>	<u>\$ 1,356,373</u>

**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
BUDGET (NON-GAAP BASIS) AND ACTUAL-
BOND RETIREMENT DEBT SERVICE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Final Budget Favorable (Unfavorable)
<u>Revenues</u>				
Taxes	\$ 540,000	\$ 663,500	\$ 601,746	\$ (61,754)
Earnings on Investments	<u>0</u>	<u>0</u>	<u>3,690</u>	<u>3,690</u>
Total Revenues	<u>540,000</u>	<u>663,500</u>	<u>605,436</u>	<u>(58,064)</u>
<u>Expenditures</u>				
Debt Service:				
Principal Retirement	10,190,000	10,190,000	10,190,000	0
Interest and Fiscal Charges	<u>472,000</u>	<u>670,000</u>	<u>666,702</u>	<u>3,298</u>
Total Debt Service	<u>10,662,000</u>	<u>10,860,000</u>	<u>10,856,702</u>	<u>3,298</u>
Total Expenditures	<u>10,662,000</u>	<u>10,860,000</u>	<u>10,856,702</u>	<u>3,298</u>
Excess of Revenues Over (Under) Expenditures	<u>(10,122,000)</u>	<u>(10,196,500)</u>	<u>(10,251,266)</u>	<u>(54,766)</u>
<u>Other Financing Sources (Uses)</u>				
Operating Transfers In	<u>838,500</u>	<u>965,000</u>	<u>935,592</u>	<u>(29,408)</u>
Total Other Financing Sources (Uses)	<u>838,500</u>	<u>965,000</u>	<u>935,592</u>	<u>(29,408)</u>
Net Change in Fund Balance	<u>(9,283,500)</u>	<u>(9,231,500)</u>	<u>(9,315,674)</u>	<u>(84,174)</u>
Fund Balance Beginning of Year	9,315,674	9,315,674	9,315,674	0
Prior Year Encumbrances Appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 32,174</u>	<u>\$ 84,174</u>	<u>\$ 0</u>	<u>\$ (84,174)</u>

**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
BUDGET (NON-GAAP) AND ACTUAL -
PERMANENT IMPROVEMENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Final Budget Favorable (Unfavorable)
<u>Revenues</u>				
Taxes	\$ 1,314,509	\$ 2,875,000	\$ 2,879,357	\$ 4,357
Intergovernmental	0	155,000	168,098	13,098
Total Revenues	<u>1,314,509</u>	<u>3,030,000</u>	<u>3,047,455</u>	<u>17,455</u>
<u>Expenditures</u>				
Current:				
Instruction:				
Regular Instruction:				
Supplies and Materials	750	750	750	0
Capital Outlay	1,110	1,110	1,110	0
Total Regular Instruction	<u>1,860</u>	<u>1,860</u>	<u>1,860</u>	<u>0</u>
Total Instruction	<u>1,860</u>	<u>1,860</u>	<u>1,860</u>	<u>0</u>
Support Services:				
Business:				
Purchased Services	1,379	0	0	0
Total Business	<u>1,379</u>	<u>0</u>	<u>0</u>	<u>0</u>
Operation and Maintenance of Plant Services:				
Purchased Services	85,125	604,569	604,568	1
Supplies and Materials	103,560	88,528	88,528	0
Capital Outlay	1,858,596	7,848,319	7,848,319	0
Other	265,000	224,158	0	224,158
Total Operation and Maintenance of Plant Services	<u>2,312,281</u>	<u>8,765,574</u>	<u>8,541,415</u>	<u>224,159</u>
Pupil Transportation:				
Capital Outlay	180,000	186,509	184,509	2,000
Total Pupil Transportation	<u>180,000</u>	<u>186,509</u>	<u>184,509</u>	<u>2,000</u>
Total Support Services	<u>2,493,660</u>	<u>8,952,083</u>	<u>8,725,924</u>	<u>226,159</u>
Debt Service:				
Principal Retirement	400,000	400,000	400,000	0
Interest and Fiscal Charges	8,600	8,600	8,600	0
Total Debt Service	<u>408,600</u>	<u>408,600</u>	<u>408,600</u>	<u>0</u>
Total Expenditures	<u>2,904,120</u>	<u>9,362,543</u>	<u>9,136,384</u>	<u>226,159</u>
Excess of Revenues Over (Under) Expenditures	<u>(1,589,611)</u>	<u>(6,332,543)</u>	<u>(6,088,929)</u>	<u>243,614</u>

(Continued)

**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
BUDGET (NON-GAAP) AND ACTUAL -
PERMANENT IMPROVEMENT FUND (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Final Budget Favorable (Unfavorable)
<u>Other Financing Sources (Uses)</u>				
Proceeds from Sale of Bonds	0	5,994,058	5,800,000	(194,058)
Other Miscellaneous Financing Sources	<u>0</u>	<u>5,942</u>	<u>5,942</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>0</u>	<u>6,000,000</u>	<u>5,805,942</u>	<u>(194,058)</u>
Net Change in Fund Balance	(1,589,611)	(332,543)	(282,987)	49,556
Fund Balance Beginning of Year	119,900	119,900	119,900	0
Prior Year Encumbrances Appropriated	<u>1,145,520</u>	<u>1,145,520</u>	<u>1,145,520</u>	<u>0</u>
Fund Balance (Deficit) End of Year	<u>\$ (324,191)</u>	<u>\$ 932,877</u>	<u>\$ 982,433</u>	<u>\$ 49,556</u>

**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
SPECIAL TRUST FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

	Budgeted Amounts		Actual	Variance
	Original	Final		Final Budget Favorable (Unfavorable)
Revenues				
Earnings on Investments	\$ 5,829	\$ 5,839	\$ 3,092	\$ (2,747)
Miscellaneous	99,317	235,444	225,231	(10,213)
Total Revenues	<u>105,146</u>	<u>241,283</u>	<u>228,323</u>	<u>(12,960)</u>
Expenditures				
Current:				
Instruction:				
Regular Instruction:				
Purchased Services	500	500	0	500
Supplies and Materials	639	1,566	300	1,266
Capital Outlay	565	0	0	0
Total Regular Instruction	<u>1,704</u>	<u>2,066</u>	<u>300</u>	<u>1,766</u>
Total Instruction	<u>1,704</u>	<u>2,066</u>	<u>300</u>	<u>1,766</u>
Support Services:				
Pupil:				
Other	11,045	12,036	500	11,536
Total Pupil	<u>11,045</u>	<u>12,036</u>	<u>500</u>	<u>11,536</u>
Instructional Staff:				
Purchased Services	1,658	2,153	125	2,028
Supplies and Materials	1,000	0	0	0
Total Instructional Staff	<u>2,658</u>	<u>2,153</u>	<u>125</u>	<u>2,028</u>
Central Services:				
Purchased Services	18,714	18,714	60,832	(42,118)
Total Central Services	<u>18,714</u>	<u>18,714</u>	<u>60,832</u>	<u>(42,118)</u>
Total Support Services	<u>32,417</u>	<u>32,903</u>	<u>61,457</u>	<u>(28,554)</u>
Operation of Non-Instructional Services:				
Community Services:				
Purchased Services	51,595	51,595	29,884	21,711
Supplies and Materials	25,716	25,812	11,329	14,483
Other	117,470	111,074	2,535	108,539
Total Community Services	<u>194,781</u>	<u>188,481</u>	<u>43,748</u>	<u>144,733</u>
Total Operation of Non-Instructional Services	<u>194,781</u>	<u>188,481</u>	<u>43,748</u>	<u>144,733</u>
Extracurricular Activities:				
Other	28,422	32,516	4,650	27,866
Total Extracurricular Activities	<u>28,422</u>	<u>32,516</u>	<u>4,650</u>	<u>27,866</u>
Total Expenditures	<u>257,324</u>	<u>255,966</u>	<u>110,155</u>	<u>145,811</u>
Excess of Revenues Over (Under) Expenditures	<u>(152,178)</u>	<u>(14,683)</u>	<u>118,168</u>	<u>132,851</u>

(Continued)

**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
SPECIAL TRUST FUND (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Final Budget Favorable (Unfavorable)
Other Financing Sources (Uses):				
Operating Transfers Out	<u>(40,847)</u>	<u>(40,847)</u>	<u>0</u>	<u>40,847</u>
Total Other Financing Sources (Uses)	<u>(40,847)</u>	<u>(40,847)</u>	<u>0</u>	<u>40,847</u>
Net Change in Fund Balance	(193,025)	(55,530)	118,168	173,698
Fund Balance Beginning of Year	311,874	311,874	311,874	0
Prior Year Encumbrances Appropriated	<u>15,980</u>	<u>15,980</u>	<u>15,980</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 134,829</u>	<u>\$ 272,324</u>	<u>\$ 446,022</u>	<u>\$ 173,698</u>

**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
PUBLIC SCHOOL SUPPORT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance Final Budget Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>		
Revenues				
Classroom Materials and Fees	\$ 449,269	\$ 465,394	\$ 255,360	\$ (210,034)
Miscellaneous	15,769	36,885	41,644	4,759
Total Revenues	<u>465,038</u>	<u>502,279</u>	<u>297,004</u>	<u>(205,275)</u>
Expenditures				
Current:				
Instruction:				
Regular Instruction:				
Salaries and Wages	2,300	5,450	3,400	2,050
Fringe Benefits	650	650	212	438
Purchased Services	140,278	237,349	173,135	64,214
Supplies and Materials	216,361	247,025	151,309	95,716
Capital Outlay	5,618	7,808	4,648	3,160
Other	21,247	64,747	41,637	23,110
Total Regular Instruction	<u>386,454</u>	<u>563,029</u>	<u>374,341</u>	<u>188,688</u>
Total Instruction	<u>386,454</u>	<u>563,029</u>	<u>374,341</u>	<u>188,688</u>
Support Services:				
Pupil:				
Supplies and Materials	<u>0</u>	<u>0</u>	<u>65</u>	<u>(65)</u>
Total Pupil	<u>0</u>	<u>0</u>	<u>65</u>	<u>(65)</u>
Instructional Staff:				
Purchased Services	2,885	2,884	165	2,719
Supplies and Materials	14,631	14,731	3,949	10,782
Capital Outlay	<u>0</u>	<u>300</u>	<u>297</u>	<u>3</u>
Total Instructional Staff	<u>17,516</u>	<u>17,915</u>	<u>4,411</u>	<u>13,504</u>
Administrative:				
Supplies and Materials	0	228	228	0
Capital Outlay	<u>0</u>	<u>755</u>	<u>755</u>	<u>0</u>
Total Administrative	<u>0</u>	<u>983</u>	<u>983</u>	<u>0</u>
Business:				
Supplies and Materials	580	580	580	0
Total Business	<u>580</u>	<u>580</u>	<u>580</u>	<u>0</u>
Total Support Services	<u>18,096</u>	<u>19,478</u>	<u>6,039</u>	<u>13,439</u>
Total Expenditures	<u>404,550</u>	<u>582,507</u>	<u>380,380</u>	<u>202,127</u>
Excess of Revenues Over (Under) Expenditures	60,488	(80,228)	(83,376)	(3,148)
Fund Balance at Beginning of Year	75,767	75,767	75,767	0
Prior Year Encumbrances Appropriated	<u>30,298</u>	<u>30,298</u>	<u>30,298</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 166,553</u>	<u>\$ 25,837</u>	<u>\$ 22,689</u>	<u>\$ (3,148)</u>

**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
OTHER GRANTS FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Final Budget Favorable (Unfavorable)
Revenues				
Intergovernmental	\$ 8,395	\$ 8,395	\$ 9,697	\$ 1,302
Earnings on Investments	895	895	896	1
Classroom Materials and Fees	57,858	74,553	20,675	(53,878)
Miscellaneous	<u>0</u>	<u>319,445</u>	<u>319,913</u>	<u>468</u>
Total Revenues	<u>67,148</u>	<u>403,288</u>	<u>351,181</u>	<u>(52,107)</u>
Expenditures				
Current:				
Instruction:				
Regular Instruction:				
Salaries and Wages	31,791	23,831	20,732	3,099
Fringe Benefits	925	2,701	2,135	566
Purchased Services	3,763	12,035	6,942	5,093
Supplies and Materials	20,654	33,654	9,235	24,419
Capital Outlay	4,837	10,602	0	10,602
Other	<u>5,260</u>	<u>17,736</u>	<u>8,023</u>	<u>9,713</u>
Total Regular Instruction	<u>67,230</u>	<u>100,559</u>	<u>47,067</u>	<u>53,492</u>
Special Instruction:				
Purchased Services	619	619	128	491
Supplies and Materials	<u>224</u>	<u>224</u>	<u>120</u>	<u>104</u>
Total Special Instruction	<u>843</u>	<u>843</u>	<u>248</u>	<u>595</u>
Vocational Education:				
Salaries and Wages	0	2,252	2,252	0
Fringe Benefits	6	255	223	32
Purchased Services	1,326	1,986	912	1,074
Supplies and Materials	6,255	7,195	2,304	4,891
Capital Outlay	<u>0</u>	<u>5,163</u>	<u>3,000</u>	<u>2,163</u>
Total Vocational Education	<u>7,587</u>	<u>16,851</u>	<u>8,691</u>	<u>8,160</u>
Adult/Continuing:				
Salaries and Wages	8,387	8,624	5,196	3,428
Fringe Benefits	1,353	1,953	872	1,081
Supplies and Materials	<u>6,057</u>	<u>13,615</u>	<u>2,840</u>	<u>10,775</u>
Total Adult/Continuing	<u>15,797</u>	<u>24,192</u>	<u>8,908</u>	<u>15,284</u>
Other:				
Purchased Services	830	3,636	3,636	0
Supplies and Materials	440	0	0	0
Capital Outlay	<u>1,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Other	<u>2,270</u>	<u>3,636</u>	<u>3,636</u>	<u>0</u>
Total Instruction	<u>93,727</u>	<u>146,081</u>	<u>68,550</u>	<u>77,531</u>

(Continued)

**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
OTHER GRANTS FUND (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance Final Budget Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>		
Support Services:				
Pupil:				
Salaries and Wages	100	56,823	10,210	46,613
Fringe Benefits	17	15,312	960	14,352
Purchased Services	2,816	135,599	134,683	916
Supplies and Materials	1,459	48,100	31,669	16,431
Capital Outlay	813	4,371	3,516	855
Other	0	1,400	1,400	0
Total Pupil	<u>5,205</u>	<u>261,605</u>	<u>182,438</u>	<u>79,167</u>
Instructional Staff:				
Salaries and Wages	664	664	0	664
Purchased Services	2,887	2,160	200	1,960
Supplies and Materials	6,360	5,720	18	5,702
Total Instructional Staff	<u>9,911</u>	<u>8,544</u>	<u>218</u>	<u>8,326</u>
Administrative:				
Purchased Services	542	61,700	20,643	41,057
Supplies and Materials	1,951	3,893	2,085	1,808
Total Administrative	<u>2,493</u>	<u>65,593</u>	<u>22,728</u>	<u>42,865</u>
Business:				
Purchased Services	27,879	28,500	0	28,500
Supplies and Materials	1,021	1,500	0	1,500
Total Business	<u>28,900</u>	<u>30,000</u>	<u>0</u>	<u>30,000</u>
Operation and Maintenance of Plant Services:				
Supplies and Materials	1,144	2,179	2,249	(70)
Other	119	1,000	500	500
Total Operation and Maintenance of Plant Services	<u>1,263</u>	<u>3,179</u>	<u>2,749</u>	<u>430</u>
Central Services:				
Salaries and Wages	48,000	48,000	0	48,000
Purchased Services	16,500	16,500	0	16,500
Total Central Services	<u>64,500</u>	<u>64,500</u>	<u>0</u>	<u>64,500</u>
Total Support Services	<u>112,272</u>	<u>433,421</u>	<u>208,133</u>	<u>225,288</u>
Operation of Non-Instructional Services:				
Food Services:				
Supplies and Materials	0	621	621	0
Capital Outlay	0	379	378	1
Total Food Services	<u>0</u>	<u>1,000</u>	<u>999</u>	<u>1</u>

(Continued)

**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
OTHER GRANTS FUND (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance Final Budget Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>		
Community Services:				
Purchased Services	1,442	1,440	0	1,440
Supplies and Materials	883	2,468	1,287	1,181
Other	41,565	42,798	1,000	41,798
Total Community Services	<u>43,890</u>	<u>46,706</u>	<u>2,287</u>	<u>44,419</u>
Total Operation of Non-Instructional Services	<u>43,890</u>	<u>47,706</u>	<u>3,286</u>	<u>44,420</u>
Extracurricular Activities:				
Supplies and Materials	1,366	1,366	616	750
Other	2,000	2,000	0	2,000
Total Extracurricular Activities	<u>3,366</u>	<u>3,366</u>	<u>616</u>	<u>2,750</u>
Total Expenditures	<u>253,255</u>	<u>630,574</u>	<u>280,585</u>	<u>349,989</u>
Excess of Revenues Over (Under) Expenditures	<u>(186,107)</u>	<u>(227,286)</u>	<u>70,596</u>	<u>297,882</u>
<u>Other Financing Sources (Uses)</u>				
Operating Transfers In	0	3,357	2,362	(995)
Operating Transfers Out	0	(3,357)	(2,368)	989
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>(6)</u>	<u>(6)</u>
Net Change in Fund Balance	<u>(186,107)</u>	<u>(227,286)</u>	<u>70,590</u>	<u>297,876</u>
Fund Balance Beginning of Year	221,031	221,031	221,031	0
Prior Year Encumbrances Appropriated	<u>6,253</u>	<u>6,253</u>	<u>6,253</u>	<u>0</u>
Fund Balance (Deficit) End of Year	<u>\$ 41,177</u>	<u>\$ (2)</u>	<u>\$ 297,874</u>	<u>\$ 297,876</u>

**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
 BUDGET (NON-GAAP BASIS) AND ACTUAL -
 VENTURE CAPITAL-BOULEVARD FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

	Budgeted Amounts		Actual	Variance
	Original	Final		Final Budget Favorable (Unfavorable)
<u>Total Revenues</u>	\$ 0	\$ 0	\$ 0	\$ 0
<u>Total Expenditures</u>	0	0	0	0
Net Change in Fund Balance	0	0	0	0
Fund Balance (Deficit) Beginning of Year	58	58	58	0
Prior Year Encumbrances Appropriated	0	0	0	0
Fund Balance End of Year	\$ 58	\$ 58	\$ 58	\$ 0

**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
DISTRICT MANAGED ACTIVITY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Final Budget Favorable (Unfavorable)
<u>Revenues</u>				
Classroom Materials and Fees	\$ 308,772	\$ 459,607	\$ 112,045	\$ (347,562)
Miscellaneous	<u>15,900</u>	<u>22,031</u>	<u>4,811</u>	<u>(17,220)</u>
Total Revenues	<u>324,672</u>	<u>481,638</u>	<u>116,856</u>	<u>(364,782)</u>
<u>Expenditures</u>				
Current:				
Extracurricular Activities:				
Salaries and Wages	29,500	30,400	29,013	1,387
Fringe Benefits	11,930	12,080	4,524	7,556
Purchased Services	141,452	159,586	96,322	63,264
Supplies and Materials	157,825	299,776	166,391	133,385
Capital Outlay	34,749	42,149	33,379	8,770
Other	<u>46,789</u>	<u>81,159</u>	<u>44,954</u>	<u>36,205</u>
Total Extracurricular Activities	<u>422,245</u>	<u>625,150</u>	<u>374,583</u>	<u>250,567</u>
Total Expenditures	<u>422,245</u>	<u>625,150</u>	<u>374,583</u>	<u>250,567</u>
Excess of Revenues Over (Under) Expenditures	<u>(97,573)</u>	<u>(143,512)</u>	<u>(257,727)</u>	<u>(114,215)</u>
<u>Other Financing Sources (Uses)</u>				
Operating Transfers In	<u>165,000</u>	<u>165,000</u>	<u>225,000</u>	<u>60,000</u>
Total Other Financing Sources (Uses)	<u>165,000</u>	<u>165,000</u>	<u>225,000</u>	<u>60,000</u>
Net Change in Fund Balance	67,427	21,488	(32,727)	(54,215)
Fund Balance Beginning of Year	12,662	12,662	12,662	0
Prior Year Encumbrances Appropriated	<u>20,550</u>	<u>20,550</u>	<u>20,550</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 100,639</u>	<u>\$ 54,700</u>	<u>\$ 485</u>	<u>\$ (54,215)</u>

**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
AUXILIARY SERVICES FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Final Budget Favorable (Unfavorable)
<u>Revenues</u>				
Intergovernmental	\$ 1,798,290	\$ 1,815,037	\$ 1,791,271	\$ (23,766)
Earnings on Investments	<u>36,197</u>	<u>36,197</u>	<u>36,197</u>	<u>0</u>
Total Revenues	<u>1,834,487</u>	<u>1,851,234</u>	<u>1,827,468</u>	<u>(23,766)</u>
<u>Expenditures</u>				
Current:				
Instruction:				
Other:				
Salaries and Wages	11,500	11,500	0	11,500
Supplies and Materials	<u>4,000</u>	<u>4,000</u>	<u>0</u>	<u>4,000</u>
Total Other	<u>15,500</u>	<u>15,500</u>	<u>0</u>	<u>15,500</u>
Total Instruction	<u>15,500</u>	<u>15,500</u>	<u>0</u>	<u>15,500</u>
Operation of Non-Instructional Services:				
Community Services:				
Salaries and Wages	3,849	244,117	244,387	(270)
Fringe Benefits	2,834	66,297	67,661	(1,364)
Purchased Services	100,425	889,202	890,812	(1,610)
Supplies and Materials	153,950	729,527	724,423	5,104
Capital Outlay	44,245	131,189	131,189	0
Other	<u>0</u>	<u>45</u>	<u>45</u>	<u>0</u>
Total Community Services	<u>305,303</u>	<u>2,060,377</u>	<u>2,058,517</u>	<u>1,860</u>
Total Operation of Non-Instructional Services	<u>305,303</u>	<u>2,060,377</u>	<u>2,058,517</u>	<u>1,860</u>
Total Expenditures	<u>320,803</u>	<u>2,075,877</u>	<u>2,058,517</u>	<u>17,360</u>
Excess of Revenues Over (Under) Expenditures	<u>1,513,684</u>	<u>(224,643)</u>	<u>(231,049)</u>	<u>(6,406)</u>
<u>Other Financing Sources (Uses)</u>				
Operating Transfers In	0	135,645	136,965	1,320
Operating Transfers Out	(9,985)	(218,032)	(211,086)	6,946
Advances Out	<u>(8)</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>(9,993)</u>	<u>(82,387)</u>	<u>(74,121)</u>	<u>8,266</u>
Net Change in Fund Balance	1,503,691	(307,030)	(305,170)	1,860
Fund Balance Beginning of Year	104,159	104,159	104,159	0
Prior Year Encumbrances Appropriated	<u>202,871</u>	<u>202,871</u>	<u>202,871</u>	<u>0</u>
Fund Balance End of Year	<u>\$1,810,721</u>	<u>\$ 0</u>	<u>\$ 1,860</u>	<u>\$ 1,860</u>

**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
 BUDGET (NON-GAAP BASIS) AND ACTUAL -
 CAREER DEVELOPMENT PROGRAM FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance Final Budget Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Intergovernmental	\$ 35,967	\$ 0	\$ 0	\$ 0
Total Revenues	<u>35,967</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>Total Expenditures</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	35,967	0	0	0
Fund Balance Beginning of Year	0	0	0	0
Prior Year Encumbrances Appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 35,967</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
TEACHER DEVELOPMENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

	Budgeted Amounts		Actual	Variance Final Budget Favorable (Unfavorable)
	Original	Final		
<u>Total Revenues</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
<u>Expenditures</u>				
Current:				
Instruction:				
Other:				
Purchased Services	0	448	448	0
Total Other	0	448	448	0
Total Instruction	0	448	448	0
Support Services:				
Instructional Staff:				
Fringe Benefits	8	0	0	0
Purchased Services	9,529	9,580	9,580	0
Supplies and Materials	222	0	0	0
Total Instructional Staff	9,759	9,580	9,580	0
Total Support Services	9,759	9,580	9,580	0
Operation of Non-Instructional Services:				
Community Services:				
Purchased Services	269	0	0	0
Total Community Services	269	0	0	0
Total Operation of Non-Instructional Services	269	0	0	0
Total Expenditures	10,028	10,028	10,028	0
Net Change in Fund Balance	(10,028)	(10,028)	(10,028)	0
Fund Balance Beginning of Year	10,028	10,028	10,028	0
Prior Year Encumbrances Appropriated	0	0	0	0
Fund Balance End of Year	\$ 0	\$ 0	\$ 0	\$ 0

**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
MOTORCYCLE SAFETY EDUCATION FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Final Budget Favorable (Unfavorable)
<u>Revenues</u>				
Intergovernmental	\$ 116,483	\$ 116,483	\$ 42,004	\$ (74,479)
Miscellaneous	<u>4,275</u>	<u>4,275</u>	<u>15,480</u>	<u>11,205</u>
Total Revenues	<u>120,758</u>	<u>120,758</u>	<u>57,484</u>	<u>(63,274)</u>
<u>Expenditures</u>				
Current:				
Operation of Non-Instructional Services:				
Community Services:				
Salaries and Wages	0	54,489	43,926	10,563
Fringe Benefits	0	9,138	10,183	(1,045)
Purchased Services	1,015	3,515	1,661	1,854
Supplies and Materials	2,248	15,502	1,719	13,783
Other	<u>50</u>	<u>200</u>	<u>24</u>	<u>176</u>
Total Community Services	<u>3,313</u>	<u>82,844</u>	<u>57,513</u>	<u>25,331</u>
Total Operation of Non-Instructional Services	<u>3,313</u>	<u>82,844</u>	<u>57,513</u>	<u>25,331</u>
Total Expenditures	<u>3,313</u>	<u>82,844</u>	<u>57,513</u>	<u>25,331</u>
Excess of Revenue Over (Under) Expenditures	<u>117,445</u>	<u>37,914</u>	<u>(29)</u>	<u>(37,943)</u>
<u>Other Financing Sources (Uses)</u>				
Operating Transfers Out	(12,685)	(12,685)	0	12,685
Advances In	0	29	29	0
Advances Out	<u>0</u>	<u>(29)</u>	<u>0</u>	<u>29</u>
Total Other Financing Sources (Uses)	<u>(12,685)</u>	<u>(12,685)</u>	<u>29</u>	<u>12,714</u>
Net Change in Fund Balance	104,760	25,229	0	(25,229)
Fund Balance (Deficit) Beginning of Year	(325)	(325)	(325)	0
Prior Year Encumbrances Appropriated	<u>325</u>	<u>325</u>	<u>325</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 104,760</u>	<u>\$ 25,229</u>	<u>\$ 0</u>	<u>\$ (25,229)</u>

**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
EDUCATIONAL MANAGEMENT INFORMATION SYSTEM FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance Final Budget Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Intergovernmental	\$ 0	\$ 26,220	\$ 26,220	\$ 0
Total Revenues	<u>0</u>	<u>26,220</u>	<u>26,220</u>	<u>0</u>
<u>Expenditures</u>				
Current:				
Support Services:				
Administrative:				
Supplies and Materials	152	152	0	152
Total Administrative	<u>152</u>	<u>152</u>	<u>0</u>	<u>152</u>
Central Services:				
Salaries and Wages	18,500	18,500	0	18,500
Purchased Services	55,747	81,968	1,000	80,968
Supplies and Materials	2,292	2,292	130	2,162
Capital Outlay	1,322	1,322	0	1,322
Other	<u>175</u>	<u>175</u>	<u>25</u>	<u>150</u>
Total Central Services	<u>78,036</u>	<u>104,257</u>	<u>1,155</u>	<u>103,102</u>
Total Support Services	<u>78,188</u>	<u>104,409</u>	<u>1,155</u>	<u>103,254</u>
Total Expenditures	<u>78,188</u>	<u>104,409</u>	<u>1,155</u>	<u>103,254</u>
Net Change in Fund Balance	(78,188)	(78,189)	25,065	(103,254)
Fund Balance Beginning of Year	99,006	99,006	99,006	0
Prior Year Encumbrances Appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 20,818</u>	<u>\$ 20,817</u>	<u>\$ 124,071</u>	<u>\$ (103,254)</u>

**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
PUBLIC SCHOOL PRESCHOOL GRANT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

	Budgeted Amounts		Actual	Variance Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Intergovernmental	\$ 159,077	\$ 158,789	\$ 158,774	\$ (15)
Total Revenues	<u>159,077</u>	<u>158,789</u>	<u>158,774</u>	<u>(15)</u>
Expenditures				
Current:				
Instruction:				
Regular Instruction:				
Salaries and Wages	35,804	35,804	32,392	3,412
Fringe Benefits	13,060	13,060	11,930	1,130
Supplies and Materials	2,922	2,823	2,702	121
Capital Outlay	38	38	0	38
Total Regular Instruction	<u>51,824</u>	<u>51,725</u>	<u>47,024</u>	<u>4,701</u>
Total Instruction	<u>51,824</u>	<u>51,725</u>	<u>47,024</u>	<u>4,701</u>
Support Services:				
Pupil:				
Purchased Services	1,078	401	944	(543)
Total Pupil	<u>1,078</u>	<u>401</u>	<u>944</u>	<u>(543)</u>
Instructional Staff:				
Salaries and Wages	63,977	63,977	64,780	(803)
Fringe Benefits	15,777	15,777	19,564	(3,787)
Supplies and Materials	518	533	533	0
Total Instructional Staff	<u>80,272</u>	<u>80,287</u>	<u>84,877</u>	<u>(4,590)</u>
Administrative:				
Salaries and Wages	14,398	14,398	14,234	164
Fringe Benefits	3,255	3,255	3,506	(251)
Total Administrative	<u>17,653</u>	<u>17,653</u>	<u>17,740</u>	<u>(87)</u>
Fiscal Services:				
Salaries and Wages	3,147	3,148	3,046	102
Fringe Benefits	1,837	1,837	1,547	290
Total Fiscal Services	<u>4,984</u>	<u>4,985</u>	<u>4,593</u>	<u>392</u>
Pupil Transportation:				
Purchased Services	3,294	2,535	2,391	144
Total Pupil Transportation	<u>3,294</u>	<u>2,535</u>	<u>2,391</u>	<u>144</u>
Central Services:				
Supplies and Materials	500	324	326	(2)
Total Central Services	<u>500</u>	<u>324</u>	<u>326</u>	<u>(2)</u>
Total Support Services	<u>107,781</u>	<u>106,185</u>	<u>110,871</u>	<u>(4,686)</u>
Total Expenditures	<u>159,605</u>	<u>157,910</u>	<u>157,895</u>	<u>15</u>
Excess of Revenue Over (Under) Expenditures	<u>(528)</u>	<u>879</u>	<u>879</u>	<u>0</u>

(Continued)

**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
PUBLIC SCHOOL PRESCHOOL GRANT FUND (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance Final Budget Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>		
<u>Other Financing Sources (Uses)</u>				
Advances Out	<u>0</u>	<u>(879)</u>	<u>(879)</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>0</u>	<u>(879)</u>	<u>(879)</u>	<u>0</u>
Net Change in Fund Balance	(528)	0	0	0
Fund Balance (Deficit) Beginning of Year	(265)	(265)	(265)	0
Prior Year Encumbrances Appropriated	<u>265</u>	<u>265</u>	<u>265</u>	<u>0</u>
Fund Balance (Deficit) End of Year	<u>\$ (528)</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
ONE NET COMMUNIQUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance Final Budget Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Intergovernmental	\$ 0	\$ 45,500	\$ 45,500	\$ 0
Total Revenues	<u>0</u>	<u>45,500</u>	<u>45,500</u>	<u>0</u>
<u>Expenditures</u>				
Current:				
Building Acquisition	<u>73,953</u>	<u>119,453</u>	<u>119,453</u>	<u>0</u>
Total Building Acquisition	<u>73,953</u>	<u>119,453</u>	<u>119,453</u>	<u>0</u>
Total Expenditures	<u>73,953</u>	<u>119,453</u>	<u>119,453</u>	<u>0</u>
Net Change in Fund Balance	(73,953)	(73,953)	(73,953)	0
Fund Balance Beginning of Year	73,953	73,953	73,953	0
Prior Year Encumbrances Appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>

**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
SCHOOL NET PROFESSIONAL DEVELOPMENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Final Budget Favorable (Unfavorable)
Revenues				
Intergovernmental	\$ 5,100	\$ 9,673	\$ 1,150	\$ (8,523)
Total Revenues	<u>5,100</u>	<u>9,673</u>	<u>1,150</u>	<u>(8,523)</u>
Expenditures				
Current:				
Support Services:				
Pupil:				
Salaries and Wages	0	3,929	2,782	1,147
Fringe Benefits	<u>0</u>	<u>671</u>	<u>412</u>	<u>259</u>
Total Pupil	<u>0</u>	<u>4,600</u>	<u>3,194</u>	<u>1,406</u>
Instructional Staff:				
Salaries and Wages	1,818	1,818	0	1,818
Fringe Benefits	341	341	0	341
Purchased Services	<u>0</u>	<u>3,450</u>	<u>0</u>	<u>3,450</u>
Total Instructional Staff	<u>2,159</u>	<u>5,609</u>	<u>0</u>	<u>5,609</u>
Total Support Services	<u>2,159</u>	<u>10,209</u>	<u>3,194</u>	<u>7,015</u>
Total Expenditures	<u>2,159</u>	<u>10,209</u>	<u>3,194</u>	<u>7,015</u>
Net Change in Fund Balance	2,941	(536)	(2,044)	(1,508)
Fund Balance Beginning of Year	3,986	3,986	3,986	0
Prior Year Encumbrances Appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 6,927</u>	<u>\$ 3,450</u>	<u>\$ 1,942</u>	<u>\$ (1,508)</u>

**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
 BUDGET (NON-GAAP BASIS) AND ACTUAL -
 TEXTBOOK SUBSIDY FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

	Budgeted Amounts		Actual	Variance
	Original	Final		Final Budget Favorable (Unfavorable)
<u>Total Revenues</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
<u>Expenditures</u>				
Current:				
Instruction:				
Regular Instruction:				
Salaries and Wages	1,602	1,602	266	1,336
Total Regular Instruction	1,602	1,602	266	1,336
Total Instruction	1,602	1,602	266	1,336
Total Expenditures	1,602	1,602	266	1,336
Net Change in Fund Balance	(1,602)	(1,602)	(266)	(1,336)
Fund Balance Beginning of Year	1,336	1,336	1,336	0
Prior Year Encumbrances Appropriated	266	266	266	0
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,336</u>	<u>\$ (1,336)</u>

**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
OHIO READS FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance Final Budget Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$ 87,460	\$ 101,460	\$ 101,460	\$ 0
Total Revenues	<u>87,460</u>	<u>101,460</u>	<u>101,460</u>	<u>0</u>
Expenditures				
Current:				
Instruction:				
Regular Instruction:				
Salaries and Wages	20,329	21,081	15,768	5,313
Fringe Benefits	3,362	3,484	2,588	896
Purchased Services	16,189	17,389	17,389	0
Supplies and Materials	63,471	68,356	67,383	973
Total Regular Instruction	<u>103,351</u>	<u>110,310</u>	<u>103,128</u>	<u>7,182</u>
Total Instruction	<u>103,351</u>	<u>110,310</u>	<u>103,128</u>	<u>7,182</u>
Support Services:				
Pupil:				
Purchased Services	2,500	2,500	2,500	0
Supplies and Materials	3,169	3,169	3,169	0
Total Pupil	<u>5,669</u>	<u>5,669</u>	<u>5,669</u>	<u>0</u>
Instructional Staff:				
Salaries and Wages	0	315	315	0
Purchased Services	648	2,202	2,202	0
Supplies and Materials	3,732	16,900	16,849	51
Other	863	826	826	0
Total Instructional Staff	<u>5,243</u>	<u>20,243</u>	<u>20,192</u>	<u>51</u>
Administrative:				
Salaries and Wages	1,717	13,106	10,259	2,847
Fringe Benefits	900	3,165	1,791	1,374
Purchased Services	0	0	0	0
Supplies and Materials	0	347	0	347
Total Administrative	<u>2,617</u>	<u>16,618</u>	<u>12,050</u>	<u>4,568</u>
Pupil Transportation:				
Other	4,560	4,560	4,585	(25)
Total Pupil Transportation	<u>4,560</u>	<u>4,560</u>	<u>4,585</u>	<u>(25)</u>
Total Support Services	<u>18,089</u>	<u>47,090</u>	<u>42,496</u>	<u>4,594</u>
Total Expenditures	<u>121,440</u>	<u>157,400</u>	<u>145,624</u>	<u>11,776</u>
Net Change in Fund Balance	(33,980)	(55,940)	(44,164)	(11,776)
Fund Balance Beginning of Year	(3,909)	(3,909)	(3,909)	0
Prior Year Encumbrances Appropriated	59,849	59,849	59,849	0
Fund Balance End of Year	<u>\$ 21,960</u>	<u>\$ 0</u>	<u>\$ 11,776</u>	<u>\$ (11,776)</u>

**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
SUMMER SCHOOL SUBSIDY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

	Budgeted Amounts		Actual	Variance
	Original	Final	Actual	Final Budget Favorable (Unfavorable)
<u>Total Revenues</u>	\$ 0	\$ 0	\$ 0	\$ 0
<u>Expenditures</u>				
Current:				
Support Services:				
Pupil:				
Salaries and Wages	0	19,045	17,982	1,063
Fringe Benefits	0	3,204	2,973	231
Supplies and Materials	0	4,208	0	4,208
Capital Outlay	0	5,115	0	5,115
Total Pupil	0	31,572	20,955	10,617
Total Support Services	0	31,572	20,955	10,617
Total Expenditures	0	31,572	20,955	10,617
Net Change in Fund Balance	0	(31,572)	(20,955)	10,617
 Fund Balance Beginning of Year	 31,572	 31,572	 31,572	 0
Prior Year Encumbrances Appropriated	0	0	0	0
 Fund Balance End of Year	 \$ 31,572	\$ 0	\$ 10,617	\$ 10,617

**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
CAREER TECHNICAL/ADULT EDUCATION FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance Final Budget Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Intergovernmental	\$ 0	\$ 35,968	\$ 30,573	\$ (5,395)
Total Revenues	<u>0</u>	<u>35,968</u>	<u>30,573</u>	<u>(5,395)</u>
<u>Expenditures</u>				
Current:				
Support Services:				
Administrative:				
Salaries and Wages	0	21,633	21,632	1
Fringe Benefits	0	14,335	14,306	29
Total Administrative	<u>0</u>	<u>35,968</u>	<u>35,938</u>	<u>30</u>
Total Support Services	<u>0</u>	<u>35,968</u>	<u>35,938</u>	<u>30</u>
Total Expenditures	<u>0</u>	<u>35,968</u>	<u>35,938</u>	<u>30</u>
Excess of Revenue Over (Under) Expenditures	<u>0</u>	<u>0</u>	<u>(5,365)</u>	<u>(5,365)</u>
<u>Other Financing Sources (Uses)</u>				
Advances In	0	5,365	5,365	0
Advances Out	<u>0</u>	<u>(5,365)</u>	<u>0</u>	<u>5,365</u>
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>5,365</u>	<u>5,365</u>
Net Change in Fund Balance	0	0	0	0
Fund Balance Beginning of Year	0	0	0	0
Prior Year Encumbrances Appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
ALTERNATIVE SCHOOLS FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Final Budget Favorable (Unfavorable)
<u>Revenues</u>				
Intergovernmental	\$ 216,657	\$ 215,838	\$ 214,292	\$ (1,546)
Total Revenues	<u>216,657</u>	<u>215,838</u>	<u>214,292</u>	<u>(1,546)</u>
<u>Expenditures</u>				
Current:				
Instruction:				
Regular Instruction:				
Purchased Services	0	7,490	7,490	0
Total Regular Instruction	<u>0</u>	<u>7,490</u>	<u>7,490</u>	<u>0</u>
Other:				
Purchased Services	0	1,234	1,234	0
Total Other	<u>0</u>	<u>1,234</u>	<u>1,234</u>	<u>0</u>
Total Instruction	<u>0</u>	<u>8,724</u>	<u>8,724</u>	<u>0</u>
Support Services:				
Pupil:				
Salaries and Wages	0	123,070	123,070	0
Fringe Benefits	4,707	39,517	38,181	1,336
Purchased Services	1,000	15,896	15,896	0
Supplies and Materials	6,324	21,389	21,389	0
Capital Outlay	74,544	91,627	91,627	0
Total Pupil	<u>86,575</u>	<u>291,499</u>	<u>290,163</u>	<u>1,336</u>
Pupil Transportation:				
Purchased Services	0	2,190	2,190	0
Total Pupil Transportation	<u>0</u>	<u>2,190</u>	<u>2,190</u>	<u>0</u>
Total Support Services	<u>86,575</u>	<u>293,689</u>	<u>292,353</u>	<u>1,336</u>
Total Expenditures	<u>86,575</u>	<u>302,413</u>	<u>301,077</u>	<u>1,336</u>
Excess of Revenues Over (Under) Expenditures	<u>130,082</u>	<u>(86,575)</u>	<u>(86,785)</u>	<u>(210)</u>
<u>Other Financing Sources (Uses)</u>				
Advances In	0	282	282	0
Advances Out	0	(282)	0	282
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>282</u>	<u>282</u>
Net Change in Fund Balance	130,082	(86,575)	(86,503)	72
Fund Balance Beginning of Year	6,043	6,043	6,043	0
Prior Year Encumbrances Appropriated	<u>80,532</u>	<u>80,532</u>	<u>80,532</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 216,657</u>	<u>\$ 0</u>	<u>\$ 72</u>	<u>\$ 72</u>

**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
 BUDGET (NON-GAAP BASIS) AND ACTUAL -
 EXTENDED LEARNING OPPORTUNITY FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Final Budget Favorable (Unfavorable)
<u>Total Revenues</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
<u>Expenditures</u>				
Current:				
Support Services:				
Instructional Staff:				
Salaries and Wages	149	149	0	149
Fringe Benefits	197	197	0	197
Purchased Services	4,000	4,000	0	4,000
Supplies and Materials	<u>1,181</u>	<u>1,181</u>	<u>1,169</u>	<u>12</u>
Total Instructional Staff	<u>5,527</u>	<u>5,527</u>	<u>1,169</u>	<u>4,358</u>
Total Support Services	<u>5,527</u>	<u>5,527</u>	<u>1,169</u>	<u>4,358</u>
Total Expenditures	<u>5,527</u>	<u>5,527</u>	<u>1,169</u>	<u>4,358</u>
Net Change in Fund Balance	(5,527)	(5,527)	(1,169)	4,358
Fund Balance Beginning of Year	4,358	4,358	4,358	0
Prior Year Encumbrances Appropriated	<u>1,169</u>	<u>1,169</u>	<u>1,169</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 4,358</u>	<u>\$ 4,358</u>

**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
MISCELLANEOUS STATE GRANTS FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Final Budget Favorable (Unfavorable)
<u>Revenues</u>				
Intergovernmental	\$ 29,000	\$ 33,000	\$ 18,000	\$ (15,000)
Miscellaneous	<u>10,270</u>	<u>20,270</u>	<u>5,000</u>	<u>(15,270)</u>
Total Revenues	<u>39,270</u>	<u>53,270</u>	<u>23,000</u>	<u>(30,270)</u>
<u>Expenditures</u>				
Current:				
Support Services:				
Pupil:				
Salaries and Wages	(7,745)	3,064	3,746	(682)
Fringe Benefits	(1,388)	603	568	35
Purchased Services	18,446	6,646	6,551	95
Supplies and Materials	1,882	882	0	882
Capital Outlay	6,000	6,000	0	6,000
Other	<u>0</u>	<u>1,000</u>	<u>0</u>	<u>1,000</u>
Total Pupil	<u>17,195</u>	<u>18,195</u>	<u>10,865</u>	<u>7,330</u>
Instructional Staff:				
Salaries and Wages	1,000	1,000	50	950
Fringe Benefits	166	166	0	166
Purchased Services	3,435	5,635	2,557	3,078
Supplies and Materials	8,220	9,020	1,805	7,215
Capital Outlay	2,493	2,493	0	2,493
Other	<u>379</u>	<u>379</u>	<u>0</u>	<u>379</u>
Total Instructional Staff	<u>15,693</u>	<u>18,693</u>	<u>4,412</u>	<u>14,281</u>
Total Support Services	<u>32,888</u>	<u>36,888</u>	<u>15,277</u>	<u>21,611</u>
Total Expenditures	<u>32,888</u>	<u>36,888</u>	<u>15,277</u>	<u>21,611</u>
Excess of Revenue Over (Under) Expenditures	<u>6,382</u>	<u>16,382</u>	<u>7,723</u>	<u>(8,659)</u>
<u>Other Financing Sources (Uses)</u>				
Operating Transfers Out	<u>0</u>	<u>(14,000)</u>	<u>(14,000)</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>0</u>	<u>(14,000)</u>	<u>(14,000)</u>	<u>0</u>
Net Change in Fund Balance	6,382	2,382	(6,277)	(8,659)
Fund Balance Beginning of Year	15,692	15,692	15,692	0
Prior Year Encumbrances Appropriated	<u>1,925</u>	<u>1,925</u>	<u>1,925</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 23,999</u>	<u>\$ 19,999</u>	<u>\$ 11,340</u>	<u>\$ (8,659)</u>

**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
ADULT BASIC EDUCATION FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Final Budget Favorable (Unfavorable)
<u>Revenues</u>				
Intergovernmental	\$ 375,000	\$ 374,702	\$ 291,944	\$ (82,758)
Total Revenues	<u>375,000</u>	<u>374,702</u>	<u>291,944</u>	<u>(82,758)</u>
<u>Expenditures</u>				
Current:				
Instruction:				
Adult/Continuing:				
Salaries and Wages	183,691	208,848	192,218	16,630
Fringe Benefits	35,042	45,341	35,042	10,299
Purchased Services	1,414	3,748	2,278	1,470
Supplies and Materials	16,337	22,782	16,337	6,445
Capital Outlay	2,228	6,998	2,228	4,770
Total Adult/Continuing	<u>238,712</u>	<u>287,717</u>	<u>248,103</u>	<u>39,614</u>
Total Instruction	<u>238,712</u>	<u>287,717</u>	<u>248,103</u>	<u>39,614</u>
Support Services:				
Instructional Staff:				
Salaries and Wages	44,004	77,529	52,530	24,999
Fringe Benefits	11,270	15,885	11,270	4,615
Purchased Services	5,873	16,409	5,873	10,536
Supplies and Materials	1,716	3,001	1,716	1,285
Other	2,818	4,527	2,818	1,709
Total Instructional Staff	<u>65,681</u>	<u>117,351</u>	<u>74,207</u>	<u>43,144</u>
Total Support Services	<u>65,681</u>	<u>117,351</u>	<u>74,207</u>	<u>43,144</u>
Total Expenditures	<u>304,393</u>	<u>405,068</u>	<u>322,310</u>	<u>82,758</u>
Excess of Revenues Over (Under) Expenditures	<u>70,607</u>	<u>(30,366)</u>	<u>(30,366)</u>	<u>0</u>
<u>Other Financing Sources (Uses)</u>				
Operating Transfers In	0	53,745	53,745	0
Operating Transfers Out	(53,745)	(53,745)	(53,745)	0
Advances In	0	38,708	38,708	0
Advances Out	0	(8,342)	(8,342)	0
Total Other Financing Sources (Uses)	<u>(53,745)</u>	<u>30,366</u>	<u>30,366</u>	<u>0</u>
Net Change in Fund Balance	16,862	0	0	0
Fund Balance (Deficit) Beginning of Year	(13,931)	(13,931)	(13,931)	0
Prior Year Encumbrances Appropriated	<u>13,931</u>	<u>13,931</u>	<u>13,931</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 16,862</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
TITLE II FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance Final Budget Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Intergovernmental	\$ 14,253	\$ 14,253	\$ 14,253	\$ 0
Total Revenues	<u>14,253</u>	<u>14,253</u>	<u>14,253</u>	<u>0</u>
<u>Expenditures</u>				
Current:				
Support Services:				
Instructional Staff:				
Salaries and Wages	18,139	14,444	14,444	0
Fringe Benefits	4,884	2,398	2,398	0
Purchased Services	14,620	15,922	15,922	0
Supplies and Materials	12,260	5,360	5,360	0
Total Instructional Staff	<u>49,903</u>	<u>38,124</u>	<u>38,124</u>	<u>0</u>
Total Support Services	<u>49,903</u>	<u>38,124</u>	<u>38,124</u>	<u>0</u>
Operation of Non-Instructional Services:				
Community Services:				
Salaries and Wages	650	0	0	0
Fringe Benefits	107	0	0	0
Purchased Services	3,213	2,447	2,447	0
Supplies and Materials	1,447	775	775	0
Total Community Services	<u>5,417</u>	<u>3,222</u>	<u>3,222</u>	<u>0</u>
Total Operation of Non-Instructional Services	<u>5,417</u>	<u>3,222</u>	<u>3,222</u>	<u>0</u>
Total Expenditures	<u>55,320</u>	<u>41,346</u>	<u>41,346</u>	<u>0</u>
Excess of Revenues Over (Under) Expenditures	<u>(41,067)</u>	<u>(27,093)</u>	<u>(27,093)</u>	<u>0</u>
<u>Other Financing Sources (Uses)</u>				
Operating Transfers Out	0	(13,975)	(13,975)	0
Total Other Financing Sources (Uses)	<u>0</u>	<u>(13,975)</u>	<u>(13,975)</u>	<u>0</u>
Net Change in Fund Balance	(41,067)	(41,068)	(41,068)	0
Fund Balance Beginning of Year	24,936	24,936	24,936	0
Prior Year Encumbrances	<u>16,132</u>	<u>16,132</u>	<u>16,132</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 1</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
IDEA (FLO THRU) FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Final Budget Favorable (Unfavorable)
Revenues				
Intergovernmental	\$ 928,208	\$ 928,208	\$ 768,566	\$ (159,642)
Total Revenues	<u>928,208</u>	<u>928,208</u>	<u>768,566</u>	<u>(159,642)</u>
Expenditures				
Current:				
Instruction:				
Special Instruction:				
Salaries and Wages	677	5,000	3,169	1,831
Fringe Benefits	174	900	72	828
Purchased Services	0	57,930	57,930	0
Supplies and Materials	57,067	159,816	154,003	5,813
Capital Outlay	0	23,000	22,688	312
Total Special Instruction	<u>57,918</u>	<u>246,646</u>	<u>237,862</u>	<u>8,784</u>
Other:				
Purchased Services	0	41,988	41,988	0
Total Other	<u>0</u>	<u>41,988</u>	<u>41,988</u>	<u>0</u>
Total Instruction	<u>57,918</u>	<u>288,634</u>	<u>279,850</u>	<u>8,784</u>
Support Services:				
Pupil:				
Salaries and Wages	22,631	72,219	70,913	1,306
Fringe Benefits	13,872	31,612	28,539	3,073
Purchased Services	1,567	7,357	6,270	1,087
Supplies and Materials	0	2,000	0	2,000
Capital Outlay	0	1,229	1,229	0
Total Pupil	<u>38,070</u>	<u>114,417</u>	<u>106,951</u>	<u>7,466</u>
Instructional Staff:				
Salaries and Wages	24,624	304,174	303,295	879
Fringe Benefits	26,712	116,436	113,530	2,906
Purchased Services	7,420	58,371	35,253	23,118
Total Instructional Staff	<u>58,756</u>	<u>478,981</u>	<u>452,078</u>	<u>26,903</u>
Administrative:				
Salaries and Wages	22,901	74,719	73,216	1,503
Fringe Benefits	12,573	40,566	43,199	(2,633)
Purchased Services	500	1,000	680	320
Total Administrative	<u>35,974</u>	<u>116,285</u>	<u>117,095</u>	<u>(810)</u>
Pupil Transportation:				
Purchased Services	0	3,024	2,978	46
Total Pupil Transportation	<u>0</u>	<u>3,024</u>	<u>2,978</u>	<u>46</u>
Total Support Services	<u>132,800</u>	<u>712,707</u>	<u>679,102</u>	<u>33,605</u>

(Continued)

**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
IDEA (FLO THRU) FUND (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Final Budget Favorable (Unfavorable)
Operation of Non-Instructional Services:				
Community Services:				
Salaries and Wages	908	7,030	7,030	0
Fringe Benefits	63	2,245	2,222	23
Purchased Services	<u>10,059</u>	<u>55,527</u>	<u>55,470</u>	<u>57</u>
Total Community Services	<u>11,030</u>	<u>64,802</u>	<u>64,722</u>	<u>80</u>
Total Operation of Non-Instructional Services	<u>11,030</u>	<u>64,802</u>	<u>64,722</u>	<u>80</u>
Total Expenditures	<u>201,748</u>	<u>1,066,143</u>	<u>1,023,674</u>	<u>42,469</u>
Excess of Revenues Over (Under) Expenditures	<u>726,460</u>	<u>(137,935)</u>	<u>(255,108)</u>	<u>(117,173)</u>
<u>Other Financing Sources (Uses)</u>				
Advances In	0	117,175	117,175	0
Advances Out	<u>0</u>	<u>(117,175)</u>	<u>0</u>	<u>117,175</u>
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>117,175</u>	<u>117,175</u>
Net Change in Fund Balance	726,460	(137,935)	(137,933)	2
Fund Balance Beginning of Year	121,570	121,570	121,570	0
Prior Year Encumbrances Appropriated	<u>16,363</u>	<u>16,363</u>	<u>16,363</u>	<u>0</u>
Fund Balance (Deficit) End of Year	<u>\$ 864,393</u>	<u>\$ (2)</u>	<u>\$ 0</u>	<u>\$ 2</u>

**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
VOCATIONAL EDUCATION FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance Final Budget Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$ 290,000	\$ 282,586	\$ 238,138	\$ (44,448)
Total Revenues	<u>290,000</u>	<u>282,586</u>	<u>238,138</u>	<u>(44,448)</u>
Expenditures				
Current:				
Instruction:				
Vocational Education:				
Salaries and Wages	10,000	60,246	66,102	(5,856)
Fringe Benefits	1,200	16,611	18,464	(1,853)
Purchased Services	21,801	57,392	48,475	8,917
Supplies and Materials	12,901	16,963	15,534	1,429
Capital Outlay	6,482	62,642	61,457	1,185
Total Vocational Education	<u>52,384</u>	<u>213,854</u>	<u>210,032</u>	<u>3,822</u>
Total Instruction	<u>52,384</u>	<u>213,854</u>	<u>210,032</u>	<u>3,822</u>
Support Services:				
Pupil:				
Salaries and Wages	100	31,623	32,334	(711)
Fringe Benefits	109	10,903	6,276	4,627
Purchased Services	2,148	4,350	4,350	0
Supplies and Materials	1,520	4,020	2,470	1,550
Total Pupil	<u>3,877</u>	<u>50,896</u>	<u>45,430</u>	<u>5,466</u>
Instructional Staff:				
Salaries and Wages	98	698	600	98
Fringe Benefits	157	261	102	159
Purchased Services	166	166	0	166
Supplies and Materials	16	16	0	16
Total Instructional Staff	<u>437</u>	<u>1,141</u>	<u>702</u>	<u>439</u>
Administrative:				
Salaries and Wages	0	12,269	12,269	0
Total Administrative	<u>0</u>	<u>12,269</u>	<u>12,269</u>	<u>0</u>
Pupil Transportation:				
Purchased Services	531	2,131	2,090	41
Total Pupil Transportation	<u>531</u>	<u>2,131</u>	<u>2,090</u>	<u>41</u>
Central Services:				
Purchased Services	8,219	25,512	23,607	1,905
Supplies and Materials	1,953	4,177	3,300	877
Other	0	2,203	2,200	3
Total Central Services	<u>10,172</u>	<u>31,892</u>	<u>29,107</u>	<u>2,785</u>
Total Support Services	<u>15,017</u>	<u>98,329</u>	<u>89,598</u>	<u>8,731</u>
Total Expenditures	<u>67,401</u>	<u>312,183</u>	<u>299,630</u>	<u>12,553</u>
Excess of Revenues Over (Under) Expenditures	<u>222,599</u>	<u>(29,597)</u>	<u>(61,492)</u>	<u>(31,895)</u>

(Continued)

**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
VOCATIONAL EDUCATION FUND (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance Final Budget Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>		
<u>Other Financing Sources (Uses)</u>				
Operating Transfers In	0	3	0	(3)
Advances In	0	39,602	39,605	3
Advances Out	<u>0</u>	<u>(37,194)</u>	<u>0</u>	<u>37,194</u>
Total Other Financing Sources (Uses)	<u>0</u>	<u>2,411</u>	<u>39,605</u>	<u>37,194</u>
Net Change in Fund Balance	222,599	(27,186)	(21,887)	5,299
Fund Balance Deficit Beginning of Year	(31,521)	(31,521)	(31,521)	0
Prior Year Encumbrances Appropriated	<u>58,707</u>	<u>58,707</u>	<u>58,707</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 249,785</u>	<u>\$ 0</u>	<u>\$ 5,299</u>	<u>\$ 5,299</u>

**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
TITLE III FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Final Budget Favorable (Unfavorable)
<u>Revenues</u>				
Intergovernmental	\$ 0	\$ 11,484	\$ 2,333	\$ (9,151)
Total Revenues	<u>0</u>	<u>11,484</u>	<u>2,333</u>	<u>(9,151)</u>
<u>Expenditures</u>				
Current:				
Support Services:				
Pupil:				
Salaries and Wages	0	6,425	0	6,425
Fringe Benefits	0	1,059	0	1,059
Purchased Services	0	1,000	0	1,000
Supplies and Materials	0	3,000	2,114	886
Total Pupil	<u>0</u>	<u>11,484</u>	<u>2,114</u>	<u>9,370</u>
Total Support Services	<u>0</u>	<u>11,484</u>	<u>2,114</u>	<u>9,370</u>
Total Expenditures	<u>0</u>	<u>11,484</u>	<u>2,114</u>	<u>9,370</u>
Excess of Revenues Over (Under) Expenditures	0	0	219	(219)
Fund Balance Beginning of Year	0	0	0	0
Prior Year Encumbrances	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 219</u>	<u>\$ 219</u>

**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
CHINESE REFUGEES FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance Final Budget Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Intergovernmental	\$ 0	\$ 2,000	\$ 2,000	\$ 0
Total Revenues	<u>0</u>	<u>2,000</u>	<u>2,000</u>	<u>0</u>
<u>Expenditures</u>				
Current:				
Support Services:				
Pupil:				
Salaries and Wages	1,619	3,009	1,619	1,390
Fringe Benefits	0	203	0	203
Supplies and Materials	631	1,038	594	444
Total Pupil	<u>2,250</u>	<u>4,250</u>	<u>2,213</u>	<u>2,037</u>
Total Support Services	<u>2,250</u>	<u>4,250</u>	<u>2,213</u>	<u>2,037</u>
Total Expenditures	<u>2,250</u>	<u>4,250</u>	<u>2,213</u>	<u>2,037</u>
Excess of Revenues Over (Under) Expenditures	(2,250)	(2,250)	(213)	(2,037)
Fund Balance Beginning of Year	2,250	2,250	2,250	0
Prior Year Encumbrances Appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 2,037</u>	<u>\$ (2,037)</u>

**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
TITLE I FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

	Budgeted Amounts		Actual	Variance
	Original	Final		Final Budget Favorable (Unfavorable)
Revenues				
Intergovernmental	\$1,113,008	\$ 1,109,636	\$ 892,144	\$ (217,492)
Total Revenues	<u>1,113,008</u>	<u>1,109,636</u>	<u>892,144</u>	<u>(217,492)</u>
Expenditures				
Current:				
Instruction:				
Special Instruction:				
Salaries and Wages	80,105	553,713	494,185	59,528
Fringe Benefits	34,724	203,409	152,445	50,964
Purchased Services	9,145	7,822	7,680	142
Supplies and Materials	3,772	115,731	57,803	57,928
Capital Outlay	<u>12,163</u>	<u>38,306</u>	<u>38,306</u>	<u>0</u>
Total Special Instruction	<u>139,909</u>	<u>918,981</u>	<u>750,419</u>	<u>168,562</u>
Total Instruction	<u>139,909</u>	<u>918,981</u>	<u>750,419</u>	<u>168,562</u>
Support Services:				
Instructional Staff:				
Salaries and Wages	6,749	15,916	14,057	1,859
Fringe Benefits	6,208	7,353	6,848	505
Purchased Services	0	24,339	24,339	0
Supplies and Materials	<u>362</u>	<u>6,191</u>	<u>3,206</u>	<u>2,985</u>
Total Instructional Staff	<u>13,319</u>	<u>53,799</u>	<u>48,450</u>	<u>5,349</u>
Administrative:				
Salaries and Wages	0	45,000	45,000	0
Fringe Benefits	5,964	9,000	9,000	0
Supplies and Materials	<u>0</u>	<u>2,184</u>	<u>0</u>	<u>2,184</u>
Total Administrative	<u>5,964</u>	<u>56,184</u>	<u>54,000</u>	<u>2,184</u>
Pupil Transportation:				
Purchased Services	<u>480</u>	<u>4,480</u>	<u>0</u>	<u>4,480</u>
Total Pupil Transportation	<u>480</u>	<u>4,480</u>	<u>0</u>	<u>4,480</u>
Total Support Services	<u>19,763</u>	<u>114,463</u>	<u>102,450</u>	<u>12,013</u>
Operation of Non-Instructional Services:				
Community Services:				
Salaries and Wages	11,541	71,125	71,125	0
Fringe Benefits	4,373	22,139	22,139	0
Purchased Services	6,697	6,386	2,280	4,106
Capital Outlay	<u>500</u>	<u>500</u>	<u>0</u>	<u>500</u>
Total Community Services	<u>23,111</u>	<u>100,150</u>	<u>95,544</u>	<u>4,606</u>
Total Operation of Non-Instructional Services	<u>23,111</u>	<u>100,150</u>	<u>95,544</u>	<u>4,606</u>
Total Expenditures	<u>182,783</u>	<u>1,133,594</u>	<u>948,413</u>	<u>185,181</u>
Excess of Revenues Over (Under) Expenditures	<u>930,225</u>	<u>(23,958)</u>	<u>(56,269)</u>	<u>(32,311)</u>

(Continued)

**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
TITLE I FUND (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Final Budget Favorable (Unfavorable)
<u>Other Financing Sources (Users):</u>				
Operating Transfers In	0	84,446	84,446	0
Operating Transfers Out	0	(84,446)	(84,446)	0
Advances In	<u>0</u>	<u>96,930</u>	<u>32,310</u>	<u>(64,620)</u>
Total Other Financing Sources (Uses)	<u>0</u>	<u>96,930</u>	<u>32,310</u>	<u>(64,620)</u>
Net Change in Fund Balance	930,225	72,972	(23,959)	(96,931)
Fund Balance Beginning of Year	13,550	13,550	13,550	0
Prior Year Encumbrances Appropriated	<u>10,513</u>	<u>10,513</u>	<u>10,513</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 954,288</u>	<u>\$ 97,035</u>	<u>\$ 104</u>	<u>\$ (96,931)</u>

**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
TITLE V INNOVATIVE PROGRAM FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

	Budgeted Amounts		Actual	Variance Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Intergovernmental	\$ 115,946	\$ 115,912	\$ 109,051	\$ (6,861)
Total Revenues	<u>115,946</u>	<u>115,912</u>	<u>109,051</u>	<u>(6,861)</u>
Expenditures				
Current:				
Instruction:				
Regular Instruction:				
Purchased Services	0	5,340	5,340	0
Salaries and Wages	<u>0</u>	<u>2,510</u>	<u>2,108</u>	<u>402</u>
Total Regular Instruction	<u>0</u>	<u>7,850</u>	<u>7,448</u>	<u>402</u>
Special Instruction:				
Salaries and Wages	0	464	464	0
Fringe Benefits	<u>500</u>	<u>37</u>	<u>37</u>	<u>0</u>
Total Special Instruction	<u>500</u>	<u>501</u>	<u>501</u>	<u>0</u>
Total Instruction	<u>500</u>	<u>8,351</u>	<u>7,949</u>	<u>402</u>
Support Services:				
Pupil:				
Salaries and Wages	0	37,570	37,603	(33)
Fringe Benefits	0	6,759	7,275	(516)
Purchased Services	183	0	0	0
Supplies and Materials	<u>1,041</u>	<u>853</u>	<u>853</u>	<u>0</u>
Total Pupil	<u>1,224</u>	<u>45,182</u>	<u>45,731</u>	<u>(549)</u>
Instructional Staff:				
Purchased Services	<u>0</u>	<u>1,091</u>	<u>0</u>	<u>1,091</u>
Total Instructional Staff	<u>0</u>	<u>1,091</u>	<u>0</u>	<u>1,091</u>
Pupil Transportation:				
Purchased Services	<u>0</u>	<u>1,400</u>	<u>1,400</u>	<u>0</u>
Total Pupil Transportation	<u>0</u>	<u>1,400</u>	<u>1,400</u>	<u>0</u>
Total Support Services	<u>1,224</u>	<u>47,673</u>	<u>47,131</u>	<u>542</u>
Operation of Non-Instructional Services:				
Community Services:				
Purchased Services	400	4,569	4,159	410
Supplies and Materials	19,645	18,401	18,308	93
Capital Outlay	<u>139</u>	<u>6,693</u>	<u>6,693</u>	<u>0</u>
Total Community Services	<u>20,184</u>	<u>29,663</u>	<u>29,160</u>	<u>503</u>
Total Operation of Non-Instructional Services	<u>20,184</u>	<u>29,663</u>	<u>29,160</u>	<u>503</u>
Total Expenditures	<u>21,908</u>	<u>85,687</u>	<u>84,240</u>	<u>1,447</u>
Excess of Revenues Over (Under) Expenditures	<u>94,038</u>	<u>30,225</u>	<u>24,811</u>	<u>(5,414)</u>

(Continued)

**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
TITLE V INNOVATIVE PROGRAM FUND (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance Final Budget Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>		
<u>Other Financing Sources (Uses)</u>				
Operating Transfers In	0	9,206	9,206	0
Operating Transfers Out	0	(10,483)	(9,206)	1,277
Advances In	0	4,138	4,138	0
Advances Out	0	<u>(33,086)</u>	<u>(28,949)</u>	<u>4,137</u>
Total Other Financing Sources (Uses)	<u>0</u>	<u>(30,225)</u>	<u>(24,811)</u>	<u>5,414</u>
Net Change in Fund Balance	94,038	0	0	0
Fund Balance (Deficit) Beginning of Year	(7,884)	(7,884)	(7,884)	0
Prior Year Encumbrances Appropriated	<u>7,884</u>	<u>7,884</u>	<u>7,884</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 94,038</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
EMERGENCY IMMIGRANT EDUCATION FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

	Budgeted Amounts		Actual	Variance
	Original	Final		Final Budget Favorable (Unfavorable)
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
Expenditures				
Current:				
Instruction:				
Other:				
Purchased Services	0	3,049	3,049	0
Total Other	0	3,049	3,049	0
Total Instruction	0	3,049	3,049	0
Support Services:				
Pupil:				
Salaries and Wages	1,717	1,717	1,717	0
Fringe Benefits	283	283	283	0
Purchased Services	3,119	0	0	0
Supplies and Materials	751	821	821	0
Total Pupil	5,870	2,821	2,821	0
Total Support Services	5,870	2,821	2,821	0
Total Expenditures	5,870	5,870	5,870	0
Excess of Revenues Over (Under) Expenditures	(5,870)	(5,870)	(5,870)	0
Fund Balance Beginning of Year	5,870	5,870	5,870	0
Prior Year Encumbrances Appropriated	0	0	0	0
Fund Balance End of Year	\$ 0	\$ 0	\$ 0	\$ 0

**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
DRUG FREE SCHOOLS FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Final Budget Favorable (Unfavorable)
<u>Revenues</u>				
Intergovernmental	\$ 57,140	\$ 48,708	\$ 48,708	\$ 0
Miscellaneous	<u>110</u>	<u>110</u>	<u>0</u>	<u>(110)</u>
Total Revenues	<u>57,250</u>	<u>48,818</u>	<u>48,708</u>	<u>(110)</u>
<u>Expenditures</u>				
Current:				
Instruction:				
Regular Instruction:				
Salaries and Wages	0	19,541	19,041	500
Fringe Benefits	0	8,354	8,354	0
Purchased Services	0	15,100	15,100	0
Supplies and Materials	<u>0</u>	<u>1,889</u>	<u>1,889</u>	<u>0</u>
Total Regular Instruction	<u>0</u>	<u>44,884</u>	<u>44,384</u>	<u>500</u>
Special Instruction:				
Purchased Services	603	590	590	0
Supplies and Materials	<u>148</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Special Instruction	<u>751</u>	<u>590</u>	<u>590</u>	<u>0</u>
Other:				
Purchased Services	<u>0</u>	<u>4,599</u>	<u>4,599</u>	<u>0</u>
Total Other	<u>0</u>	<u>4,599</u>	<u>4,599</u>	<u>0</u>
Total Instruction	<u>751</u>	<u>50,073</u>	<u>49,573</u>	<u>500</u>
Support Services:				
Pupil:				
Salaries and Wages	1,025	90	90	0
Fringe Benefits	536	0	0	0
Purchased Services	5,584	1,302	1,302	0
Supplies and Materials	321	153	153	0
Other	<u>1,089</u>	<u>1,000</u>	<u>1,000</u>	<u>0</u>
Total Pupil	<u>8,555</u>	<u>2,545</u>	<u>2,545</u>	<u>0</u>
Instructional Staff:				
Other	<u>6</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Instructional Staff	<u>6</u>	<u>0</u>	<u>0</u>	<u>0</u>
Administrative:				
Salaries and Wages	429	1,910	1,910	0
Fringe Benefits	<u>1,881</u>	<u>560</u>	<u>560</u>	<u>0</u>
Total Administrative	<u>2,310</u>	<u>2,470</u>	<u>2,470</u>	<u>0</u>

(Continued)

**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
DRUG FREE SCHOOLS FUND (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance Final Budget Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>		
Pupil Transportation:				
Purchased Services	<u>0</u>	<u>535</u>	<u>535</u>	<u>0</u>
Total Pupil Transportation	<u>0</u>	<u>535</u>	<u>535</u>	<u>0</u>
Total Support Services	<u>10,871</u>	<u>5,550</u>	<u>5,550</u>	<u>0</u>
Operation of Non-Instructional Services:				
Community Services:				
Purchased Services	4,873	2,769	2,749	20
Supplies and Materials	<u>2,143</u>	<u>2,917</u>	<u>2,054</u>	<u>863</u>
Total Community Services	<u>7,016</u>	<u>5,686</u>	<u>4,803</u>	<u>883</u>
Total Operation of Non-Instructional Services	<u>7,016</u>	<u>5,686</u>	<u>4,803</u>	<u>883</u>
Total Expenditures	<u>18,638</u>	<u>61,309</u>	<u>59,926</u>	<u>1,383</u>
Excess of Revenues Over (Under) Expenditures	<u>38,612</u>	<u>(12,491)</u>	<u>(11,218)</u>	<u>1,273</u>
<u>Other Financing Sources (Uses)</u>				
Operating Transfers In	0	8,175	8,175	0
Operating Transfers Out	<u>0</u>	<u>(8,175)</u>	<u>(8,175)</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	38,612	(12,491)	(11,218)	1,273
Fund Balance Beginning of Year	10,895	10,895	10,895	0
Prior Year Encumbrances Appropriated	<u>1,706</u>	<u>1,706</u>	<u>1,706</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 51,213</u>	<u>\$ 110</u>	<u>\$ 1,383</u>	<u>\$ 1,273</u>

**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
PRESCHOOL DISABILITIES GRANT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Final Budget Favorable (Unfavorable)
<u>Revenues</u>				
Intergovernmental	\$ 67,027	\$ 34,289	\$ 31,088	\$ (3,201)
Total Revenues	<u>67,027</u>	<u>34,289</u>	<u>31,088</u>	<u>(3,201)</u>
<u>Expenditures</u>				
Current:				
Instruction:				
Special Instruction:				
Supplies and Materials	1,112	3,454	2,926	528
Total Special Instruction	<u>1,112</u>	<u>3,454</u>	<u>2,926</u>	<u>528</u>
Total Instruction	<u>1,112</u>	<u>3,454</u>	<u>2,926</u>	<u>528</u>
Support Services:				
Pupil:				
Salaries and Wages	0	21,926	21,701	225
Fringe Benefits	<u>1,249</u>	<u>9,314</u>	<u>6,697</u>	<u>2,617</u>
Total Pupil	<u>1,249</u>	<u>31,240</u>	<u>28,398</u>	<u>2,842</u>
Total Support Services	<u>1,249</u>	<u>31,240</u>	<u>28,398</u>	<u>2,842</u>
Operation of Non-Instructional Services:				
Community Services:				
Supplies and Materials	879	1,284	0	1,284
Total Community Services	<u>879</u>	<u>1,284</u>	<u>0</u>	<u>1,284</u>
Total Operation of Non-Instructional Services	<u>879</u>	<u>1,284</u>	<u>0</u>	<u>1,284</u>
Total Expenditures	<u>3,240</u>	<u>35,978</u>	<u>31,324</u>	<u>4,654</u>
Net Change in Fund Balance	63,787	(1,689)	(236)	1,453
Fund Balance Beginning of Year	345	345	345	0
Prior Year Encumbrances Appropriated	<u>1,344</u>	<u>1,344</u>	<u>1,344</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 65,476</u>	<u>\$ 0</u>	<u>\$ 1,453</u>	<u>\$ 1,453</u>

**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
CONTINUOUS IMPROVEMENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Final Budget Favorable (Unfavorable)
<u>Total Revenues</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
<u>Expenditures</u>				
Current:				
Instruction:				
Regular Instruction:				
Salaries and Wages	6,660	4,563	4,563	0
Fringe Benefits	<u>6,533</u>	<u>3,359</u>	<u>3,359</u>	<u>0</u>
Total Regular Instruction	<u>13,193</u>	<u>7,922</u>	<u>7,922</u>	<u>0</u>
Other:				
Purchased Services	<u>0</u>	<u>6,811</u>	<u>6,811</u>	<u>0</u>
Total Other	<u>0</u>	<u>6,811</u>	<u>6,811</u>	<u>0</u>
Total Instruction	<u>13,193</u>	<u>14,733</u>	<u>14,733</u>	<u>0</u>
Support Services:				
Pupil:				
Purchased Services	2,773	2,308	2,308	0
Supplies and Materials	<u>3,120</u>	<u>2,045</u>	<u>2,045</u>	<u>0</u>
Total Pupil	<u>5,893</u>	<u>4,353</u>	<u>4,353</u>	<u>0</u>
Total Support Services	<u>5,893</u>	<u>4,353</u>	<u>4,353</u>	<u>0</u>
Total Expenditures	<u>19,086</u>	<u>19,086</u>	<u>19,086</u>	<u>0</u>
Excess of Revenues Over (Under) Expenditures	(19,086)	(19,086)	(19,086)	0
Fund Balance Beginning of Year	17,786	17,786	17,786	0
Prior Year Encumbrances Appropriated	<u>1,300</u>	<u>1,300</u>	<u>1,300</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
BUDGET (NON-GAAP BASIS) AND ACTUAL-
TITLE IIA - IMPROVING TEACHER QUALITY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Final Budget Favorable (Unfavorable)
Revenues				
Intergovernmental	\$ 334,047	\$ 333,803	\$ 288,273	\$ (45,530)
Total Revenue	<u>334,047</u>	<u>333,803</u>	<u>288,273</u>	<u>(45,530)</u>
<u>Expenditures</u>				
Current:				
Instruction:				
Regular Instruction:				
Salaries and Wages	30,283	211,866	188,566	23,300
Fringe Benefits	<u>0</u>	<u>63,095</u>	<u>52,270</u>	<u>10,825</u>
Total Regular Instruction	<u>30,283</u>	<u>274,961</u>	<u>240,836</u>	<u>34,125</u>
Total Instruction	<u>30,283</u>	<u>274,961</u>	<u>240,836</u>	<u>34,125</u>
Support Services:				
Instructional Staff:				
Purchased Services	9,983	50,447	33,467	16,980
Supplies and Materials	<u>0</u>	<u>15,132</u>	<u>15,111</u>	<u>21</u>
Total Instructional Staff	<u>9,983</u>	<u>65,579</u>	<u>48,578</u>	<u>17,001</u>
Total Support Services	<u>9,983</u>	<u>65,579</u>	<u>48,578</u>	<u>17,001</u>
Operation of Non-Instructional Services:				
Community Services:				
Purchased Services	0	5,540	4,663	877
Supplies and Materials	0	1,416	499	917
Capital Outlay	<u>0</u>	<u>1,988</u>	<u>1,978</u>	<u>10</u>
Total Community Services	<u>0</u>	<u>8,944</u>	<u>7,140</u>	<u>1,804</u>
Total Operation of Non-Instructional Services	<u>0</u>	<u>8,944</u>	<u>7,140</u>	<u>1,804</u>
Total Expenditures	<u>40,266</u>	<u>349,484</u>	<u>296,554</u>	<u>52,930</u>
Excess of Revenues Over (Under) Expenditures	<u>293,781</u>	<u>(15,681)</u>	<u>(8,281)</u>	<u>7,400</u>
<u>Other Financing Sources (Uses)</u>				
Operating Transfers In	<u>0</u>	<u>13,975</u>	<u>13,975</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>0</u>	<u>13,975</u>	<u>13,975</u>	<u>0</u>
Net Change in Fund Balance	293,781	(1,706)	5,694	7,400
Fund Balance Beginning of Year	1,406	1,406	1,406	0
Prior Year Encumbrances Appropriated	<u>300</u>	<u>300</u>	<u>300</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 295,487</u>	<u>\$ 0</u>	<u>\$ 7,400</u>	<u>\$ 7,400</u>

**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
MISCELLANEOUS FEDERAL GRANTS FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2002**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Final Budget Favorable (Unfavorable)
Revenues				
Intergovernmental	\$ 211,184	\$ 244,515	\$ 56,377	\$ (188,138)
Total Revenues	<u>211,184</u>	<u>244,515</u>	<u>56,377</u>	<u>(188,138)</u>
Expenditures				
Current:				
Instruction:				
Regular Instruction:				
Salaries and Wages	(765)	6,568	2,300	4,268
Fringe Benefits	1,575	1,062	353	709
Purchased Services	12,891	11,833	10,459	1,374
Supplies and Materials	5,833	5,833	5,793	40
Capital Outlay	9,076	9,076	9,076	0
Total Regular Instruction	<u>28,610</u>	<u>34,372</u>	<u>27,981</u>	<u>6,391</u>
Special Instruction:				
Supplies and materials	0	8,518	8,106	412
Capital Outlay	0	31,083	30,751	332
Total Special Instruction	<u>0</u>	<u>39,601</u>	<u>38,857</u>	<u>744</u>
Other:				
Purchased Services	0	5,065	5,065	0
Total Other	<u>0</u>	<u>5,065</u>	<u>5,065</u>	<u>0</u>
Total Instruction	<u>28,610</u>	<u>79,038</u>	<u>71,903</u>	<u>7,135</u>
Support Services:				
Pupil:				
Supplies and Materials	54	0	0	0
Total Pupil	<u>54</u>	<u>0</u>	<u>0</u>	<u>0</u>
Instructional Staff:				
Salaries and Wages	2,925	3,776	3,798	(22)
Fringe Benefits	1,557	628	632	(4)
Purchased Services	250	3,704	0	3,704
Supplies and Materials	1,145	9,283	485	8,798
Capital Outlay	126	126	0	126
Total Instructional Staff	<u>6,003</u>	<u>17,517</u>	<u>4,915</u>	<u>12,602</u>
Total Support Services	<u>6,057</u>	<u>17,517</u>	<u>4,915</u>	<u>12,602</u>
Operation of Non-Instructional Services:				
Community Services:				
Purchased Services	0	1,756	1,755	1
Supplies and Materials	0	3,208	2,319	889
Capital Outlay	0	1,988	0	1,988
Total Community Services	<u>0</u>	<u>6,952</u>	<u>4,074</u>	<u>2,878</u>
Total Operation of Non-Instructional Services	<u>0</u>	<u>6,952</u>	<u>4,074</u>	<u>2,878</u>
Total Expenditures	<u>34,667</u>	<u>103,507</u>	<u>80,892</u>	<u>22,615</u>
Excess of Revenues Over (Under) Expenditures	<u>176,517</u>	<u>141,008</u>	<u>(24,515)</u>	<u>(165,523)</u>

(Continued)

**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
MISCELLANEOUS FEDERAL GRANTS FUND (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance Final Budget Favorable <u>(Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>Other Financing Sources (Uses)</u>				
Operating Transfers Out	<u>(484)</u>	<u>(1,232)</u>	<u>0</u>	<u>1,232</u>
Total Other Financing Sources (Uses)	<u>(484)</u>	<u>(1,232)</u>	<u>0</u>	<u>1,232</u>
Net Change in Fund Balance	176,033	139,776	(24,515)	(164,291)
Fund Balance Beginning of Year	12,314	12,314	12,314	0
Prior Year Encumbrances Appropriated	<u>15,354</u>	<u>15,354</u>	<u>15,354</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 203,701</u>	<u>\$ 167,444</u>	<u>\$ 3,153</u>	<u>\$ (164,291)</u>

**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
BUDGET (NON-GAAP BASIS) AND ACTUAL -
SCHOOL NET PLUS FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Final Budget Favorable (Unfavorable)
Revenues				
Intergovernmental	\$ 111,597	\$ 111,597	\$ 111,597	\$ 0
Total Revenue	<u>111,597</u>	<u>111,597</u>	<u>111,597</u>	<u>0</u>
Expenditures				
Current:				
Support Services:				
Pupil:				
Supplies and Materials	0	20,732	21,318	(586)
Capital Outlay	750	89,910	89,717	193
Total Pupil	<u>750</u>	<u>110,642</u>	<u>111,035</u>	<u>(393)</u>
Instructional Staff:				
Purchased Services	2,578	955	0	955
Total Instructional Staff	<u>2,578</u>	<u>955</u>	<u>0</u>	<u>955</u>
Operation of Non-Instructional Services:				
Capital Outlay	1,603	0	0	0
Total Operation of Non-Instructional Service	<u>1,603</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Support Services	<u>4,931</u>	<u>111,597</u>	<u>111,035</u>	<u>562</u>
Total Expenditures	<u>4,931</u>	<u>111,597</u>	<u>111,035</u>	<u>562</u>
Excess of Revenues Over (Under) Expenditures	<u>106,666</u>	<u>0</u>	<u>562</u>	<u>562</u>
Other Financing Sources (Uses)				
Operating Transfers In	0	(6,555)	(6,555)	0
Total Other Financing Sources (Uses)	<u>0</u>	<u>(6,555)</u>	<u>(6,555)</u>	<u>0</u>
Net Change in Fund Balance	106,666	(6,555)	(5,993)	562
Fund Balance Beginning of Year	7,825	7,825	7,825	0
Prior Year Encumbrances Appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u>\$ 114,491</u>	<u>\$ 1,270</u>	<u>\$ 1,832</u>	<u>\$ 562</u>

**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND EQUITY -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
BELLEFAIRE GENERAL ROTARY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Final Budget Favorable (Unfavorable)
Revenues				
Operating Grants	\$ 700,000	\$ 700,000	\$ 663,566	\$ (36,434)
Tuition and Fees	<u>3,000,000</u>	<u>540,000</u>	<u>480,395</u>	<u>(59,605)</u>
Total Revenues	<u>3,700,000</u>	<u>1,240,000</u>	<u>1,143,961</u>	<u>(96,039)</u>
Expenses				
Salaries and Wages:				
Regular Instruction	179,100	137,220	137,220	0
Special Instruction	1,160,954	1,080,474	1,086,827	(6,353)
Support Services - Pupils	379,343	379,343	372,564	6,779
Support Services - Instructional Staff	32,350	33,350	32,350	1,000
Support Services - Administration	<u>155,856</u>	<u>155,856</u>	<u>148,639</u>	<u>7,217</u>
Total Salaries and Wages	<u>1,907,603</u>	<u>1,786,243</u>	<u>1,777,600</u>	<u>8,643</u>
Fringe Benefits:				
Regular Instruction	58,805	58,805	44,011	14,794
Special Instruction	449,589	420,174	394,435	25,739
Support Services - Pupils	133,651	133,651	120,832	12,819
Support Services - Instructional Staff	11,447	11,447	11,148	299
Support Services - Administration	<u>54,708</u>	<u>54,708</u>	<u>53,466</u>	<u>1,242</u>
Total Fringe Benefits	<u>708,200</u>	<u>678,785</u>	<u>623,892</u>	<u>54,893</u>
Purchased Services:				
Special Instruction	260,298	613,085	602,767	10,318
Support Services - Pupils	594	594	105	489
Support Services - Instructional Staff	<u>267</u>	<u>3,887</u>	<u>267</u>	<u>3,620</u>
Total Purchased Services	<u>261,159</u>	<u>617,566</u>	<u>603,139</u>	<u>14,427</u>
Supplies and Materials:				
Special Instruction	64,148	68,456	58,548	9,908
Support Services - Pupils	72	792	730	62
Support Services - Instructional Staff	<u>3,628</u>	<u>3,628</u>	<u>3,524</u>	<u>104</u>
Total Supplies and Materials	<u>67,848</u>	<u>72,876</u>	<u>62,802</u>	<u>10,074</u>
Capital Outlay:				
Special Instruction	12,800	7,800	4,334	3,466
Support Services - Pupils	1,800	0	0	0
Support Services - Instructional Staff	<u>2,804</u>	<u>2,804</u>	<u>2,793</u>	<u>11</u>
Total Capital Outlay	<u>17,404</u>	<u>10,604</u>	<u>7,127</u>	<u>3,477</u>
Other:				
Special Instruction	<u>3,000</u>	<u>7,000</u>	<u>2,608</u>	<u>4,392</u>
Total Other Expenses	<u>3,000</u>	<u>7,000</u>	<u>2,608</u>	<u>4,392</u>
Total Expenses	<u>2,965,214</u>	<u>3,173,074</u>	<u>3,077,168</u>	<u>95,906</u>
Excess of Revenues Over (Under) Expenses	<u>734,786</u>	<u>(1,933,074)</u>	<u>(1,933,207)</u>	<u>(133)</u>

(Continued)

**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND EQUITY -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
BELLEFAIRE GENERAL ROTARY FUND (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Final Budget Favorable (Unfavorable)
<u>Other Financing Sources (Uses)</u>				
Advances In	<u>0</u>	<u>1,920,000</u>	<u>1,916,207</u>	<u>(3,793)</u>
Total Other Financing Sources (Uses)	<u>0</u>	<u>1,920,000</u>	<u>1,916,207</u>	<u>(3,793)</u>
Net Change in Fund Equity	734,786	(13,074)	(17,000)	(3,926)
Fund Equity Beginning of Year	998	998	998	0
Prior Year Encumbrances Appropriated	<u>16,002</u>	<u>16,002</u>	<u>16,002</u>	<u>0</u>
Fund Equity End of Year	<u>\$ 751,786</u>	<u>\$ 3,926</u>	<u>\$ 0</u>	<u>\$ (3,926)</u>

**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND EQUITY -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
FOOD SERVICES FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Final Budget Favorable (Unfavorable)
<u>Revenues</u>				
Intergovernmental	\$ 1,036,000	\$ 1,036,000	\$ 1,011,077	\$ (24,923)
Food Services	<u>1,253,000</u>	<u>1,253,000</u>	<u>948,040</u>	<u>(304,960)</u>
Total Revenues	<u>2,289,000</u>	<u>2,289,000</u>	<u>1,959,117</u>	<u>(329,883)</u>
<u>Expenses</u>				
Salaries and Wages:				
Food Service Operations	<u>685,996</u>	<u>685,996</u>	<u>762,868</u>	<u>(76,872)</u>
Total Salaries and Wages	<u>685,996</u>	<u>685,996</u>	<u>762,868</u>	<u>(76,872)</u>
Fringe Benefits:				
Food Service Operations	<u>357,125</u>	<u>379,709</u>	<u>363,986</u>	<u>15,723</u>
Total Fringe Benefits	<u>357,125</u>	<u>379,709</u>	<u>363,986</u>	<u>15,723</u>
Purchased Services:				
Food Service Operations	<u>53,608</u>	<u>58,890</u>	<u>58,582</u>	<u>308</u>
Total Purchased Services	<u>53,608</u>	<u>58,890</u>	<u>58,582</u>	<u>308</u>
Supplies and Materials:				
Food Service Operations	<u>1,105,620</u>	<u>1,153,683</u>	<u>1,151,828</u>	<u>1,855</u>
Total Supplies and Materials	<u>1,105,620</u>	<u>1,153,683</u>	<u>1,151,828</u>	<u>1,855</u>
Capital Outlay:				
Food Service Operations	<u>59,000</u>	<u>19,587</u>	<u>19,587</u>	<u>0</u>
Total Capital Outlay	<u>59,000</u>	<u>19,587</u>	<u>19,587</u>	<u>0</u>
Other:				
Food Service Operations	<u>3,400</u>	<u>3,400</u>	<u>3,400</u>	<u>0</u>
Total Other	<u>3,400</u>	<u>3,400</u>	<u>3,400</u>	<u>0</u>
Total Expenses	<u>2,264,749</u>	<u>2,301,265</u>	<u>2,360,251</u>	<u>(58,986)</u>
Excess of Revenues Over (Under) Expenses	<u>24,251</u>	<u>(12,265)</u>	<u>(401,134)</u>	<u>(388,869)</u>
<u>Other Financing Sources (Uses)</u>				
Operating Transfers In	286,000	380,000	378,116	(1,884)
Operating Transfers Out	<u>(333,169)</u>	<u>(333,169)</u>	<u>0</u>	<u>333,169</u>
Total Other Financing Sources (Uses)	<u>(47,169)</u>	<u>46,831</u>	<u>378,116</u>	<u>331,285</u>
Net Change in Fund Equity	<u>(22,918)</u>	<u>34,566</u>	<u>(23,018)</u>	<u>(57,584)</u>
Fund Equity Beginning of Year	15,949	15,949	15,949	0
Prior Year Encumbrances Appropriated	<u>7,069</u>	<u>7,069</u>	<u>7,069</u>	<u>0</u>
Fund Equity End of Year	<u>\$ 100</u>	<u>\$ 57,584</u>	<u>\$ 0</u>	<u>\$ (57,584)</u>

**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND EQUITY -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
UNIFORM SCHOOL SUPPLIES FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2002**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Final Budget Favorable (Unfavorable)
<u>Revenues</u>				
Classroom Materials and Fees	\$ 24,500	\$ 16,485	\$ 23,199	\$ 6,714
Miscellaneous	<u>25,500</u>	<u>25,500</u>	<u>18,410</u>	<u>(7,090)</u>
Total Revenues	<u>50,000</u>	<u>41,985</u>	<u>41,609</u>	<u>(376)</u>
<u>Expenses</u>				
Supplies and Materials:				
Regular Instruction	24,760	32,425	25,518	6,907
Other Operation of Non-Instructional Services	<u>24,734</u>	<u>23,944</u>	<u>20,301</u>	<u>3,643</u>
Total Supplies and Materials	<u>49,494</u>	<u>56,369</u>	<u>45,819</u>	<u>10,550</u>
Other:				
Regular Instruction	0	230	230	0
Other Operation of Non-Instructional Services	<u>2,862</u>	<u>7,862</u>	<u>2,381</u>	<u>5,481</u>
Total Other	<u>2,862</u>	<u>8,092</u>	<u>2,611</u>	<u>5,481</u>
Purchased Services:				
Other Operation of Non-Instructional Services	<u>0</u>	<u>790</u>	<u>0</u>	<u>790</u>
Total Purchased Services	<u>0</u>	<u>790</u>	<u>0</u>	<u>790</u>
Total Expenses	<u>52,356</u>	<u>65,251</u>	<u>48,430</u>	<u>16,821</u>
Net Change in Fund Balance	(2,356)	(23,266)	(6,821)	16,445
Fund Equity Beginning of Year	27,337	27,337	27,337	0
Prior Year Encumbrances Appropriated	<u>5,556</u>	<u>5,556</u>	<u>5,556</u>	<u>0</u>
Fund Equity End of Year	<u>\$ 30,537</u>	<u>\$ 9,627</u>	<u>\$ 26,072</u>	<u>\$ 16,445</u>

**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND EQUITY -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
CUSTOMER SERVICES FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Final Budget Favorable (Unfavorable)
<u>Revenues</u>				
Miscellaneous	\$ 15,000	\$ 27,613	\$ 23,305	\$ (4,308)
Total Revenues	<u>15,000</u>	<u>27,613</u>	<u>23,305</u>	<u>(4,308)</u>
<u>Expenses</u>				
Salaries and Wages:				
Fiscal Services	<u>65,000</u>	<u>65,000</u>	<u>4,863</u>	<u>60,137</u>
Total Salaries and Wages	<u>65,000</u>	<u>65,000</u>	<u>4,863</u>	<u>60,137</u>
Fringe Benefits:				
Fiscal Services	<u>0</u>	<u>0</u>	<u>1,637</u>	<u>(1,637)</u>
Total Fringe Benefits	<u>0</u>	<u>0</u>	<u>1,637</u>	<u>(1,637)</u>
Purchased Services:				
Regular Instruction	31,500	20,248	18,939	1,309
Special Instruction	0	23,000	22,835	165
Support Services - Pupil	0	6,900	720	6,180
Central Services	<u>500</u>	<u>500</u>	<u>500</u>	<u>0</u>
Total Purchased Services	<u>32,000</u>	<u>50,648</u>	<u>42,994</u>	<u>7,654</u>
Supplies and Materials:				
Regular Instruction	<u>1,500</u>	<u>1,464</u>	<u>1,464</u>	<u>0</u>
Total Supplies and Materials	<u>1,500</u>	<u>1,464</u>	<u>1,464</u>	<u>0</u>
Other:				
Regular Instruction	<u>2,500</u>	<u>2,500</u>	<u>1,458</u>	<u>1,042</u>
Total Other	<u>2,500</u>	<u>2,500</u>	<u>1,458</u>	<u>1,042</u>
Total Expenses	<u>101,000</u>	<u>119,612</u>	<u>52,416</u>	<u>67,196</u>
Excess of Revenues Over (Under) Expenses	<u>(86,000)</u>	<u>(91,999)</u>	<u>(29,111)</u>	<u>62,888</u>
<u>Other Financing Sources (Uses)</u>				
Operating Transfers In	<u>65,000</u>	<u>73,100</u>	<u>8,025</u>	<u>(65,075)</u>
Total Other Financing Sources (Uses)	<u>65,000</u>	<u>73,100</u>	<u>8,025</u>	<u>(65,075)</u>
Net Change in Fund Equity	(21,000)	(18,899)	(21,086)	(2,187)
Fund Equity Beginning of Year	20,586	20,586	20,586	0
Prior Year Encumbrances Appropriated	<u>500</u>	<u>500</u>	<u>500</u>	<u>0</u>
Fund Equity End of Year	<u>\$ 86</u>	<u>\$ 2,187</u>	<u>\$ 0</u>	<u>\$ (2,187)</u>

**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND EQUITY -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
COMMUNITY SERVICES/EARLY CHILDHOOD FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

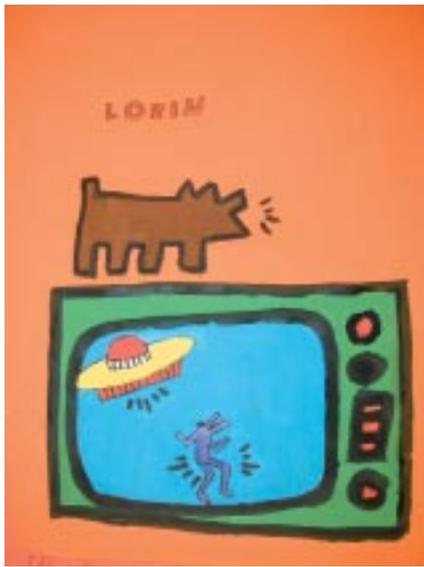
	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Final Budget Favorable (Unfavorable)
<u>Revenues</u>				
Tuition and Fees	\$ 1,190,000	\$ 1,375,000	\$ 1,086,146	\$ (288,854)
Miscellaneous	<u>487,000</u>	<u>487,000</u>	<u>394,887</u>	<u>(92,113)</u>
Total Revenues	<u>1,677,000</u>	<u>1,862,000</u>	<u>1,481,033</u>	<u>(380,967)</u>
<u>Expenses</u>				
Salaries and Wages:				
Community Services	<u>1,142,695</u>	<u>1,142,695</u>	<u>1,108,663</u>	<u>34,032</u>
Total Salaries and Wages	<u>1,142,695</u>	<u>1,142,695</u>	<u>1,108,663</u>	<u>34,032</u>
Fringe Benefits:				
Community Services	<u>337,341</u>	<u>326,921</u>	<u>270,633</u>	<u>56,288</u>
Total Fringe Benefits	<u>337,341</u>	<u>326,921</u>	<u>270,633</u>	<u>56,288</u>
Purchased Services:				
Community Services	<u>197,270</u>	<u>165,070</u>	<u>125,388</u>	<u>39,682</u>
Total Purchased Services	<u>197,270</u>	<u>165,070</u>	<u>125,388</u>	<u>39,682</u>
Supplies and Materials:				
Community Services	<u>199,429</u>	<u>193,429</u>	<u>147,712</u>	<u>45,717</u>
Total Supplies and Materials	<u>199,429</u>	<u>193,429</u>	<u>147,712</u>	<u>45,717</u>
Capital Outlay:				
Community Services	<u>15,500</u>	<u>16,700</u>	<u>7,855</u>	<u>8,845</u>
Total Capital Outlay	<u>15,500</u>	<u>16,700</u>	<u>7,855</u>	<u>8,845</u>
Other:				
Community Services	<u>28,950</u>	<u>27,950</u>	<u>20,259</u>	<u>7,691</u>
Total Other Expenses	<u>28,950</u>	<u>27,950</u>	<u>20,259</u>	<u>7,691</u>
Total Expenses	<u>1,921,185</u>	<u>1,872,765</u>	<u>1,680,510</u>	<u>192,255</u>
Excess of Revenues Over (Under) Expenses	<u>(244,185)</u>	<u>(10,765)</u>	<u>(199,477)</u>	<u>(188,712)</u>
<u>Other Financing Sources (Uses)</u>				
Operating Transfers In	<u>160,000</u>	<u>160,000</u>	<u>159,368</u>	<u>(632)</u>
Total Other Financing Sources (Uses)	<u>160,000</u>	<u>160,000</u>	<u>159,368</u>	<u>(632)</u>
Net Change in Fund Equity	(84,185)	149,235	(40,109)	(189,344)
Fund Equity Beginning of Year	24,225	24,225	24,225	0
Prior Year Encumbrances Appropriated	<u>15,884</u>	<u>15,884</u>	<u>15,884</u>	<u>0</u>
Fund Equity End of Year	<u>\$ (44,076)</u>	<u>\$ 189,344</u>	<u>\$ 0</u>	<u>\$ (189,344)</u>

**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND EQUITY -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
SELF-INSURANCE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Final Budget Favorable (Unfavorable)
<u>Revenues</u>				
Miscellaneous	\$ 0	\$1,593,762	\$ 2,016,197	\$ 422,435
Total Revenues	<u>0</u>	<u>1,593,762</u>	<u>2,016,197</u>	<u>422,435</u>
<u>Expenses</u>				
Salaries and Wages:				
Support Services - Central	0	0	19,034	(19,034)
Total Salaries and Wages	<u>0</u>	<u>0</u>	<u>19,034</u>	<u>(19,034)</u>
Fringe Benefits:				
Support Services - Central	104,324	1,354,324	1,310,211	44,113
Fringe Adjustments	0	453,221	312,849	140,372
Total Fringe Benefits	<u>104,324</u>	<u>1,807,545</u>	<u>1,623,060</u>	<u>184,485</u>
Purchased Services:				
Support Services - Central Services	17,627	17,627	16,756	871
Total Purchased Services	<u>17,627</u>	<u>17,627</u>	<u>16,756</u>	<u>871</u>
Total Expenses	<u>121,951</u>	<u>1,825,172</u>	<u>1,658,850</u>	<u>166,322</u>
Net Change in Fund Equity	(121,951)	(231,410)	357,347	588,757
Fund Equity Beginning of Year	921,692	921,692	921,692	0
Prior Year Encumbrances Appropriated	<u>214,069</u>	<u>214,069</u>	<u>214,069</u>	<u>0</u>
Fund Equity End of Year	<u>\$1,013,810</u>	<u>\$ 904,351</u>	<u>\$1,493,108</u>	<u>\$ 588,757</u>

**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND EQUITY -
BUDGET (NON-GAAP BASIS) AND ACTUAL -
WORKERS' COMPENSATION FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Final Budget Favorable (Unfavorable)
<u>Revenues</u>				
Miscellaneous	\$ 525,000	\$ 525,000	\$ 899,562	\$ 374,562
Total Revenues	<u>525,000</u>	<u>525,000</u>	<u>899,562</u>	<u>374,562</u>
<u>Expenses</u>				
Fringe Benefits:				
Support Services - Central	<u>603,697</u>	<u>603,697</u>	<u>473,267</u>	<u>130,430</u>
Total Fringe Benefits	<u>603,697</u>	<u>603,697</u>	<u>473,267</u>	<u>130,430</u>
Purchased Services:				
Support Services - Central Services	<u>30,627</u>	<u>30,627</u>	<u>31,528</u>	<u>(901)</u>
Total Purchased Services	<u>30,627</u>	<u>30,627</u>	<u>31,528</u>	<u>(901)</u>
Total Expenses	<u>634,324</u>	<u>634,324</u>	<u>504,795</u>	<u>129,529</u>
Excess of Revenues Over (Under) Expenses	<u>(109,324)</u>	<u>(109,324)</u>	<u>394,767</u>	<u>504,091</u>
<u>Other Financing Sources (Uses)</u>				
Operating Transfers In (Out)	<u>0</u>	<u>(750,000)</u>	<u>(750,000)</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>0</u>	<u>(750,000)</u>	<u>(750,000)</u>	<u>0</u>
Net Change in Fund Equity	<u>(109,324)</u>	<u>(859,324)</u>	<u>(355,233)</u>	<u>504,091</u>
Fund Equity Beginning of Year	1,680,374	1,680,374	1,680,374	0
Prior Year Encumbrances Appropriated	<u>109,324</u>	<u>109,324</u>	<u>109,324</u>	<u>0</u>
Fund Equity End of Year	<u>\$1,680,374</u>	<u>\$ 930,374</u>	<u>\$1,434,465</u>	<u>\$ 504,091</u>



LORIN SMITH
Grade 5, Roxboro Elementary



HAROLD HAYLER
Grade 11, Cleveland Heights High School



SARAH FORCIER
Grade 4, Roxboro Elementary



KARA THOMAS
Grade 3, Oxford



NICHOLAS HALL
Grade 2, Fairfax Elementary



RACHEL WHITTEN
Grade 12,
Cleveland Heights High School

STATISTICAL SECTION

Cleveland **Heights**
University



City School District

**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
GOVERNMENTAL EXPENSES/EXPENDITURES BY FUNCTION
LAST TEN YEARS (1)**

	2003		<u>2002</u>	<u>2001</u>	<u>2000</u>
	<u>Full Accrual</u>	<u>Modified Accrual</u>			
Instruction	\$ 47,072,865	\$ 46,675,613	\$ 42,705,973	\$ 41,961,336	\$ 39,882,596
Support Services:					
Pupils	7,951,089	7,951,441	7,205,878	7,300,157	6,857,623
Instructional Staff	5,056,893	4,835,159	4,179,534	3,676,704	4,009,890
Board of Education	491,748	491,748	245,198	621,463	763,661
Administrative	5,514,641	5,524,040	5,573,613	4,669,781	4,917,757
Fiscal Services	1,964,999	1,956,620	2,029,914	1,809,818	1,738,279
Business	2,494,829	4,087,808	2,713,106	1,490,288	1,457,801
Operation and Maintenance of Plant Services	11,645,982	14,280,666	11,578,679	9,145,902	11,705,803
Pupil Transportation	3,253,212	3,194,204	2,728,538	2,425,998	2,266,660
Central Services	2,976,889	2,942,986	3,004,062	2,775,439	2,503,827
Operation of Non-Instructional Services:					
Food Services	976	976	103	1,853	927
Community Services	2,280,063	2,279,893	2,097,167	1,962,607	2,024,777
Other	100,526	100,920	78,040	70,196	79,469
Extracurricular Activities	1,170,728	1,154,995	1,160,769	982,550	910,198
Building Acquisition	122,904	122,904	10,547	19,500	14,678
Debt Service	498,529	2,027,489	1,550,867	1,210,973	651,270
Other Uses (2)	<u>0</u>	<u>2,214,769</u>	<u>464,290</u>	<u>895,338</u>	<u>1,975,985</u>
Total	<u>\$92,596,873</u>	<u>\$99,842,231</u>	<u>\$87,326,278</u>	<u>\$81,019,903</u>	<u>\$81,761,201</u>

Source: School District financial records

(1) 2003 reported on modified accrual and full accrual basis; 1999 through 2002 reported on GAAP (modified accrual) basis; all other years reported on cash basis.

(2) Includes other financing uses for modified accrual and cash basis.

<u>1999</u>	<u>1998</u>	<u>1997</u>	<u>1996</u>	<u>1995</u>	<u>1994</u>
\$ 40,732,226	\$ 36,761,834	\$ 34,154,974	\$ 33,965,345	\$ 32,972,066	\$ 31,935,211
6,174,489	5,885,176	5,394,428	5,221,280	4,812,786	4,507,340
4,276,090	3,269,485	3,037,140	2,933,757	2,555,700	2,644,677
288,511	254,643	289,075	273,037	251,034	472,167
5,115,042	5,058,623	4,821,941	4,872,084	4,673,835	4,315,320
1,451,557	1,424,184	1,270,680	1,225,485	1,176,275	1,172,377
1,206,753	1,252,836	1,214,054	1,402,740	1,218,156	590,058
8,250,470	9,998,527	9,916,604	11,496,622	10,008,616	10,115,963
2,162,846	2,184,556	1,991,311	2,268,118	1,722,811	1,586,086
2,124,117	1,708,066	1,663,157	1,374,537	1,249,017	1,080,084
0	0	0	0	0	0
0	1,537,051	1,685,820	1,393,623	1,302,342	171,907
3,117,020	8,057	9,546	0	0	0
971,425	634,924	574,056	613,860	602,046	789,307
6,483,198	5,800	142	74,572	0	1,714,698
523,765	383,250	393,900	302,250	308,250	1,195,047
<u>877,881</u>	<u>1,175,693</u>	<u>943,048</u>	<u>700,295</u>	<u>466,877</u>	<u>1,930,839</u>
<u>\$ 83,755,390</u>	<u>\$ 71,542,705</u>	<u>\$67,359,876</u>	<u>\$ 68,117,605</u>	<u>\$ 63,319,811</u>	<u>\$ 64,221,081</u>

**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
GOVERNMENTAL REVENUES BY SOURCE
LAST TEN FISCAL YEARS (1)**

	2003		2002	2001	2000
	Full Accrual	Modified Accrual			
<u>Program Revenues</u>					
Charges for Services	\$ 2,867,838	N/A	\$ 0	\$ 0	\$ 0
Operating Grants and Contributions	8,826,745	N/A	0	0	0
Capital Grants and Contributions	56,288	N/A	0	0	0
<u>General Revenues</u>					
Taxes	53,660,377	46,308,999	62,143,581	50,765,634	40,916,548
Intergovernmental	16,603,073	33,868,366	31,643,744	30,873,961	27,247,063
Transportation Fees	0	56,288	61,297	95,538	46,063
Earnings on Investments	260,631	254,688	828,171	1,320,577	1,027,407
Tuition and Fees	0	589,353	287,421	899,953	1,553,244
Food Services	0	0	1,831	0	92
Extracurricular Activities	0	347,415	370,346	448,766	365,223
Classroom Materials and Fees	0	65,752	61,389	74,081	271,746
Miscellaneous Revenues and Other Financing Sources	<u>0</u>	<u>10,119,154</u>	<u>16,325,659</u>	<u>1,671,560</u>	<u>1,826,731</u>
Total	<u>\$82,274,952</u>	<u>\$91,610,015</u>	<u>\$111,723,439</u>	<u>\$86,150,070</u>	<u>\$73,254,117</u>

Source: School District financial records

(1) 2003 reported on modified accrual and full accrual basis; 1999 through 2002 reported on GAAP (modified accrual) basis; all others reported on cash basis

<u>1999</u>	<u>1998</u>	<u>1997</u>	<u>1996</u>	<u>1995</u>	<u>1994</u>
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	0	0	0
0	0	0	0	0	0
49,473,648	44,485,699	41,513,741	38,703,674	38,513,088	36,586,753
28,389,022	24,655,970	23,468,413	21,725,353	21,432,563	20,343,927
0	53,363	53,872	66,415	60,226	60,505
1,758,784	1,358,683	1,122,215	1,162,847	1,056,984	1,099,139
5,948,629	3,802,397	2,609,749	3,187,569	2,740,313	177,859
0	39,819	77,678	76,843	79,263	84,872
955,618	0	0	0	0	359,145
0	0	0	0	0	41,881
<u>5,628,046</u>	<u>1,179,059</u>	<u>798,847</u>	<u>1,168,078</u>	<u>446,545</u>	<u>5,777,433</u>
<u>\$ 92,153,747</u>	<u>\$ 75,574,990</u>	<u>\$ 69,644,515</u>	<u>\$ 66,090,779</u>	<u>\$ 64,328,982</u>	<u>\$ 64,531,514</u>

**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
REAL AND PERSONAL PROPERTY TAXES (1)
LAST TEN FISCAL YEARS**

<u>Tax Year/ Collection Year</u>	<u>Current Levy</u>	<u>Delinquent Levy</u>	<u>Total Levy</u>	<u>Current Collection</u>	<u>Percent of Current Levy Collected</u>	<u>Delinquent Collection</u>	<u>Total Collection</u>	<u>Total Collected as a Percent of Current Levy</u>
2002	\$ 60,216,887	\$ 4,017,319	\$ 64,234,206	\$ 57,410,608	95.33%	\$ 2,830,263	\$60,240,871	100.04%
2001	61,457,814	3,264,265	64,722,079	53,422,810	86.93%	1,476,879	54,899,689	89.33%
2000	51,057,682	3,302,936	54,360,618	48,710,094	95.40%	2,358,932	51,069,026	100.02%
1999	50,792,187	3,445,416	54,237,603	48,529,555	95.55%	1,840,890	50,370,445	99.17%
1998	50,958,952	3,281,648	54,240,600	48,815,618	95.79%	1,376,408	50,192,026	98.50%
1997	50,530,484	2,261,651	52,792,135	45,883,312	90.80%	956,882	46,840,194	92.70%
1996	43,508,521	2,417,941	45,926,462	42,493,083	97.67%	1,009,038	43,502,121	99.99%
1995	43,548,806	2,202,784	45,751,590	42,488,988	97.57%	817,108	43,306,096	99.44%
1994	43,613,997	2,161,047	45,775,044	40,139,801	92.03%	1,059,453	41,199,254	94.46%
1993	36,025,325	2,240,619	38,265,944	36,513,509	101.36%	661,442	37,174,951	103.19%

Source: Cuyahoga County Auditor - Data is presented on a fiscal year basis, consistent with the County Auditor's method of maintaining the information.

- (1) Includes Homestead/Rollback taxes assessed locally but distributed through the State and reported as intergovernmental revenue.
- (2) Represents the collection year. The 2003 information cannot be represented because all collections have not been made by June 30.
- (3) This amount cannot be calculated based on other information in this statistical table, because of retroactive additions and reductions which are brought on in one lump sum.

**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
 ASSESSED AND ESTIMATED VALUE OF TAXABLE PROPERTY
 LAST TEN CALENDAR YEARS**

Tax Year/ Collection Year	Real Property		Public Utility	Personal Property	Tangible Personal Property		Total		
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Actual Value	Ratio
2002	\$937,234,820	\$2,677,813,771	\$31,701,920	\$36,024,909	\$25,539,854	\$111,042,843	\$994,476,594	\$2,824,881,523	35%
2001	929,693,070	2,656,265,914	20,379,170	23,158,147	24,751,484	99,005,936	974,823,724	2,778,429,997	35%
2000	926,462,620	2,647,036,057	30,906,950	35,121,534	34,917,354	139,669,415	992,286,924	2,821,827,007	35%
1999	813,037,690	2,322,964,829	26,927,490	30,599,420	23,459,179	93,836,716	863,424,359	2,447,400,965	35%
1998	802,796,940	2,293,705,543	29,159,440	33,135,727	22,936,713	91,746,852	854,893,093	2,418,588,122	35%
1997	803,313,550	2,295,181,571	29,089,580	33,056,341	24,642,983	98,571,932	857,046,113	2,426,809,844	35%
1996	751,834,700	2,148,099,143	30,118,460	34,225,523	23,934,850	95,739,400	805,888,010	2,278,064,066	35%
1995	751,385,040	2,146,814,400	30,963,200	35,185,455	22,939,216	91,756,864	805,287,456	2,273,756,719	35%
1994	754,846,650	2,156,704,714	33,944,900	38,573,750	22,006,631	88,026,524	810,798,181	2,283,304,988	36%
1993	664,716,300	1,899,189,428	32,565,220	37,005,932	21,575,936	86,303,744	718,857,456	2,022,499,104	36%

Source: Cuyahoga County Auditor - Data is presented on a calendar year basis, consistent with the County Auditor's method of maintaining the information.

**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
(PER \$1,000 ASSESSED VALUATION)
LAST TEN CALENDAR YEARS**

<u>Tax Year</u>	<u>School Levy</u>	<u>County Levy</u>	<u>City Levy</u>	<u>MetroParks Levy</u>	<u>Library Levy</u>	<u>Total Levy</u>	<u>Debt Service Included in Total Levy</u>			
							<u>School</u>	<u>County</u>	<u>City</u>	<u>Total</u>
2002/2003	121.10	14.65	14.10	1.55	5.90	157.30	3.80	0.91	6.10	10.81
2001/2002	121.10	14.65	14.00	1.55	5.90	157.20	3.80	0.86	6.00	10.66
2000/2001	120.40	14.65	14.10	1.55	5.90	156.60	3.80	0.79	6.10	10.69
1999/2002	111.00	13.75	14.80	1.55	4.00	145.10	3.80	0.85	6.80	11.45
1998/1999	111.00	13.75	14.80	1.55	4.00	145.10	3.80	0.72	6.80	11.32
1997/1998	111.00	15.05	14.80	1.55	4.00	146.40	3.80	0.60	6.80	11.20
1996/1997	111.00	15.05	13.00	1.55	4.00	144.60	3.80	0.90	5.00	9.70
1995/1996	102.10	15.05	13.00	1.55	4.00	135.70	3.80	0.87	5.00	9.67
1994/1995	102.10	15.25	13.40	1.55	4.00	136.30	3.80	0.76	5.40	9.96
1993/1994	104.10	15.25	13.90	1.55	4.00	138.80	3.80	0.68	5.90	10.38

Source: Cuyahoga County Auditor - Data is presented on a calendar year basis consistent with the County Auditor's method of maintaining the information.

**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
RATIO OF NET GENERAL BONDED DEBT TO ASSESSED VALUE
AND NET BONDED DEBT PER CAPITA
LAST TEN FISCAL YEARS**

<u>Fiscal Year</u>	<u>Gross General Bonded Debt</u>	<u>Less Debt Service Fund</u>	<u>Net General Bonded Debt</u>	<u>Assessed Value</u>	<u>Population</u>	<u>Ratio of Debt of Assessed Value</u>	<u>Per Capita</u>
2002/2003	\$ 16,189,990	\$ 151,399	\$16,038,591	\$ 994,476,594	64,915	0.16%	247
2001/2002	11,079,990	9,484,932	1,595,058	974,823,724	64,915	0.16%	25
2000/2001	2,020,000	11,006	2,008,994	992,286,924	68,842	0.20%	29
1999/2000	2,460,000	11,006	2,448,994	863,424,359	64,915	0.28%	38
1998/1999	2,900,000	11,006	2,888,994	854,893,093	67,477	0.34%	43
1997/1998	1,800,000	48,320	1,751,680	857,046,113	67,785	0.20%	27
1996/1997	2,100,000	315,800	1,784,200	805,888,010	68,082	0.22%	31
1995/1996	2,400,000	820,040	1,579,960	805,287,456	68,354	0.20%	35
1994/1995	2,600,000	646,500	1,953,500	810,798,181	67,650	0.24%	38
1993/1994	2,800,000	628,930	2,171,070	718,857,456	69,010	0.30%	41

NOTE: Estimate provided by the cities of Cleveland Heights and University Heights.

**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
COMPUTATION OF LEGAL DEBT MARGIN
JUNE 30, 2003**

Assessed Valuation	\$ <u>994,476,594</u>
Bonded Debt Limit - 9% of Assessed Value (1)	\$ 89,502,893
Amount of Debt Applicable to Debt Limit:	
General Obligation Bond	16,189,990
Less: Amount Available in Debt Service Fund	<u>(81,071)</u>
Total	<u>16,108,919</u>
Amount of Debt Subject to the Limit	<u>16,108,919</u>
Overall Debt Margin	<u>\$ 73,393,974</u>
Debt Margin - .10% of Assessed Value (1)	\$ 994,477
Amount of Debt Applicable	<u>0</u>
Unvoted Debt Margin	<u>\$ 994,477</u>

Source: Cuyahoga County Auditor and School District Financial Records.
(1) Ohio Bond Law sets a limit of 9% for overall debt and 1/10 of 1% for unvoted debt.

**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
COMPUTATION OF DIRECT AND OVERLAPPING DEBT
GENERAL OBLIGATION
AS OF JUNE 30, 2003**

<u>Jurisdiction</u>	<u>General Obligation Bonded Debt Outstanding</u>	<u>Percentage Applicable to School District (1)</u>	<u>Amount Applicable to School District</u>
<u>Direct</u>			
Cleveland Heights-University Heights City School District	\$ 16,189,990	100.00%	\$ 16,189,990
Total Direct	<u>16,189,990</u>		<u>16,189,990</u>
<u>Overlapping</u>			
City of Cleveland Heights-University Heights	26,684,000	94.10%	25,185,284
City of South Euclid	12,424,994	6.70%	826,392
City of University Heights	2,645,000	100.00%	2,645,000
Cuyahoga County	200,162,636	3.40%	6,805,530
Regional Transit Authority	<u>136,310,000</u>	3.40%	<u>4,634,540</u>
Total Overlapping	<u>378,226,630</u>		<u>40,096,746</u>
Grand Total	<u>\$ 378,226,630</u>		<u>\$ 56,286,736</u>

Source: Cuyahoga County Auditor - Data is presented on a calendar year basis, consistent with the County Auditor's method of maintaining the information.

- (1) Percentages were determined by dividing the assessed valuation of the political subdivision located within the boundaries of the School District by the total assessed valuation of the subdivision. The valuations were used for the 2003 collection year.

**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR
GENERAL BONDED DEBT TO TOTAL GOVERNMENTAL FUND EXPENDITURES
LAST TEN FISCAL YEARS**

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>	<u>Total Governmental Fund Expenditures (1)</u>	<u>Ratio of Debt Service to Governmental Fund Expenditures (Percentage)</u>
2002/2003	\$ 690,000	\$ 666,702	\$ 1,356,702	\$ 99,842,231	1.36%
2001/2002	440,000	82,255	522,255	87,326,278	0.60%
2000/2001	440,000	101,600	541,600	81,018,828	0.67%
1999/2000	440,000	120,460	560,460	81,761,201	0.69%
1998/1999	0	1,611	1,611	83,755,390	0.00%
1997/1998	300,000	83,250	383,250	71,542,705	0.54%
1996/1997	300,000	93,900	393,900	67,359,876	0.58%
1995/1996	200,000	102,250	302,250	68,117,605	0.44%
1994/1995	200,000	108,250	308,250	63,319,811	0.49%
1993/1994	1,000,000	29,376	1,029,376	64,221,081	1.60%

Source: School District financial records

(1) Includes other financing uses. 1999-2003 on the modified accrual basis of accounting; all others reported on cash basis.

**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
DEMOGRAPHIC STATISTICS
LAST TEN YEARS**

<u>Year</u>	<u>County Population</u>	<u>Cleveland Heights Population(2)</u>	<u>University Heights Population(3)</u>	<u>School Enrollment</u>	<u>Unemployment Rate(1)</u>
2003	1,393,978	50,769	14,146	6,821	4.50%
2002	1,380,421	50,769	14,146	6,897	4.60%
2001	1,371,717	54,052	14,790	6,891	4.60%
2000	1,371,717	50,769	14,146	6,943	4.60%
1999	1,380,696	53,277	14,200	6,617	4.50%
1998	1,412,140	53,531	14,254	6,899	4.00%
1997	1,398,169	53,773	14,309	6,790	4.70%
1996	1,412,140	53,992	14,362	7,087	4.90%
1995	1,412,140	53,234	14,416	7,133	5.30%
1994	1,412,140	54,540	14,470	7,158	7.60%

Source: Information in this table was provided by the City of Cleveland Heights, City of University Heights, Cuyahoga County, and the City of Cleveland

(1) Represents Cuyahoga County

(2) (3) Population data is assumed to be the same as that of the population data supplied by the Census Bureau.

**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
PROPERTY VALUES, BANK DEPOSITS, AND CONSTRUCTION
LAST TEN YEARS**

<u>Year</u>	<u>Assessed Value</u>		<u>Cleveland Heights</u>		<u>University Heights</u>		<u>Building Permits</u>	
	<u>Real Personal</u> <u>Property</u> <u>(Amounts</u> <u>in 000's) (1)</u>	<u>Bank Deposits</u> <u>(Amounts</u> <u>in 000's) (2)</u>	<u>Building Permits</u> <u>Issued</u> <u>Number</u>	<u>Value</u>	<u>Building Permits</u> <u>Issued</u> <u>Number</u>	<u>Value</u>	<u>Total</u> <u>Issued (3)</u> <u>Number</u>	<u>Total Value</u>
2002	\$994,476,594	\$ 95,761,917	1,955	\$ 26,308,840	352	>\$90,000,000	2,307	\$116,308,840
2001	974,823,724	63,893,769	1,953	28,678,819	312	232,583	2,265	28,911,402
2000	926,462,620	57,816,942	1,835	41,654,000	324	8,255,508	2,159	49,909,508
1999	813,037,690	58,904,596	1,945	31,780,000	325	7,610,669	2,270	39,390,669
1998	802,796,940	53,941,971	2,061	43,055,000	327	2,916,769	2,388	45,971,769
1997	803,313,550	27,068,211	2,069	41,898,000	335	8,505,375	2,323	50,403,375
1996	751,834,700	22,458,573	2,014	22,620,000	309	13,452,104	1,759	36,072,104
1995	751,385,040	20,885,453	1,537	11,772,000	222	3,001,955	1,759	14,773,955
1994	754,846,650	21,009,421	2,058	14,614,000	244	7,182,629	2,302	21,796,629
1993	664,716,300	19,379,280	1,717	14,896,000	144	6,716,636	1,861	21,612,636

- Sources: (1) Cuyahoga County Auditor's Office Data Service (the values listed pertain to the year of collection).
(2) Federal Reserve Bank of Cleveland (total demand, time and savings deposits banks in Cuyahoga County).
(3) Cities of Cleveland Heights and University Heights Building departments.
(4) 2002 information includes permits issued for University Square.

**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
 PRINCIPAL TAXPAYERS
 REAL ESTATE TAX
 DECEMBER 31, 2002**

<u>Name of Taxpayer</u>	<u>Assessed Value (1)</u>	<u>Percent of Real Assessed Value</u>
SCIT, Inc.	\$ 12,791,600	1.36%
AT&T Wireless PCS	10,295,760	1.10%
Kaiser Foundation Health Plan of Ohio	7,791,840	.83%
The Cleveland Electric Illuminating Co.	6,274,120	.67%
Ohio Bell Telephone Company	6,142,900	.66%
American Retirement Corporation	3,882,380	.41%
Kensington Ltd. Partnership	3,674,690	.39%
Margaret Wagner Apartments, Inc.	2,400,650	.26%
Concord Company	2,290,930	.25%
Waldorf Partners, Ltd. Partnership	<u>2,145,370</u>	<u>.23%</u>
Total	<u>\$ 57,690,240</u>	<u>6.16%</u>
 Total Real Estate Valuation	 <u>\$ 937,234,820</u>	

Source: Cuyahoga County Auditor
 (1) Assessed values are for 2002

**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
 PRINCIPAL TAXPAYERS
 TANGIBLE PERSONAL PROPERTY TAX
 DECEMBER 31, 2002**

<u>Name of Taxpayer</u>	<u>Assessed Value (1)</u>	<u>Percent of Tangible Personal Property Assessed Value</u>
Home Deposit USA, Inc.	\$ 1,566,250	6.13%
Adelphia of the Midwest, Inc.	1,317,580	5.16%
WalMart Stores East, LP.	1,230,710	4.82%
Motorcars, Inc. Honda Cars	1,210,080	4.74%
International Securities, Ltd.	1,087,520	4.26%
May Department Stores Co.	1,011,260	3.96%
Tops Markets, LLC	733,960	3.03%
Marc Glassman, Inc.	733,830	2.87%
Riser Foods Co.	700,270	2.74%
Apria Healthcare, Inc.	<u>481,670</u>	<u>1.89%</u>
Total	<u>\$ 10,073,130</u>	<u>39.44%</u>
 Total Tangible Personal Property Assessed Valuation	 <u>\$ 25,539,854</u>	

Source: Cuyahoga County Auditor
 (1) Assessed values are for 2002

**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
 PRINCIPAL TAXPAYERS
 PUBLIC UTILITIES TAX
 DECEMBER 31, 2002**

<u>Name of Taxpayer</u>	<u>Assessed Value (1)</u>	<u>Percent of Public Utility Assessed Value</u>
Cleveland Electric Illuminating Company	\$ 1,426,270	4.50%
Ohio Bell Telephone Company	868,580	2.74%
East Ohio Gas Company	435,920	1.38%
American Transmission System	207,180	.65%
Ameritech Wireless	159,230	.50%
Alltell Ohio Limited Partnership	137,310	.43%
AT&T Wireless PCS	66,820	.21%
Nextel West Corporation	37,860	.12%
Sprintcom, Inc.	36,680	.12%
Cleveland PCS, LLC	<u>27,120</u>	<u>.09%</u>
Total	<u>\$ 3,402,970</u>	<u>10.74%</u>
 Total Public Utility Assessed Value	 <u>\$ 31,701,920</u>	

Source: Cuyahoga County Auditor
 (1) Assessed values are for 2002

**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
PER PUPIL COST
LAST TEN FISCAL YEARS (1)**

<u>Fiscal Year</u>	<u>Governmental Expenditures (1)</u>	<u>Average Per Student Enrollment</u>	<u>Pupil Cost</u>
2002/2003	\$ 99,842,231	6,821	\$ 14,637
2001/2002	87,326,278	6,897	12,661
2000/2001	81,019,903	6,891	11,757
1999/2000	81,761,201	6,943	11,776
1998/1999	83,755,390	6,617	12,658
1997/1998	71,542,705	6,899	10,370
1996/1997	67,359,876	6,790	9,920
1995/1996	68,117,605	7,067	9,639
1994/1995	63,319,811	7,133	8,877
1993/1994	64,221,081	7,156	8,974

Source: School District Financial Records

- (1) Includes other financing uses. 1999 through 2003 reported on the modified accrual basis of accounting; all others reported on cash basis.

**CLEVELAND HEIGHTS-UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
TEACHER EDUCATION AND EXPERIENCE
FOR THE YEAR ENDED JUNE 30, 2003**

<u>Degree</u>	<u>Number of Teachers</u>	<u>Percentage of Total</u>
Bachelor's Degree	162	26.60%
Master's Degree	444	72.80%
Ph.D.	<u>4</u>	<u>.60%</u>
Total	<u>610</u>	<u>100.00%</u>

<u>Years of Experience</u>	<u>Number of Teachers</u>	<u>Percentage of Total</u>
0 - 5	233	38.20%
6 - 10	106	17.40%
11 and over	<u>271</u>	<u>44.40%</u>
	<u>610</u>	<u>100.00%</u>

GOALS STATEMENT

THIS BOARD CONTINUES TO BE COMMITTED TO ACHIEVING “EXCELLENCE IN LEARNING THROUGH EXCELLENCE IN TEACHING” AND ENSURING QUALITY EDUCATION IN SUPPORT OF OUR COMMUNITIES’ COMMITMENT TO QUALITY INTEGRATED LIVING.

- Continue to emphasize competency and proficiency in basic studies and target results for measurable improvement.
- Every high school student will have a four-year plan that encourages the pursuit of academic work at the highest level of which he-she is capable. The plan will have as its goal that the student will be prepared for career and/or college entry upon graduation from high school.
- Promote better communications among schools, the school district and their constituencies.
- Continue to ensure quality fiscal planning and management, demonstrated by financial reporting beyond State requirements.
- The District will give attention to the appropriate placement and instruction of each transfer student.
- Monitor and assess program effectiveness of school district programs for all departments and schools.

ABOUT THE ARTWORK

THE ARTWORK DISPLAYED THROUGHOUT THIS REPORT
WAS CREATED BY
CLEVELAND HEIGHTS - UNIVERSITY HEIGHTS
CITY SCHOOL DISTRICT ELEMENTARY,
MIDDLE AND HIGH SCHOOL STUDENTS.
WE ARE GRATEFUL TO THEM FOR ALLOWING
US TO SHOWCASE THEIR ARTISTIC TALENTS.

**Cleveland Heights – University Heights
City School District
Cuyahoga County, Ohio**

SINGLE AUDIT REPORTS

JUNE 30, 2003

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**CLEVELAND HEIGHTS – UNIVERSITY HEIGHTS
CITY SCHOOL DISTRICT**

FOR THE YEAR ENDED JUNE 30, 2003

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Creating economic value through
knowledge, innovation, commitment, and service

CIUNI & PANICHI
INC.

CERTIFIED PUBLIC ACCOUNTANTS
AND BUSINESS CONSULTING FIRM

a C&P Advisors Company

Report On Compliance And On Internal Control Over
Financial Reporting Based On An Audit Of Financial Statements
Performed In Accordance With *Government Auditing Standards*

Board of Education
Cleveland Heights – University Heights City School District
University Heights, Ohio

We have audited the basic financial statements of the Cleveland Heights-University Heights City School District (the “District”) as of and for the year ended June 30, 2003, and have issued our report thereon dated December 3, 2003, wherein we noted the District adopted Government Accounting Standards Board Statement No. 34, Interpretation No. 6 and changed its accounting for capital assets. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

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 grants, 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 that are required to be reported under *Government Auditing Standards*. However, we noted certain immaterial instances of noncompliance, which we have reported to management of the Cleveland Heights-University Heights City School District in a separate letter dated December 3, 2003.



Board of Education
Cleveland Heights-University Heights
City School District

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that we have reported to management of the District in a separate letter dated December 3, 2003.

This report is intended solely for the information and use of the District's Board of Education, the District's Management, the Auditor of State, 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.

Cini & Panichi, Inc.

Cleveland, Ohio
December 3, 2003



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CIUNI & PANICHI
INC.

CERTIFIED PUBLIC ACCOUNTANTS
AND BUSINESS CONSULTING FIRM

a C&P Advisors Company

**Report On Compliance With Requirements Applicable To
Each Major Program And Internal Control Over
Compliance In Accordance With OMB Circular A-133**

Board of Education
Cleveland Heights-University Heights City School District
University Heights, Ohio

Compliance

We have audited the compliance of the Cleveland Heights-University Heights City School District (the "District"), with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2003. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the District's management. Our responsibility is to express an opinion on the District's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination 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, 2003. However, we noted certain immaterial instances of noncompliance, which we have reported to management of the District in a separate letter, dated December 3, 2003.



Board of Education
Cleveland Heights-University Heights
City School District

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

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

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the District as of and for the year ended June 30, 2003, and have issued our report there dated December 3, 2003. Our audit was performed for the purpose of forming an opinion on the financial statements taken as a whole. 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 financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

This report is intended solely for the information and use of the District's Board of Education, the District's Management, the Auditor of State, 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.

Cini & Panichi, Inc.

Cleveland, Ohio
December 3, 2003

CLEVELAND HEIGHTS – UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED JUNE 30, 2003

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Number	Receipts	Non-cash Receipts	Disburse- ments	Non-Cash Disburse- ments
U.S. Department of Agriculture:						
Passed-Through Ohio Department of Education:						
Nutrition Cluster:						
Food Distribution	10.550	N/A	\$ -	\$ 170,941	\$ -	\$ 170,941
School Breakfast Program	10.553	05-PU-2002	12,765	-	12,765	-
School Breakfast Program	10.553	05-PU-2003	<u>122,812</u>	-	<u>112,812</u>	-
Subtotal School Breakfast Program			<u>135,577</u>	-	<u>135,577</u>	-
School Lunch Program	10.555	LL-P4-2002	100,388	-	100,388	-
	10.555	LL-P4-2003	<u>727,464</u>	-	<u>727,464</u>	-
Subtotal National School Lunch Program			<u>827,852</u>	-	<u>827,852</u>	-
Total U.S. Department of Agriculture – Nutrition Cluster			<u>963,429</u>	<u>170,941</u>	<u>963,429</u>	<u>170,941</u>
U.S. Department of Education:						
Passed-Through Ohio Department of Education:						
Special Education Cluster:						
Title VI-B	84.027	6B-SF-2002P	65,138	-	203,072	-
Title VI-B	84.027	6B-SF-2003	<u>703,428</u>	-	<u>754,429</u>	-
Subtotal Title VI-B			<u>768,566</u>	-	<u>957,501</u>	-
Special Education – Preschool Grant	84.173	PG-S1-2002P	1,551	-	3,240	-
Special Education – Preschool Grant	84.173	PG-S1-2003	<u>29,537</u>	-	<u>28,084</u>	-
Subtotal Preschool Grant/Galileo Grant			<u>31,088</u>	-	<u>31,324</u>	-
Total Special Education Cluster			<u>799,654</u>	-	<u>988,825</u>	-
Adult Education – State Grant Program	84.002	AB-S1-2002	38,649	-	30,307	-
Adult Education – State Grant Program	84.002	AB-S1-2002P	53,745	-	53,745	-
Adult Education – State Grant Program	84.002	AB-S1-2003	<u>199,549</u>	-	<u>235,112</u>	-
Total Adult Education – State Grant Program			<u>291,943</u>	-	<u>319,164</u>	-
Title I	84.010	C1-S1-2002	74,379	-	97,357	-
Title I	84.010	C1-S1-2003	<u>817,765</u>	-	<u>839,717</u>	-
Total Title I			<u>892,144</u>	-	<u>937,074</u>	-
Vocational Education	84.048	020-CP3-S-2002	10,883	-	42,245	-
Vocational Education	84.048	VECA-2002-PD-03	-	-	312	-
Vocational Education	84.048	020-IRN-043794	19,380	-	14,019	-
Vocational Education	84.048	020-CP3-S-2002	<u>207,875</u>	-	<u>233,015</u>	-
Total Vocational Education			<u>238,138</u>	-	<u>289,591</u>	-
Immigrant Education	84.162	PL-105-177	-	-	2,213	-
Immigrant Education	84.162	PL-103-382	-	-	<u>5,870</u>	-
Total Immigrant Education			-	-	<u>8,083</u>	-
Drug-Free Schools Grant	84.186	DR-S1-2001	-	-	7,660	-
Drug-Free Schools Grant	84.186	DR-S1-2002	-	-	10,977	-
Drug-Free Schools Grant	84.186	DR-S1-2003	<u>50,847</u>	-	<u>49,173</u>	-
Total Drug-Free Schools Grant			<u>50,847</u>	-	<u>67,810</u>	-

Continued

CLEVELAND HEIGHTS – UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2003

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Number	Receipts	Non-cash Receipts	Disburse- ments	Non-Cash Disburse- ments
U.S. Department of Education:						
Passed-Through Ohio Department of Education:						
Technology Literacy Challenge Fund Grant	84.318	N/A	5,166	-	14,846	-
Technology Literacy Challenge Fund Grant	84.318	N/A	<u>7,304</u>	-	<u>5,618</u>	-
Total Technology Literacy Challenge Fund Grant			<u>12,470</u>	-	<u>20,464</u>	-
Goals 2000	84.276	G2-S5-2001	-	-	8,500	-
Goals 2000	84.276	G2-S2-2001	-	-	10,585	-
Goals 2000	84.276	G2-S1-2001	1,805	-	13,764	-
Total Goals 2000			<u>1,805</u>	-	<u>32,849</u>	-
Eisenhower Professional Development	84.281	MS-S1-2001	-	-	18,152	-
Eisenhower Professional Development	84.281	MS-S1-2002	278	-	37,169	-
Total Eisenhower Professional Development			<u>278</u>	-	<u>55,321</u>	-
Innovative Education Program Strategy	84.298	C2-S1-2001	4,907	-	4,943	-
Innovative Education Program Strategy	84.298	C2-S1-2002	36,744	-	15,689	-
Innovative Education Program Strategy	84.298	C2-S1-2003	67,400	-	68,114	-
Total Innovative Education Program Strategy			<u>109,051</u>	-	<u>88,746</u>	-
Class Size Reduction	84.340	CR-S1-2001	-	-	5,307	-
Class Size Reduction	84.340	CR-S1-2002	38,560	-	39,389	-
Total Class Size Reduction			<u>38,560</u>	-	<u>44,696</u>	-
English Language Acquisition Grant	84.365	AT-S1-2002	8,655	-	8,655	-
English Language Acquisition Grant	84.365	AT-S2-2002	33,448	-	29,672	-
English Language Acquisition Grant	84.365	T3-S1-2003	2,333	-	36	-
Total English Language Acquisition Grant			<u>44,436</u>	-	<u>38,363</u>	-
Improving Teacher Quality State Grant	84.367	MS-S1-2003	263,688	-	238,593	-
Safe and Drug-Free Schools and Communities National Program	84.184C	N/A	11,453	-	7,689	-
Total U.S. Department of Education			<u>2,756,467</u>	-	<u>3,137,268</u>	-
U.S. Department of Health and Human Services:						
Passed-Through Ohio Department of Mental Retardation and Developmental Disabilities:						
MH Medicaid	93.778	N/A	757,935	-	757,935	-
Passed-Through Ohio Department of Education:						
Temporary Assistance for Needy Families	93.558	N/A	10,771	-	10,771	-
Refugee Children School Impact Program	93.576	N/A	2,000	-	-	-
Total Passed-Through Ohio Department of Education			<u>12,771</u>	-	<u>10,771</u>	-
Total Department of Health and Human Services			<u>770,706</u>	-	<u>768,706</u>	-
Total Expenditures of Federal Awards			\$ <u>4,488,602</u>	\$ <u>170,941</u>	\$ <u>4,869,403</u>	\$ <u>170,941</u>

**CLEVELAND HEIGHTS – UNIVERSITY HEIGHTS
CITY SCHOOL DISTRICT**

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED JUNE 30, 2003

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the District and is presented on the cash basis of accounting. The information in this Schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this Schedule may differ from amounts presented in, or used in the preparation of, the general purpose financial statements.

NON-CASH SUPPORT

The District receives non-cash support in the form of food subsidies from the National School Lunch Program (“NSLP”), CFDA 10.550. The value of the food subsidies is determined by using the fair market value of the food items as quoted by local food suppliers.

CFDA – Catalog of Federal Domestic Assistance

MEDICAID SETTLEMENTS

In addition to the amount recorded on the schedule of federal awards expenditures, the Cleveland Heights – University Heights City School District received \$76,008 settlement for services rendered for the period July 1, 1998 through June 30, 1999.

**CLEVELAND HEIGHTS – UNIVERSITY HEIGHTS
CITY SCHOOL DISTRICT**

**SCHEDULE OF FINDINGS
OMB CIRCULAR A-133 SECTION .505**

JUNE 30, 2003

1. SUMMARY OF AUDITOR’S RESULTS

(d)(I)(i)	Type of Financial Statement Opinion	Unqualified
(d)(I)(ii)	Were there any material control weakness conditions reported at the financial statement level (GAGAS)?	No
(d)(I)(ii)	Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?	No
(d)(I)(iii)	Was there any material reported noncompliance at the financial statement level (GAGAS)?	No
(d)(I)(iv)	Were there any material internal control weakness conditions reported for major federal programs?	No
(d)(I)(iv)	Were there any other reportable internal control weakness conditions reported for major federal programs?	No
(d)(I)(v)	Type of Major Programs’ Compliance Opinion	Unqualified
(d)(I)(vi)	Are there any reportable findings under Section .510	No
(d)(I)(vii)	Major Programs	Special Education Cluster CFDA Nos. 84.027, 84.173; Nutrition Cluster CFDA Nos. 10.550, 10,553, 10.555; Adult Education – State Grant CFDA No. 84.002; Title I CFDA No. 84.010; MH Medicaid CFDA No. 93.778
(d)(I)(viii)	Dollar Threshold: Type A/B Programs	Type A:>\$300,000 Type B: All Others
(d)(I)(ix)	Low Risk Auditee?	No

2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS

None noted.

CLEVELAND HEIGHTS – UNIVERSITY HEIGHTS
CITY SCHOOL DISTRICT

SCHEDULE OF FINDINGS (CONTINUED)
OMB CIRCULAR A-133 SECTION .505

JUNE 30, 2003

3. FINDINGS FOR FEDERAL AWARDS

There were no findings for federal awards to report in 2003.

CLEVELAND HEIGHTS – UNIVERSITY HEIGHTS
CITY SCHOOL DISTRICT

SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A-133 SECTION .315(b)

JUNE 30, 2003

There were no findings for federal awards to report in 2002.

**CLEVELAND HEIGHTS – UNIVERSITY HEIGHTS
CITY SCHOOL DISTRICT**

**CLEVELAND HEIGHTS, OHIO 44118
(216) 320-2072**

**Response To Findings Associated With Audit Conducted
In Accordance With *Government Auditing Standards*
For The Year Ended June 30, 2003**

Finding Number	Planned Corrective Action	Anticipated Completion Date	Responsible Contact Person
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Not applicable.



**Auditor of State
Betty Montgomery**

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800-282-0370

Facsimile 614-466-4490

CLEVELAND HEIGHTS - UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT

CUYAHOGA COUNTY

CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
FEBRUARY 10, 2004**