

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
ANNUAL FINANCIAL REPORT
Fiscal Year Ended June 30, 2016**

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
ANNUAL FINANCIAL REPORT
For the Fiscal Year Ended June 30, 2016**

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December 28, 2016

INDEPENDENT AUDITOR'S REPORT

Honorable Members of the School District Council Williamsburg
Kingstree, South Carolina

Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the School District of Williamsburg County, as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of D.P. Cooper Charter School, which represent 4.22 percent, 1.74 percent and 2.89 percent, respectively, of the assets, net position and revenues of the School District of Williamsburg County. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for D.P. Cooper Charter School is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in

the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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, the aggregate discretely presented component unit and each major fund of the School District of Williamsburg County, as of June 30, 2016, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information for the General Fund on pages 4 through 11 and 61, and the schedules of funding progress and employer contributions, schedule of District's proportionate share of net pension liability and the schedule of the District's contributions on pages 62-63 be presented to supplement the basic financial statements.

Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School District of Williamsburg County's basic financial statements. The combining and individual non-major fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Plan 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal awards, and is also not a required part of the basic financial statements.

The combining and individual non-major fund financial statements and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying

accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual non-major fund financial statements and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 28, 2016, on our consideration of School District of Williamsburg County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering School District of Williamsburg County's internal control over financial reporting and compliance.

Sheheen, Hancock & Godwin, LLP

Sheheen, Hancock and Godwin, LLP
Certified Public Accountant

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Fiscal Year Ended June 30, 2016**

INTRODUCTION

The discussion and analysis of School District of Williamsburg County's financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2016. We encourage readers to consider this information in conjunction with the additional information in the District's financial statements and the accompanying notes to those financial statements.

FINANCIAL HIGHLIGHTS

Student enrollment was 4,421 on the 135-day ADM for the 2015-2016 school years. We based our budget on \$2,172 base student cost. We had some cuts in Federal and State Restricted Funds. The School District of Williamsburg County's Board of Trustees did not have to approve any unpopular measures such as furloughs or rifts. Purchase orders were monitored very closely to reduce spending for supplies, equipment, travel, conferences and telephones. Additionally, the number of substitutes that were utilized was significantly reduced.

Other key financial aspects were as follows:

Net Position: The District's Total Net Position as of June 30, 2016, was \$(11,299,872).

Revenues and Expenditures: Revenues and other financing sources totaled \$74,127,952 and expenditures and other financing uses totaled \$75,281,017 for all Governmental Funds at the fund level. Accordingly, expenditures and other financing uses exceeded revenues and other financing sources by \$1,153,064.

General Fund/Fund Balance: On June 30, 2015, our principal operating fund, the General Fund, had a fund balance of \$3,311,832. The current year revenues and other financing sources exceeded expenditures and other financing uses creating an increase for the year of \$188,400. This increased the fund balance to \$3,500,232 as of June 30, 2016.

Debt Service: In 2006 the District issued \$22,500,000 in SCAGO General Obligation School (Installment Purchase) Bonds to build Hemingway Elementary School. In 2008, the District issued \$6,926,639 in QZAB Bonds to repair, renovate and upgrade facilities in the district. In 2016 the District issued \$17,625,000 in SCAGO Installment Purchase Refunding Bonds to refund the 2006 IPR bonds. The millage assessed to repay the debt service is 34.5. The District issued short-term debt during the year of \$2,484,000 in the form of General Obligation Bonds. As of June 30, 2016, the District had paid off \$2,829,000 in short-term debts and paid approximately \$819,000 against its long-term debt obligations.

OVERVIEW OF FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements (General, Special Revenue, Special Revenue EIA, Debt Service, School Building, Fiduciary (Pupil Activity), Proprietary and 3) notes to the basic financial statements. This report also contains other supplementary information and a compliance section in addition to the basic financial statements themselves. A description of these statements and some related definitions follow:

Government-wide Financial Statements: The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private sector business.

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MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Fiscal Year Ended June 30, 2016
(Continued)**

These statements outline functions of the District that are principally supported by property taxes and intergovernmental revenues (governmental activities) and functions principally supported by service charges (business-type activities).

The governmental activities of the District include instruction, support services, intergovernmental, debt service, and capital outlay expenditures. The government-wide financial statements can be found on pages 12 through 14 of this report.

Statement of Net Position: The statement of net position presents information on all of the District's assets and liabilities except for those related to fiduciary funds, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

Statement of Activities: The statement of activities presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes).

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

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. These reconciliations are on pages 16 and 18.

The District maintains its accounting records in conformity with the South Carolina Department of Education's Financial Accounting Handbook. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General, Special Revenue, and EIA Funds which are required to be presented as major funds. The basic governmental funds financial statements can be found on pages 15 and 17 of this report.

Proprietary Funds: Proprietary (Enterprise) funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the stated intent is that of monitoring the cost of such programs for public policy.

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
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MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Fiscal Year Ended June 30, 2016
(Continued)**

Fiduciary Funds: Fiduciary (Pupil Activity) funds are used to account for resources held for the benefit of students and are not reflected in the government-wide financial statements because the resources of those funds are not available to support the District's own programs. The accrual basis of accounting is used for fiduciary funds.

The basic fiduciary fund financial statement can be found on page 23 of this report.

Notes to the Basic Financial Statements: The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 24 through 50 of this report.

Other information: In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's budget process. The District adopts an annual expenditure budget for the General Fund. A budgetary comparison statement has been provided for the General Fund as required supplementary information. The required supplementary information can be found on pages 61-63 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position. In the case of the District, liabilities exceeded assets by \$11,299,872 as of June 30, 2016.

By far, the largest portion of the District's net position (229%) reflects its investment in capital assets (e.g., land, buildings and improvements, vehicles, furniture and equipment), less any related debt used to acquire those assets that are still outstanding. The District uses these capital assets to provide services to its students; consequently, these assets are not available for future spending. Although the District's net investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The District's financial position is the product of several financial transactions including the net results of activities, the acquisition and payment of debt, the acquisition of capital assets, and the depreciation of capital assets.

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Fiscal Year Ended June 30, 2016
(Continued)**

The following table presents a summary of the District's net position for the fiscal years ended June 30, 2016, and, June 30, 2015.

| | <u>2016</u> | <u>2015</u> | <u>Change</u> |
|---|-------------------------------|-------------------------------|----------------------------|
| Current and Other Assets | \$ 18,176,225 | \$ 19,739,475 | \$ (1,563,250) |
| Capital Assets | 52,154,685 | 52,866,570 | (711,885) |
| Deferred Outflows | <u>3,755,398</u> | <u>4,236,565</u> | <u>(481,167)</u> |
| Total Assets and Deferred Outflows | <u>74,086,308</u> | <u>76,842,610</u> | <u>(2,756,302)</u> |
| Long Term Debt Outstanding | 76,967,468 | 79,003,894 | (2,036,426) |
| Other Liabilities | 6,146,091 | 6,679,708 | (533,617) |
| Deferred Inflows | <u>2,272,621</u> | <u>4,196,174</u> | <u>(1,923,553)</u> |
| Total Liabilities and Deferred Inflows | <u>85,386,180</u> | <u>89,879,776</u> | <u>(4,493,596)</u> |
| Net Investment in Capital Assets | 25,932,040 | 24,138,925 | 1,793,115 |
| Restricted | 5,841,314 | 7,586,008 | (1,744,694) |
| Unrestricted | <u>(43,073,226)</u> | <u>(44,762,099)</u> | <u>1,688,873</u> |
| Total Net Position | <u>\$ (11,299,872)</u> | <u>\$ (13,037,166)</u> | <u>\$ 1,737,294</u> |

The following are significant current-year transactions that have had an impact on the Statement of Net Position:

- Capital lease of \$300,000.
- \$1,799,254 in depreciation expense.
- \$17,625,000 in proceeds from the IPR refunding Bonds.

Changes in net position: The District's total revenues for the fiscal year ended June 30, 2016, were \$52,052,134. The total cost of all programs and services was \$50,314,839. The following table presents a summary of the activity that resulted in changes in net position for the fiscal year ended June 30, 2016.

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MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Fiscal Year Ended June 30, 2016
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| | <u>Governmental Activities</u> | <u>Business-Type Activities</u> | <u>Total</u> |
|--|------------------------------------|-------------------------------------|----------------------------|
| Revenues: | | | |
| Program Fees: | | | |
| Fees, Fines and Charges for Services | \$ 1,496,995 | \$ 186,942 | \$ 1,683,937 |
| Operating Grants | 28,117,421 | 3,170,159 | 31,287,580 |
| General Revenues: | | | |
| Property Taxes | 11,581,758 | - | 11,581,758 |
| Miscellaneous | 1,634,398 | - | 1,634,398 |
| Unrestricted Investment Earnings | 54,032 | 13,504 | 67,536 |
| Intergovernmental Revenues | 5,946,510 | - | 5,946,510 |
| Loss on Disposal of Assets | - | (149,585) | (149,585) |
| Transfer - Food Service Fund | <u>326,902</u> | <u>(326,902)</u> | <u>-</u> |
| Total Revenues | <u>49,158,016</u> | <u>2,894,118</u> | <u>52,052,134</u> |
| Expenses: | | | |
| Instruction | 21,051,582 | - | 21,051,582 |
| Support services | 18,704,975 | - | 18,704,975 |
| Community Services | 122,423 | - | 122,423 |
| Intergovernmental | 4,193,124 | - | 4,193,124 |
| Capital Outlay | 435,693 | - | 435,693 |
| Interest and Other Charges | 2,852,665 | - | 2,852,665 |
| Food Service | <u>-</u> | <u>2,954,377</u> | <u>2,954,377</u> |
| Total Expenses | <u>47,360,462</u> | <u>2,954,377</u> | <u>50,314,839</u> |
| Change in Net Position | 1,797,554 | (60,259) | 1,737,295 |
| Net Position, Beginning of Year | <u>(13,587,240)</u> | <u>550,073</u> | <u>(13,037,167)</u> |
| Net Position, End of Year | <u>\$ (11,789,686)</u> | <u>\$ 489,814</u> | <u>\$ (11,299,872)</u> |

Governmental activities: The following table presents the cost of the five major functional activities: instruction, support services, capital outlay, intergovernmental, and debt service. The table also shows each function's net cost (total cost, less charges for services generated by the activities and intergovernmental aid provided for specific programs). The net cost shows the financial burden that was placed on the State and District's taxpayers by each of these functions.

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MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Fiscal Year Ended June 30, 2016
(Continued)**

| | <u>2016</u> | | <u>2015</u> | |
|-----------------------------|---------------------------------|--|---------------------------------|--|
| | <u>Total</u> <u>Expenses</u> | <u>Net (Expense)</u> <u>Revenue</u> | <u>Total</u> <u>Expenses</u> | <u>Net (Expense)</u> <u>Revenue</u> |
| Instruction | \$ 21,051,582 | \$ (1,972,324) | \$ 24,176,583 | \$ (9,585,106) |
| Support services | 18,704,975 | (9,057,715) | 19,318,355 | (6,113,472) |
| Community Services | 122,423 | (122,423) | 118,950 | (34,538) |
| Intergovernmental | 4,193,124 | (3,305,226) | 3,164,110 | (1,278,915) |
| Interest and Other Charges | 2,852,665 | (2,852,665) | 1,184,271 | (1,184,271) |
| Capital Outlay/Depreciation | <u>435,693</u> | <u>(435,693)</u> | <u>98,652</u> | <u>(98,652)</u> |
| Total Expenses | <u>\$ 47,360,462</u> | <u>\$ (17,746,046)</u> | <u>\$ 48,060,921</u> | <u>\$ (18,294,954)</u> |

- The cost of all governmental activities this year was \$47,360,462.
- Net cost of governmental activities \$(17,746,046) was financed by general revenues which are made up primarily of property taxes \$11,581,758 and unrestricted federal and state aid \$5,946,510.

FINANCIAL ANALYSIS OF THE DISTRICT FUNDS

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

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

The financial performance of the District as a whole is reflected in its governmental funds. As the District completed the year, its governmental funds reported a combined fund balance of \$9,341,191, a decrease of \$1,153,064. Approximately \$2,942,639 (or 32%) of the fund balance constitutes unassigned fund balance which is available for spending at the District's discretion.

The General Fund is the principal operating fund of the District. The increase in the fund balance in the General Fund for the fiscal year was \$188,400.

Proprietary Fund: Proprietary Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises. The Food Service Fund is the only Proprietary Fund. The Fund had a net loss of \$60,259. Food Service operated a summer feeding program during 2016, which was profitable for the District. A transfer to the General Fund of \$326,902 was made as repayment for transfers from the General Fund in prior years to fund deficits in Proprietary Fund net position. See Note 17 for additional information.

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Fiscal Year Ended June 30, 2016
(Continued)**

GENERAL FUND BUDGETARY HIGHLIGHTS

This year Act 388 Property Tax Relief Bill stayed in effect, and we were one of the Districts receiving 2.5 million dollars. The District did not furlough teachers, administrators and other employees in this fiscal year. The District did not use substitutes as much as in prior years, instead having teachers cover for one another. We did not fill any position unless it was a must. The District attempted to reduce spending for supplies and equipment from the General Fund Budget and reduced travel and attendance at conferences. We were very fortunate this year because our employees were so willing to help the District in any way that they could so we could continue to try to cut spending and save jobs.

A schedule showing the original and final budget amounts compared to the District's actual financial activity for the General Fund is provided in this report as required supplementary information. The General Fund budget was not amended this year.

Capital Assets: As of June 30, 2016, the District had invested \$52,154,685 (net of related depreciation) in capital assets, including land, school buildings, athletic facilities, buses and other vehicles, computers, and other equipment. Total depreciation expense for the year was \$1,901,520.

The following schedule presents capital asset balances, net of depreciation, for the fiscal years ended June 30, 2016.

| | Governmental Activities <u>2016</u> | Business -Type Activities <u>2016</u> | Total <u>2016</u> |
|---------------------------------|---|---|-----------------------------|
| Land | \$ 688,198 | \$ - | \$ 688,198 |
| Construction in Progress | 102,343 | - | 102,343 |
| Building and Improvements | 85,681,867 | 554,741 | 86,236,608 |
| Machinery and Equipment | 5,169,942 | 631,126 | 5,801,068 |
| Accumulated Depreciation | <u>(40,124,438)</u> | <u>(549,094)</u> | <u>(40,673,532)</u> |
| Total Net Capital Assets | <u>\$ 51,517,912</u> | <u>\$ 636,773</u> | <u>\$ 52,154,685</u> |

Additional information on the District's capital assets can be found in Note 6 of this report.

Debt Administration: At year's end, the District had \$76,967,468 in general obligation bonds, capital leases, compensated absences and pension liability, of which \$1,039,000 is due within one year. The following table presents a summary of the District's outstanding long-term debt for the fiscal year ended June 30, 2016, and June 30, 2015.

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Fiscal Year Ended June 30, 2016
(Continued)**

| | Governmental Activities | | Business-Type Activities | | Total | |
|-------------------------|-------------------------|----------------------|--------------------------|---------------------|----------------------|----------------------|
| | <u>2015</u> | <u>2016</u> | <u>2015</u> | <u>2016</u> | <u>2015</u> | <u>2016</u> |
| Long Term Bonds | \$ 27,340,534 | \$ 24,831,534 | \$ - | \$ - | \$ 27,340,534 | \$ 24,831,534 |
| Capital Lease | 1,500,000 | 1,504,000 | - | - | 1,500,000 | 1,504,000 |
| Compensated Absences | 390,975 | 421,768 | - | - | 390,975 | 421,768 |
| Net Pension Liability | <u>47,742,556</u> | <u>47,892,479</u> | <u>2,029,829</u> | <u>2,317,687</u> | <u>49,772,385</u> | <u>50,210,166</u> |
| Total Net Assets | <u>\$ 76,974,065</u> | <u>\$ 74,649,781</u> | <u>\$ 2,029,829</u> | <u>\$ 2,317,687</u> | <u>\$ 79,003,894</u> | <u>\$ 76,967,468</u> |

State statutes currently limit the amount of general obligation debt a District may issue to 8 percent of its total assessed valuation, unless approved by voter referendum.

Additional information on the Districts' long-term debt can be found in Note 8 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

School District of Williamsburg County is a rural district located in the Lower Pee Dee Area of South Carolina. According to the 2010 Census Report, Williamsburg County has a population of 34,423, a decrease of 2,794 from the 2000 Census Report. Student enrollment has declined from 6,405 in 2000 to 4116 students in 2016. There are very few industries in the county. All of the above has led to a significant decline in local revenues and the value of a tax mill.

Many factors were considered by the District's administration during the process of developing the 2016-2017 budget. The base student cost for 2016-2017 is \$2,197. The District's top priority is to ensure a high quality education for all students.

School District of Williamsburg County budgeted expenditures, in the General Fund, were decreased in an effort to balance the budget as revenue continues to decline. Some factors included in building the 2016-2017 budget were continued reductions in staff through attrition where possible, reductions in supplies, equipment, travel and telephone accounts. To fund the remaining budgeted expenditures the District was forced to use flex funding of State funding where available and approximately \$297,258 of fund balance. The District also applied and was approved to use a Tax Anticipation Note of \$1,000,000 to aid in funding expenditures.

As discussed in Note 18 on page 50, the District has one significant subsequent event that took place prior to the issuance of this financial report.

CONTACT THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, investors, and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the resources it receives. If you have questions about this report or need additional information, contact the Finance Office at 423 School Street, Kingstree, South Carolina 29556 (telephone 843-355-5571).

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
STATEMENT OF NET POSITION
June 30, 2016**

| | <u>Governmental Activities</u> | <u>Business-Type Activities</u> | <u>Total</u> | <u>Component Unit</u> <u>Charter School</u> |
|--|------------------------------------|-------------------------------------|--------------------------|--|
| Assets | | | | |
| Cash and Cash Equivalents | \$ 7,353,636 | \$ 1,655 | \$ 7,355,291 | \$ 689,772 |
| Cash and Cash Equivalents , Restricted | 2,231,683 | - | 2,231,683 | - |
| Cash with County Treasurer/Fiscal Agent | 2,682,368 | - | 2,682,368 | - |
| Property Taxes Receivable, Net | 575,123 | - | 575,123 | - |
| Due from other Governmental Units | 4,276,246 | 41,650 | 4,317,896 | 273,419 |
| Prepaid Expense | 549,201 | - | 549,201 | 627 |
| Other Receivables | 423,761 | 3,886 | 427,647 | - |
| Internal Balances | (2,060,198) | 2,060,198 | - | - |
| Inventories - Supplies and Materials | 8,037 | 28,979 | 37,016 | - |
| Capital Assets: | | | | |
| Land and Improvements | 688,198 | - | 688,198 | - |
| Construction in Progress | 102,343 | - | 102,343 | - |
| Buildings and Improvements | 85,681,867 | 554,741 | 86,236,608 | 46,930 |
| Vehicles and Equipment | 5,169,942 | 631,126 | 5,801,068 | 141,237 |
| Less: Accumulated Depreciation | (40,124,438) | (549,094) | (40,673,532) | (30,611) |
| Total Capital Assets, Net of Depreciation | <u>51,517,912</u> | <u>636,773</u> | <u>52,154,685</u> | <u>157,556</u> |
| Total Assets | <u>67,557,769</u> | <u>2,773,141</u> | <u>70,330,910</u> | <u>1,121,374</u> |
| Deferred Outflows of Resources | | | | |
| Prepaid Pension Cost | <u>3,582,050</u> | <u>173,348</u> | <u>3,755,398</u> | <u>2,005,335</u> |
| Total Deferred Outflows of Resources | <u>3,582,050</u> | <u>173,348</u> | <u>3,755,398</u> | <u>2,005,335</u> |
| Total Assets and Deferred Outflows of Resources | <u>\$ 71,139,819</u> | <u>\$ 2,946,489</u> | <u>\$ 74,086,308</u> | <u>\$ 3,126,709</u> |

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

SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
STATEMENT OF NET POSITION
June 30, 2016
(Continued)

| | Governmental Activities | Business-Type Activities | Total | <u>Component Unit</u> Charter School |
|--|----------------------------|-----------------------------|------------------------|---|
| Liabilities | | | | |
| Accounts Payable and Accrued Expenses | \$ 194,119 | \$ - | \$ 194,119 | \$ 362,765 |
| Due to Federal Government - JROTC | 10,674 | - | 10,674 | - |
| Accrued Personnel Costs | 3,802,175 | - | 3,802,175 | - |
| Accrued Interest Payable | 172,953 | - | 172,953 | - |
| Unearned Revenue | 1,772,454 | 54,716 | 1,827,170 | 7,720 |
| Short Term General Obligation Bond Payable | 139,000 | - | 139,000 | - |
| Long-Term Liabilities: | | | | |
| Due Within One Year: | | | | |
| Capital Lease | 352,000 | - | 352,000 | - |
| G.O. Bonds | 407,000 | - | 407,000 | - |
| IPR Bonds | 280,000 | - | 280,000 | - |
| Notes Payable | - | - | - | 140,908 |
| Due in More Than One Year: | | | | |
| Compensated Absences | 421,768 | - | 421,768 | 12,342 |
| Notes Payable | - | - | - | 1,034 |
| Arbitrage Payable | 112,889 | - | 112,889 | - |
| Capital Lease | 1,152,000 | - | 1,152,000 | - |
| Net Pension Liability | 47,892,479 | 2,317,687 | 50,210,166 | 2,401,030 |
| G.O. Bonds | 1,102,000 | - | 1,102,000 | - |
| IPR Bonds | 17,345,000 | - | 17,345,000 | - |
| QZAB Bonds | 5,584,645 | - | 5,584,645 | - |
| Total Liabilities | <u>80,741,156</u> | <u>2,372,403</u> | <u>83,113,559</u> | <u>2,925,799</u> |
| Deferred Inflows of Resources | | | | |
| Deferred Gain on Bond Refunding | 446,951 | - | 446,951 | - |
| Unavailable Revenue - Pension | 1,741,398 | 84,272 | 1,825,670 | 4,294 |
| Total Deferred Inflows of Resources | <u>2,188,349</u> | <u>84,272</u> | <u>2,272,621</u> | <u>4,294</u> |
| Total Liabilities and Deferred Inflows of Resources | <u>82,929,505</u> | <u>2,456,675</u> | <u>85,386,180</u> | <u>2,930,093</u> |
| Net Position | | | | |
| Net Investment in Capital Assets | 25,295,267 | 636,773 | 25,932,040 | 150,614 |
| Restricted for: | | | | |
| Debt Service | 2,108,397 | - | 2,108,397 | - |
| Capital Projects | 3,732,917 | - | 3,732,917 | - |
| Unrestricted | (42,926,267) | (146,959) | (43,073,226) | 46,002 |
| Total Net Position | <u>\$ (11,789,686)</u> | <u>\$ 489,814</u> | <u>\$ (11,299,872)</u> | <u>\$ 196,616</u> |

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

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
STATEMENT ACTIVITIES
For the Fiscal Year Ended June 30, 2016**

| Function/Programs | Program Revenues | | | Net (Expense) Revenue and Changes in Net Assets | | | Component Unit |
|---|----------------------|--------------------------------|------------------------------------|---|--------------------------|------------------------|-------------------|
| | Expenses | Charges for Services and Sales | Operating Grants and Contributions | Governmental Activities | Business-Type Activities | Total | |
| Primary Government | | | | | | | |
| Governmental Activities | | | | | | | |
| Instruction | \$ 21,051,582 | \$ 315,335 | \$ 18,763,923 | (1,972,324) | \$ - | \$ (1,972,324) | |
| Support Services | 18,704,975 | 1,181,660 | 8,465,600 | (9,057,715) | - | (9,057,715) | |
| Community Services | 122,423 | - | - | (122,423) | - | (122,423) | |
| Intergovernmental | 4,193,124 | - | 887,898 | (3,305,226) | - | (3,305,226) | |
| Interest and Other Charges | 2,852,665 | - | - | (2,852,665) | - | (2,852,665) | |
| Capital Outlay | 435,693 | - | - | (435,693) | - | (435,693) | |
| Total Governmental Activities | <u>47,360,462</u> | <u>1,496,995</u> | <u>28,117,421</u> | <u>(17,746,046)</u> | <u>-</u> | <u>(17,746,046)</u> | |
| Business-Type Activities | | | | | | | |
| Food Service | 2,954,377 | 186,942 | 3,170,159 | - | 402,724 | 402,724 | |
| Total Business-Type Activities | <u>2,954,377</u> | <u>186,942</u> | <u>3,170,159</u> | <u>-</u> | <u>402,724</u> | <u>402,724</u> | |
| Total Primary Government | <u>\$ 50,314,839</u> | <u>\$ 1,683,937</u> | <u>\$ 31,287,580</u> | <u>(17,746,046)</u> | <u>402,724</u> | <u>(17,343,322)</u> | |
| Component Unit | | | | | | | |
| D.P. Cooper Charter School | \$ 4,085,230 | \$ - | \$ 4,036,634 | - | - | - | \$ (48,596) |
| Total Component Unit | <u>\$ 4,085,230</u> | <u>\$ -</u> | <u>\$ 4,036,634</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>(48,596)</u> |
| General Revenues and Transfers | | | | | | | |
| Property Taxes Levied for: | | | | | | | |
| General Purposes | | | | 8,678,976 | - | 8,678,976 | - |
| Debt Service | | | | 2,902,782 | - | 2,902,782 | - |
| Investment Earnings | | | | 54,032 | 13,504 | 67,536 | - |
| Federal and State Aid Not Restricted to Specific Purposes | | | | 5,946,510 | - | 5,946,510 | - |
| Other Local Sources | | | | 619,072 | - | 619,072 | 74,993 |
| Premium on Bonds Sold | | | | 1,267,442 | - | 1,267,442 | - |
| Loss on Disposal of Assets | | | | (207,116) | (149,585) | (356,701) | - |
| Transfers - Pupil Activity Fund | | | | (45,000) | - | (45,000) | - |
| Transfers - Food Service | | | | 326,902 | (326,902) | - | - |
| Total General Revenues and Transfers | | | | <u>19,543,600</u> | <u>(462,983)</u> | <u>19,080,617</u> | <u>74,993</u> |
| Change in Net Position | | | | 1,797,554 | (60,259) | 1,737,295 | 26,397 |
| Net Position, Beginning of Year | | | | <u>(13,587,240)</u> | <u>550,073</u> | <u>(13,037,167)</u> | <u>170,219</u> |
| Net Position, End of Year | | | | <u>\$ (11,789,686)</u> | <u>\$ 489,814</u> | <u>\$ (11,299,872)</u> | <u>\$ 196,616</u> |

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

SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2016

| | <u>General</u> | <u>Special Revenue</u> | <u>EIA</u> | <u>Capital Projects District</u> | <u>Debt Service District</u> | <u>Other Governmental Funds</u> | <u>Total Governmental Funds</u> |
|---|----------------------|----------------------------|-------------------|--|--------------------------------------|---|---|
| Assets | | | | | | | |
| Cash and Cash Equivalents | \$ 7,353,636 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 7,353,636 |
| Cash and Cash Equivalents, Restricted | - | - | - | 2,218,022 | - | 13,661 | 2,231,683 |
| Cash With County Treasurer/Fiscal Agent | - | - | - | 168,843 | 2,265,967 | - | 2,434,810 |
| Due from County Treasurer | 1,031,820 | - | - | - | 247,558 | - | 1,279,378 |
| Property Taxes Receivable, Net | 575,123 | - | - | - | - | - | 575,123 |
| Due from Other Funds | - | 747,041 | 753,778 | 1,208,332 | - | 125,222 | 2,834,373 |
| Due from Federal Government | 4,515 | 2,721,465 | - | - | - | - | 2,725,980 |
| Due from State Government | 302,715 | 186,112 | 29,619 | - | - | - | 518,446 |
| Prepaid Expense | 549,201 | - | - | - | - | - | 549,201 |
| Accounts Receivable | 365,939 | 55,822 | 2,000 | - | - | - | 423,761 |
| Inventories - Supplies and Materials | 8,037 | - | - | - | - | - | 8,037 |
| Total Assets | \$ 10,190,986 | \$ 3,710,440 | \$ 785,397 | \$ 3,595,197 | \$ 2,513,525 | \$ 138,883 | \$ 20,934,428 |
| Liabilities | | | | | | | |
| Accounts Payable and Accrued Expenses | \$ 169,580 | \$ - | \$ - | \$ - | \$ 24,538 | \$ - | \$ 194,118 |
| Accrued Personnel Costs | 3,802,175 | - | - | - | - | - | 3,802,175 |
| Due to Federal Government - JROTC | - | 10,674 | - | - | - | - | 10,674 |
| Due to Other Funds | 2,143,876 | 2,713,064 | - | - | 37,631 | - | 4,894,571 |
| Unearned Revenue | - | 987,057 | 785,397 | - | - | - | 1,772,454 |
| Short Term GO Bonds Payable | - | - | - | - | 139,000 | - | 139,000 |
| Total Liabilities | 6,115,631 | 3,710,795 | 785,397 | - | 201,169 | - | 10,812,992 |
| Deferred Inflows of Resources | | | | | | | |
| Unavailable Revenue - Property Taxes | 575,123 | - | - | - | 205,122 | - | 780,245 |
| Total Deferred Inflows of Resources | 575,123 | - | - | - | 205,122 | - | 780,245 |
| Fund Balances | | | | | | | |
| Non-Spendable: | | | | | | | |
| Inventory | 8,037 | - | - | - | - | - | 8,037 |
| Prepaid Expenses | 549,201 | - | - | - | - | - | 549,201 |
| Restricted | | | | | | | |
| Debt Service | - | - | - | - | 2,107,234 | 1,163 | 2,108,397 |
| Capital Projects | - | - | - | 3,595,197 | - | 137,720 | 3,732,917 |
| Unassigned | 2,942,994 | (355) | - | - | - | - | 2,942,639 |
| Total Fund Balances | 3,500,232 | (355) | - | 3,595,197 | 2,107,234 | 138,883 | 9,341,191 |
| Total Liabilities, Deferred Inflows of Resources and Fund Balances | \$ 10,190,986 | \$ 3,710,440 | \$ 785,397 | \$ 3,595,197 | \$ 2,513,525 | \$ 138,883 | \$ 20,934,428 |

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

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO
THE STATEMENT OF NET POSITION
June 30, 2016**

Total Fund Balances - Governmental Funds (Exhibit C) \$ 9,341,191

Amounts reported for governmental activities in the Statement of Net Position are different because:

Receivables will be collected this year, but are not available soon enough to pay to pay for the current period's expenditures and, therefore, are deferred in the funds.

Property Taxes 780,244

Capital assets used in governmental activities are not financial resources, and therefore, are not reported as assets in the governmental funds.

The cost of the assets is \$92,384,917 and the accumulated depreciation is \$40,294,710. 51,517,912

Deferred refunding credits are amortized over the lives of the refunding bond in the Statement of Net Position; however, they are recognized in the year incurred in the governmental funds

(446,951)

Accrued Interest on long-term debt in governmental accounting was not due and payable in the current period and, therefore, has not been reported as a liability in the funds.

(172,953)

Deferred outflows and inflows of resources related to pension expense are applicable to future periods and, therefore, are not reported in the funds.

Deferred outflows of resources related to pension of \$3,582,050 equals \$1,171,453 deferred outflows of pension expense (from pension schedule) plus \$2,410,597 deferred outflows of 2016 employer contributions relating to pensions 3,582,050

Deferred inflows of resources related to pensions (from pension schedule) (1,741,398)

Long-term liabilities are not due and payable in the current period, and, therefore, are not reported as liabilities in the funds.

Long-term liabilities at year-end consist of:

General Obligation Bonds (1,509,000)

Capital Lease (1,504,000)

IPR Bonds (17,625,000)

Compensated Absences (421,768)

Arbitrage Rebate (112,889)

QZAB Bonds (5,584,645)

Net Pension Liability (47,892,479)

Total Net Position - Governmental Activities (Exhibit A) \$ (11,789,686)

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

SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Fiscal Year Ended June 30, 2016

| | General | Special Revenue | Education Improvement Act | Capital Projects District | Debt Service District | Other Governmental Funds | Total Governmental Funds |
|--|--------------|--------------------|---------------------------------|---------------------------------|-----------------------------|--------------------------------|--------------------------------|
| Revenues | | | | | | | |
| Local Property Taxes | \$ 8,798,761 | \$ - | \$ - | \$ - | \$ 2,902,782 | \$ - | \$ 11,701,543 |
| Other Local | 563,406 | 1,425,698 | - | 144,443 | 4,568 | 4,050 | 2,142,165 |
| Total Local | 9,362,167 | 1,425,698 | - | 144,443 | 2,907,350 | 4,050 | 13,843,708 |
| State | 21,546,440 | 1,155,886 | 3,243,210 | - | 492,166 | - | 26,437,702 |
| Federal | - | 7,626,229 | - | - | - | - | 7,626,229 |
| Intergovernmental | - | - | - | - | - | - | - |
| Total Revenues | 30,908,607 | 10,207,813 | 3,243,210 | 144,443 | 3,399,516 | 4,050 | 47,907,639 |
| Expenditures | | | | | | | |
| Current: | | | | | | | |
| Instruction | 14,094,604 | 5,340,632 | 1,659,703 | - | - | - | 21,094,939 |
| Support Services | 14,417,283 | 3,363,732 | 652,385 | 124,787 | - | - | 18,558,187 |
| Community Services | 122,423 | - | - | - | - | - | 122,423 |
| Intergovernmental | 3,321,481 | 586,359 | 285,284 | - | - | - | 4,193,124 |
| Debt Service: | | | | | | | |
| Principal | - | - | - | - | 705,000 | 410,000 | 1,115,000 |
| Interest and Fees | - | - | - | - | 157,781 | 1,997,344 | 2,155,125 |
| Other Objects | - | - | - | 10,000 | 39,769 | 536,597 | 586,366 |
| Capital Outlay | 42,143 | 334,401 | 24,471 | 1,468,753 | - | - | 1,869,768 |
| Total Expenditures | 31,997,934 | 9,625,124 | 2,621,843 | 1,603,540 | 902,550 | 2,943,941 | 49,694,932 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | (1,089,327) | 582,689 | 621,367 | (1,459,097) | 2,496,966 | (2,939,891) | (1,787,293) |
| Other Financing Sources (Uses) | | | | | | | |
| Proceeds from Capital Lease | - | - | - | 300,000 | - | - | 300,000 |
| Premium on Bonds Sold | - | - | - | - | 17,000 | 1,250,443 | 1,267,442 |
| Proceeds of Refunding Debt | - | - | - | - | - | 17,625,000 | 17,625,000 |
| Other Financing Sources | - | - | - | - | - | 474,885 | 474,885 |
| Payment on Refunded Debt Escrow Agent | - | - | - | - | - | (19,315,000) | (19,315,000) |
| Operating Transfers In | 1,712,327 | 389,600 | - | 883,060 | - | 1,416,476 | 4,401,463 |
| Operating Transfers Out | (434,600) | (569,059) | (621,367) | - | (2,104,535) | (390,001) | (4,119,562) |
| Total Other Financing Sources (Uses) | 1,277,727 | (179,459) | (621,367) | 1,183,060 | (2,087,535) | 1,061,803 | 634,229 |
| Net Change in Fund Balances | 188,400 | 403,230 | - | (276,037) | 409,431 | (1,878,088) | (1,153,064) |
| Fund Balances, Beginning of Year | 3,311,832 | (403,585) | - | 3,871,234 | 1,697,803 | 2,016,971 | 10,494,255 |
| Fund Balances, End of Year | \$ 3,500,232 | \$ (355) | \$ - | \$ 3,595,197 | \$ 2,107,234 | \$ 138,883 | \$ 9,341,191 |

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

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
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, 2016**

Total Net Change In Fund Balances - Governmental Funds (Exhibit E) \$ (1,153,064)

Amounts reported for governmental activities in the Statement of Activities are different because of the following:

Capital outlays are reported in the governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over the estimated useful lives as depreciation expense. This is the amount by which depreciation expense of (\$1,799,254) exceeds capital outlay of (\$1,434,075) in the period. (365,179)

Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. 296,000

Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. 819,000

Payments to refunding escrow agent of debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. 19,315,000

Advanced Refunding proceeds are reported as other financing sources in the governmental funds and thus contribute to the change in fund balance. In the government-wide statements, however, issuing debt increases long-term liabilities in the Statement of Net Position and does not affect the Statement of Activities. (17,625,000)

Capital lease proceeds are reported as other financing sources in the governmental funds and thus contribute to the change in fund balance. In the government-wide statements, however, issuing debt increases long-term liabilities in the Statement of Net Position and does not affect the Statement of Activities. (300,000)

Because some revenues will not be collected for several months after the District's fiscal year ends, they are not considered "available" revenues and are deferred in the governmental funds. Deferred tax revenue decreased in the current year (119,785)

Deferred advanced refunding gains are recorded in the year the debt is refunded in the governmental funds, but are amortized over the life of the refunding debt in the Statements of Activities. (446,951)

Deferred advance refunding charges are recorded in the year the debt is refunded in the governmental funds, but are amortized over the life of the refunding debt in the Statements of Activities. (77,802)

In the Statement of Activities, compensated absences are measured by the amounts earned during the year. In the governmental funds, however, expenditures are measured by the amount of financial resources used. This year vacation leave earned exceeded the amount used by. (30,793)

Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the Statement of Activities, interest expense is recognized as the interest accrues, regardless of when it is due. Accrued interest payable increased during the year. (33,372)

The loss on disposal of assets has been included in the Statement of Activities, whereas in the governmental funds, losses from the disposal of assets decrease financial resources. Thus, the change in net position differs from the change in fund balance by the carrying amount of the assets disposed. (207,116)

Governmental funds report the District's pension contributions as expenditures. However, in the Statement of Activities, the cost of pension benefits earned net of employee contributions is reported as pension expense

| | | |
|---|-----------|-----------|
| District pension contributions | 2,410,597 | |
| Cost of benefits earned net of employee contributions (pension expense on benefit schedule) | (683,981) | |
| | | 1,726,616 |

Change in Net Position of Governmental Activities (Exhibit B) \$ 1,797,554

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

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
STATEMENT OF NET POSITION
PROPRIETARY FUND
June 30, 2016**

| | Enterprise Fund <u>Food Service</u> |
|--|--|
| Assets | |
| Current Assets: | |
| Cash | 1,655 |
| Due from General Fund | 2,060,198 |
| Due from State and Federal Governments | 41,650 |
| Other Receivables | 3,886 |
| Inventories: | |
| Purchased Food and Supplies | 24,844 |
| USDA Inventory | <u>4,135</u> |
| Total Current Assets | <u>2,136,368</u> |
| Non-Current Assets: | |
| Building Improvements | 554,741 |
| Equipment | 631,126 |
| Less: Accumulated Depreciation | <u>(549,094)</u> |
| Total Non-Current Assets | <u>636,773</u> |
| Total Assets | <u>2,773,141</u> |
| Deferred Outflows of Resources | |
| Prepaid Pension Cost | <u>173,348</u> |
| Total Assets and Deferred Outflows of Resources | <u>2,946,489</u> |
| Liabilities | |
| Current Liabilities: | |
| Unearned Revenue | 54,716 |
| Long-Term Liabilities: | |
| Net Pension Liability | <u>2,317,687</u> |
| Total Liabilities | <u>2,372,403</u> |
| Deferred Inflows of Resources | |
| Unavailable Revenue - Pension | <u>84,272</u> |
| Net Position | |
| Net Invested in Capital Assets | 636,773 |
| Unrestricted | <u>(146,959)</u> |
| Total Net Position | <u><u>\$ 489,814</u></u> |

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

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUND
For the Fiscal Year Ended June 30, 2016**

| | Enterprise Fund <u>Food Service</u> |
|--|--|
| Operating Revenues | |
| Proceeds From Sale of Meals | \$ <u>186,942</u> |
| Total Operating Revenues | <u>186,942</u> |
| Operating Expenses | |
| Food Cost | 1,216,623 |
| Personnel Costs | 1,279,712 |
| Purchased Services | 60,777 |
| Supplies and Materials | 289,978 |
| Depreciation | 102,265 |
| Other Operating Costs | <u>5,022</u> |
| Total Operating Expenses | <u>2,954,377</u> |
| Operating Income (Loss) | <u>(2,767,435)</u> |
| Non-Operating Revenues (Expenses) | |
| Interest Income | 13,504 |
| Loss on Disposal of Fixed Assets | (149,585) |
| Other Federal and State Aid | 229 |
| USDA Reimbursement | 3,055,969 |
| Commodities Received From USDA | <u>113,961</u> |
| Total Non-Operating Revenues | <u>3,034,078</u> |
| Income Before Operating Transfers | <u>266,643</u> |
| Transfers In (Out) | |
| Indirect Costs | (190,814) |
| Fringe Benefits | <u>(136,088)</u> |
| Total Transfers In (Out) | <u>(326,902)</u> |
| Change in Net Position | (60,259) |
| Net Position, Beginning of Year | <u>550,073</u> |
| Net Position, End of Year | <u><u>\$ 489,814</u></u> |

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

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
For the Fiscal Year Ended June 30, 2016**

**Enterprise Fund
Food Service**

Cash Flows from Operating Activities:

| | |
|--|------------------------|
| Received from Patrons | \$ 151,265 |
| Payments to Employees for Services | (1,279,712) |
| Payments to Suppliers for Goods and Services | <u>(1,255,846)</u> |
| Net Cash Used by Operating Activities | <u>(2,384,293)</u> |

Cash Flows From Non-Capital Financing Activities:

| | |
|---|----------------------|
| Received from USDA Reimbursements | 3,055,969 |
| (Increase) in Due from Other Fund | (245,401) |
| Operating Transfers to Other Funds | (326,902) |
| Non-Operating Grants Received | <u>229</u> |
| Net Cash Provided by Non-Capital Financing Activities | <u>2,483,895</u> |

Cash Flows From Capital and Related Financing Activities:

| | |
|---|----------------------|
| Acquisition of Capital Assets | <u>(112,261)</u> |
| Net Cash Used by Capital and Related Financing Activities | <u>(112,261)</u> |

Cash Flows From Investing Activities:

| | |
|---|-------------------|
| Interest on Investments | <u>13,504</u> |
| Net Cash Provided by Investing Activities | <u>13,504</u> |

| | |
|---|-----|
| Net Increase in Cash and Cash Equivalents | 845 |
|---|-----|

| | |
|--|------------|
| Cash and Cash Equivalents, Beginning of Year | <u>810</u> |
|--|------------|

| | |
|--|------------------------|
| Cash and Cash Equivalents, End of Year | <u><u>\$ 1,655</u></u> |
|--|------------------------|

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
 KINGSTREE, SOUTH CAROLINA
 STATEMENT OF CASH FLOWS
 PROPRIETARY FUND
 For the Fiscal Year Ended June 30, 2016
 (Continued)**

Reconciliation of Operating Income (Loss) to Net Cash Used by in Operating Activities:

| | <u>Enterprise Fund Food Service</u> |
|--|---|
| Operating Income (Loss) | \$ (2,767,435) |
| Adjustments to Reconcile Operating Income (Loss) to Net Cash | |
| Received From (Used) by Operating Activities: | |
| Depreciation | 102,265 |
| Commodities Used | 113,961 |
| Change in Assets and Liabilities: | |
| (Increase) in Receivables | (35,677) |
| Decrease in Inventories | 5,335 |
| (Increase) in Deferred Costs | (3,744) |
| Increase in Net Pension Liability | 287,858 |
| (Decrease) in Deferred Inflows | <u>(86,856)</u> |
| Net Cash Used by Operating Activities | <u>\$ (2,384,293)</u> |

Noncash Transactions:

During the year, the district received \$117,914 of food commodities from the U. S. Department of Agriculture.

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION TRUST FUNDS
For the Fiscal Year Ended June 30, 2016**

| | <u>Agency Funds</u> |
|------------------------------|----------------------------|
| Assets | |
| Cash and Cash Equivalents | \$ <u>249,240</u> |
| Total Assets | <u><u>249,240</u></u> |
| Liabilities | |
| Due to Student Organizations | <u>249,240</u> |
| Total Liabilities | <u><u>\$ 249,240</u></u> |

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

SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
June 30, 2016

Note 1. Summary of Significant Accounting Policies

The School District of Williamsburg County, Kingstree, South Carolina, and (the School District”) operate under the Board of Trustees form of government provided by the laws of the State of South Carolina. The current form of government was created by the General Assembly of South Carolina in 1980 by the Act No. 632 and subsequently amended. The School District receives funding from local, state and federal governmental sources and must comply with the related requirements of these funding source entities. The School District is governed by a seven member Board of Trustees (the “Board”).

The financial statements of School District of Williamsburg County have been prepared in conformity with accounting principles generally accepted in the United States of America, (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. In the government-wide financial statements and the fund financial statements for the proprietary funds, Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, have been applied unless those pronouncements conflict with or contradict GASB pronouncements, in which case, GASB prevails. Following are the more significant of the School District’s accounting policies.

A. Reporting Entity

The School District of Williamsburg County, (the “School District”) is controlled by a Board of Trustees (the “Board”), which has oversight responsibility over the public school education activities in the School District. The School District receives funding from local, state and federal government sources and must comply with the related requirements of these funding source entities. As required by accounting principles generally accepted in the United States of America, these basic financial statements present the School District and its component units, entities for which the School District is considered to be financially accountable or for which exclusion of a component unit would render the financial statements incomplete or misleading. Blended component units are combined with the data of the primary government. Discretely presented component units, on the other hand, are reported in a separate column in the basic financial statements to emphasize that they are legally separate from the School District. The criteria for including organizations as component units within the School District’s reporting entity, as set forth in Section 2100 of GASB’s *Codification of Governmental Accounting and Financial Reporting Standards*, include whether:

- the organization is legally separate (can sue and be sued in their own name)
- the School District holds the corporate powers of the organization
- the School District appoints voting majority of the organization’s board
- the School District is able to impose its will on the organization
- the organization has the potential to impose a financial benefit/burden on the School District
- there is a fiscal dependency by the organization on the School District

Based on the aforementioned criteria, the School District of Williamsburg County has two component units.

SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
June 30, 2016
(Continued)

Blended Component Units: SCAGO Educational Facilities Corporation EFC (the “Corporation”) was created by the School District of Williamsburg County as a nonprofit 501(c)(3) organization under the laws of the State of South Carolina for the specific purpose of providing support for capital projects of the School District. Three board members are appointed by the board of the School District. Because the Corporation exclusively benefits the School District, the Corporation’s financial information is blended with that of the School District in the basic financial statements. Separate financial statements for the Corporation are not issued.

Discretely Presented Component Units: D.P. Cooper Charter School (D.P. Cooper) is a charter school and as a charter school it is considered a public school and is considered part of the School District of Williamsburg County for the purposes of state law and state constitution. Because the charter school is fiscally dependent on the School District and because the nature and significance of the relationship between the School District and D.P. Cooper is such that the exclusion of D.P. Cooper would cause the School District’s basic financial statements to be incomplete, the financial statements of the D.P. Cooper have been included in those of the School District. Separate financial statements can be obtained from D. P. Cooper Charter School, 4568 Seaboard Road, Salters, South Carolina 29590.

B. Basis of Presentation

The School District’s basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements, which provide a more detailed level of financial information.

Government-Wide Financial Statements

The statement of net position and the statement of activities display information about the School District as a whole. These statements include the financial activities of the School District, except for fiduciary funds. The statements distinguish between those activities of the School District that are governmental in nature and those that are considered business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues. Program revenues include charges paid by the recipients of goods or services offered by the program and grant and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues. Business-type activities are financed in whole or in part by fees charged to the external parties for goods or services.

The statement of activities presents a comparison between direct and program revenues for the different business-type activities of the School District and for each function of the School District’s governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. The School District does not allocate indirect cost.

Fund Financial Statements

Fund financial statements of the School District are organized into funds, each of which is considered to be separate accounting entities. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its asset, liabilities, fund equity, revenues, and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary and fiduciary. An emphasis is placed on major funds within the governmental and proprietary categories.

SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
June 30, 2016
(Continued)

A fund is considered major if it is the primary operating fund of the School District or meets the following criteria:

- a. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category of type; and
- b. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined

The funds of the School District are described below:

Governmental Funds

Governmental funds are those through which most governmental functions of the School District are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes 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 General Fund, Special Revenue Fund, EIA, and Capital Project Fund are the School District's major governmental funds.

General Fund

The *General Fund*, a major fund, is used to account for all financial resources except those required to be accounted for in another fund. All general tax revenues and other receipts that are not allocated by law or contractual agreement to other funds are accounted for in the General Fund. Primary sources of revenues are property taxes and state revenues received under the Education Finance Act.

Special Revenue Fund

The *Special Revenue Fund*, a major fund, is used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specific purposes other than debt service or capital projects. Primary sources of revenues are state and federal grants.

Education Improvement Act (EIA) Fund

The *EIA Fund*, a major fund, is a Special Revenue fund which accounts for all resources received under the Education Improvement Act as mandated by the South Carolina Department of Education.

Debt Service Fund

The *Debt Service Fund*, a major fund, is used to account for the accumulation of resources for and the payment of general long-term debt principal, interest and related cost of the School District other than debt service payments made by enterprise funds. These funds are administered by the Williamsburg County Treasurer.

SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
June 30, 2016
(Continued)

The *Debt Service Fund – EFC*, is used to account for and report resources that restricted, committed, or assigned to principal, interest, and related costs for the long-term debt of the SCAGO Education Facilities Corporation (EFC) for School District of Williamsburg County.

Capital Projects Fund

The *Capital Projects Fund*, a major fund, accounts for and report financial resources that are restricted, committed or assigned to expenditure for the expansion or improvement of the facilities of the School District. Primary sources of revenues are state aid based upon a per pupil allocation and general obligation bond sales.

The *Capital Projects Fund (School Building Fund) – EFC*, accounts for resources used for the expansion or improvement of the facilities of the SCAGO Education Facilities Corporation (EFC) for School District of Williamsburg County.

Proprietary Fund

Proprietary Fund reporting focuses on the determination of operating income, changes in net position, financial position, and cash flows. The following is the School District's Proprietary Fund:

Enterprise Fund

The *Enterprise Fund* is used to account for business-like activities provided to the general public. These activities are financed primarily by user charges and the measurement of financial activity focuses on the net income measurement similar to the private sector.

The *Food Service Fund*, a major fund, accounts for operations (a) which are intended to be self-supporting through user charges or (b) where the State Department of Education has determined that periodic determination of net income is appropriate for management control. The food service fund which is used to record transactions of the operation of the school lunch program has been determined to be in this category.

Fiduciary Funds

Fiduciary Fund reporting focuses on net position and changes in net position. The Fiduciary Funds consist of Agency Funds.

Agency Funds

Agency Funds are used to account for assets held by the School District in a trustee capacity and do not involve measurement of results of operations.

The *Pupil Activity Fund* is used to account for all revenues and expenditures of student groups and the operation of school functions directly supported by students.

SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
June 30, 2016
(Continued)

C. Measurement Focus and Basis of Accounting

Measurement Focus

Government-Wide Financial Statements

The government-wide financial statements are prepared using a flow of economic resources measurement focus. All assets and liabilities associated with the operation of the School District are included on the statement of net position.

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reflect the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which governmental activities of the government-wide 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 fund financial statements for governmental funds.

Like the government-wide financial statements, the Proprietary Fund is accounted for using a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of this fund are included on the statement of net position. The statement of revenues, expenses and changes in net position presents increases and decreases in total net position. The statement of cash flows reflects how the School District finances and meets the cash flow of its Proprietary Fund.

Agency funds are not involved in the measurement of results of operations; therefore, measurement focus is not applicable to them.

Basis of Accounting

In the government-wide statement of net position and statement of activities, both governmental and business-like activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset is used, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, governmental funds and agency funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when “measurable and available.” Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within sixty days after year-end. Items such as property taxes are considered to be susceptible to accrual. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for the general obligation bond principal and interest which are reported when due.

SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
June 30, 2016
(Continued)

All Proprietary Funds utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

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

D. Cash, Cash Equivalents and Investments

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand and amount in demand deposits.

Investments

Investment policies of the School District must operate within existing state statutes of the State of South Carolina, which authorizes what the School District may and may not invest in. State statutes authorize the School District to invest in obligations of the United States and agencies thereof, general obligations of the State of South Carolina or any of its political units, savings and loan associations to the extent that the same are insured by an agency of the Federal government, certificates of deposit where the certificates are collaterally secured by securities of the type described above, or deposit accounts with banking institutions. Statutes also allow the State Treasurer to assist local governments in investing funds. The School District is under no contractual agreements which restrict investment alternatives or violate legal provisions.

E. Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivable balances for the governmental activities include property taxes, franchise fees, state shared revenue and grants. Property taxes receivables are carried at cost less an allowance for uncollectible. Business-type activities report intergovernmental revenues for school lunch and breakfast programs as their major receivables.

In the fund financial statements, material receivables in governmental funds include revenue accruals for federal and state revenue if they are both measurable and available. Non-exchange transactions collectible but not available, such as property taxes, are deferred in the fund financial statements in accordance with modified accrual basis, but not deferred in the government wide financial statements in accordance with the accrual basis. Proprietary Fund material receivables consist of all revenues earned at year-end and not yet received.

Intergovernmental receivables compose the majority of proprietary fund receivables. No proprietary fund allowances for uncollectible accounts receivable are reported since the receivables are from federal and state governments.

SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
June 30, 2016
(Continued)

F. Restricted Assets

Assets are reported as restricted when limitations on their use change the nature of normal understanding of the availability of the asset. Such constraints are either imposed by creditors, contributors, grantors, laws of other governments, or imposed by enabling legislation.

G. Prepaid Items/Inventories

Prepaid items consist of payments made to vendors for services that will benefit periods beyond June 30, 2016.

Inventories are valued at cost, which approximates market, using first-in/first-out (FIFO) method and are subsequently charged to expenditures/expenses when consumed rather than when purchased. Inventories include school operating and cleaning supplies.

The Enterprise fund inventory included commodities received at no cost from the U.S. Department of Agriculture (USDA). These commodities are recorded at market value as determined by the USDA at the time of receipt but have not been consumed as of June 30, 2016.

H. Capital Assets

The accounting treatment over property, plant and equipment (fixed assets) depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

Government-Wide Statements

In the government-wide financial statements, fixed assets are accounted for as capital assets. All fixed assets are valued at historical cost, or estimated historical cost if actual is unavailable, except for donated fixed assets, which are reported at their estimated fair value at the date of donation. Estimated historical cost was used to value many of the assets acquired prior to July 1, 2002. The School District maintains a capitalization policy of \$1,000 for its capital assets. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized. Interest incurred during construction is not capitalized for general capital assets.

Depreciation of all exhaustible fixed assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

| | |
|--------------|-------------|
| Buildings | 25-50 years |
| Improvements | 10-50 years |
| Equipment | 5-25 years |

SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
June 30, 2016
(Continued)

Fund Financial Statements

In the fund financial statements, fixed assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Fixed assets used in proprietary fund operations are accounted for the same as in the government-wide statements.

I. Short-term Inter-fund Receivables/Payable

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as “due from other funds” or “due to other funds” on the fund financial balance sheet. Interfund balances within governmental activities and within business-type activities are eliminated on the government-wide statement of net position.

J. Compensated Absences

The School District reports Compensated Absences in accordance with the provisions of GASB Statement No. 16, *Accounting for Compensated Absences*. The School District allows employees to accumulate 240 unused sick leave days. Earned vacation time is generally required to be used within one year of accrual. Upon retirement, the School District pays up to 90 days of accumulated sick leave at \$10 per day. Sick leave in excess of 90 days of accumulated sick leave or for termination other than retirement is not paid.

In the fund financial statements, governmental funds report only the compensated absence liability payable from expendable available financial resources. For the proprietary fund, the entire amount of compensated absences is reported as a fund liability.

K. Deferred Outflows of Resources

In addition to assets, The School District reports deferred outflows of resources in a separate section of its government wide and proprietary fund statements. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period. The School District only has two deferred outflows: the first is a deferred amount arising from the refunding of a bond in a previous year. This deferred refunding amount is being amortized over the remaining life of the refunding bond as part of interest expense. The second item is prepaid cost related to the GASB 68 pension liability.

L. Deferred Inflows of Resources

In addition to liabilities, The School District reports deferred inflows of resources in a separate section of its government wide, governmental fund and proprietary fund statements. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period. The School District has two types of items which occur because governmental fund revenues are not recognized until available (collected no later than 60 days after the end of the School District’s fiscal year) under the modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, deferred property taxes are reported in the governmental fund balance sheet. The second item is future pension revenues related to the GASB 68 pension liability.

SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
June 30, 2016
(Continued)

M. Long-term Obligations

The accounting treatment of long-term debt depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

All long-term debt to be repaid from governmental and business-type resources is reported as a liability in the government-wide statements. Bond issuance costs are expensed in the fund, in the year incurred. The long-term debt consists primarily of bonds payable, capital leases, accrued compensated absences, and pension liability.

Long-term debt for governmental funds is not reported as a liability in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest reported as expenditures. The accounting for proprietary funds is the same in the fund statements as it is in the government-wide statements.

N. Equity Classifications

Government-Wide Statements

Equity is classified as net position and displayed in three components:

- a. Net investment in capital assets. This consist of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes, capital leases or other borrowings that are attributable to the acquisition, construction, or improvements of those assets.
- b. Restricted net position. This consists of net position with constraints placed on the use by either external groups such as creditors, grantors, contributors, or laws or regulations of other governments or law through constitutional provisions or enabling legislation.
- c. Unrestricted net position. All other net position that do not meet the definition of “restricted” or “net investment in capital assets” are classified as unrestricted.

The School District classifies governmental fund balances as follows:

- Non-spendable—Includes amounts that inherently cannot be spent either because they are not in a spendable form (i.e., prepaids, inventories, long-term loan receivables, etc.) or because they are legally or contractually required to be maintained intact (i.e., principal on an endowment, etc.).
- Restricted—Includes amounts that are constrained by specific purposes which are externally imposed by (a) other governments through laws and regulations, (b) grantors or contributions through agreements, (c) creditors through debt covenants or other contracts, or (d) imposed by law through constitutional provisions or enabling legislation.
- Committed—Includes amounts that are constrained for specific purposes that are internally imposed by the government through formal action made by School District Council, which is the highest level of decision making authority, before the end of the reporting period. Those committed

SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
June 30, 2016
(Continued)

amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of action it employed to previously commit those amounts.

- **Assigned**—Includes amounts that are intended to be used for specific purposes that are neither considered restricted nor committed, designated by Council before the end of the reporting period.

- **Unassigned**—Includes amounts that do not qualify to be accounted for and reported in any of the other fund balance categories. This classification represents the amount of fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund. The General Fund should be the only fund that reports a positive unassigned fund balance amount. In other governmental funds, if expenditures incurred for specific purposes exceeded the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance.

Proprietary fund equity is classified the same as in the government-wide statements.

The School District generally uses restricted amounts first when both restricted and unrestricted (committed, assigned and unassigned) fund balance is available unless there are legal documents, contracts, or agreements that prohibit doing such. Additionally, the School District would first use committed, then assigned and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

O. Operating and Non-Operating Revenues and Expenses

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as subsidies and investment earnings, result from non-exchange transactions or ancillary activities. Operating expenses for the proprietary fund include costs of sales, administrative expenses and depreciation of capital assets. All other expenses are reported as non-operating expenses.

P. Capital Contributions

Contributions of capital on government-wide and enterprise fund financial statements arise from outside contributions of capital assets, contributions from other funds or from grants or outside contributions of resources restricted to capital acquisition and construction.

Q. Inter-fund Transactions

Transactions 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 inter-fund transfers. Inter-fund transfers are reported as other financing sources/uses in the governmental funds and non-operating revenues/expenses in the 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.

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R. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the School District's management to make estimates and assumptions. The estimates and assumptions affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reported period. Actual results could differ from those estimates.

S. Statement of Cash Flows

For purposes of the statement of cash flows, the School District's proprietary fund considers cash and cash equivalents. Cash equivalents are defined as short-term, highly liquid investments that are readily convertible to known amounts of cash and are so near their maturity that they present insignificant risk of changes in value because of changes in interest rates. Cash equivalents include certificates of deposits, treasury bills and money market funds.

T. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the South Carolina Retirement System (SCRS) and additions to/deductions from SCRS's fiduciary net position have been determined on the same basis as they are reported by SCRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Note 2. Deposits and Investments

Deposits – Custodial Credit Risk

Custodial credit risk is the risk that, in the event of a bank failure, the School District's deposits may not be recovered. The School District does not have a deposit policy for custodial credit risk. As of June 30, 2016, \$10,738,120 of the School District's bank balance of 11,629,615, which has a carrying value of \$9,835,579 was exposed to custodial credit risk as follows:

| | |
|--|----------------------|
| Uninsured by FDIC, but collateral held by pledging bank not in the School District's name | \$ <u>10,698,119</u> |
| Uninsured by FDIC | \$ <u>40,002</u> |

Investments

As of June 30, 2016, the School District had the following investment and maturity:

| <u>Investment Type</u> | <u>Fair Value</u> | <u>Investment Maturity Less Than 1 Year</u> |
|-------------------------------------|-------------------|---|
| SC Local Government Investment Pool | \$ 7,226,871 | \$ 7,226,871 |

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Interest Rate Risk – The School District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Custodial Credit Risk for Investments- Custodial credit risk for investments is the risk that, in the event of a bank failure, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The School District does not have a deposit policy for custodial credit risk, but follows the investment policy statutes of the State of South Carolina. As of June 30, 2016, none of the School District’s investments were exposed to custodial credit risk.

Concentration of Credit Risk for Investments – The School District places no limit on the amount invested in any one issuer. Investments issued by or explicitly guaranteed by the U.S. Government and investments in mutual funds, external investment pools and other pooled investments are exempt from concentration of credit risk disclosures.

Note 3. Property Taxes

The School District assesses and levies property taxes in accordance with applicable laws of the State of South Carolina. Real property and personal property of every description owned and used in the School District, except that which is exempt from taxation under the Constitution and Laws of the State, is subject to taxation. An annual ordinance establishing the millage rate associated with the levy is adopted each year as a part of the budget adoption process.

Real property and all personal property other than vehicles are assessed for property tax purposes on January 1 of each year. All taxable property is assessed in proportion to its value on that date. The basis for value of taxable property within the School District is taken from the records of the Williamsburg County Auditor. Taxes are levied in October and are due and payable at that time. Property taxes are due by January 15, and penalties are imposed as follows: 3% prior to February 1, an additional 7% prior to March 15, and an additional 5% plus collection costs after March 15.

Property taxes on licensed motor vehicles are collected on a monthly basis in the month in which individual motor vehicles licenses are renewed and revenue is recognized as collected. Property taxes are billed by Williamsburg County and are recognized when collected and remitted to the School District by the County Treasurer. Real property taxes collected within 60 days after the fiscal year end are also recognized as revenue for the year.

A summary of outstanding property taxes at June 30, 2016, is presented below.

| | General Fund | Debt Service Fund-District |
|--------------------------------------|-------------------|-------------------------------|
| Taxes Receivable | \$ 1,567,940 | \$ 322,089 |
| Less Allowance for Doubtful Accounts | <u>(992,817)</u> | <u>(116,967)</u> |
| Net Taxes Receivable | <u>\$ 575,123</u> | <u>\$ 205,122</u> |

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Note 4. Other Receivables

Other governmental receivables at June 30, 2016, consist of intergovernmental revenues.

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

Note 5. Inter-fund Receivables and Payables

Inter-fund balances at June 30, 2016, (all of which are expected to be received or paid within one year), consisted of the following individual fund receivables and payables:

| | <u>Receivable</u> | <u>Payable</u> |
|---------------------------|-------------------------|-------------------------|
| General Fund | \$ - | \$ 2,143,876 |
| Special Revenue Fund | - | 1,966,023 |
| Education Improvement Act | 753,778 | - |
| Debt Service | - | 37,631 |
| Capital Projects | 1,208,332 | - |
| Capital Projects-EFC | 125,222 | - |
| Food Service | <u>2,060,198</u> | <u>-</u> |
| Total | <u>\$ 4,147,530</u> | <u>\$ 4,147,530</u> |

The General Fund receivable is a result of the Special Revenue Fund owing the General Fund for claims that were filed but not yet received.

The General Fund payable is a result of amounts received for claims paid for by the EIA Fund, amounts received for claims for the Food Service Fund, which will be transferred to the Food Service Fund during the next fiscal year, and various transactions for the Capital Projects Funds.

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Note 6. Capital Assets

Capital Asset activity for the year ended June 30, 2016, was as follows:

| | <u>Beginning Balance</u> | | <u>Increases</u> | | <u>Decreases</u> | | <u>Ending Balance</u> |
|---------------------------------------|------------------------------|----|--------------------|----|--------------------|----|---------------------------|
| Governmental Activities: | | | | | | | |
| Capital assets not being depreciated: | | | | | | | |
| Land | \$ 688,198 | \$ | - | \$ | - | \$ | 688,198 |
| Construction in Progress | 2,529,506 | | 65,025 | | (2,492,188) | | 102,343 |
| Other Capital assets: | | | | | | | |
| Buildings and Improvements | 82,562,287 | | 3,270,674 | | (151,094) | | 85,681,867 |
| Vehicles and equipment | <u>6,604,926</u> | | <u>590,564</u> | | <u>(2,025,548)</u> | | <u>5,169,942</u> |
| Total Cost | 89,167,213 | | 3,861,238 | | (2,176,642) | | 90,851,809 |
| Less, accumulated depreciation | | | | | | | |
| Net other capital assets | <u>(40,294,711)</u> | | <u>(1,799,254)</u> | | <u>1,969,527</u> | | <u>(40,124,438)</u> |
| Net Capital assets | <u>\$ 52,090,206</u> | \$ | <u>2,127,009</u> | \$ | <u>(2,699,303)</u> | \$ | <u>51,517,912</u> |

| | <u>Beginning Balance</u> | | <u>Increases</u> | | <u>Decreases</u> | | <u>Ending Balance</u> |
|----------------------------------|------------------------------|----|------------------|----|------------------|----|---------------------------|
| Business-type activities: | | | | | | | |
| Equipment | \$ 1,542,321 | \$ | 112,261 | \$ | (1,023,456) | \$ | 631,126 |
| Buildings and Improvements | 554,741 | | - | | - | | 554,741 |
| Less, accumulated depreciation | <u>(1,320,699)</u> | | <u>(102,266)</u> | | <u>873,871</u> | | <u>(549,094)</u> |
| Net Capital assets | <u>\$ 776,363</u> | \$ | <u>9,995</u> | \$ | <u>(149,585)</u> | \$ | <u>636,773</u> |

Depreciation expense was charged to governmental activities as follows:

| | |
|--------------------|---------------------|
| Instruction | \$ 957,203 |
| Support | <u>842,051</u> |
| Total Depreciation | <u>\$ 1,799,254</u> |

Depreciation expense charged to separately identifiable business-type activities is evident on the face of the fund financial statement and, therefore, is not included here.

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Construction in progress and construction commitments – governmental activities and business-type activities consisted of the following at June 30, 2016:

| | <u>Expenditures To Date</u> | <u>Total Contract</u> | <u>Payments Remaining</u> |
|--------------------------------|---------------------------------|---------------------------|-------------------------------|
| <i>Governmental Activities</i> | | | |
| KSHS Athletic Field | \$ 83,665 | \$ 165,640 | \$ 81,975 |
| Warehouse Renovations | <u>18,678</u> | <u>73,678</u> | <u>55,000</u> |
| Total | <u>\$ 102,343</u> | <u>\$ 239,318</u> | <u>136,975</u> |

Note 7. Short Term Obligations

The School District issued general obligation bonds for the purpose of providing funds to acquire school facilities and to pay the costs of issuance of the bonds.

The School District issued \$2,484,000 of general obligation bonds during the fiscal year for the primary purpose of making debt service payments for the EFC with excess funds being used for capital projects. These bonds were retired utilizing debt service fund property tax revenues. The School District has continuous authority to issue general obligation bonds each calendar year, subject to a constitutional debt limit equal to 8% of the assessed valuation of property subject to levy by the School District, applicable to debt issued subsequent to November 30, 1982. The outstanding principal as of June 30, 2016 was \$139,000. This bond is applicable to the School District's 8% debt limit.

The following is a summary of changes in short-term debt for the year ended June 30, 2016.

| | <u>Beginning Balance</u> | <u>Increases</u> | <u>Decreases</u> | <u>Ending Balance</u> |
|---------------------------------|------------------------------|---------------------|---------------------|---------------------------|
| <i>Governmental Activities:</i> | | | | |
| TAN Series 2015A | \$ 484,000 | \$ - | \$ 484,000 | \$ - |
| Series 2015B | - | 672,000 | 672,000 | - |
| Series 2015C | - | 1,673,000 | 1,673,000 | - |
| Series 2016A | <u>-</u> | <u>139,000</u> | <u>-</u> | <u>139,000</u> |
| Total | <u>\$ 484,000</u> | <u>\$ 2,484,000</u> | <u>\$ 2,829,000</u> | <u>\$ 139,000</u> |

Note 8. Long-term Debt

Governmental Activities:

As of June 30, 2016, the governmental long-term debt consisted of general obligation bonds, installment purchase revenue bonds, capital leases, and compensated absences.

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General Obligation Bonds

General obligation bonds are direct obligations and pledge the full faith and credit of the School District. These bonds are issued as serial bonds with varying amounts of principal maturing each year. As part of the Education Improvement Act approved by the State Legislature, school building aid programs are part of an entire package to provide for capital improvements or reduction of millage required to pay debt service and bonds issued for such purposes. Specifically, unless exempted, if the School District has issued bonds during the most recent five fiscal years, at least 50% of the school building aid funds must be used to reduce millage required to pay debt service on such outstanding bonds. The School District has been exempted from this provision.

On November 27, 2012, the School District issued Series 2012 General Obligation Refunding Bonds totaling \$2,397,000 with principal payments due each September 1 and semi-annual interest payments due March 1 and September 1 of each year. The bonds range in maturity dates from 2011 to 2018. The interest rate is fixed at 1.54%. The outstanding principal as of June 30, 2016 was \$1,509,000. This bond is applicable to the School District's 8% debt limit.

Annual debt service requirements to maturity for general obligation bonds are as follows:

| <u>Year Ending June 30,</u> | <u>Principal</u> | <u>Interest</u> |
|-----------------------------|---------------------|------------------|
| 2017 | \$ 407,000 | \$ 24,009 |
| 2018 | 645,000 | 22,823 |
| 2019 | <u>457,000</u> | <u>9,974</u> |
| | <u>\$ 1,509,000</u> | <u>\$ 56,806</u> |

Installment Revenue Bonds

The installment purchase revenue bonds were issued by the SCAGO Educational Facilities Corporation (EFC) for School District of Williamsburg County bonds pursuant to a Purchase and Use Agreement. Upon each payment or prepayment of base payments, title to an undivided interest in the 2006 facilities equal to that percentage of the purchase price represented by such payment or prepayment will transfer to the School District. Under the terms of the agreement, each payment by the School District entitles it to the use and occupancy of all of the 2006 facilities during the applicable fiscal year. The School District expects to make the base payments from proceeds of general obligation bonds the School District would issue either annually or semi-annually for the purpose of making the payments.

On December 28, 2006, the SCAGO Educational Facilities Corporation (EFC) issued Series 2006 Installment Purchase Revenue Bonds totaling \$22,500,000 with principal payments due each December 1 and semi-annual interest payments due June 1 and December 1 of each year. The bonds range in maturity dates from 2014 to 2031. The interest rate ranges from 4.00% to 5.00%. This bond was refunded in March 2016 by the SCAGO Educational Facilities Corporation of Williamsburg School District Installment Purchase Refunding Revenue Bond Taxable Series 2016A and 2016B.

Interest paid on the debt issued by the School District is exempt from federal income tax. The School District sometimes temporarily reinvests the proceeds of such tax-exempt debt in materially higher-yielding taxable securities, primarily during construction projects. The federal tax code refers to this practice as arbitrage. Excess earnings resulting from arbitrage must be rebated to the federal government on the fifth anniversary of the issuance of the tax-exempt debt and every five years thereafter until the debt has been repaid, in accordance with the arbitrage regulations. The School

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District has recorded an arbitrage rebate of \$112,889 at June 30, 20156, which represents the positive arbitrage on the EFC indebtedness as of this date.

Installment Purchase Refunding Revenue Bonds

On March 1, 2016, the SCAGO Educational Facilities Corporation (EFC) issued Series 2016 Installment Purchase Refunding Revenue Bonds totaling \$17,625,000 with principal payments due each December 1 and semi-annual interest payments due June 1 and December 1 of each year. The bonds range in maturity dates from 2016 to 2031. The interest rate ranges from 1.35% to 4.00%. The outstanding principal as of June 30, 2016 was \$17,625,000. The SCAGO EFC Corporation issued the bonds in an advanced refunding of \$19,725,000 outstanding series 2006 Installment Purchase Revenue Bonds. The advance refunding reduced total debt service payments over the next 18 years by \$2,105,650. This resulted in an economic gain (difference between present value of the debt service payments on the refunded and refunding debt) of \$2,057,090.

Annual debt service requirements to maturity for installment purchase refunding bonds are as follows:

| <u>Year Ending June 30,</u> | <u>Principal</u> | <u>Interest</u> |
|-----------------------------|----------------------|---------------------|
| 2017 | \$ 280,000 | \$ 651,570 |
| 2018 | 345,000 | 646,456 |
| 2019 | 855,000 | 633,569 |
| 2020 | 975,000 | 611,525 |
| 2021 | 1,000,000 | 585,692 |
| 2022-2026 | 5,610,000 | 2,240,249 |
| 2027-2031 | 7,015,000 | 840,565 |
| 2032-2035 | <u>1,545,000</u> | <u>25,106</u> |
| | <u>\$ 17,625,000</u> | <u>\$ 6,234,732</u> |

Qualified Academy Zone Program

On May 15, 2008, the School District issued Series 2008A Qualified Academy Zone Bonds totaling \$5,584,645 with principal payments due May 15, 2022, and annual interest payments due May 15 of each year. The bonds range in maturity dates from 2008 to 2022. The interest rate is fixed at 1.50%. The outstanding principal as of June 30, 2016 was \$5,584,645.

Annual debt service requirements to maturity for general obligation bonds are as follows:

| <u>Year Ending June 30,</u> | <u>Principal</u> | <u>Interest</u> |
|-----------------------------|---------------------|-------------------|
| 2017 | \$ - | \$ 83,770 |
| 2018 | - | 83,770 |
| 2019 | - | 83,770 |
| 2020 | - | 83,770 |
| 2021 | - | 83,770 |
| 2022 | <u>5,584,645</u> | <u>83,770</u> |
| | <u>\$ 5,584,645</u> | <u>\$ 502,620</u> |

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Capital Lease Payable

On February 17, 2015, the School District entered into a capital lease arrangement with ENCORE to purchase information technology equipment the amount of \$1,500,000. The lease is payable in monthly installments beginning July 1, 2016, including interest at a rate of 1.944%. As of June 30, 2016, the District had an outstanding balance of \$1,204,000.

On May 18, 2016, the School District entered into a capital lease arrangement with BB&T to purchase transportation vehicles in the amount of \$300,000. The lease is payable in yearly installments beginning December 1, 2016, including interest at a rate of 1.60%. As of June 30, 2016, the District had an outstanding balance of \$300,000.

The following is a schedule of the future minimum lease payments under capital lease, and the present value of the net minimum lease payments at June 30, 2016.

| <u>Year Ending June 30,</u> | |
|--|---------------------|
| 2017 | \$ 377,806 |
| 2018 | 378,569 |
| 2019 | 378,832 |
| 2020 | 377,962 |
| 2021 | <u>61,976</u> |
| Total minimum lease payments | 1,575,145 |
| Less: Amounts representing interest | <u>(71,145)</u> |
| Present value of future minimum lease payments | <u>\$ 1,504,000</u> |

Note 9. Changes in Long-term Debt

The following is a summary of changes in long-term debt for the year ended June 30, 2016.

| | <u>Beginning</u> <u>Balance</u> | <u>Increases</u> | <u>Decreases</u> | <u>Ending</u> <u>Balance</u> | <u>Due Within</u> <u>One Year</u> |
|---------------------------|------------------------------------|----------------------|----------------------|---------------------------------|--------------------------------------|
| General Obligation Bonds: | | | | | |
| Series 2012B | \$ 1,918,000 | \$ - | \$ 409,000 | \$ 1,509,000 | \$ 407,000 |
| Installment Purchase | | | | | |
| Revenue Bonds: | | | | | |
| Series 2006 (EFC) | 19,725,000 | - | 19,725,000 | - | - |
| Series 2016A | - | 4,035,000 | - | 4,035,000 | 280,000 |
| Series 2016B | - | 13,590,000 | - | 13,590,000 | - |
| Qualified Zone Academy | | | | | |
| Bond Program: | | | | | |
| Series 2008A | 5,584,645 | - | - | 5,584,645 | - |
| Capital Leases | 1,500,000 | 300,000 | 296,000 | 1,504,000 | 352,000 |
| Arbitrage Payable | 112,889 | - | - | 112,889 | - |
| Compensated Absences | <u>390,975</u> | <u>421,768</u> | <u>390,975</u> | <u>421,768</u> | <u>-</u> |
| Total | <u>\$ 29,231,509</u> | <u>\$ 18,346,768</u> | <u>\$ 20,820,975</u> | <u>\$ 26,757,302</u> | <u>\$ 1,039,000</u> |

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Note 10. Restricted Cash

Certain resources, which have been set aside for future principal and interest payments and capital projects as restricted cash on the Debt and Capita Project's balance sheet because their use is limited. The amount of restricted cash held by the Debt Service Fund, Capital Projects - District and Capital Projects - EFC amounted to \$2,231,683 as of June 30, 2016.

Note 11. Debt Limitations

The amount of legal debt margin as of June 30, 2016, is computed as follows:

| | |
|---|-------------------------|
| Total Assessed Value | \$ <u>74,526,126</u> |
| Debt Limit 8% of assessed Value | \$ 5,962,090 |
| Amount of Debt Applicable to debt Limit | <u>(1,648,000)</u> |
| Legal Debt Margin | \$ <u>4,314,090</u> |

Note 12. Employee Retirement Plans

Plan Description- The South Carolina Retirement System (SCRS), a cost-sharing multiple-employer defined benefit pension plan, was established effective July 1, 1945, pursuant to the provisions of Section 9-1-20 of the South Carolina Code of Laws for the purpose of providing retirement allowances and other benefits for employees of the state, its public school districts, and political subdivisions. The State Optional Retirement Program (ORP) is a defined contribution plan that is offered as an alternative to certain newly hired state, public school, and higher education employees. State ORP participants direct the investment of their funds into a plan administered by one of four investment providers.

Membership- Membership requirements are prescribed in Title 9 of the South Carolina Code of Laws. A brief summary of the requirements under each system is presented below.

SCRS - Generally, all employees of covered employers are required to participate in and contribute to the system as a condition of employment. This plan covers general employees and teachers and individuals newly elected to the South Carolina General Assembly beginning with the November 2012 general election. An employee member of the system with an effective date of membership prior to July 1, 2012, is a Class Two member. An employee member of the system with an effective date of membership on or after July 1, 2012, is a Class Three member.

*Benefits-*Benefit terms are prescribed in Title 9 of the South Carolina Code of Laws. PEBA does not have the authority to establish or amend benefit terms without a legislative change in the code of laws. Key elements of the benefit calculation include the benefit multiplier, years of service, and average final compensation. A brief summary of benefit terms for each system is presented below.

SCRS - A Class Two member who has separated from service with at least five or more years of earned service is eligible for a monthly pension at age 65 or with 28 years credited service regardless of age. A member may elect early retirement with reduced pension benefits payable at age 55 with 25 years of service credit. A Class Three member who has separated from service with at least eight or more years

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of earned service is eligible for a monthly pension upon satisfying the Rule of 90 requirement that the total of the member's age and the member's creditable service equals at least 90 years. Both Class Two and Class Three members are eligible to receive a reduced deferred annuity at age 60 if they satisfy the five- or eight-year earned service requirement, respectively. An incidental death benefit is also available to beneficiaries of active and retired members of employers who participate in the death benefit program.

The annual retirement allowance of eligible retirees or their surviving annuitants is increased by the lesser of one percent or five hundred dollars every July 1. Only those annuitants in receipt of a benefit on July 1 of the preceding year are eligible to receive the increase. Members who retire under the early retirement provisions at age 55 with 25 years of service are not eligible for the benefit adjustment until the second July 1 after reaching age 60 or the second July 1 after the date they would have had 28 years of service credit had they not retired.

Contributions- Contributions are prescribed in Title 9 of the South Carolina Code of Laws. Upon recommendation by the actuary in the annual actuarial valuation, The PEBA Board may adopt and present to the Budget and Control Board for approval and increase the SCRS employer and employee contribution rates, but any such increase may not result in a differential between the employee and employer contribution rate that exceeds 2.9 percent of earnable compensation for SCRS. An increase in the contribution rates adopted by the board may not provide for an increase of more than one-half of one percent in any one year. If the scheduled employee and employer contributions provided in statute or the rates last adopted by the board are insufficient to maintain a thirty year amortization schedule of the unfunded liabilities of the plans, the board shall increase the contribution rates in equal percentage amounts for the employer and employee as necessary to maintain the thirty-year amortization period; and, this increase is not limited to one- half of one percent per year.

Required employee contribution rates for fiscal year 2016-2016 are as follows:

SCRS

| | |
|----------------------|---------------------------------|
| Employee Class Two | 8.16 % of earnable compensation |
| Employee Class Three | 8.16 % of earnable compensation |

Required employer contributions for fiscal year 2015-2016 are as follows:

SCRS

| | |
|-----------------------------------|----------------------------------|
| Employee Class Two | 10.91 % of earnable compensation |
| Employee Class Three | 10.91 % of earnable compensation |
| Employer Incidental Death Benefit | 0.15 % of earnable compensation |

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions- At June 30, 2016, the School District reported a liability of \$50,210,166 for the SCRS proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The School District's proportion of the net pension liability was based on a projection of the School District's long-term share of contributions to the pension plan relative to the projected contributions of all participating state entities, actuarially determined. At June 30, 2015, the School District's proportion was 0.264745 percent for the SCRS.

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For the year ended June 30, 2016, the School District recognized pension benefit of \$1,529,358, plus employer's amortization of change in proportionate share and difference between employer contributions and proportionate share or contributions and deferred outflows and inflows of resources, of \$597,526. At June 30, 2016, the School District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|--|---|--|
| Differences between expected and actual experience | \$ 892,063 | \$ 89,792 |
| Changes of assumptions | - | - |
| Net difference between projected and actual earnings on pension plan investments | 336,081 | 1,735,878 |
| Changes in proportion and differences between District contributions and proportionate share of contributions | - | - |
| Town contributions subsequent to measurement date | <u>2,527,254</u> | <u>-</u> |
| Total | <u>\$ 3,755,398</u> | <u>\$ 1,825,670</u> |

The amount of \$2,527,254 reported as deferred outflows of resources related to pensions resulting from School District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows related to pensions will be recognized in the pension expense as follows:

| Year Ended June 30, | |
|---------------------|--------------|
| 2017 | \$ (333,674) |
| 2018 | (333,674) |
| 2019 | (640,083) |
| 2020 | 709,905 |

Actuarial Assumptions and Methods- Actuarial valuations involve estimates of the reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and future salary increases. Actuarial assumptions and methods used during the annual evaluation process are subject to periodic revision, typically with an experienced study, as actual results over an extended period of time are compared with past expectations and new estimates are made about the future. South Carolina state statute requires that an actuarial experience study be completed at least once in each five-year period. The last experience study was performed on data through June 30, 2010, and the next experience study, performed on data through June 30, 2015, is currently underway.

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(Continued)**

The following table provides a summary of the actuarial assumptions and methods used in the July 1, 2013, valuations for SCRS.

| | |
|----------------------------|--------------------------------------|
| | SCRS |
| Actuarial cost method | Entry age |
| Actuarial assumptions: | |
| Investment rate of return | 7.5% |
| Projected salary increases | 3.5% to 12.5% (Varies by service) |
| Includes inflation at | 2.75% |
| Benefit adjustments | lesser of 1% or \$500 |

The post-retiree mortality assumption is dependent upon the member's job category and gender. This assumption includes base rates which are automatically adjusted for future improvement in mortality using published Scale AA projected from the year 2000. Assumptions are used in July 1, 2014 valuations for SCRS are as follows:

| Former Job Class | Males | Females |
|--|---|--|
| Educators and Judges | RP-2000 Males (with White Collar adjustment) multiplied by 110% | RP-2000 Females (with White Collar adjustment) multiplied by 95% |
| General Employees and Members of the General Assembly | RP-2000 Males multiplied by 100% | RP-2000 Females multiplied by 90% |
| Public Safety, Firefighters and members of the South Carolina National Guard | RP-2000 Males (with Blue Collar adjustment) multiplied by 115% | RP-2000 Females (with Blue Collar adjustment) multiplied by 115% |

The long-term expected rate of return on pension plan investments, as used in the July 1, 2014, actuarial valuations, was based upon the 30 year capital market outlook at the end of the fourth quarter 2013, as developed by the Retirement Systems Investment Commission (RSIC) in collaboration with its investment consultant, Aon Hewitt. The long-term expected rates of return represent assumptions developed using an arithmetic building block approach, reflecting observable inflation and interest rate information available in the fixed income markets as well as Consensus Economic forecasts. Long-term assumptions for other asset classes are based on historical results, current market characteristics and professional judgment.

The expected returns, along with the expected inflation rate, form the basis for the target asset allocation as adopted by the RSIC for the fiscal year 2015. The long-term expected rate of return is produced by weighting the expected future real rates of return by the target allocation percentage and

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
June 30, 2016
(Continued)**

by adding the expected inflation and is summarized in the table below. For actuarial purposes, the 7.50 percent assumed annual investment rate of return used set in statute and used in the calculation of the total pension liability includes a 4.75 percent real rate of return and a 2.75 percent inflation component.

| <u>Asset Class</u> | <u>Target Asset Allocation</u> | <u>Expected Arithmetic Real Rate of Return</u> | <u>Long Term Expected Portfolio Real Rate of Return</u> |
|---|--------------------------------|--|---|
| Short Term | 5.0% | | |
| Cash | 2.0% | 1.90% | 0.04% |
| Short Duration | 3.0% | 2.00% | 0.06% |
| Domestic Fixed Income | 13.0% | | |
| Core Fixed Income | 7.0% | 2.70% | 0.19% |
| Mixed Credit | 6.0% | 3.80% | 0.23% |
| Global Fixed Income | 9.0% | | |
| Global Fixed Income | 3.0% | 2.80% | 0.08% |
| Emerging Markets Debt | 6.0% | 5.10% | 0.31% |
| Global Public Equity | 31.0% | 7.10% | 2.20% |
| Global Tactical Asset Allocation | 10.0% | 4.90% | 0.49% |
| Alternatives | 32.0% | | |
| Hedge Funds (Low Beta) | 8.0% | 4.30% | 0.34% |
| Private Debt | 7.0% | 9.90% | 0.69% |
| Private Equity | 9.0% | 9.90% | 0.89% |
| Real Estate (Broad Market) | 5.0% | 6.00% | 0.30% |
| Commodities | 3.0% | 5.90% | 0.18% |
| Total Expected Real Return | 100.0% | | 6.00% |
| Inflation for Actuarial Purposes | | | 2.75% |
| Total Expected Nominal Return | | | 8.75% |

Discount rate- The discount rate used to measure the total pension liability was 7.5 percent. The projection of cash flows used to determine the discount rate assumed that the funding policy specified in the South Carolina State Code of Laws will remain unchanged in future years. Based on those assumptions, each System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity Analysis- The following table presents the collective net pension liability of the participating employers calculated using the discount rate of 7.5 percent, as well as what the employers' net pension liability would be if it were calculated using a discount rate that is 1.00 percent lower (6.5 percent) or 1.00 percent higher (8.5 percent) than the current rate.

| System | <u>(6.50%)</u> | <u>(7.50%)</u> | <u>(8.50%)</u> |
|---------------|-----------------------|-----------------------|-----------------------|
| SCRS | \$ 63,300,672 | \$ 50,210,166 | \$ 39,238,657 |

Pension Plan Fiduciary Net Position- Detailed information regarding the fiduciary net position of the plans administered by PEBA is available in the separately issued CAFR containing financial statements and required supplementary information for SCRS. The CAFR of the Pension Trust Funds is publicly available on PEBA's Retirement Benefits' website at www.retirement.sc.gov, or a copy may be obtained by submitting a request to PEBA, PO Box 11960, Columbia, SC 29211-1960.

Payables to the Pension Plan- The School District reported a payable to the SCRS as of June 30, 2016 in the amount of \$630,108.

SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
June 30, 2016
(Continued)

Note 13. Post-Employment Health Care Benefits

Plan Description: The South Carolina Health Insurance Trust Fund and the South Carolina Long-Term Disability Insurance Trust Fund were established by the State of South Carolina as Act 195, which became effective on May 1, 2008. These trusts were established to fund and account for the employer costs of the State's retiree health and dental plans and the State's basic long-term disability plan in compliance with Governmental Accounting Standards Board Statements No. 43, Financial Reporting for Post-Employment Benefit Plans Other Than Pension Plans, and No. 45, Accounting and Financial Reporting by Employers for Post-Employment Benefits Other Than Pensions.

The Employee Insurance Program administers both trusts and the State Budget and Control Board acts as Trustee. The State Treasurer is custodian of the funds and invests the funds in accordance with State statutes. The Trustee for these trusts has determined them to be cost-sharing multiple-employer defined benefit plans that cover employees of the State, including all agencies and public school districts. The South Carolina Health Insurance Trust Fund provides health and dental insurance benefits to eligible retirees and the South Carolina Long-Term Disability Insurance Trust Fund provides disability payments to eligible employees as defined in Article 5 of the State Code of Laws (the Code). Article 5 of the Code authorizes the Trustee of both Plans to at any time adjust the Plan, including the benefits and contributions, as necessary to insure the fiscal stability of the Plans.

Both Plans issue a publicly available financial report that includes financial statements and required information for the Plans. These reports may be obtained by writing to Phyllis Buie, Finance Officer, Employee Insurance Program, 1201 Main Street, Suite 360, Columbia, SC 29201.

Funding Policy: Article 5 of the Code provides that contribution requirements of the Plan members and the participating employers are established and may be amended by the Trustee. Participating employers are contractually required to contribute at rates assessed each year by the State Budget and Control Board, currently 5.33% of annual covered payroll for health insurance. The State Budget and Control Board sets the employer contribution rate based on the annual required contribution of the employers (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents the level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) of the plan for a period not to exceed thirty years. The School District's contributions to the SC Retiree Health Insurance Trust Fund for the year ended June 30, 2016 were \$1,216,461 which equaled the required contributions for that year.

Note 14. Commitments and Contingencies

The School District receives state and federal grants for specific purposes that are subject to review and audit by state and federal agencies. Such audits could result in a request for reimbursement by the state and federal agencies for expenditures disallowed under the terms and conditions of the appropriate agency. In the opinion of School District management, such disallowances, if any, will not be significant.

Various claims and lawsuits are pending against the School District. As of the issuance of the financial statements, it is not known whether any unfavorable outcomes are likely, however, it appears that should there be any unfavorable outcomes, some cause of action may not be covered by insurance.

SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
June 30, 2016
(Continued)

Note 15. Insurance and Risk Management

The School District is exposed to various risks of loss related to torts, theft, damage, destruction of assets, errors and omissions, injuries to employees and natural disasters. The School District maintains insurance covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured loss to the School District.

Settled claims have not exceeded this coverage in any of the past three years. There are no significant reductions in insurance coverage in the prior year.

The School District paid insurance premiums to the South Carolina Counties Property and Liability Trust totaling \$676,344 to cover risks that may occur in normal operations. These risks include loss of real property and contents, motor vehicles, errors and omissions, general liability and theft and dishonesty.

The School District paid insurance premiums to the South Carolina Counties Workers' Compensation Trust totaling \$437,176 for workers' compensation coverage.

Note 16. Intergovernmental Revenues

The School District receives funds from both the State of South Carolina and the federal government for various grants and projects. The majority of these funds are accounted for in the Special Revenue Funds with the major exception being grants from the federal government accounted for in the Proprietary Fund.

Note 17. Inter-fund Transfers

Transfers from (to) other funds for the year ended June 30, 2016, consist of the following:

Interfund transfers for the year ended June 30, 2016 consisted of the following:

| | |
|---|----------------------|
| Transfers from other funds: | |
| From the EIA fund to the general fund to pay for salaries and fringe benefits | \$ 621,367 |
| From the special revenue fund to the general fund to pay for salaries and fringe benefits | 311,236 |
| From the special revenue fund to the general fund for indirect cost reimbursement | 257,823 |
| From the capital projects fund to the general fund | 195,000 |
| From the food service fund to the general fund for indirect cost reimbursement | 190,814 |
| From the food service fund to the general fund for fringe benefits | <u>136,088</u> |
| Total transfers to the General Fund | <u>1,712,328</u> |

SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
June 30, 2016
(Continued)

| | |
|---|-------------------------|
| From general fund to special revenue fund | 389,600 |
| From debt service fund - district to debt service fund - EFC | 1,221,475 |
| From debt service fund - district to capital projects funds | 883,060 |
| From debt service fund - district to capital projects - EFC | 195,000 |
| From the debt service fund - EFC to debt service fund - district | 1,840,532 |
| From the capital projects fund - district to debt service fund - EFC | 1 |
| From general fund to pupil activity fund | <u>45,000</u> |
| Total transfers from other funds | <u>4,574,668</u> |
| <u>Transfers from other funds:</u> | <u>\$ 6,286,996</u> |
| To the special revenue fund from the general fund | \$ 389,600 |
| To the pupil activity fund from the general fund | <u>45,000</u> |
| Total transfers from the general fund | <u>434,600</u> |
| To the general fund from the special revenue fund | 311,236 |
| To the general fund from the special revenue fund for indirect cost reimbursement | <u>257,823</u> |
| Total transfers from special revenue funds | <u>569,059</u> |
| To the general fund from the EIA fund to pay for salaries and fringe benefits | 621,367 |
| To the debt service fund - EFC from the debt service fund - district | 1,221,475 |
| To the capital projects fund - district from the debt service fund - district | <u>883,060</u> |
| Total transfers from debt service fund - district | <u>2,104,535</u> |
| To the capital projects fund - district from the debt service fund - EFC | 195,000 |
| To the debt service fund - district from the debt service fund - EFC | <u>1,840,532</u> |
| Total transfers from debt service fund - EFC | <u>2,035,532</u> |
| To the debt service fund - EFC from capital projects - EFC | 1 |
| To the general fund from capital projects - EFC | <u>195,000</u> |
| Total transfers from capital projects - EFC | <u>195,001</u> |
| To the general fund from the food service fund for fringe benefits | 136,088 |
| To the general fund from the food service fund for indirect cost reimbursement | <u>190,814</u> |
| Total transfers from food service fund | <u>326,902</u> |
| <u>Total transfers to other funds</u> | <u>\$ 6,286,996</u> |

SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
June 30, 2016
(Continued)

Note 18. Subsequent Events

The School District has evaluated subsequent events through December 28, 2016, which is the date the financial statements were available to be issued. During this period, the School District had one material subsequent event that required recognition in the School District's disclosures to the financial statements at June 30, 2016.

On September 11, 2016, SCAGO issued General Obligation debt Series 2016C and 2016D in the amount of \$1,117,000 and \$1,796,000, respectively.

SUPPLEMENTAL INFORMATION

GENERAL FUND

The general fund is used to account for resources traditionally associated with government which are not required legally or by sound financial management to be accounted for in another fund.

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-BUDGET TO
ACTUAL
For the Fiscal Year Ended June 30, 2016**

| | <u>Budget</u> | <u>Actual</u> | <u>Variance Positive (Negative)</u> |
|---|------------------|------------------|---|
| 1000 Revenue from Local Sources | | | |
| 1100 Taxes: | | | |
| 1110 Ad Valorem Taxes - Including Delinquent | \$ 6,426,066 | \$ 6,867,085 | \$ 441,019 |
| 1140 Penalties & Interest on Taxes | 60,921 | 55,425 | (5,496) |
| 1200 Revenue from Local Governmental Units Other Than LEAs | | | |
| 1280 Revenue in Lieu of Taxes | 2,010,170 | 1,876,251 | (133,919) |
| 1300 Tuition | | | |
| 1320 From Other LEAs for Regular Day School | 29,300 | 303,033 | 273,733 |
| 1500 Earnings on Investments | | | |
| 1510 Interest on Investments | 25,000 | 17,341 | (7,659) |
| 1700 Pupil Activities | | | |
| 1790 Other Pupil Activity Income | 30,000 | 31,481 | 1,481 |
| 1900 Other Revenue from Local Sources | | | |
| 1910 Rentals | 590 | 805 | 215 |
| 1920 Contributions and Donations from Private Sources | 7,700 | 2,397 | (5,303) |
| 1990 Miscellaneous Local Revenue | | | |
| 1999 Revenue from Other Local Sources | <u>99,324</u> | <u>275,674</u> | <u>176,350</u> |
| Total Local Sources | <u>8,689,071</u> | <u>9,429,492</u> | <u>740,421</u> |
| 3000 Revenue From State Sources | | | |
| 3100 Restricted State Funding | | | |
| 3130 Special Programs | | | |
| 3131 Handicapped Transportation | - | 17,291 | 17,291 |
| 3160 School Bus Driver Salary | | | |
| 3161 EAA Bus Driver | 328,461 | 419,510 | 91,049 |
| 3162 Transportation Workers' Compensation | 35,897 | 36,488 | 591 |
| 3180 Fringe Benefits Employer Contributions | 4,393,434 | 4,423,971 | 30,537 |
| 3181 Retiree Insurance | 1,072,265 | 984,787 | (87,478) |
| 3199 Restricted State Grants | - | 6,160 | 6,160 |

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
GENERAL FUND**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-BUDGET TO
ACTUAL**

For the Fiscal Year Ended June 30, 2016

(Continued)

| | <u>Budget</u> | <u>Actual</u> | <u>Variance Positive (Negative)</u> |
|--|-------------------|-------------------|---|
| 3300 Education Finance Act | | | |
| 3310 Full-Time Programs | | | |
| 3311 Kindergarten | \$ 3,029,261 | \$ 756,139 | \$ (2,273,122) |
| 3312 Primary | 1,504,936 | 2,228,833 | 723,897 |
| 3313 Elementary | 2,090,056 | 3,026,196 | 936,140 |
| 3314 High School | 320,612 | 477,199 | 156,587 |
| 3315 Trainable Mentally Handicapped | 94,131 | 115,832 | 21,701 |
| 3316 Speech Handicapped | 648,050 | 671,206 | 23,156 |
| 3317 Homebound | 21,624 | 16,094 | (5,530) |
| 3320 Part-Time Programs | | | |
| 3321 Emotionally Handicapped | 41,645 | 54,315 | 12,670 |
| 3322 Educable Mentally Handicapped | 464,333 | 252,911 | (211,422) |
| 3323 Learning Disabilities | 907,916 | 1,399,193 | 491,277 |
| 3324 Hearing Handicapped | 18,029 | 24,108 | 6,079 |
| 3325 Visually Handicapped | 17,984 | 21,776 | 3,792 |
| 3326 Orthopedically Handicapped | 7,084 | 15,431 | 8,347 |
| 3327 Vocational | 1,971,027 | 1,848,923 | (122,104) |
| 3330 Other EFA Programs | | | |
| 3331 Autism | 178,262 | 162,120 | (16,142) |
| 3332 High Achieving Students | 82,867 | 69,198 | (13,669) |
| 3334 Limited English Proficiency | 4,560 | 5,830 | 1,270 |
| 3350 Residential Treatment Facilities (RTF) | 45,643 | 109,239.00 | 63,596 |
| 3351 Academics Assistance | 334,625 | 416,029 | 81,404 |
| 3352 Pupils in Poverty | 1,512,617 | 1,837,604 | 324,987 |
| 3353 Dual Enrollment | 17,056 | - | (17,056) |
| 3800 State Revenue in Lieu of Taxes | | | |
| 3810 Reimb. for Local Residential Property Tax Relief (Tier 1) | 1,366,370 | 1,366,370 | - |
| 3820 Homestead Exemption (Tier 2) | 622,817 | 622,817 | - |
| 3827 \$2.5 Million Bonus | 2,500,000 | 2,500,000 | - |
| 3830 Merchant's Inventory Tax | 81,503 | 81,503 | - |
| 3840 Manufactures Depreciation Reimbursement | 527,801 | 662,049 | 134,248 |
| 3890 Other State Property Tax Revenues | 195,516 | 208,229 | 12,713 |
| 3900 Other State Revenue: | | | |
| 3992 State Forest Commission Revenues | 65,677 | 13,376 | (52,301) |
| Total State Sources | <u>24,502,059</u> | <u>24,850,727</u> | <u>348,668</u> |
| Total Revenue All Sources | <u>33,191,130</u> | <u>34,280,219</u> | <u>1,089,089</u> |

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-BUDGET TO
ACTUAL
For the Fiscal Year Ended June 30, 2016
(Continued)**

| EXPENDITURES | | | Variance |
|--|----------------------|----------------------|--------------------------|
| 100 Instruction | | | Positive |
| | <u>Budget</u> | <u>Actual</u> | <u>(Negative)</u> |
| 110 General Instruction | | | |
| 111 Kindergarten Programs | | | |
| 100 Salaries | \$ 1,873,810 | \$ 764,405 | \$ 1,109,405 |
| 200 Employee Benefits | 738,366 | 329,458 | 408,908 |
| 300 Purchased Services | 434 | - | 434 |
| 400 Supplies and Materials | 4,414 | 2,394 | 2,020 |
| 112 Primary Programs | | | |
| 100 Salaries | 1,936,146 | 2,172,976 | (236,830) |
| 200 Employee Benefits | 741,222 | 849,303 | (108,081) |
| 300 Purchased Services | 856 | 144 | 712 |
| 400 Supplies and Materials | 6,899 | 5,355 | 1,544 |
| 113 Elementary Programs | | | |
| 100 Salaries | 2,664,809 | 3,079,889 | (415,080) |
| 200 Employee Benefits | 1,022,866 | 1,188,200 | (165,334) |
| 300 Purchased Services | 101,223 | 122,658 | (21,435) |
| 400 Supplies and Materials | 105,852 | 118,487 | (12,635) |
| 500 Capital Outlay | 65,000 | 9,335 | 55,665 |
| 114 High School Programs | | | |
| 100 Salaries | 1,644,073 | 1,626,276 | 17,797 |
| 200 Employee Benefits | 744,973 | 704,647 | 40,326 |
| 300 Purchased Services | 271,402 | 269,176 | 2,226 |
| 400 Supplies and Materials | 30,327 | 31,911 | (1,584) |
| 500 Capital Outlay | 5,251 | 5,251 | - |
| 115 Career and Technology Education Programs | | | |
| 100 Salaries | 943,461 | 952,736 | (9,275) |
| 200 Employee Benefits | 351,667 | 335,141 | 16,526 |
| 300 Purchased Services | 62,429 | 61,154 | 1,275 |
| 400 Supplies and Materials | 36,364 | 32,306 | 4,058 |
| 120 Exceptional Programs | | | |
| 121 Educable Mentally Handicapped | | | |
| 100 Salaries | 171,732 | 198,419 | (26,687) |
| 200 Employee Benefits | 85,146 | 113,181 | (28,035) |
| 300 Purchased Services | 44,000 | 44,000 | - |
| 400 Supplies and Materials | 300 | 223 | 77 |

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-BUDGET TO
ACTUAL
For the Fiscal Year Ended June 30, 2016
(Continued)**

| | <u>Budget</u> | <u>Actual</u> | <u>Variance Positive (Negative)</u> |
|--|---------------|---------------|---|
| 122 Trainable Mentally Handicapped | | | |
| 100 Salaries | \$ 309,876 | \$ 323,560 | \$ (13,684) |
| 200 Employee Benefits | 161,650 | 115,630 | 46,020 |
| 300 Purchased Services | 88,000.00 | 88,000 | - |
| 400 Supplies and Materials | 550 | 300 | 250 |
| 123 Orthopedically Handicapped | | | |
| 100 Salaries | 34,722 | 21,399 | 13,323 |
| 200 Employee Benefits | 13,161 | 9,980 | 3,181 |
| 125 Hearing Handicapped | | | |
| 100 Salaries | 7,924 | 7,924 | - |
| 200 Employee Benefits | 1,889 | 9,099 | (7,210) |
| 126 Speech Handicapped | | | |
| 100 Salaries | 191,445 | 214,578 | (23,133) |
| 200 Employee Benefits | 73,219 | 70,424 | 2,795 |
| 400 Supplies and Materials | 280 | 176 | 104 |
| 127 Learning Disabilities | | | |
| 100 Salaries | 1,055,569 | 886,163 | 169,406 |
| 200 Employee Benefits | 493,508 | 360,529 | 132,979 |
| 300 Purchased Services | 188,000 | 176,000 | 12,000 |
| 400 Supplies and Materials | 3,449 | 794 | 2,655 |
| 500 Capital Outlay | 3,200 | - | 3,200 |
| 128 Emotionally Handicapped | | | |
| 400 Supplies and Materials | 187 | 187 | - |
| 130 Pre-School Programs | | | |
| 137 Pre-School Handicapped Self-Contained (3 & 4 yr. Olds) | | | |
| 100 Salaries | 6,370 | - | 6,370 |
| 200 Employee Benefits | 2,262 | 130 | 2,132 |
| 137 Pre-School Handicapped Self-Contained (3 & 4 yr. Olds) | | | |
| 100 Salaries | 600 | - | 600 |

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-BUDGET TO
ACTUAL
For the Fiscal Year Ended June 30, 2016
(Continued)**

| | <u>Budget</u> | <u>Actual</u> | <u>Variance Positive (Negative)</u> |
|---|-------------------|-------------------|---|
| 140 Special Programs | | | |
| 141 Gifted and Talented - Academic | | | |
| 100 Salaries | \$ 250 | \$ - | \$ 250 |
| 200 Employee Benefits | 64 | 18 | 46 |
| 300 Purchased Services | 12,218 | 7,601 | 4,617 |
| 400 Supplies and Materials | 11,240 | 11,013 | 227 |
| 500 Capital Outlay | - | 70 | (70) |
| 145 Homebound | | | |
| 100 Salaries | 43,423 | 53,670 | (10,247) |
| 200 Employee Benefits | 15,369 | 13,737 | 1,632 |
| 300 Purchased Services | 23,600 | 16,364 | 7,236 |
| 400 Supplies and Materials | 77 | 38 | 39 |
| 147 CDEPP | | | |
| 100 Salaries | 400 | 20,709 | (20,309) |
| 148 Gifted and Talented - Artistic | | | |
| 100 Salaries | 59,050 | 59,429 | (379) |
| 200 Employee Benefits | 21,355 | 22,013 | (658) |
| 300 Purchased Services | 31,029 | 24,528 | 6,501 |
| 400 Supplies and Materials | 2,625 | 2,572 | 53 |
| 600 Other Objects | 124 | 124 | - |
| 149 Other Special Programs: | | | |
| 300 Purchased Services | 23,000 | 1,460 | 21,540 |
| 180 Adult/Continuing Educational Programs | | | |
| 181 Adult Basic Education Programs | | | |
| 300 Purchased Services | 1,862 | - | 1,862 |
| 400 Supplies and Materials | 339 | - | 339 |
| 188 Parenting/Family Literacy | | | |
| 100 Salaries | 18,917 | 22,757 | (3,840) |
| 200 Employee Benefits | 8,281 | 9,671 | (1,390) |
| 400 Supplies and Materials | 5,000 | 7,253 | (2,253) |
| 190 Instructional Pupil Activity: | | | |
| 100 Salaries | 4,350 | 4,150 | 200 |
| 200 Employee Benefits | 2,625 | 934 | 1,691 |
| 300 Purchased Services | 3,152 | 2,741 | 411 |
| 400 Supplies and Materials | 96 | - | 96 |
| Total Instruction | <u>16,577,329</u> | <u>15,582,750</u> | <u>994,579</u> |

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-BUDGET TO
ACTUAL
For the Fiscal Year Ended June 30, 2016
(Continued)**

| | <u>Budget</u> | <u>Actual</u> | <u>Variance Positive (Negative)</u> |
|---|---------------|---------------|---|
| 200 Support Services | | | |
| 210 Pupil Services | | | |
| 211 Attendance and Social Work Services: | | | |
| 300 Purchased Services | \$ 1,000 | \$ - | \$ 1,000 |
| 400 Supplies and Materials | 1,100 | - | 1,100 |
| 212 Guidance Services | | | |
| 100 Salaries | 785,579 | 759,126 | 26,453 |
| 200 Employee Benefits | 281,408 | 285,697 | (4,289) |
| 300 Purchased Services | 5,486 | 2,404 | 3,082 |
| 400 Supplies and Materials | 5,410 | 4,759 | 651 |
| 213 Health Services | | | |
| 100 Salaries | - | 24,898 | (24,898) |
| 200 Employee Benefits | - | 10,916 | (10,916) |
| 300 Purchased Services | 34,420 | 117,235 | (82,815) |
| 214 Psychological Services | | | |
| 100 Salaries | 102,347 | 113,273 | (10,926) |
| 200 Employee Benefits | 38,338 | 40,393 | (2,055) |
| 300 Purchased Services | 7,094 | - | 7,094 |
| 216 Career and Technical Education Services: | | | |
| 400 Supplies and Materials | 3,022 | 2,899 | 123 |
| 600 Other Objects | 176 | 176 | - |
| 220 Instructional Staff Services | | | |
| 221 Improvement of Instruction - Curriculum Development | | | |
| 100 Salaries | 378,591 | 376,484 | 2,107 |
| 200 Employee Benefits | 135,389 | 135,254 | 135 |
| 300 Purchased Services | 44,330 | 62,477 | (18,147) |
| 400 Supplies and Materials | 41,015 | 28,890 | 12,125 |
| 600 Other Objects | 3,910 | 980 | 2,930 |
| 222 Library and Media Services | | | |
| 100 Salaries | 586,655 | 370,153 | 216,502 |
| 200 Employee Benefits | 214,857 | 142,721 | 72,136 |
| 400 Supplies and Materials | 21,130 | 16,988 | 4,142 |

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-BUDGET TO
ACTUAL
For the Fiscal Year Ended June 30, 2016
(Continued)**

| | <u>Budget</u> | <u>Actual</u> | <u>Variance Positive (Negative)</u> |
|--|---------------|---------------|---|
| 223 Supervision of Special Programs | | | |
| 100 Salaries | \$ 359,103 | \$ 386,536 | \$ (27,433) |
| 200 Employee Benefits | 142,108 | 154,785 | (12,677) |
| 300 Purchased Services | 31,979 | 25,867 | 6,112 |
| 400 Supplies and Materials | 9,633 | 9,493 | 140 |
| 600 Other Objects | 821 | 821 | - |
| 224 Improvement of Instruction - In-service and Staff Training | | | |
| 300 Purchased Services | 8,518 | 8,174 | 344 |
| 400 Supplies and Materials | 228 | 226 | 2 |
| 230 General Administration Services | | | |
| 231 Board of Education | | | |
| 100 Salaries | 35,920 | 44,690 | (8,770) |
| 200 Employee Benefits | 63,374 | 52,053 | 11,321 |
| 300 Purchased Services Except: | 270,018 | 189,563 | 80,455 |
| 318 Audit Services | 58,000 | 53,150 | 4,850 |
| 400 Supplies and Materials | 26,771 | 31,683 | (4,912) |
| 500 Capital Outlay | 5,000 | - | 5,000 |
| 600 Other Objects | 173,375 | 180,520 | (7,145) |
| 232 Office of the Superintendent | | | |
| 100 Salaries | 190,328 | 193,479 | (3,151) |
| 200 Employee Benefits | 66,091 | 65,899 | 192 |
| 300 Purchased Services | 93,789 | 81,141 | 12,648 |
| 400 Supplies and Materials | 36,164 | 23,910 | 12,254 |
| 500 Capital Outlay | 3,300 | 4,571 | (1,271) |
| 600 Other Objects | 29,400 | 27,721 | 1,679 |
| 233 School Administration | | | |
| 100 Salaries | 2,166,755 | 2,268,162 | (101,407) |
| 200 Employee Benefits | 800,480 | 822,419 | (21,939) |
| 300 Purchased Services | 43,714 | 36,814 | 6,900 |
| 400 Supplies and Materials | 32,201 | 27,049 | 5,152 |
| 600 Other Objects | 6,454 | 5,705 | 749 |
| 250 Finance and Operations Services | | | |
| 252 Fiscal Services | | | |
| 100 Salaries | 429,403 | 402,189 | 27,214 |
| 200 Employee Benefits | 168,658 | 129,860 | 38,798 |
| 300 Purchased Services | 111,705 | 220,458 | (108,753) |
| 400 Supplies and Materials | 46,786 | 38,826 | 7,960 |
| 500 Capital Outlay | 10,000 | 19,123 | (9,123) |
| 600 Other Objects | 776 | 176 | 600 |

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-BUDGET TO
ACTUAL
For the Fiscal Year Ended June 30, 2016
(Continued)**

| | <u>Budget</u> | <u>Actual</u> | <u>Variance Positive (Negative)</u> |
|---|---------------|---------------|---|
| 253 Facilities and Acquisition and Construction | | | |
| 500 Capital Outlay | \$ - | \$ 66,965 | \$ (66,965) |
| 600 Other Objects | - | 1,000 | (1,000) |
| 254 Operations and Maintenance of Plant | | | |
| 100 Salaries | 1,299,259 | 1,227,191 | 72,068 |
| 200 Employee Benefits | 593,827 | 599,587 | (5,760) |
| 300 Purchased Services | 983,637 | 902,114 | 81,523 |
| 321 Public Utilities | 116,573 | 106,402 | 10,171 |
| 400 Supplies and Materials | 425,061 | 407,514 | 17,547 |
| 470 Energy | 1,069,482 | 1,073,443 | (3,961) |
| 500 Capital Outlay | 605 | 605 | - |
| 255 Student Transportation | | | |
| 100 Salaries | 874,678 | 929,492 | (54,814) |
| 200 Employee Benefits | 287,198 | 243,402 | 43,796 |
| 300 Purchased Services | 97,280 | 55,950 | 41,330 |
| 400 Supplies and Materials | 8,300 | 7,223 | 1,077 |
| 500 Capital Outlay | 9,820 | 31,410 | (21,590) |
| 600 Other Objects | 883 | 3,786 | (2,903) |
| 256 Food Service | | | |
| 100 Salaries | - | 188 | (188) |
| 200 Employee Benefits | 597,091 | 599,958 | (2,867) |
| 258 Security | | | |
| 100 Salaries | 500 | - | 500 |
| 300 Purchased Services | 188,800 | 236,357 | (47,557) |
| 400 Supplies and Materials | 2,000 | 1,961 | 39 |
| 260 Central Support Services | | | |
| 263 Information Services | | | |
| 300 Purchased Services | 5,000 | 4,107 | 893 |
| 264 Staff Services | | | |
| 100 Salaries | 242,257 | 272,632 | (30,375) |
| 200 Employee Benefits | 89,398 | 109,835 | (20,437) |
| 300 Purchased Services | 12,368 | 9,929 | 2,439 |
| 400 Supplies and Materials | 2,132 | 2,130 | 2 |
| 266 Technology and Data Processing Services | | | |
| 100 Salaries | 242,002 | 267,879 | (25,877) |
| 200 Employee Benefits | 88,582 | 92,342 | (3,760) |
| 300 Purchased Services | 228,903 | 187,778 | 41,125 |
| 400 Supplies and Materials | 35,609 | 13,805 | 21,804 |
| 500 Capital Outlay | 14,500 | - | 14,500 |

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-BUDGET TO
ACTUAL
For the Fiscal Year Ended June 30, 2016
(Continued)**

| | <u>Budget</u> | <u>Actual</u> | <u>Variance Positive (Negative)</u> |
|--|-------------------|-------------------|---|
| 270 Support Service Pupil Activity | | | |
| 271 Pupil Services Activities | | | |
| 100 Salaries | \$ 204,950 | \$ 253,329 | \$ (48,379) |
| 200 Employee Benefits | 54,357 | 57,999 | (3,642) |
| 300 Purchased Services | 33,344 | 30,126 | 3,218 |
| 400 Supplies and Materials | - | 6,819.00 | (6,819) |
| 600 Pupil Activity | <u>10,000</u> | <u>49,787</u> | <u>(39,787)</u> |
| Total Support Services | <u>15,930,505</u> | <u>15,853,831</u> | <u>76,674</u> |
| 300 Community Services | | | |
| 390 Other Community Services: | | | |
| 100 Salaries | 6,055 | 66,364 | (60,309) |
| 200 Employee Benefits | 1,351 | 12,824 | (11,473) |
| 300 Purchased Services | 43,045 | 41,226 | 1,819 |
| 400 Supplies and Materials | 8,582 | 2,009 | 6,573 |
| 500 Capital Outlay | <u>525</u> | <u>106</u> | <u>419</u> |
| Total Community Services | <u>59,558</u> | <u>122,529</u> | <u>(62,971)</u> |
| 400 Other Charges: | | | |
| 410 Intergovernmental Expenditures | | | |
| 412-720 Payments to Other Governmental Units | - | 16,717 | (16,717) |
| 416-720 Payments to Public Charter Schools | <u>3,100,000</u> | <u>3,304,764</u> | <u>(204,764)</u> |
| Total Intergovernmental Expenditures | <u>3,100,000</u> | <u>3,321,481</u> | <u>(221,481)</u> |
| 500 Debt Service | | | |
| 610 Principal | 11,000 | 5,428 | 5,572 |
| 620 Interest and Fees | <u>-</u> | <u>3,806</u> | <u>(3,806)</u> |
| Total Debt Service | <u>11,000</u> | <u>9,234</u> | <u>1,766</u> |
| Total Expenditures | <u>35,678,392</u> | <u>34,889,825</u> | <u>788,567</u> |

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-BUDGET TO
ACTUAL
For the Fiscal Year Ended June 30, 2016
(Continued)**

| | <u>Budget</u> | <u>Actual</u> | <u>Variance Positive (Negative)</u> |
|---|---------------------|---------------------|---|
| OTHER FINANCING SOURCES (USES) | | | |
| 5300 Sale of Capital Assets | \$ 1,000 | \$ - | \$ (1,000) |
| 5400 Proceeds from Long-Term Notes | - | - | - |
| 5900 Transfer from Budgeted Reserves | 745,910 | - | (745,910) |
| Interfold Transfers, From (To) Other Funds | | | |
| 5220 Transfer from Special Revenue Fund | - | 311,236 | 311,236 |
| 5230 Transfer from Special Revenue - EIA Fund | 1,069,576 | 621,367 | (448,209) |
| 5250 Transfer from Capital Projects Fund | 194,000 | 195,000 | 1,000 |
| 5260 Transfer from Food Service Fund (Excludes Indirect Cost) | 215,246 | 136,088 | (79,158) |
| 5280 Transfer from Other Funds Indirect Cost | 673,514 | 448,636 | (224,878) |
| 421-710 Transfer to Special Revenue Fund | (51,015) | (395,495) | (344,480) |
| 426-710 Transfer to Pupil Activity Fund | (45,000) | (45,000) | - |
| TOTAL OTHER FINANCING SOURCES (USES) | <u>2,803,231</u> | <u>1,271,832</u> | <u>(1,531,399)</u> |
| Excess of Revenues Over Expenditures | 315,969 | 662,226 | 346,257 |
| FUND BALANCE, July 1, 2015 | <u>3,308,122</u> | <u>3,308,122</u> | <u>-</u> |
| FUND BALANCE, June 30, 2016 | <u>\$ 3,624,091</u> | <u>\$ 3,970,348</u> | <u>\$ 346,257</u> |

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
For the Fiscal Year Ended June 30, 2016**

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance</u> |
|--|-------------------------|---------------------|---------------------|--------------------------------|
| | <u>Original</u> | <u>Final</u> | | <u>Positive (Negative)</u> |
| REVENUES | | | | |
| Local | \$ 8,689,071 | \$ 8,689,071 | \$ 9,429,492 | \$ 740,421 |
| State | 24,502,059 | 24,502,059 | 24,850,727 | 348,668 |
| Federal | - | - | - | - |
| | <u>33,191,130</u> | <u>33,191,130</u> | <u>34,280,219</u> | <u>1,089,089</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| Instruction | 16,503,878 | 16,503,878 | 15,568,094 | 935,784 |
| Support Services | 15,869,450 | 15,869,450 | 15,785,705 | 83,745 |
| Community Services | 59,033 | 59,033 | 122,423 | (63,390) |
| Intergovernmental | 3,100,000 | 3,100,000 | 3,321,481 | (221,481) |
| Debt Service | 11,000 | 11,000 | 9,234 | 1,766 |
| Capital Outlay | 135,031 | 135,031 | 82,888 | 52,143 |
| | <u>35,678,392</u> | <u>35,678,392</u> | <u>34,889,825</u> | <u>788,567</u> |
| Excess (Deficiency) of Revenues Over Expenditures | <u>(2,487,262)</u> | <u>(2,487,262)</u> | <u>(609,606)</u> | <u>300,522</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Sale of Capital Assets | 1,000 | 1,000 | - | (1,000) |
| Operating Transfers In | 2,898,246 | 2,898,246 | 1,712,327 | (1,185,919) |
| Operating Transfers Out | (96,015) | (96,015) | (440,495) | (344,480) |
| | <u>2,803,231</u> | <u>2,803,231</u> | <u>1,271,832</u> | <u>(1,531,399)</u> |
| Net Change In Fund Balance | 315,969 | 315,969 | 662,226 | 346,257 |
| Fund Balance, July 1, 2015 | <u>3,308,122</u> | <u>3,308,122</u> | <u>3,308,122</u> | - |
| Fund Balance, June 30, 2016 | <u>\$ 3,624,091</u> | <u>\$ 3,624,091</u> | <u>\$ 3,970,348</u> | <u>\$ 346,257</u> |

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
 KINGSTREE, SOUTH CAROLINA
 REQUIRED SUPPLEMENTAL INFORMATION
 OTHER POST EMPLOYMENT BENEFIT PLAN- DEFINED BENEFIT HEALTHCARE PLAN
 SCHEDULE OF EMPLOYER CONTRIBUTIONS AND FUNDING PROGRESS
 For the Fiscal Year Ended June 30, 2016**

| SCRS | <u>2015</u> | <u>2015</u> |
|--|--------------------|--------------------|
| District's proportion of the net pension liability (asset) | 0.2677450% | 0.2773040% |
| District's proportionate share of the net pension liability (asset) | \$ 50,210,166 | \$ 47,742,556 |
| District's covered employee payroll | \$ 22,822,900 | \$ 24,186,565 |
| District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll | 220% | 197% |
| Plan fiduciary net position as a percentage of total pension liability | -444.34% | -362.00% |

| |
|---|
| <p>This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10- year trend is compiled, governments should present information for those years for which information is available</p> |
|---|

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF SCHOOL DISTRICT CONTRIBUTIONS
For the Fiscal Year Ended June 30, 2016**

| | <u>2016</u> | <u>2015</u> | <u>2014</u> |
|--|------------------|------------------|------------------|
| Contractually required contribution | \$ 2,527,254 | \$ 2,636,336 | \$ 2,632,652 |
| Contributions in relation to contractually required contribution | <u>2,527,254</u> | <u>2,636,336</u> | <u>2,632,652</u> |
| Contribution deficiency (excess) | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| | | | |
| District's covered-employee payroll | \$ 22,822,900 | \$ 24,186,565 | \$ 24,836,332 |
| Contributions as a percentage of covered-employee payroll | 11.07% | 10.90% | 10.60% |

| |
|---|
| <p>This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10- year trend is compiled, governments should present information for those years for which information is available</p> |
|---|

SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
NOTES TO REQUIRED SUPPLEMENTAL INFORMATION
June 30, 2016

Note 1. Budgets and Budgetary Accounting

Budgets, except for the Special Revenue Fund, are adopted on a basis consistent with generally accepted accounting principles. The accounting system provides for appropriate budgetary control. Budgetary comparisons are included in the supplemental schedules for the General Fund. Unused appropriations for all annually budgeted funds lapse at the end of the year.

Note 2. Legal Compliance – Budgets

The School District Administrator submits a proposed operating budget for the fiscal year to the School District Council. The operating budget includes proposed expenditures and the means of financing them. Prior to July 1, the budget is legally enacted through passage of an ordinance. The School District Administrator is authorized to transfer budgeted amounts within departments as necessary to achieve the goals of the budget. Any revisions that alter the total expenditures of any fund must be approved by School District Council. Budgeted amounts reflected in the accompanying financial statements are the final authorized amounts as revised during the year.

The School District has not presented budget information for the Special Revenue Fund, since budgetary control is maintained on an individual grant basis. Since grant periods may differ from the School District's fiscal year, a comparison of budgetary information for the total Special Revenue Fund would not be meaningful and has not been presented in the accompanying financial statements.

The community services, and intergovernmental has excess expenditures over appropriations in the amount of \$63,390, and \$221,481, respectively.

SPECIAL REVENUE FUNDS

To account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. A separate fund is used to account for each restricted source. Examples of special revenue funds are:

Title I
IDEA< Program for the Handicapped Occupational Education Preschool Handicapped
CATE
Drug Free Adult Education
Designated Restricted State Grant

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
For the Fiscal Year Ended June 30, 2016**

| | Title I BA Projects <u>201/202</u> | IDEA CA Projects <u>203/204</u> | Preschool Handicapped CG Projects <u>205/206</u> | CATE VA Projects <u>207</u> | Adult Education <u>243</u> | Other Designated Restricted State Grants <u>900s</u> | Other Special Revenue Programs | <u>Total</u> |
|--|--|---------------------------------------|---|-----------------------------------|----------------------------------|--|---|------------------|
| REVENUES | | | | | | | | |
| 1000 Revenues From Local Sources | | | | | | | | |
| 1300 Tuition: | | | | | | | | |
| 1330 From Patrons for Adult/Continuing Education | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 12,302 | \$ 12,302 |
| 1600 Food Services: | | | | | | | | |
| 1610 Lunch Sales to Pupils | - | - | - | - | - | - | 15,336 | 7,668 |
| 1900 Other Revenue From Local Sources | | | | | | | | |
| 1920 Contributions and Donations Private Sources | - | - | - | - | - | - | 52,776 | 52,776 |
| 1930 Medicaid | - | - | - | - | - | - | 1,181,660 | 1,181,660 |
| 1990 Miscellaneous Local Revenue | - | - | - | - | - | - | 178,960 | 178,960 |
| 1999 Revenue from Other Local Sources | - | - | - | - | - | - | 178,960 | 178,960 |
| Total Local Sources | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>1,441,034</u> | <u>1,433,366</u> |
| 3000 Revenue From State Sources | | | | | | | | |
| 3100 Restricted State Funding | | | | | | | | |
| 3110 Occupational Education | | | | | | | | |
| 3118 EEDA Career Specialist | - | - | - | - | - | 104,634 | - | 104,634 |
| 3120 General Education | | | | | | | | |
| 3127 Student Health and Fitness - PE Teachers | - | - | - | - | - | 6,870 | - | 6,870 |
| 3130 Special Programs | | | | | | | | |
| 3134 CDEP Expansion | - | - | - | - | - | 4,934 | - | 4,934 |
| 3135 Reading Coaches | - | - | - | - | - | 365,113 | - | 365,113 |
| 3155 DSS SNAP & E&T Program | - | - | - | - | - | 6,338 | - | 6,338 |
| 3177 Summer Reading Camps | - | - | - | - | - | 64,182 | - | 64,182 |
| 3190 Miscellaneous Restricted State Grants | | | | | | | | |
| 3193 Education License Plates | - | - | - | - | - | 314 | - | 314 |
| 3194 Digital Instructional Materials | - | - | - | - | - | 5,142 | - | 5,142 |
| 3198 Technology Professional Development | - | - | - | - | - | 23,530 | - | 23,530 |
| 3199 Other Restricted State Grants | - | - | - | - | - | - | 214,987 | 214,987 |

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
For the Fiscal Year Ended June 30, 2016
(Continued)**

| | Title I BA Projects <u>201/202</u> | IDEA CA Projects <u>203/204</u> | Preschool Handicapped CG Projects <u>205/206</u> | CATE VA Projects <u>207</u> | Adult Education <u>243</u> | Other Designated Restricted State Grants <u>900s</u> | Other Special Revenue Programs | <u>Total</u> |
|---|--|---------------------------------------|---|-----------------------------------|----------------------------------|--|---|-------------------|
| 3600 Education Lottery Act Revenue | | | | | | | | |
| 3607 6-8 Enhancement | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 3,961 | \$ - | \$ 3,961 |
| 3610 K-5 Enhancement | - | - | - | - | - | 207,276 | - | 207,276 |
| 3630 Technology Initiative | - | - | - | - | - | 239,046 | - | 239,046 |
| Total State Sources | <u>-</u> | <u>-</u> | <u>-</u> | <u>207</u> | <u>243</u> | <u>1,031,340</u> | <u>214,987</u> | <u>1,246,327</u> |
| 4000 Revenue From Federal Sources | | | | | | | | |
| 4200 Occupational Education | | | | | | | | |
| 4210 Perkins Aid, Title I | - | - | - | 125,902 | - | - | - | 125,902 |
| 4300 Elementary and Secondary Education Act of 1965 | | | | | | | | |
| 4310 Title I, Basic State Grant Programs | 3,735,916 | - | - | - | - | - | 132,775 | 3,868,691 |
| 4312 Rural and Low-Income School Program, Title VI | - | - | - | - | - | - | 133,895 | 133,895 |
| 4320 Charter School (Planning and Implementation) Grant | - | - | - | - | - | - | 270,000 | 135,000 |
| 4351 Improving Teacher Quality | - | - | - | - | - | - | 372,257 | 372,257 |
| 4400 Adult Education | | | | | | | | |
| 4410 Basic Adult Education | - | - | - | - | 66,309 | - | - | 66,309 |
| 4500 Programs for Children with Disabilities | | | | | | | | |
| 4510 Individuals With Disabilities Education Act (IDEA) | - | 1,798,286 | - | - | - | - | - | 1,798,286 |
| 4520 Pre-School Grants (IDEA) | - | - | 43,929 | - | - | - | - | 43,929 |
| 4900 Other Federal Sources | | | | | | | | |
| 4924 21st Century Community Learning Center (Title IV) | - | - | - | - | - | - | 1,043,002 | 1,043,002 |
| 4999 Revenue from Other Federal Sources | - | - | - | - | - | - | 398,125 | 398,125 |
| Total Federal Sources | <u>3,735,916</u> | <u>1,798,286</u> | <u>43,929</u> | <u>125,902</u> | <u>66,309</u> | <u>-</u> | <u>2,350,054</u> | <u>7,985,396</u> |
| TOTAL REVENUES ALL SOURCES | <u>3,735,916</u> | <u>1,798,286</u> | <u>43,929</u> | <u>126,109</u> | <u>66,552</u> | <u>1,031,340</u> | <u>4,006,075</u> | <u>10,665,089</u> |

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
For the Fiscal Year Ended June 30, 2016
(Continued)**

| | Title I BA Projects <u>201/202</u> | IDEA CA Projects <u>203/204</u> | Preschool Handicapped CG Projects <u>205/206</u> | CATE VA Projects <u>207</u> | Adult Education <u>243</u> | Other Designated Restricted State Grants <u>900s</u> | Other Special Revenue Programs | <u>Total</u> |
|--|--|---------------------------------------|---|-----------------------------------|----------------------------------|--|---|--------------|
| EXPENDITURES | | | | | | | | |
| 100 Instruction | | | | | | | | |
| 110 General Instruction | | | | | | | | |
| 111 Kindergarten Programs | | | | | | | | |
| 100 Salaries | \$ 39,386 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 39,386 |
| 200 Employee Benefits | 13,345 | - | - | - | - | - | - | 13,345 |
| 400 Supplies and Materials | | - | - | - | - | - | 125 | 125 |
| 112 Primary Programs | | | | | | | | |
| 100 Salaries | 93,097 | - | - | - | - | 55,000 | - | 148,097 |
| 200 Employee Benefits | 30,971 | - | - | - | - | 7,730 | - | 38,701 |
| 300 Purchased Services | 19,208 | - | - | - | - | - | - | 19,208 |
| 400 Supplies and Materials | 66,800 | - | - | - | - | - | 125 | 66,925 |
| 500 Capital Outlay | 32,092 | - | - | - | - | - | - | 32,092 |
| 113 Elementary Programs | | | | | | | | |
| 100 Salaries | 659,583 | - | - | - | - | 194,218 | 195,360 | 1,049,161 |
| 200 Employee Benefits | 220,463 | - | - | - | - | 58,624 | 69,789 | 348,876 |
| 300 Purchased Services | 165,072 | - | - | - | - | - | 20,334 | 185,406 |
| 400 Supplies and Materials | 217,000 | - | - | - | - | - | 166,282 | 369,622 |
| 500 Capital Outlay | 46,540 | - | - | - | - | 41,528 | 209,317 | 200,400 |
| 600 Other Objects | | - | - | - | - | - | 70 | 70 |
| 114 High School Programs | | | | | | | | |
| 100 Salaries | 323,602 | - | - | - | - | - | 228,458 | 552,060 |
| 200 Employee Benefits | 104,040 | - | - | - | - | - | 34,594 | 138,634 |
| 300 Purchased Services | 82,966 | - | - | - | - | - | 54,855 | 137,821 |
| 400 Supplies and Materials | 76,066 | - | - | - | - | - | 17,566 | 93,632 |
| 500 Capital Outlay | 2,189 | - | - | - | - | 141,484 | - | 143,673 |
| 115 Career and Technology Education Programs | | | | | | | | |
| 300 Purchased Services | - | - | - | 9,792 | - | - | - | 9,792 |
| 400 Supplies and Materials | - | - | - | 72,889 | - | - | 199 | 73,088 |
| 500 Capital Outlay | - | - | - | 4,318 | - | - | - | 4,318 |

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
For the Fiscal Year Ended June 30, 2016
(Continued)**

| | Title I BA Projects <u>201/202</u> | IDEA CA Projects <u>203/204</u> | Preschool Handicapped CG Projects <u>205/206</u> | CATE VA Projects <u>207</u> | Adult Education <u>243</u> | Other Designated Restricted State Grants <u>900s</u> | Other Special Revenue Programs | <u>Total</u> |
|------------------------------------|--|---------------------------------------|---|-----------------------------------|----------------------------------|--|---|--------------|
| 120 Exceptional Programs | | | | | | | | |
| 121 Educable Mentally Handicapped | | | | | | | | |
| 100 Salaries | \$ - | \$ 126,791 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 126,791 |
| 200 Employee Benefits | - | 37,735 | - | - | - | - | - | 37,735 |
| 122 Trainable Mentally Handicapped | | | | | | | | |
| 100 Salaries | - | 12,390 | 30,175 | - | - | - | - | 42,565 |
| 200 Employee Benefits | - | 1,762 | 11,903 | - | - | - | - | 13,665 |
| 400 Supplies and Materials | - | 2,801 | - | - | - | - | - | 2,801 |
| 123 Orthopedically Handicapped | | | | | | | | |
| 100 Salaries | - | 20,626 | - | - | - | - | - | 20,626 |
| 200 Employee Benefits | - | 9,466 | - | - | - | - | - | 9,466 |
| 124 Visually Handicapped | | | | | | | | |
| 300 Purchased Services | - | 6,000 | - | - | - | - | - | 6,000 |
| 400 Supplies and Materials | - | 852 | - | - | - | - | - | 852 |
| 125 Hearing Handicapped | | | | | | | | |
| 100 Salaries | - | 27,913 | - | - | - | - | - | 27,913 |
| 200 Employee Benefits | - | 2,413 | - | - | - | - | - | 2,413 |
| 300 Purchased Services | - | 18,260 | - | - | - | - | - | 18,260 |
| 126 Speech Handicapped | | | | | | | | |
| 100 Salaries | - | 120,650 | - | - | - | - | - | 120,650 |
| 200 Employee Benefits | - | 32,312 | - | - | - | - | - | 32,312 |
| 300 Purchased Services | - | 34,137 | - | - | - | - | - | 34,137 |
| 600 Other Objects | - | 1,000 | - | - | - | - | - | 1,000 |
| 127 Learning Disabilities | | | | | | | | |
| 100 Salaries | - | 229,251 | - | - | - | - | - | 229,251 |
| 200 Employee Benefits | - | 46,076 | - | - | - | - | - | 46,076 |

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
For the Fiscal Year Ended June 30, 2016
(Continued)**

| | Title I BA Projects <u>201/202</u> | | Preschool Handicapped CG Projects <u>205/206</u> | | CATE VA Projects <u>207</u> | | Adult Education <u>243</u> | | Other Designated Restricted State Grants <u>900s</u> | | Other Special Revenue Programs | | <u>Total</u> | |
|---|--|---|---|--------|-----------------------------------|---|----------------------------------|---|--|--------|---|--------|--------------|--------|
| 128 Emotionally Handicapped | | | | | | | | | | | | | | |
| 100 Salaries | \$ | - | \$ | 11,030 | \$ | - | \$ | - | \$ | - | \$ | - | \$ | 11,030 |
| 200 Employee Benefits | | - | | 825 | | - | | - | | - | | - | | 825 |
| 129 Homebound | | | | | | | | | | | | | | |
| 100 Salaries | | - | | 61,682 | | - | | - | | - | | - | | 61,682 |
| 200 Employee Benefits | | - | | 24,185 | | - | | - | | - | | - | | 24,185 |
| 400 Supplies and Materials | | - | | - | | - | | - | | - | | 2,521 | | 2,521 |
| 137 Preschool Handicapped Self Contained (3&4 Yr. Olds) | | | | | | | | | | | | | | |
| 100 Salaries | | - | | 50,511 | | - | | - | | - | | - | | 50,511 |
| 200 Employee Benefits | | - | | 17,104 | | - | | - | | - | | - | | 17,104 |
| 139 Early Childhood Programs: | | | | | | | | | | | | | | |
| 100 Salaries | | - | | - | | - | | - | | - | | 4,013 | | 4,013 |
| 200 Employee Benefits | | - | | - | | - | | - | | - | | 947 | | 947 |
| 140 Special Programs | | | | | | | | | | | | | | |
| 147 CDEPP | | | | | | | | | | | | | | |
| 300 Purchased Services | | - | | - | | - | | - | | 2,467 | | 829 | | 3,296 |
| 148 Gifted and Talented Artistic: | | | | | | | | | | | | | | |
| 400 Supplies and Materials | | - | | - | | - | | - | | - | | 409 | | 409 |
| 149 Other Special Programs | | | | | | | | | | | | | | |
| 300 Purchased Services | | - | | 11,220 | | - | | - | | - | | - | | 11,220 |
| 170 Summer School Programs | | | | | | | | | | | | | | |
| 171 Primary Summer School | | | | | | | | | | | | | | |
| 100 Salaries | | - | | - | | - | | - | | 30,263 | | 22,098 | | 52,361 |
| 200 Employee Benefits | | - | | - | | - | | - | | 4,597 | | 2,520 | | 7,117 |
| 300 Purchased Services | | - | | - | | - | | - | | 3,710 | | - | | 3,710 |
| 400 Supplies and Materials | | - | | - | | - | | - | | 7,232 | | - | | 7,232 |

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
For the Fiscal Year Ended June 30, 2016
(Continued)**

| | Title I BA Projects <u>201/202</u> | IDEA CA Projects <u>203/204</u> | Preschool Handicapped CG Projects <u>205/206</u> | CATE VA Projects <u>207</u> | Adult Education <u>243</u> | Other Designated Restricted State Grants <u>900s</u> | Other Special Revenue Programs | <u>Total</u> |
|--|--|---------------------------------------|---|-----------------------------------|----------------------------------|--|---|------------------|
| 175 Instructional Programs Beyond Regular School Day | | | | | | | | |
| 100 Salaries | \$ - | - | \$ - | \$ - | \$ - | \$ - | \$ 473,113 | \$ 473,113 |
| 200 Employee Benefits | - | - | - | - | - | - | 108,079 | 108,079 |
| 300 Purchased Services | - | - | - | - | - | - | 117,382 | 117,382 |
| 400 Supplies and Materials | - | - | - | - | - | - | 210,753 | 210,753 |
| 180 Adult/Continuing Educational Programs | | | | | | | | |
| 181 Adult Basic Education Programs | | | | | | | | |
| 100 Salaries | - | - | - | - | 33,283 | 1,605 | 1,018 | 35,906 |
| 200 Employee Benefits | - | - | - | - | 6,899 | 245 | 184 | 7,328 |
| 300 Purchased Services | - | - | - | - | - | 2,326 | 1,129 | 3,455 |
| 400 Supplies and Materials | - | - | - | - | 4,978 | 469 | 730 | 6,177 |
| 182 Adult Secondary Education Programs | | | | | | | | |
| 100 Salaries | - | - | - | - | 14,610 | 275 | - | 14,885 |
| 200 Employee Benefits | - | - | - | - | 2,552 | 31 | - | 2,583 |
| 188 Parenting/Family Literacy | | | | | | | | |
| 100 Salaries | 126,042 | - | - | - | - | - | - | 126,042 |
| 200 Employee Benefits | 66,729 | - | - | - | - | - | - | 66,729 |
| 300 Purchased Services | 64,376 | - | - | - | - | - | - | 64,376 |
| 400 Supplies and Materials | 34,407 | - | - | - | - | - | - | 34,407 |
| Total Instruction | <u>2,483,974</u> | <u>906,992</u> | <u>42,078</u> | <u>86,999</u> | <u>62,322</u> | <u>551,804</u> | <u>1,942,799</u> | <u>5,966,323</u> |
| 200 Support Services | | | | | | | | |
| 210 Pupil Services | | | | | | | | |
| 212 Guidance Services | | | | | | | | |
| 100 Salaries | - | - | - | - | - | 65,559 | - | 65,559 |
| 200 Employee Benefits | - | - | - | - | - | 28,734 | - | 28,734 |

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
For the Fiscal Year Ended June 30, 2016
(Continued)**

| | Title I BA Projects <u>201/202</u> | IDEA CA Projects <u>203/204</u> | Preschool Handicapped CG Projects <u>205/206</u> | CATE VA Projects <u>207</u> | Adult Education <u>243</u> | Other Designated Restricted State Grants <u>900s</u> | Other Special Revenue Programs | <u>Total</u> |
|---|--|---------------------------------------|---|-----------------------------------|----------------------------------|--|---|--------------|
| 213 Health Services | | | | | | | | |
| 100 Salaries | \$ - | - | \$ - | \$ - | \$ - | \$ - | \$ 314,982 | \$ 314,982 |
| 200 Employee Benefits | - | - | - | - | - | 259 | 137,411 | 137,670 |
| 300 Purchased Services | - | 152,583 | - | - | - | - | 6,525 | 159,108 |
| 400 Supplies and Materials | - | - | - | - | - | - | 7,209 | 7,209 |
| 600 Other Objects | - | - | - | - | - | - | 216 | 216 |
| 214 Psychological Services | | | | | | | | |
| 100 Salaries | - | 51,755 | - | - | - | - | - | 51,755 |
| 200 Employee Benefits | - | 14,665 | - | - | - | - | - | 14,665 |
| 300 Purchased Services | - | 13,057 | - | - | - | - | - | 13,057 |
| 400 Supplies and Materials | - | 1,161 | - | - | - | - | - | 1,161 |
| 220 Instructional Staff Services | | | | | | | | |
| 221 Improvement of Instruction - Curriculum Development | | | | | | | | |
| 100 Salaries | 285,476 | 188,144 | - | - | - | - | 84,750 | 558,370 |
| 200 Employee Benefits | 82,004 | 71,423 | - | - | - | 4,129.00 | 23,947 | 181,503 |
| 300 Purchased Services | 28,417 | 17,297 | - | - | - | 17,687 | 191,879 | 255,280 |
| 400 Supplies and Materials | 89,521 | - | - | - | 1,006 | 79 | 41,325 | 131,931 |
| 500 Capital Outlay | - | - | - | - | - | - | 17,970 | 17,970 |
| 222 Educational Media | | | | | | | | |
| 400 Supplies and Materials | 1,678 | - | - | - | - | - | - | 1,678 |
| 223 Supervision of Special Programs | | | | | | | | |
| 100 Salaries | 11,124 | 146,434 | - | - | - | - | 191,157 | 348,715 |
| 200 Employee Benefits | 5,572 | 54,041 | - | - | - | - | 76,928 | 136,541 |
| 300 Purchased Services | 40,213 | 8,770 | - | - | 686 | 115 | 28,272 | 78,056 |
| 400 Supplies and Materials | 9,834 | 10,221 | - | - | 617 | - | 35,728 | 56,400 |
| 500 Capital Outlay | - | - | - | - | - | - | 2,059 | 2,059 |
| 600 Other Objects | 1,375 | 322 | - | - | - | - | 1,346 | 3,043 |

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
For the Fiscal Year Ended June 30, 2016
(Continued)**

| | Title I BA Projects <u>201/202</u> | IDEA CA Projects <u>203/204</u> | Preschool Handicapped CG Projects <u>205/206</u> | CATE VA Projects <u>207</u> | Adult Education <u>243</u> | Other Designated Restricted State Grants <u>900s</u> | Other Special Revenue Programs | <u>Total</u> |
|--|--|---------------------------------------|---|-----------------------------------|----------------------------------|--|---|--------------|
| 224 Improvement of Instruction - In-service and Staff Training | | | | | | | | |
| 100 Salaries | \$ 29,947 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 31,736 | \$ 61,683 |
| 200 Employee Benefits | 2,181 | - | - | - | - | - | 6,009 | 8,190 |
| 300 Purchased Services | 138,604 | - | - | 13,965 | - | 1,714 | 58,267 | 202,893 |
| 400 Supplies and Materials | 45,434 | - | - | - | - | - | 57,626 | 103,060 |
| 600 Other Objects | 2,016 | - | - | - | - | - | - | 2,016 |
| 230 General Administrative Services | | | | | | | | |
| 233 School Administration | | | | | | | | |
| 400 Supplies and Materials | - | - | - | - | - | - | 1,022 | 511 |
| 250 Finance and Operations Services | | | | | | | | |
| 251 Student Transportation | | | | | | | | |
| 100 Salaries | - | 57,211 | - | - | - | - | - | 57,211 |
| 200 Employee Benefits | - | 32,159 | - | - | - | - | - | 32,159 |
| 300 Purchased Services | - | - | - | - | - | - | 97,225 | 97,225 |
| 253 Facilities Acquisition Construction | | | | | | | | |
| 500 Capital Outlay | - | - | - | - | - | - | 35,417 | 35,417 |
| 254 Operation and Maintenance of Plant | | | | | | | | |
| 300 Purchased Services | - | - | - | - | 1,678 | 1,194 | - | 2,872 |
| 255 Pupil Transportation | | | | | | | | |
| 100 Salaries | - | - | - | - | - | 600 | - | 600 |
| 200 Employee Benefits | - | - | - | - | - | 47 | - | 47 |
| 256 Food Service | | | | | | | | |
| 300 Purchased Services | - | - | - | - | - | 45 | 27,126 | 13,608 |

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
For the Fiscal Year Ended June 30, 2016
(Continued)**

| | Title I BA Projects <u>201/202</u> | IDEA CA Projects <u>203/204</u> | Preschool Handicapped CG Projects <u>205/206</u> | CATE VA Projects <u>207</u> | Adult Education <u>243</u> | Other Designated Restricted State Grants <u>900s</u> | Other Special Revenue Programs | <u>Total</u> |
|---|--|---------------------------------------|---|-----------------------------------|----------------------------------|--|---|-------------------|
| 260 Central Support Services | | | | | | | | |
| 264 Staff Services | | | | | | | | |
| 300 Purchased Services | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 255 | \$ 255 |
| 266 Technology and Data Processing Services | | | | | | | | |
| 100 Salaries | 80,438 | - | - | - | - | - | 68,500 | 148,938 |
| 200 Employee Benefits | 33,508 | - | - | - | - | - | 22,131 | 55,639 |
| 300 Purchased Services | - | - | - | - | - | 49,226 | 32,228 | 67,267 |
| 400 Supplies and Materials | - | - | - | - | - | 12,106 | 43,460 | 55,566 |
| 270 Support Service Activities - Pupil Activity | | | | | | | | |
| 271 Pupil Service Activities | | | | | | | | |
| 300 Purchased Services | - | - | - | 23,450 | - | - | - | 23,450 |
| 400 Supplies and Materials | - | - | - | 1,488 | - | - | (144) | 1,344 |
| Total Support Services | <u>887,342</u> | <u>819,243</u> | <u>-</u> | <u>39,110</u> | <u>4,230</u> | <u>181,494</u> | <u>1,642,562</u> | <u>3,535,613</u> |
| 410 Intergovernmental Expenditures | | | | | | | | |
| 414 Medicaid Payments to SCDE | | | | | | | | |
| 720 Transits | - | - | - | - | - | - | 273,788 | 273,788 |
| 416 LEA Payments to Public Charter Schools | | | | | | | | |
| 720 Transits | <u>224,167</u> | <u>1,200</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>86,806</u> | <u>398</u> | <u>312,571</u> |
| Total Intergovernmental Expenditures | <u>224,167</u> | <u>1,200.00</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>86,806</u> | <u>274,186</u> | <u>586,359</u> |
| TOTAL EXPENDITURES | <u>3,595,483</u> | <u>1,727,435</u> | <u>42,078</u> | <u>126,109</u> | <u>66,552</u> | <u>820,104</u> | <u>3,859,547</u> | <u>10,088,295</u> |

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
For the Fiscal Year Ended June 30, 2016
(Continued)**

| | Title I BA Projects <u>201/202</u> | IDEA CA Projects <u>203/204</u> | Preschool Handicapped CG Projects <u>205/206</u> | CATE VA Projects <u>207</u> | Adult Education <u>243</u> | Other Designated Restricted State Grants <u>900s</u> | Other Special Revenue Programs | <u>Total</u> |
|--|--|---------------------------------------|---|-----------------------------------|----------------------------------|--|---|------------------|
| OTHER FINANCING SOURCES (USES) | | | | | | | | |
| Interfund Transfers, From (To) Other Funds: | | | | | | | | |
| 5210 Transfer from General Fund | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 401,390 | \$ 395,495 |
| 422-710 Transfer to Special Revenue EIA Fund | - | - | - | - | - | (211,236) | (100,000) | (311,236) |
| 431-791 Special Revenue Fund Indirect Cost | <u>(140,433)</u> | <u>(70,851)</u> | <u>(1,851)</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>(44,688)</u> | <u>(257,823)</u> |
| TOTAL OTHER FINANCING SOURCES (USES) | <u>(140,433)</u> | <u>(70,851)</u> | <u>(1,851)</u> | <u>-</u> | <u>-</u> | <u>(211,236)</u> | <u>256,702</u> | <u>(173,564)</u> |
| Excess of Revenues Over Expenditures | - | - | - | - | - | - | 403,230 | 403,230 |
| Fund Balance, July 1, 2015 | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>(403,585)</u> | <u>(403,585)</u> |
| Fund Balance, June 30, 2016 | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ (355)</u> | <u>\$ (355)</u> |

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
SPECIAL REVENUE FUND
SUPPLEMENTAL LISTING OF LEA SUBFUND CODES AND TITLES
For the Fiscal Year Ended June 30, 2016**

OTHER SPECIAL REVENUE PROGRAMS

| Sub | Revenue | | | | Other Fund | Special |
|------|-----------|--|-----------|--------------|-----------------------|--------------------------|
| Fund | Code | Programs | Revenues | Expenditures | Transfers In (Out) | Revenue Fund Unearned |
| 221 | 4310 | Workforce Initiative | \$ 19,220 | \$ 19,220 | \$ - | \$ - |
| 224 | 4924 | 21st Century Community Learning Center Program | 1,043,002 | 1,006,551 | (36,451) | - |
| 237 | 4310 | Title I Part A, School Improvement | 113,554 | 113,554 | - | - |
| 239 | 4310 | Title I - Priority Schools | | | - | - |
| 251 | 4312 | Rural and Low Income School Program, Title VI | 133,895 | 133,895 | - | - |
| 267 | 4351 | Improving Teacher Quality | 372,257 | 372,257 | - | - |
| 270 | 4999 | ROTC | 121,239 | 121,239 | - | - |
| 285 | 4999 | Race To The Top Grant | 276,886 | 268,650 | (8,236) | - |
| 800 | 1930/3199 | SIG Activities | 23,648 | 23,250 | (398) | 12,532 |
| 801 | 1930/3199 | Sail Into Summer Grant | 24,615 | 24,615 | - | 385 |
| 802 | N/A | Computer Based Testing | - | - | - | 383 |
| 803 | 3199 | DASH Mini Grant | - | - | - | - |
| 804 | 3199 | Extended School Year | - | - | - | - |
| 805 | N/A | State Improvement Grant | - | - | - | 22,412 |
| 806 | 1920 | Wal-Mart Grant | - | - | - | 5,014 |
| 807 | 1920 | Career & Technology Fair | 199 | 199 | - | 1 |
| 809 | 3199 | Health Fair | - | - | - | 13 |
| 810 | 3199 | Gifted and Talented | 300 | 300 | - | 100 |
| 811 | 3199 | HEAP | - | - | - | 2,135 |
| 812 | 1330 | Mentoring | - | - | - | - |
| 814 | 1920 | Low Country Food Bank | - | - | - | 5,000 |
| 816 | 3199 | CCRS | - | - | - | - |
| 817 | 3199 | Discover Brighter Futures | 17,970 | 17,970 | - | - |
| 818 | 3199 | Save the Children | 3,525 | 3,525 | - | 126,373 |
| 825 | 1920 | Flood Relief Donation | 9,992 | 9,992 | - | 712 |
| 827 | 1999 | E-Rate | 78,881 | 78,881 | - | 75,361 |
| 829 | 3199 | SC Teen Lead | - | - | - | - |
| 831 | 3199 | Private Placement | - | - | - | - |
| 833 | 3199 | Target Grant | - | - | - | 35 |
| 834 | 1920 | REMS | - | - | - | 250 |
| 835 | 1920 | BC/BS Mental Health | - | - | - | - |
| 838 | 1999 | BC/BS Mental Health | 8,000 | 8,000 | - | 600 |
| 842 | 1999 | Staff Development | - | - | - | - |
| 845 | 1930 | Rehabilitative Health | 669,090 | 543,422 | 104,822 | - |
| 848 | 1330 | Strings | 409 | 409 | - | 2,756 |
| 849 | 3199 | Adult Education | - | - | - | 1,172 |
| 850 | 1330 | Adult Education Local | 3,060 | 3,060 | - | 38 |
| 851 | 1330 | Teen Life - Capps | 8,831 | 8,831 | - | 6,522 |
| 853 | N/A | Parenting Grant | - | - | - | 97 |
| 854 | 3199 | Clemson University/Reading Recovery | 2,658 | 2,658 | - | 1,073 |
| 859 | N/A | Lunch Program Aid | - | - | - | 3,854 |
| 860 | 3199 | SC Gear Up | 200,712 | 200,712 | - | - |
| 861 | N/A | Telamon Corp Youth Commerce | - | - | - | 190 |
| 862 | 1930 | Special Needs Transportation | 834 | 834 | - | 20,650 |
| 863 | 3199 | Bright Ideas Grant | 631 | 631 | - | 2,593 |
| 865 | 3199 | Project Hope | - | - | - | - |
| 866 | N/A | SAS Data Collection System (Equipment) | - | - | - | 2,750 |

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
SPECIAL REVENUE FUND
SUPPLEMENTAL LISTING OF LEA SUBFUND CODES AND TITLES
For the Fiscal Year Ended June 30, 2016
(Continued)**

| <u>Sub Fund</u> | <u>Revenue Code</u> | <u>Programs</u> | <u>Revenues</u> | <u>Expenditures</u> | <u>Other Fund Transfers In (Out)</u> | <u>Special Revenue Fund Unearned</u> |
|-----------------|---------------------|------------------------------|---------------------|---------------------|--------------------------------------|--------------------------------------|
| 868 | 1999 | Before/After School Day Care | \$ - | \$ - | \$ - | \$ 14,050 |
| 869 | 1920 | Humanities Council Grant | - | - | - | 206 |
| 870 | 1930 | Medicaid | 214,927 | 945 | 36,036 | - |
| 872 | 1930 | Medicaid | 134,745 | - | (100,000) | 131,897 |
| 873 | 1930 | Teen Companion - Medicaid | - | - | 948 | - |
| 874 | 1930 | Medicaid - Nurses | 145,577 | 172,033 | (26,403) | - |
| 878 | N/A | Fine Arts Grant | - | - | - | 3,164 |
| 879 | 1920 | MUSC Fitness Grant | - | - | - | 12,195 |
| 880 | N/A | Teaching American History | - | - | - | 16,218 |
| 890 | 3999 | First Steps | 92,079 | 92,079 | - | - |
| 891 | 1999 | First Steps | - | - | 410 | - |
| | | Subtotal | 3,720,736 | 3,227,712 | (29,272) | 470,731 |
| XX | | Public Charter School | 282,739 | 282,739 | - | 2,545 |
| | | Total | <u>\$ 4,003,475</u> | <u>\$ 3,510,451</u> | <u>\$ (29,272)</u> | <u>\$ 473,276</u> |

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
SPECIAL REVENUE FUND
SUMMARY SCHEDULE FOR DESIGNATED STATE RESTRICTED GRANTS
For the Fiscal Year Ended June 30, 2016**

OTHER DESIGNATED STATE RESTRICTED GRANTS

| Sub Fund | Revenue Code | Programs | Revenues | Expenditures | Other Fund Transfers In (Out) | Special Revenue Fund Unearned |
|-------------|-----------------|---|---------------------|-------------------|-------------------------------------|-------------------------------------|
| 914 | 3194 | Adult Education Literacy | \$ - | \$ - | \$ - | \$ 65,778 |
| 918 | 3198 | Tech Professional Development | 21,816 | 21,816 | - | 106 |
| 919 | 3193 | Education License Plates | 157 | - | (157) | 1,273 |
| 924 | 3134 | Child Development Education Pilot Program | 2,467 | - | (2,467) | 20,033 |
| 926 | 3116 | EEDA - Miscellaneous | 59,726 | 52,050 | (7,676) | 15,537 |
| 928 | 3118 | EEDA Career Specialist | 94,294 | 83,954 | (10,340) | - |
| 930 | 3133 | IDEA Contingency Fund | - | - | - | - |
| 933 | 3123 | Formative Assessment | - | - | - | - |
| 935 | 3135 | Reading Coaches | 302,383 | 239,653 | (62,730) | 21,156 |
| 936 | 3136 | Student Health and Fitness-Nurses | - | - | - | - |
| 937 | 3127 | Student Health and Fitness | - | - | (3,435) | 28,205 |
| 955 | 3155 | DSS Snap & E&T Program | 6,338 | 6,338 | - | 12,955 |
| 960 | 3610 | K-5 Enhancement | 207,276 | - | (207,276) | - |
| 963 | 3630 | Technology | 239,046 | 239,046 | - | 326,399 |
| 965 | 3605 | Digital Instructional Material | - | - | - | 24,884 |
| 967 | 3607 | 6-8 Enhancement | - | - | (3,961) | - |
| | | Subtotal | 933,503 | 642,857 | (298,042) | 516,326 |
| XX | | Public Charter School | 90,441 | 90,441 | - | 5,175 |
| | | Totals | <u>\$ 1,023,944</u> | <u>\$ 733,298</u> | <u>\$ (298,042)</u> | <u>\$ 521,501</u> |

SPECIAL REVENUE FUND EDUCATION IMPROVEMENT ACT

Education Improvement Act (EIA) Fund is a Special Revenue fund which accounts for all resources received under the Education Improvement Act as mandated by the South Carolina Department of Education.

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
 KINGSTREE, SOUTH CAROLINA
 EDUCATION IMPROVEMENT ACT
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 For the Fiscal Year Ended June 30, 2016**

REVENUES

3000 Revenue From State Sources

| | |
|---|----------------|
| 3500 Educational Improvement Act | |
| 3502 ADEPT | \$ 7,836 |
| 3509 Arts in Education | 54,477 |
| 3511 Professional Development | 28,414 |
| 3512 Technology Professional Development | 2,544 |
| 3518 Formative Assessment | 5,074 |
| 3525 Career and Technology Education Equipment | 95,962 |
| 3526 Refurbishment of K-8 Science Kits | 2,188 |
| 3533 Teacher of the Year Award | 1,077 |
| 3538 Student At Risk of School Failure | 762,757 |
| 3541 Child Development Education Pilot Program | 798,230 |
| 3550 Teacher Salary Increase | 580,517 |
| 3555 Teacher Salary Fringe | 87,065 |
| 3556 Adult Education | 159,896 |
| 3557 Summer Reading Program | 40,710 |
| 3558 Reading | 15,792 |
| 3571 Palmetto Priority Schools | 412,545 |
| 3577 Teacher Supplies | 64,250 |
| 3578 High Schools That Work/Making Middle Grades Work | 39,446 |
| 3581 Student Health and Fitness - Nurses | 118,112 |
| 3592 Worked-Based Learning | 15,257 |
| 3594 EEDA At Risk Supplemental Programs | 110,867 |
| 3595 EEDA - Supplies and Materials - Career Awareness | 1,696 |
| 3597 Aid to Districts | <u>121,237</u> |

| | |
|----------------------------|------------------|
| Total State Sources | <u>3,525,949</u> |
|----------------------------|------------------|

| | |
|----------------------------------|------------------|
| TOTAL REVENUE ALL SOURCES | <u>3,525,949</u> |
|----------------------------------|------------------|

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
EDUCATION IMPROVEMENT ACT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
For the Fiscal Year Ended June 30, 2016
(Continued)**

EXPENDITURES

100 Instruction

110 General Instruction

112 Primary Programs

| | | |
|----------------------------|----|--------|
| 100 Salaries | \$ | 34,904 |
| 400 Supplies and Materials | | 7,750 |

113 Elementary Programs

| | | |
|----------------------------|--|---------|
| 100 Salaries | | 414,541 |
| 200 Employee Benefits | | 120,966 |
| 300 Purchased Services | | 86,888 |
| 400 Supplies and Materials | | 160,644 |
| 500 Capital Outlay | | 25,683 |

114 High School Programs

| | | |
|----------------------------|--|---------|
| 100 Salaries | | 131,738 |
| 200 Employee Benefits | | 40,746 |
| 300 Purchased Services | | 14,327 |
| 400 Supplies and Materials | | 34,169 |

115 Career and Technology Education Programs

| | | |
|----------------------------|--|--------|
| 400 Supplies and Materials | | 1,750 |
| 500 Capital Outlay | | 95,962 |

120 Exceptional Programs

126 Speech Handicapped

| | | |
|----------------------------|--|-------|
| 400 Supplies and Materials | | 1,250 |
|----------------------------|--|-------|

128 Emotionally Handicapped

| | | |
|----------------------------|--|-----|
| 400 Supplies and Materials | | 250 |
|----------------------------|--|-----|

140 Special Programs

147 CDEPP

| | | |
|----------------------------|--|---------|
| 100 Salaries | | 493,067 |
| 200 Employee Benefits | | 173,526 |
| 300 Purchased Services | | 1,651 |
| 400 Supplies and Materials | | 3,446 |

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
EDUCATION IMPROVEMENT ACT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
For the Fiscal Year Ended June 30, 2016
(Continued)**

170 Summer School Program

171 Primary Summer School

| | | |
|----------------------------|----|--------|
| 100 Salaries | \$ | 26,429 |
| 200 Employee Benefits | | 4,249 |
| 300 Purchased Services | | 2,162 |
| 400 Supplies and Materials | | 4,188 |

172 Elementary Summer School

| | | |
|----------------------------|--|--------|
| 100 Salaries | | 12,050 |
| 200 Employee Benefits | | 1,896 |
| 300 Purchased Services | | 7,542 |
| 400 Supplies and Materials | | 35,854 |

180 Adult/Continuing Educational Programs

181 Adult Basic Education Programs

| | | |
|-----------------------|--|-------|
| 100 Salaries | | 9,435 |
| 200 Employee Benefits | | 2,115 |

182 Adult Secondary

| | | |
|-----------------------|--|--------------|
| 100 Salaries | | 6,425 |
| 200 Employee Benefits | | <u>1,156</u> |

Total Instruction

1,956,759

200 Support Services

210 Pupil Services

212 Guidance Services

| | | |
|----------------------------|--|-----|
| 400 Supplies and Materials | | 848 |
|----------------------------|--|-----|

213 Guidance Services:

| | | |
|-----------------------|--|--------|
| 100 Salaries | | 50,810 |
| 200 Employee Benefits | | 88,868 |

220 Instructional Staff Services

221 Improvement of Instruction - Curriculum Development

| | | |
|------------------------|--|---------|
| 300 Purchased Services | | 111,375 |
|------------------------|--|---------|

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
EDUCATION IMPROVEMENT ACT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
For the Fiscal Year Ended June 30, 2016
(Continued)**

| | | |
|--|----|----------------|
| 223 Supervision of Special Programs | | |
| 100 Salaries | \$ | 114,400 |
| 200 Employee Benefits | | 38,108 |
| 300 Purchased Services | | 1,985 |
| 600 Other Objects | | 1,800 |
| | | |
| 224 Improvement of Instruction - In-service and Staff Training | | |
| 100 Salaries | | 2,300 |
| 200 Employee Benefits | | 707 |
| 300 Purchased Services | | 208,754 |
| 400 Supplies and Materials | | 24,173 |
| | | |
| 230 General Administrative Services | | |
| | | |
| 231 General Administrative Services | | |
| 100 Salaries | | 1,988 |
| 600 Other Objects | | 1,551 |
| | | |
| 232 Office of Superintendent | | |
| 100 Salaries | | 1,077 |
| | | |
| 233 School Administration | | |
| 300 Purchased Services | | 9,985 |
| | | |
| 250 Finance and Operations Services | | |
| | | |
| 254 Operation and Maintenance | | |
| 300 Purchased Services | | 836 |
| | | |
| 260 Central Support Services | | |
| | | |
| 263 Information Services | | |
| 300 Purchased Services | | 2,700 |
| | | |
| 270 Support Services - Pupil Activities | | |
| | | |
| 271 Pupil Services Activities | | |
| 300 Purchased Services | | <u>274</u> |
| | | |
| Total Support Services | | <u>662,539</u> |

SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
EDUCATION IMPROVEMENT ACT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
For the Fiscal Year Ended June 30, 2016
(Continued)

400 Other Charges

410 Intergovernmental Expenditures

416 Payments to Public Charter Schools

720 Transits

\$ 285,284

Total Intergovernmental

285,284

TOTAL EXPENDITURES

2,904,582

OTHER FINANCING SOURCES (USES)

Interfund Transfers, From (To) Other Funds:

420-710 Transfer to General Fund

(621,367)

TOTAL OTHER FINANCING SOURCES (USES)

(621,367)

Excess of Revenues Over Expenditures

-

Fund Balance, July 1, 2015

-

Fund Balance, June 30, 2016

\$ -

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
EDUCATION IMPROVEMENT ACT
SUMMARY SCHEDULE BY PROGRAM
For the Fiscal Year Ended June 30, 2016**

| PROGRAM | <u>Revenues</u> | <u>Expenditures</u> | EIA Interfund Transfers <u>In/(Out)</u> | Other Fund Transfers <u>In/(Out)</u> | <u>Deferred Revenue</u> |
|---|---------------------|---------------------|---|--|-----------------------------|
| 3500 Educational Improvement Act | | | | | |
| 3502 ADEPT | \$ 7,195 | \$ 7,195 | \$ - | \$ - | \$ 12,263 |
| 3505 Technology Support | - | - | - | - | 21,361 |
| 3509 Arts in Education | 54,477 | 54,477 | - | - | - |
| 3511 Professional Development | 25,591 | 25,591 | - | - | 149 |
| 3512 Technology Professional Development | 2,544 | 2,544 | - | - | 20,659 |
| 3518 Formative Assessment | 2,537 | 2,537 | - | - | 74,508 |
| 3525 Career and Technology Education Equipment | 95,962 | 95,962 | - | - | 62,780 |
| 3526 Refurbishment of K-8 Science Kits | 1,094 | 1,094 | - | - | 37,868 |
| 3527 Special CATE Equipment | - | - | - | - | 147,000 |
| 3533 Teacher of the Year Award | 1,077 | 1,077 | - | - | - |
| 3535 Reading Coaches | - | - | - | - | 8,000 |
| 3538 Student At Risk of School Failure | 689,769 | 689,769 | - | - | 203,556 |
| 3541 Child Development Education Pilot Program | 671,690 | 671,690 | - | - | 112,858 |
| 3550 Teacher Salary Increase | 523,022 | 57,495 | - | (465,527) | - |
| 3555 School Employer Contributions | 78,442 | 8,623 | - | (69,819) | - |
| 3556 Adult Education | 159,896 | 159,896 | - | - | 17,069 |
| 3557 Summer Reading Program | 40,069 | 40,069 | - | - | 18,878 |
| 3558 Reading | 13,521 | 13,521 | - | - | 15,580 |
| 3571 Palmetto Priority Schools | 412,545 | 412,545 | - | - | - |
| 3577 Teacher Supplies | 64,250 | 64,250 | - | - | - |
| 3578 High Schools That Work/Making Middle Grades Work | 39,446 | 39,446 | - | - | 9,648 |
| 3581 Student Health and Fitness - Nurses | 118,112 | 118,112 | - | - | - |
| 3592 Worked-Based Learning | 15,257 | 15,257 | - | - | 9,082 |
| 3594 EEDA At Risk Supplemental Programs | 110,867 | 110,867 | - | - | 142 |
| 3595 EEDA - Supplies and Materials - Career Awareness | 848 | 848 | - | - | 13,996 |
| 3597 Aid to Districts | 114,999 | 28,978 | - | (86,021) | - |
| Subtotal | 3,243,210 | 2,621,843 | - | (621,367) | 785,397 |
| Public Charter School | 282,739 | 206,750 | - | - | - |
| Total | <u>\$ 3,525,949</u> | <u>\$ 2,828,593</u> | <u>\$ -</u> | <u>\$ (621,367)</u> | <u>\$ 785,397</u> |

DEBT SERVICE FUND

Debt Service Fund – District accounts for and reports resources that are restricted, committed or assigned to expenditure for principal and interest on general long- term debt. These funds are administered by the Williamsburg County Treasurer.

Debt Service Fund – EFC accounts for and reports resources that restricted, committed, or assigned to principal, interest, and related costs for the long-term debt of the SCAGO Education Facilities Corporation (EFC) for School District of Williamsburg County.

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
DEBT SERVICE FUND- DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
For the Fiscal Year Ended June 30, 2016**

REVENUES

1000 Revenues From Local Sources

| | | |
|---|----|------------------|
| 1100 Taxes | | |
| 1110 Ad Valorem Taxes - Including Delinquent | \$ | 2,446,906 |
| 1140 Penalties and Interest on Taxes | | 24,049 |
| 1200 Revenue From Local Governmental Units Other Than LEA | | |
| 1280 Revenue in Lieu of Taxes | | 431,827 |
| 1500 Earnings on Investments | | |
| 1510 Interest on Investments | | <u>4,568</u> |
| Total Local Sources | | <u>2,907,350</u> |

3000 Revenues From State Sources

| | | |
|---|--|----------------|
| 3800 State Revenue in Lieu of Taxes | | |
| 3820 Homestead Exemption (Tier 2) | | 214,295 |
| 3830 Merchant Inventory Tax | | 13,634 |
| 3840 Manufacturers Depreciation Reimbursement | | 252,556 |
| 3890 Other State Property Tax Revenues | | <u>11,681</u> |
| Total State Sources | | <u>492,166</u> |

| | | |
|-----------------------------------|--|------------------|
| TOTAL REVENUES ALL SOURCES | | <u>3,399,516</u> |
|-----------------------------------|--|------------------|

EXPENDITURES

| | | |
|-----------------------------|--|----------------|
| 500 Debt Service | | |
| 610 Redemption of Principal | | 705,000 |
| 620 Interest | | 157,781 |
| 690 Other Objects | | <u>39,769</u> |
| Total Debt Service | | <u>902,550</u> |

| | | |
|---------------------------|--|----------------|
| TOTAL EXPENDITURES | | <u>902,550</u> |
|---------------------------|--|----------------|

SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
DEBT SERVICE FUND- DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
For the Fiscal Year Ended June 30, 2016
(Continued)

OTHER FINANCING SOURCES (USES)

| | | |
|--|-----------|-------------------------|
| 5110 Premium on Bonds Sold | \$ | 17,000 |
| | | |
| Interfund Transfers, From (To) Other Funds: | | |
| 423-710 Transfer to Debt Service - EFC Fund | | (1,221,475) |
| 424-710 Transfer to Capital Projects Fund | | <u>(883,060)</u> |
| | | |
| TOTAL OTHER FINANCING SOURCES (USES) | | <u>(2,087,535)</u> |
| | | |
| Excess of Revenues Over Expenditures | | 409,431 |
| | | |
| Fund Balance, July 1, 2015 | | <u>1,697,803</u> |
| | | |
| Fund Balance, June 30, 2016 | \$ | <u><u>2,107,234</u></u> |

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
DEBT SERVICE FUND- EFC
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
For the Fiscal Year Ended June 30, 2016**

REVENUES

1000 Revenues From Local Sources

| | |
|------------------------------|----------|
| 1500 Earnings on Investments | |
| 1510 Interest on Investments | \$ 4,050 |

| | |
|-----------------------------------|--------------|
| TOTAL REVENUES ALL SOURCES | <u>4,050</u> |
|-----------------------------------|--------------|

EXPENDITURES

| | |
|-----------------------------|----------------|
| 500 Debt Service | |
| 610 Redemption of Principal | 410,000 |
| 620 Interest | 1,997,344 |
| 630 Discount on Bonds Sold | 14,190 |
| 690 Other Objects | <u>515,268</u> |

| | |
|---------------------------|------------------|
| Total Debt Service | <u>2,936,802</u> |
|---------------------------|------------------|

| | |
|---------------------------|------------------|
| TOTAL EXPENDITURES | <u>2,936,802</u> |
|---------------------------|------------------|

OTHER FINANCING SOURCES (USES)

| | |
|---|--------------|
| 5110 Premium on Bonds Sold | 1,250,443 |
| 5130 Proceeds of Refunding Debt | 17,625,000 |
| 5999 Other Financing Sources | 474,885 |
| 441-720 Payment on Refunded Debt Escrow Agent | (19,315,000) |

Interfund Transfers, From (To) Other Funds:

| | |
|---|------------------|
| 5240 Transfer from Debt Service Fund - District | 1,221,475 |
| 5250 Transfer from Capital Projects Fund | 1 |
| 424-710 Transfer to Capital Projects Fund | <u>(195,000)</u> |

| | |
|---|------------------|
| TOTAL OTHER FINANCING SOURCES (USES) | <u>1,061,804</u> |
|---|------------------|

| | |
|--|-------------|
| Excess (Deficiency) of Revenues Over (Under) Expenditures | (1,870,948) |
|--|-------------|

| | |
|-----------------------------------|------------------|
| Fund Balance, July 1, 2015 | <u>1,872,111</u> |
|-----------------------------------|------------------|

| | |
|------------------------------------|-----------------|
| Fund Balance, June 30, 2016 | <u>\$ 1,163</u> |
|------------------------------------|-----------------|

CAPITAL PROJECT FUNDS

Capital Projects Fund (School Building Fund) accounts for and report financial resources that are restricted, committed or assigned to expenditure for the expansion or improvement of the facilities of the School District. Primary sources of revenues are state aid based upon a per pupil allocation and general obligation bond sales.

Capital Projects Fund (School Building Fund) – EFC accounts for resources used for the expansion or improvement of the facilities of the SCAGO Education Facilities Corporation (EFC) for School District of Williamsburg County.

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
CAPITAL PROJECTS FUND-DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
June 30, 2016**

| | <u>State</u> | <u>QZAB 2008A</u> | <u>QZAB 2008B</u> | <u>TOTAL</u> |
|--|---------------------|-----------------------|-----------------------|---------------------|
| REVENUES | | | | |
| 1000 Revenues From Local Sources | | | | |
| 1100 Taxes: | | | | |
| 1110 Ad Valorem Taxes - Including Delinquent | | | | |
| 1140 Penalties & Interest on Taxes | | | | |
| 1500 Earnings on Investments | | | | |
| 1510 Interest on Investments | \$ 2 | \$ 136 | \$ 1 | \$ 139 |
| 1900 Earnings on Investments | | | | |
| 1993 Receipt of Insurance Proceeds | 144,304 | - | - | 144,304 |
| TOTAL REVENUES ALL SOURCES | <u>144,306</u> | <u>136</u> | <u>1</u> | <u>144,443</u> |
| EXPENDITURES | | | | |
| 250 Finance and Operations Services | | | | |
| 253 Facilities Acquisition & Construction | | | | |
| 300 Purchased Services | 122,619 | - | - | 122,619 |
| 400 Supplies and Materials | 2,168 | - | - | 2,168 |
| 500 Capital Outlay | 1,468,753 | - | - | 1,468,753 |
| 500 Debt Service | | | | |
| 610 Redemption of Principal | | | | - |
| 620 Interest | - | - | - | - |
| 690 Other Objects | 10,000 | - | - | 10,000 |
| TOTAL EXPENDITURES | <u>1,603,540</u> | <u>-</u> | <u>-</u> | <u>1,603,540</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| 5110 Premium on Bonds Sold | | | | |
| 5121 Installment Purchase Revenue Proceeds | | | | |
| 5550 Capital Lease | 300,000 | - | - | 300,000 |
| Interfund Transfers, From (To) Other Funds: | | | | |
| 5210 Transfer from The General Fund | | | | |
| 5240 Transfer from Debt Service | 300,580 | 582,480 | - | 883,060 |
| 423-710 Transfer to Debt Service - EFC | | | | |
| 424-710 Transfer to School Building Funds | | | | |
| TOTAL OTHER FINANCING SOURCES | <u>600,580</u> | <u>582,480</u> | <u>-</u> | <u>1,183,060</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | (858,654) | 582,616 | 1 | (276,037) |
| Fund Balance, July 1, 2015 | <u>2,292,127</u> | <u>1,569,665</u> | <u>9,442</u> | <u>3,871,234</u> |
| Fund Balance, June 30, 2016 | <u>\$ 1,433,473</u> | <u>\$ 2,152,281</u> | <u>\$ 9,443</u> | <u>\$ 3,595,197</u> |

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
CAPITAL PROJECTS FUND-EFC
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
June 30, 2016**

REVENUES

1000 Revenues From Local Sources

| | |
|------------------------------|------|
| 1500 Earnings on Investments | |
| 1510 Interest on Investments | \$ - |

| | |
|----------------------------|----------|
| Total Local Sources | <u>-</u> |
|----------------------------|----------|

| | |
|-----------------------------------|----------|
| TOTAL REVENUES ALL SOURCES | <u>-</u> |
|-----------------------------------|----------|

EXPENDITURES

| | |
|--|-------|
| 500 Debt Service | |
| 610 Redemption of Principal | |
| 620 Interest | |
| 690 Other Objects (Including Fees for Servicing Bonds) | 7,140 |

| | |
|---------------------------|--------------|
| TOTAL EXPENDITURES | <u>7,140</u> |
|---------------------------|--------------|

OTHER FINANCING SOURCES (USES)

Interfund Transfers, From (To) Other Funds:

| | |
|--|------------|
| 5240 Transfer from School Debt Service Fund - District | 195,000 |
| 420-710 Transfer to General Fund | (195,000) |
| 423-710 Transfer to Debt Service Fund | <u>(1)</u> |

| | |
|---|------------|
| TOTAL OTHER FINANCING SOURCES (USES) | <u>(1)</u> |
|---|------------|

| | |
|--|---------|
| Excess (Deficiency) of Revenues Over (Under) Expenditures | (7,141) |
|--|---------|

| | |
|-----------------------------------|----------------|
| Fund Balance, July 1, 2015 | <u>144,860</u> |
|-----------------------------------|----------------|

| | |
|------------------------------------|--------------------------|
| Fund Balance, June 30, 2016 | <u><u>\$ 137,719</u></u> |
|------------------------------------|--------------------------|

ENTERPRISE FUND

The enterprise fund is used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the government's council is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the government's council has decided that periodic determination of net income is appropriate for accountability purposes. The enterprise fund accounts for the revenues and expenditures of the school lunch program.

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
FOOD SERVICE FUND
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
For the Fiscal Year Ended June 30, 2016**

REVENUES

1000 Revenue From Local Sources

| | | |
|---|----|----------------|
| 1500 Local Earnings on Investments | | |
| 1510 Interest | \$ | 13,504 |
| 1600 Food Service | | |
| 1610 Lunch Sales to Pupils | | 8,422 |
| 1620 Breakfast Sales to Pupils | | 196 |
| 1630 Special Sales to Pupils | | 20,817 |
| 1640 Lunch Sales to Adults | | 33,129 |
| 1650 Breakfast Sales to Adults | | 6,111 |
| 1660 Special Sales to Adults | | 35,021 |
| 1900 Other Revenue from Local Sources | | |
| 1999 Revenue from Other Local Sources | | <u>83,245</u> |
| Total Revenue From Local Sources | | <u>200,445</u> |

3000 Revenues From State Sources

| | | |
|---|--|------------|
| 3100 State Revenue in Lieu of Taxes | | |
| 3140 School Lunch | | |
| 3142 Program Aid | | <u>229</u> |
| Total Revenue From State Sources | | <u>229</u> |

4000 Revenue From Federal Sources

| | | |
|---|--|------------------|
| 4800 USDA Reimbursement | | |
| 4810 School Lunch Program | | 1,951,362 |
| 4830 School Breakfast Program | | 902,901 |
| 4860 Fresh Fruits and Vegetables Program | | 201,706 |
| 4900 Other Federal Sources | | |
| 4991 USDA Commodities | | <u>113,961</u> |
| Total Revenue From Federal Sources | | <u>3,169,930</u> |
| TOTAL REVENUE ALL SOURCES | | <u>3,370,604</u> |

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
FOOD SERVICE FUND
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
For the Fiscal Year Ended June 30, 2016
(Continued)**

EXPENSES

| | |
|----------------------------|------------------|
| 256 Food Service | |
| 100 Salaries | \$ 1,081,186 |
| 200 Employee Benefits | 198,526 |
| 300 Purchased Services | 60,777 |
| 400 Supplies and Materials | 1,506,601 |
| 500 Capital Outlay | 102,265 |
| 600 Other Objects | <u>5,020</u> |
| TOTAL EXPENSES | <u>2,954,375</u> |

OTHER FINANCING SOURCES (USES)

| | |
|--|------------------|
| 5300 Loss on Disposal of Fixed Assets | (149,585) |
| Interfund Transfers, From (To) Other Funds | |
| 420-710 Transfer to General Fund (Excludes Indirect Costs) | (136,088) |
| 432-791 Food Service Indirect Cost | <u>(190,814)</u> |
| TOTAL OTHER FINANCING SOURCES (USES) | <u>(476,487)</u> |

| | |
|------------------------------------|-------------------|
| Change in Net Position | (60,258) |
| Net Position, July 1, 2015 | <u>550,073</u> |
| Net Position, June 30, 2016 | <u>\$ 489,815</u> |

FIDUCIARY FUNDS

Agency funds are used to account for revenues and expenditures of student groups and the operations of school functions directly supported by students.

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
AGENCY FUND
PUPIL ACTIVITY FUNDS
SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN DUE TO STUDENT
ORGANIZATIONS
June 30, 2016**

RECEIPTS

1000 Receipts From Local Sources

| | |
|--|-----------------|
| 1500 Earnings on Investments: | |
| 1510 Interest on Investments | \$ 307 |
| 1700 Pupil Activities | |
| 1710 Admissions | 294,117 |
| 1720 Bookstore Sales | 103,021 |
| 1730 Pupil Organization Membership | 262,896 |
| 1740 Student Fees | 35,870 |
| 1790 Other | <u>267,613</u> |
| | |
| Total Receipts From Local Sources | <u>963,824</u> |

| | |
|-----------------------------------|----------------|
| TOTAL RECEIPTS ALL SOURCES | <u>963,824</u> |
|-----------------------------------|----------------|

DISBURSEMENTS

| | |
|--|----------------|
| 190 Instructional Pupil Activity | |
| 660 Pupil Activity | 25,962 |
| 270 Supporting Services Pupil Activity | |
| 271 Pupil Service Activities | |
| 660 Pupil Activity | 850,726 |
| 272 Enterprise Activities | |
| 660 Pupil Activity | <u>78,315</u> |
| | |
| TOTAL DISBURSEMENTS | <u>955,003</u> |

Interfund Transfers, From (To) Other Funds:

| | |
|---------------------------------|---------------|
| 5210 Transfer from General Fund | <u>45,000</u> |
|---------------------------------|---------------|

| | |
|---|---------------|
| TOTAL OTHER FINANCING SOURCES (USES) | <u>45,000</u> |
|---|---------------|

| | |
|---|--------|
| Excess of Revenues Over Expenditures | 53,821 |
|---|--------|

| | |
|---|----------------|
| Due to Student Organizations, July 1, 2015 | <u>195,419</u> |
|---|----------------|

| | |
|--|------------------------|
| Due to Student Organizations, June 30, 2016 | <u>\$ 249,240</u> |
|--|------------------------|

MISCELLANEOUS SCHEDULES

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
DETAILED SCHEDULE OF DUE TO STATE AND FEDERAL GOVERNMENTS
June 30, 2016**

| <u>Program</u> | <u>Project/Grant Number</u> | <u>Revenue & Subfund Codes</u> | <u>Description</u> | <u>Amount Due to State/Fed</u> | <u>Status</u> |
|----------------|---------------------------------|--|------------------------|--|---------------|
| Army ROTC | ROTC | 4990/270 | Error in Reimbursement | \$ <u>10,674</u> | (1) |
| | Subtotal | | | \$ <u>10,674</u> | |

(1) Reimbursement Made Subsequent to End of Fiscal Year

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
LOCATION RECONCILIATION
June 30, 2016**

| <u>Location ID</u> | <u>Location Description</u> | <u>Education Level</u> | <u>Cost Type</u> | <u>Total Expenditures</u> |
|---|-----------------------------|------------------------|------------------|---------------------------|
| 0 | Districtwide | Non-Schools | Central | \$ 28,486,714 |
| 11 | KSHE | High Schools | School | 4,909,495 |
| 12 | KMS | Middle Schools | School | 3,228,556 |
| 13 | St. Mark | Non-Schools | Central | 250 |
| 15 | KGES | Elementary Schools | School | 3,390,853 |
| 16 | WMAES | Elementary Schools | School | 3,605,842 |
| 17 | Special Service | Non-Schools | Central | 2,257,812 |
| 18 | HES | Elementary Schools | School | 3,826,089 |
| 20 | HHS | High Schools | School | 3,491,836 |
| 21 | MS of the A | Elementary Schools | School | 290,530 |
| 22 | HAM | Middle Schools | School | 1,904,197 |
| 27 | DP Cooper | Elementary Schools | School | 4,292,710 |
| 30 | GES | Elementary Schools | School | 2,438,696 |
| 31 | CEMHS | High Schools | School | 3,647,568 |
| 32 | Finance | Non-Schools | Central | 4,263,061 |
| 33 | Instruction Dept | Non-Schools | Central | 3,704,423 |
| 35 | HCTC | Non-Schools | Central | 730,713 |
| 38 | Supt/County Board | Non-Schools | Central | 676,213 |
| 40 | KAA | Non-Schools | Central | 2,507,687 |
| 41 | Maintenance | Non-Schools | Central | 1,864,058 |
| TOTAL EXPENDITURES/DISBURSEMENTS FOR ALL FUNDS | | | | \$ 79,517,303 |

The above expenditures are reconciled to the District's financial statements as follows:

| | |
|---|----------------------|
| General Fund | \$ 32,432,538 |
| Special Revenue Fund | 10,194,184 |
| Special Revenue EIA Fund | 3,243,210 |
| Debt Service Funds | 27,605,409 |
| Capital Project Funds | 1,805,681 |
| Food Service Fund | 955,003 |
| Pupil Activity Fund | 3,281,278 |
| TOTAL EXPENDITURES/DISBURSEMENTS FOR ALL FUNDS | \$ 79,517,303 |

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
BALANCE SHEET – D.P. COOPER (CHARTER SCHOOL)
June 30, 2016**

| | General | Special Revenue | | Total |
|--|-------------------|-------------------|-----------------|---------------------|
| | | Special Projects | EIA | |
| Assets | | | | |
| Cash | \$ 689,772 | \$ - | \$ - | \$ 689,772 |
| Due from Other Governmental Units | - | 273,419 | - | 273,419 |
| Due from Other Funds | 273,419 | 5,175 | 2,545 | 281,139 |
| Prepaid Expenses | 627 | - | - | 627 |
| Total Assets | \$ 963,818 | \$ 278,594 | \$ 2,545 | \$ 1,244,957 |
| Liabilities and Fund Balances | | | | |
| Liabilities | | | | |
| Accounts Payable | \$ 26,966 | \$ - | \$ - | \$ 26,966 |
| Accrued Liabilities | 335,799 | - | - | 335,799 |
| Due to Other Funds | 7,720 | 273,419 | - | 281,139 |
| Note Payable | 135,000 | - | - | 135,000 |
| Unearned Revenue | - | 5,175 | 2,545 | 7,720 |
| Total Liabilities | 505,485 | 278,594 | 2,545 | 786,624 |
| Fund Deficit | | | | |
| Nonspendable | 627 | - | - | 627 |
| Unassigned | 457,706 | - | - | 457,706 |
| Total Fund Balances | 458,333 | - | - | 458,333 |
| Total Liabilities and Fund Balances | \$ 963,818 | \$ 278,594 | \$ 2,545 | \$ 1,244,957 |

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
BALANCE SHEET – D.P. COOPER (CHARTER SCHOOL)
June 30, 2016**

| | <u>Original and Final Budget</u> | <u>Actual</u> | <u>Variance Positive (Negative)</u> |
|---|--------------------------------------|------------------|---|
| REVENUES | | | |
| 1000 Revenue from Local Sources | | | |
| 1700 Pupil Activities | | | |
| 1790 Other Pupil Activity Income | \$ 30,000 | \$ 31,481 | \$ 1,481 |
| 1900 Other Revenue from Local Sources | | | |
| 1910 Rentals | 590 | 805 | 215.00 |
| 1920 Contributions and Donations from Private Sources | 7,700 | 2,397 | (5,303) |
| 1990 Miscellaneous Local Revenue | | | |
| 1999 Revenue from Other Local Sources | <u>65,000</u> | <u>32,642</u> | <u>(32,358)</u> |
| Total Local Sources | <u>103,290</u> | <u>67,325</u> | <u>(35,965)</u> |
| 3000 Revenue from State Sources | | | |
| 3100 Restricted State Funding | | | |
| 3131 Handicapped Transportation | - | 398 | 398 |
| 3310 Full-Time Programs | | | |
| 3311 Kindergarten | 2,521,150 | 271,511 | (2,249,639) |
| 3312 Primary | - | 818,346 | 818,346 |
| 3313 Elementary | - | 1,121,084 | 1,121,084 |
| 3316 Trainable Mentally Handicapped | - | 3,865 | 3,865 |
| 3316 Speech Handicapped (Part-Time) | - | 150,210 | 150,210 |
| 3320 Part-Time Programs | | | |
| 3321 Emotionally Handicapped | - | 6,493 | 6,493 |
| 3323 Learning Disabilities | - | 39,111 | 39,111 |
| 3326 Orthopedically Handicapped | - | 344,941 | 344,941 |
| 3330 Other EFA Programs | | | |
| 3332 High Achieving Students | - | 7,728 | 7,728 |
| 3351 Academics Assistance | - | 72,657 | 72,657 |
| 3352 Pupils in Poverty | <u>-</u> | <u>467,943</u> | <u>467,943</u> |
| Total State Sources | <u>2,521,150</u> | <u>3,304,287</u> | <u>782,739</u> |
| TOTAL REVENUES ALL SOURCES | <u>2,624,440</u> | <u>3,371,612</u> | <u>746,774</u> |

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN D.P. COOPER
(CHARTER SCHOOL) GENERAL FUND BALANCE-BUDGET TO ACTUAL
For the Fiscal Year Ended June 30, 2016**

| | <u>Budget</u> | <u>Actual</u> | <u>Variance Positive (Negative)</u> |
|---|------------------|------------------|---|
| EXPENDITURES | | | |
| 100 Instruction | | | |
| 110 General Instruction | | | |
| 111 Kindergarten Programs | | | |
| 100 Salaries | \$ 1,107,114 | \$ 54,600 | \$ 1,052,514 |
| 200 Employee Benefits | 407,140 | 13,494 | 393,646 |
| 112 Primary Programs | | | |
| 100 Salaries | - | 332,135 | (332,135) |
| 200 Employee Benefits | - | 145,619 | (145,619) |
| 113 Elementary Programs | | | |
| 100 Salaries | - | 484,665 | (484,665) |
| 200 Employee Benefits | - | 226,082 | (226,082) |
| 300 Purchased Services | 8,000 | 31,460 | (23,460) |
| 400 Supplies and Materials | 50,000 | 61,637 | (11,637) |
| 500 Capital Outlay | 65,000 | 9,335 | 55,665 |
| 120 Exceptional Programs | | | |
| 127 Learning Disabilities | | | |
| 100 Salaries | 74,251 | 65,867 | 8,384 |
| 200 Employee Benefits | 29,264 | 28,662 | 602 |
| 300 Purchased Services | 12,000 | - | 12,000 |
| 400 Supplies and Materials | 2,000 | - | 2,000 |
| 500 Capital Outlay | 3,200 | - | 3,200 |
| 140 Special Programs | | | |
| 147 Full day 4K | | | |
| 200 Employee Benefits | - | 20,709 | (20,709) |
| 180 Adult/Continuing Educational Programs | | | |
| 188 Parenting/Family Literacy | | | |
| 100 Salaries | - | 4,500 | (4,500) |
| 200 Employee Benefits | - | 1,385 | (1,385) |
| 400 Supplies and Materials | - | 2,675 | (2,675) |
| Total Instruction | <u>1,757,969</u> | <u>1,482,825</u> | <u>275,144</u> |

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN D.P. COOPER
(CHARTER SCHOOL) GENERAL FUND BALANCE-BUDGET TO ACTUAL
For the Fiscal Year Ended June 30, 2016
(Continued)**

| 200 Support Services | <u>Budget</u> | <u>Actual</u> | <u>Variance Positive (Negative)</u> |
|--|----------------------|----------------------|--|
| 210 Pupil Services | | | |
| 212 Guidance Services | | | |
| 100 Salaries | \$ 57,909 | \$ 58,428 | \$ (519) |
| 200 Employee Benefits | 18,633 | 29,926 | (11,293) |
| 213 Health Services | | | |
| 100 Salaries | - | 24,898 | (24,898) |
| 200 Employee Benefits | - | 10,058 | (10,058) |
| 300 Purchased Services | 2,000 | - | 2,000 |
| 214 Psychological Services | | | |
| 300 Purchased Services | 5,000 | - | 5,000 |
| 220 Instructional Staff Services | | | |
| 221 Improvement of Instruction In-service and Staff Training | | | |
| 100 Salaries | - | 5,526 | (5,526) |
| 200 Employee Benefits | - | 1,582 | (1,582) |
| 222 Library and Media Services | | | |
| 100 Salaries | 193,031 | - | 193,031 |
| 200 Employee Benefits | 62,728 | - | 62,728 |
| 224 Improvement of Instruction - In-service and Staff Training | | | |
| 300 Purchased Services | 15,000 | 9,844 | 5,156 |
| 230 General Administration Services | | | |
| 231 Board of Education | | | |
| 300 Purchased Services | 9,200 | 2,967 | 6,233 |
| 318 Audit Services | 18,000 | 15,750 | 2,250 |
| 400 Supplies and Materials | 8,000 | 22,280 | (14,280) |
| 600 Other Objects | 9,958 | 10,270 | (312) |
| 233 School Administration | | | |
| 100 Salaries | 224,774 | 283,143 | (58,369) |
| 200 Employee Benefits | 78,988 | 93,610 | (14,622) |
| 300 Purchased Services | 7,000 | 7,271 | (271) |
| 400 Supplies and Materials | 19,000 | 16,031 | 2,969 |
| 500 Capital Outlay | 3,000 | 3,772 | (772) |

SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN D.P. COOPER
(CHARTER SCHOOL) GENERAL FUND BALANCE-BUDGET TO ACTUAL
For the Fiscal Year Ended June 30, 2016
(Continued)

| | <u>Budget</u> | <u>Actual</u> | <u>Variance Positive (Negative)</u> |
|---|---------------|---------------|---|
| 250 Finance and Operations Services | | | |
| 252 Fiscal Services | | | |
| 300 Purchased Services | \$ 48,840 | \$ 58,585 | \$ (9,745) |
| 600 Other Objects | 2,000 | 2,994 | (994) |
| 253 Facilities Acquisition and Construction | | | |
| 500 Capital Outlay | - | 66,965 | (66,965) |
| 254 Operations and Maintenance of Plant | | | |
| 100 Salaries | 42,705 | 57,930 | (15,225) |
| 200 Employee Benefits | 18,691 | 31,275 | (12,584) |
| 300 Purchased Services | 66,458 | 71,859 | (5,401) |
| 321 Public Utilities | 2,600 | 670 | 1,930 |
| 400 Supplies and Materials | 17,000 | 63,414 | (46,414) |
| 470 Energy | 90,300 | 78,094 | 12,206 |
| 255 Student Transportation | | | |
| 100 Salaries | 133,187 | 127,905 | 5,282 |
| 200 Employee Benefits | 17,231 | 13,674 | 3,557 |
| 300 Purchased Services | 40,000 | 38,607 | 1,393 |
| 500 Capital Outlay | - | 31,410 | (31,410) |
| 600 Other Objects | 883 | 3,786 | (2,903) |
| 258 Security | | | |
| 300 Purchased Services | - | 47,561 | (47,561) |
| 260 Central Support Services | | | |
| 263 Information Services | | | |
| 300 Purchased Services | 5,000 | 4,107 | 9,107 |
| 266 Technology and Data Processing Services | | | |
| 300 Purchased Services | 21,000 | 2,365 | 23,365 |

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN D.P. COOPER
(CHARTER SCHOOL) GENERAL FUND BALANCE-BUDGET TO ACTUAL
For the Fiscal Year Ended June 30, 2016
(Continued)**

| | <u>Budget</u> | <u>Actual</u> | <u>Variance Positive (Negative)</u> |
|---|-------------------|-------------------|---|
| 270 Support Services Pupil Activity | | | |
| 271 Pupil Services Activities | | | |
| 100 Salaries | \$ 33,126 | \$ 33,126 | \$ - |
| 200 Employee Benefits | 15,170 | 13,543 | 1,627 |
| 400 Supplies and Materials | - | 6,819 | (6,819) |
| 660 Supporting Services Pupil Activity | <u>10,000</u> | <u>49,787</u> | <u>(39,787)</u> |
| Total Support Services | <u>1,296,412</u> | <u>1,399,832</u> | <u>(90,476)</u> |
| 500 Debt Service | | | |
| 610 Principal | - | 5,428 | 5,428 |
| 620 Interest | <u>-</u> | <u>3,806</u> | <u>3,806</u> |
| Total Debt Service | <u>-</u> | <u>9,234</u> | <u>9,234</u> |
| TOTAL EXPENDITURES | <u>3,054,381</u> | <u>2,891,891</u> | <u>193,902</u> |
| OTHER FINANCING SOURCES (USES) | | | |
| Interfund Transfers, From (To) Other Funds | | | |
| 420-710 Transfer to General Fund | 745,910 | - | 745,910 |
| 421-710 Transfer to Special Revenue Fund | <u>-</u> | <u>(5,895)</u> | <u>5,895</u> |
| TOTAL OTHER FINANCING SOURCES (USES) | <u>745,910</u> | <u>(5,895)</u> | <u>751,805</u> |
| Excess of Revenues Over Expenditures | <u>\$ 315,969</u> | 473,826 | <u>\$ 157,857</u> |
| Fund Deficit, July 1, 2015 | | <u>(15,493)</u> | |
| Fund Balance, June 30, 2016 | | <u>\$ 458,333</u> | |

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN D.P. COOPER
(CHARTER SCHOOL) SPECIAL REVENUE FUND BALANCE
For the Fiscal Year Ended June 30, 2016**

| | <u>Special Revenue</u> | | |
|---|-------------------------|----------------|----------------|
| | <u>Special Projects</u> | <u>EIA</u> | <u>Total</u> |
| 1000 Revenues From Local Sources | | | |
| 1600 Food Services: | | | |
| 1610 Lunch Sales to Pupils | \$ 7,668 | \$ - | \$ 7,668 |
| | <u>7,668</u> | <u>-</u> | <u>7,668</u> |
| Total Local Sources | | | |
| 3000 Revenue From State Sources | | | |
| 3100 Restricted State Funding | | | |
| 3110 Occupational Education | | | |
| 3118 EEDA Career Specialists | 10,340 | - | 10,340 |
| 3120 Special Programs | | | |
| 3127 Student Health and Fitness | 3,435 | - | 3,435 |
| 3130 Special Programs | | | |
| 3134 Reading Coaches | 2,467 | - | 2,467 |
| 3135 CDEP Expansion | 62,730 | - | 62,730 |
| 3177 Summer Reading Camps | 4,456 | - | 4,456 |
| 3190 Miscellaneous Restricted State Grants | | | |
| 3193 Education License Plates | 157 | - | 157 |
| 3194 Digital Instructional Materials | 5,142 | - | 5,142 |
| 3198 Technology Professional Development | 1,714 | - | 1,714 |
| 3500 Educational Improvement Act | | | |
| 3502 ADEPT | - | 641 | 641 |
| 3511 Professional Development | - | 2,823 | 2,823 |
| 3518 Formative Assessment | - | 2,537 | 2,537 |
| 3526 Refurbishment of K-8 Science Kits | - | 1,094 | 1,094 |
| 3538 Student At Risk of School Failure | - | 72,988 | 72,988 |
| 3541 Child Development Education Pilot Program | - | 126,540 | 126,540 |
| 3550 Teacher Salary Increase | - | 57,495 | 57,495 |
| 3555 School Employer Contributions | - | 8,623 | 8,623 |
| 3557 Summer Reading | - | 641 | 641 |
| 3558 Reading | - | 2,271 | 2,271 |
| 3595 EEDA - Supplies and Materials - Career Awareness | - | 848 | 848 |
| 3597 Aid to Districts | - | 6,238 | 6,238 |
| | <u>90,441</u> | <u>282,739</u> | <u>373,180</u> |
| Total State Sources | | | |

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN D.P. COOPER
SPECIAL REVENUE FUND BALANCE
For the Fiscal Year Ended June 30, 2016
(Continued)**

4000 Revenue From Federal Sources

4300 Elementary and Secondary Education Act of 1965 (ESEA)

| | | | |
|---|------------|------|------------|
| 4310 Title I | \$ 224,167 | \$ - | \$ 224,167 |
| 4320 Charter School (Planning and Implementation) Grant | 135,000 | - | 135,000 |

Total Federal Sources

| | | | |
|--|---------|---|---------|
| | 359,167 | - | 359,167 |
|--|---------|---|---------|

TOTAL REVENUES

| | | | |
|--|---------|---------|---------|
| | 457,276 | 282,739 | 740,015 |
|--|---------|---------|---------|

EXPENDITURES

100 Instruction

110 General Instruction

111 Kindergarten Programs

| | | | |
|-----------------------|--------|---|--------|
| 100 Salaries | 55,000 | - | 55,000 |
| 200 Employee Benefits | 7,730 | - | 7,730 |

112 Primary Programs

| | | | |
|--------------|---|--------|--------|
| 100 Salaries | - | 34,904 | 34,904 |
|--------------|---|--------|--------|

113 Elementary Programs (4-8)

| | | | |
|----------------------------|---------|--------|---------|
| 100 Salaries | 135,855 | 93,719 | 229,574 |
| 200 Employee Benefits | 686 | 10,484 | 11,170 |
| 300 Purchases Services | - | 3,448 | 3,448 |
| 400 Supplies and Materials | 13,660 | 2,278 | 15,938 |
| 500 Capital Outlay | 101,528 | 1,212 | 102,740 |

140 Special Programs

147 CDEPP

| | | | |
|----------------------------|-------|---------|---------|
| 100 Salaries | - | 106,052 | 106,052 |
| 200 Employee Benefits | - | 20,488 | 20,488 |
| 400 Supplies and Materials | 2,467 | - | 2,467 |

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN D.P. COOPER
SPECIAL REVENUE FUND BALANCE
For the Fiscal Year Ended June 30, 2016
(Continued)**

| | Special Revenue | | Total |
|--|------------------|----------------|----------------|
| | Special Projects | EIA | |
| 180 Adult/Continuing Educational Programs | | | |
| 188 Parenting/Family Literacy | | | |
| 100 Salaries | \$ 20,500 | \$ - | \$ 20,500 |
| 200 Employee Benefits | 9,310 | - | 9,310 |
| Total Instruction | <u>346,736</u> | <u>272,585</u> | <u>619,321</u> |
| 200 Supporting Services | | | |
| 210 Pupil Services | | | |
| 212 Guidance Services | | | |
| 400 Supplies and Materials | 10,340 | 848.00 | 11,188 |
| 213 Health Services | | | |
| 200 Employee Benefits | 259 | - | 259 |
| 220 Instructional Staff Services | | | |
| 221 Improvement of Instruction - Curriculum Development | | | |
| 100 Salaries | 45,313 | - | 45,313 |
| 300 Purchased Services | 19,444 | - | 19,444 |
| 224 Improvement of Instruction In-service and Staff Training | | | |
| 300 Purchased Services | 11,371 | 3,067 | 14,438 |
| 230 General Administration Services | | | |
| 231 Board of Education | | | |
| 300 Purchased Services | - | 1,988 | 1,988 |
| 600 Other Objects | - | 1,551 | 1,551 |
| 233 School Administration | | | |
| 400 Supplies and Materials | 511 | - | 511 |
| 250 Finance and Operations Services | | | |
| 255 Student Transportation | | | |
| 100 Salaries | 600 | - | 600 |
| 200 Employee Benefits | 47 | - | 47 |

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN D.P. COOPER
SPECIAL REVENUE FUND BALANCE
For the Fiscal Year Ended June 30, 2016
(Continued)**

| | Special Revenue | | |
|--|------------------|---------|-----------|
| | Special Projects | EIA | Total |
| 256 Food Service | | | |
| 300 Purchased Services | \$ 13,608 | \$ - | \$ 13,608 |
| 260 Central Support Services | | | |
| 263 Information Services | | | |
| 300 Purchased Services | - | 2,700 | 2,700 |
| 266 Technology and Data Processing Services | | | |
| 300 Purchased Services | 14,942 | - | 14,942 |
| Total Support Services | 116,435 | 10,154 | 126,589 |
| TOTAL EXPENDITURES | 463,171 | 282,739 | 745,910 |
| OTHER FINANCING SOURCES (USES) | | | |
| Interfund Transfers, From (To) Other Funds: | | | |
| 5210 Transfer from General Fund | 5,895 | - | 5,895 |
| TOTAL OTHER FINANCING SOURCES (USES) | 5,895 | - | 5,895 |
| Excess of Revenues Over Expenditures | - | - | - |
| Fund Balance, July 1, 2015 | - | - | - |
| Fund Balance, June 30, 2016 | \$ - | \$ - | \$ - |

COMPLIANCE SECTION

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended June 30, 2016**

| LEA Subfund <u>Code</u> | Federal Grantor/ Pass-Through Grantor <u>Program Title</u> | Federal CFDA <u>Number</u> | Pass-Through Grantor's <u>Number</u> | <u>Total Expenditures</u> |
|---|--|----------------------------------|--|-------------------------------|
| U.S. DEPARTMENT OF EDUCATION | | | | |
| Passed Through SDE: | | | | |
| 201 | Title I | 84.010 | 16-BA088 | \$ 3,511,749 |
| 221 | Title I State Program Improvement | 84.010 | 16-BM088 | 19,220 |
| 237 | Title I State Program Improvement | 84.010 | 16-BM088 | 113,554 |
| | TOTAL 84.010 | | | \$ 3,644,523 |
| 203 | IDEA | 84.027. | 16-CA088 * | 1,675,604 |
| 203 | IDEA | 84.027. | 15-CA088 * | 122,683 |
| 216 | IDEA Preschool | 84.173 | 16-CG088 * | 43,929 |
| | TOTAL 84.027 and 84.173 | | | \$ 1,842,216 |
| 207 | Perkins Aid, Title I (Subprogram 01) | 84.048 | 14-VA088 | 1,943 |
| 207 | Perkins Aid, Title I (Subprogram 04) | 84.048 | 14-VA088 | 13,965 |
| 207 | Perkins Aid, Title I (Subprogram 05) | 84.048 | 14-VA088 | 3,657 |
| 207 | Perkins Aid, Title I (Subprogram 06) | 84.048 | 14-VA088 | 70,945 |
| 207 | Perkins Aid, Title I (Subprogram 10) | 84.048 | 14-VA088 | 23,450 |
| 207 | Perkins Aid, Title I (Subprogram 14) | 84.048 | 15-VA088 | 11,942 |
| | TOTAL 84.048 | | | \$ 125,902 |
| 251 | Rural and Low Income School Program, Title VI | 84.358 | 16-BS088 | 133,895 |
| | TOTAL 84.358 | | | \$ 133,895 |
| 267 | Improving Teacher Quality | 84.367A | 16-TQ088 | 372,257 |
| | TOTAL 84.367A | | | \$ 372,257 |
| 243 | Adult Education | 84.002 | 16-EA088 | 66,309 |
| 224 | 21st Century Learning | 84.287 | 16-CL088 | 1,043,002 |
| 285 | South Carolina GEAR UP | 84.335 | N/A | <u>276,886</u> |
| TOTAL U.S. DEPARTMENT OF EDUCATION | | | | <u>7,504,990</u> |

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended June 30, 2016
(Continued)**

| <u>LEA Subfund Code</u> | <u>Federal Grantor/ Pass-Through Grantor Program Title</u> | <u>Federal CFDA Number</u> | <u>Pass-Through Grantor's Number</u> | <u>Total Expenditures</u> |
|---|--|------------------------------------|--|-------------------------------|
| OTHER FEDERAL ASSISTANCE | | | | |
| U.S. DEPARTMENT OF AGRICULTURE | | | | |
| Passed Through SDE: | | | | |
| 600 | Commodities/Food Distribution | 10.550 | N/A * | \$ 201,706 |
| 600 | School Breakfast Program | 10.553 | N/A * | 902,901 |
| 600 | School Lunch & After School Snacks Program | 10.555 | N/A * | 1,951,362 |
| 600 | USDA Fresh Fruits and Vegetables | 10.582 | N/A * | <u>113,961</u> |
| TOTAL U.S. DEPARTMENT OF AGRICULTURE | | | | <u>3,169,930</u> |
| U.S. DEPARTMENT OF DEFENSE | | | | |
| 270 | Direct Program: Army ROTC | 12.000 | N/A | <u>121,239</u> |
| TOTAL U. S. DEPARTMENT OF DEFENSE | | | | <u>121,239</u> |
| TOTAL FEDERAL ASSISTANCE EXPENDED | | | | <u>\$ 10,796,159</u> |

* Tested as Major Program

SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended June 30, 2016

- Note 1. The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal award programs of School District of Williamsburg County for the year ended June 30, 2016. All federal awards received directly from federal agencies as well as those passed through other government agencies are included on the Schedule.
- Note 2. The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting, which is described in the notes to the School District's basic financial statements.
- Note 3. Federal award expenditures are reported in the School District's basic financial statements as expenditures in the Special Revenue Fund and Proprietary Fund.
- Note 4. Non-monetary assistance is reported in the schedule at the fair market value of the commodities received and disbursed.
- Note 5. Differences between the amount of revenue received from federal awards and the related expenditures are recognized as either deferred revenue or receivables in the basic financial statements. The amounts recorded on the Schedule of Expenditures of Federal Awards agree with the amounts recorded in the basic financial statements.

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December 28, 2016

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

Honorable Members of the School District Council Williamsburg
Kingstree, South Carolina

We have audited, in accordance with the 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, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of School District of Williamsburg County, as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise School District of Williamsburg County's basic financial statements and have issued our report thereon dated December 28, 2016.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered School District of Williamsburg County internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of School District of Williamsburg County internal control. Accordingly, we do not express an opinion on the effectiveness of School District of Williamsburg County internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs, we identified one deficiency in internal control that we consider to be material weakness.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such as that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiency described in the accompanying schedule of findings and questioned costs as items 16-2, 16-3, 16-4 and 16-5 to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether School District of Williamsburg County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed one instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards*. We consider the deficiency described in the accompanying schedule of findings and questioned costs as items 16-1 to be a compliance issue.

School District of Williamsburg County Response to Findings

School District of Williamsburg County response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. School District of Williamsburg County response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Sheheen, Hancock & Godwin, LLP

Sheheen, Hancock and Godwin, LLP
Certified Public Accountant

SHEHEEN, HANCOCK & GODWIN, LLP

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December 28, 2016

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

Honorable Members of the School District Council Williamsburg
Kingstree, South Carolina

Report on Compliance for Each Major Federal Program

We have audited School District of Williamsburg County compliance with the types of compliance requirements described in the *OMB Circular Compliance Supplement* that could have a direct and material effect on each of School District of Williamsburg County major federal programs for the year ended June 30, 2016. School District of Williamsburg County major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Managements is responsible for compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of School District of Williamsburg County major federal programs based on our audit of the types of compliance requirements referred to above. 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 the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and Uniform Guidance 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 School District of Williamsburg County 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 on compliance for each major federal program. However, our audit does not provide a legal determination on School District of Williamsburg County compliance.

Opinion on Each Major Federal Program

In our opinion, School District of Williamsburg County's, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2016.

Report on Internal Control Over Compliance

Management of School District of Williamsburg County is responsible for establishing and maintaining effective internal control over compliance with the types of requirements referred to above. In planning and performing our audit, we considered School District of Williamsburg County internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of School District of Williamsburg County internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Sheheen, Hancock & Godwin, LLP

Sheheen, Hancock and Godwin, LLP
Certified Public Accountants

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Fiscal Year Ended June 30, 2016**

A. SUMMARY OF RESULTS

1. The financial statement opinion is unqualified.
2. No significant deficiency in internal control over financial reporting were disclosed by the audit of the financial statements. Four deficiencies were considered to be a material weaknesses.
3. The audit disclosed one instance of noncompliance to the financial statements for the School District of Williamsburg County.
4. No material weaknesses in internal control over major programs were disclosed by the audit. No significant deficiencies in internal control over major programs were disclosed by the audit.
5. We have issued an unqualified report on compliance for major programs.
6. The audit disclosed audit findings as described on pages 112-114.
7. Major programs are as follows:

U. S. Department of Transportation:
School Breakfast and Lunch Cluster – CFDA 10.550/10.553/10.555/10.582
IDEA Cluster – CFDA 84.027/84.173
8. Type A programs are those exceeding \$750,000. Type B programs are those not exceeding \$750,000.
9. School District of Williamsburg County did not qualify as a low-risk auditee.

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
SUMMARY SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Fiscal Year Ended June 30, 2016
(Continued)**

B. FINDINGS RELATED TO FINANCIAL STATEMENTS

**16-1 Oversight of Compliance Regulations regarding CATE Program
Repeat Finding from Prior Year: Yes**

Condition: The School District did not maintain detail property records of all Career and Technology Education Equipment during the fiscal year, in accordance with SC Department of Education guidelines. In addition, a physical inventory has not been taken on all Career and Technology Education Equipment in some time.

Criteria: According to SC Department of Education guidelines, detail property records should be maintained on all Career and Technology Education Equipment that include a description of the property, serial number, vendor name, acquisition date, amount, location of the property, and disposal dates, if any. Also, a physical inventory count should be done once a year.

Context and Effect: The School District did not maintain a detailed fixed asset report.

Cause: Oversight on School District personnel.

Questioned Cost: Unknown

Recommendations: We recommend that the School District prepare a detail property record listing all information required by the SC Department of Education, and verify the information with the fixed asset records currently in Excel. Also, we recommend that a physical inventory count be done at year end to verify that the School District is still in possession of all of the Career and Technology Education Equipment.

View of Responsible Official and Planned Corrective Action: Management agrees with this finding and will start working on the preparation of the detail property record listing.

**16-2 Procurement Policies
Repeat Finding from Prior Year: Yes**

Condition: Instances were found where purchase orders were not attached to the invoices and purchase orders were prepared on or after the invoices were received.

Criteria: All purchase orders should be prepared before an item is ordered, attached to the invoice when the item is received and the amount on the purchase order should agree with the invoice amount, as well as, the check amount.

Context and Effect: The School District did not attach all purchase orders to invoices or prepare purchase orders timely. This can cause disbursements to not be approved and expenditures to be over budget.

Cause: Oversight on School District personnel.

Questioned Cost: Unknown

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
SUMMARY SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Fiscal Year Ended June 30, 2016
(Continued)**

Recommendations: The District should require that purchase orders be obtained before an item is purchased, that purchase orders are attached to the invoice when the item is received and the amount on the purchase order should agree with the invoice amount, as well as, the check amount.

View of Responsible Official and Planned Corrective Action: Management agrees with this finding and will look into disciplinary action for those not following procedures for obtaining purchase orders, matching invoices to purchase orders and attaching purchase orders to invoices.

16-3 Payroll

Condition: We noted a segregation of duties exist in payroll as the payroll clerk can setup new employees, processes payroll and print checks. We also noted during our audit, that no oversight is being provided to review the payroll register before checks are printed.

Criteria: A proper segregation of duties is required to provide proper oversight for payroll and that the recording of payroll is proper and reasonable.

Context and Effect: The payroll clerk performs all duties of payroll and no review of the payroll register is being performed. This can lead to ghost employees being recorded on payroll or unauthorized pay increases to be paid.

Cause: Oversight by School District personnel.

Recommendations: The District should require that the payroll clerk not be allowed to setup or change any employees information and that the District appoint an individual to review the payroll journals before the payroll checks are processed.

View of Responsible Official and Planned Corrective Action: Management agrees with this finding and has already changed the settings the payroll clerk has access to, has already appointed an individual that only keys in new employees or changes employees information in payroll, other than the payroll clerk, and has someone outside the payroll process to review the payroll journal before the payroll checks are processed.

16-4 Reconciliation of Balance Sheet Accounts

Condition: During the audit, we noted that not all bank accounts and several liability accounts are not being reconciled on a monthly basis.

Criteria: Bank reconciliations and reconciling liability accounts should be completed in a timely manner.

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
SUMMARY SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Fiscal Year Ended June 30, 2016
(Continued)**

Context and Effect: The School District did not reconcile all balance sheet accounts in timely manner. This causes the monthly financial statements that are reviewed by the Board to be inaccurate.

Cause: Oversight on the School District personnel.

Recommendations: We recommend that the School District prepare and review all bank reconciliations and review all liability accounts in a timely manner.

View of Responsible Official and Planned Corrective Action: Management agrees with this finding and will put procedures in place to make sure the monthly reconciliations are being done in a timely manner.

16-5

Capital Assets

Condition: During the audit, it was noted that the capitalization policy is not being followed and that numerous assets were disposed of without any proper documentation or reason.

Criteria: Capital assets need to be properly capitalized in accordance with the School District's capitalization policy. Also, any assets disposed of must be done in accordance with State guidelines and proper documentation must be kept.

Context and Effect: The District did not properly capitalize or dispose of capital assets.

Cause: Oversight on the School District personnel.

Recommendations: We recommend that the District properly capitalize assets and dispose of assets in accordance with internal policies and State Law.

View of Responsible Official and Planned Corrective Action: Management agrees with this finding and has already put in place procedures to remedy this issue.

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
For the Fiscal Year Ended June 30, 2016**

A. FINDINGS – FINANCIAL STATEMENTS AUDIT

15-1 Oversight of Compliance Regulations regarding CATE Program

The School District did not maintain detail property records of all Career and Technology Education Equipment during the fiscal year, in accordance with SC Department of Education guidelines. In addition, a physical inventory has not been taken on all Career and Technology Education Equipment in some time.

Corrective Action was not taken.

15-2 Technology Contracts and Procurement Policies

All purchase orders should be prepared before an item is ordered, attached to the invoice when the item is received and the amount on the purchase order should agree with the invoice amount, as well as, the check amount.

Corrective Action was not taken.