

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
ANNUAL FINANCIAL REPORT
Fiscal Year Ended June 30, 2015**

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
ANNUAL FINANCIAL REPORT
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INDEPENDENT AUDITOR'S REPORT

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

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, 2015, 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 .90 percent, .013 percent and 5.13 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.

Basis for Adverse Opinion on Aggregate Discretely Presented Component Unit

The financial statements referred to above do not include financial data for the District's legally separate component unit, The Youth Academy Charter School. Accounting principles generally accepted in the United States of America require financial data for those component unit to be reported with the financial data of the District's primary government unless the District also issues financial statements for the financial reporting entity that include the financial data for its component unit. The District has not issued such reporting entity financial statements. Because of this departure from accounting principles generally accepted in the United States of America, the assets, liabilities, net position, revenues, and expenses of the aggregate discretely presented component unit that would have been presented is not known as the financial information was not available as of the date of this report.

Adverse Opinion

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on Aggregate Discretely Presented Component Unit" paragraph, the financial statements referred to above do not present fairly the financial position of the aggregate discretely presented component unit of the School District of Williamsburg County, as of June 30, 2015, or the changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Unmodified Opinion

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, 2015, 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.

Change in Accounting Principle

As discussed in Note 1.T to the financial statements, in the year ended June 30, 2015, the District adopted the provisions of Governmental Accounting Standards Board Statement No. 68 "*Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No.27*" and Governmental Accounting Standards Board Statement No. 71 "*Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No.68*". Our opinion is not modified with respect to these matters.

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 60, 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 61-62 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 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 U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements.

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 November 23, 2015, 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, 2015**

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, 2015. 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 4,276 on the 135-day ADM for the 2014-2015 school year. We based our budget on \$2,101 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, 2015, was \$(13,037,166).

Revenues and Expenditures: Revenues and other financing sources totaled \$56,045,338 and expenditures and other financing uses totaled \$57,477,031 for all Governmental Funds at the fund level. Accordingly, expenditures and other financing uses exceeded revenues and other financing sources by \$1,431,693.

General Fund/Fund Balance: On June 30, 2014, our principal operating fund, the General Fund, had a fund balance of \$3,938,713. The current year expenditures and other financing uses exceeded revenues and other financing sources creating a loss for the year of \$626,881. This decreased the fund balance to \$3,311,832 as of June 30, 2015.

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. The millage assessed to repay the debt service is 34.5. The District issued short-term debt during the year of \$2,406,000 in the form of General Obligation Bonds. As of June 30, 2015, the District had paid off \$2,402,000 in short-term debts and paid approximately \$806,497 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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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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For the Fiscal Year Ended June 30, 2015
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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 60-63 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net assets may serve over time as a useful indicator of a government's financial position. In the case of the District, liabilities exceeded assets by \$13,037,166 as of June 30, 2015.

By far, the largest portion of the District's net position (167%) 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 is 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 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, 2015
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The following table presents a summary of the District's net position for the fiscal years ended June 30, 2015, and June 30, 2014.

	<u>2015</u>	<u>2014</u>	<u>Change</u>
Current and Other Assets	\$ 19,739,475	\$ 20,199,997	\$ (460,522)
Capital Assets	52,866,570	50,682,967	2,183,603
Deferred Outflows	<u>4,236,565</u>	<u>82,517</u>	<u>4,154,048</u>
Total Assets and Deferred Outflows	<u>76,842,610</u>	<u>70,965,481</u>	<u>5,877,129</u>
Long Term Debt Outstanding	79,003,894	27,896,383	51,107,511
Other Liabilities	6,679,708	7,887,806	(1,208,098)
Deferred Inflows	<u>4,196,174</u>	<u>-</u>	<u>4,196,174</u>
Total Liabilities and Deferred Inflows	<u>89,879,776</u>	<u>35,784,189</u>	<u>54,095,587</u>
Net Investment in Capital Assets	24,138,925	21,980,087	2,158,838
Restricted	7,586,008	8,233,941	(647,933)
Unrestricted	<u>(44,762,099)</u>	<u>4,967,264</u>	<u>(49,729,363)</u>
Total Net Position	<u>\$ (13,037,166)</u>	<u>\$ 35,181,292</u>	<u>\$ (48,218,458)</u>

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

- Capital lease of \$1,500,000.
- \$1,543,362 in depreciation expense.
- \$47,742,556 in net pension liability.

Changes in net position: The District's total revenues for the fiscal year ended June 30, 2015, were \$52,944,113. The total cost of all programs and services was \$50,699,754. The following table presents a summary of the activity that resulted in changes in net position for the fiscal year ended June 30, 2015.

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MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Fiscal Year Ended June 30, 2015
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	Governmental <u>Activities</u>	Business - Type <u>Activities</u>	<u>Total</u>
Revenues:			
Program Fees:			
Fees, Fines and Charges for Services	\$ 1,628,731	\$ 218,111	\$ 1,846,842
Operating Grants	28,137,236	3,145,371	31,282,607
General Revenues:			
Property Taxes	11,615,154	-	11,615,154
Miscellaneous	303,974	-	303,974
Unrestricted Investment Earnings	16,677	5,261	21,938
Intergovernmental Revenues	7,873,599	-	7,873,599
Transfer - Food Service Fund	<u>300,542</u>	<u>(300,542)</u>	<u>-</u>
 Total Revenues	 <u>49,875,913</u>	 <u>3,068,201</u>	 <u>52,944,114</u>
 Expenses:			
Instruction	24,176,583	-	24,176,583
Support services	19,318,355	-	19,318,355
Community Services	118,950	-	118,950
Intergovernmental	3,164,110	-	3,164,110
Capital Outlay	98,652	-	98,652
Interest and Other Charges	1,184,271	-	1,184,271
Food Service	<u>-</u>	<u>2,638,833</u>	<u>2,638,833</u>
 Total Expenses	 <u>48,060,921</u>	 <u>2,638,833</u>	 <u>50,699,754</u>
 Change in Net Position	 1,814,992	 429,368	 2,244,360
 Net Position, Beginning of Year (Restated)	 <u>(15,402,232)</u>	 <u>120,706</u>	 <u>(15,281,526)</u>
 Net Position, End of Year	 <u>\$ (13,587,240)</u>	 <u>\$ 550,074</u>	 <u>\$ (13,037,166)</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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(Continued)**

	<u>2015</u>		<u>2014</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	\$ 24,176,583	\$ (9,585,106)	\$ 23,704,362	\$ (869,459)
Support services	19,318,355	(6,113,472)	19,915,342	(12,960,974)
Community Services	118,950	(34,538)	141,380	(141,380)
Intergovernmental	3,164,110	(1,278,915)	625,346	(240,497)
Interest and Other Charges	1,184,271	(1,184,271)	1,360,232	(1,360,232)
Capital Outlay/Depreciation	<u>98,652</u>	<u>(98,652)</u>	<u>1,660,739</u>	<u>(1,660,739)</u>
Total Expenses	<u>\$ 48,060,921</u>	<u>\$ (18,294,954)</u>	<u>\$ 47,407,401</u>	<u>\$ (17,233,281)</u>

- The cost of all governmental activities this year was \$48,060,921.
- Net cost of governmental activities \$(18,564,954) was financed by general revenues which are made up primarily of property taxes \$(11,615,154) and unrestricted federal and state aid \$(7,873,599).

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 \$10,494,255, a decrease of \$1,431,693. Approximately \$2,431,690 (or 23%) 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 decrease in the fund balance in the General Fund for the fiscal year was \$626,881.

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 income of \$429,368. Food Service operated a summer feeding program during 2015, which was profitable for the District. A transfer to the General Fund of \$300,542 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, 2015
(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, 2015, the District had invested \$52,866,570 (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 \$1,542,362.

The following schedule presents capital asset balances, net of depreciation, for the fiscal years ended June 30, 2015.

	Governmental Activities <u>2015</u>	Business -Type Activities <u>2015</u>	Total <u>2015</u>
Land	\$ 688,198	\$ -	\$ 688,198
Construction in Progress	2,529,506	-	2,529,506
Building and Improvements	82,562,287	554,741	83,117,028
Machinery and Equipment	6,604,926	1,542,321	8,147,247
Accumulated Depreciation	<u>(40,294,710)</u>	<u>(1,320,699)</u>	<u>(41,615,409)</u>
Total Net Capital Assets	<u>\$ 52,090,207</u>	<u>\$ 776,363</u>	<u>\$ 52,866,570</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 \$79,003,894 in general obligation bonds, capital leases, compensated absences and pension liability, of which \$1,115,000 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, 2015, and June 30, 2014.

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Fiscal Year Ended June 30, 2015
(Continued)**

	Governmental Activities		Business -Type Activities		Total	
	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>
General Obligation Bonds	\$ 28,023,645	\$ 27,340,534	\$ -	\$ -	\$ 28,023,645	\$ 27,340,534
SC Energy Loan	10,497	-	-	-	10,497	-
Capital Lease	-	1,500,000	-	-	-	1,500,000
Compensated Absences	418,482	390,975	-	-	418,482	390,975
Net Pension Liability	-	47,742,556	-	2,029,829	-	49,772,385
	<u>-</u>	<u>47,742,556</u>	<u>-</u>	<u>2,029,829</u>	<u>-</u>	<u>49,772,385</u>
Total Net Assets	\$ 28,452,624	\$ 76,974,065	\$ -	\$ 2,029,829	\$ 28,452,624	\$ 79,003,894

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 Count 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 4,276 students in 2014. 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 2015-2016 budget. The base student cost for 2015-2016 is \$2,102. 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 2015-2016 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 \$408,792 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, 2015

	Governmental	Business-Type		Component
	<u>Activities</u>	<u>Activities</u>	<u>Total</u>	<u>Unit</u>
				<u>Charter School</u>
Assets				
Cash and Cash Equivalents	\$ 6,877,250	\$ 810	\$ 6,878,060	\$ 276,653
Cash and Cash Equivalents , Restricted	3,237,151	-	3,237,151	-
Cash with County Treasurer/Fiscal Agent	2,180,641	-	2,180,641	-
Property Taxes Receivable, Net	1,018,212	-	1,018,212	-
Due from other Governmental Units	5,777,172	4,991	5,782,163	199,838
Prepaid Expense	468,520	-	468,520	-
Other Receivables	127,509	4,868	132,377	-
Internal Balances	(1,814,797)	1,814,797	-	-
Inventories - Supplies and Materials	8,037	34,314	42,351	-
Capital Assets:				
Land and Improvements	688,198	-	688,198	-
Construction in Progress	2,529,506	-	2,529,506	-
Buildings and Improvements	82,562,287	554,741	83,117,028	1,177
Vehicles and Equipment	6,604,926	1,542,321	8,147,247	87,663
Less: Accumulated Depreciation	(40,294,710)	(1,320,699)	(41,615,409)	(8,275)
Total Capital Assets, Net of Depreciation	<u>52,090,207</u>	<u>776,363</u>	<u>52,866,570</u>	<u>80,565</u>
 Total Assets	 <u>69,969,902</u>	 <u>2,636,143</u>	 <u>72,606,045</u>	 <u>557,056</u>
Deferred Outflows of Resources				
Advanced Refunding	77,802	-	77,802	-
Prepaid Pension Cost	3,989,159	169,604	4,158,763	129,387
 Total Deferred Outflows of Resources	 <u>4,066,961</u>	 <u>169,604</u>	 <u>4,236,565</u>	 <u>129,387</u>
 Total Assets and Deferred Outflows of Resources	 <u>\$ 74,036,863</u>	 <u>\$ 2,805,747</u>	 <u>\$ 76,842,610</u>	 <u>\$ 686,443</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, 2015
(Continued)

	Governmental Activities	Business-Type Activities	Total	<u>Component Unit</u> Charter School
Liabilities				
Accounts Payable and Accrued Expenses	\$ 633,962	\$ -	\$ 633,962	\$ 319,362
Due to State Department of Education	1,348	-	1,348	23,812
Due to Federal Government - JROTC	10,674	-	10,674	-
Accrued Personnel Costs	3,736,167	-	3,736,167	-
Accrued Interest Payable	139,581	-	139,581	-
Unearned Revenue	1,619,260	54,716	1,673,976	8,810
Short Term General Obligation Bond Payable	484,000	-	484,000	-
Long-Term Liabilities:				
Due Within One Year:				
Capital Lease	296,000	-	296,000	-
G.O. Bonds	409,000	-	409,000	-
IPR Bonds	410,000	-	410,000	-
Notes Payable	-	-	-	145,428
Due in More Than One Year:				
Compensated Absences	390,975	-	390,975	11,870
Notes Payable	-	-	-	6,942
Arbitrage Payable	112,889	-	112,889	-
Capital Lease	1,204,000	-	1,204,000	-
Net Pension Liability	47,742,556	2,029,829	49,772,385	-
G.O. Bonds	1,509,000	-	1,509,000	-
IPR Bonds	19,315,000	-	19,315,000	-
QZAB Bonds	5,584,645	-	5,584,645	-
Total Liabilities	<u>83,599,057</u>	<u>2,084,545</u>	<u>85,683,602</u>	<u>516,224</u>
Deferred Inflows of Resources				
Unavailable Revenue - Pension	<u>4,025,046</u>	<u>171,128</u>	<u>4,196,174</u>	<u>-</u>
Total Deferred Inflows of Resources	<u>4,025,046</u>	<u>171,128</u>	<u>4,196,174</u>	<u>-</u>
Total Liabilities and Deferred Inflows of Resources	<u>87,624,103</u>	<u>2,255,673</u>	<u>89,879,776</u>	<u>516,224</u>
Net Position				
Net Investment in Capital Assets	23,362,562	776,363	24,138,925	68,195
Restricted for:				
Debt Service	3,569,914	-	3,569,914	-
Capital Projects	4,016,094	-	4,016,094	-
Unrestricted	<u>(44,535,810)</u>	<u>(226,289)</u>	<u>(44,762,099)</u>	<u>102,024</u>
Total Net Position	<u>\$ (13,587,240)</u>	<u>\$ 550,074</u>	<u>\$ (13,037,166)</u>	<u>\$ 170,219</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, 2015**

Function/Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Assets			Component Unit
	Expenses	Charges for Services and Sales	Operating Grants and Contributions	Primary Government			
				Governmental Activities	Business-Type Activities	Total	Charter School
Primary Government							
Governmental Activities							
Instruction	\$ 24,176,583	\$ 44,526	\$ 14,546,951	(9,585,106)	\$ -	\$ (9,585,106)	
Support Services	19,318,355	1,584,205	11,620,678	(6,113,472)	-	(6,113,472)	
Community Services	118,950	-	84,412	(34,538)	-	(34,538)	
Intergovernmental	3,164,110	-	1,885,195	(1,278,915)	-	(1,278,915)	
Interest and Other Charges	1,184,271	-	-	(1,184,271)	-	(1,184,271)	
Capital Outlay	98,652	-	-	(98,652)	-	(98,652)	
Total Governmental Activities	48,060,921	1,628,731	28,137,236	(18,294,954)	-	(18,294,954)	
Business-Type Activities							
Food Service	2,638,833	218,111	3,145,371	-	724,649	724,649	
Total Business-Type Activities	2,638,833	218,111	-	-	724,649	724,649	
Total Primary Government	\$ 50,699,754	\$ 1,846,842	\$ 28,137,236	(18,294,954)	724,649	(17,570,305)	
Component Unit							
D.P. Cooper Charter School	\$ 2,536,321	\$ -	\$ 2,645,327	-	-	-	\$ 109,006
Total Component Unit	\$ 2,536,321	\$ -	\$ 2,645,327	-	-	-	109,006
General Revenues and Transfers							
Property Taxes Levied for:							
				8,942,845	-	8,942,845	-
				2,672,309	-	2,672,309	-
				16,677	5,261	21,938	-
				7,873,599	-	7,873,599	-
				290,901	-	290,901	72,996
				13,073	-	13,073	-
				300,542	(300,542)	-	-
				20,109,946	(295,281)	19,814,665	72,996
Change in Net Position				1,814,992	429,368	2,244,360	182,002
Net Position, Beginning of Year (Restated)				(15,402,232)	120,706	(15,281,526)	(11,783)
Net Position, End of Year				\$ (13,587,240)	\$ 550,074	\$ (13,037,166)	\$ 170,219

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, 2015

	<u>General</u>	<u>Special Revenue</u>	<u>EIA</u>	<u>Capital Projects District</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets						
Cash and Cash Equivalents	\$ 6,877,250	\$ -	\$ -	\$ -	\$ -	\$ 6,877,250
Cash and Cash Equivalents, Restricted	-	-	-	1,345,402	1,891,749	3,237,151
Cash With County Treasurer/Fiscal Agent	31,195	-	-	-	2,149,446	2,180,641
Due from County Treasurer	867,098	-	-	-	-	867,098
Property Taxes Receivable, Net	780,734	-	-	-	237,478	1,018,212
Due from Other Funds	-	-	526,103	2,525,832	125,222	3,177,157
Due from Federal Government	761,007	1,664,559	27,117	-	-	2,452,683
Due from State Government	15,559	2,441,832	-	-	-	2,457,391
Prepaid Expense	468,520	-	-	-	-	468,520
Accounts Receivable	127,509	-	-	-	-	127,509
Inventories - Supplies and Materials	8,037	-	-	-	-	8,037
Total Assets	<u>\$ 9,936,909</u>	<u>\$ 4,106,391</u>	<u>\$ 553,220</u>	<u>\$ 3,871,234</u>	<u>\$ 4,403,895</u>	<u>\$ 22,871,649</u>
Liabilities						
Accounts Payable and Accrued Expenses	\$ 633,962	\$ -	\$ -	\$ -	\$ -	\$ 633,962
Accrued Personnel Costs	3,736,167	-	-	-	-	3,736,167
Due to State Department of Education	-	1,348	-	-	-	1,348
Due to Federal Government - JROTC	-	10,674	-	-	-	10,674
Due to Other Funds	1,560,040	3,431,914	-	-	-	4,991,954
Unearned Revenue	-	1,066,040	553,220	-	-	1,619,260
Short Term GO Bonds Payable	-	-	-	-	484,000	484,000
Total Liabilities	<u>5,930,169</u>	<u>4,509,976</u>	<u>553,220</u>	<u>-</u>	<u>484,000</u>	<u>11,477,365</u>
Deferred Inflows of Resources						
Unavaible Revenue - Property Taxes	694,908	-	-	-	205,121	900,029
Total Deferred Inflows of Resources	<u>694,908</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>205,121</u>	<u>900,029</u>
Fund Balances						
Non-Spendable:						
Inventory	8,037	-	-	-	-	8,037
Prepaid Expenses	468,520	-	-	-	-	468,520
Restricted						
Debt Service	-	-	-	-	3,569,914	3,569,914
Capital Projects	-	-	-	3,871,234	144,860	4,016,094
Unassigned	2,835,275	(403,585)	-	-	-	2,431,690
Total Fund Balances	<u>3,311,832</u>	<u>(403,585)</u>	<u>-</u>	<u>3,871,234</u>	<u>3,714,774</u>	<u>10,494,255</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 9,936,909</u>	<u>\$ 4,106,391</u>	<u>\$ 553,220</u>	<u>\$ 3,871,234</u>	<u>\$ 4,403,895</u>	<u>\$ 22,871,649</u>

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, 2015**

Total Fund Balances - Governmental Funds (Exhibit C)	\$ 10,494,255
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	900,029
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.	
	52,090,207
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	
	77,802
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.	
	(139,581)
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 \$3,989,159 equals \$1,352,823 deferred outflows of pension expense (from pension schedule) plus \$2,636,336 deferred outflows of 2015 employer contributions relating to pensions	
	3,989,159
Deferred inflows of resources related to pensions (from pension schedule)	
	(4,025,046)
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 yea-end consist of:	
General Obligation Bonds	(1,918,000)
Capital Lease	(1,500,000)
IPR Bonds	(19,725,000)
Compensated Absences	(390,975)
Arbitrage Rebate	(112,889)
QZAB Bonds	(5,584,645)
Net Pension Liability	<u>(47,742,556)</u>
Total Net Position - Governmental Activities (Exhibit A)	<u>\$ (13,587,240)</u>

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, 2015

	General	Special Revenue	Education Improvement Act	Capital Projects District	Other Governmental Funds	Total Governmental Funds
Revenues						
Local Property Taxes	\$ 8,652,718	\$ -	\$ -	\$ -	\$ 2,672,309	\$ 11,325,027
Other Local	103,948	1,809,333	-	82	22,946	1,936,309
Total Local	8,756,666	1,809,333	-	82	2,695,255	13,261,336
State	21,629,688	1,317,248	3,302,316	-	382,293	26,631,545
Federal	-	9,379,290	-	-	-	9,379,290
Intergovernmental	-	-	-	-	-	-
Total Revenues	30,386,354	12,505,871	3,302,316	82	3,077,548	49,272,171
Expenditures						
Current:						
Instruction	15,703,732	7,166,173	1,619,687	-	-	24,489,592
Support Services	14,924,566	4,130,074	393,770	2,083	-	19,450,493
Community Services	109,688	9,262	-	-	-	118,950
Intergovernmental	2,331,549	619,274	213,287	-	-	3,164,110
Debt Service:						
Principal	10,497	-	-	-	796,000	806,497
Interest and Fees	-	-	-	83,770	1,030,033	1,113,803
Other Objects	-	-	-	-	30,240	30,240
Capital Outlay	124,323	351,819	12,457	2,855,195	-	3,343,794
Total Expenditures	33,204,355	12,276,602	2,239,201	2,941,048	1,856,273	52,517,479
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,818,001)	229,269	1,063,115	(2,940,966)	1,221,275	(3,245,308)
Other Financing Sources (Uses)						
Proceeds from Capital Lease	-	-	-	1,500,000	-	1,500,000
Premium on Bonds Sold	-	-	-	-	13,073	13,073
Operating Transfers In	2,191,120	-	58,436	1,339,070	1,671,468	5,260,094
Operating Transfers Out	-	(632,444)	(1,121,551)	-	(3,205,557)	(4,959,552)
Total Other Financing Sources (Uses)	2,191,120	(632,444)	(1,063,115)	2,839,070	(1,521,016)	1,813,615
Net Change in Fund Balances	(626,881)	(403,175)	-	(101,896)	(299,741)	(1,431,693)
Fund Balances, Beginning of Year (Restated)	3,938,713	(410)	-	3,973,130	4,014,515	11,925,948
Fund Balances, End of Year	\$ 3,311,832	\$ (403,585)	\$ -	\$ 3,871,234	\$ 3,714,774	\$ 10,494,255

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, 2015**

Total Net Change In Fund Balances - Governmental Funds (Exhibit E) \$ (1,431,693)

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 capital outlay of (\$3,245,142) exceeds depreciation expense of (\$1,542,362) in the period.	1,702,780
Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.	806,497
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.	(1,500,000)
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	290,127
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.	(4,715)
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.	27,507
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.	<u>(35,513)</u>
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	2,636,336
Cost of benefits earned net of employee contributions (pension expense on benefit schedule	<u>(676,334)</u>
	<u>1,960,002</u>

Change in Net Position of Governmental Activities (Exhibit B) \$ 1,814,992

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, 2015**

	Enterprise Fund <u>Food Service</u>
Assets	
Current Assets:	
Cash	810
Due from General Fund	1,814,797
Due from State and Federal Governments	4,991
Other Receivables	4,868
Inventories:	
Purchased Food and Supplies	33,860
USDA Inventory	<u>454</u>
Total Current Assets	<u>1,859,780</u>
Non-Current Assets:	
Building Improvements	554,741
Equipment	1,542,321
Less: Accumulated Depreciation	<u>(1,320,699)</u>
Total Non-Current Assets	<u>776,363</u>
Total Assets	<u>2,636,143</u>
Deferred Outflows of Resources	
Prepaid Pension Cost	<u>169,604</u>
Total Assets and Deferred Outflows of Resources	<u>2,805,747</u>
Liabilities	
Current Liabilities:	
Unearned Revenue	54,716
Long-Term Liabilities:	
Net Pension Liability	<u>2,029,829</u>
Total Liabilities	<u>2,084,545</u>
Deferred Inflows of Resources	
Unavailable Revenue - Pension	<u>171,128</u>
Net Position	
Net Invested in Capital Assets	776,363
Unrestricted	<u>(226,289)</u>
Total Net Position	<u>\$ 550,074</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, 2015**

	Enterprise Fund <u>Food Service</u>
Operating Revenues	
Proceeds From Sale of Meals	\$ 218,111
Total Operating Revenues	<u>218,111</u>
Operating Expenses	
Food Cost	1,274,845
Personnel Costs	1,030,355
Purchased Services	60,894
Supplies and Materials	188,637
Depreciation	81,015
Other Operating Costs	<u>3,087</u>
Total Operating Expenses	<u>2,638,833</u>
Operating Income (Loss)	<u>(2,420,722)</u>
Non-Operating Revenues (Expenses)	
Interest Income	5,261
Other Federal and State Aid	254
USDA Reimbursement	3,027,203
Commodities Received From USDA	<u>117,914</u>
Total Non-Operating Revenues	<u>3,150,632</u>
Income Before Operating Transfers	<u>729,910</u>
Transfers In (Out)	
Indirect Costs	(126,816)
Fringe Benefits	<u>(173,726)</u>
Total Transfers In (Out)	<u>(300,542)</u>
Change in Net Position	429,368
Net Position, Beginning of Year (Restated)	<u>120,706</u>
Net Position, End of Year	<u><u>\$ 550,074</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, 2015**

	Enterprise Fund <u>Food Service</u>
Cash Flows from Operating Activities:	
Received from Patrons	\$ 213,243
Payments to Employees for Services	(1,030,355)
Payments to Suppliers for Goods and Services	<u>(1,451,020)</u>
 Net Cash Used by Operating Activities	 <u>(2,268,132)</u>
Cash Flows From Non-Capital Financing Activities:	
Received from USDA Reimbursements	3,061,422
Decrease in Due from Other Fund	73,527
Operating Transfers to Other Funds	(300,542)
Non-Operating Grants Received	<u>254</u>
 Net Cash Provided by Non-Capital Financing Activities	 <u>2,834,661</u>
Cash Flows From Capital and Related Financing Activities:	
Aquisition of Capital Assets	<u>(570,980)</u>
 Net Cash Used by Capital and Related Financing Activities	 <u>(570,980)</u>
Cash Flows From Investing Activities:	
Interest on Investments	<u>5,261</u>
 Net Cash Provided by Investing Activities	 <u>5,261</u>
 Net Increase in Cash and Cash Equivalents	 810
Cash and Cash Equivalents, Beginning of Year	<u>-</u>
Cash and Cash Equivalents, End of Year	<u><u>\$ 810</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, 2015
 (Continued)**

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

	<u>Enterprise Fund Food Service</u>
Operating Income (Loss)	\$ (2,420,722)
Adjustments to Reconcile Operating Income (Loss) to Net Cash	
Received From (Used) by Operating Activities:	
Depreciation	81,015
Commodities Used	117,914
Change in Assets and Liabilities:	
(Increase) in Receivables	(4,868)
(Increase) in Inventories	(15,746)
(Increase) in Deferred Costs	(112,087)
(Decrease) in Net Pension Liability	(84,857)
Increase in Deferred Inflows	<u>171,219</u>
Net Cash Used by Operating Activities	<u>\$ (2,268,132)</u>

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

SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION TRUST FUNDS
For the Fiscal Year Ended June 30, 2015

	<u>Agency Funds</u>
Assets	
Cash and Cash Equivalents	\$ 195,419
Total Assets	<u>195,419</u>
Liabilities	
Due to Student Organizations	<u>195,419</u>
Total Liabilities	<u>\$ 195,419</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, 2015

Note 1. Summary of Significant Accounting Policies

The School District of Williamsburg County, Kingstree, South Carolina, and (the School District”) operates 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 three component units.

SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
June 30, 2015
(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.

The Youth Academy Charter School (the Academy), a division of The Youth Academy Group Home, Inc., is a nonprofit 501(c)(3) organization incorporated for the purpose of creating an environment better suited for instruction of the severely disturbed and challenged children of high school age. 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 the Academy is such that the exclusion of the Academy would cause the School District’s basic financial statements to be incomplete, the financial statements of the Academy should be included in those of the School District. However, financial information for the charter school were not available as of the date of the audit report and have not been included in the financial statements. Separate financial statements can be obtained from The Youth Academy Charter School , 71 Tomlinson Street, Kingstree, South Carolina 29556.

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.

SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
June 30, 2015
(Continued)

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. 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.

SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
June 30, 2015
(Continued)

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* 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.

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.

SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
June 30, 2015
(Continued)

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.

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.

SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
June 30, 2015
(Continued)

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.

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 amounts 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.

SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
June 30, 2015
(Continued)

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

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, 2015.

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, 2015.

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, 2015
(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, 2015
(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 amounts

SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
June 30, 2015
(Continued)

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.

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
June 30, 2015
(Continued)**

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.

U. Changes in Beginning Net Position/Fund Balance

The following discloses the restatement of the governmental funds as of the beginning of the fiscal year:

Special Revenue Fund Balance, beginning of the year, as previously stated:	\$ 9,319
Decrease resulting from reclassing catering fund balance from special revenue fund to food service	<u>(9,729)</u>
Special Revenue Fund Balance, beginning of the year, as restated:	<u>\$ (410)</u>
Capital Projects- District Fund Balance, beginning of the year, as previously stated:	\$ 3,739,426
Increase resulting from recognition of bond proceeds from prior years	<u>233,704</u>
Capital Projects - District Fund Balance, beginning of the year, as restated:	<u>\$ 3,973,130</u>

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
June 30, 2015
(Continued)**

Debt Service - District Fund Balance, beginning of the year, as previously stated:	\$ 1,976,194
Decrease resulting from removal of short term bond proceeds recognized in prior year	<u>(480,000)</u>

Debt Service - District Fund Balance, beginning of the year, as restated:	<u>\$ 1,496,194</u>
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The following discloses the restatement of the governmental net position as of the beginning of the fiscal year:

Net Position, beginning of the year, as previously restated:	\$ 33,009,291
Decrease resulting from Government wide prior period adjustments	(256,025)
Increase resulting from not recording all accumulated depreciation in prior years	32,357
Increase resulting from short term bond proceeds incorrectly recognized in prior year	480,000
Decrease resulting from not recording all capital assets in prior years	(95,161)
Increase resulting from recognition of bond premiums related to GASB Statement No. 65	555,849
Increase resulting from not recording all property tax receivables in prior year	609,902
Decrease resulting from recognition of pension liability and cost related to GASB Statement No. 68	<u>(49,738,445)</u>
Net Position, beginning of year, as restated:	<u>\$ (15,402,232)</u>

The following discloses the restatement of the proprietary net position as of the beginning of the fiscal year:

Net Position, beginning of the year, as previously restated:	\$ 2,172,001
Increase resulting from adjustment to accumulated depreciation	53,662
Increase resulting from reclassing catering fund balance from special revenue fund to food service	9,729
Decrease resulting from recognition of pension liability and cost related to GASB Statement No. 68	<u>(2,114,686)</u>
Net Position, beginning of year, as restated:	<u>\$ 120,706</u>

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
June 30, 2015
(Continued)**

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, 2015, \$10,588,908 of the School District’s bank balance of \$11,449,401, which has a carrying value of \$10,310,631 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>10,588,908</u>
--	----------------------

Investments

As of June 30, 2015, 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	\$ 5,674,646	\$ 5,674,646

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, 2015, 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.

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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, 2015, is presented below.

	<u>General Fund</u>	<u>Debt Service Fund-District</u>
Taxes Receivable	\$ 1,165,275	\$ 354,445
Less Allowance for Doubtful Accounts	<u>(384,541)</u>	<u>(116,967)</u>
Net Taxes Receivable	<u>\$ 780,734</u>	<u>\$ 237,478</u>

Note 4. Other Receivables

Other governmental receivables at June 30, 2015, 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, 2015, (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:	\$ 3,431,914	\$ 4,991,954
Special Revenue Fund	-	3,431,914
Education Improvement Act	526,103	-
Capital Projects	2,525,832	-
Capital Projects-EFC	125,222	-
Food Service	<u>1,814,797</u>	<u>-</u>
 Total	 <u>\$ 8,423,868</u>	 <u>\$ 8,423,868</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, 2015, 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	92,157	2,529,506	(92,157)	2,529,506
Other Capital assets:				
Buildings and Improvements	81,875,093	687,194	-	82,562,287
Vehicles and equipment	6,484,327	120,599	-	6,604,926
Total Cost	88,359,420	807,793	-	89,167,213
Less, accumulated depreciation				
Net other capital assets	<u>(38,752,349)</u>	<u>(1,542,362)</u>	<u>-</u>	<u>(40,294,711)</u>
Net Capital assets	<u>\$ 50,387,426</u>	<u>\$ 1,794,937</u>	<u>\$ (92,157)</u>	<u>\$ 52,090,206</u>

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Business-type activities:				
Equipment	\$ 1,526,082	\$ 16,239	\$ -	\$ 1,542,321
Buildings and Improvements	-	554,741	-	554,741
Less, accumulated depreciation	<u>(1,239,684)</u>	<u>(81,015)</u>	<u>-</u>	<u>(1,320,699)</u>
Net Capital assets	<u>\$ 286,398</u>	<u>\$ 489,965</u>	<u>\$ -</u>	<u>\$ 776,363</u>

Depreciation expense was charged to governmental activities as follows:

Instruction	\$ 859,558
Support	<u>682,804</u>
Total Depreciation	<u>\$ 1,542,362</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, 2015:

	Expenditures <u>To Date</u>	Total <u>Contract</u>	Payments <u>Remaining</u>
<i>Governmental Activities</i>			
KSHS Athletic Field	\$ 18,640	\$ 165,640	\$ 147,000
Warehouse Renovations	18,678	73,678	55,000
Computer Network Upgrade	<u>2,492,188</u>	<u>2,494,688</u>	<u>2,500</u>
 Total	 <u>\$ 2,529,506</u>	 <u>\$ 2,734,006</u>	 <u>204,500</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 \$2,406,000 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, 2015 was \$484,000. 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, 2015.

	Beginning <u>Balance</u>	<u>Increases</u>	<u>Decreases</u>	Ending <u>Balance</u>
<i>Governmental Activities:</i>				
Series 2014A	\$ 480,000	\$ -	\$ 480,000	\$ -
Series 2014B	-	642,000	642,000	-
Series 2014C	-	1,280,000	1,280,000	-
TAN Series 2015A	<u>-</u>	<u>484,000</u>	<u>-</u>	<u>484,000</u>
Total	<u>\$ 480,000</u>	<u>\$ 2,406,000</u>	<u>\$ 2,402,000</u>	<u>\$ 484,000</u>

Note 8. Long-term Debt

Governmental Activities:

As of June 30, 2015, 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, 2015 was \$1,918,000. 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>
2016	\$ 409,000	\$ 52,776
2017	407,000	24,009
2018	645,000	22,823
2019	457,000	9,974
	<u>\$ 1,918,000</u>	<u>\$ 109,582</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%. The outstanding principal as of June 30, 2015 was \$19,725,000.

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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 District has recorded an arbitrage rebate of \$112,889 at June 30, 2014, which represents the positive arbitrage on the EFC indebtedness as of this date.

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

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>
2016	\$ 410,000	\$ 960,188
2017	425,000	939,313
2018	450,000	917,438
2019	905,000	883,563
2020	990,000	836,188
2021-2025	5,745,000	3,379,813
2026-2030	7,315,000	1,814,506
2031-2035	3,485,000	176,375
	<u>\$ 19,725,000</u>	<u>\$ 9,907,384</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, 2015 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>
2016	\$ -	\$ 83,770
2017	-	83,770
2018	-	83,770
2019	-	83,770
2020	-	83,770
2021-2022	5,584,645	167,540
	<u>\$ 5,584,645</u>	<u>\$ 586,390</u>

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, 2015, the District had an outstanding balance of \$1,500,000.

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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, 2015.

<u>Year Ending June 30,</u>	<u>Principal</u>
2016	\$ 317,465
2017	315,406
2018	315,729
2019	315,936
2020	<u>316,026</u>
Total minimum lease payments	1,580,562
Less: Amounts representing interest	<u>(80,562)</u>
Present value of future minimum lease payments	<u>\$ 1,500,000</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, 2015.

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
General Obligation Bonds:					
Series 2012B	\$ 2,319,000	\$ -	\$ 401,000	\$ 1,918,000	\$ 409,000
Installment Purchase					
Revenue Bonds:					
Series 2006 (EFC)	20,120,000	-	395,000	19,725,000	410,000
Qualified Zone Academy Bond Program:					
Series 2008A	5,584,645	-	-	5,584,645	-
SC Energy Loan	10,497	-	10,497	-	-
Arbitrage Payable	112,889	-	-	112,889	-
Compensated Absences	<u>418,482</u>	<u>390,975</u>	<u>418,482</u>	<u>390,975</u>	<u>-</u>
Total	<u>\$ 28,565,513</u>	<u>\$ 390,975</u>	<u>\$ 1,224,979</u>	<u>\$ 27,731,509</u>	<u>\$ 819,000</u>

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 \$3,237,151 as of June 30, 2015.

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Note 11. Debt Limitations

The amount of legal debt margin as of June 30, 2015, is computed as follows:

Total Assessed Value	<u>\$90,894,488</u>
Debt Limit 8% of Assessed Value	\$ 7,271,559
Amount of Debt Applicable to Debt Limit	<u>(2,402,000)</u>
Legal Debt Margin	<u>\$ 4,869,599</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 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.

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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. The PEBA Board may increase the SCRS and PORS employer and employee contribution rates on the basis of the actuarial valuations, 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 and 5 percent for PORS. 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 2014-2015 are as follows:

SCRS

Employee Class Two	8.00 % of earnable compensation
Employee Class Three	8.00 % of earnable compensation

Required employer contributions for fiscal year 2014-2015 are as follows:

SCRS

Employee Class Two	10.75 % of earnable compensation
Employee Class Three	10.75 % of earnable compensation
Employee Incidental Death Benefits	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, 2015, the School District reported a liability of \$47,742,556 for the SCRS proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2014, 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, 2014, the School District's proportion was 0.277304 percent for the SCRS.

For the year ended June 30, 2015, the School District recognized pension benefit of \$1,960,002. At June 30, 2015, the School District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

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	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,352,823	\$ -
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	4,025,046
Changes in proportion and differences between District contributions and proportionate share of contributions	-	-
Town contributions subsequent to measurement date	<u>2,636,336</u>	<u>-</u>
Total	<u>\$ 3,989,159</u>	<u>\$ 4,025,046</u>

\$12,636,336 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.

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. Amounts determined during the valuation process are subject to continual revision as actual results 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 is scheduled to be conducted after the June 30, 2015 annual valuation is complete.

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

	SCRS
Actuarial cost method	Entry age
Actuarial assumptions:	
Investment rate of return	7.5%
Projected salary increases	levels off at 3.5%
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.

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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 for actuarial purposes is based upon the 30 year capital market outlook at the end of the third quarter 2012. The actuarial long-term expected rates of return represent best estimates of arithmetic real rates of return for each major asset class and were developed in coordination with the investment consultant for the Retirement System Investment Commission (RSIC) using a building block approach, reflecting observable inflation and interest rate information available in the fixed income markets as well as Consensus Economic forecasts. The actuarial long-term assumptions for other asset classes are based on historical results, current market characteristics and professional judgment.

The RSIC has exclusive authority to invest and manage the retirement trust funds' assets. As co-fiduciary of the Systems, statutory provisions and governance policies allow the RSIC to operate in a manner consistent with a long-term investment time horizon. The expected real rates of investment return, along with the expected inflation rate, form the basis for the target asset allocation adopted annually by the RSIC. For actuarial purposes, the long-term expected rate of return is calculated by weighting the expected future real rates of return by the target allocation percentage and then adding the actuarial expected inflation which is summarized in the table on the following page. For actuarial purposes, the 7.50 percent assumed annual investment rate of return 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.

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Asset Class	Target Asset Allocation	Expected Arithmetic Real Rate of Return	Long Term Expected Portfolio Real Rate of Return
Short Term	5.0%		
Cash	2.0%	0.3	0.01
Short Duration	3.0%	0.6	0.02
Domestic Fixed Income	13.0%		
Core Fixed Income	7.0%	1.1	0.08
High Yield	2.0%	3.5	0.07
Bank Loans	4.0%	2.8	0.11
Global Fixed Income	9.0%		
Global Fixed Income	3.0%	0.8	0.02
Emerging Markets Debt	6.0%	4.1	0.25
Global Public Equity	31.0%	7.8	2.42
Global Tactical Asset Allocation	10.0%	5.1	0.51
Alternatives	32.0%		
Hedge Funds (Low Beta)	8.0%	4	0.32
Private Debt	7.0%	10.2	0.71
Private Equity	9.0%	10.2	0.92
Real Estate (Broad Market)	5.0%	5.9	0.29
Commodities	3.0%	5.1	0.15
Total Expected Real Return	<u>100.0%</u>		<u>5.88</u>
Inflation for Actuarial Purposes			<u>2.75</u>
Total Expected Nominal Return			<u>8.63</u>

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 contributions from participating employers in SCRS and PORS will be made based on the actuarially determined rates based on provisions in the South Carolina State Code of Laws. 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. The following table presents the sensitivity of the net pension liability to changes in the discount rate.

System	1% Decrease (6.50%)	Discount Rate (7.50%)	1% Increase (8.50%)
SCRS	\$ 61,781,732	\$ 47,742,556	\$ 38,338,196

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 and PORS. 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.

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Payables to the Pension Plan- The School District reported a payable to the SCRS as of June 30, 2015 in the amount of \$483,864.

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, 2015 were \$1,288,906 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.

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
June 30, 2015
(Continued)**

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.

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 \$666,473 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 \$490,267 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, 2015, consist of the following:

Interfund Transfers

Interfund transfers for the year ended June 30, 2015 consisted of the following:

Transfers from other funds:

From the EIA fund to the general fund to pay for salaries and fringe benefits	\$ 1,081,551
From the special revenue fund to the general fund to pay for salaries and fringe benefits	378,237
From the special revenue fund to the general fund for indirect cost reimbursement	235,771
From the school building fund to the general fund	195,020
From the food service fund to the general fund for indirect cost reimbursement	126,816
From the food service fund to the general fund for fringe benefits	173,725

Total transfers to the General Fund	2,191,120
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**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
June 30, 2015
(Continued)**

From EIA fund to EIA fund	58,436
From debt service fund -district to capital projects funds	920,628
From debt service fund - district to capital projects - EFC	195,000
From the debt service fund - district to debt service fund - EFC	1,476,468
From capital projects - district to capital projects fund - EFC	<u>418,441</u>
 Total transfers from other funds	 <u>3,068,973</u>
 <u>Transfers from other funds:</u>	 <u>\$ 5,260,093</u>
 To the general fund from the special revenue fund	 \$ 396,673
To the general fund from the special revenue fund for indirect cost reimbursement	235,771
To the EIA fund from the special revenue fund	<u>-</u>
Total transfers from special revenue funds	<u>632,444</u>
 To the general fund from the EIA fund to pay for salaries and fringe benefits	 693,197
To the general fund from the EIA fund - Flex funding	<u>428,354</u>
Total transfers from EIA Funds	<u>1,121,551</u>
 To the debt service fund - EFC from the debt service fund - district	 <u>1,476,468</u>
 To the capital projects fund - district from the debt service fund - district	 920,628
To the capital projects fund - district from the debt service fund - EFC	195,000
To the capital projects fund - EFC from the capital projects fund - District	<u>418,461</u>
Total transfers from debt service fund - EFC	<u>1,534,089</u>
 To the general fund from capital projects - EFC	 <u>195,000</u>
 To the general fund from the food service fund for fri nge benefits	 173,725
To the general fund from the food service fund for indirect cost reimbursement	<u>126,816</u>
Total transfers from food service fund	<u>300,541</u>
 <u>Total transfers to other funds</u>	 <u>\$ 5,260,093</u>

Note 18. Subsequent Events

The School District has evaluated subsequent events through November 23, 2015, 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, 2015.

On September 11, 2015, SCAGO issued General Obligation debt Series 2015C and 2015D in the amount of \$672,000 and \$1,673,000, 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, 2015**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
1000 Revenue from Local Sources			
1100 Taxes:			
1110 Ad Valorem Taxes - Including Delinquent	\$ 6,489,930	\$ 6,699,337	\$ 209,407
1140 Penalties & Interest on Taxes	-	69,035	69,035
1200 Revenue from Local Governmental Units Other Than LEAs			
1280 Revenue in Lieu of Taxes	1,956,260	1,884,346	(71,914)
1300 Tuition			
1320 From Other LEAs for Regular Day School	29,300	36,599	7,299
1500 Earnings on Investments			
1510 Interest on Investments	25,000	12,615	(12,385)
1700 Pupil Activities			
1790 Other Pupil Activity Income	31,235	31,235	-
1900 Other Revenue from Local Sources			
1910 Rentals	770	770	-
1920 Contributions and Donations from Private Sources	9,700	7,317	(2,383)
1990 Miscellaneous Local Revenue			
1993 Receipt Of Insurance Proceeds	-	1,780	1,780
1999 Revenue from Other Local Sources	<u>1,747,765</u>	<u>78,094</u>	<u>(1,669,671)</u>
Total Local Sources	<u>10,289,960</u>	<u>8,821,128</u>	<u>(1,468,832)</u>
3000 Revenue From State Sources			
3100 Restricted State Funding			
3130 Special Programs			
3131 Handicapped Transportation	-	27,381	27,381
3160 School Bus Driver Salary			
3161 EAA Bus Driver	358,359	443,591	85,232
3162 Transportation Workers' Compensation	36,642	35,897	(745)
3180 Fringe Benefits Employer Contributions	4,279,201	4,315,475	36,274
3181 Retiree Insurance	1,087,588	1,072,265	(15,323)

**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, 2015
(Continued)**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
3300 Education Finance Act			
3310 Full-Time Programs			
3311 Kindergarten	\$ 2,626,762	\$ 684,380	\$ (1,942,382)
3312 Primary	1,468,123	1,996,356	528,233
3313 Elementary	2,005,725	2,682,010	676,285
3314 High School	313,099	453,142	140,043
3315 Trainable Mentally Handicapped	133,993	112,087	(21,906)
3316 Speech Handicapped	693,685	779,198	85,513
3317 Homebound	27,067	20,531	(6,536)
3320 Part-Time Programs			
3321 Emotionally Handicapped	61,732	70,208	8,476
3322 Educable Mentally Handicapped	241,623	223,740	(17,883)
3323 Learning Disabilities	976,467	1,231,125	254,658
3324 Hearing Handicapped	21,430	17,131	(4,299)
3325 Visually Handicapped	4,321	17,081	12,760
3326 Orthopedically Handicapped	33,575	54,144	20,569
3327 Vocational	1,736,063	1,872,862	136,799
3330 Other EFA Programs			
3331 Autism	155,195	169,430	14,235
3332 High Achieving Students	90,390	83,206	(7,184)
3334 Limited English Proficiency	3,385	4,333	948
3350 Residential Treatment Facilities (RTF)	45,643	-	(45,643)
3351 Academics Assistance	315,281	389,367	74,086
3352 Pupils in Poverty	1,459,779	1,558,551	98,772
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	636,777	108,976
3890 Other State Property Tax Revenues	195,516	192,371	(3,145)
3900 Other State Revenue:			
3992 State Forest Commission Revenues	65,677	14,160	(51,517)
Total State Sources	23,534,812	23,727,489	192,677
4000 Revenue From Federal Sources			
4900 Other Federal Sources			
9999 Revenue from Other Federal Sources	2,218	-	(2,218)
Total Federal Sources	2,218	-	(2,218)
Total Revenue All Sources	33,826,990	32,548,617	(1,278,373)

**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, 2015
(Continued)**

EXPENDITURES			Variance
100 Instruction			Positive
	<u>Budget</u>	<u>Actual</u>	<u>(Negative)</u>
110 General Instruction			
111 Kindergarten Programs			
100 Salaries	\$ 1,639,434	\$ 867,135	\$ 772,299
200 Employee Benefits	637,816	220,590	417,226
300 Purchased Services	510	289	221
400 Supplies and Materials	4,447	3,890	557
112 Primary Programs			
100 Salaries	2,083,551	2,561,726	(478,175)
200 Employee Benefits	771,772	945,842	(174,070)
300 Purchased Services	46,240	46,122	118
400 Supplies and Materials	9,626	8,018	1,608
113 Elementary Programs			
100 Salaries	3,208,701	3,340,371	(131,670)
200 Employee Benefits	1,191,761	1,216,513	(24,752)
300 Purchased Services	7,325	4,049	3,276
400 Supplies and Materials	80,782	75,073	5,709
500 Capital Outlay	8,554	3,467	5,087
114 High School Programs			
100 Salaries	1,958,243	1,863,112	95,131
200 Employee Benefits	833,341	691,136	142,205
300 Purchased Services	160,094	182,723	(22,629)
400 Supplies and Materials	45,816	41,716	4,100
500 Capital Outlay	6,870	6,870	-
115 Career and Technology Education Programs			
100 Salaries	959,293	835,637	123,656
200 Employee Benefits	174,043	317,643	(143,600)
300 Purchased Services	49,357	47,781	1,576
400 Supplies and Materials	35,346	32,814	2,532
120 Exceptional Programs			
121 Educable Mentally Handicapped			
100 Salaries	365,408	218,878	146,530
200 Employee Benefits	178,523	100,344	78,179
300 Purchased Services	42,465	42,465	-
400 Supplies and Materials	720	689	31

**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, 2015
(Continued)**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
122 Trainable Mentally Handicapped			
100 Salaries	\$ 340,559	\$ 338,105	\$ 2,454
200 Employee Benefits	181,896	148,962	32,934
300 Purchased Services	-	200	(200)
400 Supplies and Materials	500	235	265
123 Orthopedically Handicapped			
100 Salaries	55,348	86,185	(30,837)
200 Employee Benefits	22,141	30,281	(8,140)
400 Supplies and Materials	100	-	100
126 Speech Handicapped			
100 Salaries	197,976	197,976	-
200 Employee Benefits	73,295	76,042	(2,747)
400 Supplies and Materials	230	120	110
127 Learning Disabilities			
100 Salaries	1,155,967	1,109,141	46,826
200 Employee Benefits	483,651	406,283	77,368
300 Purchased Services	222,289	222,289	-
400 Supplies and Materials	3,086	1,705	1,381
128 Emotionally Handicapped			
300 Purchased Services	127,361	127,361	-
400 Supplies and Materials	255	98	157
130 Pre-School Programs			
137 Pre-School Handicapped Self-Contained (3 & 4 yr. Olds)			
100 Salaries	7,719	6,729	990
200 Employee Benefits	3,419	4,274	(855)
140 Special Programs			
141 Gifted and Talented - Academic			
300 Purchased Services	10,093	7,304	2,789
400 Supplies and Materials	8,137	10,209	(2,072)
145 Homebound			
100 Salaries	40,423	38,764	1,659
200 Employee Benefits	11,206	13,017	(1,811)
300 Purchased Services	25,863	23,537	2,326
400 Supplies and Materials	130	75	55
147 CDEPP			
100 Salaries	400	58,054	(57,654)

**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, 2015
(Continued)**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
148 Gifted and Talented - Artistic			
100 Salaries	\$ 51,887	\$ 63,592	\$ (11,705)
200 Employee Benefits	17,875	24,165	(6,290)
300 Purchased Services	32,229	31,896	333
400 Supplies and Materials	2,825	2,525	300
600 Other Objects	121	121	-
149 Other Special Programs:			
300 Purchased Services	24,000	7,922	16,078
180 Adult/Continuing Educational Programs			
188 Parenting/Family Literacy			
100 Salaries	63,052	40,643	22,409
200 Employee Benefits	27,154	27,527	(373)
300 Purchased Services	1,053	3,893	(2,840)
400 Supplies and Materials	3,947	4,660	(713)
190 Instructional Pupil Activity:			
100 Salaries	5,200	2,900	2,300
200 Employee Benefits	2,802	707	2,095
300 Purchased Services	507	-	507
400 Supplies and Materials	96	-	96
Total Instruction	<u>17,704,830</u>	<u>16,792,390</u>	<u>912,440</u>
200 Support Services			
210 Pupil Services			
211 Attendance and Social Work Services:			
300 Purchased Services	1,047	491	556
400 Supplies and Materials	428	27	401
500 Capital Outlay	1,000	966	34
212 Guidance Services			
100 Salaries	805,079	835,936	(30,857)
200 Employee Benefits	230,231	308,477	(78,246)
300 Purchased Services	4,804	1,798	3,006
400 Supplies and Materials	6,389	5,748	641
213 Health Services			
100 Salaries	-	132,416	(132,416)
300 Purchased Services	14,420	18,022	(3,602)

**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, 2015
(Continued)**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
216 Career and Technical Education Services:			
400 Supplies and Materials	\$ 3,086	\$ 2,878	\$ 208
220 Instructional Staff Services			
221 Improvement of Instruction - Curriculum Development			
100 Salaries	606,417	601,687	4,730
200 Employee Benefits	210,017	216,103	(6,086)
300 Purchased Services	32,720	31,780	940
400 Supplies and Materials	39,217	24,477	14,740
600 Other Objects	8,502	8,238	264
222 Library and Media Services			
100 Salaries	546,880	489,526	57,354
200 Employee Benefits	192,256	184,267	7,989
300 Purchased Services	3,439	3,319	120
400 Supplies and Materials	20,236	19,072	1,164
223 Supervision of Special Programs			
100 Salaries	315,397	269,077	46,320
200 Employee Benefits	44,108	113,175	(69,067)
300 Purchased Services	18,816	10,199	8,617
400 Supplies and Materials	7,473	5,806	1,667
600 Other Objects	501	501	-
224 Improvement of Instruction - In-service and Staff Training			
300 Purchased Services	15,488	12,180	3,308
400 Supplies and Materials	413	201	212
230 General Administration Services			
231 Board of Education			
100 Salaries	35,920	49,240	(13,320)
200 Employee Benefits	63,374	24,748	38,626
300 Purchased Services Except:	156,188	117,911	38,277
318 Audit Services	45,100	48,920	(3,820)
400 Supplies and Materials	23,317	16,626	6,691
500 Capital Outlay	5,000	-	5,000
600 Other Objects	304,774	161,059	143,715
232 Office of the Superintendent			
100 Salaries	205,027	178,096	26,931
200 Employee Benefits	68,796	58,440	10,356
300 Purchased Services	115,684	102,636	13,048
400 Supplies and Materials	22,089	16,211	5,878
500 Capital Outlay	3,300	1,729	1,571
600 Other Objects	21,900	18,274	3,626

**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, 2015
(Continued)**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
233 School Administration			
100 Salaries	\$ 2,336,698	\$ 2,449,156	\$ (112,458)
200 Employee Benefits	843,439	895,406	(51,967)
300 Purchased Services	36,367	31,626	4,741
400 Supplies and Materials	31,882	25,565	6,317
500 Capital Outlay	5,600	1,159	4,441
250 Finance and Operations Services			
252 Fiscal Services			
100 Salaries	334,245	253,055	81,190
200 Employee Benefits	111,275	98,448	12,827
300 Purchased Services	145,928	232,997	(87,069)
400 Supplies and Materials	58,499	35,583	22,916
500 Capital Outlay	525	3,247	(2,722)
600 Other Objects	3,450	1,700	1,750
254 Operations and Maintenance of Plant			
100 Salaries	1,219,018	1,220,517	(1,499)
200 Employee Benefits	580,236	565,469	14,767
300 Purchased Services	1,013,065	938,794	74,271
321 Public Utilities	131,378	118,124	13,254
400 Supplies and Materials	562,188	496,277	65,911
470 Energy	1,096,735	1,187,217	(90,482)
500 Capital Outlay	1,688	103,286	(101,598)
255 Student Transportation			
100 Salaries	980,862	938,473	42,389
200 Employee Benefits	296,924	278,303	18,621
300 Purchased Services	142,431	98,906	43,525
400 Supplies and Materials	3,583	3,040	543
500 Capital Outlay	-	25,337	(25,337)
600 Other Objects	849	-	849
256 Food Service			
200 Employee Benefits	609,103	596,717	12,386
257 Internal Services:			
100 Salaries	25,417	20,880	4,537
200 Employee Benefits	12,582	8,153	4,429
300 Purchased Services	2,020	2,013	7
400 Supplies and Materials	980	653	327
600 Other Objects	150	-	150

**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, 2015
(Continued)**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
258 Security			
100 Salaries	\$ 500	\$ -	\$ 500
300 Purchased Services	183,695	174,174	9,521
500 Capital Outlay	-	16,555	(16,555)
 260 Central Support Services			
 264 Staff Services			
100 Salaries	206,521	205,371	1,150
200 Employee Benefits	81,475	81,503	(28)
300 Purchased Services	6,075	5,267	808
400 Supplies and Materials	2,555	2,519	36
 266 Technology and Data Processing Services			
100 Salaries	324,862	247,431	77,431
200 Employee Benefits	110,393	91,120	19,273
300 Purchased Services	191,929	242,557	(50,628)
400 Supplies and Materials	24,706	22,896	1,810
500 Capital Outlay	6,866	5,838	1,028
 270 Support Service Pupil Activity			
 271 Pupil Services Activities			
100 Salaries	214,679	206,785	7,894
200 Employee Benefits	57,894	44,839	13,055
300 Purchased Services	40,592	39,497	1,095
400 Supplies and Materials	12,658	-	12,658
600 Pupil Activity	5,600	15,696	(10,096)
 Total Support Services	16,266,870	16,132,201	134,669
 300 Community Services			
390 Other Community Services:			
100 Salaries	6,055	54,711	(48,656)
200 Employee Benefits	1,351	8,591	(7,240)
300 Purchased Services	43,316	45,198	(1,882)
400 Supplies and Materials	1,647	1,188	459
500 Capital Outlay	1,000	987	13
 Total Community Services	53,369	110,675	(57,306)

**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, 2015
(Continued)**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
400 Other Charges:			
410 Intergovernmental Expenditures			
411-720 Payments to the South Carolina Department of Education			
412-720 Payments to Other Governmental Units	\$ -	\$ 14,663	\$ (14,663)
416-720 Payments to Public Charter Schools	<u>2,523,949</u>	<u>2,316,886</u>	<u>207,063</u>
Total Intergovernmental Expenditures	<u>2,523,949</u>	<u>2,331,549</u>	<u>192,400</u>
500 Debt Service			
610 Principal	<u>11,000</u>	<u>14,682</u>	<u>(3,682)</u>
Total Debt Service	<u>11,000</u>	<u>14,682</u>	<u>(3,682)</u>
Total Expenditures	<u>36,560,018</u>	<u>35,381,497</u>	<u>1,178,521</u>
OTHER FINANCING SOURCES (USES)			
5300 Sale of Capital Assets	1,000	-	(1,000)
5400 Proceeds from Long-Term Notes	137,650	16,555	(121,095)
Interfund Transfers, From (To) Other Funds			
5230 Transfer from Special Revenue - EIA Fund	1,555,302	1,459,788	(95,514)
5250 Transfer from Capital Projects Fund	180,000	195,020	15,020
5260 Transfer from Food Service Fund (Excludes Indirect Cost)	215,246	173,725	(41,521)
5280 Transfer from Other Funds Indirect Cost	573,514	362,587	(210,927)
421-710 Transfer to Special Revenue Fund	-	(5,386)	(5,386)
422-710 Transfer to Special Revenue EIA Fund	<u>(58,227)</u>	<u>-</u>	<u>58,227</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>2,604,485</u>	<u>2,202,289</u>	<u>(402,196)</u>
Excess (Deficiency) of Revenues Over Expenditures	(128,543)	(630,591)	(502,048)
FUND BALANCE, July 1, 2014	<u>3,926,930</u>	<u>3,926,930</u>	<u>-</u>
FUND BALANCE, June 30, 2015	<u>\$ 3,798,387</u>	<u>\$ 3,296,339</u>	<u>\$ (502,048)</u>

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
For the Fiscal Year Ended June 30, 2015**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		<u>Positive (Negative)</u>
REVENUES				
Local	\$ 10,289,960	\$ 10,289,960	\$ 8,821,128	\$ (1,468,832)
State	23,534,812	23,534,812	23,727,489	192,677
Federal	2,218	2,218	-	(2,218)
	<u>33,826,990</u>	<u>33,826,990</u>	<u>32,548,617</u>	<u>(1,278,373)</u>
Total Revenues				
EXPENDITURES				
Current:				
Instruction	17,689,406	17,689,406	16,782,053	907,353
Support Services	16,242,891	16,242,891	15,974,084	268,807
Community Services	52,369	52,369	109,688	(57,319)
Intergovernmental	2,523,949	2,523,949	2,331,549	192,400
Debt Service	11,000	11,000	14,682	(3,682)
Capital Outlay	40,403	40,403	169,441	(129,038)
	<u>36,560,018</u>	<u>36,560,018</u>	<u>35,381,497</u>	<u>1,178,521</u>
Total Expenditures				
Excess (Deficiency) of Revenues Over Expenditures	<u>(2,733,028)</u>	<u>(2,733,028)</u>	<u>(2,832,880)</u>	<u>(2,456,894)</u>
OTHER FINANCING SOURCES (USES)				
Sale of Capital Assets	1,000	1,000	-	(1,000)
Proceeds from Long-Term Notes	137,650	137,650	16,555	(121,095)
Operating Transfers In	2,524,062	2,524,062	2,191,120	(332,942)
Operating Transfers Out	(58,227)	(58,227)	(5,386)	52,841
	<u>2,604,485</u>	<u>2,604,485</u>	<u>2,202,289</u>	<u>(402,196)</u>
Total Other Financing Sources (Uses)				
Net Change In Fund Balance	(128,543)	(128,543)	(630,591)	(502,048)
Fund Balance, July 1, 2014	<u>3,938,713</u>	<u>3,938,713</u>	<u>3,938,713</u>	<u>-</u>
Fund Balance, June 30, 2015	<u>\$ 3,810,170</u>	<u>\$ 3,810,170</u>	<u>\$ 3,308,122</u>	<u>\$ (502,048)</u>

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
 KINGSTREE, SOUTH CAROLINA
 REQUIRED SUPPLEMENTAL INFORMATION
 OTHER POST EMPLOYMENT BENEFIT PLAN- DEFINED BENEFIT HEALTHCARE PLAN
 SCHEUDLE OF EMPLOYER CONTRIBUTIONS AND FUNDING PROGRESS
 For the Fiscal Year Ended June 30, 2015**

SCRS	<u>2015</u>
District's proportion of the net pension liability (asset)	0.2773040%
District's proportionate share of the net pension liability (asset)	\$ 47,742,556
District's covered employee payroll	\$ 24,186,565
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	1.973928749
Plan fiduciary net position as a percentage of total pension liability	-366.20%

<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
 SCHEUDLE OF SCHOOL DISTRICT CONTRIBUTIONS
 For the Fiscal Year Ended June 30, 2015**

	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 2,636,336	\$ 2,632,652
Contributions in relation to contractually required contribution	<u>2,636,336</u>	<u>2,632,652</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll	\$ 24,186,565	\$ 24,836,332
Contributions as a percentage of covered-employee payroll	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, 2015

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, debt service, and capital outlay has excess expenditures over appropriations in the amount of \$57,319, \$3,682, and \$129,038, 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, 2015**

	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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,927	\$ 7,927
1900 Other Revenue From Local Sources								
1920 Contributions and Donations Private Sources							8,695	8,695
1930 Medicaid	-	-	-	-	-	-	1,584,205	1,584,205
1990 Miscellaneous Local Revenue								
1992 Canteen Operations	-	-	-	-	-	-	8,534	8,534
1999 Revenue from Other Local Sources	-	-	-	-	-	-	208,506	208,506
Total Local Sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,817,867</u>	<u>1,817,867</u>
3000 Revenue From State Sources								
3100 Restricted State Funding								
3110 Occupational Education								
3118 EEDA Career Specialist	-	-	-	-	-	90,877	-	90,877
3120 General Education								
3127 Student Health and Fitness - PE Teachers	-	-	-	-	-	81,947	-	81,947
3130 Special Programs								
3135 Reading Coaches	-	-	-	-	-	366,492	-	366,492
3136 Student Health and Fitness - Nurses	-	-	-	-	-	3,309	-	3,309
3155 DSS SNAP & E&T Program	-	-	-	-	-	33,142	-	33,142
3177 Summer Reading Camps						35,843	-	35,843
3190 Miscellaneous Restricted State Grants								
3193 Education License Plates	-	-	-	-	-	3,436	-	3,436
3194 Other Restricted State Grants	-	-	-	-	-	5,589	-	5,589
3198 Other Restricted State Grants	-	-	-	-	-	1,863	-	1,863
3199 Other Restricted State Grants	-	-	-	-	-	-	310,803	310,803
3600 Education Lottery Act Revenue								
3607 6-8 Enhancement	-	-	-	-	-	35,638	-	35,638
3610 K-5 Enhancement	-	-	-	-	-	326,733	-	326,733
3630 Technology Initiative	-	-	-	-	-	46,542	-	46,542
3900 Other State Revenue								
3999 Revenue from Other State Sources	-	-	-	-	-	-	91,782	91,782
Total State Sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,031,411</u>	<u>402,585</u>	<u>1,433,996</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, 2015
(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>
4000 Revenue From Federal Sources								
4200 Occupational Education								
4210 Perkins Aid, Title I	\$ -	\$ -	\$ -	\$ 111,551	\$ -	\$ -	\$ -	\$ 111,551
4300 Elementary and Secondary Education Act of 1965								
4310 Title I, Basic State Grant Programs	3,539,620	-	-	-	-	-	235,586	3,775,206
4312 Rural and Low-Income School Program, Title VI	-	-	-	-	-	-	78,610	78,610
4320 Charter School (Planning and Implementation) Grant	-	-	-	-	-	-	139,999	139,999
4351 Improving Teacher Quality	-	-	-	-	-	-	728,953	728,953
4400 Adult Education								
4410 Basic Adult Education	-	-	-	-	69,538	-	-	69,538
4430 State Literacy Resource	-	-	-	-	-	-	26,548	26,548
4500 Programs for Children with Disabilities								
4510 Individuals With Disabilities Education Act (IDEA)	-	1,736,118	-	-	-	-	-	1,736,118
4520 Pre-School Grants (IDEA)	-	-	85,252	-	-	-	-	85,252
4900 Other Federal Sources								
4924 21st Century Community Learning Center (Title IV)	-	-	-	-	-	-	760,075	760,075
4999 Revenue from Other Federal Sources	-	-	-	-	-	-	2,091,468	2,091,468
Total Federal Sources	<u>3,539,620</u>	<u>1,736,118</u>	<u>85,252</u>	<u>111,551</u>	<u>69,538</u>	<u>-</u>	<u>4,061,239</u>	<u>9,603,318</u>
TOTAL REVENUES ALL SOURCES	<u>3,539,620</u>	<u>1,736,118</u>	<u>85,252</u>	<u>111,551</u>	<u>69,538</u>	<u>1,031,411</u>	<u>6,281,691</u>	<u>12,855,181</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, 2015
(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	\$ 36,559	\$ -	\$ -	\$ -	\$ -	\$ 11,608	\$ 49,018	\$ 97,185
200 Employee Benefits	13,221	-	-	-	-	7,009	39,010	59,240
400 Supplies and Materials	-	-	-	-	-	-	120,054	120,054
112 Primary Programs								
100 Salaries	189,226	-	-	-	-	62,385	42,853	294,464
200 Employee Benefits	70,517	-	-	-	-	18,973	13,518	103,008
300 Purchased Services	18,843	-	-	-	-	-	-	18,843
400 Supplies and Materials	43,056	-	-	-	-	-	314,134	357,190
500 Capital Outlay	21,466	-	-	-	-	964	-	22,430
113 Elementary Programs								
100 Salaries	564,637	-	-	-	-	199,654	300,871	1,065,162
200 Employee Benefits	223,153	-	-	-	-	65,192.00	87,088	375,433
300 Purchased Services	192,854	-	-	-	-	1,530	17,577	211,961
400 Supplies and Materials	231,222	-	-	-	-	10,074	687,615	928,911
500 Capital Outlay	45,957	-	-	-	-	3,470	71,686	121,113
600 Other Objects	-	-	-	-	-	-	135	135
114 High School Programs								
100 Salaries	318,531	-	-	-	-	-	334,933	653,464
200 Employee Benefits	97,105	-	-	-	-	-	41,481	138,586
300 Purchased Services	114,499	-	-	-	-	-	36,973	151,472
400 Supplies and Materials	120,473	-	-	-	-	-	561,511	681,984
500 Capital Outlay	11,994	-	-	-	-	-	6,739	18,733

**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, 2015
(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>
115 Career and Technology Education Programs								
300 Purchased Services	\$ -	\$ -	\$ -	\$ 686.00	\$ -	\$ -	\$ -	\$ 686
500 Capital Outlay	-	-	-	64,624	-	-	-	64,624
600 Other Objects	-	-	-	6,526	-	-	-	6,526
120 Exceptional Programs								
121 Educable Mentally Handicapped								
100 Salaries	-	99,157	-	-	-	-	-	99,157
200 Employee Benefits	-	48,005	-	-	-	-	-	48,005
400 Supplies and Materials	-	240	-	-	-	-	-	240
122 Trainable Mentally Handicapped								
100 Salaries	-	21,561	53,987	-	-	-	-	75,548
200 Employee Benefits	-	9,623	21,317	-	-	-	-	30,940
400 Supplies and Materials	-	1,884	-	-	-	-	-	1,884
123 Orthopedically Handicapped								
100 Salaries	-	20,626	-	-	-	-	-	20,626
200 Employee Benefits	-	9,511	-	-	-	-	-	9,511
125 Hearing Handicapped								
100 Salaries	-	26,749	-	-	-	-	-	26,749
200 Employee Benefits	-	2,416	-	-	-	-	-	2,416
300 Purchased Services	-	48,388	-	-	-	-	-	48,388
400 Supplies and Materials	-	-	-	-	-	-	-	-
126 Speech Handicapped								
100 Salaries	-	95,352	-	-	-	-	68,898	164,250
200 Employee Benefits	-	21,214	-	-	-	-	20,782	41,996
300 Purchased Services	-	8,137	-	-	-	-	-	8,137
400 Supplies and Materials	-	1,527	-	-	-	-	-	1,527
600 Other Objects	-	1,605	-	-	-	-	-	1,605

**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, 2015
(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>
127 Learning Disabilities								
100 Salaries	\$ -	\$ 132,106	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 132,106
200 Employee Benefits	-	43,516	-	-	-	-	-	43,516
400 Supplies and Materials	-	-	-	-	-	-	1,124	1,124
128 Emotionally Handicapped								
100 Salaries	-	97,185	-	-	-	-	-	97,185
200 Employee Benefits	-	14,422	-	-	-	-	-	14,422
129 Homebound								
100 Salaries	-	61,682	-	-	-	-	-	61,682
200 Employee Benefits	-	23,592	-	-	-	-	-	23,592
300 Purchased Services	-	-	-	-	-	-	455	455
400 Supplies and Materials	-	-	-	-	-	-	293	293
137 Preschool Handicapped Self Contained (3&4 Yr. Olds)								
100 Salaries	-	69,226	3,500	-	-	-	-	72,726
200 Employee Benefits	-	25,843	1,608	-	-	-	-	27,451
138 Preschool Handicapped Homebound (3&4-Yr. Olds)								
300 Purchased Services	-	-	-	-	-	-	866	866
139 Early Childhood Programs:								
100 Salaries	-	-	-	-	-	-	3,702	3,702
200 Employee Benefits	-	-	-	-	-	-	860	860
140 Special Programs								
145 Remedial Education								
100 Salaries	-	4,808	-	-	-	-	27,205	32,013
200 Employee Benefits	-	1,380	-	-	-	-	-	1,380
147 CDEPP								
400 Supplies and Materials	-	-	-	-	-	-	1,568	1,568
148 Gifted and Talented Artistic:								
400 Supplies and Materials	-	-	-	-	-	-	361	361

**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, 2015
(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>
149 Other Special Programs								
100 Salaries	\$ -	\$ -	\$ 1,976	\$ -	\$ -	\$ -	\$ -	\$ 1,976
200 Employee Benefits	-	-	483	-	-	-	-	483
300 Purchased Services	-	3,071	-	-	-	-	3,382	6,453
170 Summer School Programs								
175 Instructional Programs Beyond Regular School Day								
100 Salaries	-	-	-	-	-	-	290,391	290,391
200 Employee Benefits	-	-	-	-	-	-	61,376	61,376
300 Purchased Services	-	-	-	-	-	-	104,715	104,715
400 Supplies and Materials	-	-	-	-	-	-	160,199	160,199
180 Adult/Continuing Educational Programs								
181 Adult Basic Education Programs								
100 Salaries	-	-	-	-	28,521	12,949	3,967	45,437
200 Employee Benefits	-	-	-	-	7,125	3,406	762	11,293
300 Purchased Services	-	-	-	-	291.20	824	981	2,096
400 Supplies and Materials	-	-	-	-	6,937	1,333	1,013	9,283
182 Adult Secondary Education Programs								
100 Salaries	-	-	-	-	20,738	6,725	519	27,982
200 Employee Benefits	-	-	-	-	2,519	1,204	127	3,850
188 Parenting/Family Literacy								
100 Salaries	127,908	-	-	-	-	-	-	127,908
200 Employee Benefits	61,696	-	-	-	-	-	-	61,696
300 Purchased Services	86,446	-	-	-	-	-	-	86,446
400 Supplies and Materials	26,409	-	-	-	-	-	1,671	28,080
Total Instruction	<u>2,615,772</u>	<u>892,826</u>	<u>82,871</u>	<u>71,836</u>	<u>66,131</u>	<u>407,300</u>	<u>3,480,413</u>	<u>7,617,149</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, 2015
(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>
200 Support Services								
210 Pupil Services								
212 Guidance Services								
100 Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 57,123	\$ -	\$ 57,123
200 Employee Benefits	-	-	-	-	-	27,647	-	27,647
213 Health Services								
100 Salaries	-	-	-	-	-	224	744,216	744,440
200 Employee Benefits	-	-	-	-	-	1,101	317,799	318,900
300 Purchased Services	-	150,933	-	-	-	-	2,798	153,731
400 Supplies and Materials	-	-	-	-	-	-	20,992	20,992
500 Capital Outlay	-	-	-	-	-	-	4,806	4,806
600 Other Objects	-	-	-	-	-	-	116	116
214 Psychological Services								
100 Salaries	-	42,532	-	-	-	-	158,603	201,135
200 Employee Benefits	-	14,775	-	-	-	-	61,491	76,266
300 Purchased Services	-	10,561	-	-	-	-	-	10,561
400 Supplies and Materials	-	6,929	-	-	-	-	-	6,929
220 Instructional Staff Services								
221 Improvement of Instruction - Curriculum Development								
100 Salaries	196,237	193,161	-	-	-	-	77,250	466,648
200 Employee Benefits	71,919	71,018	-	-	-	-	21,144	164,081
300 Purchased Services	6,430	5,880	-	-	-	-	303,232	315,542
400 Supplies and Materials	41,288	-	-	-	1,628	-	160,491	203,407

**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, 2015
(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>
223 Supervision of Special Programs								
100 Salaries	\$ 118,483	\$ 149,227	\$ -	\$ -	\$ -	\$ 2,800	\$ 156,809	\$ 427,319
200 Employee Benefits	47,654	51,927	-	-	-	548	61,387	161,516
300 Purchased Services	9,289	6,510	-	-	400	2,256	17,481	35,936
400 Supplies and Materials	16,299	10,147	-	-	860	417	10,249	37,972
600 Other Objects	124	176	-	-	-	-	-	300
224 Improvement of Instruction - In-service and Staff Training								
100 Salaries	13,074	-	-	-	-	-	13,765	26,839
200 Employee Benefits	4,976	-	-	-	-	-	3,466	8,442
300 Purchased Services	101,212	-	-	17,166	39	-	74,250	192,667
400 Supplies and Materials	25,315	-	-	-	480	-	11,441	37,236
230 General Administrative Services								
231 Board of Education								
300 Purchased Services	-	-	-	-	-	-	3,200	3,200
600 Other Objects	-	-	-	-	-	-	750	750
233 School Administration								
300 Purchased Services	-	-	-	-	-	-	7,515	7,515
400 Supplies and Materials	-	-	-	-	-	-	2,257	2,257
250 Finance and Operations Services								
251 Student Transportation								
100 Salaries	-	58,466	-	-	-	-	-	58,466
200 Employee Benefits	-	18,964	-	-	-	-	-	18,964
300 Purchased Services	-	-	-	-	-	-	127,987	127,987
253 Facilities Acquisition Construction								
500 Capital Outlay	-	-	-	-	-	-	196,233	196,233
254 Operation and Maintenance of Plant								
300 Purchased Services	-	-	-	-	-	681	480	1,161
400 Supplies and Materials	7,732	-	-	-	-	-	-	7,732

**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, 2015
(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>
255 Pupil Transportation								
300 Purchased Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 18,345	\$ 18,345
256 Food Service								
300 Purchased Services	-	-	-	-	-	-	13,921	13,921
260 Central Support Services								
263 Information Services								
300 Purchased Services	-	-	-	-	-	-	8,895	8,895
264 Staff Services								
300 Purchased Services	-	-	-	-	-	-	808	808
266 Technology and Data Processing Services								
100 Salaries	81,648	-	-	-	-	-	50,232	131,880
200 Employee Benefits	31,549	-	-	-	-	-	15,143	46,692
300 Purchased Services	-	-	-	-	-	3,192	8,060	11,252
270 Support Service Activities - Pupil Activity								
271 Pupil Service Activities								
300 Purchased Services	-	-	-	21,599	-	-	4,470	26,069
400 Supplies and Materials	-	-	-	950	-	-	-	950
600 Other Objects	-	-	-	-	-	1,985	-	1,985
Total Support Services	<u>773,229</u>	<u>791,206</u>	<u>-</u>	<u>39,715</u>	<u>3,407</u>	<u>97,974</u>	<u>2,680,082</u>	<u>4,385,613</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, 2015
(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>
300 Community Services								
350 Custody and Care of Children:								
100 Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,600	\$ 7,600
200 Employee Benefits	-	-	-	-	-	-	1,561	1,561
400 Supplies and Materials	-	-	-	-	-	-	101	101
Total Community Services	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,262</u>	<u>9,262</u>
410 Intergovernmental Expenditures								
414 Medicaid Payments to SCDE								
720 Transits	-	-	-	-	-	-	405,781	405,781
416 LEA Payments to Public Charter Schools								
720 Transits	84,029	-	-	-	-	129,464	-	213,493
Total Intergovernmental Expenditures	<u>84,029</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>129,464</u>	<u>405,781</u>	<u>619,274</u>
TOTAL EXPENDITURES	<u>3,473,030</u>	<u>1,684,032</u>	<u>82,871</u>	<u>111,551</u>	<u>69,538</u>	<u>634,738</u>	<u>6,575,538</u>	<u>12,631,298</u>
OTHER FINANCING SOURCES (USES)								
Interfund Transfers, From (To) Other Funds:								
5210 Transfer from General Fund	-	-	-	-	-	-	5,386	5,386
420-710 Transfer to General Fund	-	-	-	-	-	(338,237)	(40,000)	(378,237)
422-710 Transfer to Special Revenue EIA Fund	-	-	-	-	-	(58,436)	-	(58,436)
431-791 Special Revenue Fund Indirect Cost	(66,590)	(52,086)	(2,381)	-	-	-	(74,714)	(195,771)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(66,590)</u>	<u>(52,086)</u>	<u>(2,381)</u>	<u>-</u>	<u>-</u>	<u>(396,673)</u>	<u>(109,328)</u>	<u>(627,058)</u>
Excess (Deficiency) of Revenues Over Expenditures	-	-	-	-	-	-	(403,175)	(403,175)
Fund Balance, July 1, 2014	-	-	-	-	-	-	(410)	(410)
Fund Balance, June 30, 2015	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (403,585)</u>	<u>\$ (403,585)</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, 2015**

OTHER SPECIAL REVENUE PROGRAMS

Sub Fund	Revenue Code	Programs	Revenues	Expenditures	Other Fund Transfers In (Out)	Special Revenue Fund Unearned
221	4310/4430	Workforce Initiative	\$ 37,608	\$ 37,608	\$ -	\$ -
224	4924	21st Century Community Learning Center Program	760,075	744,567	(15,508)	-
237	4310	Title I Part A, School Improvement	99,883	99,883	-	-
239	4310	Title I - Priority Schools	124,643	124,643	-	-
251	4312	Rural and Low Income School Program, Title VI	78,610	78,610	-	-
267	4351	Improving Teacher Quality	728,953	728,953	-	-
270	4999	ROTC	189,384	189,384	-	-
285	4999	Race To The Top Grant	1,902,084	1,842,878	(59,206)	18,729
800	1930/3199	SIG Activities	17,763	17,763	-	24,221
802	N/A	Computer Based Testing	-	-	-	383
803	3199	DASH Mini Grant	218	218	-	-
804	3199	Extended School Year	27,205	27,205	-	-
805	N/A	State Improvement Grant	-	-	-	85
806	1920	Wal-Mart Grant	492	492	-	14
809	3199	Health Fair	294	294	-	13
810	3199	Gifted and Talented	725	725	-	-
811	3199	HEAP	900	900	-	2,135
812	1330	Mentoring	518	518	-	-
816	3199	CCRS	106	106	-	-
817	3199	Discover Brighter Futures	5,100	5,100	-	-
818	3199	Save the Children	307	307	-	-
827	1999	E-Rate	196,233	196,233	-	111,710
829	3199	SC Teen Lead	3,200	3,200	-	-
831	3199	Private Placement	3,382	3,382	-	-
833	3199	Target Grant	63	63	-	35
835	1920	BC/BS Mental Health	103	103	-	-
838	N/A	BC/BS Mental Health	-	-	-	8,600
842	1999	Staff Development	2,600	2,600	-	-
845	1930	Rehabilitative Health	902,636	1,093,125	(40,000)	-
848	1330	Strings	361	361	-	3,165
849	3199	Adult Education	5,236	5,236	-	1,172
850	1330	Adult Education Local	2,578	2,578	-	968
851	1330	Teen Life - Capps	4,470	4,470	-	15,354
853	N/A	Parenting Grant	-	-	-	97
854	3199	Clemson University/Reading Recovery	4,698	4,698	-	3,731
859	N/A	Lunch Program Aid	-	-	-	3,854
860	3199	SC Gear Up	202,336	202,336	-	-
861	N/A	Telamon Corp Youth Commerce	-	-	-	190
862	1930	Special Needs Transportation	2,102	2,102	-	15,244
863	3199	Bright Ideas Grant	3,744	3,744	-	2,224
865	3199	Project Hope	51,739	51,739	-	-
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, 2015
(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	9,263	9,263	-	14,050
869	1920	Humanities Council Grant	3,294	3,294	-	206
870	1930	Medicaid	331,039	472,771	-	-
872	1930	Medicaid	22,519	22,519	-	171,510
873	1930	Teen Companion - Medicaid	89,746	90,694	-	-
874	1930	Medicaid - Nurses	219,950	249,956	-	-
878	N/A	Fine Arts Grant	-	-	-	3,164
879	1920	MUSC Fitness Grant	4,806	4,806	-	12,195
880	N/A	Teaching American History	-	-	-	16,218
890	3999	First Steps	91,782	91,782	-	-
891	1999	First Steps	410	410	-	-
		Subtotal	6,133,158	6,421,619	(114,714)	432,017
XX		Public Charter School	148,533	153,919	5,386	-
		Total	<u>\$ 6,281,691</u>	<u>\$ 6,575,538</u>	<u>\$ (109,328)</u>	<u>\$ 432,017</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, 2015**

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	\$ 5,589	\$ 5,589	\$ -	65,778
918	3198	Tech Professional Development	1,863	1,863	-	21,922
919	3193	Education License Plates	3,317	3,317	-	-
926	3116	EEDA - Miscellaneous	35,258	35,258	-	-
928	3118	EEDA Career Specialist	84,770	84,770	-	-
935	3135	Reading Coaches	303,762	303,762	-	9,888
937	3127	Student Health and Fitness	81,947	2,670	(79,277)	-
955	3155	DSS Snap & E&T Program	33,142	33,142	-	15,178
960	3610	K-5 Enhancement	306,290	22,202	(284,088)	207,276
963	3630	Technology	24,252	24,252	-	285,135
965	3605	Digital Instructional Material	-	-	-	24,884
967	3607	6-8 Enhancement	<u>34,473</u>	<u>1,165</u>	<u>(33,308)</u>	<u>3,961</u>
		Subtotal	914,663	517,990	(396,673)	634,022
XX		Public Charter School	<u>116,748</u>	<u>116,748</u>		<u>8,810</u>
		Totals	<u>\$ 1,031,411</u>	<u>\$ 634,738</u>	<u>\$ (396,673)</u>	<u>\$ 642,832</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, 2015**

REVENUES

3000 Revenue From State Sources

3500 Educational Improvement Act	
3502 ADEPT	\$ 15,270
3509 Arts in Education	53,067
3511 Professional Development	53,277
3518 Formative Assessment	3,317
3525 Career and Technology Education Equipment	62,230
3526 Refurbishment of K-8 Science Kits	46,371
3533 Teacher of the Year Award	1,077
3538 Student At Risk of School Failure	593,610
3541 Child Development Education Pilot Program	871,976
3550 Teacher Salary Increase	674,332
3555 School Employer Contributions	116,733
3556 Adult Education	166,900
3558 Reading	42,430
3571 Palmetto Priority Schools	14,674
3577 Teacher Supplies	78,000
3578 High Schools That Work/Making Middle Grades Work	45,812
3581 Student Health and Fitness - Nurses	168,514
3585 Aid to Districts - Special Education	19,586
3592 Worked-Based Learning	25,399
3594 EEDA At Risk Supplemental Programs	125,368
3595 EEDA - Supplies and Materials - Career Awareness	1,178
3597 Aid to Districts	<u>329,945</u>

Total State Sources	<u>3,509,066</u>
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TOTAL REVENUE ALL SOURCES	<u>3,509,066</u>
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**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, 2015
 (Continued)**

EXPENDITURES

100 Instruction

110 General Instruction

112 Primary Programs

100 Salaries	\$ 44,972
200 Employee Benefits	2,495
400 Supplies and Materials	7,624

113 Elementary Programs

100 Salaries	352,369
200 Employee Benefits	115,095
300 Purchased Services	56,374
400 Supplies and Materials	82,394
500 Capital Outlay	5,557

114 High School Programs

100 Salaries	150,166
200 Employee Benefits	53,810
300 Purchased Services	18,508
400 Supplies and Materials	45,017
500 Capital Outlay	1,049

115 Career and Technology Education Programs

400 Supplies and Materials	57,822
500 Capital Outlay	6,408

120 Exceptional Programs

122 Trainable Mentally Handicapped

100 Salaries	19,586
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126 Speech Handicapped

400 Supplies and Materials	1,500
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128 Emotionally Handicapped

400 Supplies and Materials	1,500
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**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, 2015
(Continued)**

140 Special Programs

147 CDEPP

100 Salaries	\$	524,054
200 Employee Benefits		234,193
300 Purchased Services		11,202
400 Supplies and Materials		9,347
500 Capital Outlay		4,000

180 Adult/Continuing Educational Programs

181 Adult Basic Education Programs

100 Salaries		9,415
200 Employee Benefits		2,437
300 Purchased Services		118
400 Supplies and Materials		884

188 Parenting/Family Literacy

300 Purchased Services		9
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Total Instruction

1,817,905

200 Support Services

210 Pupil Services

212 Guidance Services

300 Purchased Services		5,650
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213 Guidance Services:

100 Salaries		77,773
200 Employee Benefits		90,741

220 Instructional Staff Services

221 Improvement of Instruction - Curriculum Development

300 Purchased Services		3,531
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223 Supervision of Special Programs

100 Salaries		131,195
200 Employee Benefits		39,934

**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, 2015
(Continued)**

224 Improvement of Instruction - In-service and Staff Training	
300 Purchased Services	\$ 27,668
400 Supplies and Materials	16,147
230 General Administrative Services	
233 School Administration	
300 Purchased Services	1,656
500 Capital Outlay	4,431
250 Finance and Operations Services	
258 Security	
300 Purchased Services	7,813
260 Central Support Services	
263 Information Services	
300 Purchased Services	1,678
266 Technology and Data Processing Services	
300 Purchased Services	924
270 Support Services - Pupil Activities	
271 Pupil Services Activities	
300 Purchased Services	2,665
600 Other Objects	<u>1,753</u>
Total Support Services	<u>414,759</u>
400 Other Charges	
410 Intergovernmental Expenditures	
416 Payments to Public Charter Schools	
720 Transits	<u>213,287</u>
Total Intergovernmental	<u>213,287</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, 2015
(Continued)

OTHER FINANCING SOURCES (USES)

Interfund Transfers, From (To) Other Funds:

5230 Transfer from Special Revenue EIA Fund	\$ 58,436
420-710 Transfer to General Fund	<u>(1,121,551)</u>

TOTAL OTHER FINANCING SOURCES (USES) (1,063,115)

Excess of Revenues Over Expenditures -

Fund Balance, July 1, 2014 -

Fund Balance, June 30, 2015 \$ -

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
EDUCATION IMPROVEMENT ACT
SUMMARY SCHEDULE BY PROGRAM
For the Fiscal Year Ended June 30, 2015**

PROGRAM	<u>Revenues</u>	<u>Expenditures</u>	EIA Interfund Transfers <u>In/(Out)</u>	Other Fund Transfers <u>In/(Out)</u>	Deferred Revenue
3500 Educational Improvement Act					
3502 ADEPT	\$ 15,270	\$ 15,270	\$ -	\$ -	\$ 12,386
3505 Technology Support	-	-	-	-	21,361
3509 Arts in Education	53,067	53,067	-	-	-
3511 Professional Development	51,386	2,025	-	(49,361)	-
3518 Formative Assessment	1,728	1,728	-	-	53,910
3525 Career and Technology Education Equipment	62,230	62,230	-	-	61,824
3526 Refurbishment of K-8 Science Kits	45,081	1,290	-	(43,791)	16,617
3533 Teacher of the Year Award	1,077	1,077	-	-	-
3538 Student At Risk of School Failure	546,499	604,935	-	58,436	227,152
3541 Child Development Education Pilot Program	784,548	784,548	-	-	-
3550 Teacher Salary Increase	632,674	41,658	-	(591,016)	-
3555 School Employer Contributions	109,457	7,276	-	(102,181)	-
3556 Adult Education	166,900	166,900	-	-	6,981
3558 Reading	40,982	1,448	-	(39,534)	-
3571 Palmetto Priority Schools	14,674	14,674	-	-	76,916
3577 Teacher Supplies	78,000	78,000	-	-	-
3578 High Schools That Work/Making Middle Grades Work	45,812	45,812	-	-	4,392
3581 Student Health and Fitness - Nurses	168,514	168,514	-	-	-
3585 Aid to Districts - Special Education	19,586	19,586	-	-	-
3592 Worked-Based Learning	25,399	25,399	-	-	6,312
3594 EEDA At Risk Supplemental Programs	125,368	125,368	-	-	142
3595 EEDA - Supplies and Materials - Career Awareness	621	621	-	-	7,114
3597 Aid to Districts	313,443	17,775	-	(295,668)	58,112
Subtotal	3,302,316	2,239,201	-	(1,063,115)	553,219
Public Charter School	206,750	206,750	-	-	-
Total	<u>\$ 3,509,066</u>	<u>\$ 2,445,951</u>	<u>\$ -</u>	<u>\$ (1,063,115)</u>	<u>\$ 553,219</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, 2015**

REVENUES

1000 Revenues From Local Sources

1100 Taxes	
1110 Ad Valorem Taxes - Including Delinquent	\$ 2,222,676
1140 Penalties and Interest on Taxes	28,209
1200 Revenue From Local Governmental Units Other Than LEA	
1280 Revenue in Lieu of Taxes	421,424
1500 Earnings on Investments	
1510 Interest on Investments	<u>3,726</u>
 Total Local Sources	 <u>2,676,035</u>

3000 Revenues From State Sources

3800 State Revenue in Lieu of Taxes	
3820 Homestead Exemption (Tier 2)	193,573
3830 Merchant Inventory Tax	13,584
3840 Manufacturers Depreciation Reimbursement	164,337
3890 Other State Property Tax Revenues	<u>10,799</u>
 Total State Sources	 <u>382,293</u>

TOTAL REVENUES ALL SOURCES	<u>3,058,328</u>
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EXPENDITURES

500 Debt Service	
610 Redemption of Principal	401,000
620 Interest	49,720
690 Other Objects	<u>21,976</u>
 Total Debt Service	 <u>472,696</u>

TOTAL EXPENDITURES	<u>472,696</u>
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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, 2015
(Continued)

OTHER FINANCING SOURCES (USES)

5110 Premium on Bonds Sold	\$	13,073
Interfund Transfers, From (To) Other Funds:		
423-710 Transfer to Debt Service - EFC		(1,476,468)
424-710 Transfer to Capital Projects Fund		<u>(920,628)</u>
TOTAL OTHER FINANCING SOURCES (USES)		<u>(2,384,023)</u>
Excess of Revenues Over Expenditures		201,609
Fund Balance, July 1, 2014 (Restated)		<u>1,496,194</u>
Fund Balance, June 30, 2015	\$	<u><u>1,697,803</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, 2015**

REVENUES

1000 Revenues From Local Sources

1500 Earnings on Investments	\$ 209
1510 Interest on Investments	
1900 Other Revenue from Local Sources	
1999 Revenue from Other Local Sources	<u>18,966</u>
Total Local Sources	<u>19,175</u>

TOTAL REVENUES ALL SOURCES	<u>19,175</u>
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EXPENDITURES

500 Debt Service	
610 Redemption of Principal	395,000
620 Interest	980,313
690 Other Objects	<u>2,499</u>
Total Debt Service	<u>1,377,812</u>

TOTAL EXPENDITURES	<u>1,377,812</u>
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OTHER FINANCING SOURCES (USES)

Interfund Transfers, From (To) Other Funds:

5240 Transfer from Debt Service Fund - District	1,476,468
424-710 Transfer to Capital Projects Fund	<u>(195,000)</u>

TOTAL OTHER FINANCING SOURCES (USES)	<u>1,281,468</u>
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Excess (Deficiency) of Revenues Over Expenditures	(77,169)
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Fund Balance, July 1, 2014	<u>1,949,280</u>
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Fund Balance, June 30, 2015	<u>\$ 1,872,111</u>
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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, 2015**

	<u>State</u>	<u>QZAB 2008A</u>	<u>QZAB 2008B</u>	<u>TOTAL</u>
REVENUES				
1500 Earnings on Investments				
1510 Interest on Investments	\$ -	\$ 81	\$ 1	\$ 82
Total Local Sources	<u>-</u>	<u>81</u>	<u>1</u>	<u>82</u>
TOTAL REVENUES ALL SOURCES	<u>-</u>	<u>81</u>	<u>1</u>	<u>82</u>
EXPENDITURES				
250 Finance and Operations Services				
253 Facilities Acquisition & Construction				
300 Purchased Services	2,083	-	-	2,083
500 Capital Outlay	2,855,195	-	-	2,855,195
500 Debt Service				
620 Interest	-	83,770	-	83,770
690 Other Objects	-	-	-	-
TOTAL EXPENDITURES	<u>2,857,278</u>	<u>83,770</u>	<u>-</u>	<u>2,941,048</u>
OTHER FINANCING SOURCES (USES)				
5550 Capital Lease	1,500,000	-	-	1,500,000
Interfund Transfers, From (To) Other Funds:				
5240 Transfer from Debt Service	701,475	637,595	-	1,339,070
TOTAL OTHER FINANCING SOURCES	<u>2,201,475</u>	<u>637,595</u>	<u>-</u>	<u>2,839,070</u>
Excess (Deficiency) of Revenues Over Expenditures	(655,803)	553,906	1	(101,896)
Fund Balance, July 1, 2014 (Restated)	<u>2,947,930</u>	<u>1,015,759</u>	<u>9,441</u>	<u>3,973,130</u>
Fund Balance, June 30, 2015	<u>\$ 2,292,127</u>	<u>\$ 1,569,665</u>	<u>\$ 9,442</u>	<u>\$ 3,871,234</u>

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
CAPITAL PROJECTS FUND-EFC
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
June 30, 2015**

REVENUES

1000 Revenues From Local Sources

1500 Earnings on Investments	
1510 Interest on Investments	\$ 45

Total Local Sources	<u>45</u>
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TOTAL REVENUES ALL SOURCES	<u>45</u>
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EXPENDITURES

500 Debt Service	
690 Other Objects (Including Fees for Servicing Bonds)	<u>5,765</u>

TOTAL EXPENDITURES	<u>5,765</u>
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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)
424-710 Transfer to School Building Fund	<u>(418,461)</u>

TOTAL OTHER FINANCING SOURCES (USES)	(418,461)
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Excess (Deficiency) of Revenues Over Expenditures	(424,181)
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Fund Balance, July 1, 2014	<u>569,041</u>
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Fund Balance, June 30, 2015	<u><u>\$ 144,860</u></u>
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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, 2015**

REVENUES

1000 Revenue From Local Sources

1500 Local Earnings on Investments		
1510 Interest	\$	5,261
1600 Food Service		
1610 Lunch Sales to Pupils		19,665
1620 Breakfast Sales to Pupils		382
1630 Special Sales to Pupils		35,839
1640 Lunch Sales to Adults		59,765
1650 Breakfast Sales to Adults		4,744
1660 Special Sales to Adults		42,130
1900 Other Revenue from Local Sources		
1999 Revenue from Other Local Sources		<u>55,585</u>
Total Revenue From Local Sources		<u>223,371</u>

3000 Revenues From State Sources

3100 State Revenue in Lieu of Taxes		
3140 School Lunch		
3142 Program Aid		<u>254</u>
Total Revenue From State Sources		<u>254</u>

4000 Revenue From Federal Sources

4800 USDA Reimbursement		
4810 School Lunch Program		1,949,049
4830 School Breakfast Program		890,853
4860 Fresh Fruits and Vegetables Program		187,301
4900 Other Federal Sources		
4991 USDA Commodities		<u>117,914</u>
Total Revenue From Federal Sources		<u>3,145,117</u>
TOTAL REVENUE ALL SOURCES		<u>3,368,742</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, 2015
(Continued)**

EXPENSES

256 Food Service	
100 Salaries	\$ 1,111,505
200 Employee Benefits	(81,150)
300 Purchased Services	60,894
400 Supplies and Materials	1,462,687
500 Capital Outlay	81,810
600 Other Objects	<u>3,087</u>
TOTAL EXPENSES	<u>2,638,833</u>

OTHER FINANCING SOURCES (USES)

Interfund Transfers, From (To) Other Funds

420-710 Transfer to General Fund (Excludes Indirect Costs)	(173,726)
432-791 Food Service Indirect Cost	<u>(126,816)</u>

TOTAL OTHER FINANCING SOURCES (USES)	<u>(300,542)</u>
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Change in Net Position	429,367
Net Position, July 1, 2014 (Restated)	<u>120,706</u>
Net Position, June 30, 2015	<u><u>\$ 550,073</u></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, 2015

RECEIPTS

1000 Receipts From Local Sources

1500 Earnings on Investments:	
1510 Interest on Investments	\$ 264
1700 Pupil Activities	
1710 Admissions	185,915
1720 Bookstore Sales	115,799
1730 Pupil Organization Membership	217,838
1740 Student Fees	29,441
1790 Other	<u>383,770</u>
TOTAL RECEIPTS ALL SOURCES	<u>933,027</u>

DISBURSEMENTS

190 Instructional Pupil Activity	
660 Pupil Activity	25,998
270 Supporting Services Pupil Activity	
271 Pupil Service Activities	
660 Pupil Activity	879,344
272 Enterprise Activities	
660 Pupil Activity	<u>61,141</u>
TOTAL DISBURSEMENTS	<u>966,483</u>

Excess (Deficiency) of Revenues Over Expenditures (33,456)

Due to Student Organizations, July 1, 2014 228,875

Due to Student Organizations, June 30, 2015 \$ 195,419

MISCELLANEOUS SCHEDULES

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
DETAILED SCHEDULE OF DUE TO STATE AND FEDERAL GOVERNMENTS
June 30, 2015**

<u>Program</u>	<u>Project/Grant Number</u>	<u>Revenue & Subfund Codes</u>	<u>Description</u>	<u>Amount Due to State/Fed</u>
IDEA	IDEA	4510/203	Error in Reimbursement	\$ 1,348
Army ROTC	ROTC	4990/270	Error in Reimbursement	<u>10,674</u>
	Subtotal			12,022
Reading Coaches/K-12 Technology	Public Charter School		Unspent Funds	<u>23,812</u>

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
BALANCE SHEET – D.P. COOPER (CHARTER SCHOOL)
June 30, 2015**

<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	7,916,746
11	KSHE	High Schools	School	4,992,579
12	KMS	Middle Schools	School	3,097,633
13	St. Mark	Non-Schools	Central	984
15	KGES	Elementary Schools	School	3,166,942
16	WMAES	Elementary Schools	School	3,137,963
17	Special Service	Non-Schools	Central	2,281,785
18	HES	Elementary Schools	School	3,616,422
20	HHS	High Schools	School	3,412,801
21	MS of the A	Elementary Schools	School	3,440,405
22	HAM	Middle Schools	School	1,496,072
23	Chades Hebron	Non-Schools	Central	(185)
27	DP Cooper	Elementary Schools	School	2,892,458
30	GES	Elementary Schools	School	3,011,746
31	CEMHS	High Schools	School	4,180,323
32	Finance	Non-Schools	Central	4,155,412
33	Instruction Dept	Non-Schools	Central	5,223,252
35	HCTC	Non-Schools	Central	772,931
37	Pur/Whouse	Non-Schools	Central	31,700
38	Supt/County Board	Non-Schools	Central	560,321
40	KAA	Non-Schools	Central	2,570,655
41	Maintenance	Non-Schools	Central	1,276,869
45	Youth Academy	Non-Schools	Central	247,301
TOTAL EXPENDITURES/DISBURSEMENTS FOR ALL FUNDS				\$ 61,483,115

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

General Fund	33,204,356
Special Revenue Fund	12,909,045
Special Revenue EIA Fund	3,360,752
Debt Service Funds	4,538,999
Capital Project Funds	3,560,274
Food Service Fund	2,943,206
Pupil Activity Fund	966,483
TOTAL EXPENDITURES/DISBURSEMENTS FOR ALL FUNDS	\$ 61,483,115

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
BALANCE SHEET – D.P. COOPER (CHARTER SCHOOL)
June 30, 2015**

	General	Special Revenue		Total
		Special Projects	EIA	
Assets				
Cash	\$ 276,653	\$ -	\$ -	\$ 276,653
Due from Other Governmental Units	199,838	-	-	199,838
Due from Other Funds	-	8,810	-	8,810
	<u>476,491</u>	<u>8,810</u>	<u>-</u>	<u>485,301</u>
Total Assets				
Liabilities and Fund Balances				
Liabilities				
Accounts Payable	\$ 64,207	\$ -	\$ -	\$ 64,207
Accrued Liabilities	255,155	-	-	255,155
Due to Other Governmental Units	23,812	-	-	23,812
Due to Other Funds	8,810	-	-	8,810
Note Payable	140,000	-	-	140,000
Unearned Revenue	-	8,810	-	8,810
	<u>491,984</u>	<u>8,810</u>	<u>-</u>	<u>500,794</u>
Total Liabilities	<u>491,984</u>	<u>8,810</u>	<u>-</u>	<u>500,794</u>
Fund Deficit				
Unassigned	(15,493)	-	-	(15,493)
	<u>(15,493)</u>	<u>-</u>	<u>-</u>	<u>(15,493)</u>
Total Fund Balances	<u>(15,493)</u>	<u>-</u>	<u>-</u>	<u>(15,493)</u>
Total Liabilities and Fund Balances	<u>\$ 476,491</u>	<u>\$ 8,810</u>	<u>\$ -</u>	<u>\$ 485,301</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, 2015**

	<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	\$ 31,235	\$ 31,235	\$ -
1900 Other Revenue from Local Sources			
1910 Rentals	770	770	-
1920 Contributions and Donations from Private Sources	9,700	7,317	(2,383)
1990 Miscellaneous Local Revenue			
1999 Revenue from Other Local Sources	<u>59,760</u>	<u>25,140</u>	<u>(34,620)</u>
Total Local Sources	<u>101,465</u>	<u>64,462</u>	<u>(37,003)</u>
3000 Revenue from State Sources			
3300 Education Finance Act			
3310 Full-Time Programs			
3311 Kindergarten	2,097,802	201,570	(1,896,232)
3312 Primary	-	566,358	566,358
3313 Elementary	-	677,909	677,909
3316 Speech Handicapped (Part-Time)	-	163,354	163,354
3320 Part-Time Programs			
3321 Emotionally Handicapped	-	30,629	30,629
3323 Learning Disabilities	-	187,332	187,332
3326 Orthopedically Handicapped	-	27,397	27,397
3330 Other EFA Programs			
3332 High Achieving Students	-	4,215	4,215
3351 Academics Assistance	-	71,655	71,655
3352 Pupils in Poverty	<u>-</u>	<u>167,382</u>	<u>167,382</u>
Total State Sources	<u>2,097,802</u>	<u>2,097,801</u>	<u>(1)</u>
TOTAL REVENUES ALL SOURCES	<u>2,199,267</u>	<u>2,162,263</u>	<u>(37,004)</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, 2015
(Continued)**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
EXPENDITURES			
100 Instruction			
110 General Instruction			
111 Kindergarten Programs			
100 Salaries	\$ 817,634	\$ 42,215	\$ 775,419
200 Employee Benefits	300,291	17,946	282,345
112 Primary Programs			
100 Salaries	-	462,921	(462,921)
200 Employee Benefits	-	186,863	(186,863)
300 Purchased Services	1,765	1,600	165
113 Elementary Programs			
100 Salaries	-	182,305	(182,305)
200 Employee Benefits	-	36,415	(36,415)
300 Purchased Services	1,765	1,135	630
400 Supplies and Materials	48,100	43,818	4,282
500 Capital Outlay	7,154	2,067	5,087
120 Exceptional Programs			
122 Trainable Mentally Handicapped			
300 Purchased Services	-	200	(200)
127 Learning Disabilities			
100 Salaries	63,700	60,338	3,362
200 Employee Benefits	26,076	25,581	495
300 Purchased Services	2,000	876	1,124
180 Adult/Continuing Educational Programs			
188 Parenting/Family Literacy			
100 Salaries	-	6,065	(6,065)
200 Employee Benefits	-	6,506	(6,506)
300 Purchased Services	-	3,000	(3,000)
400 Supplies and Materials	-	537	(537)
Total Instruction	<u>1,268,485</u>	<u>1,080,388</u>	<u>188,097</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, 2015
(Continued)**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
200 Support Services			
210 Pupil Services			
212 Guidance Services			
100 Salaries	\$ 56,222	\$ 50,115	\$ 6,107
200 Employee Benefits	17,893	17,569	324
220 Instructional Staff Services			
222 Library and Media Services			
100 Salaries	71,429	65,456	5,973
200 Employee Benefits	18,344	20,203	(1,859)
224 Improvement of Instruction - Inservice and Staff Training			
300 Purchased Services	13,000	10,235	2,765
230 General Administration Services			
231 Board of Education			
300 Purchased Services	6,200	8,633	(2,433)
318 Audit Services	5,100	5,100	-
400 Supplies and Materials	9,696	9,696	-
600 Other Objects	145,352	5,294	140,058
233 School Administration			
100 Salaries	218,227	244,262	(26,035)
200 Employee Benefits	76,281	81,053	(4,772)
300 Purchased Services	6,300	4,496	1,804
400 Supplies and Materials	15,511	11,490	4,021
500 Capital Outlay	5,600	1,159	4,441
250 Finance and Operations Services			
252 Fiscal Services			
300 Purchased Services	42,863	42,863	-
600 Other Objects	2,000	1,700	300

**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, 2015
(Continued)**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
254 Operations and Maintenance of Plant			
100 Salaries	\$ 42,104	\$ 47,995	\$ (5,891)
200 Employee Benefits	18,126	18,780	(654)
300 Purchased Services	76,817	74,644	2,173
321 Public Utilities	1,500	884	616
400 Supplies and Materials	23,016	24,506	(1,490)
470 Energy	77,450	78,938	(1,488)
 255 Student Transportation			
100 Salaries	117,052	117,052	-
200 Employee Benefits	13,870	11,307	2,563
300 Purchased Services	72,329	71,102	1,227
500 Capital Outlay	-	25,337	(25,337)
600 Other Objects	849	-	849
 258 Security			
300 Purchased Services	19,200	10,449	8,751
500 Capital Outlay	-	16,555	(16,555)
 270 Support Services Pupil Activity			
 271 Pupil Services Activities			
100 Salaries	4,141	-	4,141
200 Employee Benefits	2,245	-	2,245
400 Supplies and Materials	12,658	-	12,658
660 Supporting Services Pupil Activity	<u>5,600</u>	<u>15,696</u>	<u>(10,096)</u>
 Total Support Services	 <u>1,196,975</u>	 <u>1,092,569</u>	 <u>104,406</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, 2015
(Continued)**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
500 Debt Service			
610 Principal	\$ -	\$ 4,185	\$ 4,185
Total Debt Service	<u>-</u>	<u>4,185</u>	<u>4,185</u>
TOTAL EXPENDITURES	<u>2,465,460</u>	<u>2,177,142</u>	<u>296,688</u>
OTHER FINANCING SOURCES (USES)			
5400 Proceeds from Long-Term Notes	137,650	16,555	(121,095)
Interfund Transfers, From (To) Other Funds			
421-710 Transfer to Special Revenue Fund	<u>-</u>	<u>(5,386)</u>	<u>5,386</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>137,650</u>	<u>11,169</u>	<u>(115,709)</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (128,543)</u>	<u>(3,710)</u>	<u>\$ 124,833</u>
Fund Deficit, July 1, 2014		<u>(11,783)</u>	
Fund Deficit, June 30, 2015		<u>\$ (15,493)</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, 2015**

	Special Revenue		
	Special Projects	EIA	Total
1000 Revenues From Local Sources			
1900 Other Revenue From Local Sources			
1990 Miscellaneous Local Revenue			
1992 Canteen Operations	\$ 8,534	\$ -	\$ 8,534
	8,534	-	8,534
3000 Revenue From State Sources			
3100 Restricted State Funding			
3110 Occupational Education			
3118 EEDA Career Specialists	6,107	-	6,107
3130 Special Programs			
3135 Reading Coaches	62,730	-	62,730
3136 Student Helath and Fitness - Nurses	3,309	-	3,309
3177 Summer Reading Camps	585	-	585
3190 Miscellaneous Restricted State Grants			
3193 Education License Plates	119	-	119
3500 Educational Improvement Act			
3511 Professional Development	-	1,891	1,891
3518 Formative Assessment	-	1,589	1,589
3526 Refurbishment of K-8 Science Kits	-	1,290	1,290
3538 Student At Risk of School Failure	-	47,111	47,111
3541 Child Development Education Pilot Program	-	87,428	87,428
3550 Teacher Salary Increase	-	41,658	41,658
3555 School Employer Contributions	-	7,276	7,276
3558 Reading	-	1,448	1,448
3595 EEDA - Supplies and Materials - Career Awareness	-	557	557
3597 Aid to Districts	-	16,502	16,502
3600 Education Lottery Act Revenue			
3607 6-8 Enhancement	1,165	-	1,165
3610 K-5 Enhancement	20,443	-	20,443
3630 K-12 Technology Initiative	22,290	-	22,290
	116,748	206,750	323,498
Total State Sources	116,748	206,750	323,498

**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, 2015
(Continued)**

	Special Revenue		
	Special Projects	EIA	Total
4000 Revenue From Federal Sources			
4300 Elementary and Secondary Education Act of 1965 (ESEA)			
4310 Title I	\$ 84,029	\$ -	\$ 84,029
4320 Charter School (Planning and Implementation) Grant	139,999	-	139,999
 Total Federal Sources	224,028	-	224,028
TOTAL REVENUES	349,310	206,750	556,060
EXPENDITURES			
100 Instruction			
110 General Instruction			
111 Kindergarten Programs			
100 Salaries	11,608	-	11,608
200 Employee Benefits	7,009	-	7,009
112 Primary Programs			
100 Salaries	63,185	44,687	107,872
200 Employee Benefits	19,373	2,424	21,797
400 Supplies and Materials	79	124	203
500 Capital Outlay	964	-	964
113 Elementary Programs (4-8)			
100 Salaries	44,208	41,658	85,866
200 Employee Benefits	14,621	7,276	21,897
300 Purchases Services	585	746	1,331
400 Supplies and Materials	36,716	2,614	39,330
500 Capital Outlay	75,156	557	75,713
120 Exceptional Programs			
127 Learning Disabilities			
400 Supplies and Materials	1,124	-	1,124

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, 2015
(Continued)

	Special Revenue		Total
	Special Projects	EIA	
140 Special Programs			
147 CDEPP			
100 Salaries	\$ -	\$ 59,668	\$ 59,668
200 Employee Benefits	-	16,575	16,575
400 Supplies and Materials	1,568	5,432	7,000
500 Capital Outlay	-	4,000	4,000
180 Adult/Continuing Educational Programs			
188 Parenting/Family Literacy			
100 Salaries	20,000	-	20,000
200 Employee Benefits	4,000	-	4,000
Total Instruction	<u>300,196</u>	<u>185,761</u>	<u>485,957</u>
200 Supporting Services			
210 Pupil Services			
212 Guidance Services			
100 Salaries	6,107	-	6,107
213 Health Services			
100 Salaries	224	-	224
200 Employee Benefits	1,101	-	1,101
220 Instructional Staff Services			
221 Improvement of Instruction - Curriculum Development			
300 Purchased Services	5,000	-	5,000
224 Improvement of Instruction Inservice and Staff Training			
300 Purchased Services	-	2,734	2,734
230 General Administration Services			
231 Board of Education			
300 Purchased Services	3,200	-	3,200
600 Other Objects	750	-	750

**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, 2015
(Continued)**

	Special Revenue		Total
	Special Projects	EIA	
233 School Administration			
300 Purchased Services	\$ 3,000	\$ 1,656	\$ 4,656
400 Supplies and Materials	2,257	-	2,257
500 Capital Outlay	-	4,431	4,431
 250 Finance and Operations Services			
 256 Food Service			
300 Purchased Services	13,921	-	13,921
 258 Security			
300 Purchased Services	-	7,813	7,813
 260 Central Support Services			
 263 Information Services			
300 Purchased Services	8,895	1,678	10,573
 266 Technology and Data Processing Services			
300 Purchased Services	8,060	924	8,984
 270 Support Service Activities - Pupil Activity			
 271 Pupil Service Activities			
600 Other Objects	1,985	1,753	3,738
 Total Support Services	54,500	20,989	75,489
 TOTAL EXPENDITURES	354,696	206,750	561,446
 OTHER FINANCING SOURCES (USES)			
 Interfund Transfers, From (To) Other Funds:			
5210 Transfer from General Fund	5,386	-	5,386
 TOTAL OTHER FINANCING SOURCES (USES)	5,386	-	5,386
 Excess (Deficiency) of Revenues Over Expenditures	-	-	-
 Fund Balance, July 1, 2014	-	-	-
 Fund Balance, June 30, 2015	\$ -	\$ -	\$ -

COMPLIANCE SECTION

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
SCHEUDLE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended June 30, 2015**

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	15-BA088 *	\$ 3,455,591
221	Title I State Program Improvement	84.010	14-BM088 *	60,736
237	Title I State Program Improvement	84.010	14-BM088 *	76,755
239	Title I State Program Improvement	84.010	14-BL088 *	124,643
	TOTAL 84.010			\$ 3,717,725
203	IDEA	84.027.	14-CA088 *	409,905
203	IDEA	84.027.	15-CA088 *	1,326,212
216	IDEA Preschool	84.173	13-CG088 *	18,603
216	IDEA Preschool	84.173	14-CG088 *	21,374
216	IDEA Preschool	84.173	15-CG088 *	45,275
	TOTAL 84.027 and 84.173			\$ 1,821,369
207	Perkins Aid, Title I (Subprogram 01)	84.048	14-VA088	686
207	Perkins Aid, Title I (Subprogram 04)	84.048	14-VA088	17,166
207	Perkins Aid, Title I (Subprogram 05)	84.048	14-VA088	6,526
207	Perkins Aid, Title I (Subprogram 06)	84.048	14-VA088	21,599
207	Perkins Aid, Title I (Subprogram 10)	84.048	14-VA088	64,624
207	Perkins Aid, Title I (Subprogram 14)	84.048	14-VA088	950
	TOTAL 84.048			\$ 111,551
251	Rural and Low Income School Program, Title VI	84.358	13-BS088	-
251	Rural and Low Income School Program, Title VI	84.358	14-BS088	-
251	Rural and Low Income School Program, Title VI	84.358	15-BS088	78,610
	TOTAL 84.358			\$ 78,610
267	Improving Teacher Quality	84.367A	14-TQ088	228,574
267	Improving Teacher Quality	84.367A	15-TQ088	500,379
	TOTAL 84.367A			\$ 728,953
243	Adult Education	84.002	15-EA088	69,538
224	21st Century Learning	84.287	15-CL088 *	760,075
285	South Carolina GEAR UP	84.335	N/A	<u>1,902,084</u>
	TOTAL U.S. DEPARTMENT OF EDUCATION			<u>9,189,905</u>

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
SCHEUDLE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended June 30, 2015
(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	\$ 117,914
600	School Breakfast Program	10.553	N/A	890,853
600	School Lunch & After School Snacks Program	10.555	N/A	1,949,049
600	USDA Fresh Fruits and Vegetables	10.582	N/A	<u>187,301</u>
TOTAL U.S. DEPARTMENT OF AGRICULTURE				<u>3,145,117</u>
U.S. DEPARTMENT OF DEFENSE				
Direct Program:				
270	Army ROTC	12.000	N/A	<u>189,384</u>
TOTAL U. S. DEPARTMENT OF DEFENSE				<u>189,384</u>
TOTAL FEDERAL ASSISTANCE EXPENDED				<u>\$ 12,524,406</u>

* Tested as Major Program

SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
NOTES TO THE SCHEUDLE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended June 30, 2015

- 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, 2015. 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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November 23, 2015

**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, 2015, 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 November 23, 2015.

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 15-2 to be a material weakness.

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 15-1 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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October 31, 2015

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON
INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR
A-133**

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 A-133 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, 2015. 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 OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about 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, 2015.

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 OMB Circular A-133. 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, 2015**

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. One deficiency was considered to be a material weakness.
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 page 111.
7. Major programs are as follows:

U. S. Department of Transportation:
Title 1 – CFDA 84.010
IDEA Cluster – CFDA 84.027/84.173
21st Century Learning – CFDA 84.287
8. Type A programs are those exceeding \$300,000. Type B programs are those exceeding \$100,000.
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, 2015
(Continued)**

B. FINDINGS RELATED TO FINANCIAL STATEMENTS

15-1 Oversight of Compliance Regulations regarding CATE Program

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.

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.

15-2 Procurement Policies

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.

Questioned Cost: Unknown

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.

**SCHOOL DISTRICT OF WILLIAMSBURG COUNTY
KINGSTREE, SOUTH CAROLINA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
For the Fiscal Year Ended June 30, 2015**

A. FINDINGS – FINANCIAL STATEMENTS AUDIT

14-1 Commodities

The School District's food service program receives commodities from USDA to assist with preparation of meals for students. The value of the commodities was not recorded as federal revenue and expenses in the general ledger.

Corrective Action was taken.

14-2 Technology Contracts and Procurement Policies

It was found in June of the fiscal year being audited that the Information Technology Department began signing a series of contracts to upgrade the technology infrastructure of the School District's school buildings. The School District Finance Department was not aware of the contracts or the projected costs until a substantial amount of the contracted services were incurred.

Corrective Action was taken.

14-3 Pupil Activity Funds

The School District maintains an accounting system at the local school level that accounts only for the individual funds and accounts of the school, its athletics, and clubs. The controls at the school level appear to be inadequate related to documentation of expenditures and receipts, and reconciliations of bank accounts to school ledgers.

Corrective Action was taken.

14-4 Bank Reconciliations

School District bank accounts were not properly or timely reconciled.

Corrective Action was taken.

14-5 Accounts Payable

Accounts payable not properly accrued at fiscal yearend.

Corrective Action was taken.

14-6 Failure to Comply with Audit Submission Requirements

Financial Report not submitted to the State Department of Education by December 1st.

Corrective Action was taken.